

OLDSMAR, FL: It's Not Just a Good Thing To Do— It's the Law

The Wilson Company

CASE STUDY IN BRIEF

- In some communities it is virtually impossible for an affordable housing developer to have its message heard or to gain any support from officials or residents.
- Fair housing and other anti-discrimination laws can be powerful tools in winning the support of elected officials, particularly when they are made aware that they can be held personally liable for violating the law.
- Even after significant opposition during development, communities will support a well-conceived, -built, and -managed project once they see that it has no negative effect on their existing neighborhood.

In Oldsmar, Florida, the Wilson Company, a developer of affordable housing, learned that as a last resort, when no messages get through to a community opposed to affordable housing, the law can be an ally. In early 2001 Wilson purchased land from the Catholic Church in the town, a community of 12,000 near Tampa. The land was zoned multi-family, and there were no obvious obstacles in the way of the project when the plan was developed. Until community residents got wind of the proposal, that is.

When community leaders found out that the 270 units in the proposed Westminster development would be targeted exclusively to households below 60% of Area Median Income, they quickly organized in opposition to

the project. Wilson held informational meetings to educate residents about the proposal, but they were boycotted. The developer also offered tours of similar communities nearby, but nobody took advantage of them. While a few residents weren't opposed to the project, said Debra Koehler, who at the time was a partner at Wilson, they refused to speak out publicly in favor of it. Even some local preachers came to her and indicated their support, she said, "but they said they couldn't say so in public because nobody would come to their church if they did." The developer turned to local newspapers, which came out in support of the proposal, but failed to win over residents.

"We brought in an 89 year old African-American/Hispanic schoolteacher who had lived in a community we had developed to speak to residents and the city council," said Koehler, "and another woman from another community who was a nurse, whose child had won one of the four year college scholarships we award to residents. We tried to educate them about who lives in these communities and the quality of construction, but it all fell on deaf ears."

The city council proved just as difficult to persuade as residents, with the majority consistently voting to block the project, and even filing lawsuits to delay the process. While the city attorney cautioned the council that the lawsuits could be without merit, city officials persisted in their tactics.

After spending more than \$1.5 million in permit fees, more than \$400,000 in legal fees, and hundreds of thousands more in staff time without any assurance that the project would be allowed to move forward, Wilson prepared a lawsuit to sue the city, seeking compensatory and punitive damages totaling over \$13 million dollars, resulting from The Wilson Company's loss of state bond financing and the violation of its right to develop racially integrated affordable housing for individuals and families with children free from discrimination based on race, national origin, and familial status. The suit not only named the city, but also the city council members in their individual capacities. When faced with financial ruin for themselves and the city, the council ultimately voted, in November of 2001, to allow construction to begin.

That wasn't the end of the opposition though, said Koehler. When ground was finally broken for the project, signs and construction equipment were vandalized. The council member who had been most vocal in his support of the project lost key committee positions and chose not to run for re-election based on the political climate in the community.

But on the day of the grand opening of the project, said Koehler, "the mayor was there and said that this was all behind us. As soon as we started leasing up people from town were calling us for units. Now people who opposed us have relatives and adult children living in Westminster."

The lesson from the Oldsmar experience is that in some cases clear communications simply isn't enough to move a project forward. Not all opponents can be convinced of the merits of affordable housing, and even legal arguments don't always prove persuasive. In these cases, the use of Fair Housing laws and pointing out the personal risks that elected officials take in obstructing them, may be the only way to win approval. Even then, developers run the risk of earning permanent adversaries among the officials they challenge.

"We risked a lot," said Koehler. "We have had NIMBY cases where we decided not to pursue projects because of the opposition, but you have to pick your battles, and we decided to pick this one. We decided to use this as an example for future projects, and now everybody knows about it."

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