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MANAGING LOCAL OPPOSITION TO AFFORDABLE HOUSING:



Strategies and Tools

DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT

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Managing Local Opposition to Affordable Housing: Strategies and Tools is the collaborative product of many individuals. Primary responsibility for assembling information and writing the guidebook was done by Tim Iglesias, Tool Box Initiative coordinator for the Non-Profit Housing Association of Northern California; Sarah Davidson, director of Community and Economic Development for the National Association for County Community and Economic Development (NACCED); and Sara Oberlies, formerly director of Housing Finance for the Association of Local Housing Finance Agencies (ALHFA).

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December 15, 1997

Dear Colleague:

The need for affordable housing throughout the nation is undisputed and growing. We continue to see the cost of housing rise at a much faster pace than wages. In many communities, grocery clerks, firemen, local librarians and secretaries cannot afford their own homes, and those who have purchased homes often spend a disproportionate amount of their incomes for their housing. For people who rent their homes, the burden is typically even greater. While policy makers in many communities agree that the provision of affordable housing is important and invest local resources to meet affordable housing needs, proposals for new affordable housing continue to ignite apprehension and opposition.

With the emergence of the HOME Investment Partnerships program, local governments and housing agencies have come to play a significant role in developing a community's affordable housing. Some of these agencies have confronted local opposition to affordable housing — "Not In My Back Yard" or NIMBYism as it is commonly called — in one form or another, and suggest that the problem is becoming more prevalent. Recognizing the difficulties that local opposition imposes on a community or an administration committed to meeting its citizens' affordable housing needs, the Association of Local Housing Finance Agencies (ALHFA) and the National Association for County Community and Economic Development (NACCED) have developed this guidebook to share successful strategies for managing local opposition.

The guidebook examines local opposition through the eyes of city and county community development and housing agencies, referred to as "agencies" throughout this publication. We chose this focus for several reasons. Local agencies almost always provide critical support for the many phases of an affordable housing development in their communities. Whether funding predevelopment costs, helping to move a project through the permitting stage or providing the resources for acquisition, rehabilitation and construction, local agencies can be the lynch pin in getting an affordable housing project funded, approved and built. Because of this role, agencies frequently find themselves in the midst of "local opposition" to an affordable housing project. Whether the opposition manifests itself when the developer seeks land use approvals, at a proposal's funding stage, or later when construction crews arrive on the scene, the local agency will be forced to address the conflict in one way or another.

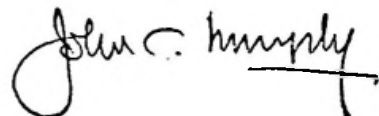
While this guidebook focuses its discussion toward agencies, we do not in any way want to underestimate the important roles that advocacy groups, developers and local elected officials play in managing local opposition. In fact, a community that successfully manages opposition almost always has strong political allies who are committed to affordable housing issues.

Every community experiences local opposition differently and whether for political or social reasons, communities across the country have varying degrees of commitment to affordable housing. Understanding that each situation of local opposition presents a unique set of challenges, ALHFA and NACCED have assembled some of the strategies and tools that agencies might mix and match to address their local circumstances.

We hope and expect that after reading this guidebook, agencies will have new ideas about how they effectively can plan for and overcome local opposition to affordable housing. We also hope that we may in some small way help a community turn what might have been an entirely negative local opposition experience into a constructive opportunity for education and reflection.

We want to thank the individuals and communities who contributed to this guidebook. Their stories, experiences and recommendations gave life to this endeavor.

Sincerely,



John Murphy
Executive Director, ALHFA and NACCED

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INTRODUCTION

Those who finance and build contemporary affordable housing understand that it is a basic building block for individuals who are trying to rise out of poverty. Furthermore, affordable housing is needed in order to redevelop distressed neighborhoods and to maintain the economic health of communities. A community without affordable housing cannot hope to provide local employers with a stable employee base.

Local housing and community development agencies that provide financing or support for the development of affordable housing face a common challenge — affordable housing is not perceived as an important asset by the general community. In fact, most people do not think or learn about affordable housing unless a development is proposed in their neighborhood. For this reason, agencies should expect the community to ask questions and express concerns when an affordable housing proposal becomes public. This questioning does not in and of itself constitute “local opposition,” which this guidebook defines as: **conduct intended to block a proposal or to create delays and obstacles that have the effect of blocking the proposal.** However, experience has shown that community questions and concerns about an affordable housing proposal can quickly develop into local opposition.

Agencies frequently are drawn into local opposition conflicts. They make the financing and/or land-use decisions that the local opposition to an affordable housing proposal will try to influence or block. An agency that is committed

to promoting the development of quality affordable housing in the community has a great deal to gain if it can reduce the incidence and severity of local opposition.

What can agencies do to reduce the frequency and harshness of these conflicts? How can they prepare themselves for the conflicts that, despite their best efforts, will inevitably erupt? This guidebook provides practical suggestions and tools for **managing** local opposition. We emphasize “managing” rather than “overcoming” because many of the root causes of local opposition, such as misinformation, fear and prejudice will undoubtedly persist in the foreseeable future. It is neither realistic nor necessary to eliminate local opposition. A more realistic approach seeks to manage local opposition like a prudent employer manages employees: preparing for foreseeable issues, setting appropriate rules and standards and having policies for dealing with particular episodes of disruption.

An agency’s primary goal in managing opposition is to ensure that meritorious affordable housing development proposals garner the necessary votes and support to obtain necessary funding and land-use approvals. We propose two key strategies for accomplishing this: 1) changing the environment where local opposition flourishes; and 2) preparing to address local opposition to specific development proposals. We use real life examples to show how these strategies can play themselves out on the local level.

PART ONE: CHANGING THE ENVIRONMENT — DEVELOPING SUPPORT FOR AFFORDABLE HOUSING

SOMETHING TO TRY

The city of Fremont, California, has made a concerted effort to enable its staff and local decision-makers to “get on the same page” as it relates to the local housing situation. The city conducts structured half-day sessions that focus on information sharing concerning the city’s housing needs, objectives, programs, progress in meeting goals, legal requirements, funding programs and issues that are likely to be of concern to the public. When possible, these sessions are accompanied by site visits that give decision-makers and staff first hand experience of existing developments.

In most local opposition conflicts, the proponents of an affordable housing proposal play a reactive role, defending against waves of attacks concerning the expected negative impacts that a development will have on the surrounding neighborhood. Agencies can do a great deal to change this dynamic by proactively working to transform their communities’ general perceptions of affordable housing. The following chapter elaborates on some strategies that agencies can use to this end.

Putting Your Own House in Order

Before it convinces the community of the merits of an affordable housing proposal, an agency must build accountability and knowledge among its staff and its partners. Decision-makers of all relevant departments including planning, housing, finance, public health, social services and the police, need to be “on the same page”— acting on the same information and understanding each others’ roles and interests. This means that

an agency must disseminate local affordable housing information to all of its potential partners, including local elected officials. Opponents seize on actual and apparent discrepancies between different agencies’ statements, policies and plans for affordable housing. Getting on the same page may require in-house educating and new forms of cooperation among departments.

Agencies can be creative in finding ways to get their partners on the same page. For example, the city of Fairfield, California decided to compare information on the crime rates in subsidized housing managed by non-profits with similar private sector housing. With the help of the local police department, the city tracked the number of police calls received from the different neighborhoods where affordable housing was located, and showed publicly subsidized housing to be less crime-prone than privately financed and managed property. By getting the police department involved, the city was able to get the information it needed while educating and engaging an important partner.

Establishing the Facts About Your Community's Affordable Housing

An agency must establish the "facts" about the jurisdiction's housing needs for all income levels and substantiate the impacts of existing affordable housing in the community. Where an agency is uncertain about aspects of its housing stock, such as performance and quality, it should conduct a study to create a base of reliable information. Agency employees must also understand and be able to explain legal requirements as they pertain to fair housing and know relevant jurisdictional housing requirements. All of this information will put the agency on firm ground as it considers funding new affordable housing initiatives and, assuming the existing stock is performing well, will give staff the confidence needed to carry a proposal through what may be a painful process.

Each decision-maker and relevant staff member should be familiar with the verified needs for affordable housing in their community and the community's experience with affordable housing, including any Section 8 and public housing. Typically, a recent Consolidated Plan can often provide a good overview of a community's existing housing resources and needs. Because Consolidated Plans can be long and not particularly reader-friendly, agencies might want to consider how to make the housing information contained in the document more accessible to non-housing practitioners. Information also should be available on the history and status of affordable housing in the community.

If problems exist with a community's existing affordable housing stock, they should be addressed as swiftly and point-

edly as possible. In some cases, this may mean putting pressure on another government agency to improve its management policies and practices. Dealing with these questions quickly is important because negative media stories and anecdotal evidence, rather than a more informed picture can shape public opinion about affordable housing. Agencies must minimize opportunities for the public to feed on distorted or partial information. Opponents are quick to ascribe past failures to present endeavors and often refuse to distinguish characteristics of one housing problem from another. A community with an affordable housing stock that is perceived as troubled probably will be less receptive to new proposals than a community where housing providers have established a reputation for strong management. Timely and reasonable responses to problems will help agencies form a good track record and build the public's trust.

When decision-makers and staff members are well informed about their community's affordable housing, they will accurately and confidently articulate responses to the basic concerns raised by local opposition and the media.

Adopting Policies and Procedures That Are Friendly to Affordable Housing

An agency should establish and enforce professional management policies and standards for affordable housing through regulatory agreements and plans. An agency that has rigorous, open, and consistent processes in place for evaluating affordable housing proposals makes itself and the proposals it reviews credible.

In addition, an agency should assess whether its local laws or policies present unreasonable — or even illegal — barriers to the development of affordable housing or create the potential for opposition.

Local governments often have extensive authority over land-use issues in their jurisdictions and are protective of this authority. Changes in federal and state fair housing laws over the past 10 years have required local governments to re-evaluate their land-use decisions and zoning ordinances.¹ Today, fair housing laws restrict a local government agency's discretion in land-use decisions. Agencies are liable for determinations that intentionally discriminate against members of a protected class or have an unjustifiably disproportionate impact on their access to housing opportunities. Land-use considerations must be blind to "who" will live in the proposed housing, except when the local government is fulfilling its duty to provide reasonable accommodation for persons with disabilities. Furthermore, decision-makers are prohibited from imposing discriminatory conditions on land-use permits for affordable housing developments.

If a local agency has not done so already, it should review its current land-use policies to make sure that they comply with anti-discrimination laws. In addition, it can evaluate its policies to make sure that they do not place unnecessary obstacles in the way of affordable housing proposals. For instance, an agency may want to look at its public notification requirements and evaluate whether they facilitate constructive community participation or provide fodder for potential opponents of a project. It also is important for a community to update

The Consolidated Plan

Any agency that receives a direct HOME or CDBG allocation from HUD must submit a Consolidated Plan to the Department of Housing and Urban Development (HUD) at least every five years. The plan must include: a housing and homeless needs assessment that among other things outlines the numbers and types of families in need of assistance, the nature and extent of the community's homelessness and the number of persons requiring supportive housing; a housing market analysis that contains descriptions of the supply, demand, condition and costs, and housing stock available to serve individuals with special needs, as well as an accounting of the jurisdictions public and assisted housing; a general strategic plan that describes general housing, homeless and special priorities as well as priorities for geographical investment of resources; and a yearly action plan that specifies the resources a community will use and the activities it will undertake to address its priority needs over the coming year.

While the Consolidated Plan process can be onerous, it is a vehicle for evaluating and determining affordable housing needs within the community. An agency that develops a strong Consolidated Plan with credible and substantiated housing data will have the facts that enable it to get on the same page with its partners and to articulate responses to the opposition's questions and concerns.

the definitions in its planning codes to appropriately categorize the variety of forms of affordable housing, such as single-room-occupancy hotels, transitional housing, group housing, supportive housing, residential care facilities and multifamily apartments. Subjecting these types of housing to the conditional (or special-use) permit process increases the likelihood of public scrutiny of a project.

Some communities have gone so far as to devise pro-active policies and procedures such as coordinated or fast-track permitting processes or density bonuses for affordable housing developments. Even if communities cannot adopt aggressive strategies for affirmatively furthering fair housing, they must abide by their existing responsibilities under federal, state and local housing laws. At a minimum, an agency's legal counsel must be familiar with any laws that protect affordable housing and its prospective residents². Agencies may decide to offer their staff and decision-makers structured training on fair housing laws.

Montgomery County, Maryland's Proactive Affordable Housing Policy

In 1974, Montgomery County passed the Moderately Priced Dwelling Unit Law, which requires that between 12.5 percent and 15 percent of the houses in new subdivisions of 50 or more units be moderately-priced dwelling units. In justifying implementation of this pro-affordable housing policy, Montgomery County's Council explained that, "Demographic analyses indicate that public policies which permit exclusively high-priced housing development discriminate against young families, retired elderly persons, single adults, female heads of households, and minority households; and such policies produce the undesirable and unacceptable effects of exclusionary zoning, thus failing to implement the Montgomery County housing policy and the housing goal of the general plan for the County."

Engaging Your Elected Leadership

In communities that are ethnically and socially diverse, and where part of that diversity includes a cohort of well-educated, political savvy individuals, an ally from the political realm of the community can be extremely valuable — if not essential. Local opponents to a proposed affordable housing development invariably call upon their elected leaders for support. Elected officials frequently arbitrate between a development's opponents and proponents, and make the decisions that determine a project's fate. Just as importantly, a supportive elected official can be a flag bearer for affordable housing helping to give affordable housing issues priority on the community's agenda and pushing for more aggressive pro-affordable housing policies.

Clearly, it is in an agency's interest to identify allies among elected officials and encourage them. This means providing

them with up-to-date information on what is taking place in the community's affordable housing arena and giving them support for their advocacy. Where an identifiable political ally does not exist, the agency should, if at all possible, devise a strategy to develop one.

Agencies can encourage their local elected officials to:

- Educate themselves and their staffs about the need for affordable housing and the existing stock of affordable housing in the community;
- Encourage and assist other elected officials to educate themselves on the issues;
- Initiate and support education of the public and other key players about contemporary affordable housing;
- Persuasively state the community benefits of affordable housing to stakeholders, voters, and the media;
- Support a study to document the actual impacts and benefits of affordable housing in the community and disseminate the information gathered;
- Take the necessary steps to address any actual problems with the existing stock;
- Initiate and support inter-governmental and inter-departmental collaboration on affordable housing, especially in procuring funds;
- Initiate and support community partnerships/alliances among stakeholders;
- Establish informed affordable housing policy priorities;
- Initiate and support reform of zoning ordinances, planning codes and housing policy to comply with federal and state fair housing laws and to promote affordable housing; and
- Make activities related to dealing with local opposition eligible expenses for using local housing funds.

How a Political Ally Can Promote Affordable Housing

Montgomery County in Maryland, a growing, predominantly urban/suburban community just north of Washington, D.C., has a demography that makes an interesting landscape for governing. There are clearly people who need affordable housing, namely the 18 percent of the population earning less than \$30,000 a year. There are also individuals who adamantly oppose affordable housing "in their back yards." An elected official in Montgomery County is faced with promoting affordable housing in what looks to be a politically contentious environment. The elected official's challenge is to make county residents realize that this affordable housing is a benefit to everyone. The county is fortunate to have several political leaders who have embraced this challenge, including Councilman Isiah Leggett.

Councilman Leggett has been a member of the Montgomery County Council since 1986. He spent one year as president of the council and is currently serving a second term as vice president. Each day, the councilman and his staff devote time to transcending the issues that serve as a

barrier to affordable housing in the community. They do this in several ways. First, the councilman participates in the Washington Metropolitan Council of Governments and works closely with the Washington Area Housing Partnership (WAHP) to develop regional housing initiatives and policies.

Secondly, Councilman Leggett and his staff frequently visit community action groups, neighborhood committees, Parent-Teacher Associations, and businesses to talk with residents about the need for, and value of, affordable housing. These discussions focus on making the affluent or influential sector of the county population acknowledge its social responsibility for helping (or at least not hindering) the progress of the county's poor or under-served population. In doing this, Councilman Leggett directly addresses the issues that create barriers between the two populations, such as racism and classism.

Sometimes these affordable housing discussions are initiated in the context of opposition to a particular housing development. In these instances, the councilman works to identify the community fears and, without denigrating nor condoning their fears, addresses them. His goal is to establish a partnership between the opposition and the advocates of affordable housing. Working together, the two groups are encouraged to design the housing development to overcome problems or concerns.

The councilman has this advice for elected officials who must arbitrate between the opposing parties of an affordable housing proposal: a) identify the root fears of the opposition, realizing that their real concerns may be different than what the people initially articulate; b) do what you can to address those specific fears; and c) establish a forum for honest discussion between those opposing the proposed housing development and those benefiting from the proposed housing.

The councilman and his staff visit school children of all ages and socioeconomic backgrounds to discuss issues of racism, classism, integration, education and economic security. The councilman's initiatives have helped Montgomery County, where some of the Washington area's most affluent and politically active citizens live, support a significant number of innovative and diverse affordable housing developments.

Telling the Story

Local opposition often reflects a problem in communication between affordable housing proponents and certain individuals or organizations within the community. As a communication problem, local opposition often may be overcome by using public relations techniques to educate, inform, and calm fears. When an agency develops its strategy to manage local opposition, it should consider the value of marketing itself to the community. There are two focuses for marketing that an agency might implement. The first is more basic to the agency and its relation to — and communication with — the community. Commonly referred to as "advocacy marketing," this strategy promotes and facilitates the agency's mission — such as the development of affordable housing. The second focuses on the programs or projects that the agency provides. This is called "program marketing." An agency can use both of these strategies.

In its marketing, an agency needs to consider the messages it wants to disseminate. This will vary according to local circumstance, but basically should show affordable housing as a community asset rather than a private "welfare benefit" to its residents. Some of the basic information that an agency may want to convey includes:

Affordable housing is a source of economic development. The construction of affordable housing is a source of well-paying construction jobs, and it generates local sales taxes and business for local merchants. Furthermore, many employers look at the availability of affordable housing when considering whether or not to move into a community. It is important to explain why affordable housing benefits a community.

Advocacy and Program Marketing for Your Housing Agency

Advocacy Marketing is constant, educational, and idea-oriented. Such marketing:

- Increases support for the agency's mission and work through a broad educational message.
- Explains what your agency does.
- Promotes the benefits of the housing agency to the community.
- Recruits advocates and supporters for housing programs.
- Continues over the long-term.
- Benefits the housing agency and affordable housing providers in general with year-round goodwill.

Program Marketing has a primary goal of promotion and acceptance of a specific program of the housing agency. It is more product oriented and takes on a "sales" approach. Some of the characteristics of program marketing are:

- It promotes a specific agency program or project.
- It limits the marketing effort to the termination of the program or the resolution of opposition.
- It disseminates information that is based on the benefits of the specific program. Consequently marketing should be targeted to address the individuals that the program will serve.
- Its results are measurable.

A strategic plan to reach important audiences is just as essential to program marketing as it is to advocacy marketing. The strategic plan should include a budget, timetable, desired results and performance measures.

Seven Steps to Market Your Agency

The following is a list of seven steps to proactively manage opposition to affordable housing. They can be used for both advocacy and program marketing. They are obvious and relatively simple, but greatly underutilized. Agencies seeking to adopt methods to better manage local opposition might consider how these steps apply to their political, demographic and financial characteristics.

An agency's goal in marketing is to get positive information into the community about affordable housing, and to develop trust between itself and the community. If the community trusts the housing agency, often local opposition will not develop.

1. **Make communication part of the**

agency's strategic plan. Communication begins with the mission of the agency. It is not enough anymore to provide finance opportunities and housing for clients. As a consistent local presence, an agency must consider communication with the community a component of its mission. The agency has a responsibility to provide the community with information concerning the benefits and opportunities of affordable housing. The agency itself may be the only source of information — or at least accurate and unbiased information — on affordable housing in the community. This information is a resource — just as important as financial resources — in accomplishing the agency's affordable housing goals.

2. **Make communication and education part of your marketing strategy.**

The agency's mission of education and information-sharing should be part of its strategy for accomplishing its affordable housing goals. When choosing a program to provide housing or financial opportunities, think about how the public, the lenders, the community and others will find out about, and gain access to, the program. On a daily or weekly basis, an agency should reach out to its political, business and community leaders to make them understand the benefits of affordable housing. For example, businesses may be able to attract a new labor source to the community, thereby raising tax revenue for the local government, decreasing commuter traffic and providing a new market for restaurants, shops, etc.

3. **Choose financing instruments and projects consistent with the agency's goals and mission.**

In deciding whether to build, re-program, improve or rehabilitate a development, consider how this project fits in with the agency's mission and goals. If the agency's mission is only to provide home ownership financing opportunities and the agency is considering a complete neighborhood revitalization effort with commercial development and rental housing components, then perhaps the project — or the agency's mission — needs to be reconsidered.

4. **Incorporate the goals of the agency with the goals of the community.**

While agency staff know they are serving the community by providing affordable, clean and safe housing, consider the views of the community as a whole. Consider in advance how you can make the community part of the solution. Allow community leaders to participate in the planning effort rather than forcing them to obtain "insider" information from newspapers or by word of mouth.

5. **Select a "delivery team" to advocate the agency's mission in a way that is consistent with the community's goals.**

Select a team of representatives from law firms, developers, builders, underwriters — people present in the locality — to help design a marketing strategy and to deliver it to the people. There is value in including elected officials, real estate professionals and private-sector advocates into the mission-setting process. Later, when the agency needs a powerful supporter to champion the agency's plan with the city council, county commissioners, etc., those individuals are familiar with the agency's mission and its programs and become an added resource to the agency.

Regardless of who is chosen for the delivery team, inform and train them on both the agency's mission and the program's goals. They are better able to "speak as one voice" as advocates for your programs.

6. **Prepare a timetable for executing the agency's plan.**

In other words, "plan your work and work your plan." It is not necessary to panic at the first hints of opposition festering, especially if you have worked these inconvenient delays into your work plan.

7. **Evaluate and adjust according to your original goals and your progress.**

Regular evaluation of the agency's timetable and marketing modes is critical to detecting difficulties and making adjustments. In doing this evaluation, agency staff and the delivery team should consider whether they were too ambitious in their original plan or failed to consider all the potential ramifications. This is where structuring a flexible and adjustable plan is beneficial. Do not discard the plan because it is not on schedule or going just the way you envisioned. Rather, take the time to brainstorm alternatives and attempt to predict their implications. Furthermore, once one marketing task is completed, follow up with other communication modes such as faxes, phone calls, newsletters and brochures and/or public service announcements on local radio stations. Alternatively, an agency can seek feedback by attending housing or neighborhood meetings, holding press conferences, writing op-ed pieces or conducting research or community surveys.

Affordable housing serves a wide range of people. While some affordable housing primarily serves the poor, a great deal of affordable housing serves a community's school teachers, librarians, and other public servants. An agency has a responsibility to communicate who benefits from affordable housing.

Affordable housing can be attractive and is often indistinguishable from other homes in the community. In fact, if you go into a community with scattered-site public housing, you often will find that it is better kept than privately-owned housing. This is evident in communities across the country. The message about what affordable housing is and what it looks like must be disseminated.

To communicate these messages, the agency should document its own successes and use them as examples. Unfortunately, many agencies do not take the time to talk about and display their programs and successes. Some of the easiest ways to do this include: sending articles to the media about successful projects; getting local elected officials to participate in ribbon cuttings; and developing attractive brochures that describe the projects that your agency has funded and documents the good they have achieved for the community.

An agency has a broad potential constituency toward whom it might focus such information. They include faith congregations, chambers of commerce, environmentalists, local social service providers, neighborhood organizations, elected official, civic organizations, and many others.

As an agency expands its advocacy, it increases the number of voices that support affordable housing and helps to dispel the negative perceptions that can incite local opposition. If an agency cannot conduct public and media campaigns itself, it might consider funding local housing advocacy groups to perform an education campaign.

Successful Outreach and Marketing Strategies

Documenting and Marketing Your Programs

Several years ago, the Department of Housing in San Jose, California, recognized the need to market itself to the community. It had an important story to tell. First, significant public and private resources had been leveraged for and invested in developing the community's affordable housing stock. Second, the housing that it had produced was equal to or better than comparable housing produced by the private sector. The department's commitment to innovative and quality design greatly contributed to this reality.

The department's first marketing effort was a 10-page booklet entitled "Positive Developments." The booklet introduced the Department, outlined its scope of work and services, described some of the developments it had funded and provided testimonials from people it had served. "Positive Developments" was distributed to housing providers throughout the country and to leaders in the community.

An enthusiastic reception of "Positive Developments" spurred the Department to publish additional, more program-specific, consumer-oriented materials, such as a brochure describing its efforts to break the cycle of homelessness. The city also developed a calendar featuring an attractive affordable hous-

ing project for each month of the year, an attractive T-shirt with the department's logo, one-page descriptions of the Department's different housing programs and a reader-friendly Five-Year Housing Investment Plan. These various materials were and continue to be distributed to housing providers, lenders and neighborhood residents at community meetings.

While investing resources in its marketing effort, the Department also has focused on changing the way in which it presents an affordable housing proposal to the community. Today, when introducing plans for a development or when speaking about the agency's programs, the Department's staff rarely talks about "affordable housing." Instead, staff members focus on the development's positive design components, such as innovative architecture, play areas, safety features, and social-service amenities. The discussion of who might live in a development — i.e., the homeless, those with low incomes or those with special needs — is introduced later in the planning process. The Department feels that this has helped disassociate affordable housing from public housing, which often carries negative connotations.

Annually, the Department spends less than one-half of 1 percent of its administrative budget, which totals \$4.4 million, on marketing materials. The city considers this a small price to pay to avoid "unmanageable" local opposition.

Developing an Educational Forum

The San Diego Housing Commission and the city of San Diego's Planning Department have made a concerted effort to outreach to and educate the community about affordable housing. For instance, in 1992, these two agencies, in coordination with others, cosponsored an affordable housing architectural design competition that attracted significant public participation and media exposure. The competition spawned the production of a colorful educational brochure about contemporary affordable housing and concerns frequently cited by the opposition. The competition offered the community an opportunity to see first-hand the care with which affordable housing often is designed.

Recognizing and Promoting Allies

Fairfax County in Virginia has struggled with the Not In My Back Yard (NIMBY) attitude for a long time, and has found that developers are spending more and more time planning for local opposition as part of their development process. In 1986, as an outgrowth of the ongoing controversies surrounding the location of affordable housing, a group of local leaders from both the public and private sectors decided that a new approach was needed to address local opposition. The Fairfax-Falls Church United Way took the lead in this effort by establishing and expanding the now copyrighted IMBY program which recognizes individuals, businesses or organizations that have made a significant contribution to removing barriers to the achievement of the community's human services goals.

Winners are chosen out of six possible categories and awards are presented at an annual awards event that receives considerable media attention. The categories include: Affordable Housing; Affordable Health Care; Children's Services; Services for the Frail Elderly; Services for Language

Minority Populations; and Services for Persons with Physical, Sensory and Mental Disabilities. Several criteria guide the selection of individuals or organizations for recognition in these areas, including: the activity or contribution must have taken place in the Fairfax-Falls Church community; the activity or contribution must be an extraordinary effort that may involve some risk to the person or organization; the activity or contribution must be an extension beyond normal scope of business; and the activity or contribution should serve as an encouragement to others to participate in finding solutions to fighting the NIMBY syndrome and removing barriers to human services.

Housing Related IMBY Award Winners

- The Fairfax County Redevelopment and Housing Authority (FCRHA) received an award for locating Coan Pond, a working single hotel, on the ground floor of its office facility. This development consists of 22 units for single working adults contained within a formerly vacant office building in an industrial office park purchased and renovated by the FCRHA. The FCRHA worked diligently with the surrounding commercial office property owners to allay their concerns about the project while remaining firm in its determination that this effort helped meet a need in the community for affordable housing near employment centers. This was the first development of its kind in the county and one of the few in the country. The development was financed through private sources and equity was provided under the HOME program.
- Commander Robert Cosgriff USN (Ret.) was recognized for his efforts in working to successfully integrate a group home for adolescent abused or neglected females into his community.
- DB&A General Contractors of Falls Church, Virginia, received an award for voluntarily providing townhouse units for first-time home buyers for households at or below 70 percent of the area median income.

While a variety of continuing efforts are needed to combat the NIMBY problem, the Fairfax-Falls Church United Way IMBY program remains an innovative initiative which accentuates the positive by recognizing persons and organizations that contribute to meeting their community's affordable housing and human services with no benefit to themselves. The real strength of the program lies in the media attention it generates, the partnerships it strengthens, and the people it educates about the dynamics of the "NIMBY" attitude.

Promoting Partnership to Build Support for Affordable Housing in the Community and the Media

One of the objectives of outreach and marketing is to build a base of support in the community. In many cases the strength and breadth of an agency's partnerships and allies in the community determines its ability to develop affordable housing

and combat local opposition. One of the greatest advantages of partnership is that it allows you to attack more issues at one time. There are many ways to build these partnerships.

A successful model has been established in the Washington, D.C., region where a creative public-private partnership tackles regional affordable housing issues — both the provision of housing and preservation — head-on. The Washington Area Housing Partnership (WAHP) serves local housing agencies by documenting and disseminating information about the area's housing needs, developing significant educational forums and media events around affordable housing, and initiating new partnerships in neighborhoods across the region.

WAHP started as a subcommittee of the Washington Council of Governments (COG). While a subcommittee of COG, the partnership undertook a comprehensive assessment of affordable housing, which sought to answer questions such as who would be future "players" in the affordable housing arena and where advocacy efforts should be directed. The working group quickly ascertained that the private sector would be a major influence on the provision of affordable housing in metropolitan Washington and sought ways to bring lenders, developers, realtors, and others into the loop.

Today, WAHP is financially independent. Its all-volunteer Board of Directors consists of local elected officials, property managers, nonprofit developers, real estate finance attorneys, bankers, for-profit developers, planners, and representatives of foundations, community organizations, and local agencies including local housing finance agencies. All of the Board of Directors' agencies contribute financially to support the work of WAHP. The bulk of the partnership's work is accomplished by working committees focused on specific issues.

Some of WAHP's current initiatives include:

- **The PRARI Database:** WAHP's mission is to preserve affordable housing in the national capital region. Those who advocate for the preservation of affordable housing need to know where it is and when it is at risk. To accomplish this, the partnership has created a comprehensive database — the Partnership's Regional Affordable Rental-Housing Inventory (PRARI) — to collect and coordinate information on publicly-owned, subsidized, and unassisted apartment buildings in the Washington area.

PRARI has enabled the partnership to provide important information on affordable housing issues in the region. For example, PRARI data substantiated that two-thirds of the region's affordable rental housing receives no government subsidies. This has prompted the partnership to focus its energies on preserving these unassisted units, as well as giving it leverage to speak with the private sector about affordable housing issues. Furthermore, during the recent national debates over federal housing policy, the WAHP used the PRARI database to determine the effect that certain congressional proposals would have upon 40,000 affordable units in the region — by neighborhood — and to communicate the projected impacts to the Congress and to local officials and advocates.

- **Partnership Housing Summit Brings Together Region's Leaders:** In the Spring of 1997, more than 150 elected and corporate leaders, senior housing professionals, and others gathered to discuss the importance of affordable housing to the region's residents, neighbor-

hoods, and economy. The partnership's goal was to raise awareness about affordable housing in the Washington, D.C. region. The summit resulted in attendees recognizing that affordable housing is inextricably tied to issues as seemingly diverse as economic development, welfare reform, neighborhood stabilization, and education.

Before the summit, WAHP staff and board members had engaged in a series of one-on-one and group meetings throughout the region to discuss the summit, build support for affordable housing generally, and develop personal relationships that would help further the organization's agenda. The partnership used the summit to implement a media campaign around regional affordable housing issues. This included the production of a video entitled, "Affordable Housing — The Heart of the Region."

- **Neighborhood Initiatives:** The partnership also has turned its attention toward facilitating the redevelopment of neighborhoods in the region. One initiative has focused on the revitalization of Washington View, a neighborhood located in Anacostia, a part of the District of Columbia that traditionally has been neglected, but that has great potential and a strong appetite for change. When the partnership was invited to assist the Washington View community in its revitalization efforts, it found a bankrupt, mostly vacant 90-unit apartment building, with the remaining tenants withholding their

rents from the for-profit absent owner; a vacant, drug-infested 183-unit public housing development; the Washington View apartments, a 509-unit apartment complex with 223 vacancies recently acquired by a bank-affiliated community development corporation; and a small, commercial, fortress-like shopping strip that served the community.

WAHP served as the "honest broker" between parties interested in the redevelopment of the area, including the owners of the aforementioned properties. With the help of two community organizers and after many meetings with individual stakeholders, the partnership hosted a "community summit" in the neighborhood. The summit was intended to reach consensus on redevelopment goals and ways to accomplish them. Summit attendees established an advisory committee that adopted a collaborative structure for the redevelopment initiative. Once the local redevelopment strategy was identified WAHP turned the leadership over to the advisory committee, but continues to play an active role through participation on the committee and fundraising.

The breadth and scope of the partnerships represented in WAHP have enabled it to achieve a multifaceted outreach, which would have been impossible for a single agency to achieve alone.

PART TWO: MANAGING OPPOSITION TO A DEVELOPMENT PROPOSAL

Despite an agency's successes in proactively changing the environment for affordable housing development, local opposition to a particular proposal may still emerge at one point or another. Agencies that make funding or land-use decisions about affordable housing proposals, will be drawn into local opposition conflicts.

In this chapter, we focus on the issues an agency faces when working to ensure that a meritorious affordable housing proposal garners the necessary support/votes to obtain funding and land use approvals. In addition, we provide case examples of strategies that agencies and developers have used to manage local opposition to a particular development proposal.

How the Opposition Develops

The phenomenon of local opposition has been analyzed and dissected in numerous publications. A variety of community representatives are invariably involved in situations where local opposition arises including developers, members of the public, the media, local government staff, appointed elected officials, and funders. Local opposition to a development proposal typically unfolds in the following stages.

First, individuals and groups find out about a prospective affordable housing development through the media, the city or the project developer. Individuals or a neighborhood group react quickly and vociferously before becoming fully informed about the proposed project. The typical gut-reaction concerns include fears of increased crime, decreases in property values, high concentrations of low-income households, strains on parking and traffic flow, and poor design. In many cases, opponents openly admit that they don't want low-income households in their community. Other opponents may present more sophisticated arguments, such as disagreement with using tax increment financing for affordable housing.

Second, opponents of a proposal will gather information to support their positions and spend a good deal of time communicating with each other about various issues at stake. Dedicated opponents to a project often entrench themselves during this information-gathering period, and form an opposition group. Opponents will organize by:

- Gathering names on a petition;
- Calling community meetings;
- Building coalitions with other opposition groups;
- Presenting testimony at public hearings on funding or land-use issues;
- Responding to federally required notices for comment such as the environmental review process;
- Launching a media campaign against the proposed development; and
- Lobbying decision-makers and staff.

During this stage, agency staff, and developers must communicate with local decision-makers to ensure that they are receiving full and accurate information in the face of the

opponents' different arguments.

As a conflict matures, well-organized groups may turn out dozens or even hundreds of citizens for public hearings. Negotiation between proponents and opponents of a proposal often takes place — opponents sometimes will negotiate with the developer to reduce project density, modify design features or change the population to be served by the project. Local elected officials, including the council member in whose district the proposed site is located, may be asked to resolve the dispute or to take a stand against the project.

In a final stage, city staff, design review bodies, planning commissions and city councils will make the zoning, land-use and funding decisions that can make or break the project. Committed proponents and opponents often exhaust all potential administrative appeals if they disagree with the decision. Lawsuits are not uncommon and litigation will likely mean a long period of legal maneuvering. If delays or a court decision do not kill a project, it may return to the local government to begin the entire planning process all over again.

Getting a Good Start

An agency's first opportunity to reduce opposition to a particular proposal is to ensure that the proposal meets identified community needs, is financially sound and conforms to all relevant legal requirements, including those imposed by local housing policies and programs. Selecting a developer that has an established track record in successfully developing and managing attractive affordable housing is critical. In the case of supportive housing, the agency should make sure that the organizations that will provide supportive services have sufficient capacity and expertise to fulfill their role.

An agency or developer should consider local opposition during the site-selection process.³ The agency may be aware of certain neighborhoods where opposition has emerged in the past or is likely to appear, and determine whether it is essential to place the proposed project in these neighborhoods. Opposition often emerges in neighborhoods where citizens are well educated and have the means to carry out a protracted legal fight, and also in areas already saturated with affordable housing and related social services.

While local opposition cannot be reliably predicted or completely anticipated, it is prudent to schedule a few meetings between the developer and agency staff to discuss potential opposition and make preliminary plans for confronting it. In some cases, agencies may decide to provide predevelopment funds for activities related to community opposition, such as hiring a community organizer or providing for redesign fees. If a developer does not request such funding, the agency staff might suggest it when considering the funding application.

Identifying and Addressing the Opposition's Issues of Concern

Issues raised by opponents usually can be divided into the following categories: 1) legitimate land-use or housing/funding policy issues related to the proposed development; 2) illegitimate issues about the proposed development, e.g. about the race or disability of the prospective residents; and 3) issues unrelated to the proposed development but of concern to local residents, e.g. a history of insufficient city services or participation in the decision-making process.

Many times, it is difficult to discern opponents' true concerns or motives. Opponents will use legitimate issues, such as parking or traffic concerns, to mask illegitimate motives. Yet, until an agency or a developer correctly identifies the roots of the opposition's concerns, conflict resolution is unlikely.

In dealing with conflict, agencies and developers must remember that those who start out as opponents will not necessarily end up as opponents. In fact, when an agency successfully and professionally responds to opponents' concerns, many will become neutral on the proposal. In some cases a former opponent may become a proponent of the project. This requires that the agency and developer always maintain respect for the opposition. This is not always easy. Opponents sometimes go to extreme measures to ensure that a proposed project will not be realized.

Inviting a neutral mediator such as a local pastor or a member of the League of Women Voters to facilitate discussions between the differing sides may help to diminish the tension and distrust that often characterizes the interactions between a proposal's proponents and opponents. A reasoned discussion is conducive to uncovering and resolving both sides' critical issues of concern. Nonetheless, sometimes this informal mediation is not sufficient and alternative dispute methods, such as professional negotiation, mediation and arbitration may be tried. However, when both sides are entrenched in their positions or when the real issue at stake is discrimination, these dispute methods are not likely to resolve the conflict.

Many developers have discovered that the design process offers rich opportunities for neutralizing opposition and even creating support. Most opponents are not familiar with the panoply of techniques that experienced architects use to reduce the perception of higher density or to make a development blend into surrounding uses and existing designs. Design charrettes and other forums offer local residents a chance to participate in the development process and to put their mark on the proposal. For some opponents, this experience of meaningful participation is sufficient to obtain their "buy in." An agency can provide a developer with the resources necessary to make some of the design changes negotiated with the opposition.

Agencies play a vital role in accessing and compiling information that responds to the concerns raised by the opponents of a proposal, e.g., parking, traffic and school impacts. Information based upon previously funded affordable housing developments provides the credible, localized information that can persuade agitated community members. Agencies frequently possess comprehensive local statistics on the community's housing needs. Furthermore, the agency staff is in a good position to monitor and correct the information that is shared during community meetings/hearings.

Complaints/Arguments Frequently Heard From the Local Opposition'

1. The development will decrease property values in the neighborhood.
2. Strong neighborhood opposition will make a poor living atmosphere for the residents of the development.
3. The neighborhood does not have sufficient infrastructure to support the development. Or, the development will place additional strain on the existing infrastructure, such as parking and schools, and significantly decrease the quality of life in the neighborhood.
4. The neighborhood lacks the amenities necessary to make this the right place for the potential residents of the new development. There are neighborhoods better suited to the needs of the populations that would be served by the development.
5. Purchasing or developing this property will waste taxpayer money. It would be better to locate the development in a place where acquisition costs and property taxes will be lower.
6. The development will increase crime, including drug trafficking, in the neighborhood. The safety of the neighborhood and its children will be compromised.
7. The development disregards zoning laws and will open the community to zoning changes that would permit other unpalatable land uses.
8. The developer and affiliated agencies lack the experience to ensure a safe, clean, community-enhancing development.
9. No additional resources will be made available to protect the neighborhood residents against the dangerous elements that the development will bring into the community.
10. Residents of the development will not take care of the property, and it soon will look run-down.
11. Neighbors have the right to decide whom moves into the neighborhood, or at the least should be allowed to screen the tenants who will move into the development.
12. Higher income households will leave the neighborhood as a result of the development.
13. The development will increase the amount of traffic in the neighborhood.
14. The neighborhood will become overcrowded because of the development.
15. The development will not conform to the character of the existing neighborhood. Affordable housing looks and is cheap.

Developing a Constructive Dialogue with the Community

The developer and concerned agencies can work together to establish a constructive dialogue with concerned citizens. Building this dialogue often depends on three basic components:

Fostering a mutual education process: While the developer educates the local opposition group about why a proposal is worthy of its support, she/he also must be willing to learn about the history and problems and pride of that neighborhood.

Working through the issues of concern: Developers should thoroughly and concretely address citizens' concerns one by one. Depending on the situation, these issues might be addressed by providing complete information to answer their questions, modifying project design, putting opponents in touch with a variety of decision-makers and advocates in the community, explaining financial and legal restrictions, and revising proposals to reflect community concerns.

Building a relationship of trust: Developers and agencies need to remember the importance of telling the truth, making and keeping promises, explaining their limitations and looking for opportunities to demonstrate goodwill in order to build trust with concerned citizens.

Working With Local Elected Officials

An important role that agencies can play is to provide political leadership and backbone to support meritorious affordable housing proposals that are being attacked for inappropriate reasons or without any factual basis. This may require staff to prepare appointed and elected officials to answer questions and issues that could arise in contentious public hearings. For example, if concern over property values is likely to arise, staff can provide decision-makers with copies of (or citations to) relevant property value studies showing the errors in this argument.⁵ Then, if questions are raised about property values, elected officials can direct concerned citizens to these studies and ask opponents to provide factual evidence to support their objections.

Sometimes public hearings are intended to let community members "blow off steam," and so decision-makers and elected officials may prefer to let speakers say whatever they want instead of engaging them on the issues. However, when claims such as reduced property values go unchallenged, the public may think that neither the developer nor the local government have a good response.

Staff may also need to help identify "political cover" for an elected official who agrees to vote to approve a development. Sometimes, the law can serve this purpose as when a planning commissioner acknowledges that she shares the concerns that the public has raised, but can see no legal basis to vote against it. More often, decision-makers need to be able to show how well a proposal meets a well-documented and undisputed community need, and what other community ben-

efits will flow from it. They will also be called to speak to the experience of the developer, and to talk about how other affordable housing projects are now functioning well in the community.

Dealing With Fearful Citizens

Fear drives local opposition to affordable housing. Fearful people feed on each other and spread their hysteria like a virus. Fear is a strong motivator — it can unite an otherwise disjointed neighborhood against a common enemy. Leaders stir up fears in fliers and statements at community meetings to organize opposition. The media can fuel and multiply fears by publicizing unsubstantiated concerns and misunderstandings.

While there are no sure-fire answers, here are five tactics that may be helpful in addressing fear:

1. Educate opponents about the facts regarding feared impacts.
2. Humanize the object of fear.
3. Provide reassurance by respected authorities.
4. Build relationships.
5. Take actions to address legitimate, substantiated fears.

In order to choose the best tactic, it is important to probe and analyze the sources of fear. Are the fears based on personal experiences, second-hand stories, media images, purportedly factual studies or other sources? Try to deconstruct the unreasonable with the reasonable.

Lawsuits

Opponents with sufficient resources who are dedicated to stopping a project may resort to a lawsuit. They usually will make a variety of claims. For instance, a recent lawsuit against a proposed affordable housing development in San Francisco's Mission District claimed that the developer and city authorities had failed to properly address historical preservation issues. Usually these lawsuits include allegations that environmental requirements have been violated. Such lawsuits are essentially impossible to prevent; and an agency or a developer finds itself in a position where the best it can hope for is a successful and expeditious defense. The more time the project is in court, the more likely it will suffer from delay. An agency that scrupulously complies with legal requirements, including environmental review processes, architectural and historical review, document preparation and procedural requirements such as issuing public notices, will have an easier time of minimizing court time and defending its project. Irregularities provide sophisticated opponents with an opportunity to derail a proposal despite its many merits.

STRATEGIES THAT HAVE WORKED: CASE EXAMPLES

The following case examples depict strategies that agencies and developers have successfully employed to overcome opposition to a proposed development. In some of the examples, agencies and developers were proactive in their strategies, inviting concerned citizens to help design the project early in the planning stages. In other examples, agencies reacted to opposition but, through thorough planning, communication, and knowledge, prevailed over the community's objections. While each of the strategies was shaped by local circumstance, they suggest some approaches that an agency might try when confronted with opposition.

CASE STUDY I: PORTLAND, OREGON

Making Education and Inclusion Part of Your Strategy

Northeast Community Development Corporation (NECDC), a non-profit located in Portland, Oregon, developed affordable townhouse units in one of the city's most crime infested and deteriorated neighborhoods. Anticipating potential local opposition, and committed to giving the neighborhood a sense of ownership over the project, NECDC developed a strategy based on education, trust building, and community involvement in the decision-making process.

Agency Mission:

NECDC was founded in 1984, as a nonprofit, community-based organization, with a mission to improve the quality of life for the culturally diverse populations of inner northeast Portland. Originally, focused on providing job training to community residents who were interested in the construction trades, NECDC transitioned into affordable housing development in 1990 when HUD selected it to administer the Nehemiah Housing Opportunities Program in Portland. Today, NECDC develops and provides homes to first-time, low- and moderate-income homebuyers in the north and northeast Portland neighborhoods that have suffered from urban blight and commercial disinvestment. NECDC's objective is to rebuild the neighborhoods by helping residents identify and fulfill their own goals for the community.

Project Information:

NECDC proposed a homebuyer project to develop 16 semi-attached townhomes in the Walnut Park neighborhood of Northeast Portland. The townhomes consisted of two- and three-bedroom units that could be marketed to both small families and larger households. Units were priced to sell between \$89,000 and \$96,000 and were made affordable to local home buyers with the help of a variety of federal and local programs. Under a HUD-funded Nehemiah Grant, eligible home buyers could benefit from a \$15,000, zero percent interest "silent second" mortgage. Purchasers also could receive a 30-year mortgage with a fixed interest rate of 5.9 percent from lenders who participate in the Oregon Housing



Walnut Park Townhomes

Mortgage Revenue Bond program. In addition, the Federal Home Loan Bank Affordable Housing Program would provide grants of up to \$3,000 for closing costs. All properties were granted a 10-year limited tax abatement, which assessed the property at its pre-development value. The project was intended to spearhead a larger revitalization effort in the neighborhood.

Neighborhood Description:

The Walnut Park neighborhood of Portland had, by the 1990s, become a gang-infested, deteriorated area. NECDC — along with the City of Portland and the King Neighborhood Association — targeted Walnut Park for redevelopment under the Nehemiah Program because of its great need. Neighborhood residents, largely African American and Hispanic, had lived in the neighborhood for several decades and had witnessed its decline. At the time of NECDC's initiative, households in the area had incomes well below the Portland median of \$44,400. Among the neighborhood homeowners, 31 percent earned less than 50 percent of median and an additional 31 percent earned between 50 and 59 percent of area median income.

The Opposition:

While NECDC staff believed that its plans for townhomes could be an important step in revitalizing the neighborhood, they recognized that residents probably would be suspicious of and resistant to outside efforts to make significant changes in their community. Previous groups that had come into the neighborhood with good intentions and projects had experienced resident opposition.

Managing the Opposition:

Engage and Educate the Community

In a first effort, the developer organized informal gatherings such as ice cream socials in area grammar schools to get to know the community's residents. The gatherings gave NECDC the opportunity to articulate its intentions for — and

dispel rumors about — redevelopment of the blighted neighborhood. Residents were able to ask questions in a relaxed and non-intimidating environment. The forums gave a name and a face to NECDC.

More structured neighborhood meetings ensued. Staff went door-to-door to invite residents to meetings where they would sit down, discuss and negotiate the community's desires and goals for the neighborhood. Discussions focused on questions such as who the residents wanted to attract into their neighborhood; how much play area was needed for the children; what hazards and dangers existed in the community; what housing stock was needed and desired; what housing-design features should be considered; and whether off-street parking was important. Staff kept these meetings focused on the residents and were concerted in not making any formal presentations with model homes or pages of statistics. NECDC and residents found that their expectations for the community converged in many areas, and therefore were able to create the common ground that helped move the development forward.

Initially, residents were not convinced that building home ownership was an appropriate strategy for the area because many of them would not even be able to purchase the home. During this process, NECDC educated community residents about home ownership and convinced them that expanded home ownership opportunities would help create a neighborhood stability that could facilitate a more ambitious revitalization strategy.

These meetings helped NECDC identify the residents' greatest concerns about the project. On the one hand, residents feared that the NECDC's housing would be cheap and unattractive, on the other hand, they were afraid that they wouldn't have the opportunities or the resources to purchase the new homes.

Involve Residents in the Design Process

Recognizing the community's concerns about design, NECDC involved the residents in the design process. It began by showing residents initial design plans and asking for feedback. On several occasions, the residents met with the development's architects and city planners, to discuss their ideas and desired design features. NECDC incorporated the residents' suggestions — some of which focused on enhancing certain features of the existing neighborhood — when possible.

NECDC also sought ways to tailor marketing of the Walnut Park homes to current neighborhood residents. This included facilitating financing that would make the homes affordable. NECDC promised to work with local minority contractors during the construction phase, in order to bring economic development and income into the area.

Expand the Partnership

Once it had gotten the community to buy-in to the re-tooled development proposal, NECDC expanded its partnership to incorporate city and county officials, as well as local banks and others. By creating partnerships with local residents, the Portland City Police Department, the Portland Trail Blazers and community leaders, NECDC facilitated a large-scale initiative to revitalize the area. The city constructed a communi-

ty police precinct surrounded by retail shops, the Trail Blazers built an impressive Boys and Girls Club, and NECDC tore down abandoned homes and replaced them with townhouses.

Lessons Learned:

Local opposition can be avoided by using proactive strategies. Local opposition was largely avoided because the staff of NECDC educated the residents and involved them in the design process from the start. In doing so, the staff educated themselves as well as existing residents and found a valuable partner with a recognized stake in the successful development of the Walnut Park Townhomes.

It seems from this case example that local opposition does not always develop because people are unwilling to accommodate change, but rather because they are not allowed to be an integral part of that change. Often, the prospect of change is accompanied by fear of the unknown. However, by making those impacted by the change aware of planned outcomes and encouraging them to contribute ideas to the development process, fears can be alleviated and transformed into cooperation and assistance. When residents become an integral part of the development process, they acquire a sense of ownership in the outcome.

Residents are responsive when an agency acts as a partner rather than an authority. NECDC involved those affected by the project and gave them a voice in how the redeveloped neighborhood would look. The agency structured its approach so that it was not "the authority" on how the process should evolve. Instead, it engaged the community to help shape and implement the development process.

CASE STUDY II: SAN DIEGO, CALIFORNIA

Finding the Way to Consensus

The San Diego Housing Commission developed Knox Glen Apartments to address the rental housing need it had identified in the Lincoln Park neighborhood and to eradicate one of the area's visible symbols of blight. In pursuing the project, the agency engaged residents and opponents in partnerships and interactions that helped to build community consensus around the project.

Agency Mission:

San Diego Housing Commission's (SDHC) mission is to provide quality housing opportunities for, and to improve the lives of people in need. Those opportunities include rental assistance payments to more than 8,800 families; new construction and acquisition of 1,800 public housing units; home ownership development through mortgage credit certificates; "silent second" equity loans; down payment assistance grants and below-market-rate financing to affordable housing developers; and housing rehabilitation assistance to eligible single- and multifamily property owners. SDHC works with approximately 120 nonprofit and for-profit agencies or businesses as partners and collaborators in the provision of affordable housing.

Project Information:

Since 1986, Greentree Plaza, a 3.2 acre site on Logan Avenue in Lincoln Park, had been held in the foreclosure inventory of the Federal Savings and Loan Insurance Corporation (FSLIC) and, later in the Federal Depository Insurance Corporation (FDIC) — a result of the savings and loan crisis. The previous developer had initiated the development of a 116-unit apartment complex in 1985. However, construction of what would have been Greentree Plaza ceased when the structures were approximately 60 percent complete. Other private developers considered acquiring the site and finishing the construction of Greentree Plaza, but on closer inspection determined that the existing structure was of poor quality and needed to be demolished for complete redevelopment. Most potential developers considered such an enterprise financially infeasible.

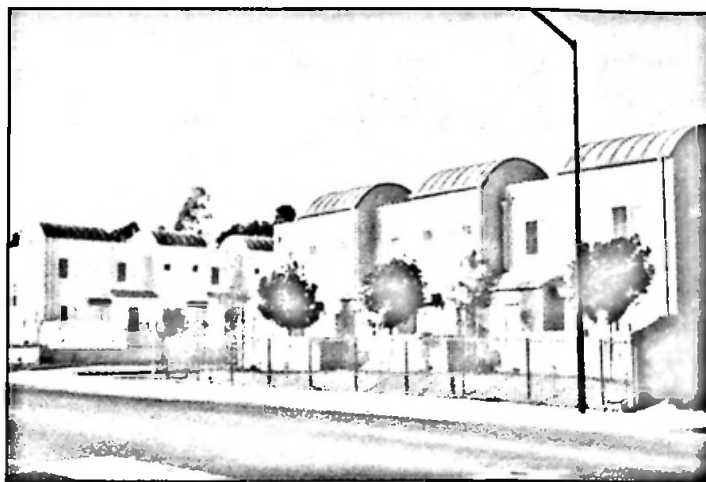
Over the years, the vacant Greentree Plaza apartments were hit by vandals and became both a safety hazard and an eyesore. To the area residents, the deteriorated development was another symbol of the city's lack of commitment to their neighborhood. In November 1992, things began to change. Challenger George Stevens beat the incumbent candidate for the council district seat where the Logan Avenue site was located. One of the newly elected councilman's campaign promises was to eliminate blight in this historically overlooked district. He singled out Greentree Plaza as a major contributor to the neighborhood's negative condition. Unlike representatives that had come before him, Councilman Stevens showed an ongoing commitment to this endeavor. He brought the site to the attention of the mayor and other local political decision-makers.

Councilman Stevens applied pressure to secure \$1.4 million of the city's HOME funds for the redevelopment project: acquisition, demolition and construction. With government approval of the HOME funds and the preliminary redevelopment plan, the SDHC was directed to pursue acquisition of the site. The mayor and Councilman Stevens pressured the FDIC to reduce its \$2.3 million asking price. After various forensic, engineering and other inspections had been completed, the SDHC negotiated the acquisition cost down to \$700,000.

The SDHC purchased the site in February 1994 and one month later, the incomplete remains of the Greentree Plaza apartment complex were demolished. The demolition became an SDHC-sponsored media event to celebrate the end of this neighborhood problem. The Agency then proposed to redevelop the site into 54 affordable rental units of two-, three- and four-bedroom apartments and townhouses. Monthly rents for these units would range from \$486 to \$753, depending on the unit size and the percent of median income earned by the tenant.

Neighborhood Description:

Lincoln Park is one of San Diego's lower-income neighborhoods, with a broad ethnic mix that includes African American, Asian, and Hispanic residents. Approximately one-third of the population is Hispanic and more than half is of African-American descent. While the citywide median household income is \$33,686 (according to 1990 statistics), the median household income in the census tract covering



Knox Glen Apartments

Lincoln Park is \$15,380. The neighborhood is primarily residential (both rental and owner-occupied), with education facilities and a small park. At the time the city proposed developing Knox Glen, a development of 600 garden-style apartments stood less than half a mile away from Greentree Plaza.

The Opposition:

The community's residents were extremely suspicious of the local government that had done little to address the problems at Greentree Plaza since 1985. It did not help that the SDHC was perceived as a purveyor of public housing. Residents did not want public housing in their back yards. Furthermore, neighborhood residents had their own ideas about what Greentree Plaza should become — a pool or a park.

Managing the Opposition:

Identify the Issues of Opposition Early in the Process

Immediately upon purchase of the Logan Avenue site, SDHC staff began meeting with area residents. These meetings continued throughout the pre-construction phase and were a critical source of information to the agency. For instance, the SDHC hadn't realized that its image as a "public housing" developer would impact its non-public housing development proposal. It also became clear to the SDHC that the neighborhood residents were not as much opposed to affordable housing as they were convinced that they didn't need additional rental housing units in their neighborhood.

With this knowledge, the SDHC fashioned a strategy that better could address the community's concerns and ultimately garner its buy-in. Part of this involved changing the way in which staff members spoke about their development proposal. Early in the redevelopment process, SDHC staff stopped referring to its plans for the Logan Avenue site as a "project," but rather as a "development." This, SDHC staff hoped, would help to distance this redevelopment initiative from the negative connotations associated with public housing.

Communicate the Bottom Line

While it was committed to addressing the community's concerns about and suggestions for the development as best it could, the proposal had constraints that couldn't be ignored. For instance, because HOME program funds were a lynch pin funding source, the redevelopment effort needed to focus on the production of affordable housing. This meant that the residents' plans to make Greentree Plaza a park or a pool could not be accommodated. The SDHC explained the HOME program and its constraints to community residents, and urged them to become involved in shaping an affordable housing development despite these limitations

Engage the Community

Throughout the predevelopment process, SDHC stayed engaged in the community by attending neighborhood meetings and organizing its own meetings with residents. The agency made itself accessible to answer any questions the community might have, including eligible uses of HOME funds and the commission's review process. Staff was sometimes asked to respond to questions outside the purview of its expertise, such as eligible uses of school fees. By engaging in the community and establishing a relationship where the community felt comfortable asking questions, the SDHC was able to gain their confidence.

SDHC looked for other ways to involve the residents, particularly the potential opposition. They accomplished this by facilitating the creation of the Logan Avenue Development Task Force, which was comprised of community residents, the local planning committee and at-large representatives of the council district. The task force allowed residents to voice their concerns and participate in the development's site design. The commission directed its architects to incorporate the task force's input into the design where possible. Councilman Stevens attended the various task force meetings as a show of his commitment to successful redevelopment of the Logan Avenue site.

The task force provided residents an educational forum about the housing development process. SDHC spent time explaining the what's and why's of zoning requirements, the district ordinance, HOME program regulations and other information that would help residents make considered design suggestions for the development. In addition, the Logan Avenue Task Force — working with commission staff — looked to other housing developments in the surrounding community for design ideas that would address resident concerns about public safety. The Task Force enabled the residents to do structured evaluation of, and planning for, their housing needs.

Ultimately, the resident group, the task force, and SDHC reached consensus on an affordable housing development. The task force agreed the SDHC should develop three- and four-bedroom townhouses with private patios, one-car garages, and study alcoves. Robinson, Jorgensen, Christopher — the architects of the development — worked to translate the community's desires into a physical design. On December 20, 1995, with the majority of community residents in agreement with the development plans, the Knox Glen development order to proceed was issued. The development was officially completed on December 23, 1996, and, within a week, it was fully leased.

Lessons Learned:

Housing developers should not work in a vacuum. A housing agency cannot design a development in a vacuum. In carrying out its mission, housing agencies, working with developers, should seek input from community residents regarding desirable and undesirable features of a project development or redevelopment. Residents often know best what will or will not work in their neighborhood. Taking this step to reach out to the community will empower community members and make them a partner in the development process. In addition, agency staff should attend neighborhood meetings. This allows the housing agency to maintain a presence and keep abreast of — and immediately address — the residents' issues and concerns.

It helps to be honest and informative to the community. Complete honesty is necessary at all stages of the development process. The housing agency is best served by making the community aware of the roadblocks it is facing: budget constraints, regulatory restrictions, and review delays, for example. The housing agency as a developer must master a balancing act — recognizing that it is not the authority on the design components of the project, but is the authority on the regulatory components of the development. In addition, it should undertake to educate the community on the aspects of the development process the community may not understand.

An agency should value and encourage community support. The value of community support cannot be dismissed; developers should realize that they must act on behalf of the community. The support of the community can be beneficial to the agency or developer when seeking required development approvals. The design plans for the Knox Glen development were unanimously approved in the planning committee review process. At public meetings, historical opponents to the SDHC spoke positively of the community input sought by the commission in this development. At the time of this writing, the Knox Glen development was fully leased with a waiting list of more than 150 households. Moreover, according to SDHC staff, the overwhelming support of the Lincoln Park residents and the city's political decision-makers has had lasting benefits as the commission undertakes other projects in furthering its mission.

CASE STUDY III: SAN JOSE, CALIFORNIA

Identifying and Addressing the Specific Issue of Concern

The city of San Jose, California, provided funds to Winfield Hill Associates, a subsidiary of BRIDGE Housing Corporation, to develop a 144-unit multifamily development called the Almaden Lake Apartments. Intended to serve very low-income families in the city, the project faced significant opposition from the community. Through a series of meetings with the community, project developers were able to pinpoint the opposition's issue of concern about the development and addressed it specifically.

Agency Mission:

In response to a growing need for quality affordable housing, the city of San Jose created its Housing Department in 1988. The department provides low-interest loans to developers to construct primarily rental housing; administers rehabilitation programs for eligible owners of single-family and rental developments; assists first-time home buyers in obtaining housing; is an active partner in citywide neighborhood revitalization efforts; coordinates the city's homeless activities with outside agencies; and develops policies and programs to implement the city council's housing goals.

The department makes a concerted effort to scatter its low-income housing projects throughout the city. Although this approach helps to limit pockets of poverty within the city, it may increase the chances that local opposition will manifest itself in response to an affordable housing proposal.

BRIDGE Housing Corporation is an aggressive nonprofit, regional development corporation. BRIDGE, founded with a \$660,000 anonymous grant to the San Francisco Foundation, develops low- and mixed-income housing. Since becoming a 501(c)(3) corporation in 1983, BRIDGE has participated in the development of 7,500 units. BRIDGE's efforts have been assisted by donations of more than \$15 million. The types of projects in which BRIDGE participates range from rental to ownership to life-care to mixed-use. BRIDGE projects provide affordable housing for families, senior citizens and homeless individuals primarily in the San Francisco Bay Area.

Project Information:

Almaden Lake Apartments was originally designed to be a 144-unit multifamily project that would serve very low-income families in San Jose. As an outcome of the local opposition, the final development amounted to a 144-unit apartment complex and a buffer zone of 84 single-family homes, 28 of which were subsidized by the city.

For the Almaden Lake Apartments, city funds were leveraged by Low Income Housing Tax Credits and conventional financing. All told, city housing funds represented 29 percent of the total development cost of \$21.6 million. Total estimated development cost was \$17.8 million, with city funds representing about 10 percent.

Neighborhood Description:

The Almaden Lake site is located in the southern part of San Jose. Accessible to shopping and public transportation, the area is well suited to high density, affordable housing.

The site is protected by open space to the south. At the time of the proposed development, there was an existing condominium project of two- and three-story buildings to the north and single-family homes located to the east, but out of view because of the sloping terrain. Neighborhood residents earned moderate to high incomes and were primarily homeowners.

The Opposition:

Early in the Almaden Lake development process, existing neighborhood residents — specifically, those residing in the condominiums to the north — expressed concerns about putting a multifamily housing development at this location. Residents' initial complaints were arguments frequently raised by local opposition to an affordable housing project: fear of declining property values, increased traffic and other quality-of-life matters.

Managing the Opposition:

Inclusive Coalition Building...Start with Local Elected Officials

The late Don Turner, founding president of BRIDGE Housing, always began each development project with coalition building. He first approached the elected officials of the jurisdiction, in an effort to incorporate them into his team and make them identify the important opinion leaders in the community — those individuals whose opinion would guide the general community's reaction to a proposed development. For the Almaden Lake Apartments, he found a strong advocate in 10th District Councilman Joe Head.

Identify the Issue of Concern

As news of the Almaden Lake Apartment plans were being disclosed to the public, neighborhood residents were rallying in opposition to the development. Mr. Turner and Councilman Head, along with the BRIDGE project manager on this development, and officials from the city's Department of Housing, attended these meetings to understand the residents' concerns. Initially, opposition focused on the threat of reduced property values, brought on by unattractive or problem housing. Wanting to dispel the opposition's negative perceptions of low-income affordable housing, Mr. Turner offered to take concerned residents on a tour of other BRIDGE projects, allowing them to witness the high quality of BRIDGE housing projects and the manner in which they complemented their neighborhoods' character.

Community meetings were a forum where each of the residents' concerns could be addressed. Ultimately, BRIDGE determined that the real point of contention was not that the project would serve low-income households, but that rental housing did not fit in with other housing in the community. Homeowners simply did not want rental housing next to their owner-occupied homes. In presenting their argument to the City Council, property owners in the neighborhood began focusing their opposition on this issue.

Address the Concern

Once it was determined that opponents were most concerned about having rental housing next to their owner-occupied housing, BRIDGE addressed this specific issue. The BRIDGE project manager partnered with a private developer, and together the two developers rearranged the site plan to incorporate a "buffer zone" of single-family units between the multifamily project and the surrounding area (which actually included condominiums rather than single-family homes).

While this compromise plan did not buy the support of the entire neighborhood, it was enough to ensure the proposal's unanimous approval by the City Council. The multifamily development was completely leased as soon as applications were made available, and units in the single-family development sold out quickly.

Lessons Learned:

An agency should always be prepared for local opposition to a development proposal. Despite significant success in building community and political support for affordable housing, the Department of Housing's experience with the Almaden Lake development drove home the notion that no one is immune to local opposition. This means that each development proposal should be planned with the expectation that some opposition will emerge and need to be resolved.

It is important to engage elected officials in the process. While San Jose has been able to build the support of many of its elected officials for affordable housing issues, it is also important to engage an elected official as a vocal advocate for a development proposal. It helps to have an ally who has the ear of other community decision-makers and can serve to facilitate dialogue between city officials and the neighborhood residents.

A development's proponents should not interpret the opposition's arguments at their face value. It is important to identify and directly address the key concern(s) of the opposition, and not to assume that the fears initially expressed are the opposition's real point of contention. In their initial opposition, residents may express concerns that are in fact covers for other more deeply ingrained prejudices.

An agency and a developer must be flexible. Addressing the opposition's true concerns may require a re-conceptualization of the entire project. This demands flexibility. A developer and an agency should go into an affordable housing project with the expectation that plans will be modified. In the Almaden Lake Apartments, the community and developer's solution to develop single-family units as a buffer zone ended up meeting the community's need for single family housing. Many of the condominium owners — some of whom had been vigorous opponents of the project — expressed vivid interest in living in BRIDGE's newly developed single-family homes.

CASE STUDY IV: DUPAGE COUNTY, ILLINOIS

Making Sure Everyone Has the Facts Straight

The Alliance for the Mentally Ill (AMI) of DuPage County, Illinois, proposed to develop a group home for eight chronically mentally ill individuals. When residents of Glen Ellyn Woods, a subdivision in one of Chicago's wealthier suburbs, learned that the group home would be placed in their community, they began an earnest opposition campaign. The DuPage County Community Development Commission, in partnership

with the DuPage County Health Department and AMI, worked hard to provide answers to all the questions posed by the opposition and to keep local elected officials informed of the relevant issues surrounding the proposed development.

Agency Mission:

AMI of DuPage County was founded in 1988. By 1992, it was a 600-member organization with a mission to promote mental health services and housing for the chronically mentally ill of DuPage County. Originally, the alliance functioned as an advocacy group that monitored facilities and services. In 1992, it expanded its operations into the ownership of housing for the mentally ill, and contracted for services with the DuPage County Health Department.

The Community Development Division of the DuPage County Development Department administers the county's HOME, Community Development Block Grant (CDBG) and Emergency Shelter Grant (ESG) programs. In addition, the Division staffs the DuPage County Community Development Commission (CDC), which advises the County Board on CDBG and ESG programs and the HOME Advisory Group, which advises the County Board on the HOME program.

The DuPage County Health Department has a mission to promote health and prevent disease for county residents. It has four divisions including a Mental Health Division which manages or provides services for several group homes in the county.

Project Information:

AMI purchased and rehabilitated a six-bedroom split-level home to house eight individuals suffering from schizophrenia and manic depression. The target group for the facility was mentally ill individuals who were living in nursing homes outside of the county. A 1987 federal law mandated that individuals who were DuPage County residents but living in nursing homes outside of their original communities be returned to their communities if they so desired. In 1992, AMI found that more than 58 county citizens were living in nursing homes and desired to come back to DuPage County and live in a community-based residence.

AMI partnered with the DuPage County Health Department's Mental Health Division in order to develop this project. The health department would manage the program at the site, receiving operating funds from the Illinois Department of Public Aid. The project was designed to give people with severe mental illness the housing and supportive services that allowed them to increase their abilities to function independently as productive and integrated members of the community. A resident case manager would be hired to ensure the constant supervision and care of the home's residents. Clients would be referred to the home through the county's health department.

AMI applied to the county for \$115,000 of CDBG funding in order to cover some of the property's acquisition and rehabilitation costs. The community development division approved funding for this application before the site for the group home was selected, which is a common practice of the county when evaluating applications for the funding of group homes. The remaining project costs, a total \$115,000, were covered by a \$100,000 mortgage and private donations.

In September 1992, AMI submitted a contract to purchase the Glen Ellyn Woods property to the county's Community Development (CD) Division. This submission prompted the division to undertake the Environmental Review Record (ERR) process required for any acquisition and rehabilitation activities assisted with CDBG funds. Having concluded the analytical phase of the ERR for the Glen Ellyn Woods property, the county determined no significant impact on the neighborhood.

This project was AMI's first foray into the ownership and administration of a group home.

Neighborhood Description:

The group home is located in Glen Ellyn Woods, an affluent suburban subdivision west of Chicago. The community consists of 225 single-family homes whose values are at or above the county's median home price of \$140,000.

The Opposition:

The opponents of the proposed group home attacked the issue on several levels and with diverse tactics.

In April 1992, when it became public knowledge that the Glen Ellyn Woods subdivision was being considered as a potential site for AMI's group home, neighbors organized to dissuade the county and AMI from siting the home in their back yard. Opponents individually wrote, called, and visited the DuPage County Health Department and local elected officials to convince them that another neighborhood would be more appropriate for the group home.

In July, the opposition implemented a new tactic by distributing a flier that encouraged neighbors to write letters of opposition concerning the project to their County Board members. The flier was placed on car windshields at community shopping centers. The document outlined points of concern including: residents of the group home wouldn't be safe living in the Glen Ellyn Woods neighborhood; the values of the homes in the area would drop as a result of the group home; almost all of the residents in the neighborhood were opposed to the group home; it would be wiser to place the group home in a lower price range area; there wasn't adequate infrastructure to support the needs of the group home; and other quality of life issues.

The opponents then hired an attorney to argue that the county's treatment of the group home violated local zoning laws. The opponents lobbied the DuPage County Development Committee and the county board to reject the proposal based on this argument.

In November, the county board approved the project. From there, the proposal moved on to the County's Finance Committee, which had responsibility for approving the release of federal funds to purchase the home. The Finance Committee represented the opposition's last chance to effectively stop the project. In anticipation of this meeting, opponents distributed 10,000 fliers throughout the county that outlined their concerns.

At the Finance Committee meeting, one County Board member who had been involved in the opposition's cause present-

ed several motions that would have sent the measure back to the County Board for re-evaluation. The Finance Committee rejected these motions and released the funds for the project. The opposition was clearly dedicated and resourceful in its attack of AMI's project.

Managing the Opposition:

Know your Role and Responsibility

Many different organizations, agencies, and elected bodies were involved in determining the fate of AMI's proposal. Clearly it was critical for all those involved to understand their roles in moving the project forward. AMI was responsible for making sure that its proposal conformed to county requirements. The county's Mental Health Division took the lead in responding to the opposition's questions and concerns.

The Community Development Division assisted the Mental Health Division in gathering information to respond to the concerns, but its primary responsibility was to ensure the proposal was evaluated and processed according to the county's established policies and procedures. The elected officials were responsible for making the final decision as to whether the project would move forward or not.

Make Yourself Accessible

When the opposition first manifested itself, the county's Mental Health Division prepared and distributed a memorandum outlining the proposed development and the division's management capabilities. In addition, after several phone conversations with the president of the Glen Ellyn Woods Association, the Mental Health Division arranged for Glen Ellyn Woods residents to visit the group homes operated by the county. Some of the residents visited the sites during May and June. In addition, three DPCHD staff members and local elected officials met with Glen Ellyn Woods residents in late June to provide information and answers to their questions. Throughout the rest of the summer, the Mental Health Division staff made themselves accessible for phone calls, meetings and tours, and consistently answered all of the questions and concerns raised by the opposition.

Go the Extra Mile to Make Sure that Your Process is Fair

The Community Development Division had a responsibility to ensure that the county's funding process for the project was consistent with established policy and procedure. A memorandum addressed to the County Board reiterated the process and outlined the steps that AMI had to complete in order to proceed with the project. The processes and procedures also were explained to the local opposition.

The Division issued a public notice for comment, in accordance with federal environmental regulations, on its finding that the project would have "no significant impact" on the neighborhood. The county extended the notice's comment period by 15 days in order to assure that all concerned citizens would have an opportunity to respond. In addition, the staff sent a copy of the public notice to County Board Members representing the Glen Ellyn area, and to the president of the Glen Ellyn Woods Homeowners Association.

In the fall before the County Board was to make its decision about the group home, the Community Development Division sponsored two meetings between representatives of Glen Ellyn Woods, AMI, and the County Health Department and County Board Members, in order to discuss the opposition's concerns. The county developed a written response to the comments they received by letter and at the first meeting. These responses were sent to a designated representative of the Glen Ellyn Woods Civic Association, the association president, the County Board Chairman, County Board Members, AMI and the Health Department.

Give Elected Officials the Information They Need to Make an Educated Decision

Before the County Board made a decision on the project, the staff developed and distributed a memorandum signed by the Chairman of the DuPage County Development Department that provided basic background on the project. It was sent to the county's Board Members. The memorandum outlined the communication that had taken place between the Health Department, the Community Development Division, and residents of Glen Ellyn Woods, and clarified relevant regulatory issues. The memorandum reassured the Board that the project was consistent with all federal, state and local regulations, including the County's zoning ordinance. In addition, the memorandum reminded the board that the Fair Housing Amendments Act of 1988 had added the term "handicap" to the list of classes protected by fair housing law, and this was intended to remove barriers to the placement of group homes (such as the one proposed by AMI) in residential areas. The memo also made clear that fair housing law was applicable to essentially all real estate activities, and not only a requirement because the county received federal funds.

Use the Opposition's Suggestions When They Are Good

In their opposition, Glen Ellyn Wood residents complained that the zoning ordinance did not adequately protect neighborhoods in the siting of group homes. While reiterating AMI's right to purchase the home in Glen Ellyn Woods under the existing zoning ordinance, the county recognized that the opposition had a valid point. In response, it proposed modifications to its group home ordinance that would provide more oversight of organizations that operated or monitored group homes. It would also limit the number of individuals that could live in the home. These modifications were approved in early 1993.

Lessons Learned:

Maintain respect for the concerns of the opposition and respond to them when you can. The Health Department and the AMI were open about the operation of the home and provided answers to all the questions asked by the residents. In addition, AMI offered neighborhood residents an opportunity to serve on the group home's governing board. The DuPage County Development Department ultimately changed its zoning ordinance to respond to the opposition's valid concerns.

Be sensitive to the difficult position that elected officials are put in when these concerns arise. Provide local elected officials with plenty of supporting information and provide time

when residents can discuss issues directly with the officials, but try to be present to help keep the facts straight.

Make it clear to all parties that fair housing law will permit this home to locate in a residential neighborhood. Federal and State laws make it illegal for local government's to make land use decisions based on race, color, religion, sex, familial status, marital status, national origin, ancestry, or handicap.

If possible, use the controversy as an opportunity to educate on the issues. In this case, the project's proponents worked to correct the community's misconceptions about mental illness and about the effect of group homes on property values.

CASE STUDY V: WATERFORD, CALIFORNIA

Understanding and Using the Law

Self Help Enterprises (SHE) proposed to develop single-family homes in Waterford, California, which is a community of 15,000 residents. The project met significant community opposition. With the help of a lawyer, the organization established its right to develop the homes and nullified the last justification the City Council could have used to disallow the project.

Agency Mission:

SHE was founded in 1965 as an outgrowth of an American Friends Service Committee's (Quakers) demonstration project in Tulare County. Its mission is to provide low-income people, primarily farm workers, with an opportunity to own homes and finance them through their sweat equity so as to improve the quality of their families' lives. During its 32-year history, SHE has enabled 4,000 homes to be built in this fashion.

Typically, SHE organizes the construction of 10 homes at any particular site and time, using one construction supervisor and the prospective residents to build the set of homes. SHE serves as facilitator — providing guidance regarding homeownership, helping prospective residents obtain loans, and providing technical assistance during construction. SHE also provides services in home repairs and weatherization, always maintaining family involvement as an important component of each project.

Project Information:

In the mid-1980s at the time of the proposed development, Waterford was starting to grow rapidly because working people from the San Francisco Bay Area were seeking refuge from the skyrocketing housing costs they faced in San Francisco, Marin and San Mateo and Santa Clara Counties. They sought affordable housing in Waterford even though this required a daily two-hour commute to and from their jobs. Waterford was also considered to be an attractive retirement community. The San Francisco commuters and the retired population generally could afford to pay more for housing than Waterford's existing residents. Eventually, this led to a

progressive, albeit significant, increase in Waterford's housing costs. The community's lower-income population was beginning to be priced out of the market.

The project was to construct 80 single-family homes for low-income families (earning between 50 and 80 percent of the area median income). SHE purchased the land for the development in 1986. Financing was provided by Farmers Home Administration (FmHA) and the California Housing Financing Agency (CHFA), which meant that SHE had to design the homes within the constraints imposed by FmHA and CHFA.

Neighborhood Description:

The project of 80 single-family homes would be in a neighborhood with similar housing: modest, single-family homes. Most existing homes were relatively new and moderately priced; many were one-story homes with three or four bedrooms, two baths and two-car garages. Some of the community's older houses had only one-car garages or carports.

The existing neighborhood was approximately 65 percent Caucasian, with the remainder primarily of Hispanic descent. Proportionally, there were more Caucasians in this neighborhood of Waterford than in the city of Waterford generally.

Surrounding the neighborhood within walking distance were a public park, an elementary school and shopping area, which was not uncommon or upscale compared to the rest of Waterford.

The Opposition:

After SHE purchased the land in 1986, it applied and received approval for a "tentative map" to develop 80 single-family homes each having a one-car garage. At this stage, there was no opposition to the proposed use of the land and design of the homes.

Opposition first appeared when SHE returned to seek the city's approval of a "final map." As required by law, a public hearing was held, drawing the attendance of over 100 would-be neighbors. At the hearing, residents complained that they did not want "low-cost housing" in their neighborhood and, subsequently, organized against the proposal. They circulated a petition opposing the development and lobbied City Council members by phone and in small meetings. These opponents articulated fears about declining property values, increases in crime and poorly-designed housing that would not fit the character of their community.

Although the SHE staff attempted to educate the community on its intentions for the development and invited concerned neighbors to visit completed SHE developments, opponents continued to pressure City Council members to block the development. They targeted one aspect of the project design. At the time, FmHA loans were a common source of mortgage financing in similar cities in the region. Consequently, it was fairly well-known that FmHA financing was restricted to "simple modest" homes, defined in regulations to mean a maximum of a one-car garage. Most privately financed homes in the neighborhood had two-car garages. Opponents, therefore, complained that homes with only a one-car garage would not fit into their neighborhood. In response, SHE



Self Help Homes

revised its proposal to provide for two-car garages in the homes financed by CHFA, which did not carry FmHA's prohibition against two-car garages. However, the design change did not satisfy the opposition, which maintained that the FmHA-financed homes still would not "fit the character" of the existing neighborhood since they did not have two-car garages.

Opponents continued their attack against SHE's proposal by citing a two-car garage requirement contained in a new city ordinance. The ordinance, which had been developed and passed after the conflict around SHE's proposal emerged, required newly constructed single-family homes to include two-car garages. Neither the origin nor the real motivations behind the new ordinance were clear. Proponents of the ordinance claimed it was not intended to prevent low-income housing in Waterford. However, the ordinance would effectively do that. Nonetheless, although SHE's designs had been in compliance with local design requirements at the time the tentative map had been approved, the designs were in direct conflict with the new ordinance at this later point.

Managing the Opposition:

Hire a Lawyer when Legal Issues are in Question

SHE hired a land-use attorney who analyzed the organization's land-use rights. SHE's attorney met with Waterford's city attorney and explained that the city had no basis to deny SHE's application for approval of the final map under the new ordinance. SHE had vested rights in the already-approved tentative map. SHE argued that while Waterford could apply this new rule to future proposals, the city could not change the rules for this development this late in the game. Waterford's attorney recognized the legal merit of SHE's position and advised the City Council accordingly. At the subsequent public hearing, opposition continued to be fierce, but the City Council eventually acknowledged SHE's vested rights and voted accordingly. The project received its final approval after nearly a year of fighting.

Opposition died after SHE completed construction of the housing and the residents witnessed the quality of the design of the new homes and how well their new neighbors maintained their properties.

Work to Remove Legal and Programmatic Obstacles that Impede Affordable Housing Development

In following up on the conflict, SHE and other organizations successfully advocated for the passage of a state law that prevented local jurisdictions from passing laws that deny families an FmHA loan by imposing restrictions such as the one requiring two-car garages.

In the years following this episode, FmHA — now the Rural Housing Service — relaxed its own design requirements so that a project that falls out of compliance with FmHA regulations, but meets local code can obtain loans. This change removes the opportunity for local governments to block affordable housing by the particular tactic employed against this SHE proposal.

Lessons Learned:

An agency and a developer must be familiar with their legal rights. Affordable housing providers are best served by learning their rights as owners of land, specifically what they will be permitted to do with a particular parcel under existing law, before they actually buy the land.

It is important to seek legal assistance when you need it. It often helps to get legal advice. While litigation may not be necessary or appropriate, legal guidance can be useful. There are ways of effectively defending an agency's legal rights short of litigation. Sponsors typically are reluctant to assert their legal rights against the local government for fear of souring the working relationship. However, when a local government's action clearly would violate an agency's legal rights the agency should not be afraid to protect them. In this case, the conflict did not destroy the relationship; SHE built more affordable housing in Waterford within the five years after this incident.

Do follow-up work. Whenever possible, it helps to do follow-up work after the conflict is resolved. This can serve to stop opponents from using the same tactic against other affordable housing developments in the future.

PART THREE: HOME AND LOCAL OPPOSITION TO AFFORDABLE HOUSING

The HOME Investment Partnerships program has become a critical resource for the financing of affordable housing across the country. A federally funded flexible block grant, the HOME program was created by the National Affordable Housing Act of 1990 and funded for the first time in 1992. HOME supports a variety of activities to provide decent affordable housing to lower-income households. These include the construction and rehabilitation of rental housing, homebuyer activities, homeowner rehabilitation and tenant-based rental assistance. A majority of HOME funds have been directed toward expanding rental housing opportunities.

HOME is allocated directly to states and local governments and typically administered by their respective community development and housing departments — the agencies we have tried to address in this guidebook. These agencies and the local elected officials they represent make decisions about how HOME funds will be spent, and consequently influence the development of affordable housing in the community. This means that local opponents to an affordable housing development, frequently turn to local government agencies to influence or appeal a funding decision. It also means that these agencies are a key resource of information about affordable housing in the community.

In many ways, HOME has done a great deal to help communities better manage local opposition to affordable housing. Perhaps its greatest strength is the flexibility it gives communities to address a wide array of affordable housing needs. It also means that affordable housing can be designed to reflect the neighborhood or community's character. It is frequently very difficult, if not impossible to distinguish a HOME funded development from other housing in the community. This is important for a community working to change the community's negative perceptions of affordable housing. Developers have been able to use HOME in mixed-income developments, further helping to make affordable housing indistinguishable from other housing in the community.

HOME has proved to be an extremely flexible and attractive financing tool. HOME funds frequently are used as a form of gap financing for affordable housing development. The program has been successful in leveraging private-sector funding. HUD currently estimates that for every HOME dollar spent, an average 1.6 -1.7 dollars of private investment are leveraged. In addition, the Low Income Housing Tax Credit

Program and HOME have helped to spur broader community participation in affordable housing development. Banks, private developers, nonprofit agencies, and large private corporations are putting together or providing significant equity for affordable housing deals. As more people and organizations participate in developing quality affordable housing, the better educated and supportive communities are likely to become.

One of HOME's other financing advantages is that it allows an agency to fund development soft costs such as the architectural, engineering, or related services required to prepare plans, drawings or specifications of a project.⁶ This can be extremely helpful to a developer who must redesign a project to accommodate the local opposition.

Local elected officials have probably become more educated about affordable housing as a result of HOME. In many communities, HOME funding decisions must be reviewed and approved by the city council or county board. This means that local elected officials often have some general knowledge of how the local government is involved in affordable housing issues. Some communities have instituted HOME advisory boards consisting of community representative and elected officials. These boards may make final HOME funding decision or make funding recommendations to the city councils or county boards. This is a very good way to get a handful of local elected officials involved with affordable housing. It also means that when local opposition hits, an agency or a non-profit developer has some local elected officials who are aware of the relevant issues.

Agencies that receive HOME funds are required to develop and adopt a plan that outlines the jurisdiction's policies and procedures for encouraging citizen participation in community development. A jurisdiction must hold at least two public hearings a year to obtain citizens' views and to respond to proposals and questions. Some local agencies continue to have difficulty getting people to show up to their public hearings. However, many communities have had significant success in getting their citizens involved in the decision-making process about how and where resources will be invested for affordable housing. Public hearings offer an opportunity for agencies to disseminate positive information about affordable housing to the community and to build support for its initiatives.

CONCLUSION

Despite its success in fulfilling important community needs and otherwise performing like market-rate housing, contemporary affordable housing is unlikely to win broad acceptance until its tarnished reputation with the general public improves. This will only happen through extensive exposure to successful developments over several years. In the meantime, agencies prudently should implement actions that will manage local opposition.

We have tried to provide strategies that communities can use to effectively manage local opposition to affordable housing. Clearly they require a well thought-out and reasoned approach. When a project is undertaken in a haphazard manner without a plan, opposition can and will get the better of you.

To begin, we propose that an agency should work to change the environment in which local opposition thrives. The advantage of such work is perhaps best exemplified by the successes of the city of San Jose. Through a combination of factors and initiatives the city has been able to create an environment that is relatively friendly to affordable housing. Of the more than 80 affordable housing projects considered by the San Jose City Council since the Department of Housing's inception in 1988, not a single one has been denied. The contributing factors include: a) city-financed affordable housing is often more attractive than the existing housing stock, effectively raising or stabilizing property values; b) the city works aggressively in the community to educate residents about the need for affordable housing and its relationship to economic development; c) the city has invested a significant amount of money in developing and distributing agency and program marketing materials that bring a "familiar face" to housing by describing the kinds of people who need affordable housing (nurses, teachers, etc.); d) there are many avenues for the community to express its views about housing, from the Housing Advisory Commission all the way to the City Council; and e) housing costs in the area are high, meaning that affordable housing is clearly a benefit to moderate-income as well as low-income families.

Not all agencies will have the elements necessary to create an environment as propitious as the city of San Jose's, however at a minimum agencies can do a few things to create a more favorable environment to affordable housing:

- Make sure that your own house is in order. This means making sure that your agency's policies and procedures are conducive to affordable housing development and working to ensure that your agency has its finger on the pulse of the community's affordable housing needs.
- Engage local elected officials. Be deliberative in communicating with elected officials about what you are doing, and how affordable housing makes a positive contribution in the community.
- Aggressively communicate your successes.
- Identify your partners and allies and support their work.

However, no matter how successful an agency is in building support for affordable housing, it is not unlikely that some affordable housing development proposals will encounter local opposition along the way. An agency can prepare for and manage this opposition. Some of the basic activities an agency can undertake towards this end include:

- Gathering and providing pertinent information about the development to the developer and the public, e.g. how this proposal will help meet housing needs and implement other community policies;
- Providing pre-development funds for activities related to dealing with local opposition, e.g. additional staff time, community organizing and redesign fees;
- Supporting the developer in constructively engaging concerned citizens;
- Ensuring that the agency abides by the requirements of fair housing and other pro-affordable housing laws; and
- Making sure that local elected officials who will make funding and land-use decisions have the facts straight about the project and their responsibility vis-à-vis fair housing laws.

Ultimately, a local agency must determine the responsibility it wants to assume in promoting affordable housing in the community. An agency that proactively plans for local opposition to affordable housing can make a significant contribution in meeting it's community's local affordable housing needs.

ENDNOTES

- 1 Title VIII of the Civil Rights Act of 1968 (*42 U.S.C. 3601*) established fair housing law. The purview of the Act was significantly broadened by federal Fair Housing Amendment Act (FHAA) of 1988. Under the Act, an individual may not be denied housing based on handicap, familial status, race color, religion, sex, national origin or ancestry. The Act also expands the requirements for accommodating the needs of persons with disabilities.
- 2 See Building Inclusive Community: Tools to Create Support for Affordable Housing, (HomeBase, 1996), pages 59-67.
- 3 *IBID*, pages 21-30.
- 4 For a listing of some responses to these common complaints see Building Inclusive Community: Tools to Create Support for Affordable Housing, (HomeBase, 1996), pages 73-97.
- 5 For a discussion and resource list about affordable housing and property values see Building Inclusive Community: Tools to Create Support for Affordable Housing, (HomeBase, 1996), Appendix A and Appendix L, as well as pages 73-75.
- 6 For a more complete discussion of HOME and project-related soft costs, see CPD Notice 96-09, *Administrative costs, project-related soft costs, and community development housing organization (CHDO) operating expenses under the HOME Program*. This notice was issued by the Department of Housing and Urban Development and is dated December 20, 1996.

SELECTED RESOURCES

- *Affordable Family Housing: A Bay Area Tour*, (1997) (Non-Profit Housing Association of Northern California). A nine-minute video tour of three successful multifamily affordable housing developments in San Francisco Bay Area suburban communities, and quick views of other developments. This video features interviews with local government officials, a police officer, and a regional business organization endorsing affordable housing with an emphasis on homes that are available to the work force and residents. This video is available on VHS format and in D-2 and Beta SP format (for television broadcasting). Some images and quotes from the video are included in *Affordable Family Housing: A Bay Area Briefing*, a packet of briefing materials that can be left behind after the video showing. Copies may be obtained from: Non-Profit Housing Association of Northern California, 369 Pine Street, Suite 350, San Francisco, CA; Phone: (415) 989-8160.
- *Affordable Housing: A Bay Area Briefing* (1997) (Non-Profit Housing Association of Northern California). A packet of printed materials on affordable multifamily, seniors and special needs housing including:
 - Five fact sheets entitled: *What is Affordable Housing?; Who needs Affordable Housing?; How is Affordable Housing Developed?; Answers to Common Questions; and Resources and More Information.*
 - Color photographs of affordable housing developments in the San Francisco Bay Area.
 - Color photos and pull quotes from a police officer, a local elected official, and a business representative.
- *Building Inclusive Community: Tools to Create Support for Affordable Housing* (1996) (HomeBase, San Francisco, CA). A practical, state-of-the-art "how to" manual with extensive appendices. Copies may be obtained from: HomeBase, 870 Market Street, Suite 1228, San Francisco, CA 94102. Phone: (415) 788-7961.
- *Good Neighbors: Affordable Family Housing* (1996) (Images Publishing Group Pty Ltd., Melbourne, Australia), Tom Jones, Michael Pyatok, William Pettus. A 270-page book of photographs and information exploring 85 well-designed affordable housing developments around the country (including 26 from California) augmented by extensive discussion of the issues raised and addressed by each development.
- *Planning Ahead for Affordable Housing: Building Support and Overcoming Local Opposition* (1996) (California Housing Partnership Corporation, Oakland, CA). A 35-minute video and accompanying work-book based on *Building Inclusive Community*. Copies may be obtained from: California Housing Partnership Corporation, 2201 Broadway, Suite 823, Oakland, CA 94612. Phone: (415) 433-6804.
- *The Question of Property Values*, (1987) (Campaign for New Community, Washington DC), Michael Dear. An article that proposes arguments to counter property-value-based objections to affordable housing. Copies may be obtained from: Campaign for New Community, 212 East Capitol Street NE, Washington, DC 20003. Phone: (202) 543-2249.
- "Understanding and Overcoming the NIMBY Syndrome," Michael Dear, *Journal of the American Planning Association*, Vol. 58, No. 3, Summer 1992, 13 pages. A theoretical framework for analyzing all types of siting disputes and an extensive bibliography.

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