

The Roots of ULI and Racial Exclusion

Dear members of ULI North Florida,

In this April newsletter, your DEI committee would like to bring your attention to the history of ULI and the role its founding members had in promoting racial exclusion in postwar residential communities.

Much of the content that follows below has been reconstructed from a recent ULI Terwilliger Center for Housing report, [Creating Diverse and Inclusive Communities \(2023\)](#), authored by the chair of the DEI committee, [Dr. Minjee Kim](#).

ULI formed in 1936 as a spinoff of National Association of Real Estate Boards (NAREB). Although portrayed as an independent organization promoting research and education for the real estate industry, historians have reported that ULI effectively functioned as an arm of NAREB and was run by the same key members (Glotzer, 2020, Weiss, 2002). In 1944, ULI established its first product council, the Community Builders' Council, which was organized to influence public policies around postwar suburbanization and redevelopment.

The chairman of the Community Builders' Council was J.C. Nichols, a renowned real estate developer, who is known for pioneering the use of homeowners association (HOA) as a vehicle for renewing and enforcing racially restrictive covenants in perpetuity (Stevens n.d.; Garvin 2002). This combination of restrictive covenants and HOAs spread rapidly among real estate industry professionals as the sure-fire formula for protecting home values and preserving the character of the community (Gotham 2000).

Nichols and the other founding members of ULI also wielded great influence on housing policies at all levels of government. Specifically, they lobbied for the creation of the Federal Housing Administration (FHA) and worked as the agency's advisers and consultants (Weiss 2002). The policies, standards, and regulations established in the early days of the FHA—such as the refusal to secure loans if Blacks were allowed to purchase homes—were informed by the successes of the developers such as Nichols. In other words, the founding members of ULI shaped federal postwar housing policies and contributed to the creation of segregated patterns of suburbanization and the deterioration of the urban core in the 1950s and the 1960s.

Recently, ULI has explicitly acknowledged the industry's role in promoting and perpetuating racial discrimination and has committed to redressing those injustices. As one example, in 2020, ULI stripped the name J.C. Nichols from one of its most prestigious awards, the ULI Prize for Visionaries in Urban Development. In taking this step, Ed Walter, ULI's global chief executive at the time, stated that the racist element of Nichols's legacy "is clearly inconsistent with our mission and values"; the decision to remove his name "is a critical step in our commitment to addressing the racial injustices of the past and to improving the diversity and inclusivity of our organization and industry going forward."

Coming to terms with the discriminatory history and legacies of ULI's predecessors is a painful and uneasy process. However, acknowledging the industry's and organization's roots allows us to move forward in a way that can intentionally set our practice on a trajectory that is different from the past. As your DEI committee, we encourage you to reflect on this history and ponder how your current practice relates to such history.

References

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