#### **Rebuilding Our Neighborhoods Block by Block:**

## A Community Organizing Approach to Redeveloping Working and Middle Class Neighborhoods in Philadelphia

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This paper sketches a model of community redevelopment that aims to preserve and restore the working and middle class neighborhoods in the City of Philadelphia. It argues that community redevelopment in these neighborhoods must focus primarily on a broad range of quality of life issues that are largely created by what I call problem houses. Housing rehabilitation coordinated by community development corporations is needed to address these problem houses. But, to be successful, community development corporations cannot just see themselves as housing redevelopers. Rather, they must bring a community organizing perspective to their efforts in rebuilding our neighborhoods.

Two caveats about this paper in order: First, there is little new in this paper. Most of the ideas found in this paper are drawn from existing efforts at community restoration in Philadelphia and elsewhere. What I do believe is new is my insistence on the centrality of community organizing to housing redevelopment and my sense that this vital work has to be undertaken now, before we lose many more of the wonderful neighborhoods that make up this city.

Second, this paper does not present estimates of the average costs of acquiring and rehabilitating properties or of the subsidies that might be necessary to make rehabilitation possible for some properties. I hope to address these issues in a follow-up report.

## Housing Rehabilitation and Community Creation in Blighted Neighborhoods

There are blocks in this city—some of which are replicated in entire neighborhoods—that are in disastrous shape. Most of the houses on these blocks are dilapidated beyond repair. Some are mere shells created by fire and / or vandalism. Others have already collapsed. A few are standing and occupied, although they are often unsafe for human habitation and in such bad condition that they cannot be rehabilitated at any reasonable cost.

On these blocks, and in these neighborhoods, large scale, heavily subsidized housing redevelopment is necessary. In a city whose population has dramatically shrunk, some of these areas will not be redeveloped as residential neighborhoods in the foreseeable future. Others, however, are suitable sites for major redevelopment because of their proximity to transportation lines, to jobs, and, especially, to center city.

In recent years the City of Philadelphia has worked with developers to rebuild some what were once its worst neighborhoods. More money for such redevelopment would certainly be welcome. But progress is being made in large scale redevelopment, especially in parts of North Philadelphia east of Broad Street.

# Housing Rehabilitation, Community Rebuilding, and problem houses in Strong Neighborhoods.

There are other parts of the city, however, where very different kinds of redevelopment are needed. These working and middle class neighborhoods are home to the majority of the residents in this city. These neighborhoods mostly consist of owner-occupied row houses. And they are quite strong. Ninety percent of the people on a typical block work hard at a steady job—and sometimes more than one job. They take care of their children and do their best to keep the houses they own or rent in good shape.

But in almost all of these neighborhoods, a large proportion of the blocks are afflicted by a relatively small number of what I will call problem houses.

On almost every block there are one, two, or three houses that create problems for the whole neighborhood. Some of these houses have essentially collapsed and are home only to vermin and trash that spread from them to the other houses on the block. Some of them are in a bad state of disrepair and are rented for relatively little money. Because of their bad state of repair and the low rents they bring in, their owners do little to fix them up or maintain them. These houses, too, are unkempt, collecting litter and trash that spill on to their neighbors. The people who rent them tend to unstable residents with serious family difficulties, personal problems, or drug and alcohol dependencies. These chaotic households of these residents sometimes create additional problems for the block. Children are not properly cared for or supervised. They, or mentally ill adults, create noise, add to the trash on the block, or threaten neighbors. Still other houses have been taken over by people who use them to sell drugs or conduct other illicit business.

These problem houses are the locus of quality of life issues that create severe and persistent burdens on the residents of these blocks. These problem houses created make the quality of life of a large proportion of the residents in this city far worse than it can or should be.

## The Importance of Community Organizing

If the quality of life for residents in this city is to be improved, the problem houses have to be addressed and either torn down or rehabilitated. Redevelopment efforts will have to be focused not just on the large tracts in the worst areas of the city but also on the one, two, or three houses in some of the otherwise strong blocks in neighborhoods that are in relatively good shape. Moreover, the redevelopment efforts in these neighborhoods will have to be very different than those that aim at acquiring large tracts of land on which to build new homes. While expertise in housing rehabilitation will be a major element of effort needed to improve our neighborhoods, this kind of expertise is not enough. A community organizing perspective is as, or even more vital to redevelopment in strong but threatened blocks in Philadelphia.

Why is a community organizing focus so important to rebuilding working and middle class neighborhoods in this city? For five reasons:

#### Property Acquisition

First, a community organizing perspective is necessary because acquiring properties for redevelopment is often difficult on these blocks. Instead of relying on the city to condemn or

purchase large numbers of properties, developers have to acquire houses one by one. Sometimes that means finding owners of houses and offering them a decent price for their properties. These owners may be elderly people who can no longer care for their houses. Or they may be absentee owners. Some properties have to be acquired at a Sheriff's sale. In other cases, these houses have to be acquired from the city. The city already owns some problem houses. The trick then, is to encourage the city to turn them over to the best developer. Some of the properties can be most easily secured through the Neighborhood Transformation Initiative. And in still other circumstances, the more traditional means by which the city acquires properties will be used.

In all of these situations, redevelopment requires that the initiative be taken by someone familiar with city government, including agencies such as OHCD and the Redevelopment Authority and with ward leaders and, even more importantly, the City Council members who have a great deal of influence over in the disposition of properties owned and controlled (or potentially controlled) by the city.

## Coordinating Public and Private Development and City Services

Second, blocks with a number of problem houses have to be redeveloped by different agencies and organizations working in a coordinated manner. A community organizing perspective on development is necessary to insure that city agencies work hand in hand with private developers and community development corporations.

The fundamental point here is that the potential for redevelopment increases when a number of houses on the block can be addressed at one time.

On any block there will be some houses that can only be redeveloped with a public or private subsidy of some kind. Subsidies have to secured to rehabilitate those houses on a block that are basically sound but require much more work than is economically feasible for a private developer. Subsidies might take the form of low or zero interest loans from private foundations. Or they can involve greater contributions from the OHCD Neighborhood-Based Homeownership Housing Program or from the Homestart Program of the Philadelphia Housing Development Corporation (PHDC).

There is a limited amount of money available to subsidize housing redevelopment. If these subsidies are to have a major impact on a block they must be coordinated with private development. Private redevelopment is certainly possible for the many houses in working and middle class neighborhoods that are in reasonably good shape. In some cases, community development corporations will need to do some of the work to make these houses available to private developers. But it is wasteful of public funds and the energy of public entities, and an inappropriate intrusion in the marketplace, for community development corporations to do the work that can be done by private developers.

Community development corporations often do this work because private developers are wary of neighborhoods that suffer from quality of life issues. The problems created by problem houses undermine the ability of private developers to resell rehabilitated houses at a reasonable profit. However, if private developers know that the problem houses not suitable for private redevelopment on the block will be addressed at the very same time through subsidized rehabilitation of one kind or another, they are much more likely to be enticed to work on a block.

Not only is private, market rate development more likely when it is combined with subsidized development, such development will only be possible when the very worst houses are addressed by the city agencies responsible for them. If houses are falling down—and perhaps taking neighboring houses with them—they need to be shored up. If they are unfit for human habitation they must be sealed a prepared for rehabilitation. And if they cannot be redeveloped at any cost, they must be torn down. So a community organizing approach is necessary to restoring our neighborhoods not just coordinate public and private redevelopment but also to work with political officials and city agencies to insure that the city does its part in dealing with the worst problem houses.

## Providing Housing Counseling and Repair Services to Potential and Existing Residents

Third, community organizing plays an important in neighborhood rehabilitation because it can support the provision of programs and services to potential and existing residents. These programs and services can roughly be divided into two categories. There are, on the one hand, a number of programs that help potential residents prepare to purchase a home and qualify for a mortgage. Whether provided by the city, community development corporations, or by private foundations, these housing counseling programs provide a vital service in sustaining the demand for housing in working and middle class neighborhoods. There are, on the other hand, a number of city programs, such as the Targeted Basic System Repair Program, that helps residents who do not live in problem houses insure that their properties remain in a good state of repair.

A community agency that aims at redeveloping problem houses need not directly provide housing counseling services or repair programs. But it must help make residents and potential aware of these programs and help people make use of them.

## Block Organizing and the Preservation of Strong Blocks

Fourth, community organizing plays a vital role in preserving and redeveloping residential neighborhoods by encouraging the kinds of collective efforts that strengthen blocks. Much of the time this effort is not directly visible to potential investors in the community no matter whether they are public agencies or private enterprises. But both kinds of investment are more likely when a block is free from trash and debris; when neighbors put pressure on each other to maintain their properties; when nuisance properties are reported to L&I or taken to court under the common law; when a town watch keeps crime rates low; and when neighbors are quick to band together to demand police attention to crime. Efforts also have to be taken to prevent new problem houses from arising. Whether this happens as a result of drug dealers moving into a property, or the death of a homeowner, or the declining powers of an aging resident, quick attention is necessary to prevent new problem houses from burdening the whole block.

Of course block organizations do not just deal with the difficulties of a block. They can also create the kind of welcoming environment and esprit de corps that makes existing residents reluctant to leave and potential new residents eager to arrive. Blocks that hold one or two parties a year; that hold group tag sales; that chip in to remove snow or care for common gardens; that look out for the sick and infirm; that welcome new residents, say goodbye to old ones, and recognize major life events are likely to be happy places in which to live. All these efforts help sustain and enhance real estate values. They encourage private development and make public development more effective.

There are strong blocks in our communities that command a premium because of their tradition of block involvement. And there are weaker blocks that, despite the existence of one or more problem houses, have not collapsed because the organized residents will not allow it.

## **Providing Jobs**

Finally, a community organizing perspective is important in rebuilding our neighborhoods because the housing rehabilitation process can also provide jobs in our communities. Almost all of the work of rehabilitating problem houses will be done by small contractors. Every effort must be made to insure that a large proportion of these contractors are minority-owned or, even better, that their owners are residents of the neighborhoods in which they work. And these contractors should be strongly encouraged to hire one unskilled young man or woman on each project and train them in the various construction crafts.

Creating jobs in communities and giving hope to young people is a fundamental necessity in creating strong neighborhoods.

## The Urgency of the Problem

In much of Philadelphia, and certainly in the Northwest Philadelphia, we have very strong working and middle class neighborhoods that, despite their problems, are attractive to many people. Population decline has, so far, not taken place in most of these neighborhoods.

Moreover, most of these houses in these neighborhoods are in good structural condition and retain much of the character and charm that makes the housing stock in Philadelphia so special. Simply put, no one is making houses like the single family, twin, and row houses of Philadelphia any more. Even the best new construction one finds today does not have the quality and workmanship of most of the houses in our neighborhoods.

Many of these neighborhoods are already drawing in new residents of all races and ethnic groups who appreciate urban life, who seek to live close to store and shops and to our splendid transportation network; and who love the wonderful houses in our neighborhoods. But far too many of these new residents are frustrated by what they find. They put a great deal of time and money into improving their own properties. They contribute to their blocks. But their efforts are often overrun by the trash, vermin, crime, and drugs that pour out of problem houses on to their streets. As a result, they find that, despite their work and that of their neighbors, the values of their properties are stagnant or declining.

If these problems continue, new residents will not be drawn into our still strong neighborhoods. Or worse, people will begin to leave and the whole cycle of neighborhood decline will start again.

That is why new efforts must be made to strengthen our communities by taking a community organizing approach to housing rehabilitation in order to resolve the quality of life issues that our plague working and middle class neighborhoods.