

# Hipolito “Paul” Roldan

People dedicated to building better communities.

HIPOLITO “PAUL” ROLDAN, A Puerto Rican New Yorker now firmly entrenched in Chicago as an affordable housing czar, says he learned early while developing low-income housing in Brooklyn that “cities really are just neighborhoods. All the elements—the economy, the schools—are within neighborhoods, and we can control that because the grassroots level is where things happen and get done.”

That lesson has served Windy City residents, especially those of Hispanic descent, well. Since leaving New York 31 years ago to head the fledgling Hispanic Housing Development Corporation (HHDC), Roldan, its president and chief executive officer, has developed more than 2,800 affordable apartments and townhouses in 30 developments for families and seniors in high-density Hispanic neighborhoods.

Add to this the development of 80,000 square feet (7,432 sq m) of

retail and office space and the management of 4,600 residential units throughout Chicago and Illinois, and it becomes apparent why the HHDC stands out as one of the most productive and crucial development

sense. And he’s very mission oriented. He knows [whom] he’s serving and why; and he doesn’t let anything get in the way of that.”

Roldan, 63, a former New York City cab driver and recipient of a bronze star with “V” device (for valor) for combat duty in Vietnam, likens good community development to “going to war.” Because communities are so diverse, he insists the key to developing them successfully “is to somehow mold all the different perspectives into a plan that can be pulled off. It’s a pain in the ass,” he admits, “but it gives the vision enormous power.”



In 2001, Roldan participated in a comprehensive community planning effort to manage gentrification in

organizations in the city. Its efforts to pump life into underdeveloped areas, stabilize rampant gentrification, and create community jobs through Tropic Construction, an HHDC for-profit subsidiary and general contractor, have not gone unnoticed. In 2005, the organization was ranked fifth among the nation’s Latino nonprofits by *Hispanic Business* magazine.

“HHDC was one of the first really strong affordable housing not-for-profits to emerge in the 1960s and 1970s,” explains Andrew Mooney, senior program director of the Chicago Local Initiatives Support Corporation (LISC), which provides assistance to community development corporations for neighborhood redevelopment. “Over that time, Paul has built a first-class operation. He’s very focused and very intense. He is a good businessman who never lets bad judgment cloud his business

Humboldt Park, the heart of Chicago’s Puerto Rican community, on the city’s west side. Intent on helping existing residents stay in the community and retain its Puerto Rican heritage, a network of organizations, churches, and political leaders spent two excruciating years hammering out a vision for the neighborhood as private developers leading the gentrification wave edged closer.

“Gentrification was at the gate,” Roldan recalls. “It was a tsunami. We needed to create a mechanism to control what got built and how—and to create a level playing field for long-term neighborhood residents. On the flip side, the participants realized that gentrification comes with enormous capital and increased property values. So the purpose of the plan was not to hamper gentrification, but to leverage it in a way that benefited the community.”

North & Talman in Chicago’s West Town has been converted into 16 market-rate loft condo units and 24 affordable lease-to-own rental units, and 53 seniors’ affordable housing units have been added.



In the end, a plan championed by the neighborhood's alderman included a provision that one-third of all units built or redeveloped in Humboldt Park be affordable to moderate-income households. A number of tools—tax increment financing (TIF), land trusts, reduced tax assessments for properties slated for affordable housing, and zoning that supported the affordable housing requirement—were used to achieve that goal. Ultimately, the HHDC, along with two other housing development corporations—Latin United Community Housing Development (LUCHA) and Bickerdike Redevelopment Corp.—received city funding and support to develop significant affordable housing programs.

Today, with a net worth of \$8 million, gross income from operations totaling \$46 million, and six projects under construction or in the pipeline, the HHDC continues

to combine affordable housing production with economic development activity, property management, construction, and job training. It provides opportunities for low-income people to gain access to construction jobs through Tropic Construction, which was created in 1993 and has since increased neighborhood hires to 40 percent of its workforce.

On the development side, the HHDC's projects include Gateway Centre Apartments, a 120-unit affordable residential housing complex for seniors. Completed in 2003, it is part of a redeveloped 40-acre (16-ha) parcel now home to a \$60 million shopping center. Newly renovated is Palmer Square Apartments, consisting of 160 Section 8 units spread across six three-story buildings. Roldan's favorite: Teresa Roldan Apartments, a 59-unit seniors' building with an old Spain look and feel that the community named for his mother.

Gateway was financed using advances from the Illinois Housing Development Authority, MB Financial, the City of Chicago Home Loan Program, an allocation of low-income housing tax credits, and a loan from the Chicago LISC. Palmer was funded with tax-exempt bonds, low-income housing tax credits, other governmental assistance, and private financing from Washington Mutual Bank, MB Financial, and the Housing Partnership Network of Boston.

Roldan, a ULI inner-city adviser and national trustee, and his staff are adept at navigating the affordable housing program and financing systems, using everything from tax increment financing and residential preservation programs to the U.S. Department of Housing and Urban Development's community development block grant and Mark-to-Market programs. Working in the HHDC's favor is an excellent track record. Says Roldan: "We haven't screwed up yet."

However, the challenge, as he sees it, is latching on to equity capital to pay for the high cost of land acquisitions. Equity capital is far more elusive to come by than debt. In 1995, in search of a partial solution, Roldan joined forces to help establish a bank-owned community development corporation (CDC). "He and I acted as partners in developing a strategic plan to create both equity and long-term debt to provide creative answers to housing needs across the board that included economic development," says Thomas P. FitzGibbon, Jr., executive vice president of MB Financial Bank in Chicago and president of its CDC, which Roldan chairs. "Paul's approach to this is that it's the right thing to do."

Doing the right things counts to Roldan—whether it entails bringing services (tutors, computers, or social services) into his housing developments, hiring property managers who speak the community's language and understand its culture, working with housing groups and

agencies to promote homeownership, or committing to the future.

In 1988, after receiving a \$275,000 genius award from the Chicago-based John D. and Catherine T. MacArthur Foundation for exhibiting exceptional creativity in his field, Roldan immediately made plans to give almost half of it away. He leveraged \$100,000 to establish a scholarship fund for young Hispanics intent on building careers in urban planning and real estate development. So far, a dozen graduate students have benefited from the two-year program, which includes work at the HHDC gaining real-life experience in accounting, property management, development, and land acquisition.

"Paul's a visionary. He has a real grasp of this industry that's a little uncanny, that not a lot of people can see," says Terry Young, who directs Fannie Mae's Chicago Partnership Office. "From Fannie Mae's perspective, he's the kind of customer we need because he can execute. He's always at the top of the list of people we call for information and advice. He provides a different perspective on community development and is a knowledge expert. He's a truly remarkable human being."

Roldan, who has degrees in social and urban studies, serves on many committees and boards, including Boston's Housing Partnership Network and the National Puerto Rican Coalition. A participant in President Bill Clinton's economic conferences held in Little Rock, Arkansas, in 1992 and Columbus, Ohio, in 1995, he considers himself blessed.

"You're talking to a guy who's very, very lucky," contends Roldan, named the 2005 Builder of the Year by *El Nuevo Constructor* magazine. "I've had more luck in my life, even when I've made mistakes; God has been with me. In the end, everything has turned out well." **U**

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**The Hispanic Housing Development Corporation has developed more than 2,800 affordable apartments and townhouses in 30 developments for families and seniors in Chicago's high-density Hispanic neighborhoods. Gateway Centre Apartments is a 120-unit affordable residential housing complex for seniors (right). Teresa Roldan Apartments, named for Hipolito Roldan's mother, is a 59-unit seniors' building (below).**

