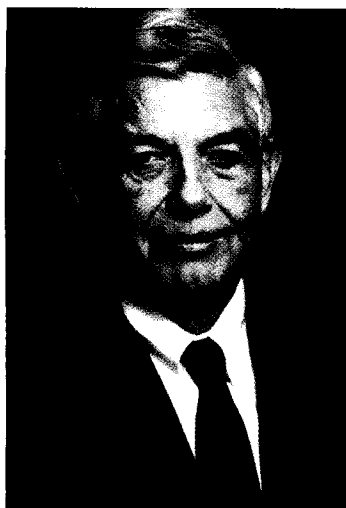


# Hugh L. McColl, Jr.

People dedicated to building better communities.



THE BANKING COMMUNITY probably has never seen anyone quite like Hugh L. McColl, Jr., the former chairman and chief executive officer of Charlotte, North Carolina-based Bank of America. When he retired in 2001, the bank had \$610 billion in assets, \$352 billion in deposits, and \$49 billion in shareholders' equity, making it the largest banking institution in the United States. To McColl, all that paled in comparison with the bank's commitment

to lend and invest \$350 billion to build stronger communities, primarily by bolstering affordable housing and inner-city programs. Everything else was secondary, he insists.

"To whom much is given," he opines, "much is expected." Coming from the 70-year-old dealmaker and champion of urban planning and revitalization, this reflects a long-held belief that has paid dividends for the bank, the city of

Charlotte, and dozens of communities throughout the United States.

In Charlotte, where McColl has helped transform in some way each of the city's four wards, his influence is legendary. According to Tim Newman, chief executive officer of the Charlotte Regional Visitors Authority, "He is the driving force behind most of what has happened in Charlotte over the past 25 years."

A leader with drive, McColl pushed to help fund and build the

Blumenthal Performing Arts Center, the city's key venue for performing arts. He united with business leaders to lure the Panthers professional football team to town. And he worked with numerous partners in the public and private sectors to restore Charlotte's most blighted and forsaken neighborhoods, including the revitalization of the Third and Fourth Ward districts. The \$93 million First Ward Place, a HOPE VI development, and the adjacent Garden District were the recipients of a ULI Award for Excellence in 2004.

When Bank of America—formerly NationsBank and N.C. National Bank—began to expand outside of North Carolina into major metropolitan areas such as Dallas, Atlanta, and Washington, D.C., in the 1990s, its ability to jump-start comprehensive revitalization efforts followed. In partnerships with cities and community-based organizations, it continued to revive thousands of distressed properties.

Today, the bank can point to many successful projects that McColl helped spur, including City View at Hughes Square—a mixed-use development that has rekindled the west side of downtown Orlando, Florida—

and Centerpoint in Baltimore, a mixed-use development comprising 35,000 square feet (3,256 sq m) of retail and restaurant space and 392 housing units. The bank was the master developer on both projects and the lead investor on additional blocks surrounding Centerpoint.

McColl's influence can be traced in large part to the creation of the Banc of America Community Development Corporation (BACDC), which he founded in 1978. BACDC is the nation's first, largest, and most productive bank-owned CDC, providing equity investment and technical expertise to spark neighborhood revitalization.

To date, it has produced more than 28,000 units of affordable and mixed-use housing in 15 major markets where the bank operates. This represents nearly \$1 billion worth of developments in more than 100 properties and/or development initiatives. Today, the culture that McColl instilled is still embedded, as production continues to grow under the new bank chairman, Ken Lewis, and the bank's commitment has soared to \$750 billion.

"McColl was known for making bold commitments of community

The redevelopment led by Bank of America has completely transformed one of Charlotte's downtown wards. The project was recognized with a ULI Award for Excellence in 2004.



development resources to areas needing revitalization," says Phyllis Caldwell, president of Community Development Banking. "As a result of his vision and work, community development has become a mainstreamed business for Bank of America. It is also part of how we think about ourselves as a company. It involves an activist approach to bettering our communities. This is embodied in McColl as banker and developer, who took the additional step beyond the traditional banking and finance role to actively develop projects for the betterment of the community."

McColl, a former U.S. Marine troop leader, says the biggest challenge of his career was the acquisi-

**A variety of housing types and a wide range of incomes have transformed an entire ward of downtown Charlotte from distressed public housing into a healthy community.**



**Over the past decade, Bank of America has been instrumental in redeveloping Charlotte's Third Ward and Gateway district. The area includes new residential, office, retail, and hotel space—creating a gateway to downtown from the previously distressed Trade Street corridor.**



**The City View project, led by Bank of America, has been a catalyst for revitalization of downtown Orlando west of I-4, through a combination of housing, retail, and office space.**

tion of Bank of America in 1998, followed by the integration of thousands of new bank associates into the company's corporate culture, which focused on meritocracy and community outreach. An avid proponent of Habitat for Humanity, McColl engaged the company in community investing before banks were encouraged by the Community Reinvestment Act of 1977 to shore up credit in areas perceived as too risky.

"It was very unusual for a bank to establish a development arm that built affordable housing. Most banks invested in affordable housing but didn't create it," says Mike Pitchford, president and chief executive officer of the Community Preservation and Development Corporation in Washington, D.C., who worked under McColl for ten years in the bank's community development equity business. "Hugh recognized at a very young age that the bank would only be as strong as its customer base. What he was after was making a difference in the community. He wanted to make sure the bank was not just window dressing."

No one thought it was. Besides providing capital, the bank actively partnered with nonprofit organizations that focused on job training,

education, and early childhood development. "Hugh's the type of person who has a grasp of the future. He's a visionary," offers Tommy Espinoza, president and chief executive officer of Raza Development Fund in Phoenix, the largest Latino community development bank in the country and an arm of the National Council of La Raza. "His sense of responsibility to low-income families and communities is real. He always said the sooner we can integrate communities into the economic mainstream, the more successful they will be."

McColl committed Bank of America to lend Raza \$10 million over ten years. That initial investment has allowed the development fund to allocate low-interest loans to help finance charter schools, housing, and health care facilities in Latino communities across the country. "McColl was willing to take risks and look into the future. Not a lot of people are willing to do that," says Espinoza.

Since leaving Bank of America five years ago, McColl has co-founded McColl Brothers Lockwood and McColl Partners, a middle-market mergers and acquisitions advisory boutique, and is involved in an art gallery, a fine art consulting firm, a longhorn cattle ranch in south Texas, and, until recently, an advisory firm focused on businesses owned and run by women.

The recipient of numerous awards, the entrepreneur continues to support Habitat for Humanity and just recently returned from an eight-day, six-city, cross-country homebuilding tour. In fact, upon his retirement, Bank of America honored McColl by creating a multiyear program to build 120 Habitat houses in the United States and another 100 in Central America. He has traveled as far as Mexico to help with the endeavor, which ends this year.

Does he miss being a banker? "Only the ability to make things happen," says McColl. "The bank would step up and make something happen. From a shareholder point of view, it's enlightened self-interest to help people get decent housing and to help them get jobs. It helps society, but it's also an important thing for a business to do. Because we had financial power and knowledge, it was not unusual for us to take our know-how and use it properly." **UL**

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To create year-round interest in the **ULI/J.C. Nichols Prize for Visionaries in Urban Development**, the prize management committee is sponsoring a series of columns in *Urban Land* magazine, called *Community Builder*. The purpose of the series is to focus on the people behind the projects—those individuals who are dedicated to building better communities and whose individual projects are contributing economic and social benefits to the greater community. To nominate someone from your community, E-mail [hbroadus@uli.org](mailto:hbroadus@uli.org).



# Community Builders Profile

## Norman Leventhal



As the city of Boston is about to complete the massive, \$15 billion Central Artery Tunnel Project, widely known as the Big Dig, Norman Leventhal, a mild-mannered, high-powered octogenarian, is keeping a close watch on all the final details.

In the 1980s, when plans first emerged to fashion the country's biggest public works project, Leventhal, founder of the Beacon Companies—a Boston-based developer and manager of office buildings, housing, and hotels—jumped at the chance to make sure the business community was strongly represented.

In his mind, the project posed, and continues to pose, tremendous problems for business continuity. So, he helped to create the Artery Business Committee (ABC), which consists of a hard-line corps of developers, lawyers, bank and utility executives, and others intent on keeping the project, as well as the politicians, on track.

"He was the first to conceive of an entity that would work in the interest of the city as a whole. He set the tone," recalls John Larkin Thompson who, at the time, was president of Blue Cross & Blue Shield and an original ABC member. "Because the project is right in the middle of the city, it could have been very disruptive."

Bringing order to potential chaos and seeking a resolution to daunting problems seem to be a peculiar Leventhal talent. For more than half a century, Leventhal, 87, has been at the forefront of business leadership in the Boston area. He is revered and hailed throughout Beantown for his extraordinary civic endeavors, business savvy, and top-flight development projects, including Rows Wharf, a handsome mixed-use development on Boston Harbor; the renovation of South Station, once the largest train station in the world; and One Post Office Square.

These landmark buildings have helped to spark an urban revival and have changed the skyline of downtown Boston.

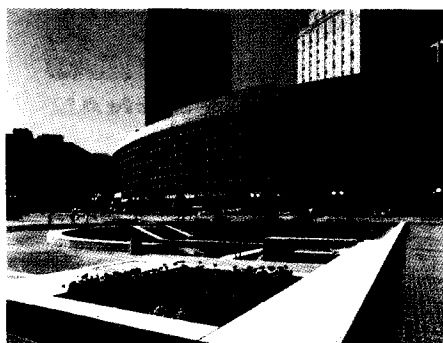
Nowhere is this more evident than at Post Office Square, where Leventhal purchased the old Federal Reserve Bank of Boston that had sat vacant, with no prospect of takers, for more than two years. He renovated the building in the early 1980s as the Hotel Meriden (now the Langham) with an abutting office tower.

What dazzled the locals and garnered national acclaim, however, was the creation at Post Office Square of a two-acre park in the middle of the financial district. In 1997, five years after the park opened, Boston Mayor Thomas Menino named it the Norman B. Leventhal Park. Replete with a restaurant and plenty of green space, the park was a welcome relief from the monstrosity it had replaced—a huge concrete parking garage that had haunted Bostonians for decades.

The garage was razed the Leventhal way: with substantial support from an influential group of business and civic leaders, as well as friends at city hall. The Boston native and MIT graduate had quickly established a private nonprofit entity, the Friends of Post Office Square, which readily delivered \$80 million to develop a new, seven-level garage underground and transform the site—the recipient of many awards, including the ULI Award for Excellence—into an oasis.

"This turnaround, I like to think, signaled the starting point for the enormous transformation that has been taking place over the past 20 years in downtown Boston and out to the waterfront," Leventhal says.

It also signaled a milestone of sorts for the soft-spoken developer who, upon his brother's death in 1972, was for the first time without a partner. The two brothers had founded Beacon Construction in 1946, taking on developments that ranged from the construction of military housing to toll plazas on the New York Thruway.



**Completed by the Beacon Companies between 1967 and 1971, Center Plaza with its sweeping, curved facade serves as a familiar landmark and the gateway to the city of Boston's centers of government and business.**



Urban Land Institute (ULI) is pleased to announce the launch of its new series of articles in *Urban Land* magazine, called Community Builders Profile. The purpose of this series is to focus on the leaders behind the projects—those individuals who are dedicated to building better communities and whose innovative ideas are contributing economic and social benefits to the greater community. To nominate someone for your community, please contact us at [communitybuilders@uli.org](mailto:communitybuilders@uli.org).

## DESIREE FRENCH

After many years, the company underwent a name change and expanded its reach, assuming larger, more exacting projects. The late 1970s, for example, ushered in an aggressive buying spree of office properties. And in 1994, the Beacon Companies spun off Beacon Properties Corporation, a REIT (real estate investment trust) traded on the New York Stock Exchange. Three years later, Beacon Properties was purchased for \$4 billion by legendary real estate magnate Sam Zell. At the time, the corporation included 118 office buildings in cities such as Boston, Washington, Seattle, and Chicago.

Along the way, Leventhal continued to remain engaged in community and civic affairs. For five years beginning in 1995, he chaired the Trust for City Hall Plaza, which works with the city to create a welcoming civic environment in the area immediately surrounding city hall. Today, while keeping close tabs on the Central Artery's progress, Leventhal also continues to serve as an executive board member of the Friends of Post Office Square.

Lately, Leventhal, an avid collector of maps, has partnered with the Boston Public Library, the nation's oldest library, to share his massive and historic collection of some 400 local maps that he accumulated over 30 years. "Everyone was after him to obtain that collection, including Harvard and MIT," chuckles Bill Taylor, chairman emeritus of the Boston Globe and the chairman of the board of trustees of the Boston Public Library.

Leventhal has made a multimillion-dollar contribution to the library that is being used to help pay for a full-time curator and create appropriate space for his maps and the roughly 350,000 maps owned by the library that are currently in disarray. The goal is to display the maps—which depict Boston's transformation from the 15th to 19th centuries—in an orderly fashion for educational purposes.

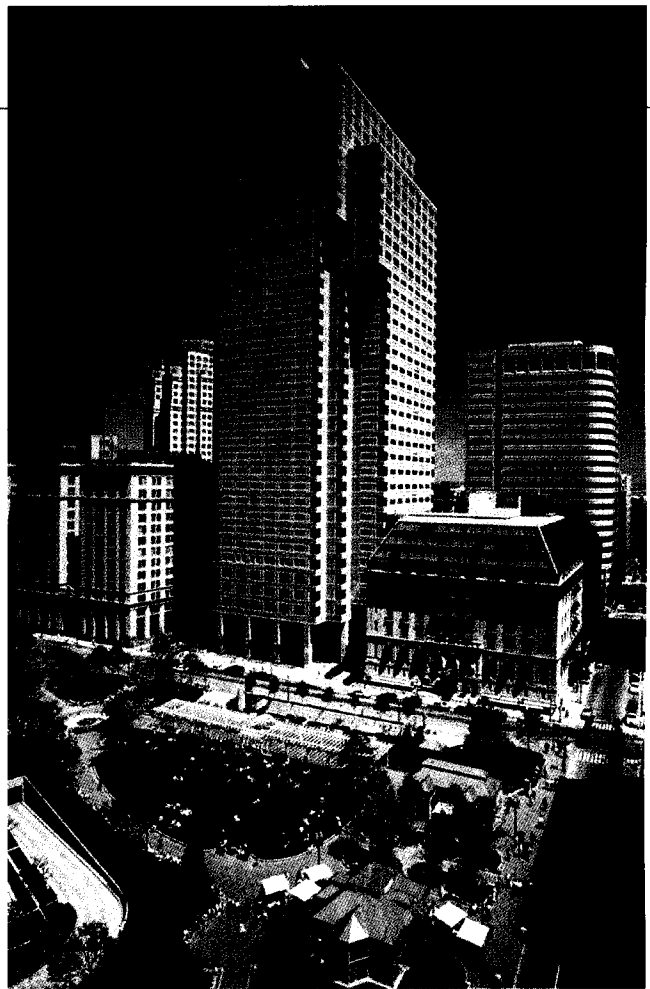
"Norman believes in education, lifelong learning, and 'giving back' to the community," explains Marian Heard, former president and chief executive officer of the United Way of Massachusetts Bay. "He feels keenly about the need for affordable housing, programs that support families and children, causes to support his Jewish faith, and programs which, as he says, 'give kids a chance to succeed.'"

History has shown Leventhal as quick to adopt a cause for which he feels passionately, and then throw substantial backing behind it. No less happened at the Boston United Way, where he helped cofound the de Tocqueville Society, whose members donate annually \$10,000 or more each to the popular charity.

Under his tutelage, says Heard, membership in the Society has jumped from 80 to more than 700 over the past 12 years, making the Boston United Way the leading de Tocqueville Society in the country.

As for Leventhal, he is simply humbled by it all—the influence he has had on the Central Artery, the Boston skyline, and the welfare and education of Boston's citizens. "I think I'm a very lucky guy. I've been able to do things here in the city of Boston that I never expected to do," he says, adding, "along the way, my goal has always been to make Boston an even greater place." ■

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**Construction of One Post Office Square—a 42-story Class A office building—by the Beacon Companies in 1981 sparked a renaissance of Boston's Financial District.**



**Built in 1987 by the Beacon Companies on Boston's waterfront, Rows Wharf contains 345,000 square feet of Class A office space, a 230-room four-star Boston Harbor Hotel, 100 luxury condominiums, and marine facilities.**



# Community Builders Profile

## Bill and Claire Bogaard



BILL AND CLAIRE BOGAARD

**H**ome to the Rose Bowl and the Tournament of Roses, Pasadena, California, is also home to two-term Mayor Bill Bogaard and his wife, Claire, a fervent community activist who has caused quite a stir over the past few decades championing historic restoration.

Collectively, they have made a tremendous difference to Pasadena, leading its revival and attracting talented and creative workers to the economically diverse city, today a regional employment and business center with 100,000 jobs in fields such as financial services, engineering, and retail. "[Bill and Claire are] persuasive, very intelligent people who have been very well received," says Richard Bruckner, the city's director of planning and development.

The couple was embedded in the community immediately upon moving to Pasadena from Los Angeles in 1971. Claire joined the Junior League, serving on a subcommittee that studied what was being done to preserve Pasadena's cultural heritage and historic buildings.

Bill Bogaard, a lawyer and former Air Force captain, was quick to join a local neighborhood association, eventually acting as its president for three years. In 1978, he joined the City Council and served until 1986. Thirteen years later, he became Pasadena's first elected mayor in more than eight decades, a position last filled in 1921.

As mayor, Bill has championed the biotechnology industry. He has worked tirelessly with the California Institute of Technology (Caltech) and Pasadena City College to attract and retain jobs. While the city has lured venture capital and high-end brainpower, Bill has seen to it that local workers also participate in the boom through a jobs program that he helped to create.

Without question, Pasadena has experienced tremendous growth over the past five years. A light-rail system connecting the city to downtown Los Angeles has added to that growth. Bill Bogaard, however, is adamant about not letting new investment in the city go unchecked—a concern of many. He keeps a keen eye on the compatibility of growth with the character of the city and has been instrumental in shaping future development policy for downtown Pasadena.

"My approach to community development is managed and balanced growth," Bill says. "Rapid development can quickly erode quality of life." Which, he contends, happened in the 1980s when there was heavy emphasis on hard-core development with too little regard for quality of life. In that era, the use of eminent domain and tax increment financing (TIF) was widespread.

Developers remember the time well—it was when they began to get a pretty good taste of Claire Bogaard's wrath. "Claire came into prominence in the late 1970s, early 1980s, because of Old Pasadena. The city was struggling about what to do along Colorado Boulevard, its main drag," says Wayne Ratkovich, president of the Ratkovich Company, a real estate development firm in Los Angeles.

"The area had deteriorated. It was slumlike. It was abandoned. Buildings were in disrepair. It was embarrassing to Pasadena because that [Tournament of Roses] parade came down the street every January."

Eventually, a decision was made to demolish virtually every historic building along the strip. At the time, Claire Bogaard was the head of Pasadena Heritage, a private historic preservation group that she helped found. She voiced vehement objections and stressed the importance of preserving the historic structures, insisting that they had the capacity to be reused.



OFFICE OF THE MAYOR, CITY OF PASADENA

**In Old Pasadena, one of its historic structures (left) sits near a new mixed-use project (right) consisting of ground-floor retail, first-floor office, and upper-story residential units.**



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## DESIREE FRENCH

John Wilson, with Eastwood Development in Santa Monica, bought into Claire's argument. He began to restore and renovate old buildings. "With Claire's persistence and Wilson's vision, the idea of revitalizing Old Pasadena sort of caught on," says Ratkovich. "They created one of the most significant urban renovations in history. Several entrepreneurs began to buy buildings and open shops. Whereas Colorado Boulevard used to be the shame of the city, it's now the pride of the city." It has even been recognized internationally as a model for downtown revitalization.

Claire, a former planning commissioner who has also served as an adviser and trustee of the National Trust for Historic Preservation, has a reputation for fighting long and hard for what she wants or feels the city deserves. In addition to Old Pasadena, there was the bitter battle that prompted the formation of Pasadena Heritage in the first place—the proposed Plaza Pasadena shopping mall. That development eventually resulted in the demolition of buildings on three historic blocks (the mall was itself demolished four years ago to make way for Paseo Colorado, a \$200 million entertainment/retail/residential complex that recently opened near the Civic Center).

That fight served as a catalyst that sparked heightened awareness and interest by the community in local preservation. Thus, over the past 25 years, historic preservation in Pasadena has gone from being a dirty word, according to the mayor, to a fundamental community value.

Originally from San Francisco, Claire today is a member of several organizations. They include California's Historic Resources Commission and the Design Advisory Group, which works with the city of Pasadena, the California Department of Transportation, and federal highway authorities to recommend traffic improvements.

Traffic is a major concern in Pasadena, which gets pass-through vehicles from surrounding communities, including Arcadia, San Marino, South Pasadena, and Glendale. Development projects also have created overflow traffic. The light-rail system and the expansion of the city's local bus route have been implemented to help ameliorate the situation and produce a pedestrian-friendly city free of excessive automobile use.

The Bogaards are deeply committed to housing as well. Claire is on the board of Heritage Housing Partners, a separate arm of Pasadena Heritage that focuses on affordable housing. The group has purchased and rehabilitated single-family homes and plans to construct new ones, providing affordable homeownership opportunities for several dozen local residents.

Says Claire: "With the cost of housing going up so dramatically in Pasadena, it's harder and harder for people to find housing in their income range.

Homeownership provides stability so people won't be forced out of the community." More than half of Pasadena's residents cannot afford to buy a median-priced home in the city.

Bill Bogaard, born and raised in Sioux City, Iowa, has chaired the city's Affordable Housing Task Force and has led efforts to put programs in place to keep affordable housing in Pasadena, including the City Council's adoption in 2001 of an inclusionary housing ordinance. That policy requires developers of larger projects to make 15 percent of their units affordable for the working poor.

On the housing front, Bill is sticking to the city's general plan to protect single-family neighborhoods from unsuitable use and to create multifamily and mixed-use residential development in the city's central business district, a move designed to put people close to work and play.

Bill was reelected last year with 85 percent of the vote. Obviously, the citizens of Pasadena liked his first-term performance, which included spurring new business development—particularly in technology-based enterprises—strengthening cultural institutions, and enhancing the city's neighborhoods. He vows to keep up the pace.

As for Claire Bogaard, though she is officially retired, everyone agrees she never slows down, particularly when there is so much that still needs to be done in her adopted home. ■



OFFICE OF THE MAYOR, CITY OF PASADENA

**Transit-oriented development at the Del Mar Light Rail Station, where 300 apartments are under construction in a project that will be complemented by the restoration and adaptive use of the historic Santa Fe Railroad Station.**



OFFICE OF THE MAYOR, CITY OF PASADENA

**A light-rail connection to downtown Los Angeles has contributed greatly to Pasadena's recent growth.**

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