

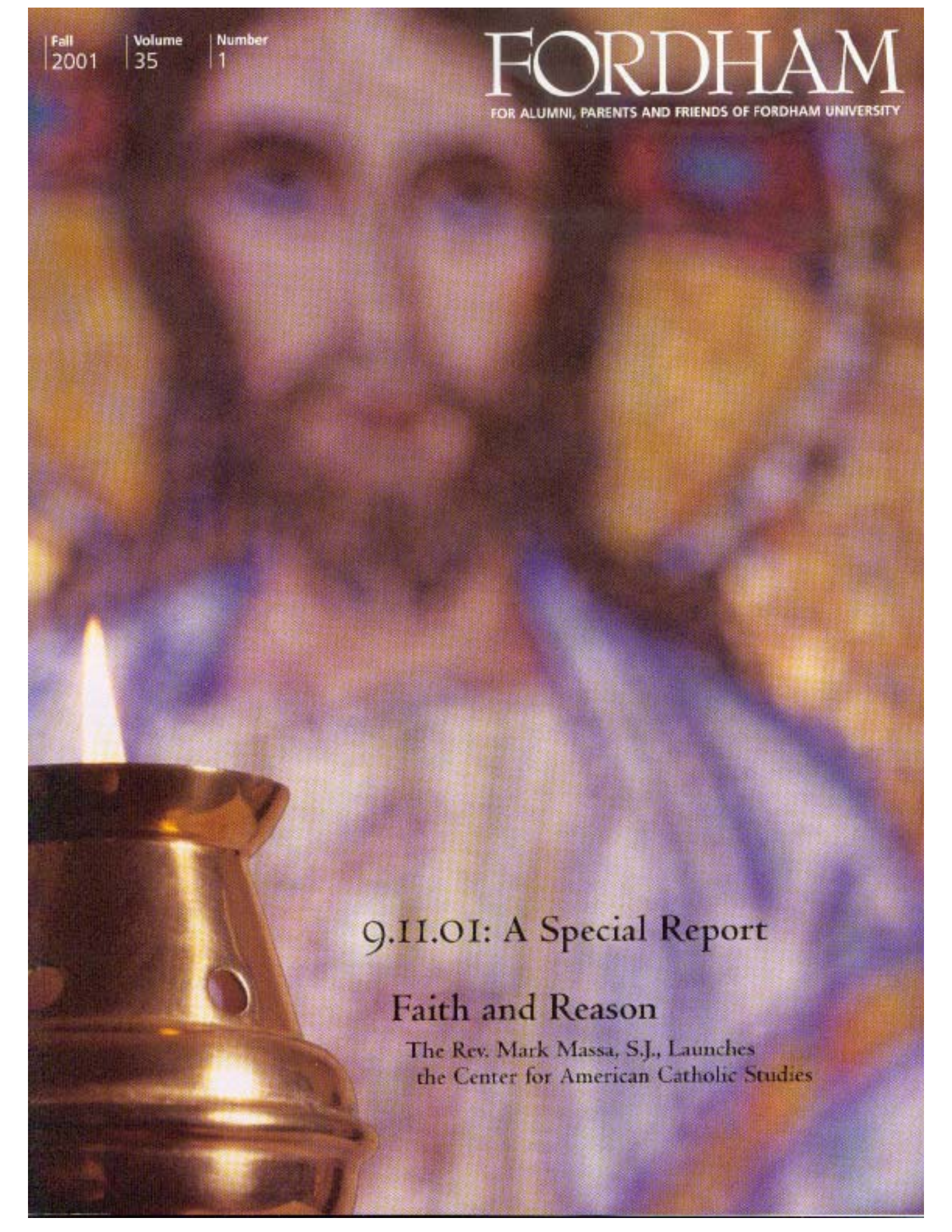
Fall
2001

Volume
35

Number
1

FORDHAM

FOR ALUMNI, PARENTS AND FRIENDS OF FORDHAM UNIVERSITY



9.11.01: A Special Report

Faith and Reason

The Rev. Mark Massa, S.J., Launches
the Center for American Catholic Studies

by Ryan Stellabotte

IN THE MID-1990s, the buildings on the corner of Tremont and Anthony Avenues in the northwest Bronx were dilapidated and lead-contaminated. The boiler was inefficient, the roof was in disrepair and the beams in several apartments were shot. The mortgage holder, Freddie Mac, had started to foreclose. A group of tenants, desperate and tired of absentee landlords who neglected their needs, invited representatives from the University Neighborhood Housing Program (UNHP) to talk with them about possibly acquiring the title to their buildings.

Since it was created by Fordham in 1983, UNHP has been on a mission to create, preserve and finance affordable housing for the low-income residents of the northwest Bronx. It has taken the lead in dozens of projects like Tremont-Anthony, responding to tenants and other community-based groups who request housing improvements by determining the amount of construction needed, and then obtaining the loans for the renovation and acquisition of the building.

“A lot of universities talk about how their school is involved in the surrounding community, but UNHP has been able to tie in Fordham University in a meaningful way,” said William Frey (FCO’74), vice president and director of the New York office of the Enterprise Foundation, a national organization dedicated to creating decent and affordable housing. “Together, they have created a model for the rest of the country.”

A Tree Grows in the Northwest Bronx

The roots of that model lie in an organization called the Northwest Bronx Community and Clergy Coalition (NWBCCC), which was formed in 1974 after a three-day conference at Fordham titled

“Strategies for Ministry in the Urban Setting.” At the time, images of burned out and abandoned buildings dominated the perception of the Bronx. In response, the University established an office of urban affairs that worked with the Northwest Bronx Catholic Clergy Conference to develop a broader organization of community groups that became the NWBCCC. In 1975, a copper branch tree was planted on the east side of Rose Hill’s administration building and dedicated to the fledgling coalition. Since then, the tree’s steady growth has come to symbolize the vitality of the University’s engagement with its surrounding Bronx neighborhoods.

Many Fordham alumni, including Jim Buckley (FCO ’76), UNHP’s executive director, first became interested in community redevelopment work through the coalition. As an undergraduate, Buckley participated in the political science department’s urban internship program. He soon realized that he had found his calling.

“The coalition was growing and writing some of the book on community organizing and community development,” he said. “I had the good fortune of working with an incredible group of tenant and community leaders. The work was challenging, the esprit de corps was great and the results and the benefits of those results were clear.”

In the late ’80s, however, the need for a different approach to supporting redevelopment was becoming clear. Rapidly rising real estate prices and inflated property values were threatening the affordability of housing in the Bronx. Additionally, it was becoming increasingly difficult for the NWBCCC to convince the natural skeptics—the decision-makers at banks, mortgage companies and government agencies—

Lending Hope:

The University Neighborhood Housing Program





HOME, SWEET HOME: SISTERS JUDITH CRUZ (LEFT) AND MARIA GONZALEZ ARE TWO HAPPY RESIDENTS OF THE UNHP-REHABILITATED TREMONT-ANTHONY BUILDINGS.

PREVIOUS PAGE: RUFFINO AND MARIA VALLADARES ENJOY THE VIEW OF ANTHONY AVENUE FROM THEIR LIVING ROOM WINDOW.

that an investment in the Bronx was worthwhile. The coalition leaders believed that Fordham's financial and administrative involvement through UNHP could convince banks and other lenders to increase their participation in local development projects. As a result, the University reorganized and expanded UNHP in 1988 to include the coalition, and Jim Buckley became the executive director of the newly constituted group.

"The University and the coalition sensed a potential opportunity and joined forces to reverse the decay taking place in the Bronx," said Joseph Muriana (FCO '75, LAW '89, GAS '95), UNHP board president and Fordham's associate vice president for government and urban affairs. "The goal was to focus bank lending into appropriate projects that would redevelop and preserve both the physical integrity and the affordability of the area's housing."

The collaboration between Fordham and the NWBCCC allowed UNHP to build on the reputation and success of both organizations to create new models and sources of financing. In its 18-year history, UNHP has established lines of credit with a wide range of lenders and has leveraged and packaged more than \$23 million in building and rehabilitation loans for 74 multi-family properties totaling 2,840 units. Through its Green Loan Fund, UNHP provides low-interest loans for cost-saving security and conservation improvements, such as repairing roofs and boilers, and it uses STIRR (Short-Term Interest Rate Reduction Loans) to help building owners pay back taxes. UNHP was also instrumental in the creation of Fannie Mae's \$25 million Multi-Loan Program, which is targeted to help owners of multi-family buildings.

But statistics and the abstruse language of real-estate finance do not adequately convey the challenges UNHP faces, nor do they illustrate what the program's success has meant to the low-income families who live in their buildings. The Tremont-Anthony project, which includes buildings 48 and 49 of UNHP's 50 community ownership projects, was developed against particularly long odds. It proved to be one of the group's most challenging, and most rewarding, endeavors.

The Tremont-Anthony Project

After conducting a physical inspection of the Tremont-Anthony buildings and reviewing the rent roll and the income levels of the tenants, UNHP decided that the rehabilitation and acquisition project was feasible. The tenants, meanwhile, after consulting with residents of other buildings UNHP had assisted, decided to work toward community ownership and purchase the building from Freddie Mac. UNHP then began the daunting and, at times, seemingly hopeless task of patching together a financial package

that would cover the cost of the serious repairs, yet keep the building affordable for the low-income residents.

Working with an established partner, the Chase Community Development Corporation, UNHP applied to New York City's Participation Loan Program, through which the city lends money at 1 percent interest and the bank lends at market rates. In assessing the buildings' condition, UNHP noted a lengthy list of lead-paint violations and, after a series of difficult negotiations, convinced the city to approve the cost of eliminating the lead-poisoning risks.

Despite this victory, many obstacles still blocked UNHP's path, including the lack of Section 8 subsidies from the Department of Housing and Urban Development. Traditionally, these subsidies were used to cover the purchase and rehabilitation costs and to protect tenants from rent increases, but they were not available. UNHP had to rely on its ability to build an effective team and string together financing from various sources. To further complicate matters, the project's initial application for the Low Income Housing Tax Credit was denied in 1997, placing in doubt many of the repairs UNHP had hoped to accomplish.

"For many years, landlords made promises that work would be done to the buildings, but nothing happened," said Guillermo Franco (CBA '91), who was UNHP's project coordinator at the time. "When we came in, the tenants didn't think anything would happen, so it was a challenge to make them feel comfortable and to show them what a difference we could make."

Dougert Management, the building manager and general contractor on the project, was given 18 months to complete the renovations in seven lines of apartments. The New York State Weatherization project run by the NWBCCC was used to replace the roof. But as work inside the buildings continued, Kevin Alter, senior vice president of Dougert, said he soon realized that he would have to replace more beams and conduct more re-wiring than previously anticipated. Nevertheless, all of the major work was completed on time. A new boiler was put in the basement; new walls, ceilings, floors and windows were installed; the plumbing and electrical wiring were replaced; bathrooms and kitchens were renovated. And, at the eleventh hour, Buckley and UNHP secured the Low Income Tax Credit that would finance a lot of the cosmetic, final touches and enable the project to repay its debts.



UNHP EXECUTIVE DIRECTOR JIM BUCKLEY (LEFT) AND GUILLERMO FRANCO, WHO NOW WORKS FOR J.P. MORGAN CHASE, WORKED TOGETHER AT UNHP TO HELP SECURE THE FINANCING TO REHABILITATE THE TREMONT-ANTHONY BUILDINGS. THEY ARE PICTURED HERE IN FRONT OF THE ANTHONY AVENUE ENTRANCE.

That UNHP was able to pull together as many as 10 different sources and make the project work against stiff odds is nothing short of amazing, said Alter. “Jim and his staff were great throughout the entire process. I never felt like I was working for them; I felt like we were doing the project in partnership, and that makes things a whole lot easier.”

Franco agrees that UNHP’s knack for building relationships proved particularly effective. “I had never seen a project that required so many layers of financing,” he said. “It was a major learning experience, and it is proof that when you have good partnerships in the private sector and government, good things can actually happen.”

Far from simply watching the renovations take place, the tenants were important players in the rehabilitation of the buildings’ 31 units. They were involved in the identification of repair needs at the outset and their cooperation, in the form of writing letters and filing the necessary paperwork, was instrumental in securing critical subsidies from government sources.

Since there were only a few vacant units in the buildings, several of the tenants had to leave their apartments in order to complete such a large-scale project on time.

“The most critical ingredient in the renovation was the cooperation of the tenants,” said Alter. “It could not have been better. Every family that had to be relocated moved on the day they said they would.”

Ruffino Valladares, the superintendent of the buildings, facilitated this process. Since he was the super of the buildings before Dougert started working, Valladares knew the tenants and the neighborhood and he was able to give the project a strong element of security. The contractor could leave equipment in the building and know that there would be no theft or vandalism, which, Alter said, is unusual when there are vacant units and so much work being done.

Franco, who has since left UNHP and is now an assistant vice president in the J.P. Morgan Chase Community Development Group, worked closely with the tenants during this time, mapping out the relocation plan and facilitating communication between the tenants and the contractor. The majority of the tenants in the Tremont-Anthony buildings are Spanish-speaking immigrants from Puerto Rico and the Dominican Republic, Franco said, so they greatly appreciated his ability to translate for them.

“We had to explain to the tenants that [the renovation] was going to be a difficult process,” he said. “But being able to speak the language was very helpful because it established a level of trust. The tenants got to know me and respect what we were trying to do. I was inspired by their level of commitment.”

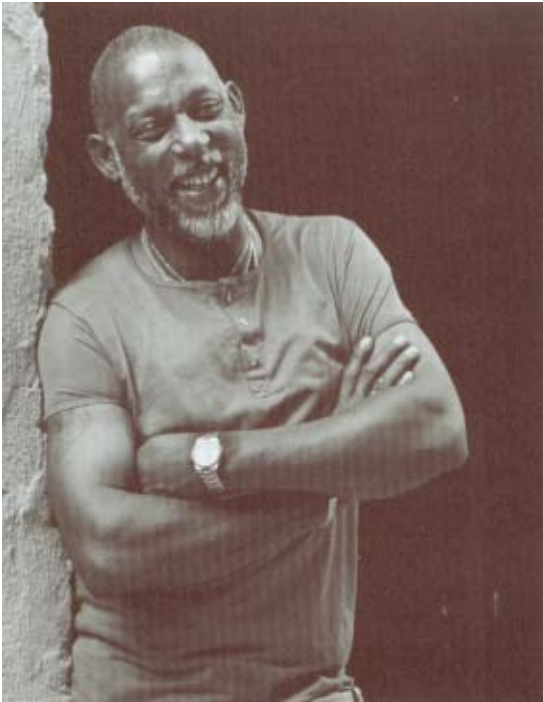
The finished project has enriched the lives of the residents and proven to be an anchor in the community. According to Brian Byrne (GAS ’74 and ’85, GBA ’98), UNHP board member and vice president for administration at Fordham, everyone involved in the project was determined not to let it fail. “As each obstacle was raised and overcome, we could celebrate little victories,” he said. “It was a very good team effort and everybody—the government, tenants, UNHP and all the different groups and agencies involved—began to understand that there would be a real pay off, that together we could make a building stand and, more than stand, be rehabilitated.”

A Model Program

The success of the Tremont-Anthony project is just one example of the positive work UNHP does. Earlier this year, the Building Just Communities campaign of the U.S. Jesuit Conference honored UNHP as a model program.

A key to UNHP’s success is its willingness to do much more than provide a source of funding. According to Buckley, UNHP quickly realized that it takes more than monetary assistance to sustain affordable housing. To that end, UNHP has conducted research, hosted forums and developed expertise in addressing specific problems—confusing and overly expensive water bills, high tax assessments, asthma, lead poisoning—and it has provided workshops to help a number of groups review and improve their own management operations.

Another hallmark of UNHP’s success has been its ability to adapt to changing circumstances and to understand the way external factors may affect affordable housing. For example, many tenants were affected by welfare reform legislation, which forced welfare recipients to work or risk losing their subsidy. After meeting with these tenants, UNHP discovered that a lack of adequate childcare was preventing many of them from accepting employment. Moreover, the city’s referral system was not connecting many licensed providers with those in need. Using its administrative influence, UNHP helped to organize Providers United, a network of more than 30 family daycare providers working in the northwest Bronx that recently received city funding for 50 childcare slots. UNHP’s proactive approach to this problem has helped provide quality childcare for neighborhood children, an opportunity for welfare mothers to go back to work and greater rental stability for the neighborhood.



RUFFINO VALLADARES, THE SUPERINTENDENT OF THE TREMONT-ANTHONY BUILDINGS, HAS LIVED IN THE NEIGHBORHOOD FOR 21 YEARS.



FLOR CUEVAS (RIGHT) USES HER RENOVATED APARTMENT TO SERVE AS A DAYCARE PROVIDER FOR ALEIA JURE (LEFT) AND SEVERAL OTHER NEIGHBORHOOD CHILDREN.

The Fordham Connection

The Fordham connection to UNHP continues to grow today. Kevin Broomes, a junior in the College of Business Administration, is one of three Fordham interns working with UNHP.

“When I first began working in early February, I didn’t know much about the non-profit sector,” he said. “But as I began to read and find out more about the kind of work we’re trying to do, it sparked my interest.”

Broomes, who grew up and lives in the Bronx, has helped track expenses in community-controlled buildings and he has examined buildings that UNHP is considering for future projects. He now has a new appreciation for what it takes to maintain and preserve affordable housing.

“There’s more to it than someone just collecting rent. The sad thing is that for many people, it comes down to a question: Do you want to live in a nice, safe neighborhood or do you want to have affordable housing? It shouldn’t have to be a choice.”

Greg Jost (FCO ’97), a former UNHP intern, currently serves as the group’s project coordinator. He developed and maintains the interactive Community Resource Guide on UNHP’s Web site (www.unhp.org), which is designed to lead visitors to

a wealth of statistical information on demographics, crime, education, housing and much more. Jost and Regina Kirk (FCO ’95), who Buckley said was instrumental in the development of the Providers United network, are working on a project to assist providers who rent and want to own homes or are interested in expanding their homes. Two other alumni are on the UNHP staff. Danny Ouk (CBA ’93) is the group’s fiscal consultant and Catherine Clarke (FCO ’83) is responsible for fund-raising and grant writing.

“It’s been great to have such a steady flow of interns and Fordham alumni,” said Buckley. “And having guys like Joe Muriana and Brian Byrne at the University who have so much experience and knowledge is wonderful. They’re personal resources as well as organizational resources.”

In addition to Muriana and Byrne, Buckley acknowledged the expertise of UNHP’s other board members, all members of the Fordham family: Denis Boyle (FCO ’75, LAW ’78), Roger Hayes (GAS ’95) and Mark Warren, professor of sociology and anthropology at the University. This fall, they were joined by Henry Schwalbenberg, the director of Fordham’s graduate program in International Political Economy and Development.

Part of a Team

On Sept. 11, before the terrorist attacks struck the World Trade Center, Jim Buckley said that he had been planning to write a letter for UNHP’s annual report detailing the work the program hopes to undertake in the next year. The attacks, of course, changed the way UNHP will be working in ways that are not yet clear. But what remains unchanged, Buckley said, is the importance of that work. UNHP’s ability to respond creatively and effectively to situations in flux, and its ability to favor vision over expediency, will be even more valuable in the coming months and years.

“No one can yet know what the full impact of the September 11th attack will be,” said Buckley. “The needs of the people in our community and the resources that we have utilized in the past may be changed significantly.”

But UNHP will proceed as it has in the past, as a leader in building and sustaining partnerships and as a committed team member in the larger effort to create and sustain affordable housing.

“We have been successful because we fit into a much larger foundation upon which the Bronx has been revived, rebuilt and redefined,” said Buckley. “Community and tenant leaders, public officials, bankers, investors have all participated in creating that foundation. We will continue to review, evaluate and redirect our work to meet the frequently changing needs of the Bronx as it goes through this process.”