

Mixed-Income Development Study

THE UNIVERSITY OF CHICAGO SCHOOL OF SOCIAL SERVICE ADMINISTRATION

CASE WESTERN RESERVE UNIVERSITY MANDEL SCHOOL OF APPLIED SOCIAL SCIENCES

Living in a Mixed-Income Development: Resident Perceptions of Benefits and Disadvantages

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Cover Photo: New construction at Oakwood Shores.
Photos by Marc Pokempner and Brenda Copley.

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Living in a Mixed-Income Development: Resident Perceptions of Benefits and Disadvantages¹

This brief focuses on early resident experiences in two mixed-income developments, Oakwood Shores and Westhaven Park, which are part of the City of Chicago's Plan for Transformation. We investigate how different residents—relocated public housing renters,² affordable and market-rate renters, and affordable and market-rate owners—perceive the early benefits and disadvantages of living in a mixed-income development. Respondents' reflections about their early experiences in the new mixed-income developments focus on the following four areas:

- Physical environment and quality of life
- Emotional health and stress
- Social relations among residents
- Financial implications

¹ This brief is based on a longer paper currently in press at *Urban Studies*, "Living in a Mixed-Income Development: Resident Perceptions of Benefits and Disadvantages at Two Developments in Chicago" (Joseph and Chaskin, forthcoming). For more information about the Mixed-Income Development Study at the University of Chicago, please contact svoelker@uchicago.edu. This study is funded by the John D. and Catherine T. MacArthur Foundation and the Annie E. Casey Foundation.

² We use the term "relocated public housing residents" to refer specifically to those residents who moved from traditional public housing into mixed-income developments, whether they have returned to the development built on the site of the complex in which they lived prior to demolition or have moved to a mixed-income development from a different complex. They are thus distinct from residents of traditional public housing, in which buildings are owned and operated by the public housing authority, and from those who moved into the subsidized private housing market using Housing Choice Vouchers.

DESCRIPTION OF MIXED-INCOME DEVELOPMENT STUDY SITES

• Oakwood Shores, on the south side of the city, is being built in place of Ida B. Wells/Madden Park, and will ultimately be one of the largest mixed-income developments in Chicago with 3,000 projected total units. One-third of these units will be occupied by relocated public housing residents, with the remainder split between affordable (23%) and market-rate (44%) residents. It is being developed by a national non-profit organization, The Community Builders, in partnership with Chicago-based private developer Granite Development Corporation.

• Westhaven Park is the second phase of the redevelopment of Henry Horner Homes on the city's west side, the first phase of which was completed prior to the launch of the Plan for Transformation. Units produced in the initial pre-Transformation phase were only for public housing residents. The entire development will consist of 1,316 units, 63% of which will be set aside for relocated public housing residents (including some off-site housing), 10% for affordable residents, and 27% for market-rate residents. Westhaven Park is being developed by Brinshore Michaels, a team of private developers.

• Park Boulevard is being built in place of Stateway Gardens on the city's south side. Projected to have 1,315 units, occupancy will be split equally between relocated public housing, affordable, and market-rate residents. Park Boulevard is being developed by Stateway Associates, LLC, a team of private developers. Due to delayed construction and occupancy at Park Boulevard, no resident interviews were conducted at that site for this research brief.



Physical Environment and Quality of Life

The most concrete and immediate change the mixed-income strategy can provide for relocated public housing residents is an improvement in the quality of their residential units, buildings, and immediate physical environment. This was clearly an important perceived benefit of living in a new mixed-income development among most of the relocated public housing residents we spoke to. As one described it:

When I first looked at this apartment, uh, I couldn't believe it. Balcony, big bathroom, carpet, elevator working every day, those lights... I just said, "Uh-uh, this can't be happening to me," because I'd been in that project for years... Hey, when I saw this place, it was a dream for me. My own balcony, oh!

Relocated public housing resident, Westhaven Park

Respondents living in affordable and market-rate units also had positive comments about the physical environment. These residents frequently mentioned the location of the developments as a benefit of the physical environment.

Convenience to work was a big factor... I targeted this particular area because of its proximity to the lake and downtown and all of those attractions and work.

Affordable Owner, Oakwood Shores

Not everything about the built environment was seen as beneficial, however. One disadvantage of the new developments mentioned by many of our respondents was that the materials used for construction did not block noise from the apartments surrounding them. Residents often complained, "You can hear everything." This is directly relevant to shaping broader dynamics in the mixed-income environment because it exacerbates tensions where there are lifestyle differences—like hours of activity versus quiet time, type of music and volume level, or the conduct of children and visitors.

The most prevalent downside of the new physical surroundings shared by all respondents at both developments, across income and housing tenure, was the lack of retail and service amenities within walking distance, such as retail stores, quality sit-down restaurants, coffee shops, and drycleaners.

Emotional Health and Stress

The perspectives of relocated public housing residents and other residents varied dramatically with regards to the emotional and psychological impact of the move into a mixed-income development. Whether in terms of stress, feelings of self-esteem and motivation, concerns about safety and security, or feelings of stigma, there seem to be quite different experiences unfolding across income levels. A high proportion of the relocated public housing respondents described what could be called psychological benefits from their move, while relatively fewer of the affordable and market-rate renters and owners mentioned this.

Two-thirds of the relocated public housing residents we spoke to reflected on the high levels of emotional stress they experienced in their former housing development, due largely to safety concerns, and the major reduction in stress and increased “peace of mind” they felt in the new mixed-income development.

I don't feel that I'm stressed out about being worried about if I go outside that they're gonna start a gang fight or somebody's gonna start shooting, or do I gotta sit close to the entrance of the building if I go to relax outside, or if I gotta stay close to home... that's a stressful situation I don't have to worry about. I feel I don't have to worry about because honestly, since I've been down here, I haven't had any problems.

Relocated public housing resident, Westhaven Park

Some relocated public housing residents experienced another emotional health benefit: over half expressed a sense of increased self-esteem and accomplishment at having navigated the hurdles necessary to get themselves into the development.

[Moving here] was like an awakening for me, for my lifestyle. It was something I felt—my self-esteem rose. I felt like wow, I'm gonna be a part of the American dream because, for 33 years, I lived in an environment where it's this low, poverty [area] and everybody [was] basically in the same boat.

Relocated public housing resident, Oakwood Shores

We also heard from about half of the relocated public housing residents that they felt an increased sense of motivation to continue to make advancements in their lives.

I mean when you're kind of in one spot and you're kind of used to that and you—I mean just being honest, and you don't know nothing better, and you're not used to nothing else. And then when you see different things and better things, it just makes you want to do more, and more, and more.

Relocated public housing resident, Westhaven Park

For some relocated public housing residents, their motivation was related to specific incentives or pressures.

I have to be productive to keep my apartment and to be living in a really decent neighborhood... as opposed to, okay, being kicked out... It's like I have to learn to manage my money well, to the point where I could keep moving ahead in life and keeping my bills paid and everything, and not wasting my money away... I feel that's the whole purpose of [the mixed-income developments]... Don't just sit back and depend on government assistance for the rest of your life. Use [this opportunity] to move ahead.

Relocated public housing resident, Westhaven Park

There were very few residents, however, who only described positive emotional benefits. For most, the experience had been mixed. For example, many described their experience in these developments as also being uncomfortable due to a sense of increased monitoring and scrutiny. In addition, there were several relocated public housing respondents who felt that they were being adversely affected by being stigmatized by their more affluent neighbors.

I'm telling you really good people came from [the public housing developments], but you get stereotyped because you [used to] live there and that's really sad.

Relocated public housing resident, Oakwood Shores

About half of the relocated public housing residents we spoke to felt that the move to the mixed-income development, while less stressful in some ways (especially in light of the safer environment it provides), was more stressful in other ways. Different individuals had different explanations of the cause of the stress including: paying higher bills, being around unfamiliar people, and feeling socially isolated. The stringent rules established, in some cases by property management and in other cases by the condo or homeowners associations, were one particular facet of the new mixed-income environment that appeared to be creating stress and tension for many of the relocated public housing residents.

I was very stressed out here because it takes more to live under these rules as opposed to [in my former public housing development]. We didn't have the rules and people here watch [your behavior]. [They] make sure you empty the garbage right or the kids [are not] too loud, so I've been stressed here.

Relocated public housing resident, Oakwood Shores

Social Relations Among Residents

Many respondents described a variety of perceived benefits to living around people of different social and economic backgrounds. These benefits ranged from the opportunity to live in a diverse environment, to the opportunity for middle-class residents to move beyond media images and learn firsthand about families living in poverty. Relatively few market-rate owners or renters made note of the diversity of the resident population as a benefit to themselves.

Although the climate of social interaction is somewhat complicated,³ for a few respondents, living in an economically and racially diverse environment was viewed as beneficial in that it showed that people from different walks of life can live together and get along. The actual benefit here seems more symbolic than instrumental.

The atmosphere is just beautiful. I mean, because you have your different races, different cultures out here. When I take my walks, I'm like, "Wow." You see other people, you know? I love my people, but it's okay that you can actually go out and it's like not [just] mixed incomes but now it's mixed races.

Affordable renter, Westhaven Park

A few respondents suggested a benefit of the diverse population was that low-income residents could observe and learn from residents of a different socio-economic background.

³ We will explore this topic in greater detail in a forthcoming brief.

[T]he only way that you see or you know better is to be around people that are doing better... there should be people of all income levels and all professions living together, so that we can all learn from one another... that's how it was here in Chicago in the Black Metropolis. . . there were doctors and lawyers and dentists... Everybody lived together, because we had to at that point. We didn't have any other choice... We lived together as a community at that time.

Affordable owner, Oakwood Shores

Some affordable and market-rate respondents shared the sentiment of gaining more of an appreciation of what low-income families have to deal with. An affordable owner said, "I may be more in tune to social problems now that I am in the midst of them rather than just seeing them on T.V." A market-rate renter stated, "I feel that living [here] has opened my eyes to exactly what's going on and [to] try to do something to help it."

On the other hand, respondents across housing tenure and income lines expressed increasing concern about the conduct of some neighbors, both in the development and from the surrounding neighborhood. Over time, significantly fewer residents discussed relations among neighbors in positive terms and there seemed to be more focus on the challenges presented by living in these diverse environments.

Several respondents expressed disappointment with the level of coolness or underlying tension among neighbors that was leading to a lack of comfort in the environment.

[T]here has been no interaction at all, and like I said, we see people all the time and people just kind of walk by and they don't make an effort to get to know you or speak or anything. So I kind of feel like there's a divisiveness and I think we have, the people who live in the apartments and then you have those people who own. So, I think that is the clear division there.

Affordable owner, Oakwood Shores



Across housing tenure and income, our interviews revealed a widespread sense of detachment within the development, with many residents feeling disconnected from their new neighbors.

It's pretty much everybody. I haven't really met too many friendly people in this building or the adjacent building. You have your occasional people who say, "Hi," whatever but for the most part they don't really care to speak to you.

Market-rate renter, Westhaven Park

While some wish there was more interaction, many are quite comfortable with not having their neighbors “in their business.”

Beyond perspectives on the general tenor of interaction, about half of the affordable and market-rate respondents expressed specific frustration at the conduct of relocated public housing residents.

[I]t's just irritating. It's just really inconsiderate. Weren't you ever told that perhaps at 2:00 a.m. on a weeknight some people may have to go to work?... There are people in our building and people in the surrounding buildings that do need to get up to go to work and [they] disregard anybody needing that. When they're playing the music so loud the windows are shaking and they're screaming and laughing, it's well, I'm glad you're having a good time, but not at 3:00 a.m. on a Wednesday.

Market-rate owner, Westhaven Park

Areas of concern included loud music and other forms of noise at all hours of the day and night, parties in the parking lot, “loitering” in front of the entryways of buildings, littering, a general lack of care for the surroundings, and, above all, unsupervised, unruly children playing in and around buildings and “running wild.” These frustrations with neighbors’ behavior do not break down purely along class lines; some relocated public housing residents also expressed concerns about the conduct of some of the residents and their visitors in the new developments.

Financial Implications

Finally, residents reported changes in their finances and financial behaviors related to their move. For some, the move was a positive step towards greater independence and economic standing. For others, the move generated increased costs and financial pressures.

A relocated public housing resident at Westhaven Park explained in detail why the increased financial responsibility was a benefit for her.

So some people would see [the financial responsibility] as a down[side], but I look at it as a plus because it's something new you're given, and you have to learn to be responsible enough to pay [your bills]... you gotta learn how to live more responsibly, and you have to learn how to budget your money and stuff.

Relocated public housing resident, Westhaven Park

These expressions of self-improvement and aspirations for success could be brought about by a number of factors associated with the move to the new development—an administrative environment with greater accountability, coaching from social services staff, the opportunity to demonstrate greater independence—or could simply be a function of the selection process that screened public housing residents for eligibility to move into the new developments. Regardless, the move demanded greater financial responsibility from relocated public housing residents, and it seems that a number of them are meeting the challenge.

For the owners in our sample, particularly first-time homeowners who qualified for financing to subsidize their purchase, a major benefit of the mixed-income environment was a chance to own an asset. Most of the homeowners were clearly driven by the expectation of investment value in these developments. As a market-rate homeowner at Oakwood Shores explained: “for economic reasons, it was nice to get into an area that was going to redevelop and eventually make a profit.”

On the downside, many of the respondents expressed concerns about the financial demands of their new residence. For relocated public housing residents, who were not responsible for utility payments when they lived in public housing, budgeting and paying for gas and electric bills was an unanticipated challenge and a source of considerable stress. Several market-rate renters in our sample mentioned concerns about what they regarded as frequent increases in rent. Given the economic downturn in Chicago and across the nation, many of the homeowners in the sample have grown concerned about the possible loss of value of their homes.



Conclusions

Without question, the new mixed-income developments are providing a vastly improved physical environment—attractive and well-maintained buildings, more peaceful, safe, and stable surroundings—for those relocated public housing residents who were able to relocate to them. For many of these residents, the change of atmosphere has been accompanied by a decrease in stress and, for some, an increase in aspirations and motivation to continue to improve the quality of life for themselves and their children. However, the transformation of the environment around them is complicated. Along with the benefits have come increased oversight and intrusion into their lives from both formal administrative structures (such as property management and condo associations) and informal social pressure from middle-class neighbors whose lifestyles and social expectations may sometimes conflict with their own.

Despite this, virtually all relocated public housing residents with whom we spoke are satisfied with their move overall but have responded in different ways. Some appear to be thriving in the new environment and are determined to use it as a stepping stone. Others have detached themselves from the new environment around them and are simply trying to maintain their eligibility to remain in their current unit.

For affordable and market-rate renters and owners, the move to these mixed-income developments also seems to have had both benefits and disadvantages. The prime locations, quality of design, and competitive pricing were strong enough incentives to generate market demand among renters and buyers in the early years of these developments, prior to the recent downturn in the housing market. There remains a sense among these residents that the locations of the developments are strong, the expanding revitalization from the city center is inevitable, and these developments will once again prove to be strong investments when the housing market turns around. That expectation is conditional on the emergence of an environment where residents of vastly different socioeconomic backgrounds, although perhaps with limited meaningful social interaction, are living comfortably among one another.

Key Questions for Policy and Practice

There are a range of questions that could prove helpful to stimulating discussion about ongoing implementation among policymakers, advocates, developers, property managers, service providers, residents and other stakeholders.

1. How can the initial improvements being experienced among relocated public housing residents—improved physical environment, decreased stress connected to issues like safety, increased sense of motivation—best be leveraged to generate more concrete and sustained changes in their lives? What post-occupancy supports and strategies are in place—or need to be in place—for those who seek to use this residential move as a stepping stone to greater self-sufficiency?
2. How can the downsides of a move to a mixed-income development for some public housing residents—increased scrutiny and stigma, a perception of differentially applied rules and standards, increased social isolation—best be addressed through actions by developers or other responsible entities?
3. Social distance and some social friction seem more prevalent in this early stage of the developments than constructive, engaged neighboring that could lead to collective problem-solving and a sense of shared community. What existing and potential approaches to issues like formal and informal social control, social support, governance and decision-making, property management, and community building might help address this?
4. The lack of neighborhood amenities is a shared concern across income and tenure levels. In this challenging economic climate, what are the priorities and strategies for seeking the broader private and public investment in the areas around these new developments that will be necessary to retain and attract residents?

Resident Sample Characteristics

(Random sample only, not full population at sites)

	Overall	RPH	AFF	MKT	RTR	FS
Number of respondents	65	23	21	21	44	21
% Female	77%	96%	81%	52%	88%	52%
Race						
% African-American	82%	100%	81%	62%	100%	43%
% White	9%	0%	10%	19%	0%	29%
% Other	9%	0%	9%	19%	0%	28%
Average age	41	41	40	41	43	36
% Married	25%	9%	24%	43%	18%	38%
Education level						
% high school grad	85%	61%	95%	100%	77%	100%
% college grad	38%	0%	52%	67%	18%	81%
% Employed	69%	39%	81%	90%	57%	95%
% With children in HH	43%	65%	33%	29%	55%	19%
Income						
% Under \$20,000	31%	74%	15%	0%	45%	0%
% Over \$70,000	14%	0%	10%	33%	7%	29%

RPH: Relocated public housing residents in units with a public housing subsidy

AFF: Renters and owners in units priced affordably

MKT: Renters and owners in units priced at market-rates

RTR: All renters including relocated public housing residents

FS: All owners

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