





MURAL MAGIC

The ULI2D project leverages public art to create healthier, happier communities

By REBECCA L. RHOADES

he area surrounding Guerrero
Rotary Park in Mesa has a long
and storied history. Since the early
1900s, the neighborhood has been home
to a large Mexican American population
that brought its culture and traditions
to the region. The area counts among its
famous residents Rosaura and Pedro W.
Guerrero, founders of Rosarita Mexican
food products, as well as their son Pedro
E. Guerrero, the renowned photographer
best known for his work with Frank
Lloyd Wright. To this day, the park and
neighborhood bear the family name.

Over the years, policies that diverted investment away from minority neighborhoods created economic disparities in areas such as Guerrero Park, and the eponymous park, a centerpiece of the community, was no longer filled

with happy children because of increased criminal activity and people experiencing homelessness. The neighborhood grew from its rich cultural roots and was also a popular spot for street art. Faded paintings that showcased the tight-knit community's Hispanic roots covered walls and spoke of a collective history and bond that had connected neighbors for more than a century.

"There are neighborhoods that some people say are going downhill and need revitalization and love, when the reality is that they already have an authentic sense of place and a lot of core community uses," explains Trevor Barger, CEO of Espiritu Loci and principal at Arizona Strategies. "There's usually a great church, a community center of some sort, a school

— and none of those are failing. The community is pretty well connected. The people may be internally focused, but they know who each other are and what their past has been, and most of them have lived in the area for quite a while. These aren't areas that need to be torn down and rebuilt. They're areas that already have strong connections but oftentimes don't have a way to express in physical form what has been created."

The Guerrero Park neighborhood is one such example. In a unique collaborative partnership with the community and the City of Mesa, ULI Arizona's community mural project, known as ULI2D and chaired by Barger, married the talents of ULI and local artists with a master-planned public art installation.





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ULI's mission is to shape the built environment for transformative impact in communities, and a key focus area is creative placemaking/keeping, leveraging art and creativity to strengthen spaces and places.

"When you talk about social indicators of public health, one is the walkable distance from your home to a park," says Mesa Mayor John Giles. "But having a park that is a walkable distance to your house that you never walk to doesn't work, does it? This project in Guerrero Park is important. It created vibrant places that residents walk to and enjoy, where they have social interaction with their neighbors, and where kids play and get in some exercise because the park is a much more interesting experience."

He adds, "If you drive by the park today, the vibe is different and the environment is healthier than it was before."

But convening a public art project requires more than simply putting paint brushes to walls.

Patrice Marcolla, vice chair of the ULI2D committee, explains. "There's a level of trust and credibility that needs to be built," she says. "When you look at a neighborhood from the outside, you don't really know or understand it's history. We want to develop a true understanding, and that only comes with time and engagement."

The team spent months working with community members and neighborhood

leaders, going door to door and listening to what residents were proud of, what they aspired to and what they wanted, and gathering input for where murals would showcase character and connection.

"We wanted the artists to tell the story of the neighborhood," says artist Hugo Medina, who worked with ULI from the project's earliest stages and helped select the participating muralists. "We organized a community storytelling day so that residents could share their stories with the artists. The artists also met with the people whose properties were utilized for the project. A huge part of selecting the artists was determining who would work best with the different walls as well as the individuals and groups."

More than a dozen murals now weave through the neighborhood, beginning at the entrance to Guerrero Rotary Park and flowing throughout nearby streets. They tell stories of hope and redemption, of cultural traditions and community leaders long gone. There's Gina Ribuado's and Meghan Elaine Mitchell's vibrant portrait of a Spanish woman, framed in brilliant shades of yellow, red and turquoise and flanked by Sonoran landscapes. A verdant lovebird perches on one hand, while a Gila monster rests on the opposite side. Medina, Augie Gastelum and Chris Vena's mural speaks of childhood joy through silhouettes of kids playing. Lucinda "La Morena"

Hinojos' wall showcases hummingbirds, butterflies and sunflowers. In the center, a person holds a sign that says, "We don't know each other, but we need each other." Then there's Darrin Armijo-Wardle Ofrendas' Catholic-themed artwork, which features Day of the Dead skulls, Our Lady of Guadalupe and a portrait of the pope. "It's just this stunning piece that everybody points out as the drive through the neighborhood," Barger says. "The way he was able to capture light and movement inspires a lot of conversation."

"Azteca Pride" by David R. Martinez is located at the corner of 8th Avenue and South MacDonald. The mural was painted more than 30 years ago in response to a young girl who was hit by a car at that corner. The team members of ULI2D sought out Martinez, who not only refreshed his original work of art but also expanded it by adding panels of brightly colored Aztec scenes to each side.

The centerpiece of the entire project is a 450-foot-long mural that runs along the park's western edge. On Nov. 9, 2019, 16 artists and more than 300 community members came out and worked side-by-side to paint the block wall in colorful scenes that reflect the heritage, natural surroundings and people of the area. Medina created a panel that can be seen from the parking lot. "My idea was basically to have hands open and a person blowing



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Mayor John Giles



Steve Lindley



Patrice Marcolla



Hugo Medina

butterflies that represent the larger community and spread throughout all the park murals," he explains. Nearby, another panel pays homage to the park's namesakes Rosaura and Pedro, painted by renowned local artist and the couple's nephew, Zarco Guerrero.

"The park was full of people, which was really fun to see," says Giles of the community paint day. "What is especially rewarding is the fact that it was a great example of people from outside the community coming in and facilitating things, providing the paint and resources for the artists, who were wonderful. But the actual subject matter — the stories that are reflected in the art — comes 100% from the community."

Marcolla recalls, "That paint day was an important source of community engagement. It's where we heard stories about the children who grew up in the area and all of the different neighborhood aspects that influence the artwork.

"Instilling pride in a community also helps increase safety," she continues. "There's a desire to maintain the park because there is real connection. It's a part of the culture and a place where kids can hang out."

Studies have shown that arts help foster a healthy, equitable community. "Color is known as a huge component for adding vibrancy, but it also speaks to the destination," Medina explains. "Murals have always had a positive effect in communities." The more art that reflects the neighborhood, that's done by neighbors and for neighbors, the less apt it is to be defaced by graffiti and vandalism.

Now that the project is complete, one of Barger's favorite things to do is go back and check on the murals. "There's now a bench by the community mural, and there's usually someone sitting there. They see me taking photos of the murals, and they want to tell me the story of how it all happened," he says. "These are their murals, and they're very proud to share about them."

Scarlett Flores' family has been part of the Guerrero Park neighborhood for decades. She got involved with the ULI2D project after muralist Gastelum spotted her painting her van. During the community paint day, she helped little kids paint, teaching them how to be more creative. "I got to meet so many neighbors who came out to paint. There

were people passing by and exchanging numbers. It really brought us together as a community," Flores recalls.

Steve Lindley, executive director with Cushman & Wakefield and treasurer of ULI Arizona, says, "Our goal — and hopefully this happened — is that the people who live and visit there feel more connected with pride and renewed spirit because of this project."

According to Flores, the murals celebrate the neighborhood's culture. "That's what we love. Our culture is being heard and in plain sight," she says. "The park is the heart of our little community."

ULI is working with the City of Phoenix to finalize a second mural location in downtown Phoenix. It's also documenting its mural art efforts to share transferable ideas with other municipalities and neighborhoods.

Marcolla sums up the results of the Guerrero Park project: "There's something really beautiful about when a neighborhood has artwork that is by the community of the community." For additional ULI2D information. maps and images, visit arizona.uli.org/ get-involved/uli2d-community-muralproject/."











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A unique real-world internship introduces disadvantaged and underserved students to the power of real estate ownership

By REBECCA L. RHOADES

s a freshman majoring in finance at Arizona State University, Tolleson native Alexis Barber didn't know much about commercial real estate. So when she was presented with the chance to participate in a unique internship that merges both fields, training students not just about real estate but also about how to build wealth through it, she jumped at the opportunity.

The eight-week virtual program, known as Project Destined, provides real-world internships for historically disenfranchised people, including women and people of color. Students work with executives in the commercial real estate industry, with a focus on the multifamily sector, researching deals, evaluating properties, learning marketing and strategy analyses, and developing valuation and deal financing.

"During the pandemic, I was reading a lot of finance books and had started getting interested in real estate," Barber recalls. "After going through the program, I learned that there's so much more to it, and it interested me even more."

Founded in 2016, Project Destined is the brainchild of Washington, D.C.-based former investment banker Cedric Bobo. "I'm from Mississippi, and I had a great-grandfather who bought hundreds of acres of land and built a series of agricultural businesses. I wanted to be an owner just like him, but I had no idea how to do it," Bobo says. "That's what bonds me to students like Alexis. We have the desire to be owners in our neighborhood and the conviction that we have the skills to do it, but we have no clear path."

A stint at Harvard Business School, a year abroad studying at Oxford University and jobs at investment firm Salomon Brothers and private equity company The Carlyle Group opened Bobo's eyes to using investor funds to finance building purchases, and he began his foray into real estate by buying tiny apartments in London.

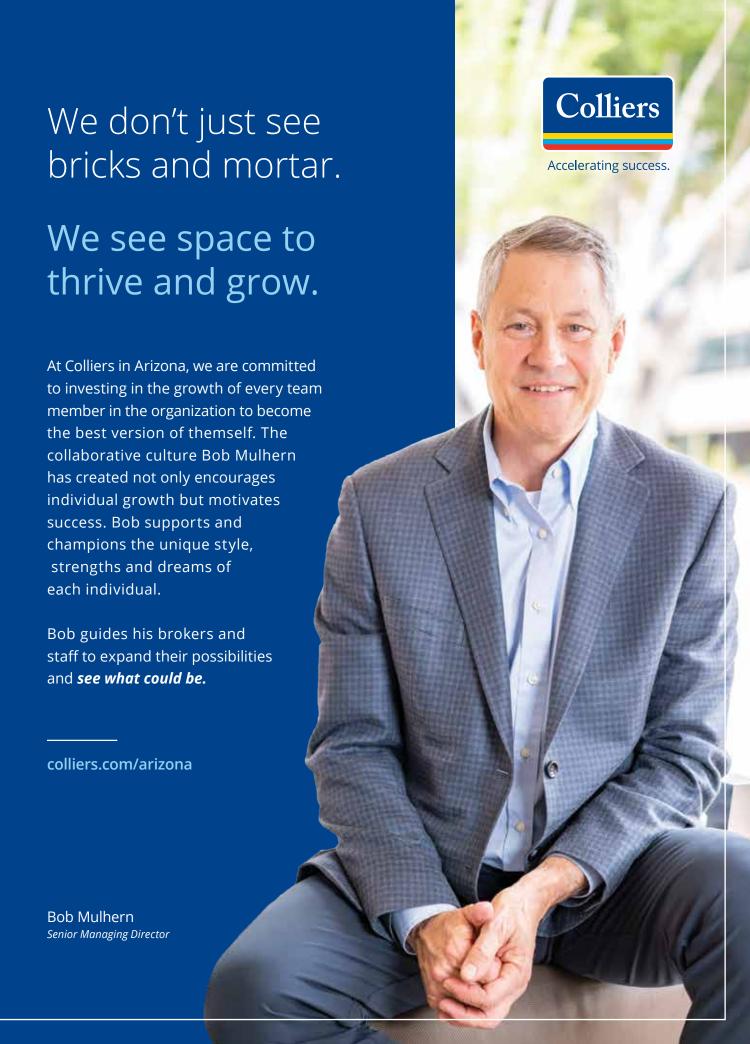
After leaving The Carlyle Group, Bobo and his wife continued to invest, "because we had seen how to produce wealth and impact neighborhoods," he says. It was during this time that Bobo began questioning why schools, which often emphasize STEM classes as the pathway to a better future, don't teach students how to become owners through real estate.

It was during a business trip to Detroit that Bobo got the idea to start Project Destined. "There was a lot of capital in Detroit going into development, much like there is in Phoenix today," he says. "There was also a huge diverse population in Detroit, with very few diverse owners."

Bobo partnered with the mayor's office and selected 15 high school students to put through the program. The students were paid a stipend to learn about real estate; in return, they would analyze live deals, apply their learnings to the deal and pitch it to Bobo and his wife. The couple ended up purchasing two of the buildings.

The program was a success and garnered plenty of media attention. Bobo soon began expanding Project Destined to such cities as Memphis and Miami. Today, more than 500 students nationwide have participated in the program, which is now offered in numerous states and even some international markets. "The goal is to have a global community in which students are simultaneously learning how to become owners and then getting jobs in the real estate field," he says.

"The first piece of being successful is knowing you deserve to be successful," Bobo continues. "We tell our students, 'You're going to be successful at Project Destined, and we're going to teach you how to become an owner.' We're trying to train with a mentality around ownership. And the same mentality that supports buying a home can support buying a 10-unit building. And a 10-unit building is not different than a 100-unit building. But it all









Joe Blackbourn



Cedric Bobo



Gary Linhart



Stanton Shafer

starts with the mindset of, 'I deserve to become an owner."

Gary Linhart, owner of WestHawk Capital, brought Project Destined to the attention of ULI Arizona after first hearing about it during an industry Zoom call. "ULI has a significant equity, diversity and inclusion initiative, and here was this organization that was taking action to help people in underserved communities or demographics get into the commercial real estate industry," he recalls. "Cedric and his team were cracking the code on how to diversify the industry, so it made sense for us to collaborate with ULI to facilitate the program in Arizona."

The cost to participate is \$25,000 per team: a ULI Arizona team was created in the fall and a second ULI team will participate in the spring. Teams can be sponsored by a single firm or, as was the case in Phoenix, multiple ULI members.

Each team comprises 10 students — eight students and two student program managers who have already been through the internship — and four to six mentors. The students are given a live deal to analyze, and every two weeks they must present their project in "Shark Tank"-style competitions against other teams around the country and defend their decisions — "This is how we're making it better." "This is why you should invest in our project."

Joe Blackbourn, president and CEO of Everest Holdings, worked with Linhart on developing Arizona's first Project Destined team. "Cedric has been able to bring industry veterans in major markets across the country together with kids who are still in school. There are real relationships and real jobs coming out of this program. The students are getting hired as interns and then, ultimately, as full-time employees

by companies that previously hadn't been able to tap into this kind of talent."

Linhart adds, "The goal is to eventually have a lot of future owners and investors from minority and underserved communities."

The Arizona team, which comprised students from Arizona State University

Donor Spotlight

The following ULI and community members helped sponsor the first ULI Arizona Project Destined team. Some donations may have come though charitable foundations and trusts.

Jerryd Bayless entrepreneur/NBA star

Chapin Bell CEO, P.B. Bell

Joe Blackbourn president and CEO, Everest Holdings

Daryl Burton

president, Reliance Management

Darius Green co-founder, Keyser

Gary Linhart owner, WestHawk Capital

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partner, Snell & Wilmer

Stanton Shafer

COO. Holualoa

Josh Simon

founder and CEO, SimonCRE

Greg Vogel

CEO, Land Advisors Organization

and one student from the University of Arizona, worked on a deal for an 18-unit apartment complex located across the street from Grand Canyon University and valued in the \$2 million to \$4 million range.

"The most interesting thing was to see the amount of progress that was made from beginning to end just in terms of the students' understanding of the vernacular and some of the basic mathematic concepts," Linhart says. "Project Destined is a really good format for giving someone exposure to the business to see if they're genuinely interested. In most cases, people are pretty excited about it and want to continue."

Stanton Shafer, COO of Holualoa. served as a mentor for the 2021 Arizona team. "Project Destined is a wonderful program that's very well-organized and thought-out," he says. "I was impressed by how well the students grasped the concepts, and they put together a presentation that was really amazing."

Barber particularly enjoyed creating the value-add plan. "I liked doing the research, looking at the property and deciding what we wanted to upgrade to make it more beneficial for college students, and how we would market the completed development," she says.

Following the completion of her internship, Barber was hired on by Project Destined as a regional production director. She now helps market to and acquire new interns.

"It's great that I got hired onto the team. Cedric has so many connections that he's able to help if I decide that I want to work another internship in commercial real estate," Barber notes. "Project Destined has definitely given me a leg up in the industry and opened a lot of doors."



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THE MISSING MIDDLE

ULI's Housing, Health and Equity Task Force examines Arizona's need for workforce housing

By REBECCA L. RHOADES

ousing and health are inextricably connected. Quality, affordable housing is about more than shelter; it's about a sense of community, the security that comes with having a stable place to live and the opportunity for self-advancement. It's about physical, mental and emotional well-being. Without access to an affordable home, achieving an optimal quality of life is impossible.

"Most people associate healthcare with medicine and doctors, but it's much broader than that, because housing is so elemental to our health," says C.J. Hager, former director of Healthy Communities for Vitalyst Health Foundation, a Phoenix-based nonprofit that works to improve the health of individuals and communities throughout Arizona. "The built environment is a substantial contributor to our health, and how we interact with the built environment and the social elements associated with it have huge and often unrecognized impacts on health outcomes."

Beginning in August 2020, memberled task forces organized by ULI district councils in Chicago, Phoenix, Sacramento and Tampa worked to address local policy and regulatory barriers to creation of healthier and more equitable places. These initiatives were part of ULI's District Council Task Forces for Health and Social Equity Project, led by ULI's Building Healthy Places Initiative with support from the Robert Wood Johnson Foundation. ULI Arizona teamed with Vitalyst to create the Housing, Health and Equity Task Force to lead discussions and research into housing affordability challenges facing Metro Phoenix. "We







Maria Laughner



Silvia Urrutia

need to have healthier communities," Hager notes. "But often there are no tangible recommendations about how to achieve that with respect to housing." The task force focused on identifying housing inequalities and addressing possible solutions and ways the real estate industry and partners can step in to meet these needs.

Fewer than 24% of homes in the Phoenix-Mesa-Scottsdale metropolitan statistical area are affordable to a four-person family earning 80% of the AMI; only 40% are available to those earning 120%

> — ULI Terwilliger Center 2021 Home Attainability Index

According to the resulting report, "Advancing Health and Equity through Workforce Housing," Metro Phoenix used to be one of the most affordable regions in the country, but rising land costs, stagnant wages and an influx of new residents competing for places to live have contributed to decreasing housing affordability.

Workforce housing is considered attainable for families earning 60% to 120% of the area median income (AMI).

For fiscal year 2020-2021, the AMI for a family of four in Greater Phoenix was \$77,800. Housing for those making less than 60% AMI is considered low-income/subsidized, while greater than 120% is considered market rate.

"Workforce housing is generally for middle-income earners and supports our teachers, firefighters, bank tellers, essential service providers, police and emergency medical technicians," says Maria Laughner, economic development program manager for the City of Tempe.

Hagar adds, "The folks who are working but who are having a hard time finding housing that fits into their budgets typically end up being workers with lower to moderate incomes, and especially people of color."

Interactive data in the ULI Terwilliger Center 2021 Home Attainability Index shows that fewer than 24% of homes in the Phoenix-Mesa-Scottsdale metropolitan statistical area (MSA) are affordable to a four-person family earning 80% of the AMI; only 40% are available to those earning 120%. The MSA also ranks among regions with worse-than-median affordability.

"The whole Valley is in crisis," Laughner points out. Workforce housing, in particular, is in diminishing supply. "There are far more people looking to buy or rent than there are units available, especially affordable to middle income levels," she notes.

Also highlighted in The Workforce Housing report is a sobering Robert



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CASE STUDY: TEMPE MICRO ESTATES

According to the ULI Terwilliger Center for Housing, households in the 60th income percentile of middle income (\$30,000-\$75,000 per year) are spending more than half of their income on housing. Many of these families who are being priced out of the rental market can afford a mortgage, but competition for available housing is fierce. One unique project, the first of its kind in the region, aims to provide affordable workplace housing on community-owned land.

Developed in partnership with the City of Tempe by nonprofit land trust Newtown Community Development Corporation, Tempe Micro Estates comprises 13 600-square-foot one-bedroom homes that will be sold to people who earn 80% of the area median income (AMI).

The contemporary two-story structures, designed by coLAB studio and built by 180 Degrees, cost \$170,000, with a down-payment of \$5,500, for those earning 80% or less; the price increases for those earning between 80% and 120%. Those who make more than 120% are ineligible to purchase into the community.

Because the properties are on a land trust and salaries are

capped, if the homeowner decides to move, he or she must sell the residence back to Newtown CDC. "We don't believe it's the homeowner's responsibility to figure out if the buyer is under 80% AMI," explains Stephanie Brewer, executive director for Newtown CDC. "We buy the house off the market, we sell it to the next individual, and we keep ownership of the land. That way we can keep the costs down in perpetuity."



Woods Johnson Foundation statistic: People in resource rich, more expensive zip codes typically live longer than residents in underserved, underresourced areas. In fact, life expectancy in the Valley can vary by up to 14 years depending on where you live.

In Tempe, growing demand outstrips consistent inventory and high-end multifamily products are experiencing a development boom. To help boost housing for all income levels, the city passed the Affordable Housing Strategy in July 2019. "Tempe was early to the table in this conversation. It had already decided what kind of initiatives it would offer developers if they provided some affordability," explains Silvia Urrutia, founder and CEO of U Developing and Task Force co-chair with Hager.

While federal and state subsidies, such as the Low-Income Housing Tax Credits, are available to fill financing gaps, the same gap financing is limited when it comes to workforce housing. As such, Tempe has taken a unique approach to raise additional funding.

One year ago, the Tempe City
Council approved the Home Town for
All initiative. For every project built
in Tempe, 50% of certain permitting
fees paid to the city are directed to the
Tempe Coalition for Affordable Housing.
The money is used to buy and renovate
properties or purchase land and request
offers from developers to build workforce
housing. To date, the initiative has raised

more than \$6 million and created 100 affordable units. "We're making strides, but it's a drop in the bucket when you think of how many people are in need of homes," Laughner says.

She continues, "One of the things we're seeing in Tempe is the impact of having people who can't afford to live where they work. There are more workers in Tempe than there are residents. The in-migration of workers puts a significant strain on transportation and transit infrastructure."

So what can municipalities do to strengthen workforce housing efforts?

Hager notes that land is one of the biggest costs in housing development. "There are some tools that are routinely used to help mitigate land costs," she explains. "One is a land bank, which acquires land for future development, and the other is a community land trust, which is a form of shared equity homeownership. A nonprofit community based organization acquires land and maintains ownership of the land in perpetuity for the benefit of the community. There are several community land trusts in Arizona, such as Newtown Community Development Corporation, and they are doing some really great things that should be scaled and expanded." See Case Study (above) for one example that recently completed construction in Tempe.

Planning, zoning, financing, partnerships and sustainable design

also offer viable solutions. "If we really want to accelerate the development of affordable housing, we need to step into the flexibility of the planning and regulation tools at hand," Hager continues. This includes removing barriers and creating new zoning incentives; encouraging the efficient and creative use of land and partnerships; leveraging public and private financing sources to fill in gaps to make projects feasible at lower price points; building more missing middle, gentle density designs, such as row townhouses, bungalows and multiplexes; allowing accessory dwelling units in more residential districts, and establishing standards for prefabricated building and construction elements.

First and foremost, though, is making housing affordability a priority and developing comprehensive strategies that coordinate action among all the partners working on healthy, equitable housing opportunities.

"Housing inequities that exist in neighborhoods have direct links to other social needs in terms of healthcare, employment, transportation and educational achievement," Laughner concludes. "And that affects us all."

For more information and to download "Advancing Health and Equity through Workforce Housing," visit arizona.uli.org/get-involved/housing-health-equity-task-force.



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