

THE NEW URBAN LANDSCAPE

RISING *from* RUIINS

Why public housing, once the scourge of the city, now is a vital part of its life and its future.



DAVID SWANSON / Inquirer Staff Photographer

Richard Allen Homes — its very name synonymous with the horrors of public housing — has been transformed into what might be mistaken for a suburban neighborhood. Tenant Ella Lawrence tidies up her unit at 11th and Fairmount.

First of three parts

By Larry Eichel
INQUIRER STAFF WRITER

At 46th and Fairmount, in the downtrodden Mill Creek section of West Philadelphia, you can stand and watch the urban landscape being transformed.

Amid the abandoned buildings and the trash-strewn lots, an ever-expanding swath of inner-city suburbia is rising from the rubble.

Here are 120 freshly built townhouses and twins, with all-new streets, big backyards, rear driveways, and wrought-iron fences.

What's most remarkable about this improbable community is that all of it is public housing - just like the three grim,

crime-ridden, 17-story high-rises that once stood on the site, deadening and stigmatizing an entire neighborhood.

And this sort of change is happening not only in Mill Creek.

Throughout the city, over the last 10 years, the Philadelphia Housing Authority (PHA) has demolished old projects and built new communities, with an impact that can be felt citywide.

"It's one of the major factors in the revitalization of the city's real estate market," said Jeremy Nowak, chief executive officer of the Reinvestment Fund, a nonprofit group that finances projects in low-income



Inquirer Archives

The old Cambridge Plaza on a day in 1986 when a toddler fell nine stories to his death.

areas. "These places were liabilities before. They aren't now."

Spacious and open, the new developments are fully integrated into the city's street grid; their predecessors were separate and threatening worlds of dimly lit dead-end streets and litter-strewn

courtyards.

In the immediate surroundings, crime is down, property values are up, and cautious optimism is rampant.

"Things are a whole lot better," said Sabrina Williams, 25, who grew up in the old Richard Allen Homes in North Philadelphia and now lives in the new version. "You got so used to hearing gunshots."

Experts say that this transformation qualifies as one of the most significant and least-noted changes in the city's overall look and feel.

"For a while, a lot of people didn't understand what I was doing," said Carl R. Greene, PHA's executive director, who, in nearly eight years at the helm, has made the quasi-independent agency into perhaps the city's leading force for neighborhood revitalization.

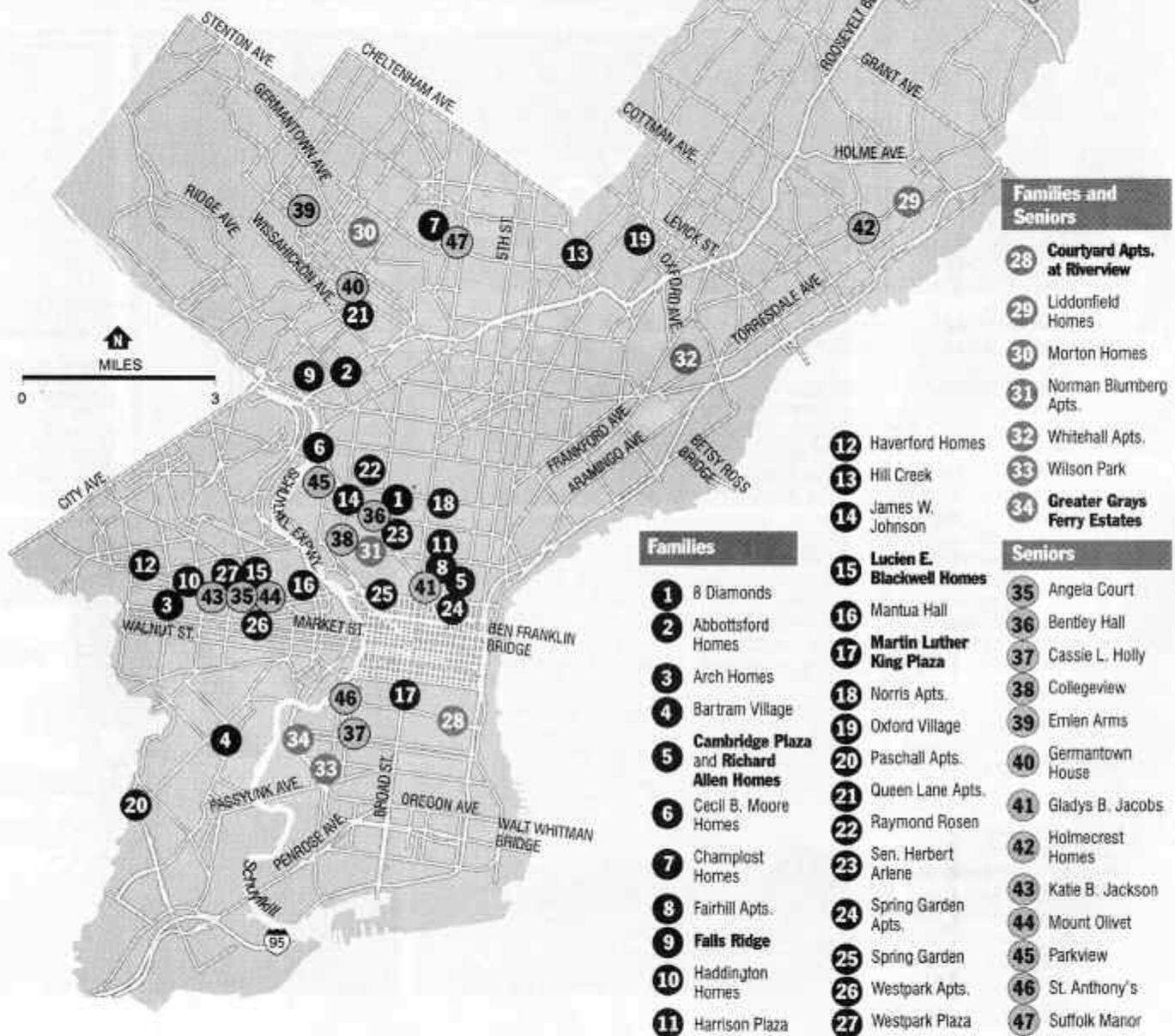
"We're not just building houses to be building houses. We're creating economic impact."

To what degree this approach is helping the city's most needy is another question.

The new low-density developments, which are expensive to build, have significantly cut the number of PHA-run units - at a time when the number of poor people in Philadelphia has risen dramatically and the waiting list for public housing has swelled to nearly 46,000 families.

Philadelphia Public Housing

In recent years, the Philadelphia Housing Authority has demolished seven large, decaying and crime-ridden public housing projects and built open, suburban-style developments. The new places are assets to the surrounding neighborhoods, but have fewer units. PHA now manages 15,678 units, down from 21,019 in 1995.



Recent redevelopments

	Demolished	Completion	Previous units	Current units	Cost
Courtyard Apartments at Riverview (former Southwark Plaza)	2000	2000	886	470	\$57.2 million
Richard Allen Homes	1998	2003	1,324	408	\$91.2 million
Cambridge Plaza	2001	2005	372	124	\$33.8 million
Greater Grays Ferry Estates (former Tasker Homes)	2002	2006	1,081	554	\$165.3 million
Falls Ridge (former Schuylkill Falls)	1996	2006	714 ¹	163 ¹	\$39.0 million
Martin Luther King Plaza	1999	2006	537	245	\$74.0 million
Lucien E. Blackwell Homes (former Mill Creek Apartments)	2002	2007	441	627 ²	\$128.0 million

1 At Falls Ridge, the figure for previous units includes the high-rises abandoned in 1976. The figure for current units does not include units in a market-rate project Westrum Development Co. intends to build.
2 At Blackwell Homes, the figure for current units includes units in the surrounding community.

The transformation of public housing

■ Since 1996, PHA has put \$1.2 billion - most of it from the U.S. Department of Housing and Urban Development and very little from city coffers - into the refurbishing, demolition, reconception and reconstruction of what had been some of its most notorious projects.

Tasker Homes, a rundown collection of boxes along the Schuylkill Expressway, is gone, replaced by Greater Grays Ferry Estates.

The Mill Creek Apartments, the towers that once stood at 46th and Fairmount, have given way to the Lucien E. Blackwell Homes. Southwark Plaza is now the Courtyard Apartments at Riverview.

Removing the old and building the new has caused property values to rise faster in those areas than in the city as a whole, according to a report done for PHA by Applied Real Estate Analysis of Chicago.

In the blocks surrounding the Martin Luther King Plaza development, just south of Center City, the average sale price of homes rose 161 percent from 1999 to 2004, almost three times the citywide increase.

What PHA has done is hardly the sole factor fueling the growth in property values and tax revenues. In some cases, the authority targeted neighborhoods that were well-situated for revival.

Residents appreciate all that has changed.

"It is so quiet," said Helen Gates, 68, who lives in a two-story, three-bedroom unit at Falls Ridge, the new PHA development in East Falls, along with her daughter, granddaughter and great-granddaughter. "The only thing you might hear is the sound of children playing, and you don't mind that at all."

Houses come equipped with dishwashers, garbage disposals, off-street parking, and central air-conditioning.

Eligibility rules have been changed in an attempt to create a more positive social environment. The aim is to keep out people with criminal records and drug histories while creating a larger complement of working-class families.

In some locations, homes are available for purchase at subsidized prices by families making as much as \$55,000 a year, and



DAVID SWANSON / Inquirer Staff Photographer

demand has been strong.

"The implications are clear," said Mayor Street, who serves as PHA chairman. "Families are no longer running from public housing but are willing to live near PHA sites."

Over the last decade, other cities have made similar changes, taking advantage of a Clinton-era federal program known as HOPE VI, with HOPE standing for Housing Opportunities for People Everywhere.

Indeed, Philadelphia was something of a latecomer in terms of knocking down old projects and trying to replace them with something better.

But along with Chicago, Atlanta and Washington, the city has been among the most successful in securing multimillion-dollar grants from the program.

Other cities in the region, notably Camden and Chester, also have received HOPE VI money. In Camden, the housing authority used some of it to demolish an old-style project, Westfield Acres, and to replace it with a widely praised, suburban-

The suburban nature of Philadelphia's new public housing is apparent in this southwest-facing view of the Center City skyline from 11th and Parrish Streets. The neighborhood is part of Richard Allen Homes, just a few blocks northeast of Center City.

style, mixed-income community known as Baldwin's Run.

PHA has been creative in finding other financing sources - such as private capital raised through the state-run, federally funded Low Income Housing Tax Credit program - to keep the transformation going.

While the new housing is universally considered a vast improvement over the old, the change is not without its critics. They say, among other things, that the new housing costs too much to build, that it looks too suburban, and that not enough of it is available to the people who need it most.

Construction of the new units runs about \$250,000 apiece, according to PHA data.

"Can this approach possibly be cost-effective at \$250,000 per copy?" asked Howard Husock, an expert on housing and social policy at Harvard University's Kennedy School of Government. "Not if the question is what's the best way to help the poor advance."

A study done for the Reinvestment Fund in 2002 found that the cost of government-subsidized residential construction ran about 23 percent higher than private work.

PHA officials say the average cost of the units themselves is roughly \$190,000; the \$250,000 figure includes the cost of new streets, underground utility lines, and community centers.

Greene calls the cost question a "valid concern" but urges a broader perspective.

"We're serving the poor, undoing the mistakes of the past, creating new assets, increasing property values," he said. "We think that when you look at all those benefits, you could have never gotten a private developer to do those projects and serve those public purposes."

As for the architecture, residents love the suburban feel of the new developments.

But some planners say that the layouts seem out of place in rowhouse neighborhoods.

“In my mind, it’s just inappropriate for its context,” said Tim McDonald, a Kensington-based architect. “Good architecture and good urban planning begin with appropriateness.”

Michael Johns, PHA’s assistant general manager, says the suburban look at some sites is intentional and points to one phase of the Richard Allen Homes as an example.

“To get anyone to come to North Philadelphia, it better look like something done by Toll Bros.,” he said. “It had to be dramatic if we were going to change people’s notions about public housing. We were making a statement.”

Advocates for the poor worry about the overall supply of affordable housing in Philadelphia. The old, demolished projects had twice as many units as the new ones.

To some degree, such reductions in numbers were inevitable; the density of the old projects helped make them unlivable. But at a time when demand for affordable housing is rising and PHA waiting lists are swelling, having fewer units is a problem for the city.

And there’s the question of who gets to live there.

While 64 percent of PHA renters city-wide have incomes of less than \$10,000, two-thirds of units at some of the new sites are reserved for families making \$20,640 to \$34,400 (which is 30 to 50 percent of the area’s median income for a family of four). Other rule changes also have opened the doors to those who, while far from rich,



Inquirer Archives

The innocence of childhood had a sinister backdrop in 1975: the hulking Schuylkill Falls project in East Falls. That year alone, there were three murders, four rapes, and 159 robberies or assaults there.

are not quite poor.

“This raises the broader issue: Who should public housing’s customers be?” said John Kromer, a former city housing director. “In the late 1980s and early 1990s, the neediest and the homeless were the priority. Now, it’s decent families.”

This isn’t the first time the nature of public housing in America has changed.

Long considered a policy disaster, the

program was created during the Great Depression, with Philadelphia’s first projects, including Richard Allen, opening in 1941.

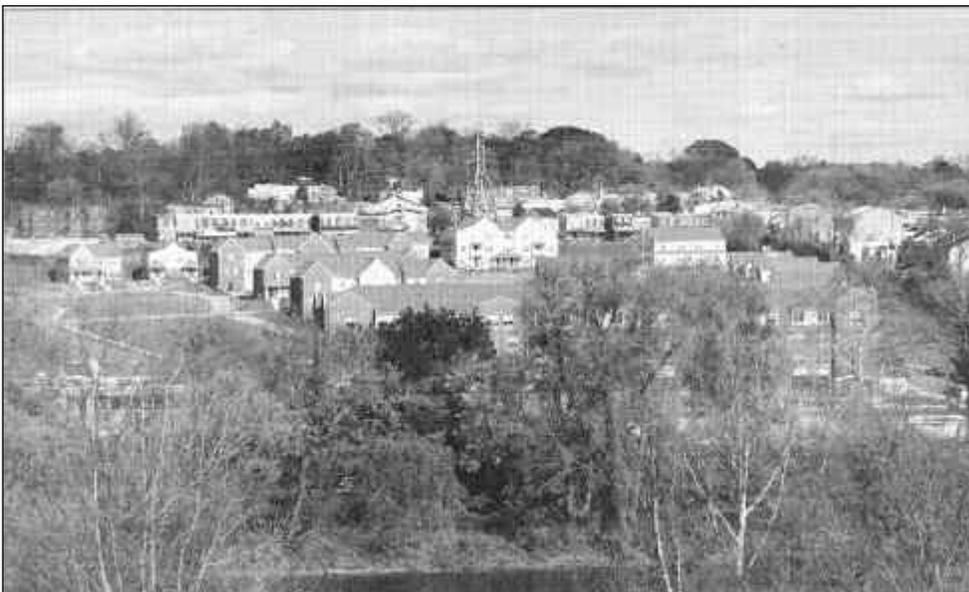
The original concept was that the housing would provide temporary shelter for working people who had fallen on hard times. But it didn’t work out that way.

By the early 1970s, many families had become permanent residents, and public housing was known for dehumanizing architecture, slipshod maintenance and racial segregation. Historian John Bauman called Philadelphia’s projects “publicly owned slums.”

In 1975 alone, the twin towers of Schuylkill Falls hosted three murders, four rapes, and 159 robberies or assaults. The high-rises were abandoned a year later.

“I’d go to work at Schuylkill Falls with a .38-caliber revolver in my belt and a big stick in my hand,” recalled Joseph Petrone, a former PHA maintenance supervisor. “The stick was for the German shepherds people kept tied to their doorknobs. The halls were covered with trash because the dogs would tear up the trash bags. We’d find bodies in the elevator shafts; the kids would play there, get stuck, and fall or get crushed.”

Conditions continued to deteriorate into the 1990s. No new projects were built. PHA developed a reputation as a dysfunctional



DAVID SWANSON / Inquirer Staff Photographer

The green hills of home: The new Falls Ridge public housing development, seen from the Schuylkill Expressway, replaced Schuylkill Falls.

agency - so much so that HUD took it over for a year.

Then along came HOPE VI. Enacted in 1992, the federal program for demolishing the old projects took off in the mid-1990s after it was reshaped by President Clinton's HUD secretary, Henry G. Cisneros. New regulations called for fewer units and more of an income mix.

"The vision was that concentrated poverty was damaging not just to the people living there but to the entire city," said Bruce Katz, who was Cisneros' chief of staff at the time. "This was a dramatic revolution in social policy."

Raymond Rosen in North Philadelphia was the first local project to be demolished, falling in 1995. Mill Creek was the most recent, coming down in 2002.

"In the old developments," Greene said, "people were forced to live like the castoffs of society because they were treated like castoffs. Today, they're treated like upstanding, contributing members of society."

■

PHA still has plenty of work to do.

The new Martin Luther King Plaza is only about half-complete six years after the old towers were demolished. Construction in East Falls has moved at a similar pace.

Asked for an explanation, Greene noted that in both of those cases PHA initially handed over responsibility for construction to a for-profit company, Pennrose Properties, and a nonprofit, Universal Community Homes. In 2004, PHA took over greater control of Martin Luther King,

and it hopes to do the same in East Falls.

Over the next six years, plans call for building an additional 1,560 units, one-fourth of them to be sold to low- and moderate-income families, at eight locations.

With diminished federal funding, it's an ambitious plan.

And if reducing concentrations of poverty is the goal, Philadelphia still has miles to go.

A report earlier this year by the Brookings Institution found that 28 percent of Philadelphia's poor live in neighborhoods of extreme poverty, seventh-highest among the nation's 50 largest cities.

Contact staff writer Larry Eichel at
215-854-2415 or
leichel@phillynews.com.

THE NEW URBAN LANDSCAPE

MIXED BLESSINGS

Both delight and
envy greet the new
public housing.



The walk home from school takes on the glow of a late-fall idyll for three boys in the new Greater Grays Ferry Estates.

DAVID SWANSON / Inquirer Staff Photographer

Second of three parts

By Larry Eichel

INQUIRER STAFF WRITER

As she considers what has become of public housing in Grays Ferry, longtime neighborhood resident Mary Umbrell is of two minds.

Yes, the old project, Tasker Homes, was an eyesore, and its replacement, Greater Grays Ferry Estates, is anything but.

And yes, property values are on the rise in Grays Ferry, at least in part because of the \$165 million of public and private money that the Philadelphia Housing Authority (PHA) has invested in the new development, its most ambitious to date.

But to a lot of people in this working-class corner of South Philadelphia, there's something wrong when the public housing looks nicer than the private housing - espe-

cially when those private homes belong to you.

"Economically, I give it all a big plus," Umbrell said of the new construction. "In terms of fairness to the neighbors, I give it a minus 99."

All over the city, neighborhoods are learning to live with the new public housing. In most cases, the learning process is a pleasant one.

In North Philadelphia and Grays Ferry, in West Philadelphia and East Falls, the forbidding towers and barracks-like compounds that bred crime and drug use are gone, replaced by attractive, open, low-rise complexes with amenities such as central air-conditioning.



Inquirer Archives

The former Tasker Homes project, in 1992. It's now Greater Grays Ferry Estates, PHA's most ambitious turnaround.

The changed mix of people is widely viewed as an improvement as well. New eligibility standards guarantee that a larger percentage of residents are working people as opposed to welfare recipients.

But each neighborhood has distinct issues and concerns - pressuring PHA to live up to its commitments, or making the residents of public housing feel they are part of the community, or worrying about gentrification.

In Grays Ferry, the problem is deeper, and residents of public housing know it. Listen to Marguerite Harris, a leader of the residents' council inside the development.

"They [the neighbors outside] don't think we deserve anything this beautiful," she said from the living room of the year-old, two-bedroom unit she shares with her grandson. "If you look at their houses and our houses, there's a heck of a difference. I know they're talking. If I was living outside, I'd probably be talking about it, too."

Many of the disgruntled neighbors outside are white. Almost all of the residents inside are black.

Grays Ferry has a history of racial tension. This is where then-Police Commissioner Frank L. Rizzo, nightstick tucked inside his tuxedo cummerbund, came in 1969 to break up a racial confrontation. This is where Nation of Islam leader Louis Farrakhan joined marchers to protest racial violence in 1997.

The current resentment among neighborhood whites is directed more at PHA

Renewal begets its own problems



Marguerite Harris fetches the morning newspaper from the lawn of her home on South Hollywood Street in Greater Grays Ferry Estates.

DAVID SWANSON / Inquirer Staff Photographer



Sources: ESRI; TeleAtlas

MIKE PLACENTRA / Inquirer Staff Artist

than the tenants. The problem, said Robert Gormley Jr., president of the Grays Ferry Community Council, is that no income-eligible residents of Grays Ferry have been admitted into the development - where a lot of people are paying rents of \$200 per month.

Having a few locals there, Gormley said, would help ease hard feelings: "We're the last ones to have a chance to live in that beautiful community."

PHA Executive Director Carl R. Greene denies there has been any conscious effort to shut out neighborhood residents. He says they were slow to apply for housing when the development was being built - when they would have received preference - but they remain welcome to apply now.

Despite the strains, groups inside and out, black and white, are seeking to forge links between the public housing and the rest of Grays Ferry.

The Greater Grays Ferry Brotherhood, a community organization based inside the development, is working with other groups to try to restore Lanier Playground, a vast, trash-strewn square block on the development's northern border.

This summer, the brotherhood's leader,



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Marguerite Harris, Greater Grays Ferry Estates resident

Michael Johnson, organized a block party on the 1700 block of South 29th Street. One side of the street is mostly black public housing; the other is mostly white private homes. Although few whites came, a positive signal was sent.

"There are a lot of old wounds here," Johnson said. "But this is a new day."

West Poplar

The neighborhood known as West Poplar - just north of Center City, just south of Temple University - always had development potential based on its location.

The problem was the public housing.

For years, the neighborhood was dominated visually by the two 14-story towers of Cambridge Plaza, and psychologically by Richard Allen Homes, a vast, eight-square-block sprawl of run-down three- and four-story buildings.

At one point in the 1980s, only one in every 14 households in Richard Allen had even one person working. It was a depressing and frightening place.

Now, those crime-infested fortresses have been replaced by attractive one- and

two-story homes with yards front and rear. Where once there were 1,696 units of public housing, now there are 532. Where once there was concrete and shadow, now there is brick and grass and sky.

And that long-smothered potential is starting to be real-

ized. "You'd have to be an idiot not to want to live in this neighborhood now," said Margie Pierce, who runs the West Poplar Neighborhood Advisory Council. "This is going to be like the Art Museum area."

Signs of revival are every-

where. In the blocks just north of Spring Garden Street, individual rowhouses are being rehabbed.

In the vacant, overgrown lots along 10th and Wallace Streets, back near the train trestle, developer Lawrence Rust plans to build 52 townhouses, 20 condominiums, and 5,000 square feet of commercial space. He calls it Spring Arts Point.

A few blocks away, at 11th and Brandywine, developer Abby Schiff is proposing to convert the nine-story Independence Press building into Brandywine Loft, with 110 condos priced from \$195,000 to \$1.2 million.

"There's no way you'd have these plans without the changes in public housing," said City Councilman Darrell L. Clarke, who represents the area.

In the virtually all-black areas closer to Girard Avenue, old-timers marvel at the sight of white people passing through on foot and on bikes, looking utterly comfortable and unhurried.

meet one person who could honestly say they predicted that this area would take off the way it has," said Muriel Reviere, who lives in one of the Nehemiah Homes, a group of modest, owner-occupied houses built with federal subsidies in the late 1990s. "If you find one, put him on a lie detector. We've just proven everybody so wrong."

The change for the better began in 1998, when much of Richard Allen was demolished. The high-rises at Cambridge Plaza were razed three years later. Redevelopment moved forward in phases, with the final step, the completion of Cambridge, coming this past summer.

"Most people appreciate the change, and they're taking care of their places," said Wendy Washington, who has spent most of the last 30 years in Cambridge Plaza.

This is not to say that the changes in public housing have made every urban problem go away.

West Poplar still struggles with drugs and violence; neighbors point in particular to two corners - 11th and Parrish, 10th and Brown - where young men hang out day and night.

There still are vacant lots and empty homes, unemployment and poverty.

There has been little new commercial development; a

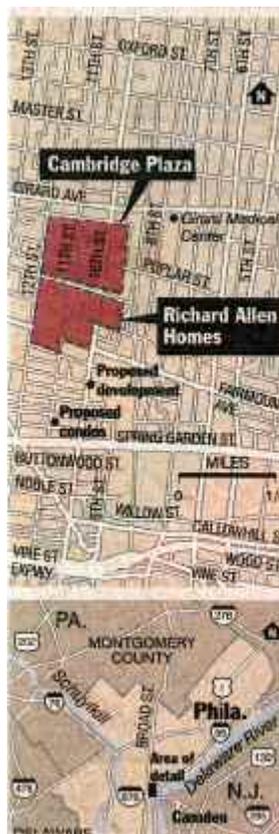


Inquirer Archives

The Word War-II era origins of the old Richard Allen Homes — they were built in 1941 — are evident in this October 1954 photograph. It was one of Philadelphia's first public-housing projects.

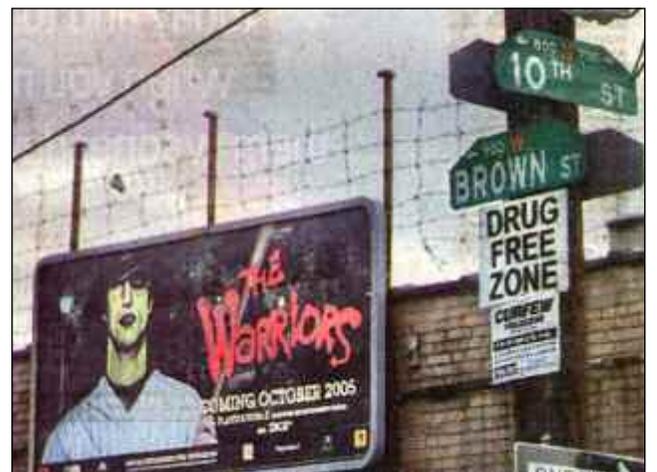


The old Independence Press building at 11th and Brandywine is set to become 110 condos. This private-sector project likely would not have occurred absent the renovation of nearby housing.



After years of focusing on survival, the old-timers are starting to worry about the side effects of revitalization, such as rising property-tax bills and higher rents.

"I would like to



The corner of 10th and Brown Streets, in the new Richard Allen Homes, exhibits a neighborhood resolve to be drug-free.

shopping center on Girard Avenue stands fenced-off and derelict. The area needs a grocery store, and those planned, upscale residential developments have yet to break ground.

But in West Poplar, with the new public housing, the future looks far better than the past.

East Falls

The transformation of public housing in East Falls has been decades in the making. And it's not over.

It has been 29 years since the massive twin 15-story towers known as Schuylkill Falls were closed, deemed unfit for human habitation; nine years since their implosion; six since residents were moved out of the low-rise units on site.

Now, at long last, a new neighborhood is taking shape on the hillside overlooking Ridge Avenue. When finished, it will offer a broad range of public and private housing for the poor and the middle class.

Already in place, as part of PHA's Falls Ridge development, is a four-story, 50-unit building for seniors as well as 45 townhouses and 40 apartments for the poor and near-poor, rentals all. Still to come are 28 homes for sale on a subsidized basis.

On the other side of Merrick Road, market-rate housing - townhouses, condominiums and apartments - is to be built by Westrum Development Co.

on land it has agreed to purchase from PHA for \$2.8 million.

Getting this far has been a struggle.

After the towers were imploded, PHA initially promised a mixed-income communi-

The lawsuit's settlement two years later led to the authority's plans to sell some of the land to Westrum for market-rate housing.

Now, longtime residents have a new set of concerns.

One is the need to fill the

Filling those storefronts with needed services would help integrate the development with the rest of East Falls. Empty spaces send a signal that something is wrong.

Greene, PHA's executive director, blames the site manager, Pennrose Management, for the delay. Kimberly A. Fry, Pennrose's president, said that her company negotiated with PHA for 18 months before securing a go-ahead in August to lease the stores.

The conflict, which extends to other matters, has not been resolved; the authority has filed a formal notice in Common Pleas Court of its intention to sue Pennrose and to oust it from Falls Ridge.

A second concern is the size of the Westrum market-rate development. Current plans call for 318 units to be built in two phases. Sharon Jaffe, president of the East Falls Community Council, noted that the number is "more than originally proposed."

It's also more, three times more, than PHA thought Westrum planned to build. Kirk Dorn, the authority's spokesman, said the total must come down, or else the Westrum deal would be in jeopardy.

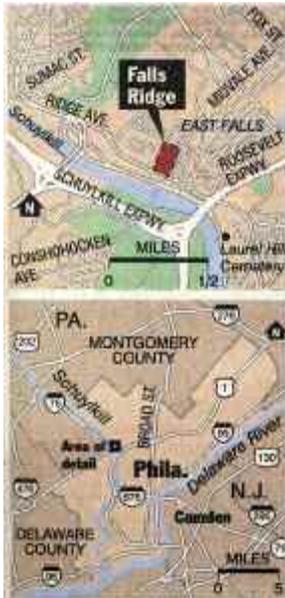
Longer-term is the challenge of making the residents of Falls Ridge feel a part of East Falls.

The early signs of a coming together are positive. This fall, a number of Falls Ridge residents attended the "Ribs, Rhythm &



DAVID SWANSON / Inquirer Staff Photographer

In East Falls, public housing has a new name and look. This is Falls Ridge, a low-density development with a suburban feel



Inquirer Archives

For decades, this was the face of public housing in East Falls. Schuylkill Falls, abandoned in 1976, was not razed until 1996.

ty for the site. But when the authority announced plans to build low-income housing first, East Falls residents filed suit in federal court in 2001, seeking to force PHA to make good on its pledges.

half-dozen storefronts that run the length of the seniors' building along Ridge Avenue. All have stood vacant since the building opened early in 2004, although a bank is moving into one.

Blues” picnic that marked the beginning of the East Falls Fall Festival.

“We feel very welcome,” said Joyce Siler, who lives in the seniors building. “It’s our community now, and we care about it, too.”

Mill Creek

For the Mill Creek area of West Philadelphia, the new Lucien E. Blackwell Homes are a stunning upgrade.

In a 100-year-old neighborhood with dozens of abandoned and crumbling homes, the low-rise, red-brick, suburban-style development around 46th and Fairmount represents urban revitalization at its most ambitious.

The project, which includes 40 houses that are being sold at subsidized prices, stands on land once occupied by the Mill Creek Apartments. Those three 17-story towers, razed in 2002, were among the worst of PHA’s housing stock.

While the area isn’t far from thriving University City, it’s much closer to the site of the Lex Street massacre, where

seven men were shot to death at a crack house five years ago.

So it’s not the kind of place private builders would have chosen to redo on their own. The locals know and appreciate that.

“The redevelopment is a welcome change,” said the Rev. Terrence Hensford of Ward A.M.E. Church at 43d and Aspen. “The neighborhood needs it. No one is really against it.”

Yet, there is some tension here - over the plans of PHA (with help from the city Redevelopment Authority) to buy vacant lots and some existing homes to extend the development eastward.

Moving beyond the footprint of the previous housing project is an ambitious undertaking. And the extension would not be one contiguous mass; rather, it would be groups of new houses, 160 in all, throughout the old neighborhood.

The goal, Greene said, is to make sure that PHA’s investment in Blackwell Homes doesn’t get swallowed up by the surrounding blight.

Neighbors, though, worry they may be forced out just as

their Mill Creek community is poised for the better.

“They want to push out the people who grew up here,” said Rosetta Winston, 54, who lives in the 600 block of North Pallas Street. “They want to bring the people from the suburbs back into the city, make it cheaper and easier for them.”

In September, angry homeowners won promises from the city that no owner-occupied structure would be taken without the owner’s consent. Even so, suspicions persist.

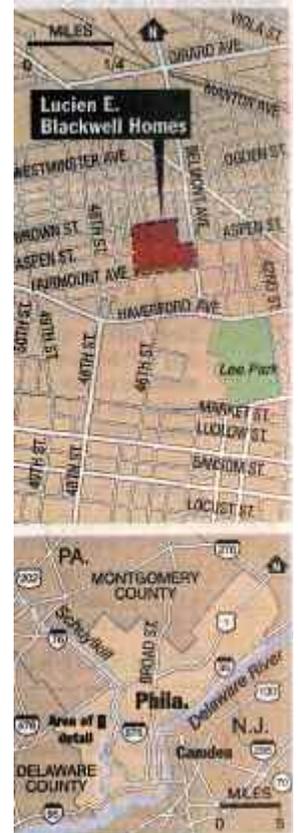
“Those new houses down there are beautiful,” said Ted Muse, 71, a retired butcher who has owned a home in Mill Creek since 1966. “But if they tell me to move, I’m not going. I’ll go to jail first.”

At a City Council hearing in September, the Rev. Joseph Okonski, pastor of St. Ignatius of Loyola Roman Catholic Church at 43d and Wallace, summarized the feelings of the neighborhood:

“We are very grateful for all that is happening, but the people who are still living here have lived here for years and have lived through a lot of difficulties.

“They’ve endured crime. They’ve endured the drugs. They’ve endured all the abandoned homes. And it is their neighborhood.”

Contact staff writer Larry Eichel at 215-854-2415 or leichel@phillynews.com.



Sources: ESRI; TeleAtlas

MIKE PLACENTRA / Inquirer Staff Artist



Down with the old, up with the new: At left, the three high-rise towers of Mill Creek Apartments came crashing down in November 2003.

Above, the Lucien E. Blackwell Homes that replaced them.

THE NEW URBAN LANDSCAPE

A longer wait for housing

For the poor, new units aren't nearly enough.



DAVID SWANSON / Inquirer Staff Photographer

Still not where she wants to be, Eva Kelly says she feels trapped in her 10th-floor unit at the older Fairhill Apartments. She wants to return to Cambridge Plaza, which is now completely rebuilt.

Last of three parts

By Larry Eichel
INQUIRER STAFF WRITER

The recent transformation of public housing in Philadelphia has been good for the people who live in the new developments, good for the surrounding neighborhoods, good for the look and feel of the city.

But the move to suburban-style homes and apartments has not benefited many of the city's lowest-income residents.

Today, nearly 46,000 families have their names on waiting lists for various forms of public housing, including federally subsidized vouchers.

That compares with 13,000 in 1997, when the Philadelphia Housing Authority (PHA) was just beginning the demolition and rebuilding of its crowded and crime-infested projects.

"You look at the supply, you look at the need, and the gap is

extraordinary and getting bigger," said George Gould, who heads the housing practice at Community Legal Services. "The housing available for the lowest-income people has been dramatically reduced."

The lower density of the new developments makes them more attractive, physically and socially, than their much-maligned predecessors. But the change means fewer units in a city with a vast shortage of affordable housing.

And thanks to new eligibility rules designed to create a broader, more stable income mix, thousands of Philadelphians are actually too poor to qualify at some sites.

Kenknisha Patterson, 29, who was staying at a homeless shelter in North Philadelphia

last week with three of her four children, has been on the PHA waiting lists for five years.

"It's really frustrating," said Patterson, a former welfare recipient who works the front desk at a suburban hotel. "If I could get some help from PHA, I'd use it as a stepping stone. I want to be a homeowner. That's my dream."

To some degree, PHA officials say, the long waiting lists are a vote of confidence; many of the people on it have places to live now but are drawn to the new PHA developments.

Beyond that, though, the authority acknowledges it cannot keep up with the demand for low-cost housing, not when the number of Philadelphians living in poverty rose by 34,000 during the 1990s, according to the census.

Nora Lichtash, of the Women's Community Revitalization Project, says there is a "crisis" in affordable housing; a 2003 study by the University of Pennsylvania estimated that Philadelphia has 57,000 fewer such units than it needs.

Over the last decade, the number of public housing units in the city has fallen from 21,000 to fewer than 15,700.

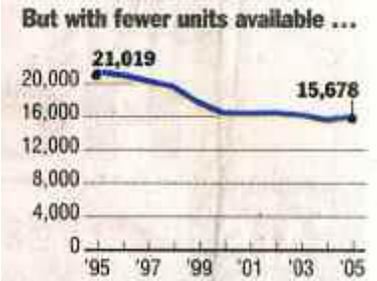
The loss is most pronounced at sites the authority has rebuilt from the ground up.

Richard Allen Homes in North Philadelphia went from 1,324 units to 408, South Philadelphia's Martin Luther King Plaza from 537 to 245.

PHA has made up the gap with Housing Choice Vouchers - once known as Section 8 - cre-

Better, If Not More

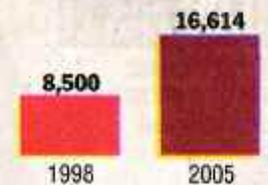
With a new vision for public housing, the Philadelphia Housing Authority over the last 10 years demolished high-density units that concentrated poverty and crime, and replaced them with more garden-style units for a wider income range.



... public housing has not kept pace with the growing number of poor people in the city ...



... so the number of low-income families receiving rent-subsidized vouchers has swelled ...



... and the number of families on PHA's waiting lists for housing assistance has tripled:



SOURCES: U.S. Census Bureau; Philadelphia Housing Authority

MIKE PLACENTRA / Inquirer Staff Artist

A struggle to shelter the poorest

ating tensions in some struggling neighborhoods.

The number of families using vouchers, which function as rent subsidies in the private market, has risen from about 8,500 in 1998 to 16,614 now. The waiting list for vouchers grew so long that PHA closed it in 2001.

At the same time, in keeping with federal policy, PHA has shifted some of its efforts toward serving people who are above the poverty line - not just the poorest of the poor.

Two-thirds of the units in some PHA developments are reserved for families making \$20,640 to \$34,400. New PHA houses are being sold to families making as much as \$55,040.

“For people making less than \$20,000, these changes are devastating,” said Nancy Salandra of the Philadelphia Affordable Housing Coalition.

In new developments financed through federal tax credits - which help attract private investment capital for affordable housing - tenants no longer have utilities included in their rent, generally set at 30 percent of income.

“I had wanted to go back,” said Bertram Martin, 56, a former resident of Tasker Homes, now Greater Grays Ferry Estates, who now lives in an older PHA apartment where utilities are included. “But I’m not stupid. I can do the math.”

PHA Executive Director Carl R. Greene makes no apologies for his agency’s new direction.

He says that many units at the old projects were unsalvageable, uninhabitable and, in the final years before demolition, actually vacant. So the effective loss in



DAVID SWANSON / Inquirer Staff Photographer

Kenknisha Patterson, mother of four and now in a homeless shelter, has been on PHA waiting lists for low-income housing for five years.

units was far less than raw numbers would indicate.

“Even the very poor were exercising the principles of market economics and rejecting the quality of what we were offering - by leaving,” Greene said. “When you add in vouchers, I’m actually serving more people than I did before.”

PHA currently has almost 80,000 clients, up almost 11 percent since March 2002.

Spokesman Kirk Dorn said that such figures indicate that “we at PHA have not abandoned our primary mission: providing quality, affordable housing for low- and modest-income families.”

And since rents are tied to income, PHA needs some tenants who aren’t poor - to produce enough revenue to satisfy private investors in developments financed with tax credits.

As for those displaced during redevelopment, Greene said they were given choices and “all ended up in far better places than they left.”

Eva Kelly, 64, is one of the displaced, and she’s not happy. For 25 years, she lived in a rowhouse in North Philadelphia’s Cambridge Plaza, until demolition forced her out. She expected to return to the new

version, completed earlier this year.

But today, Kelly still lives where PHA put her in early 2001, a mile and a half away. Alone on the 10th floor of the authority’s 43-year-old Fairhill Apartments, she feels trapped and unwanted, afraid to ride the elevator unless one of her four sons is visiting.

“I lived in Cambridge during the hard times, and I was never late with the rent or anything,” she said. “The new places down there are really beautiful. I want to get back, and they tell me I can’t.”

Some former residents of the now-demolished projects did return to the new versions - after extensive credit, criminal and housekeeping checks. But not many.

At Cambridge Plaza, less than 10 percent of the former residents are back. At other sites, the rate of return has ranged from a high of 34 percent to a low of 5 percent.

Those who did not return went to older sites, found housing with vouchers, or disappeared from PHA’s view.

The heavy use of vouchers, some experts say, has its advantages. Susan M. Wachter, a former HUD assistant secretary now at the Wharton School of the University of

“For people making less than \$20,000, these changes are devastating.”

Nancy Salandra,
housing advocate



Eva Kelly in her Fairhill Apartments kitchen, wants to return to the rebuilt Cambridge Plaza. She is among 90 percent of the former Cambridge Plaza residents who haven’t been able to return there.

Pennsylvania, has called vouchers “a more efficient way of delivering affordable housing” than conventional public housing.

Other analysts say that vouchers help the city by putting people in older homes that might otherwise be abandoned.

But they also can put low-income people in places they’re not welcome.

From 1998 through 2002, the demolition of housing projects sent several thousand poor people on vouchers into the Northeast. Anger over their presence became an explosive political issue, dominating the bitter 2000 congressional race between Democrat Joseph M. Hoeffel and Republican Melissa Brown.

(PHA has imposed a seven-year limit on how long a family can receive vouchers.)

Even with the growing need, PHA officials say that financial constraints limit how many units they can build.

Since 1993, federal housing policy has been dominated by the HOPE VI program, which has provided cities with more than \$6 billion - at least \$176 million going to Philadelphia - to demolish old projects and build new ones.

The Bush administration has been trying to kill the program. It also wants to allow housing authorities to charge higher rents and restrict how long people can stay in public housing.

“What’s missing is a federal commitment to low-income housing on a large-enough scale,” said Deputy Managing Director Rob Hess, the city’s homelessness czar. “Either

we’re committed to low-income housing or we aren’t.”

Reacting to a push from community groups, the city has created the Housing Trust Fund. It provides up to \$15 million per year to help those groups build an estimated 275 affordable units, repair 900 private homes, and prevent 1,000 families from becoming homeless.

“The overall strategy PHA has pursued is a very sound one,” said Liz Hersh, executive director of the Pennsylvania Housing Alliance, a statewide advocacy group. “It’s a necessary strategy. I just don’t think it’s a sufficient one.”

Contact staff writer Larry Eichel at 215-854-2415 or leichel@phillynews.com.

A new objective of public housing: Home ownership

By Larry Eichel
INQUIRER STAFF WRITER

On Sept. 27, a young social worker named Kehinde Oladapo bought her first home.

It bothers her not at all that it’s part of a public housing development.

“I’m so excited about the feeling of connectedness, the sense of community, the opportunity to buy when property values are skyrocketing,” said a beaming Oladapo, 26, as she stood by her front door earlier this fall. “This is a huge step for me.”

Her new, four-bedroom, red-brick rowhouse in the Mill Creek section of West Philadelphia came loaded with amenities, including central air-conditioning, yards front and back, a driveway, wall-to-wall carpeting, a dishwasher, a refrigerator, and a garbage disposal.

Not to mention a very attractive price set by the seller, the Philadelphia Housing Authority.

Thanks to federal subsidies, PHA is offering for sale 40 units in the Lucien E. Blackwell Homes development, at \$95,000 to \$120,000 apiece.

Which is about half of what



DAVID SWANSON / Inquirer Staff Photographer

It isn’t fully furnished yet, but it most certainly is home for Kehinde Oladapo. She bought one of the subsidized units at Lucien E. Blackwell Homes. Home ownership “is a huge step for me,” she said.

they cost to build.

“The price is a blessing, and I accept this blessing,” said Mark Wallace, who works at a grocery store and is the proud owner of a new, three-bedroom twin a few blocks away from Oladapo. “It’s our time.”

Making new homes available for purchase at reduced prices is a small but growing piece of the new public housing in Philadelphia. Besides Blackwell Homes, the program is in place at Greater Grays Ferry Estates, and soon to come at Martin Luther King Plaza in South Philadelphia and Falls Ridge in

East Falls.

PHA Executive Director Carl R. Greene says that some home-ownership is essential to creating a “balanced community” and encouraging neighborhood stability and pride.

It also helps bring in people who aren’t particularly poor; prospective buyers of PHA houses can earn from \$20,000 to \$55,040. The ceiling is set by a federal formula, representing 80 percent of the median income for families in the region.

Buyers must undergo financial screening, get counseled on

home ownership, and then go through a normal mortgage-qualification process.

If an applicant qualifies for a mortgage equal to the home purchase price, no government subsidy is provided - beyond the discounted selling price.

For those who don’t qualify for a full mortgage, PHA takes out a second mortgage to make up the difference.

Of the first 85 buyers to sign agreements of sale at Blackwell Homes and Greater Grays Ferry Estates, about half got second mortgages, the largest being \$43,000. About 10 percent of buyers were city employees, all with eligible incomes.

No down payment is required beyond an initial \$1,000 application fee and closing costs that typically come to about \$4,000. Monthly payments, including insurance and property taxes, run in the \$700-to-\$800 range.

The program, which ultimately will encompass about 500 homes citywide, is targeted at those who otherwise would not be able to buy. But PHA records indicate that two of the first nine buyers paid the entire amount - more than \$100,000 - in cash.

Presumably, they could have found homes without government help.

Told of the situation, Greene said that he would look at changing the rules to take account of prospective buyers'

assets as well as their incomes.

Rules are in place to prevent buyers from turning a quick profit. PHA gets 100 percent of the proceeds for any resale during the first three years of ownership. Its share slides down to

zero after 10 years.

That's no worry for Kehinde Oladapo or Mark Wallace. Both say they're in for the long haul.

"We have a beautiful home," Wallace said, seated in his living room with his wife, Lisa.

"We're not going anywhere."

Contact staff writer Larry Eichel at 215-854-2415 or leichel@phillynews.com.

The Philadelphia Inquirer

Blueprint for success

Editorials

Remember when Philadelphians grumbled that public housing was pricier and better appointed than their own homes? If that ever happened, it hasn't been in decades. But it is now.

Look no further than the envy expressed by people living near the newest Philadelphia Housing Authority (PHA) developments as proof of the ongoing transformation of the city's public housing.

Rising from the ruins of high-rise and boarded-up townhouse projects demolished since 1995, suburban-style communities built by federally funded PHA are remaking large swaths of Philadelphia - for the better.

Not only is the renewal of public housing making over the landscape, it has brought about a 180-degree swing in how government-subsidized housing impacts the city.

Once, public housing bred crime and community decline. Now, it's helping to stem lawlessness, improve property values, and promote private real estate investment and growth.

In a just-concluded series (go.philly.com/pha), Inquirer staff writer Larry Eichel traces remarkable improvements at PHA sites once among the most troubled nationally.

Not that the transformation of public housing is problem-free.

It's been hit by construction delays, and the new homes are too expensive to build - given top-dollar rates charged by local unions under prevailing-wage rules on federal projects. Were those rates in step with the private sector, the city could have stretched the \$1.2 billion in mostly federal funds spent so far.

From residents' perspective,

The PHA is transforming urban landscapes and is fast becoming a model of a federal program that works.

there are overly long waiting lists for new units. While PHA, with 80,000 residents, is putting a roof over more people at its rowhouse sites and through its housing voucher program, demand simply outstrips supply.

Heightening the squeeze are otherwise smart policies to screen tenants more closely and to mix in families with higher incomes. It makes sense to avoid repeating the disastrous practice of concentrating too many poor families in one

place, but that means some of the poorest have to look elsewhere for housing.

These are challenges born of success, though, not failure. That's a sea change for public housing here.

Credit for overseeing the renewal goes to PHA executive director Carl R. Greene, recruited eight years ago by then-Mayor Edward G. Rendell.

But the guiding policy is a legacy of President Clinton and his HUD secretary, Henry G. Cisneros. With their 1992 "HOPE VI" program, they turned around public housing across America by demolishing high-rise projects housing only the poorest.

The Clinton blueprint is proving to be a federal government program that actually produces positive results. That has to be jarring to the Republican majority in Washington. In fact, the current administration has been trying to kill HOPE VI.

How odd, since the renewal of public housing acknowledges the failures of liberal '60s policies and seeks to reward people who, as Clinton liked to say, work hard and play by the rules. Sounds like a good, conservative approach that should be expanded, not trimmed back.