The redevelopment of any neighborhood that has been long overlooked invariably raises questions about housing plans such as:

- What will happen to longtime, low-income residents?
- Will those who are tenants be displaced by increasing rents?
- What will happen to houses that have been allowed to degrade?
- Will they be repaired, rehabilitated or demolished?

All of those concerns are in the minds of residents and other stakeholders in Hazelwood, and working out the answers is made more complicated by at least two unusual factors.

First, while every neighborhood undergoing revitalization has a certain amount of vacant land, Hazelwood includes the largest tract of vacant property in Pittsburgh: 178 acres upon which a Jones & Laughlin steel mill once sat. The sheer size of the site means that whatever is done with it will have a disproportionate impact on Hazelwood’s 5,000 residents.

Second, that land does not belong, as is commonly the case, to either private developers or the City of Pittsburgh. Instead, a trio of philanthropies—The Heinz Endowments, the Claude Worthington Benedum Foundation, and the Richard King Mellon Foundation, which bought out a fourth original foundation partner—operate together as Almono LP and own the property.

The massive plot has been rechristened Hazelwood Green, and, in an August memo last year, the owners declared their objectives for the redevelopment project, the first of which is to “avoid displacement of any existing individuals and families from the Greater Hazelwood neighborhood.”

How does that happen? For Hazelwood Green’s owners, it begins with supporting others who share the goal of

Elwin Green is a Pittsburgh-based freelance writer. His last stories for him were in Issue 1, 2018, as part of the Homewood installment of the “In the Neighborhood” series. One article provided an overview of economic and social changes occurring in Homewood while the other looked at community development in the neighborhood.
As a homeowner, Dorothy Foy looks forward to property values rising in Hazelwood.

“I believe because they’re reviving the neighborhood, it’s going to enhance the value of my home, as long as I can continue to update,” she said.

“If I keep it in good condition and rehab it with the development of the community, it’ll be a plus for me.”

That plus has been a long time coming. Ms. Foy, 58, was a single parent when she bought her home for $91,700 in 1998. Now she is an empty-nester widow, her two children grown and gone.

There is one possible downside to having her equity grow.

“I’m not all that excited about the taxes going up,” she said.

“I feel that with them reviving and developing a new neighborhood, that they should not just jump in and raise taxes. They should allow the community to adjust to what’s going on.”

Still, it could be worth a temporary spike in her real estate taxes if she decides to sell. The vacant house next door was appraised at $195,000, she said.

“I figure my house is in much better condition than that house. If they can get $195,000, I can get $220,000.”

preventing displacement. Together, the three foundations have already invested more than $20 million in Hazelwood by way of nonprofits working to provide housing equity in the neighborhood.

The primary recipients have been Hazelwood Initiative, the neighborhood’s community development corporation, and Rebuilding Together Pittsburgh, the local affiliate of a Washington, D.C.—based agency focused on repairing homes for seniors, veterans, and low-income or disabled people.

By providing repairs at no cost to homeowners, Rebuilding Together strengthens those homeowners’ equity position by increasing the value of their homes. That initial equity boost could grow significantly as property values rise with the redevelopment of the neighborhood.

Since 2012, Rebuilding Together’s work has helped to increase equity for 200 to 225 homeowners, according to CEO Steve Hellner-Burris. “Our goal was to serve about 60 percent of homeowners in Hazelwood who are eligible for our services,” he said.

With another projected 12 to 15 home renovations scheduled, the organization anticipates winding down its comprehensive rehabilitations by the end of 2020. After that, Rebuilding Together will continue to provide maintenance services to help keep the houses from losing value.
In recent years, Rebuilding Together has partnered with Hazelwood Initiative to help residents benefit from Hazelwood’s redevelopment rather than being victimized by it. The Initiative has helped to fund rehab work on some houses beyond Rebuilding Together’s original free repair program, matching a homeowner’s investment on a 50/50 basis. That has enabled more than 40 families to upgrade their homes.

The two agencies also have created a “Rehab 4 Resale” program in which Hazelwood Initiative buys houses, Rebuilding Together fixes them up, then the Initiative offers them for sale, preferably to first-time homeowners. By helping a person move from tenancy to homeownership, the organizations eliminate that individual’s risk of being displaced by increasing rents. Hazelwood Initiative has taken five to six new homeowners a year through the process, and hopes to ramp up to 10 a year, said David Brewton, the organization’s director of real estate.

“If you’re renting in Hazelwood, you could be in trouble” when development leads to increased rents and property values, Mr. Brewton said. “But if you own a house in Hazelwood, you’ll become wealthier.”

For those renters who are not ready for homeownership, Hazelwood Initiative is preparing to provide its own affordable housing. It has bought the former Gladstone Middle School, a property with two empty buildings. The organization is collaborating with community empowerment nonprofit Center of Life to redevelop the smaller building into the center’s headquarters. The larger building will be repurposed to provide some 50 units of low-income housing. For that part of the plan, Hazelwood Initiative is working with The Community Builders, which owns and manages low-income housing developments across the country.

However, turning a vacant building into affordable housing units may produce a paradoxical unintended consequence. Because the rehabbed building will be more valuable, it could help to push up property values in the neighborhood — and that could lead to higher rents all around.

As Rob Stephany, the Endowments’ director of Community & Economic Development, put it, “The dirty little secret of community development is that if you succeed, the very people who could benefit most from your success could get forced out.”

Hazelwood Initiative is meeting that challenge head-on by positioning itself to become the largest landlord in Hazelwood. The organization has entered into an agreement with Hazelwood’s largest private landlord, David Cunningham, to acquire the bulk of his portfolio.

“We have signed an agreement that gives us 32 months to purchase more than 60 scattered-site houses,” Mr. Brewton said, “with the goal being to preserve them as permanently affordable housing.”

The nearly three-year period to complete the acquisition gives Hazelwood Initiative time to raise the capital needed to close the deal and to build the internal capacity to manage the portfolio.

In addition, for the past year, the Greater Hazelwood Community Collaborative has been developing a comprehensive community plan. As in other city neighborhoods such as Homewood, the idea of a comprehensive community plan flows from the realization that there is more to a neighborhood than real estate, and that a plan to redevelop a community should include other factors, such as education, public safety, and arts and culture.

But real estate is still a very big and important element. Mr. Brewton plans to hire a consultant to help develop a housing action plan. In the meantime, he expects that the comprehensive community plan will say that Hazelwood “needs to become a mixed-income community.” Pointing out that Hazelwood Green’s preliminary land development plan calls for up to 3,200 units of mostly rental housing, he contended that if nothing is done to provide permanently affordable housing, “that’s a threat.”

This potential threat is allayed somewhat by, of all things, the development of driverless cars. Uber is using the southern end of Hazelwood Green as the site of a testing track for its self-driving vehicles, an arrangement that will
keep that land from being turned over to a developer for another three to five years.

And although the owners of Hazelwood Green are the biggest players in the neighborhood right now, the Urban Redevelopment Authority also has significant holdings in the neighborhood. In one particular section, the 4800 block of Second Avenue, the URA owns 15 properties that it is preparing to offer for development.

In May, the authority’s board agreed to issue a request for qualifications from developers seeking consideration to acquire the portfolio, which is mostly vacant land. But Outreach Manager Julie Edwards said that the selection of a developer “will be in accordance with the neighborhood plan.”

Meanwhile, the Almon group understands it will take its time with the redevelopment of its 178 acres. Project Manager Rebecca Flora has said that it may take 20 years to complete the buildout of Hazelwood Green.

So far, the plan for the property does not specify that there will be any affordable housing within the development itself, but that doesn’t mean having residents with diverse income levels is not being considered.

“We do not have a specific, prescriptive number for affordable housing at this time,” Ms. Flora said. “Rather we are working collaboratively with Hazelwood Initiative, Glen Hazel Tenant Association and the Greater Hazelwood Community Collaborative to develop a housing strategy.”

Mr. Stephany noted, in particular, that there are “a handful of very important community-building projects on the docket for the neighborhood right now, including Gladstone and the 4800 block of Second Avenue.”

“The financing required to build affordable housing is highly competitive, and we don’t want development at Hazelwood Green competing for the same resources as our community partners,” he said. “When the time is right, we will open the site for developers who can build a mix of market-rate and affordable housing.”

Ms. Flora also pointed out that the preliminary land development plan for the type of zoning that would be applied to Hazelwood Green specifies that 5 percent of total housing would be workforce housing, meaning homes for people whose household income is no more than 120 percent of the area median income.

“Our goal is to develop a strategy that is informed by accurate data on what the specific needs are [e.g., elderly, families, special needs, etc.] and to then more appropriately determine what type of housing is required and where the various population needs are best served.”

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**HOME FRONT**

When Dylan and Amber Rook bought their home eight years ago, the affordability of houses in Hazelwood was a primary factor in their purchase.

“I am not a high-income earner, and neither is my wife,” said Mr. Rook, who works as a freelance graphic designer, a stagehand and a handyman, while Ms. Rook is a nanny. Now, the prospect of property values rising in a redeveloping Hazelwood concerns him.

“If our property taxes rose significantly, it would make it a lot harder for us to be able to afford our home,” he said. “We would have to make some significant life decisions and choices. Hopefully, it wouldn’t require us to move to another part of the city.”

But his greater concern is not for his own household. It’s for “friends or neighbors of ours... who don’t have a lot of access to opportunity that my wife and I have.”

“We could probably return to full-time work and earn more money,” he said. “Some of our older neighbors certainly don’t have that kind of flexibility when it comes to income and life.”

That concern has translated into Mr. Rook participating in the process of creating Hazelwood’s comprehensive community plan as a member of the small business working group and the housing working group. His goals with the latter are to help renters “have a voice at the table when we talk about development” and to help them become homeowners.

“I have a passion to help renters.”