Good Neighbors Make Better Partners
Emerging Strategies for Integrating Health and Housing

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The Healthy Neighborhoods Healthy Families (HNHF) initiative, created by Nationwide Children's Hospital, seeks to remove barriers to the health and well-being of families in Columbus, Ohio's South Side neighborhood. The initiative facilitates access to affordable housing, quality education, health and wellness programs, safe and accessible neighborhoods, and workforce development opportunities. In 2008, Nationwide partnered with Community Development for All People (CD4AP), a nonprofit community development organization, and launched HNHF Realty Collaborative, a real estate subsidiary to rehabilitate existing housing stock and develop new affordable homes on vacant lots. This case study highlights the role that anchor institutions can play in addressing housing as a social determinant of health and the value of community development corporations in providing on-the-ground housing expertise.

Introduction

In 2008, the national foreclosure crisis was creating significant challenges for residents on the South Side of Columbus, Ohio. Between 2003 and 2008, Franklin County (which includes Columbus) experienced a 53.3 percent increase in the number of foreclosures, most of which occurred in urban areas of concentrated poverty (Rothstein and Mehta 2009). The effects of the Great Recession exacerbated concerns about education, crime, and housing on the South Side, stimulating new conversations among neighborhood stakeholders and city leaders wanting to address these issues.
Nationwide Children’s Hospital

Nationwide Children’s has been located on the South Side of Columbus for over 100 years. The hospital’s state-of-the-art facilities stand in stark contrast to the surrounding neighborhood, which has long struggled with vacant and blighted properties, high crime rates, and a lack of employment opportunities.

BOX 1
Community Context: Health Neighborhoods Healthy Families Catchment Area (Individual-Level Data)
Population: 21,864
Poverty rate: 26.4 percent
Median household income: $43,810
Share of individuals with asthma: 15 percent
Share of individuals with high blood pressure: 38.7 percent
Share of individuals with diabetes: 16 percent
Sources: 500 Cities Data, census tracts 56.1 and 56.2; Census data (zip code 43206, which includes the Healthy Neighborhoods Healthy Families Realty Collaborative catchment area)

In the late 1990s, the hospital embarked on a significant expansion that caught the attention of the local community. Over the next several years, conversations with the city (including on a proposed $15 million job creation incentive) led to a challenge for the hospital to do more to positively affect the surrounding neighborhood through the expansion.

The hospital was enthusiastic about investing in the neighborhood and recognized that proactive engagement with community stakeholders and city leaders could maximize its impact. Increasingly, the hospital’s leadership and medical staff were focusing on the social determinants of health and how the hospital could more effectively address health outside of the hospital’s walls. After researching place-based initiatives around the country, the hospital decided to launch a comprehensive initiative in the neighborhood south of the hospital that would promote health and well-being by focusing on affordable housing, health and wellness, education, safety, and workforce development. This initiative, called Healthy Neighborhoods Healthy Families, launched in 2008.
We are an anchor that has been here and proved positive that we would not relocate. This positive investment led us to think about our surrounding community. The hospital can invest in its campus, but we really want to be investing more broadly in place-based initiatives. –Angela Mingo, Nationwide Children’s Hospital

BOX 2
Anchor Institutions

Anchor institutions—including colleges, universities, and health care centers—are large nonprofit organizations that are physically rooted in their communities. The economic power and capacity of these organizations are significant, but historically they have not always taken the initiative to harness their economic power to benefit neighboring communities. Over the last several decades, however, anchor institutions have become increasingly embedded in the social and economic fabric of their surrounding neighborhoods, providing increased employment, housing, and educational opportunities to distressed communities. Research shows that some of the most beneficial community investment initiatives undertaken by anchor institutions have been urban renewal programs and infrastructure growth.

Source: Webber and Karlstron 2009

Community Development for All People

Community Development for All People (CD4AP) is a faith-based non-profit community developer working on Columbus’ South Side. It aims to improve the quality of life of all South Side residents through individual empowerment and community services. In addition to developing affordable housing, CD4AP operates a free clothing and household items store, after-school and summer programs, and healthy living counseling. Community Development for All People regularly asks its congregation members and community residents to identify their needs so that it can try to address the most pressing issues in the community. The organization is known for its strong institutional roots in the neighborhood, both because of its faith congregation and its relationship with individuals through social service provision.

Community Development for All People’s housing approach centers on fixing blighted homes and finding families to move into them. Its first efforts began in 2005, when it fixed up a duplex building on the South Side. From there, it became a full-fledged community housing development organization and was awarded grants from the City of Columbus among other sources to redevelop blighted and vacant homes in the area near Nationwide Children’s.

The 2007 recession hit CD4AP hard. The organization struggled to finish the homes it was redeveloping and realized it was functionally impossible for anyone whose income was below 80
percent of the area median income to afford to purchase a home. Thus, if CD4AP wanted to continue providing affordable housing options, it needed to reinvent how it built and financed those projects.

The Partnership

As Nationwide Children’s was launching HNHF in 2008, Columbus was working on its Home Again initiative, which aimed to improve the housing stock directly south of Nationwide Children’s. Unsurprisingly, the city was therefore especially keen on leveraging the hospital’s role as an anchor institution to assist in housing rehabilitation efforts. The city facilitated an introduction between Nationwide Children’s and CD4AP, and the two agreed to meet to discuss a potential partnership. Community Development for All People leaders felt “[their] mission aligned well with Nationwide Children’s five-pronged Healthy Neighborhood Healthy Families Initiative” and recognized that the hospital could provide significant financial resources, capacity, and public attention. In turn, Nationwide Children’s recognized that CD4AP could offer social capital and community connections, acting as a trusted community liaison. As one respondent noted, “somebody has to play the role of community integrator and connect the voice of residents with the voice of change makers.”

In early meetings, the two organizations coalesced around shared objectives to reduce blight, increase homeownership, and prevent displacement in their overlapping geographic areas. By tackling these pervasive housing issues, they hoped to see significant, community-wide health improvements.

Once the two organizations started working together in earnest, they decided to form a subsidiary to manage the day-to-day real estate tasks. This subsidiary, a 501(c)(3) organization named the HNHF Realty Collaborative, sits under CD4AP with Nationwide Children’s as the principal partner. The subsidiary is staffed by Nationwide Children’s employees; the board is composed of CD4AP and Nationwide Children’s constituents and is chaired by the chief financial officer of Nationwide Children’s.

Activities

The HNHF Realty Collaborative focuses on four distinct activities, with increasing homeownership as its primary goal (figure 1):

1. Redevelop vacant, blighted single-family houses that are sold as owner-occupied homes.
2. Build new homes on vacant lots sold for homeownership.
3. Rehabilitate the exterior of existing owner-occupied homes.
4. Develop rental housing by rehabilitating vacant, blighted single-family homes and duplexes.

The HNHF Realty Collaborative deploys a block-by-block strategy for neighborhood revitalization. It acquires abandoned or blighted properties in the worst shape and simultaneously extends home repair grants to residents living nearby through an annual application process. It started with a small focus—or catchment area—to create a scattered-site redevelopment approach while concentrating the investment in a well-defined geographic area. Motivated by improvements to the initial catchment area,
the HNHF Realty Collaborative expanded its focus area, increased staff capacity, and grew its public and private partnership funding.

**FIGURE 1**
Healthy Families Healthy Neighborhoods Model

![Healthy Families Healthy Neighborhoods Model](source: Nationwide Children’s Hospital)

**Homeownership Program**

When designing the HNHF Realty Collaborative, CD4AP discovered that the area directly south of the hospital had remarkably low rates of homeownership compared with other Columbus neighborhoods. At the time the HNHF Realty Collaborative began its work, homeownership was 27 percent in the initial catchment area, and vacant properties accounted for 27 percent of the homes. Community Development for All People and Nationwide Children’s agreed that increasing homeownership could help stabilize the neighborhood, as it reduces transiency and increases property values. Hoping to prevent displacement, CD4AP and Nationwide Children’s decided to focus solely on redeveloping vacant and abandoned properties, rather than acquiring occupied housing units. Since 2008, the HNHF Realty Collaborative has completed the gut rehabilitation of 53 single-family houses that have since been sold as owner-occupied homes and has built 18 new homes, 17 of which have been sold. Today, the average cost to develop a home stands just over $203,000, with subsidies covering over 40 percent of the cost to allow a more affordable sale price.

**Home Repair Program**

About 12 months after launching, the HNHF Realty Collaborative invested in its first owner-occupied homes in need of rehabilitation. Since then, they have provided home improvement grants to 74 homeowners. Through its Home Repair Program, homeowners residing in the catchment area can apply for grants for exterior improvements. To be eligible, the recipient must live in the home full time, be up to date on his or her property taxes and mortgage payments, and participate in a free, two-hour home
maintenance workshop. These grants are designed to empower residents to take ownership of their own exterior home improvements.

FIGURE 2
Before and After Image of Rehabilitated Home through HNHF Realty Collaborative

Source: Nationwide Children’s Hospital.

Rental Program

Nationwide Children’s and CD4AP began to see an improvement in the housing stock for homeownership, but heard more and more about the need for affordable rental properties. Conversations with residents and other stakeholders prompted the organizations to write and adopt the South Side Housing Strategy, with a primary goal of ensuring that current residents could stay in safe, affordable housing for at least 10 years. The strategy document prioritizes the development of additional affordable rental homes as essential to achieving the goal of non-displacement for lower-income residents. Nationwide Children's and CD4AP decided to hire a third-party property management company that leases the units to tenants and maintains the properties. This allows HNHF Realty Collaborative to remain focused on the production of housing. As of 2017, 15 rental units are being redeveloped.
Resident Engagement

Both partners held a strong desire to make community engagement a central aspect of their work. Before the HNHF Realty Collaborative was launched, the community relations team at Nationwide Children's engaged neighborhood leaders in conversations about how to best move forward with a housing initiative. To promote transparency, the HNHF Realty Collaborative gathered a group of residents and other community stakeholders to review development plans before they were presented to the hospital leadership and public audiences. The HNHF Realty Collaborative leadership understands community input as adding "a lot of value and trust to [their] work."

Funding

Nationwide Children's and CD4AP have done $20 million worth of housing work together, supported by a combination of public, private, and philanthropic funding. Nationwide Children's is the primary source of funding, having invested over $6 million as of 2016. The hospital is a large accountable care organization and can generate savings, some of which it reinvests into preventive activities, including the HNHF Realty Collaborative. Respondents from CD4AP and the City of Columbus agreed that the success of the initiative is due in large part to the investment by Nationwide Children's.

The City of Columbus has also been a strong financial partner in the HNHF Realty Collaborative. When the initiative launched, the city was simultaneously applying for funds from the US Department of Housing and Urban Development's Neighborhood Stabilization Program (NSP), which aims to stabilize communities suffering from foreclosures and abandonment by purchasing and redeveloping residential properties in partnership with local community housing development organizations. As the HNHF Realty Collaborative is housed under CD4AP, the city could direct a portion of its NSP funding to the HNHF Realty Collaborative initiative.

Finally, the United Way of Central Ohio has been involved as a financial partner for several years. The organization helps fund owner-occupied home repair grants and housing redevelopment efforts to increase homeownership.

In addition to these primary funders, respondents stressed the importance of leveraging preexisting financial resources and bringing in business and community leaders to match financial resources. One respondent described the HNHF Realty Collaborative's ability to raise these kinds of funds as having a "catalytic effect, because people like to go where they see success thriving." Seeing the success of the collaborative has made business leaders and private investors more comfortable and interested in investing their own resources into local affordable housing development.

Evaluating Success

Overall, the HNHF Realty Collaborative has helped reduce the number of vacant and abandoned properties more than 50 percent. Unfortunately, there is no formal tracking mechanism to assess
potential health impacts. But the organization believes that fewer vacant homes will improve safety and decrease possible hazards, thereby improving the health and well-being of neighborhood residents.

Successes

The HNHF Realty Collaborative has witnessed the impact of its work through changes (1) at the block level, evidenced by physical changes in the neighborhood; (2) at the partnership level, evidenced by the evolution of CD4AP and Nationwide Children’s working relationship; and (3) at the community level, evidenced by the strengthening of local ties.

The physical changes are an explicit indication of success, according to the two organizations. As one interviewee mentioned, the visibility of quality housing can magnify the impact of the initiative and thereby “raise the level of hope and enthusiasm in the community” for future revitalization efforts. In addition, the physical improvements in the neighborhood have made it easy for Nationwide Children’s and CD4AP employees to showcase their work to potential funders and local business leaders, leading to increased awareness and diversified funding streams.

At the partnership level, both Nationwide Children’s and CD4AP leadership cited the evolution of their collaborative work as a measure of success. Nationwide Children’s employees understand that without CD4AP, their lack of housing expertise would have significantly undermined their efforts to revitalize the community. Community Development for All People felt that Nationwide Children’s participation raised the bar in terms of the quality of the homes it built and rehabilitated. Lastly, the partnership’s evolution from focusing solely on homeownership to creating a rental housing program shows the flexibility and strength of its collaborative engagement and was highlighted as an indicator of successful collaboration.

Challenges

The HNHF Realty Collaborative currently has no data tracking system in place. Interviewees noted that this is something they are working toward; they wish to develop a system that can quantitatively measure the health and well-being effects of neighborhood upgrades at both the individual and community level. But public housing authorities, Medicaid, and state health departments all have different desired goals and metrics, making it difficult to settle on a group of measures that are meaningful to a variety of stakeholders and funders.

Real savings in health care will come from bending the long-term cost curve from children.
–Dr. Kelleher, Nationwide Children’s
In addition, respondents noted potential challenges associated with relying on public funding sources that are not steadily available over time. The program has benefited greatly from federal NSP funding, but that funding stream is no longer available. Although the partners have made a strong effort to diversify their funding sources, respondents noted that future funding challenges could stifle the degree to which Nationwide Children’s and CD4AP can scale their block-by-block strategy.

Lastly, the potentially harmful effects of gentrification make some respondents nervous. As one individual noted, “I worry that improvements in neighborhoods might create more problems for those with the lowest incomes.” In response to this kind of feedback, Nationwide Children’s and CD4AP have begun developing rental homes that are affordable to people with income below 60 percent of the area median income to ensure this area remains a mixed-income community for the long term.

Looking Forward

One priority for the partnership is a formal data tracking system. Recently, Nationwide Children’s executed a data sharing agreement with local schools to link health and attendance data. Respondents are also interested in linking housing and health data, but recognize that Health Insurance Portability and Accountability Act regulations may make that goal difficult to achieve. The organizations are also planning to increase their catchment area to incorporate additional blocks, allowing them to expand their impact. Although the future of public funds is unclear with the expiration of NSP funding, the HNFH Realty Collaborative leadership feels confident that their work will continue to grow.

Key Take Aways

The lessons learned from the HNFH Realty Collaborative initiative can be applied to local partnerships working on community revitalization strategies. This case study has highlighted the value of anchor institution involvement, the importance of strong organizational leadership, and the importance of steady, diverse funding streams.

- **Anchor institution involvement.** Having the financial, social, and political influence of an anchor institution was critical to the success of this initiative. The hospital board emphasized how the importance of addressing social determinants of health in the local community gave Nationwide Children’s the green light to embark on this type of initiative. Interviewees highlighted that board-level buy-in is a key step toward replicating a program like this in other places. Furthermore, leveraging internal resources to invest in physical improvements in the communities where anchor institutions exist can positively affect the relationship between anchor institutions and their neighbors.

- **Strong neighborhood leadership.** Multiple stakeholders identified strong neighborhood leadership as an essential ingredient for success. Community Development for All People’s solid reputation as a community advocate and quality housing developer allowed Nationwide Children’s to trust them as a partner early on. Numerous stakeholders pointed to Reverend
Edgar, the executive director of CD4AP, as a persuasive, committed, and innovative leader whom Nationwide Children’s could rely on as a collaborator.

- **Funding sources.** The ability to include a diverse set of funding sources is key to ensuring the stability and sustainability of health and housing work at the neighborhood level. The hospital’s financial resources were invaluable for getting the work started, and early successes have motivated other funders to support this work. With NSP funding ending, this case shows how establishing a diverse portfolio of funding strategies can allow for flexibility and long-term impact despite public funding changes.

**References**


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