In a neighborhood long challenged by poverty and crime, Price Charities’ work-for-rent program has created new possibilities for Mary Minshall, a disabled grandmother raising a 4-year-old.

By working at a day-care center 17 hours each month, the 58-year-old shaves nearly $200 off her monthly rent at the Village Townhomes development in City Heights. She is one of about 100 residents working part-time for local nonprofit organizations.

Affordable housing specialists around the country say the community service program is highly unusual. By logging up to 32 hours each month with one of a dozen participating nonprofits, households can reduce their rent by as much as $384. The volunteer program is bankrolled by Price Charities, which has invested heavily in City Heights revitalization efforts.

Minshall, whose main source of income is Social Security benefits, has lupus, a chronic inflammatory disease. She shares her two-bedroom townhouse with her granddaughter Sumaya. Working at the Head Start center made it possible for Minshall to move out of a cramped apartment a few blocks from her new home.

Raising a child alone “is a chore, but I love it,” Minshall said. As she spoke, she fed lunch to a smiling 10-month-old at the Fairmount Early Head Start center.

"She keeps me going," Minshall said of her granddaughter. "It's just the two of us. I have lupus. I've been blessed. I can still get around and do things."

Located at the corner of Fairmount Avenue and Wightman Street, the townhouse project opened in June. The units range in size from two to four bedrooms. Half of the 116 apartments have been set aside for people earning less than half of the median area income. That's about $30,000 annually for a family of four.

The work-for-rent program pays $12 per hour, said Tricia Erskine, director of community services for San Diego Revitalization Corp. The corporation, the Price organization's real estate arm, oversaw construction of the townhouse complex. The corporation also takes part in education, health and human service activities within City Heights.

Those who take part in the community service program, which started in May, must be at least 14 years old. Several members of a household may participate. The number of hours people can invest in community service is based on the cost of their rent. People who live in market-rate units can log up to 32 hours each month. Affordable-housing
residents are limited to 17 hours. If a household exceeds its maximum monthly hours, the extra time can be banked.

Residents of a two-bedroom, market-rate apartment can cut their monthly rent by as much as 37 percent through the program. Occupants who qualify for discounted rents can reduce their rent by as much as 31 percent.

**Sweat equity**

Dennis Bender, spokesman for Habitat for Humanity International, said the work-for-rent effort is similar to his organization’s program for helping low-income people attain homeownership.

Habitat for Humanity requires families to spend about 500 hours helping build or repair houses for others before receiving a home of their own. Called, "sweat equity," such programs "take the relationship out of a charity context and make it a partnership," Bender said.

"Anything that is successful in helping families move out of unacceptable, unsafe living environments and into secure, healthy apartments is good for the community. It is good for the family."

With some "tinkering," the rent-for-work program could become a template for expanding affordable housing opportunities nationwide, said Bender. "Maybe there is a government program or another foundation that would make these contributions on behalf of tenants who are doing community service."

The main obstacle preventing the City Heights program from being repeated elsewhere is cash, observers say. Deep-pockets contributors like Price Charities are hard to find. And most landlords simply can’t afford to absorb the cost of reducing rental rates for community volunteers.

Price Charities can. It was established by Price Club discount chain founder Sol Price. The 87-year-old philanthropist has been a catalyst for redevelopment in City Heights, one of San Diego's most ethnically diverse neighborhoods.

The Price group's involvement in the redevelopment of City Heights began more than a decade ago. The long-planned Village Townhomes project represents its first major housing initiative there. Construction began June 1, 2001. Partners in the drive to expand housing, educational and employment opportunities include the city, the county and the federal government.

The Village Townhomes project replaced 34 low-cost housing units that were torn down to make way for redevelopment, said Jack McGrory, executive vice president of San Diego Revitalization Corp. In addition to reducing rental costs for participants, the work-for-rent program is establishing closer bonds between area residents and community
organizations, he said.

"I think we are going to create a hub of leadership activity in the City Heights community, people who will be more involved and have more ownership of what goes on in the neighborhood," McGrory said.

Village Townhomes resident Renee Judge works at The Pro Kids Golf Academy and Learning Center on 52nd Street. She and her family were leasing an apartment in San Carlos when they learned of the work-for-rent opportunity. Judge, who holds down a full-time job, shares community service chores with her husband and their 15-year-old daughter.

"I'm glad to be a part of it," said Judge, who works at the academy's computer learning center. "We were really excited to find out we could reduce the rent."

Deep pockets

Michael Rubinger, who works with an organization that provides financial support for neighborhood redevelopment nationwide, hasn't heard of another program like the Village Townhomes.

"It is a very unusual project and very interesting," said the president and chief executive officer of the Local Initiative Support Corp. "What you have here is a philanthropic landlord. He can absorb reductions in rent. The question is: 'How many landlords out there who would be willing to do that?' I don't know the answer."

Launched by Price and commercial developer William Jones, the drive to create a modern urban village in City Heights is considered by many to be an innovative approach to reversing inner-city decay. Working with area residents and other partners, Jones and Price brought new businesses, schools, public facilities and housing to the neighborhood. The idea is to take a holistic approach to urban renewal.

An investment

Chip Boldin, director of goals for the Pro Kids Golf Academy and Learning Center, said the Price group provides a dependable source of volunteers for community groups. Because they are being reimbursed for their efforts, Village Townhomes residents are likely to stick with the programs longer than most volunteers, he said. That means less time spent training people.

"When we train someone to be a marshal on the golf course or a teacher in the learning center, we have invested some time," he said.

The Village Townhomes project represents a rare matchup between a community in need and a philanthropic organization, said Conrad Egan of the National Housing Conference in Washington, D.C.
"It is a wonderful thing," he said. "It connects families with civic pride, with better child and family outcomes, with lower rents. But you need a deep pocket. Maybe one way to think about this is let's find more deep pockets, more charitable organizations who can do these sort of things."

Jones, one of the architects of the City Heights revival, agreed.

"I believe that our country is blessed to have many well-educated and capable business and civic leaders who, if they harness their power and energy, could attempt to replicate the City Heights urban village," he said. "The challenge is identifying the key individuals to make it happen."

Community Solutions


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Caption: 3 PICS
1. Francisco Madriz, 74, lives in City Heights with his extended family. The renter is one of about 100 people taking part in an innovative community service program overseen by Price Charities. 2. Residents of The Village Townhomes have the option of reducing their rent by aiding local nonprofit organizations. 3. By volunteering 17 hours a month at the Fairmount Early Head Start Center, Mary Minshall, 58, saves nearly $200 on her monthly rent. (I-4) 1,2,3. Roni Galgano / Union-Tribune photos

Memo: For information box see end of text.

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