

NONPROFITS

## Higher purpose

*Nonprofit housing developer the Resource Foundation has arrived in Baton Rouge, and it has quickly gotten down to business.*

BY HAL COHEN

The promise of big changes for Baton Rouge began with the faith-driven decisions of two strangers more than a decade ago and far from here.

Robert Whittington was on the corporate fast track, but he felt a different calling. It was 1992, and the Baton Rouge native was working in international consulting at the Monitor Group in Boston.

"It wasn't that I didn't like consulting," he says. "But I woke up and said, 'This is just not fulfilling.' God opened my eyes to issues of social and economic justice and racial reconciliation."

So he started taking classes on housing policy at Harvard, and that led to a Harvard Law J.D.

A few years earlier, while Whittington was at the University of Chicago finishing his undergrad degree, Vanderbilt University chaplain E.D. "Eddie" Latimer had arrived at his own personal crossroads.

"Direct ministry had run its course for me," he recalls.

He had always been fascinated by the idea of Jubilee. Every 50th year, the ancient Israelites were instructed to return land to its original owners. He felt helping the poor build wealth through homeownership was the modern equivalent.

Latimer had no real estate background, but friends had set up housing-ministries elsewhere. "It was a little theological, and a little, 'It can't be *that* hard,'" he says.

The nonprofit he founded—Affordable Housing Resources—grew to become the largest developer of affordable housing in Nashville, developing roughly 700 houses in the area and holding assets of about \$17 million.

Whittington interned with Latimer while in law

school. Afterwards, he returned home to work for his family's sprawling real estate business, Triple R. But he wanted to get back to nonprofit work. "In Nashville, I had caught a vision of what was possible," he says.

The paths all converged here, in Baton Rouge.

In late 2003, Affordable Housing Resources decided to spin off a nonprofit development operation here, called the Resource Foundation. The Nashville group already had interest in 21 large apartment complexes around Louisiana. Whittington was hired as the Resource Foundation's president, and Latimer became CEO. The move was made official last summer.

Now, the Resource Foundation has projects in planning across the parish, and it has become a key part of the Katrina recovery.

### Nashville to BR

Katrina made interim housing an early emphasis of the Resource Foundation. The group began working under a FEMA subcontract to run a call center that monitors maintenance for evacuee trailers statewide. Eventually, it hopes to transition this into a housing-resource and case-management service.

The group is also working to set up a revolving homeownership loan pool for evacuees transitioning out of trailers, and it is providing homeownership education and counseling through churches and community groups.

Additionally, the group is planning to install a few dozen manufactured houses on Greenwell Street behind Earl K. Long Medical Center and on Scenic Highway near the airport. Unlike conventional trailer parks, the projects will be laid out like neighborhoods, so they can be transitioned to more substantial housing. Both deals are planned to close by the end of March.

But the Resource Foundation's real passion is using affordable and mixed-income housing to help revitalize poor areas. It aims to complete 30 new units in 2006, eventually ramping up to full capacity of about 100

per year. Efforts here will be modeled on what Affordable Housing Resources does in the Nashville area. That group has 14 projects completed or in development, including suburban and urban housing with detached houses, townhouses and multi-family buildings.

The Nashville sites vary widely in size, something that would also be the case here. On the large end are conventional subdivisions, and the Resource Foundation's first major project in Baton Rouge will be building out Hidden Cove, a subdivision on Burbank Drive between Bluebonnet Boulevard and Gardere Lane that has been unfinished since the 1980s.

The 65-lot project will be a "cutesy kind of bungalow subdivision," says Latimer. Prices will top out at \$150,000, but buyers who qualify for a subsidy will get in for \$110,000. The Resource Foundation plans to break ground in March.

Other projects in Nashville occupy less than two acres. Similarly, the Resource Foundation is here planning several of what Latimer terms "trendy, New Urban neighborhood revitalization projects" on tight sites. So far two are in the works: a project with 24 townhouses and another with 100 detached houses and row-houses. Whittington says the group has been scoping sites in Mid City and Old South Baton Rouge.

It has also been peripherally involved with Bardwell Development's proposed traditional neighborhood development in Melrose East.

### Good works

The Resource Foundation stresses income mixing. "Many people say, 'Affordable housing is good—if it's far away from me,'" Whittington says. "We're saying it doesn't have to be that way."

Indeed, the Nashville experience argues the high end will want to be part of the mix. At one 29-unit townhouse project in a rough area near downtown, called Row 8.9n, market-rate units asked up to \$172,000 a few years ago. Critics said there was no demand, but it sold out before the foundation was laid. A second project

nearby is now asking \$200,000.

Design is a big part of the appeal. Several Nashville projects were designed by one of the city's premier architectural firms, Everton Oglesby. Affordable and market-rate units in the projects are indistinguishable, inside and out, and they have pedestrian-friendly site plans that encourage sociability across income brackets.

Whittington also notes many who qualify for affordable housing assistance under federal guidelines do not fit the stereotype of public housing tenants. They can earn up to 80% of the area median, which typically includes police officers and teachers, what he terms "the working backbone" of the city. Here, the income cap works out to about \$30,000.

Although the Resource Foundation is driven by social conscience, it is run like a business, and Whittington is passionate about profits. "You need to expect a return," he insists. "That's how you require success."

But his goal is to plow earnings back into the mission. The Resource Foundation wants the capacity to finance first-time homeowners and community development projects—both its own and other groups'.

Still, it faces tough challenges in translating its Nashville successes here, due largely to an anemic public sector. There, Affordable Housing Resources uses a patchwork of financing, including private lending and grants, federal housing funds and TIFs. But it also relies on partnerships with the city and state housing authorities for below-market rate loans and land assembly.

Here, to launch Hidden Cove, the Resource Foundation had to scrape together \$1.8 million in low-interest loans from various nonprofits and private companies, none of them local. And government was nowhere to be seen.

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PHOTOS COURTESY AFFORDABLE HOUSING RESOURCES

**DESIGNED TO APPEAL:** The Resource Foundation will model its local projects on those of its Nashville parent, Affordable Housing Resources. Nashville mixed-income projects include (clockwise from above) mixed-use on a busy but formerly empty corner of Scott Avenue, detached houses on Fatherland Street and two views of Row 8.9n townhouses.

