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AFTER THE SPRAWL COMMUNITY DEVELOPMENT CORPORATIONS WORK TO RECLAIM THE INNER CITY

Houston is a city without boundaries—either geographic or legislative. Its western prairies stretch to the Brazos River, with no natural boundary stopping its potential expansion. The fact that Texas law allows for continual annexation of land in the city's extraterritorial

on the edge of all U.S. cities easily accessible for subdivision. Houston, with its flat lands, has been particularly prone to sprawl: its area is now 594 square miles, with a population density of 4.6 people per acre. Los Angeles, the other "car" city, has an area of 453 square miles and

building rather than profit. CDCs generally are formed by concerned citizens who have learned from civic activism that change is best accomplished through coalitions of many stakeholders focused on one task. The task they choose is developing their neighborhood.



Navigation Boulevard, in the neighborhood of the Second Ward Community Development Corporation.

jurisdiction diffuses any pressure for redevelopment of the inner city. Houston's development community has always preferred to build new housing with new infrastructure on newly subdivided land, while neglecting or abandoning the city's historic neighborhoods: the original six wards, the communities of Harrisburg and Magnolia, and other such neighborhoods developed before World War II.

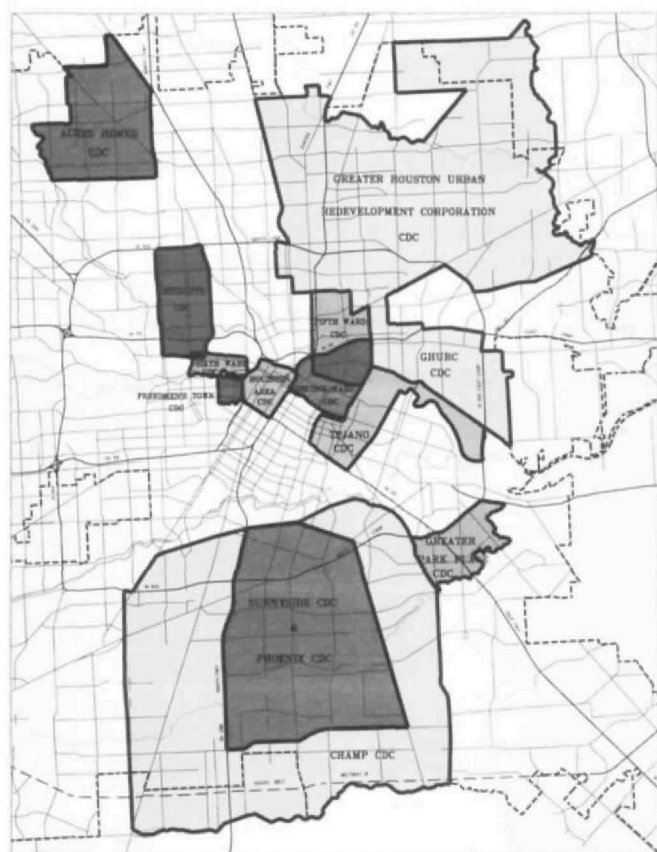
The availability of federal and state subsidies for the construction of new roads, highways, and ring roads has made land

a population density of 12 people per acre. Chicago—like Houston, founded in the 1830s—occupies 234 square miles, with 18.6 people per acre.¹

But there are forces bucking our city's ingrained habit of suburban spread. In the late 1980s, a group of community development corporations (CDCs) began working to build below-market-rate housing in Houston's older inner-city neighborhoods. The function of CDCs is to generate development and new construction, much like private development. Their focus, however, is on community

Currently, 39 CDCs throughout Houston have projects planned, under construction, or completed. How has the CDC movement fared in Houston, in the face of a culture based on individual rather than community initiative?

On 12 December 1994, New Foundations for Neighborhoods—a program of the United Way and the Local Initiatives Support Corporation, a national intermediary organization that provides technical and financial support to CDCs—conducted a bus tour to show corporate leaders, bankers, and local legislators



Houston's largest community development corporations.

housing developed by four of Houston's leading CDCs. At the first stop, at the corner of Garrow and Palmer in the East End near Navigation, were two houses built by the Second Ward CDC — the first single-family houses built in Second Ward in 50 years. Next were 30 units of new single-family housing built by the Fifth Ward Community Redevelopment Corporation, part of an extensive proposal to redevelop Fifth Ward with new housing (including multifamily housing), new businesses to revitalize Lyons Avenue, an educational festival scheduled for October 1996, partnering with the Neighborhoods to Standards program, and beautification and tree-planting projects. Also on the tour were seven houses just being completed by the Acres Homes CDC on huge Acres Homes lots (originally platted to accommodate subsistence farming), outside the Loop and west of Interstate 45 around Little York; and 13 new single-family houses built by the Greater Houston Urban Redevelopment Corporation in the Laura Koppe area off 59 North.²

Mortgage financing for most of the housing on the tour was provided by a zero-percent mortgage program administered by New Foundations and the Houston Housing Finance Corporation, a public, nonprofit housing finance agency, with permanent financing available from area banks such as First Interstate and Texas Commerce. The city has offered funding assistance in the form of "soft" second mortgages: when the first mortgage is paid, the second mortgage is forgiven.

The CDCs whose projects were presented on the tour are four of 23 currently assisted by New Foundations, up from only three in 1991. Although this total pales in comparison to the Chicago



Two homes on Garrow Street (Karen Hamilton, architect), built by the Second Ward CDC: the first new housing in this neighborhood in the last 50 years.

area's 100, the growing number of CDCs in Houston does show that the idea is catching on. The Heights CDC is well on its way to completing eight new houses in 1995. The Houston Area CDC is redeveloping a downtown hotel, the 1414 Congress Hotel, into a 57-unit single-room-occupancy (SRO) facility, designed to provide subsidized housing as a transitional step for those wishing to get out of area shelters but not yet able to afford permanent housing at market rates.

The Greater Park Place CDC, the Neartown CDC, and the Association for the Advancement of Mexican Americans CDC (AAMA-CDC) have ongoing programs to rehabilitate or develop new housing capacity in their service areas while they foster efforts to revitalize or beautify their neighborhoods. Other CDCs, such as the Third Ward CDC and the Frenchtown Community

Association, are currently working on master planning and community center developments. All these efforts point to the benefits that can accrue from the maturation of the CDCs' boards of directors and their relationships with the corporate, financial, and governmental entities of the city of Houston. These relationships are the key to the future of the CDC movement in Houston.

The typical CDC project takes several years to design, permit, build, and sell. The long gestation periods frustrate many participants and jeopardize projects with contingent funding. For example, Community Development Block Grants or Home Investment Partnership Program money from the U.S. Department of Housing and Urban Development may leverage bank loans, which may leverage foundation grants. Thus a hitch in one funding source can imperil all. Delays are due to several factors. Inevitable difficulties result because the board members of the CDCs are largely novices: for many this is the first effort at understanding the complexities of building permitting and

hoods: safe parks and meeting places, good schools, and shopping opportunities stemming from neighborhood initiative.

True to Houston's suburban bias, the first CDC projects have filled vacant land in older neighborhoods with suburban-style, single-family detached housing. Only the Fifth Ward CRC has realized that the area it is redeveloping is now a part of an urban entity. At some point in the future the inner-city neighborhoods must make a commitment to a housing type other than the single-family detached house, one that will permit greater density to offset the high cost of redeveloping older neighborhoods.

In *The Death and Life of Great American Cities*, Jane Jacobs describes the distinction between catastrophic redevelopment (when an area is allowed to deteriorate completely so that developers can justify demolishing the entire neighborhood every 50 years or so and begin construction with a clean slate) and incremental redevelopment (when small increments of funding are provided continuously so that a context is left for the new buildings and additions to the neighborhood). Catastrophic redevelopment results in single-age neighborhoods that are built in a short period of time and whose buildings age simultaneously. Securing new mortgage funding is difficult for older, single-age neighborhoods in decline. Thus begins a downward spiral of deterioration that reinforces the logic of scrapping the neighborhood and beginning again with yet another single-age neighborhood, which is later vulnerable to the same problem.

Funding incremental redevelopment can preserve a neighborhood and even allow opportunities for new development to respond to the existing context. The successful CDCs will be those that create a community of individuals working toward a development process based on incremental funding, to preserve the history and substance of the neighborhood. A relatively new mechanism of development, the CDC projects have the potential of redefining strategies for the renewal of Houston's inner-city neighborhoods. ■

1 City of Houston Planning and Development Department, "Demographic and Land Use Profile for Houston, Texas," June 1992, p. 9.

2 James Robinson, "Affordable Homes Provide Extra Reason for Holiday Joy," *Houston Chronicle*, 13 December 1994, p. 19A.

3 James Robinson, "Is the Housing Authority Underserving Hispanics?," *Houston Chronicle*, 14 August 1994, pp. 1C, 6C.

construction. The process is further slowed by the byzantine process of development platting, surveying, designing, permitting, contracting, and selling property in older neighborhoods. Extended schedules and inflated development budgets may result when redeveloping land with hidden environmental hazards, such as those that deterred the city of Houston from completing a 59-unit project at the Milby Bus Barn site despite an extensive, expensive, and successful remediation effort.

Most CDCs begin by building single-family detached houses in the \$55,000 to \$65,000 range, but these small individual projects fail to address the critical need for 20,000 units indicated by Houston's housing authority.³ And, except for the Fifth Ward CRC, few of the CDCs have looked beyond house construction to the larger forces that create viable neighbor-