

Community Transformation:

Turning Threats into Opportunities

A Community Building Workbook
from the

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COMMUNITY TRANSFORMATION: NEW APPROACHES FOR A NEW DAY

In real estate, “location, location, location” is the catch phrase. For a long time, low-income, inner-city and rural communities have been seen as the least desirable places to do business. Many commercial and industrial businesses fled, leaving gaping holes in once thriving communities. Housing abandonment and demolition have left behind a reduced consumer base. Before the 1977 Community Reinvestment Act (CRA), many financial institutions were loathe to invest and lend in these communities.

The Traditional Struggle: Fighting Disinvestment with Reinvestment

The typical situation for a poor urban or rural community was *disinvestment* — taxes, bank deposits, business profits, and sales flowed out of the community, but did not flow back in the form of jobs, investments, infrastructure, or even basic public services. Communities responded by fostering *reinvestment*. Strategies have included things like demanding accountability from the institutions that draw on local support, trying to attract business to the community, and developing alternative enterprises and services to recycle dollars within the community. In places where disinvestment has happened, communities have pushed for reinvestment in that *place*.

Changing Urban and Rural Challenges

But the challenges facing communities are changing. In inner cities, for example, there is new investment. New homes are being built and apartments rehabbed as financial institutions have rediscovered the profitability of neighborhood lending. Commercial businesses are looking at inner-city areas as significant untapped markets. Michael Porter’s article, *The Competitive Advantage of the Inner City*,¹ has influenced institutional thinking on this issue, as have the impressive sales figures of many existing inner-city stores and services. Industrial development, too, has seen some renewal, with creative cleanup strategies and increased understanding of brownfield development opportunities.

At the same time, things are changing in rural communities. Rural population is increasing for the first time since World War II. People are rediscovering the value and benefit of rural life and small town quality. Even the Disney corporation recognized this, with the development of a high-profile planned community modeled after traditional Main Street design and function. Manufacturing, tourism, recreation, and retirement are now as much a part of rural life as farming, fishing, mining, or ranching.

¹ Porter, M. (1995). The competitive Advantage of the Inner City. *Harvard Business Review*, (1), May-June, 54-7.

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It's not that disinvestment has gone away. Far from it. Nor has poverty and disadvantage been replaced by economic opportunity. To the contrary, in some ways the changes in urban and rural dynamics have made matters worse for many poor Americans. For example, in rural areas, we know that agribusiness consolidation has put more business in the hands of fewer owners, upsetting small community economics and leadership even in times of economic prosperity. In urban neighborhoods, we know that what is called "urban renewal" may be more truthfully described as "urban removal" when plans and priorities are set by outside institutions.

But where place-based disinvestment was once the single dominant community challenge, we now face many different kinds of challenges. Sometimes the struggle is with *gentrification*, and the fight is to ensure that the people who have lived with community poverty aren't pushed out and away by the very investment that is supposed to benefit them. Sometimes the struggle is not with the disinvestment of a place, but with the economic restructuring of an *entire industry*, and the fight is to stay ahead of global economic change. Other times the struggle is with community-specific challenges — a local *population changing* faster than local institutions, critical *land or major buildings abandoned* by outside institutions, or the *political marginalization* of local people by the powers-that-be. One community might have to manage two or three or more of these dynamics all at once. Our challenges are more complex than ever.

Building on Assets for Community Transformation

In this context of change and complexity, community organizers, community developers, and community builders have grown more capable and more creative. Community organizers build constituency in creative ways, linking church and institutional bases with workplace organizing and even block organizing. Organizing strategies range from confrontation to negotiation, and everything in between. Community developers have developed more expertise in commercial and industrial development, often exceeding what any single business can do in learning and planning for economic futures. They also employ a range of strategic roles, from developing projects independently or partnering with private developers to catalyzing and mediating development by others.

By focusing on the capacities of community stakeholders to participate in and control community change, in everything from quality-of-life to the creation of personal wealth, the community-building movement has helped restore the heart and soul to community activism. Community-building strategies range from storytelling and peer support to leadership development and spiritual growth. Many community activists

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and community-based organizations end up using a mix of community organizing, developing, and building strategies, blurring the lines in order to maximize the synergies.

The producers of this book believe that “asset thinking” is central to much of the new community activism. Whether organizing, developing, or building community, the work is most effective when we realize and appreciate community strengths and assets, and when the work widens the circle of community to create new opportunities from within.

Building on assets gives community organizers insight into community power and stakeholder interests. Building on assets gives community developers negotiating leverage and accountability for outcomes that are appropriate and just. Building on assets give community builders a framework for mapping relationships and finding new opportunities.

Community transformation goes along with a transformation of the mind. The transformation in thinking occurs when we see the strategic opportunities hidden in the context of community threats. The vision may be found as a result of mapping the five types of assets found in every community:

- ❑ Individual talents and skills
- ❑ Local associations
- ❑ Local institutions
- ❑ Land and property
- ❑ Economic strengths

Connecting these assets is the core activity that allows a community to organize, develop, and build itself from within. In changing times and in complex situations, asset thinking provides a key to community transformation. This simple but important idea is the premise of this book.

A Different Approach: Meaningful Stories for Everyday Practitioners

As they feel their way and develop new approaches, community activists need all the help they can get. Volunteer community leaders, the staff of community organizations, and everyday participants and involved supporters who do community work need both inspiration and practical guidance. They need to reaffirm their faith that their efforts can make a difference. And they need the “real deal” on what might work, and what might not, so they can be effective.

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There is a good deal of wonderful writing out there on community work. Still, a lot of it isn't really intended for community practitioners. It's meant for everybody else: for funders, professionals, policymakers, and uninvolved readers who could contribute to the cause. Some of this writing takes the "miracle approach," highlighting improbable successes to communicate both the challenge of community work and its significance. At other times, it takes a "technical approach," breaking community work down into pieces — the parts of the deal, the steps in the process, or the history of the project. All of this writing is important for developing the broad support that communities need.

But practitioners need something more, because they know there is more to the story. They know about the miraculous side of things, but we also know that behind every miracle, there's a lot of blood, sweat, and tears. They appreciate the technical side, but sense that the pieces don't tell the story of the whole. And because the work is of, by, and for ordinary community folks, practitioners don't see community work as a technical profession, as something only experts can do. It's hard, yes, but it's work that ordinary people do everyday.

So this book tries a different approach. The producers of this book want to help meet the demand from everyday community practitioners. As practitioners ourselves, we want to address this book to our peers and colleagues. We want this book to be of, by, and for the people doing community work right now.

The producers of this book are striving for practical relevance. Not a rosy picture, nor a dry account, but a meaningful story. The point of this book is to answer the practitioner's question, "So what *really* happened?"

Facing the Threats and Seeing Opportunities

The threats to community are always on the minds of community activists. "Sure, we've heard about the miracles, but what about this major threat that's facing my community right now?" practitioners might say. Or, "The pieces of the process are fine, but the reality is that there are things going on in my community that threaten to blow the whole process apart."

The threats are real and present. The threats aren't the exception to the rule. The threats are the rule itself. It's how communities deal with the threats that counts.

Turning threats into opportunities is not about exploitation. Everybody knows about the players who exploit community threats for their own advantage. Predatory lenders take advantage of disinvestment to make extraordinary profits off of credit-starved residents. Speculators stockpile abandoned property without maintaining or

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developing it, in order to sell at a huge profit when a community gentrifies. That's not what community work is about.

Turning threats into opportunities is about transformation. It's about the way that communities break out of a vicious cycle of disadvantage and despair, and break into a snowballing movement of hope and action. It's about the way that communities flip the dynamic of power, to take control of change, instead of being controlled by change.

Transformation starts with vision, with the ability to see opportunity in the face of threats. Threats and crises illuminate our community values — they show us what things we care the most about. In that light, assets previously taken for granted can often be realized, and strengths can be viewed in new ways.

But that's not all there is to it. In community work, every imaginable kind of obstacle, from the politics of dealing with big institutions to the dynamics of building community relationships presents itself. Community transformation requires overcoming these obstacles, not just once, but again and again. At some point we realize, the work is not just organizing or development or planning; the work is overcoming obstacles. Solving problems becomes our business. We use our assets and build relationships. We support each other. We test, strengthen, and renew our faith.

And as obstacles are overcome, threats are once again transformed into opportunities. That's the relevant practice and the meaningful story. That's the core of community work, what keeps us going, and what makes our efforts succeed.

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USING THIS BOOK

The remainder of this book is organized in three sections. This section is called **Transformation in Communities: What Really Happened?** It is the heart of the book. The section shares the descriptions of eight communities and the real and modern threats facing them, and tells the stories of how community organizations and activists transformed those threats into opportunities for positive community change.

To create a short, easy-to-use format, these stories are summarized, with a one-paragraph overview, followed by a one-page narrative on the local and organizational context. Then, the major assets that the featured community *realized* and *used* to get its work done are listed. First, the *internal* community assets that were mobilized are listed, from the people and associations involved to the institutions, land, property, and money folks brought to bear. Second, the *external* assets that were leveraged by the community, from grant funding and debt financing to institutional partnership and outside leadership are listed. These two lists provide a picture of building on assets from within.

Then each story gets to the nitty-gritty. The major *threats* to the community are listed and briefly described, followed by the community's vision, how it *saw opportunity* within the threat. Finally, we provide some of the *practical lessons* that community leaders learned along the way, and end with a quote from a community leader for you to reflect on.

Section three, **Transformation in Your Community**, draws some general lessons from the stories and from the experience of the group producing this book. This isn't either a prescription for "proper" community work or a step-by-step formula to follow, but some peer-to-peer observations to consider as you build on assets and find opportunities to transform your own community.

The final section, called **Some Useful Stuff**, is a kind of extended appendix. While the individual profiles illustrate the projects and the featured communities, we've provided additional information like web addresses and contact information in this section so you can follow up and get more details (and current updates) if you wish. Along the way in the process of developing the stories, we've also gathered some tools that are useful for getting things done. These range from operational things like a sample "first-source hiring agreement" or a hand-out on negotiating partnerships, to "big picture" stuff like principles for community building and important policies to push for. And the hope is that by summarizing the stories in this way, you can get a

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practical and “big picture” perspective on different strategies for community transformation.

Some Useful Stuff also provides some key contacts from the broader community development domain. The producers of this book believe in the power and importance of collective action, and so have listed some of the major national membership associations and constituency-oriented organizations that are advancing the field and fighting for good policies. Every day, these organizations do what this book tries to do — increase community effectiveness.

We strongly encourage you to become more involved, to share your own experiences, and to continue to learn from the work of your peers and colleagues in other communities.

Some Ideas for Using This Book

- ***New Perspective.*** Compare your community situation to the stories in this book. Consider the new threats facing your community. Think about your assets, and how you might use them to transform threats into opportunities.
- ***Reference for Grantwriting and Strategy.*** Keep this book near your desktop, to pull out when you want to refer to an example, or expand on an idea for community strategy.
- ***Hand-outs for Groups.*** The various parts of this book are designed to make good hand-outs at a Board meeting, a planning session, or a staff training. You can copy and hand out one of the stories that speaks to your situation. See what ideas people get, what new assets you think of, what new strategies you imagine. Use it to “get unstuck.”
- ***Samples for Proposals or Operations.*** You can hand out one of the tools from the section on Some Useful Stuff. Adapt and revise these documents for your own use to save yourself time and effort.
- ***Book Club/Peer Support.*** Share this book in a group, in your service club or church, for example, or among the participants in a leadership-development program. Talk about what lessons were most valuable, and how you can use them to make things happen in your community.

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- **Training.** Either as a whole book or in hand-outs, there is a wealth of material here for training leaders and staff. Use the book to spark discussion of transformation and the new threats to your community. Use it to help compare and contrast strategies for community organizing, community development, and community building.
- **Storytelling.** Pull out one or more of the stories you think speak to your community situation. Share these with others in one of your circles. Ask yourselves, how would we tell the stories of our community? Take turns telling stories. And then ask, what would we like the story of our community to be when we are successful?
- **Troubleshooting.** When you run into an obstacle in your work, you can use the lessons from the stories and the “how to” sections to help you develop a strategy to overcome that obstacle. And you can use the material in the section on Some Useful Stuff to contact peers and colleagues who may have been through something similar, or have different perspectives to share with you.

Abyssinian Development Corporation

EAST HARLEM PATHMARK PROJECT Harlem, New York

Project

A new \$15 million retail shopping center, designed for a busy urban corner in East Harlem, anchored by a 50,000 square foot Pathmark grocery store, and developed by a partnership between a faith-based CDC (the Abyssinian Development Corporation) and a CBO (the Community Association of East Harlem Triangle). The project demonstrates the economic power of a racially disinvested community.

Setting

The Abyssinian Baptist Church is one of the oldest churches in the United States. Formed in 1808 by African-Americans and Ethiopian merchants, the church became a foundation of Harlem in New York City, and is known for its active congregation and charismatic leaders, like Adam Clayton Powell, Jr. The church formed the Abyssinian Development Corporation (ADC) in the late 1980s, and ADC has become one of the most innovative and widely respected CDCs in the nation. The Community Association of East Harlem Triangle, Inc. (CAEHT) is a grassroots community-based organization in the neighborhood. CAEHT started by focusing on education and housing, and members quickly realized the importance of developing quality retail stores in the community.

For years, Harlem experienced disinvestment by developers and banks who saw opportunity only in the suburbs. Incredibly, though over 250,000 people live in East Harlem, this Pathmark was the first major grocery store ever to be developed in this neighborhood! Many people credit this accomplishment to the strength and persistence of one resident, Alice Kornegay, who convinced leaders and policymakers that housing just won't work unless people have a good place to buy groceries.

For years, Harlem experienced disinvestment by developers and banks who saw opportunity only in the suburbs.

Abyssinian Development Corporation

Where developers saw only poverty, crime, or their own racial bias, the community saw great opportunity — to draw on a tremendous untapped market demand, to generate jobs and community ownership, and to create a new urban-style grocery center that would anchor the neighborhood and outperform a typical store in a suburban location. But the process wasn't quick, and it wasn't easy. Ask ADC Executive Director Karen Phillips what advice she would have given to herself at the start, if she knew then what she knows now, and she says, "don't do it." She's only half joking.

The process of developing the East Harlem 125th Street Pathmark dragged on for over nine years. It involved complex financial arrangements, difficult and time-consuming political processes, and intense community debate. ADC and CAEHT had to put every asset on the line — their reputations, their finances, their constituencies, and the personal time and energy of their volunteers — to get to groundbreaking. Despite the victory, the organizations still suffer today, in both financial and human terms. What they got for their efforts is a visible sign of East Harlem community will: a store that sets sales records for the region, more than 200 jobs, and a human-scale development that fits the neighborhood and establishes a model and a foundation for a new kind of development.

Building from Within

These are the assets that the community groups connected to accomplish the project:

Linked Community Assets

- **People.** Visionary, dedicated volunteer leaders like Alice Kornegay and the Board members of ADC and CAEHT. Hardworking staff willing to learn and create on the job, like Karen Phillips and Joan MacLeod.
- **Associations.** The history, reputation, and constituency of the Abyssinian Baptist Church and the CAEHT. Support from local organizations like Community Food Resources, a group promoting good nutrition. Faith and peer support in the congregation.
- **Physical.** Several parcels of mostly vacant land at 125th Street between Lexington and Third Avenues, assembled and cleared by the City of New York using eminent domain. Near-excellent public transportation, within walking distance of thousands of shoppers.
- **Fundraising:** The in-kind and partially unpaid-for time of ADC and CAEHT.

Abyssinian Development Corporation

Leveraged External Assets

- **People.** Many professional development advisors.
- **Institutional.** Complex partnership agreements between the community and investors. The ultimate support of a broad group of public and private partners. The long-term vision and profit motivation of Pathmark, which stuck with the concept when others might have walked away.
- **Finance.** Equity investment and a limited partner stake from The Retail Initiative. Below-market financing from the New York State Empire State Development Corporation, Local Initiative Support Corporation, and NYC Economic Development Corporation. Bank financing from Chase Manhattan, Carver Federal Savings Bank, European American Bank, and the Federal Home Loan Bank of New York. Total financing of \$15 million, about 25% public and 75% private.
- **Fundraising.** Grants from the US Department of Housing and Human Services Office of Community Services and several foundations and other funders.

Threats and Challenges

Along the way, the community partnership encountered the following challenges and obstacles:

- **Financier and development resistance.** After years of disinvestment, banks and development investors didn't have the same comfort with development in Harlem that they might in the suburbs, say. Also, financiers often perceive CDCs and CBOs as risky developers.
- **Retail competition concerns.** Some small businesses were concerned about being displaced by competition from a large supermarket.
- **Political wrangling.** The land acquisition, land use designation, and some of the financing required approval from various government agencies. Politicians became deeply involved. Political constituencies vied for influence.
- **Timing.** The biggest threats of all were the delays in development scheduling. Creative financing was possible, but depended on complex arrangements, and couldn't be solidified until political approvals were achieved. Much of the community controversy didn't surface until late in the financing process. Meanwhile, the carrying costs and interest mounted ever higher.

Abyssinian Development Corporation

- **Community gentrification concerns.** Some residents wondered whether this type of development would increase rents and push out existing residents.
- **Community health concerns.** Some residents objected to increased traffic which could worsen the neighborhood's asthma problem.

Seeing Opportunity

Disinvestment creates an opportunity for better development.

Where some thought disinvestment meant "Harlem is no good for development," the community developers saw opportunity from:

- **Untapped demand.** With all the retail development going to the suburbs, disinvestment created a tremendous untapped market demand for shopping in East Harlem
- **Preserved human-scale space.** Since Harlem had been relatively untouched by boxy suburban development, that left great buildings, strong blocks, and human-scale physical assets in place.
- **Urban design.** By revising the suburban style, the East Harlem Pathmark maintains an image of quality, but with urban features — rooftop parking, walk-up neighborhood location — that make it more appropriate to the neighborhood than the typical corporate design.

Community development creates an opportunity for neighborhood benefit.

Where potential threats existed to local business and quality-of-life, community developers saw an opportunity to control development for neighborhood advantage.

- **Community ownership.** Community organizations own the land, Pathmark is just a tenant.
- **Local hiring.** Community pressure increased leverage over Pathmark to hire residents of the immediate neighborhood.
- **Neighborhood stabilization.** The investment of businesses like Pathmark helps retain residents who might leave, which actually reduces gentrification.
- **Cultural development and niche marketing.** If Pathmark handles ordinary mass grocery shopping, local stores can concentrate on locally appropriate services and cultural niches.

Abyssinian Development Corporation

Insight

The East Harlem Pathmark project was accomplished successfully, but at a cost. The real lessons learned include:

- ***Involve the community, up front and throughout.*** The delays in timing resulting from some community opposition cost ADC and CAEHT money, made the organizations have to dig deeply into organizational resources and reputation, and had some political fallout. Some controversy may be unavoidable, and the community developers thought they had worked hard on the community side, but they learned that you can never have enough community education and input up front.
- ***Count on everything going wrong.*** It frustrated and hurt the community leaders to suffer so many setbacks. Now that they've been through this process, they know to expect delays, cost increases, opposition, and bureaucratic stumbling blocks. It's part of the community development process.
- ***Realize the strength of your constituency.*** In the end, it wasn't the financing, or the design, or even the market demand that got the project accomplished. It was the depth and the strength of the constituency of the Abyssinian Baptist Church and of the Community Association of East Harlem Triangle. Members learned again to appreciate that strength, and to keep building constituency.

“If we were conventional for-profit developers, we would have walked away from this development a long time ago. But we have a community mission. We can't walk away from that. It's who we are. You can feel this mission in the faith and the will of leaders like Alice Kornegay. Alice didn't live to see the ground-breaking. But if you had known Alice, you'd know why we had to get this done.”

–Karen Phillips, Executive Director,
Abyssinian Development Corporation

Coastal Enterprises, Inc.

MAINE FISHERIES PROJECT

Maine

Project

A multifaceted effort to rebuild Maine’s fishing industry through sustainable development. This “sectoral strategy” connects financing and management support for individual businesses to broader market development work creating new products, opening new retail outlets, adding local processing, and even forming new marketplaces for the purchase and sale of fish. These efforts show how community economic development can succeed on a large scale, and how environmental and economic strategies can be balanced to create opportunity for the low-income community residents who are hardest hit by an industry crisis.

Setting

Think fishing and you might think Maine. In the early 1990s, Maine’s fishing industry started to suffer an economic crisis. In particular, Maine’s groundfish (groundfish include a number of species that reside on the ocean floor) industry saw the quantity of “landings” decline by over two thirds, while at the same time technology, regulatory, and global trade effects reduced prices to next-to-nothing. The impact has been felt directly by over 26,000 people in related work, and by Maine’s \$750 million fishing industry overall. This kind of economic threat goes beyond any one community.

Coastal Enterprise, Inc. (CEI) is a community development corporation with a statewide focus and its roots in the fishing industry. It was started in 1977 as a kind of social investment company, financing locally owned businesses to create jobs and community control over assets. The organization developed a strong track record in “patient” and innovative business financing, strategic business assistance, and even cooperative business development. And by building its own capital base to over \$40 million, CEI has made itself a serious player at the table.

Maine’s groundfish industry saw the quantity of “landings” decline by over two thirds, while at the same time technology, regulatory, and global trade effects reduced prices to next-to-nothing.

Coastal Enterprises, Inc.

This experience positioned CEI to play a key role in the state response to the groundfish crisis in 1994. Essentially, CEI's response has had two thrusts. On the one hand, CEI has targeted its resources to the sector, supporting locally owned and forward-thinking businesses in the targeted fishing industry. On the other hand, CEI recognizes that fishing businesses must deal with broader, systemic changes in the industry, and that there are substantial human and natural assets to build on. So CEI has led creative new efforts to rebuild the fishing industry in a way that avoids overfishing while generating wealth and opportunity for residents. CEI has supported new products among previously undeveloped possibilities like Cape Shark, helped develop complementary sub-industries like productive fish waste processing, arranged for fishermen to collect data for more effective biological management, and brought people together in markets and cooperative associations to expand business opportunities.

Together these two thrusts have resulted in incremental but significant benefits to the fishing sector, and to the sustainable and equitable development of Maine communities. Along with other efforts, this approach has helped to turn Maine's fishing industry around.

Building from Within

These are the assets that CEI connected to accomplish the project:

Linked Community Assets

- **People.** Dedicated and professional staff and a volunteer Board of well-respected business leaders. Founding Executive Director Ron Phillips built the organization from a one-person operation to a staff of 79 and 9 offices around the state. Staffer Elizabeth Sheehan has worked with the Fisheries Project since the groundfish crisis hit. Family fisherman, workers, and local companies who make up the backbone of the industry.
- **Associations.** Several trade associations and business networks of constituents have expanded or emerged to work on broader market development and policy issues especially.
- **Physical.** The fertile seabed of the Gulf of Maine is the natural resource that both supplies and is protected by the sustainable development approach.
- **Finance.** CEI's strategy from the start has been to develop its own capital base for leverage and strength. Grants, program-related investments, and other investments have been reinvested and turned into \$40 million in organizational assets.

Coastal Enterprises, Inc.

Leveraged External Assets

- **People.** Consultants and researchers have helped identify new product niches and sustainable market opportunities.
- **Institutions.** CEI applies an arrangement called “Fishtag,” in which business customers collect and share data on fishing results which helps the community monitor and manage sustainable development.
- **Funding.** The Office of Community Services of the federal Department of Health and Human Services initially sponsored and capitalized CEI. Numerous foundations and corporations have contributed to the efforts.
- **Finance.** A wide range of financiers supports these efforts, from faith-based social investors to Maine banks to government agencies to businesses in the fishing industry.

Threats and Challenges

- **Natural resource depletion.** A complex combination of business practices, technological changes, government regulations, and global trade effects resulted in a dramatic decline of both the supply and the price of groundfish.
- **Scale of sectoral crisis.** It’s one thing to develop a business. But what do you do when a whole industrial sector seems to fail? The scale is intimidating.
- **Balancing immediate survival with long-term development.** Without a sustained fish population, Maine fishing would collapse. But while rebuilding fish stock, workers and communities suffering from the crisis need immediate income, and the whole fishing infrastructure needs to be preserved.
- **Environmental action vs. economic development.** The groundfish crisis brought environmental questions to the forefront, but along with that, the usual conflicts between environmental and economic concerns. CEI was challenged to present sustainable development as a “win-win” solution.

Coastal Enterprises, Inc.

Seeing Opportunity

Crisis creates an opportunity to focus in new ways. Instead of looking at the groundfish crisis as an economic mystery of unimaginable proportions, CEI realized that it could focus its many business resources on a targeted industry for greater impact.

- **Targeted financing can improve success.** The environmental and regulatory changes increased the uncertainty and risk of fishing businesses. By concentrating deeply on this industry, CEI was able to learn more about the business and better manage its risks in lending and investing.
- **Incrementalism.** CEI has always fought the odds in poverty and development, community-by-community, business-by-business. The same incremental, step-by-step approach worked in the sectoral strategy, enabling CEI to act when others might have thrown up their hands in defeat.
- **Collaboration.** CEI's practical business development and finance skills were the perfect complement to the strengths of other players who were also moved to act by the crisis — applied academic researchers, policy-oriented groups, and trade associations. The problem helped bring people together and create new possibilities.

Environmental dimension creates economic opportunity. CEI had always worked with natural resources and included concern for the environment as part of its justice agenda. But its work on the groundfish problem led the organization to discover previously untapped business and economic opportunities in sustainable development.

- **New product niches and market development.** CEI went beyond its core business development work to create stronger long-term opportunities for its constituents. It focused harder on the sustainability of the fish stock and the biomass in the Gulf of Maine, which led to new fish products, value-added processing, and expanded markets for fisheries.
- **Innovation and management.** Balancing the rebuilding of stock with the immediate survival of fisheries led CEI to innovative business strategies, like value-added fish waste processing. Collecting environmental data through the Fishtag arrangement helped CEI and others to focus on productive long-term industry management.

Coastal Enterprises, Inc.

Insight

Maine's fishing industry is coming back. But it hasn't been easy, and along the way, CEI has learned that:

- ***Community economic development comes from the mess.*** Nothing is neat and clean in development. CEI's messy mix of detailed work on individual businesses with collaborative experimentation on broader systems produced practical business solutions that balanced equity, economy, and the environment. Mess isn't the problem, it's where the innovative solutions lie.
- ***Fight scale with incrementalism.*** Sure the scale is intimidating. But better to take small steps than not to move at all. Of course CEI couldn't single-handedly reverse the fortunes of the groundfish industry all at once. But they could act, using their existing knowledge and assets. If even one business could employ low-income workers while still helping to rebuild the fish stock, that laid a foundation for other development. These small steps moved things forward at a critical point, and over time have added up to large-scale impact.
- ***Use "failures" to succeed.*** CEI's explorations in broader market development didn't always succeed, and even when they worked, their direct impact was usually small. But the efforts counted in the big picture. For example, when Maine restaurants agreed to promote certain fish, the impact was more symbolic than financial. New fish products and wholesale/retail markets didn't always prove financially viable, but the efforts themselves pointed a way out of the crisis, helped build trust and political capital for the organization, and contributed to the larger industry success.
- ***Targeting risk can offer a win-win opportunity.*** CEI targeting of the fishing industry and work on sustainable development alternatives actually improved its financial successes. Under the Fisheries Project, CEI business loan volume went up, and loan losses actually went down. And local banks report that they've made many loans that they wouldn't have made without the effort.

"We have consciously chosen the risks of incrementalism over the risks of immobility. We recognize that we will never know everything, but, nonetheless, we must move ahead and learn from our practice."

—Excerpted from Dickstein, C., Piotta, J., and Sheehan, E. (1997). *Sustainable Development in Practice: Coastal Enterprises, Inc.'s Experience*. Medford, MA: Filene Center, Tufts University.

Bethel New Life, Inc.

BETH-ANNE LIFE CENTER

Chicago, Illinois

Project

When St. Anne's Hospital on Chicago's West Side announced plans to close down, community residents knew they couldn't rely on the hospital or another outside institution to redevelop the \$3.2 million, nine acre, seven-building hospital campus. So leaders asked Bethel New Life, Inc., a local community development corporation, to take on the "adaptive reuse" of the property and transform it into a new place of community vitality. Today, the Beth-Anne Life Center includes 125 units of elderly independent housing, an 80-space child development center, a health clinic, administrative offices, small business space, adult day care services, and even cultural and performance arts spaces, with 85 units of assisted living in the pipeline. It did take extraordinary creativity, faith, and persistence to put these pieces together. But Beth-Anne shows how communities can find opportunity even when a big community institution closes down.

Setting

Bethel New Life started small, when members of the Bethel Lutheran Church put together enough credit cards to finance the purchase and rehab of a local three-flat apartment building. Since that beginning in 1980, Bethel has grown to become one of the nation's largest and most well-respected community development corporations, with a budget of over \$8 million and a comprehensive mix of programs, initiatives, and campaigns. Within the disinvested West Garfield Park and Austin communities, Bethel is known for innovation, faith, and a willingness to tackle anything.

Along the way, Bethel learned to do its homework and use its knowledge of industry changes to tap community assets. In the health care field, Bethel learned hard lessons from running a holistic community health center for several years. The organization developed partnerships and relationships in the field. So Bethel understood the financial pressures in play at the local St. Anne's Hospital. Bethel President and Founding Director Mary Nelson served on the Board of St. Anne's and tried to help the institution reprogram its space. When that didn't work out, and no other good user stepped forward with the \$3.2 million selling price, community leaders and groups asked Bethel New Life to purchase the campus and lead its redevelopment.

This project represented a huge responsibility for the community organization, and the "adaptive reuse" development was never straightforward. Every piece of the package

Bethel New Life, Inc.

needed to be creatively structured, and Bethel had to apply every human and community asset to flex the rules and get the deals done. For example, no bank would finance the purchase, so Bethel negotiated with the seller, the Sisters of Ancilla Domini, to collateralize the debt with a \$1 million cash deposit and an assignment of a lease interest. That took a trip by a group of community leaders to the Sisters' offices in Indiana. The leaders explained why the Beth-Anne plan would renew the hospital's founding mission, and they prayed with the nuns.

During the process, one government agency or critical partner would make a requirement of Bethel, and another would make a conflicting requirement. So Bethel had to bring the big players together and show them their common interest in getting the deal done. Then Bethel would develop and pursue one potential use for a part of the campus, only to hit a dead end and have to go back to the drawing board. Meanwhile, interest and carrying costs of \$25,000 a month were overwhelming for a community development corporation.

Today, after 10 years of work, Beth-Anne is humming with activity, from the smallest children playing in the courtyard to the seniors living and working across the way. Beth-Anne incorporates traditional health care services with a clinic operated by another hospital (Mt. Sinai), and less traditional elements of community health, like a ceramic mural made by local youth, and concerts and plays performed in the transformed chapel. They estimate that the project has pieced together over \$26 million in local investment and created 100 jobs. Bethel has transformed the abandoned campus into a new community asset. Maybe it took a miracle, maybe it took a lot of faith and persistence. But for sure, it's a powerful sign of hope.

No bank would finance the purchase, so Bethel negotiated with the seller, the Sisters of Ancilla Domini, to collateralize the debt with a \$1 million cash deposit and an assignment of a lease interest.

Bethel New Life, Inc.

Building from Within

These are some of the assets that Bethel New Life linked to develop Beth-Anne.

Linked Community Assets

- **People.** President and Founding Director Mary Nelson, who contributed vision, experience, and determination to see the project through. Community leaders on the Bethel Board of Directors, who considered the risks and took the leap, then kept the project firmly grounded in community interests.
- **Associations.** A network of community leaders and groups, who encouraged Bethel to take on the project, then stayed involved and showed strong support whenever the project hit a snag, including the Northeast Austin Organization, the Northwest Austin Council, the South Austin Community Coalition Council, and the Westside Health Authority.
- **Institutions.** Community agencies and businesses that partnered with Bethel to program the big spaces, such as Mt. Sinai and Loretto Hospitals did for the on-site clinic.
- **Physical.** The St. Anne's hospital campus, which covers 9.2 acres on one whole city block, and seven buildings on a commercial strip in Austin on Chicago's West Side.
- **Finance.** Bethel contributed over \$200,000 in direct equity up front, covered carrying costs of as much as \$25,000 per month, and conducted its own 21st Century Campaign to cover financial gaps and leverage outside finances.

Leveraged External Resources

- **People.** Numerous contacts and supporters in the health and development industries. O'Neil Construction, for example, "loaned" an executive to the process. A development team of professionals who combined business expertise with social mission, including consultant Roberta Nechin; architects Shayman and Salk, Campbell Tui Campbell, and Smith and Smith; and contractors Walsh Construction and Babco Construction.
- **Institutions.** The Sisters of Ancilla Domini and the Board of St. Anne's Hospital, who flexed enough to make the project work for renewed community health.

Bethel New Life, Inc.

- **Finance.** Over \$25 million in financing was invested in the project by supporters ranging from the US Departments of Housing and Urban Development and of Health and Human Services, the Federal Home Loan Bank, First Bank of Oak Park, and LaSalle Bank.
- **Funding.** Grants from individual and corporate donors to the 21st Century Campaign, and numerous foundation and corporate grants.

Threats and Challenges

- **Institutional abandonment.** To its credit, St. Anne's Hospital did try to reorganize itself and reprogram its space to meet the changing dynamics of the health care industry. But it closed its doors in the end, and the community faced the loss of critical health services and the prospect of an abandoned or poorly used campus in the neighborhood. And no other major institution or business was willing to make the investment to purchase and redevelop St. Anne's.
- **Conflicts between funders.** During the development period, there were several occasions when the requirements of different funders and financiers were in conflict. For example, the Catholic order that sold the campus to Bethel placed a restrictive covenant on the title against abortions being performed on the premises, but HUD does not allow any "clouds" on the title. It didn't seem to matter to either entity that, with mostly senior services, abortion would never be an issue. Or for another example, the State of Illinois assured Bethel that the most dilapidated building on the campus was not historic, but after it was torn down, the federal government held up funding because it had been on a list of potentially historic buildings.
- **Adaptive Reuse.** The campus was built and designed for a 470-unit hospital, and Bethel had to adapt and reconfigure the space for a variety of uses. For example, the big old boilers were too energy-wasteful to supply heat for the residential quarters. HUD said there was "too much common space" for the 125 units of elderly housing.
- **Environmental problems.** There were unexpected and undisclosed environmental problems on the site, requiring an investment of \$500,000 in cleanup.
- **Aging population.** The population on Chicago's West Side is aging, like the population of the US and most Western nations. How would Bethel's health and senior services meet the demand of this growing demographic?

Bethel New Life, Inc.

Seeing Opportunity

Institutional abandonment creates an opportunity to produce a new community asset.

Instead of seeing St. Anne's closing as institutional abandonment, Bethel viewed the situation as an opportunity for new investment in a modern community health facility.

- **Community control.** Bethel's ownership of the project gave grassroots community leaders control over a multimillion-dollar investment. For example, the Bethel Board of Directors elected not to pursue an opportunity to create a nursing home on campus, because the leaders were committed to maximizing independent living for seniors.
- **Broader vision of health.** The Beth-Anne Life Center, with its youth culture projects, performing arts programs, and child development center, projects a much broader view of community health than the old hospital had.
- **Responding to market demand with local assets.** Bethel saw the community's growing senior population as a market niche, and tapped the caregiving skills of local residents to develop a wide range of senior opportunities at Beth-Anne.

Development obstacles create opportunities for creativity and relationship building.

Instead of seeing all the obstacles in the development process as sources of despair, Bethel viewed each situation as a test of faith and an opportunity to be creative and learn more.

- **Innovation and knowledge development.** Every time Bethel has to invent a creative solution to a development problem, they blaze a new trail that further extends the organization's reputation for innovation and problem-solving. For example, to solve the problem of "too much common space" for HUD in the senior housing development, Bethel figured out how to divide the space and sell certain "air rights" for the 2nd to 6th floors to the HUD Residence Corporation. This reduced the common square footage but required the construction of separate utility lines and a second entrance to make the project work. Community residents have a stake in that kind of creative problem solving.

Bethel New Life, Inc.

- **Relationship development.** Professionals and supporters from outside the community are often astounded by the maze of institutional barriers low-income communities face. In solving these problems together, Bethel builds relationships with key resource providers and helps to teach policymakers about the realities of community disadvantage.
- **Faith.** With each setback, community members grow more determined. With each victory, community members are vindicated. The process of development itself is both a test of faith, and a strengthener of faith.

Insight

It has taken 10 years to fully develop the Beth-Anne Life Center. The process has put a severe drain on the organization's finances and drawn upon the time and spirit of hundreds of participants. Now the community can point to the "miracle on Division Street" with pride and wisdom. Along the way, Bethel New Life learned:

- **Persistence and problem solving pays off.** Development is never simple. It's always a question of facing problems, solving them, and moving forward. The Beth-Anne project consisted of putting together a package, piece by piece, over time. And it worked.
- **Diversification of financing.** The number and variety of funding and financing sources that had to be assembled for the project is impressive, to say the least. But this is also a good thing in general. Public and private funders "leverage" each other's support, and a wide range of funders helps spread the risk around. Also, it was important that Bethel was not dependent on any one or two funders for the entire project.
- **Community constituency.** The most important players in the Beth-Anne project may not have been any of the funders or the institutional partners or the outside professionals. The most important players were the community constituents. Community members have the most to gain from success, and the most to lose from failure. Community members have the longest time horizon, and are able to take the biggest picture perspective. And when the chips are down, and the project needs a boost to carry it through, it is the dedication, support, and cooperation of community members that always seems to win the day.

Bethel New Life, Inc.

“What a joy it is to be in the midst of people... children, seniors, artists, Bethel staff...a real sense of community. This was possible only with the courage and persistence of the Boards, the hard work of dedicated staff, the help and support of friends, and partnerships with government, corporations, and churches. God is doing a mighty thing in our midst.”

–Mary Nelson, President and Founding Director
of Bethel New Life, Inc.

Unity Council

FRUITVALE BART TRANSIT VILLAGE INITIATIVE

Oakland, California

Project

A \$150 million transit-oriented development, centered around the Fruitvale BART transit station. The project aims to make the station a center of accessible community activity, and encourage commuters to stop and shop in the area, while reducing car traffic and suburban sprawl. Leveraging public transportation financing with development funds, the Unity Council (UC) has created an “impact project” that incorporates everything from La Clinica de La Raza’s modern community health clinic and the UC’s own new child development center, to senior and family housing and the Cesar Chavez Public Library. The Unity Council has used community relationships, program capacity, and organizational credibility to transform traffic into an asset for broad-scale community change.

Setting

Streetcars were key to the early development of the Fruitvale community, as residents used public transportation to get to work, to shopping, and to recreation opportunities within the city of Oakland. But then came subsidized highways, suburban sprawl, and white flight, setting the community into a downward cycle of disinvestment and poverty. In the early 1990s, one of the nation’s oldest community development corporations, the Spanish-Speaking Unity Council, decided to shift its focus from ethnic community to place-based community, and made the comprehensive revitalization of Fruitvale its mission. But the weight of history and the scale of the job seemed overwhelming to many inside and outside the neighborhood.

In 1992, the Bay Area Rapid Transit Authority (BART) planned to build a big new parking lot at the Fruitvale station. It made sense to BART as a way to increase ridership. But it made little sense to community residents, most of whom did not own cars, and who walked to the station to get to work. Local merchants watched suburban park-and-ride commuters pass through the neighborhood like fugitives — getting off the trains, running to their cars, unlocking the doors and jumping in, locking up again, and driving away in a hurry. They didn’t shop or eat or spend money in the area. They

Unity Council

just contributed their car exhaust and their traffic congestion and their fearful disdain of the local area. The neighborhood paid the price for commuter traffic, but they received no benefits in return.

Around the same time a university-sponsored community study called for alternative development linking the transit station to the Fruitvale commercial districts. The community came out against the parking lot, BART withdrew the plan, and the Unity Council began a nine-year process of planning and developing the Fruitvale BART Transit Village.

On paper, the project might be described in the traditional terms: planning grants were raised, community meetings were held, designs were agreed on, site control was secured, financing was packaged, and ground was broken for construction in June of 2001. In reality, the process involved the transformation of both community and institutional thinking.

Under the leadership of CEO Arabella Martinez, the Unity Council took the point position on the project, gathering community sentiment and facilitating community decision-making on the one hand, and negotiating the support of politicians, public agencies, banks, corporations, and funders on the other. UC leaders and the Fruitvale community had to create a new economic development strategy using traffic as an asset. They wanted to encourage commuters to patronize community businesses, while leveraging the public investment in the transit works for broad-based housing, commercial, and service development. Meanwhile, BART had to change its strategy for transportation to include community and regional development, and had to learn to respect the Unity Council's capacity and role as a true partner.

The Unity Council maintained community interest and hopes over time by scoring victories and making progress in all aspects of community building. They knew crime and safety were critical issues, so they worked on community policing and making parks safe for youth. They knew the significance of *visible* progress, so they kept the

*Local merchants
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fugitives*

Unity Council

area clean and helped finance and develop gorgeous new facades for shops on the strip. They built beautiful new housing for seniors near the station. They expanded community relationships and designed the Transit Village to house critical community institutions like the health clinic and the library, which in turn would generate more traffic.

What started out as a parking lot plan has blossomed into a real “impact project” on 19 acres, resulting in 700 new jobs, with \$80 million raised out of a total budget at \$150 million and growing. Now neither residents nor outsiders doubt that Fruitvale can turn around. The question is, how far can it go?

Unity Council

Building from Within

These are the assets that the Unity Council connected to accomplish the project:

Linked Community Assets

- **People.** Practical leaders like CEO Arabella Martinez and the Unity Council Board of Directors, who understood the community's history and could build relationships with outside institutions and policymakers.
- **Associations.** Along with the Unity Council, there is a rich heritage of community groups and businesses active in Fruitvale, many of whom became networked through the Fruitvale Community Development Coalition and the Main Street business initiative.
- **Institutions.** A community health clinic in the Transit Village, La Clinica de La Raza, will increase traffic and contribute rent. The same thing applies for the Cesar Chavez Public Library and the UC's own child development center and administrative offices.
- **Physical.** The Fruitvale transit station, serving over 11,000 daily riders from a location central to local residents, riders of Alameda County Transit buses, and park-and-ride commuters.
- **Finance.** The Unity Council raised and invested nearly \$1 million in up-front capital and has deferred over \$2.4 million in expenses to the project. Local businesses have invested in façade improvements, and local institutions like the clinic have invested in new facilities in the Transit Village.

Leveraged External Assets

- **People.** Supportive and visionary public officials like Frederico Peña, Secretary of the US Department of Transportation, who understood the value of transit-oriented development.
- **Associations.** A professional development team that impressed BART and funders and was sensitive to community interests, including architects McLarand, Vasquez and Partners, and the Turner Construction company.
- **Institutions.** Bay Area Rapid Transit (BART) became a key ally and partner in the project, investing in a development that would creatively link the Fruitvale

Unity Council

station with broader development, and delegating site control to the community developer.

- **Physical.** The extensive BART transit system, which makes community development a possible alternative to suburban sprawl.
- **Financial.** \$80 million has been raised toward a prospective total budget of \$150 million. Transportation financing from metropolitan, state, and federal transportation agencies was leveraged with public and private financing for community development, and environmental, recreational, housing, and economic development.
- **Funding.** Major grant funding was raised from foundations including Ford, Levi-Strauss, and James Irvine, and corporations like Citibank.

Threats and Challenges

- **Car traffic hurts the community twice.** For years, government spending on highways subsidized the flight of former Fruitvale residents to the suburbs and outlying areas. This hurt the community economy. Now that congestion is forcing many commuters back to public transportation, car traffic threatens to hurt Fruitvale again. Park-and-ride commuters using the Fruitvale BART station would pass through the neighborhood, imposing congestion, pollution and traffic hazards, but contributing nothing positive to the community or economy.
- **Powerful institution plans inappropriate development.** The planned BART parking lot would have drawn riders, but it wouldn't have served most residents, and the faceless parking structure would have contributed nothing to the neighborhood. Yet BART traditionally avoided involvement with economic, community, or cultural development its leaders considered outside the scope of the agency's transportation mission.
- **Skepticism.** In Mirabella's terms, the Unity Council was a "gnat" compared to the huge BART agency. BART leaders didn't give UC much chance to affect the huge Transit Village project. At the same time, residents caught in the powerful cycle of poverty and disinvestment in the neighborhood were skeptical about the prospects of change. Merchants on the strip had seen plans come and go before.
- **Organizational Capacity.** The Unity Council knew it could develop housing and community facilities, and that it could raise money. It knew little about developing public works or about transportation, and it had never attempted a project of this scale before.

Unity Council

- **Safety.** The Transit Village could be designed to draw traffic to the commercial strips, but if the neighborhood wasn't safe, neither residents nor commuters would shop there.

Seeing Opportunity

Traffic threats turned into economic engine for development. Instead of seeing commuter traffic as a threat to community health and safety, the Unity Council saw traffic as an asset for public investment and retail development.

- **Riders can be customers, and residents can too.** Transit riders could be encouraged to shop in the community by locating shops and services around the station, and expanding the Village to include the commercial districts.
- **Public investment in infrastructure spurs other investment.** For the Unity Council, the availability of transportation funding and public works investment brought a whole new pool of resources to community development, which could match and leverage other development funds.
- **Meeting resident needs.** About 90% of Fruitvale's residents work outside of the community, so the Village made valuable services easily accessible to many residents, in the same way the old streetcars did.
- **Security, health, and comprehensive development.** The Transit Village was a long-term, big-impact project that helped to motivate and to focus broader community efforts to reduce crime, improve health, and spur economic development.

Institutional plan turned into community project. Instead of seeing the BART parking lot plan as an outside threat to community control, the Unity Council saw the institution's interest as an opportunity to leverage larger, community-based development.

- **Building on a foundation of constituency.** The Unity Council worked from broad resident support, with years of community involvement and a planning process that facilitated community decision-making. That foundation and approach attracted funding from the City of Oakland and the federal transportation agency for major planning grants.
- **Gaining credibility.** The UC's constituency, in turn, led to the support of politicians and public officials. BART was most impressed by the UC's political relationships, particularly when Secretary Peña of the US Department of

Unity Council

Transportation came to Fruitvale to grant \$475,000 to the UC for project planning.

- **Fundraising.** BART developed respect for UC's fundraising capacity. The Council built the package piece by piece, as each funder saw the benefit of contributing to a larger whole. It made sense for the community organization to spearhead all this around the community vision. And in the end, BART was coming to the Council for funding help on parts of the project!
- **Broad vision and project staging.** To the Unity Council, the Transit Village project covers not only the transit station and the adjacent lots, but the surrounding area. The true groundbreaking may have occurred with one of the façade improvement projects in the mid-1990s along International Boulevard. The first major project could be considered the nearby Las Bourgainvilleas Senior Housing development, a \$7 million HUD 202 project that was occupied in March of 1998. 12th Street had to be realigned; replacement surface parking had to be cleared and prepared.

Insight

It has taken nine years and a sea change in community and institutional perspective, but the Unity Council has brought the Transit Village project to its formal groundbreaking. Along the way they've learned:

- **Be careful about site control.** Once the project was announced, land values began to rise in the area. That made it more difficult for the Unity Council to acquire the property it needed to make the project happen.
- **Be strategic about your mission.** Before the project began, the Unity Council made a conscious decision to refocus its mission from ethnic community to place-based community, decided to target economic development in a critical area, and sought a large-scale project. Without this strategic focus, the organization might not have been in position to act when BART proposed its parking lot.
- **Form strategic alliances.** There is plenty of responsibility to go around in a big project. Community groups need to spread the work and the credit within the community, as UC did through vehicles like the Fruitvale Community Development Coalition. And community groups need to understand the interests of external agencies like BART, and find ways to harness these interests for community benefit.
- **Generate ongoing, visible victories.** Nine years is a long time for anybody to wait for development. Residents and leaders need to participate in and see

Unity Council

tangible, visible improvements in the community along the way. And the long-term project can give these smaller victories a larger purpose and impact.

“These things don’t just happen overnight, you know. A young community organization can’t just take a model off a shelf and drop it into their community. It has to be a much more organic process. Community organizations must build a foundation of capacity through project experience and success. More than that, we must build credibility in the community. That takes time.”

*–Arabella Martinez, Executive Director,
Unity Council*

TRANSFORMING OUTSIDE DEVELOPMENT PRESSURE INTO OPPORTUNITY

Dudley Street Neighborhood Initiative

URBAN VILLAGE Boston, Massachusetts

Project

The Dudley Street Neighborhood Initiative (DSNI) became known as the first community organization to win the power of eminent domain, using that power to control over 600 vacant lots and form a 20-acre community land trust. Sparked by the struggle for control over land, nearly 3,000 residents have organized themselves to create a new Urban Village. DSNI is a unique organization that performs neither development nor service on its own, but empowers residents to organize, plan for, create, and control their neighborhood. These efforts have led to comprehensive vision, with gains in everything from economic power to family development and environmental stewardship. But the larger result has been the physical, social, and spiritual transformation of the community into a place where resident leadership and cooperation creates opportunity.

Setting

The threat of outside development is something that Boston neighborhoods know about. Everybody still remembers what happened to the West End, a busy inner-city neighborhood that was cleared by government-sponsored urban renewal to make way for high-priced skyscrapers. So when a local foundation offered to sponsor community planning in the Dudley Street area, residents mobilized to lead the process and use it to control development. Residents transformed “their plan” into “our plan.”

The Dudley Street area is a diverse Boston community with a rich history and a mix of ethnic whites, Latinos, African-Americans, and Cape Verdeans. When, after some controversy, residents came together around the Dudley Street Neighborhood Initiative, politicians and developers knew they’d be a tough coalition to go up against. But the residents also realized that by working together, they had the power to forge consensus and make positive development possible. The acclaimed book, *The Streets of Hope*, tells the story of how they got the City of Boston to delegate eminent domain authority over vacant land to DSNI.

If the powers-that-be came to see DSNI as the vehicle that could facilitate development, residents learned that they could build on their own assets and harness outside

TRANSFORMING OUTSIDE DEVELOPMENT PRESSURE INTO OPPORTUNITY

Dudley Street Neighborhood Initiative

interests for their own agenda. That knowledge established a foundation for building the organization. DSNI chose not to become a hands-on development corporation or service provider (community partners do these jobs), and instead organizes resident leadership for community control and the creation of opportunity.

DSNI accomplishes this in several ways. The organization has become expert at facilitating complex community thinking and decision-making, by merging the cutting-edge techniques of professional planners with grassroots organizing. Because residents need information and options to make decisions, DSNI participants develop community knowledge and problem-solving skills in DSNI committees, a Resident Development Initiative, and the Nubian Roots youth group. DSNI organizes for broad-based policies like waste-processing protections, and then organizes local community education campaigns to ensure that residents get their fair share of resources like the Earned Income Tax Credit. They've even started mini-grant programs to strengthen the efforts of local resident associations and community agencies.

Certain standards and principles have emerged from regular community decision-making, including a user-friendly Community Assessment Tool to evaluate proposed large-scale developments. They've agreed on a set of "Lasting Approaches," like building on diversity, increasing local ownership and control, circulating dollars locally, harnessing outside resources, and promoting community cooperation.

The results of all this can be counted in terms of the development and services DSNI has leveraged and facilitated — an elegant new Town Commons; housing, gardens and other productive uses on 600 lots; an anticipated urban greenhouse and farmer's market; cultural festivals and programs, new community centers, etc. And residents are building wealth through cooperative home ownership, personal finance management, and entrepreneurship.

The acclaimed book, "Streets of Hope," tells the story of how they got the City of Boston to delegate eminent domain authority over vacant land to DSNI.

TRANSFORMING OUTSIDE DEVELOPMENT PRESSURE INTO OPPORTUNITY

Dudley Street Neighborhood Initiative

But the essence of the Urban Village is best represented by the extraordinary capacity of 3,000 resident members to plan and act together. Now, 15 years after the first DSNI planning process, the organization is launching a major new planning process for mixed commercial, residential, and open space along Dudley Street. The community is prepared to take its vision to the next stage.

Building from Within

These are some of the assets that the residents connected to accomplish the project:

Linked Community Assets

- **People.** Over 3,000 residents organized themselves, collaborated to make decisions on their common future, and used that power to leverage outside resources. Individual residents starting in isolation have joined in and gone on to Board or staff leadership.
- **Associations.** Many cultural and local groups and networks participate in DSNI. DSNI has facilitated the formation of neighborhood associations, crime watches, and other local groups.
- **Institutions.** DSNI's Board includes formal representatives from a number of neighborhood institutions that carry out much of the development and service activities. The community land trust holds the acquired land on behalf of the community.
- **Physical.** Originally, there were over 1,300 lots of community land, including government-owned lots and private lots purchased for development by eminent domain. Currently, there are permanent improvements on about half of these lots.
- **Finance.** The community land trust holds the land for 99 years, which ensures its long-term affordability. Residents build wealth through homeownership, personal finance management, and entrepreneurship.

TRANSFORMING OUTSIDE DEVELOPMENT PRESSURE INTO OPPORTUNITY

Dudley Street Neighborhood Initiative

Leveraged External Assets

- **People.** Politicians like Mayor Ray Flynn found it advantageous to respond to the agenda of the organized residents.
- **Institutions.** Professional policy and research consultants like Abt Associates have collaborated with DSNI to merge survey and information tools with community planning and grassroots organizing. The Riley Foundation not only targeted the area for funding, but also helped form DSNI and advocated to other funders for area support.
- **Physical.** The Boston city government invested land, eminent domain, housing subsidies, and regulatory support.
- **Funding.** Among many local and national funders, the Annie E. Casey Foundation supports resident empowerment strategies as part of a national initiative.
- **Finance.** The Ford Foundation made an initial \$2 million program-related investment that financed the initial acquisition and carrying costs of development.

Threats and Challenges

- **Political and economic marginalization.** As long as residents were politically isolated and divided, their voices could be marginalized and external players could call the shots. Disinvested and disregarded, the neighborhood felt treated like property to be held for some future redevelopment, like a playing piece in a game of Monopoly.
- **History of outsider planning.** Historically, residents experienced community planning either as a cover for urban renewal, or as a waste of time and effort.
- **Diverse lots require an improbable public process.** The 1,200 vacant lots in the area represent big development potential, but because they are spread out and held in diverse hands, the City and redevelopment authority realized that any development would require complex public land assembly. Yet residents would block an outside-driven public process.

TRANSFORMING OUTSIDE DEVELOPMENT PRESSURE INTO OPPORTUNITY

Dudley Street Neighborhood Initiative

- ***Sustenance vs. opportunity.*** Affordable housing, trash dumping, and other immediate sustenance issues take precedence in the short term. But economic opportunity is key to long-term success. How could DSNI balance short-term and long-term goals?
- ***Information and Economic Capacity.*** Planning in a vacuum is no power at all. Participants need information and clear options to make decisions for their community. Residents had to build their know-how on everything from land trust organization and the allocation of property appreciation to neighborhood retail competition and brownfield restoration. Residents had to see and understand whole systems of community economics.

Seeing Opportunity

Outside development pressure and control create an opportunity for residents to cooperate for power. Instead of looking at the historic domination of outside developers and politicians as a threat, DSNI participants viewed potential development as an opportunity for residents to come together and advance their own agenda.

- ***United opposition.*** By uniting around community control, residents gained the power to block outsider control.
- ***Land as a common ground.*** Community land is literally a common ground that everybody cares about. The threats of land abandonment on the one hand, and potential urban renewal on the other, brought residents together. The opportunity to do something positive with the land sparked new resident involvement and cooperation.
- ***Harnessing outside interests.*** The more developers and public agencies grow interested in development in the area, the more they need the public consensus DSNI represents. Residents learned to use outside interests to leverage their own assets and advance their own agenda.
- ***Democratic decision-making.*** Planning doesn't have to be exploitative or a waste of time. With the right tools, the right process, and the right spirit, residents have made group decisions on complex issues and drive progress toward a common vision for an Urban Village.

TRANSFORMING OUTSIDE DEVELOPMENT PRESSURE INTO OPPORTUNITY

Dudley Street Neighborhood Initiative

- ***Comprehensive planning.*** The same resident leadership and control that led to early DSNI victories on land uses could be applied to all aspects of community development, from environmental clean-up to youth development.
- ***Balance and staging.*** Instead of a conflict between short-term survival and long-term opportunity, participatory decision-making enables residents to see the connection between immediate gains and their overall vision. Setting priorities and developing projects leads people to balance goals and stage development. For example, stopping a trash dump can lead to thinking of brownfield restoration and recycling enterprises.
- ***Capacity builds more capacity.*** As residents, staff, leaders, and partners apply organizing and planning skills over time, they gain additional capacity to improve decision-making, extend participation, and create new opportunities.

Insight

Dudley Street Neighborhood Initiative has built on its extraordinary beginnings to really transform its community — physically, spiritually, and socially. But it hasn't been easy, and DSNI has a long way to go to accomplish its dream for an Urban Village. Along the way it has learned:

- ***Don't romanticize the people.*** Democracy can break down barriers and create new power. But it's not easy, it's not quick, and it's not romantic. Residents need to subsist to plan at all. Conflicts must be managed, and some conflicts will never go away. And residents need information and skills to make good decisions. It is day-to-day work, and it can be stressful and draining to leaders and staff. Still, DSNI has witnessed the transformation of mind and spirit that comes from this work.
- ***Different organizing techniques. fit different situations.*** Protest marches and pickets have been effective for efforts like fighting illegal trash dumps. Charettes and focus groups have been effective at building consensus on land use plans. Building relationships with powerful insiders has helped make specific projects happen. And peer support and training has worked for things like youth entrepreneurship and leadership development. There is no cookie-cutter approach. Flexibility is important.
- ***Knowledge is power.*** Yes, community residents need training and support to learn complex economic systems that impact their community. But the most critical knowledge is contained in the collective wisdom of the people. People

TRANSFORMING OUTSIDE DEVELOPMENT PRESSURE INTO OPPORTUNITY

Dudley Street Neighborhood Initiative

know what works and what doesn't, what's available, who knows whom, and how things can really get done. This knowledge only grows as people work together. And this knowledge is what gives communities power in dealing with outside institutions.

“The road we have chosen is the one less or even not traveled. We do not fill the better-understood roles of developer or human service provider. Instead, we have created a special function that few communities have. We are providing the tools, convening the processes, and organizing the campaigns for residents to gain (and maintain) control of the community’s future, and make good decisions for community benefit. We believe that this role and this community decision-making process are important reasons for the incredible progress towards our urban village. The plans and strategies, the standards and solutions have emerged from the community and will therefore last over time.”

–Najwa Abdul-Twwab, Board President, and John Barros,
Executive Director of Dudley Street Neighborhood Initiative

Mercado Central

INTERFAITH ACTION Minneapolis, MN

Project

A faith-based initiative by Minneapolis Latino residents to develop leaders, community, and power. The complex set of community building activities that comprised this effort included community organizing, talent and asset mapping, leadership development, organizational collaboration, and entrepreneurship training. These multi-faceted activities ultimately created the strong foundation that facilitated the development of both a 40-member retail market cooperative and a \$3 million, 30,000 square foot retail business incubator. The Mercado Central shows what can happen when a community builds on its human talents and assets.

Setting

Business incubators are popular these days. Many communities try to use incubator space as a catalyst for broader community development. But Mercado Central happened just the other way around. Latino residents of south Minneapolis focused on people first, and the resulting real estate development is just the most visible outcome of their organizing to date.

Comprised of a number of overlapping strands of activity, the initiative really started when a group of Latino residents in south Minneapolis sought have their local Catholic church opened up for daily prayer and worship. Their efforts led them to Juan Linares, then a social worker with Catholic Charities, and, via Juan, to Sal Miranda and Interfaith Action (for the purpose of this story, we will refer to the organization as Interfaith Action although the group has grown to 80 churches and changed its name to Isaiah in the late 1990s). Interfaith Action is a coalition of churches that organizes congregations for action around social justice issues, drawing on expertise from Gamaliel Foundation traditions. These new links quickly multiplied into other new links between people and local organizations and ultimately resulted in a sophisticated web of collaboration and shared leadership woven through many layers of economic and social development. A new church, La Comunidad Catolica del Sagrado Corazon de Jesus, was eventually established within the local parish. And the connections and relationships that developed along the way helped make related activities like the Mercado Central possible. The key to the process was direct personal outreach and relationship building at many levels.

Mercado Central

At Sagrado Corazon, Father Lorenzo Hubbard preached about the importance of the individual and collective assets represented by the congregants. Sal Miranda—with a particular interest in entrepreneurship and economic development—and Juan Linares came to the church on several Sundays and met with small groups of five or six church members after the service. Using an ABCD-style Community Talent Inventory, Juan and Sal facilitated discussions about the assets the congregants possessed and the identification of significant issues toward which they might mobilize those assets. The three issues that emerged as most important were access to credit, entrepreneurial training, and issues associated with immigration. The seeds of the Mercado were planted during these discussions as the individuals involved clarified the importance of economic development for themselves and the Latino community generally. Out of a total of 75 Community Talent Inventories completed, about 20 people organized to pursue entrepreneurship opportunities.

As the group moved forward into this venture, Juan Linares took the lead in arranging partnerships with other groups that could help address the issues that emerged from the Talent Inventory. Juan connected the group to John Flory of the Whittier Community Development Corporation, and to Mike Temali of Neighborhood Development Center, Inc. (NDC), an organization that provided small business start-up support. John Flory, who brought 14 years of experience working with minorities on economic development issues, encouraged NDC to help the Latino entrepreneurs by offering the training in Spanish. A 16-week entrepreneurial training program was developed and attended by the 20 emerging entrepreneurs. Drawn together first around the idea of developing their own businesses, the group coalesced after spending so much time together in the program, supporting one another as their small businesses began to develop. Then the notion of continuing to work together blossomed into a cooperative, and ultimately, a retail market incubator, the Mercado Central, to spread the economic and social benefits of their efforts among as much of the Latino population as possible.

The three issues that emerged as most important were access to credit, entrepreneurial training, and issues associated with immigration.

Mercado Central

The new church, the entrepreneurial training project, 40 new and expanded businesses, a new vendor-based cooperative, a \$3 million incubator building, \$2 million in first-year sales — any one of these accomplishments would be remarkable. That an association of community members could make all these things happen *in concert* is a demonstration of the power of untapped talents to accomplish even the most ambitious development — ambitious not just in terms of dollars or square feet, but in terms of the richness of the community’s strategy for personal and collective transformation.

Building from Within

The Mercado Central story reflects a very different way of interpreting the notions of linking community assets and leveraging external assets because it is a story of a Latino community rather than a geographic community. Thus the idea of internal assets is related to involvement among the Latino population, rather than location in a particular neighborhood. And the idea of external assets is related to mobilizing assets outside the Latino community, even if close-by in terms of distance. With this distinction in mind, some assets that were connected to accomplish the project include:

Linked Community Assets

- **Associations.** Core Latino community associations including the Sagrado Corazon congregation, Interfaith Action, and the Mercado Cooperative.
- **People.** Local professionals who were willing to cooperate with each other and hold themselves accountable to the emerging community, including Deacon Carl Valdez and Father Lorenzo Hubbard of Sagrado Corazon. Manuela Baraza, a founding member of the Mercado Central. Other Latino entrepreneurs and the more-than-40 Mercado Central merchants.
- **Institutions.** The new church, La Comunidad Catolica del Sagrado Corazon de Jesus.
- **Physical.** Three semi-vacant commercial buildings on a key retail corner at Bloomington and Lake.
- **Financial.** \$1,000 stock investments in the Mercado cooperative made by each of the member vendors. At the Grand Opening, the cooperative leaders kicked off a fundraising campaign, “Become an Amigo of the Mercado.”

Mercado Central

Leveraged External Assets

- **People.** Key contributors included Sal Miranda with Interfaith Action and Juan Linares with Catholic Charities, professionals who put faith in people and culture first, and who residents ultimately came to call the “head” and “heart” of the initiative. John Flory of the Whittier Community Development Corporation, and Mike Temali of the WIND/Neighborhood Development Center. Advisors such as Emily Anderson, a co-op consultant whose bilingual capacities eventually helped establish her as a member of the Latino community.
- **Institutions.** A web of collaborating non-profit organizations, such as the WIND Neighborhood Development Center, and Pride for People in Living, the Gamaliel Foundation, Catholic Charities, Whittier CDC, and the Bloomington/Lake Commercial Club.
- **Finance and Funding.** Powderhorn Park Neighborhood Association made an initial investment of \$250,000 which helped to leverage other funding, including support from local foundations such as the Minneapolis Foundation and from the state and city governments. A \$335,000 funding request to the federal government was navigated by US Representative Sabo. Several banks and lenders made financing available to small businesses, to the Mercado itself, to the incubator building, and to the group of entrepreneurs. In fact, at one point, developers report that banks were calling them to ask about getting involved, instead of the other way around.

Threats and Challenges

- **Personal livelihood.** Latino Twin Cities residents struggle to raise families on low-wages in jobs that more privileged residents won't consider. How can they recognize their “untapped assets” in the face of poverty, language differences, and discrimination?
- **Fear.** Latino immigrants find it costly and almost impossible to secure documents from the Immigration and Naturalization Services (INS). INS has been mandated by Congress to enforce harsh immigration laws, which leads to worksite raids and tear apart immigrant families.
- **Isolation of Latino residents.** Latinos have felt isolated and unable to build power at existing local institutions. For example, Latino residents of south Minneapolis found no church offering worship in Spanish every Sunday.

Mercado Central

- **Denial of credit.** Once participants decided on an entrepreneurial strategy, they faced serious difficulties getting financing for any start-up businesses, let alone ones owned by disadvantaged Latinos.
- **Participant burnout.** Entrepreneurs usually work long hours just planning and developing a new business. These participants were also investing time as community leaders and organizers, while developing a cooperative and an incubator marketplace at the same time. Understandably, many participants dropped out or burned out along the way.
- **Coordinating organizational agendas.** Because residents aimed to build broad community (not just to make narrow gains), they needed to involve many community and non-profit organizations with different expertise and resources. Coordinating the good work and agendas of these different groups was an ongoing challenge.

Seeing Opportunity

Underemployment creates an opportunity to tap human assets. Instead of looking at low-wage jobs or language barriers as personal deficiencies, participants looked at themselves as a group of people with talents to share.

- **Faith.** Even the most agnostic of participants recognized that religious faith brought people together and led people to recognize their collective gifts.
- **Principled leadership.** Juan and Sal looked at residents as community leaders and constituents, not as clients.
- **Cultural heritage and immigrant experience.** Despite coming from a wide variety of backgrounds and circumstances, participating Latinos share many cultural experiences and perspectives. Many recent immigrants have run businesses or held other jobs in their homelands. This helped participants to imagine alternate possibilities for themselves and their community.
- **Capacity Inventory.** Drawing from the work of John McKnight and John Kretzmann and the asset-based development models of other communities, residents gathered together to survey one another's skills and talents. Sharing the many "untapped" gifts in the larger group inspired the participants and led to creative thinking about what they could accomplish together.

Mercado Central

Complex community-building creates opportunities for synergy. Some would say that the community's broad vision was too ambitious, that the mix of personal, organizational, and community goals was too complex to address all at once. There were costs to this approach, in terms of burnout and time, for example. But the biggest benefit was synergy, that is, that work done on one goal contributed to another. For example:

- ***Synergy of entrepreneurship and leadership.*** Trained and supported entrepreneurs had a stronger sense of their contribution to community assets, while their community roles helped participants to develop businesses with broader community impact.
- ***Synergy of individual and cooperative business.*** By cooperating on the Mercado, entrepreneurs strengthened their chances for individual business success, as well as their chances for financing. At the same time, good individual business planning made for a better informed and more profitable co-op.
- ***Synergy of faith and community work.*** By forming the new church, residents created for themselves a strong base of participation that could carry them through burn-out, turn-overs, and moments of despair. In turn, the group's asset development and organizing work produced tangible opportunities and gave witness to the value of their common faith.

Insight

The Mercado Central is up and running, with full occupancy, a waiting list of businesses, and \$2 million in first-year sales. Still, participants don't feel they are finished yet, and their hard experience has led to some "real world" insights:

- ***For every additional organization involved, double the time things take.*** Good community groups and non-profits work by a participatory and democratic process. The more groups involved, the more complex the decision-making, the more time things take.
- ***Focus asset mapping on participation and action.*** Instead of collecting a lot of data from a big survey, participants were personally engaged in sharing their assets with each other, and immediately brainstorming creative actions from their discoveries.

Mercado Central

- ***Use the media as an extra asset.*** Leaders and organizers invested time with local columnists and reporters. Informed coverage of the Mercado project helped reverse stereotypes about the community and increased potential leverage of outside assets.
- ***Balance leadership and roles.*** Leaders should respect and complement each other, like Sal and Juan's "head and heart" relationship. Similarly, organizations should negotiate and structure complementary roles in the larger effort. When partners contribute what they do best, everybody benefits. When they don't, everybody loses.
- ***Economic opportunity is what really counts.*** The Mercado is great, but leaders won't consider it truly successful until it demonstrates that entrepreneurs can earn living incomes from their businesses.

"People who can connect their social and spiritual worlds can gain power. The people can then mobilize that power to achieve their goal. We wanted justice, not charity."

—Carl Valdez, Deacon at La Comunidad Catolica del Sagrado Corazon de Jesus.

The Power Center

PYRAMID DEVELOPMENT CORPORATION Houston, Texas

Project

The Power Center is a mixed-use service and business center in Southwest Houston. The Windsor Village United Methodist Church and Pyramid Community Development Corporation developed the 100,000 square foot property on a 24-acre lot (a former Kmart) to house a Christian school, a bank, several health services, a banquet center, and service agencies. The \$9 million Power Center project shows how a large space can be used to spur economic development, expand the mission of the church, and build community in an outer urban/inner suburban neighborhood.

Setting

Southwest Houston isn't a dense inner-city neighborhood. It was once a suburb, and it has the industrial parks, shopping malls, and spread-out homes you'd expect in a suburb. But Southwest Houston is part of the city and also has an urban feel, with a population of over 100,000. The area was a kind of stepping stone on the outward path of white flight, and the result has been a remarkably diverse racial, ethnic, and economic mix. Southwest Houston is representative of many communities in outer urban rings and inner suburbs.

The Windsor Village United Methodist Church (WVUMC) is a kind of "superchurch," with a large congregation and over a hundred ministries. WVUMC is led by Pastor Kirbyjon Caldwell, a national author and speaker on faith and community, who was chosen to provide the benediction at the Inauguration of President George W. Bush. But unlike some large, "drive-in" churches, WVUMC sees its community as part of its faith and mission. The church formed Pyramid Community Development Corporation in 1992 to help further that mission, and hired Tina Moore to direct it.

The old Kmart building stood vacant and boarded up for years at a visible intersection not far from the church. It was a classic white elephant: not attractive enough to draw another major retail tenant,

The old Kmart building stood vacant and boarded up for years at a visible intersection not far from the church.

The Power Center

but too big to work for smaller stores. The owner donated the 100,000 square foot building and the 24-acre lot to Pyramid CDC.

Pyramid then faced the challenge of filling that huge space and financing the necessary \$4.5 million development cost.

The big space turned out to be an asset. The church anchored the property with its own Imani School. Church members decided to invest in the Power Center development instead of a planned new sanctuary, and ultimately contributed over \$650,000 in equity. Through a faith-based process of discernment both within and outside the church congregation, Pyramid identified a large untapped demand for financial services and health care, which enabled them to attract the first bank and clinic to the community. Taking advantage of the flexibility of the large space, Pyramid secured debt financing and complementary tenants, and the development “snowballed.” Eventually, the Power Center filled up, and the project produced 300 direct jobs and \$22 million in local economic impact for Southwest Houston.

Building from Within

These are the assets that the Pyramid CDC and the Windsor Village church connected to accomplish the project:

Linked Community Assets

- **People.** Visionary leaders Pastor Kirbyjon Caldwell and Executive Director Tina Moore, volunteer Board members who met every Tuesday night for four years, and a small professional staff. Local retailer and building donor Donald Bonham, who inspired the project by approaching the church about how to give back to the community.
- **Associations.** The congregation of the Windsor Village United Methodist Church, who contributed prayer, grants, loans, and long-term persistence. The Southwest Houston Concerned Citizens Coalition and other groups who had historically opposed developments in the racially changing area.
- **Institutions.** Local institutions who invested as tenants including the Imani School and the Windsor AIDS Ministry. Initial rent from the Imani School and other early operating income was recycled and put toward the development costs of the project.

The Power Center

- **Physical.** The white elephant itself, the 100,000 square foot former retail store. And the WVUMC church building, which helped collateralize bonds for a loan to the project. Also, Pappas Restaurant contributed \$150,000 in restaurant equipment.
- **Finance.** Most of the financing for the project was raised from within. Church members and other residents invested an average of \$250 per family for over \$650,000 in equity. The church sold \$1,000 bonds nationwide and then lent these funds to the project at 1% over cost for \$2.2 million in debt financing. The church then set aside these repayments in a fund to collateralize another \$150,000 commercial loan.

Leveraged External Assets

- **People.** Marcus Weiss of the Economic Development Assistance Consortium, who consulted with Pyramid on part of the project. Boxer Evander Holyfield, who contributed \$1 million for a related prayer center.
- **Institutions.** Corporations and businesses who invested as tenants, including Texas Commerce Bank/Chase Manhattan; the University of Texas Memorial-Herman Hospital; the Houston Community College, and the Texas Department of Health WIC program.
- **Funding.** No city or state grant funding was available, because community development funds were targeted to housing and Pyramid was pioneering economic development. About \$900,000 in outside grants were raised, including \$500,000 from the Office of Community Services of the US Department of Health and Human Services and \$250,000 from the Houston Endowment, Inc.
- **Finance.** The only commercial bank financing was the \$150,000 loan secured by the church repayment fund. The other debt financing including the \$2.2 million church loan funded by the sale of church bonds through American Investors Group and a \$225,000 loan from another nonprofit organization.

Threats and Challenges

- **Filling a big space.** The buildings had been vacated years before by a Kmart, and no other major retail tenants had emerged to take the spot. What other viable use or uses could fill such a big space?
- **Broader church mission.** Many large churches that meet the spiritual needs of congregants never succeed in turning their energies to the broader mission of

The Power Center

the surrounding community. How could the Power Center and Pyramid CDC build on the strengths of the Windsor church?

- **Reversing institutional neglect:** Southwest Houston is neither tightly concentrated like a central city neighborhood, nor wealthy and privileged like some suburbs. As an outer urban/inner suburban area, the community had suffered an historical deficiency in services such as health care, education, and financial services.

Seeing Opportunity

Large, vacant space provides an opportunity for flexibility and synergy. Where some saw a big white elephant, Pyramid CDC saw a big, flexible space that could be packaged in a variety of ways.

- **Reconfiguration.** The big space allowed Pyramid to configure sites for a school, bank, and health center instead of a single retail store.
- **Convenience.** The same parking and access to transportation that had made the site useful for a retailer were equally valuable to service providers.
- **Synergy.** Grouping several services made the Power Center a one-stop destination where tenants could serve each other's users.

Church base and faith mission provide an opportunity for community-building. Where some might have seen another insular "drive-in" church, by forming Pyramid CDC and sponsoring the Power Center, the Windsor church gave witness to a broader sense of mission.

- **Self-financing.** Congregants are used to funding and financing church development, so they were a base of funding for the individual bonds and grants raised for the Power Center.
- **Spiritual support.** At key moments in the process, church members contributed spiritual support, through visible collective efforts like the Chain of Prayer, which gave the project a needed boost.
- **Participation.** The Church membership provided a base constituency for the programs and services in the Center, and provided volunteer support for some of the programs.

The Power Center

Institutional neglect provides untapped demand for services. Instead of focusing on the failure to attract a new retail tenant, Pyramid leaders turned to other uses that could tap demand and build community assets.

- ***Service instead of retail.*** Leaders realized that their underserved community of 100,000 people offered a great untapped market demand for major institutional services.
- ***Community benefits.*** The school, bank, and health services all met priorities for Southwest Houston residents.
- ***Grouping.*** Once the health clinic was located, other health-oriented services found an advantage in establishing themselves nearby.

Insight

Space in the Power Center is now fully rented and there are spin-off housing and economic development projects in the works. But the development process stretched over five to eight years, depending on when you start counting, and there have been obstacles along the way. Pyramid has learned:

- ***In a dispersed neighborhood, look for direct synergies.*** By itself, the development of a mall building like the old Kmart doesn't impact the surrounding area in the same way that you might expect on a commercial strip in a denser community. For example, indirect synergies occur as one new establishment on such a strip generates a ripple effect among nearby store owners eager to bring their own establishments up to the same level of the new development. Instead, Pyramid developed direct synergies between the various elements locating at the Power Center, between health organizations, for example, and between the church and the development. Working directly with one another, these establishments developed their own components of the Center in ways that harmonized with their neighbors. Now a career building initiative and a big new housing development nearby further extend the impact.
- ***Keep the project moving.*** Time is money. Delays can take the steam out of the project, as interest costs build rapidly.
- ***Look for internal and flexible financing.*** Self-financing was key to this project. The loan from the church was more flexible than any bank loan could be, and the church and Pyramid Development Corporation even "recycled" loan repayments and rents to make the project work.

The Power Center

- *Have patience.* On the other hand, you have to take advantage of opportunities like the property donation, and you have to expect things to take longer and cost more than you planned. When you get turned down for funding, have the courage to keep going.
- *Check your egos at the door.* The Pyramid Board met every week, and had to learn to operate as a team.

“You have to stick with it, and believe in your vision. Don’t chase money, don’t sacrifice your vision for a funding opportunity. Be a nonconformist.”

–Tina Moore, Executive Director,
Pyramid Community
Development Corporation

TRANSFORMING BURIED CULTURE AND HISTORY INTO OPPORTUNITY

Black Economic Union of Greater Kansas City

THE 18TH AND VINE DEVELOPMENT INITIATIVE

Kansas City, Missouri

Project

A local community development corporation, the Black Economic Union of Greater Kansas City (BEU), acted to build on the African-American cultural heritage of the 18th and Vine district and spark broader community and economic development. The community developed the new American Jazz Museum, the National Negro Leagues Baseball Museum, the Gem Theatre Cultural and Performing Arts Center, and other music and cultural enterprises. 18th and Vine now serves as a visible anchor for \$100 million in commercial, residential, and economic development, with jobs and economic opportunities for residents. The efforts show how communities can reclaim buried cultural heritage for community economic development.

Setting

The area around 18th and Vine streets in Kansas City, Missouri is the cradle of be-bop jazz, and an historic site of major African-American cultural significance. Count Basie and Charlie Parker were inspired and established their careers here. African-American leaders came here from across the country to form baseball's National Negro Leagues in 1920.

But years of urban renewal, disinvestment, and neglect left this community impoverished and abandoned. "It was worse than a ghetto," says Sylvester Holmes, Executive Director of BEU, "It was almost a inner-city ghost town."

NFL stars Jim Brown and Curtis McClinton started the Black Economic Union of Greater Kansas City in the late 1960s as part of a national effort to spur black capitalism. BEU was successful in supporting entrepreneurship, making loans, and assisting small businesses. But the inner-city core remained disinvested. In the mid-1970s the group made a strategic decision to strengthen its efforts by focusing on the social and physical development of the inner city. BEU began developing industrial and commercial real estate along with low-income housing for residents in the core area, with some success.

TRANSFORMING BURIED CULTURE AND HISTORY INTO OPPORTUNITY

Black Economic Union of Greater Kansas City

Still, it was the cultural heritage of 18th and Vine that really made development click. Though many of the cultural institutions and buildings had been forsaken, local old timers carried the cultural memory of the community, and historians documented its significance to international musical development and African-American society. Residents developed comprehensive plans for development in the district. In 1983, BEU started an annual Heritage Jazz Festival, which served as a gathering and exhibit venue for neighborhood groups, a reminder of the area's rich potential for culture and tourism, and a source of energy for ongoing renewal.

Efforts to start a new jazz museum and Negro Leagues baseball museum picked up steam. Meanwhile, and despite shoestring, back-pocket operations, the Festival grew in size and began to change the image of the community. An ingenious pre-festival marketing campaign in 1997 employed the old-timers to play under huge signs around the city, marking the Festival as a major event with 45,000 attendees. The cultural development strategy snowballed.

Community groups and supporters from all over succeeded in establishing the American Jazz Museum, the National Negro Leagues Baseball Museum, and the Gem Theater Cultural Performing Arts Center as major institutions in the area. This focus in turn created new opportunities for economic development, like the establishment of the first inner-city Call Center by the Sprint Corporation in the historic Lincoln Building, which employs over 80 former welfare recipients and unemployed residents, and outperforms similar Call Centers in the suburbs.

Overall, the BEU has initiated, supported, or developed over \$100 million in business and development in the area. And culture and history has been the engine that has driven this development for the benefit of the community.

*“Years of urban
renewal,
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TRANSFORMING BURIED CULTURE AND HISTORY INTO OPPORTUNITY

Black Economic Union of Greater Kansas City

Building From Within

These are some of the assets the community connected to accomplish the project:

Linked Community Assets

- **People.** The old timers who remembered the history and culture of the 18th and Vine area. The residents who volunteered in community planning efforts and who worked in local businesses. Board leaders like founder Curtis McClinton. Dedicated staff like Sylvester Holmes, Black Economic Union Executive Director, who helped focus economic development efforts on the community for over 25 years, and Pat Jacobs-MacDonald, who came on more recently to expand the impact of the Heritage Jazz Festival. Visionaries like Horace Peterson, who originated the idea of a Cultural Complex at 18th and Vine.
- **Associations.** From area churches to motorcycle clubs, many partnering neighborhood groups and associations in the 18th and Vine area exhibited at the Festival, helped organize it, and made it part of the community fabric.
- **Institutions.** The Black Economic Union itself is over 30 years old, with a staff of seven and a budget of over \$1 million. The Mutual Musicians Foundation, a 100-year-old local arts union and cultural legacy, the Black Archives of Mid America, the Gem Cultural and Performing Arts Center, the Black Chamber of Commerce, the Urban League of Kansas City and other institutions all made cultural development work for the community. Numerous local businesses, from arts and cultural enterprises to local entrepreneurs and professionals in the BEU network, played key roles.
- **Physical.** The inner-city core area around 18th and Vine district, with its remaining historic building stock, diverse sites for retail, entertainment, industrial, and residential development, a central location for business and tourism development. Historic landmarks like the Gem Theatre and the Lincoln Building.
- **Finance.** Business investments of hundreds of local entrepreneurs and cultural enterprise developers. Local sponsorships helped keep the Festival free to the public.

TRANSFORMING BURIED CULTURE AND HISTORY INTO OPPORTUNITY

Black Economic Union of Greater Kansas City

Leveraged External Assets

- **People.** NFL star Jim Brown, who envisioned the national Black Economic Union effort as a social and economic responsibility of African-American players. Kansas City Mayor Emanuel Cleaver and many concerned public officials and corporate leaders who carried Horace Peterson's vision forward and made 18th and Vine a citywide cause.
- **Institutions.** The City of Kansas City, which managed the designations, acquisitions, and financing necessary to district development. The KC Parks and Recreation Department, which invested \$3.7 million in a community center. The Missouri Department of Natural Resources, which helped empower the BEU with development rights for historic preservation.
- **Institutions.** The Sprint Corporation, which anchored the small business incubator at the Lincoln Building with its Call Center. Citywide partners like the Kansas City Area Development Council, the KC Metropolitan Community College, and the Full Employment Council.
- **Finance.** \$100 million in loans leveraged to local businesses and cultural enterprises by BEU. \$30 million in financing for the Jazz Museum. \$70 million in financing for local housing and business from Fannie Mae.
- **Fundraising.** Major federal grant funding from the Economic Development Administration, and through Kansas City, over \$20 million in various CDBG, HOME, and other federal programs. Major grants from foundations including the Ford Foundation (for the Festival) and corporations including KCPL, Marriott, and many more.

Threats and Challenges

- **Cultural displacement.** The culture and history of 18th and Vine were physically displaced from the area by urban renewal and public accommodation laws as well as economic disinvestment and neglect, until only a few of the buildings and cultural institutions remained and there was little sign of the area's greatness. This threatened to bury or even destroy the area's cultural legacy itself.
- **Self-reinforcing disinvestment.** Even though the BEU was initially successful in promoting black-owned business, these benefits did not flow easily to the impoverished city core. Years of disinvestment and poor conditions made it difficult to do business in the area, which led to further disinvestment and worsening conditions.

TRANSFORMING BURIED CULTURE AND HISTORY INTO OPPORTUNITY

Black Economic Union of Greater Kansas City

- ***The economics of cultural development.*** Compared to mainstream commercial and industrial business development, cultural enterprises are more complex to fund and finance and take longer to establish. The Heritage Jazz Festival was run on a small budget with volunteer time and marginal staff support, and it took 13 years to build a critical mass as a major cultural event. Institutions like the Jazz Museum, Negro Baseball League Museum, and the Gem Theatre Cultural and Performing Arts Center were envisioned and planned by the community many years before they were finally developed, and will take longer still to establish a solid base of audience and supporters.
- ***Collaboration threatened by success.*** The Heritage Jazz Festival succeeded in rallying neighborhood residents and groups around the community's cultural assets. But there are many threads of culture that make up the community fabric, and individual projects need to develop in many different ways. Just when the Festival became a major successful event, it began to overshadow and even threaten many smaller cultural events and initiatives it was designed to support.
- ***Culture to fight poverty.*** It isn't enough for the BEU and the community to reclaim culture and reestablish 18th and Vine at its place in history. Just another exclusive tourism development in a vacuum is insufficient. The people of the surrounding neighborhoods want meaningful economic opportunity, and the area needs housing, recreational, and broader commercial and industrial development.

Seeing Opportunity

Buried culture and history creates an opportunity to spark broader community and economic development. Instead of looking at the displacement of culture as a reason to despair, the community looked at 18th and Vine as an area rich in heritage.

- ***Special identity.*** The history of 18th and Vine gives the area a special identity. For residents, it's a reason to be proud. For external partners like the Sprint Corporation, it provides a perspective that breaks through traditional stereotypes of a poor neighborhood. For everybody, this historical identity creates an extra reason to invest in the future.

TRANSFORMING BURIED CULTURE AND HISTORY INTO OPPORTUNITY

Black Economic Union of Greater Kansas City

- **Cultural spark.** The Black Economic Union had been as successful as any CDC in developing and supporting small business. And the history of the area was always on the minds of residents. But when residents came together to plan comprehensively and put cultural development on the table, that gave a new spark to economic change.
- **A cause.** The reclamation of 18th and Vine has become a cause, not just for the local community, but for all of Kansas City, and indeed, African-Americans and cultural appreciators from all over the country. Culture has crossed the often-parochial boundaries of community development to become a public good.

Culture creates an opportunity for community building. More than economic development, BEU found that cultural assets can help increase leadership development and cooperation within the community:

- **The resiliency of culture.** They can tear down buildings. They can put the clubs out of business and push out the cultural institutions. But they can't take the culture that lives in the minds of community members who experienced history and continue to share its meaning. As long as there are old timers who remember the lessons and can help the community to renew its spirit, there is always the potential for community development.
- **Common good before project success.** When the BEU found that the success of the Heritage Jazz Festival threatened to overshadow and eclipse numerous other cultural initiatives, they chose to close the Festival. They viewed the Festival as a generator of community efforts first and foremost, and chose to stick to that vision. The cultural mission of the Festival made that kind of thinking possible.

Insight

The 18th and Vine cultural district is reborn, with museums and theatres and galleries and offices and even a training center. But it has a long way to go before it is the thriving cultural center envisioned by the community 20 years ago. Related industrial, commercial, and residential development are also successful, but a great deal of work remains if BEU is to be effective in countering the conditions of poverty and disinvestment that it was originally formed to address. The Black Economic Union has learned some important lessons from its work, and from the work still ahead:

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TRANSFORMING BURIED CULTURE AND HISTORY INTO OPPORTUNITY

Black Economic Union of Greater Kansas City

- ***Impact “without walls.”*** Cultural development doesn’t have to involve the physical development of a museum or a theatre. The Festival showed that a cultural project without walls can have a major impact on the community and the economy. Cultural projects like these can galvanize grassroots, volunteer activity in ways that “hard” development cannot.
- ***Keep focused on real success.*** At least twice, the BEU was successful in terms of project success and could have been satisfied, but refocused instead. Once was early on, when black business development efforts were strong, but the core community struggled from continued disinvestment. And again, years later, the Heritage Jazz Festival became a big hit, but the component cultural efforts struggled in its shadow. In each of these cases, BEU avoided the pitfall of pride in organizational terms, and focused on the real conditions of its community. Project success is good and hopeful, but real success comes from meeting the community mission.
- ***Targeting and Synergy.*** What does the Sprint Call Center have to do with cultural development? When BEU created its new corporate partnership initiative, the organization intentionally focused on 18th and Vine and encouraged Sprint to locate in the area. The Call Center helped turn the physical renewal of 18th and Vine into economic opportunity for residents. And it helped preserve an historic building in the process.
- ***Economic and cultural development go together.*** New cultural attractions aren’t worth much to our community without new economic opportunities. And economic development is hollow if it doesn’t support and renew our community culture. But together, cultural development can focus and spark economic advancement, while economic development can create a context and a driver for broader community cultural renewal. That is, after all, what historic 18th and Vine accomplished among African-Americans in Kansas City.

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GUIDELINES AND PRINCIPLES

GUIDELINES AND PRINCIPLES

Every community is different. And with the changes in both inner-city and rural communities, the threats you face are changing all the time. The stories in this book illustrate approaches and methods used by some to lead change and transform their communities. What general lessons can we draw from these stories?

Here are some guidelines and principles that can be lifted up from the stories presented in this book:

Community Base

It may seem obvious, but it's real and worth mentioning: community work is only as strong as its community base. In every one of these stories, community residents and other stakeholders set the goals for community action, held efforts accountable, and provided the key power to getting things done.

At Interfaith Action, residents led everything from the formation of a church to the development of the Mercado. Residents organized to control development and make Dudley Street Neighborhood Initiative their vehicle for capacity-building. When Bethel New Life hit an obstacle in the Beth-Anne development, its constituents and partner community-based organizations came together to promote, protest, and pray for a solution. "Old-timer" leaders of the Black Economic Union provided the community memory that was critical to the 18th and Vine development, while constituent fishermen and small fishing businesses kept Coastal Enterprises focused and effective.

It is not enough to be located in a community, or to care about a community, or even to reach out to a community. The base of community folks who feel real ownership and participate in the efforts is key to community success.

Assets

"Asset thinking" helps for two reasons. First, by mapping and discovering our assets, we find strengths we may have overlooked and new opportunities we didn't realize existed. Second, by "connecting the dots" between our assets through relationship building, we widen the circle of community involvement and build the networks that support and sustain our success over time.

Pyramid Development Corporation not only made a community asset out of an abandoned white elephant building, but it also found financial assets in its midst, as its school became an anchor tenant and congregants became key donors and lenders to

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the Power Center project. The entrepreneurial skills of unemployed Minneapolis residents are key to the Mercado project, while the spending power of underserved Harlem residents make the numbers work for the Pathway project. The Unity Council combined the spending power of residents and commuters to make the Transit Center an asset to the community economy.

These examples illustrate the lesson: build on community assets first, then use these assets to leverage outside assets. Don't chase the funding or the partners; make your own plans, and attract outside resources by showing partners how your assets can extend their assets for mutual benefit.

Elements of Strategy and Process

Large-scale, transformative development projects can be intimidating to a community. Projects featured in this book involved multimillions of dollars and took years to accomplish. But the leaders and even the staff of these initiatives started out just like anybody else, relying on their wits and a drive to improve their community.

The Chicago Association of Neighborhood Development Organizations uses a tool called a Decision Tree on Strategic Planning for Neighborhood Development, to guide strategy development. Because this tool may provide a useful framework for others involved in setting strategy, it is included in the final section, titled **Some Useful Stuff**.

If you looked closer at any one of the development efforts described here, you would find some basic elements of the development process that had to be planned and covered early on. Bethel New Life refers to six such elements, which include:

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Early Development Considerations

- ❑ ***Get the facts.*** Find out from the Internet, GIS mapping, city or county planning departments, HUD 2020 and US Census Information, USDA and Extension data, zoning information. Find out what the government's Capital Improvement Plan is for the area and any other plans and studies that have been done. Find out about any potential companies involved, with Dunn and Bradstreet reports, association searches, etc. Assemble the facts in user-friendly formats for community use (mapping and overlays are helpful).
- ❑ ***Find out what the community wants.*** Develop a planning process using existing opportunities where people gather (churches, area associations, etc.) Share the background information, use the media where appropriate. Find out what people want for that site, for the community (new grocery store, day care, jobs, etc.). Surveys and door-to-door interviews sometimes allow you to reach people who do not otherwise come out to meetings. Develop an ongoing way to involve the community, keep the community informed and involved.
- ❑ ***Identify the role the Community-Based Organization (CBO) wants to or should play.*** Looking at the assets, strengths, and resources of the CBO, identify the appropriate role for the organization—broker/enabler, organizer, convener/advocate, development partner, developer (see also the next subsection).
- ❑ ***Identify the logical players.*** Identify key players and people within them, and begin to communicate with them. Identify who can help and try to encourage them to help. Identify common interests, and win/win opportunities. It is better to have allies and colleagues, and to try to work with the local politicians and government departments before moving forward. Decide whether a group needs a consultant or university studies to bolster a stand, for example, and figure out how to get the resources for these things.
- ❑ ***Visit other models.*** After identifying the role and the full information and the players, look across the country or in the region for examples where groups have successfully done similar things. Make sure to include a cross section of people (skeptics and visionaries, residents, business types, etc.) in the group you take on the site visits. Such visits will cement the group, open ideas to possibilities, perhaps share learning from others.
- ❑ ***Move into action.*** It's not always simple or logical or straightforward to determine what role a CBO will play, or whether a situation is a threat or an opportunity. But it is important to move into action. External factors may set the timetable, especially at critical input times such as a zoning hearing, an environmental review, etc.

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Variety of Roles

As time passes and community situations change, the range and diversity of organizational roles are increasing. Traditional community organizing groups find strategic roles in development and operations. Community-building groups are exploring roles in storytelling, leadership development, peer-to-peer sharing, and network development. And community developers find that it's sometimes better to build the capacities of residents to plan and control development than to take on all the responsibility of managing development projects.

In this book, you'll find CBOs playing a wide variety of roles to accomplish community transformation. The Dudley Street Neighborhood Initiative didn't get involved in direct development or provide services, but empowered residents to plan and control community change. Interfaith Action organized residents and trained leaders, who then formed a diverse network of initiatives with like-minded community partners. Abyssinian Development Corporation and the Community Association of East Harlem Triangle, Inc. formed a CDC/CBO partnership, which in turn formed another kind of partnership with Pathmark. Community groups asked an established CDC, Bethel New Life, to take on the developer role with the Beth-Anne project, while the development of the Power Center required the relatively new Pyramid Development Corporation to take the lead development role. The Black Economic Union was the lead developer for some 18th and Vine development, a partner in others, and a convener and advocate for still others. The Unity Council shifted its historic role to lead the Transit Center development with their public sector development partner, BART. Coastal Enterprises provided financing and technical assistance to businesses and partners with constituent organizations and trade groups to revitalize the fishing industry.

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Here is a summary of community development roles that Bethel New Life refers to:

Advocate / Convener/Organizer Role

- Find out the information on the company/ players and where the critical time-line input points are (e.g., zoning hearings, environmental reviews, local politician approvals).
- Begin negotiations with enterprise regarding:
 1. Siting with community approval;
 2. Products that are environmentally friendly and not a community nuisance (e.g., liquor stores);
 3. First source hiring agreements for priority hiring of community residents (can you hook into local government and employment training programs?); and,
 4. Good neighbor policies that include use of local businesses, sponsoring a team, child care, school, etc.
- If a company is unwilling to work on any of these points, and thus turns from an opportunity into a threat, organize around the pressure points, such as the zoning hearings, the environmental reviews, the local politician approvals, etc.

Developer / Joint Developer Role

- Begin development process:
 1. Land and site control.
 2. Financing — use Community Reinvestment Act commitments and incentives for bank lending.
 3. Identify end user and work out terms.
 4. Put development team together (architect, financing, contractor, marketing, etc.).
- Build in “return on investment,” with identification of the equity the CBO brings to the deal (such as land control, ability to attract City incentives, actual cash — sometimes foundations will give grants to enable some cash equity in deal, etc.). Some groups sold community shares to build in equity and return on investment.

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- Identify the trade-offs. What's a priority, and what's worth negotiating?
- Deal with environmental concerns. There may be sources of funds (EPA, State, etc.) to help with site cleanup. There are also some intermediary developers who will work on these issues.

Synergy works

Synergy is hard to pinpoint, but it was a crucial benefit of all of these initiatives. Synergy is the potential for work and investment on one part of a project to result in benefits toward another.

For example, leadership development training helped resident Mercado organizers to develop a stronger, more community-appropriate cooperative business, while that business gave the residents experience and income to support their community leadership roles. The senior housing at Beth-Anne provided a walk-in clientele for the adult day care program, which in turn provided an amenity for senior housing residents. Clients of the clinic in the Transit Center benefited from access to transportation and parking, and the clinic provided more resident customer traffic for the associated retail shops. The cultural efforts of the Black Economic Union and other groups helped promote 18th and Vine, so BEU could partner with Sprint for the Call Center that both provided good jobs and restored an historic building.

Synergy isn't something you can prescribe. You have to find it in your own community situation. It comes from linking community assets, from connecting the dots through relationship building. Bring people together to list and reflect on assets, then brainstorm new links between these assets. Synergy will come from the group process.

Policies matter

When we are deep in the midst of a complex and long-term community action, we sometimes lose sight of the big picture. We focus on the daily mechanics of our work at the community level, and may lose focus on the broader government, corporate, and institutional policies that impact our work. For example:

Community Reinvestment Act. The CRA was the ground-breaking federal legislation that required banks and financial institutions to reinvest customer deposits in the communities where they draw business. A lot of community organizing and pressure all over the nation went into winning the original CRA (led most prominently by Gale Cincotta and the National Training and Information Center). Without CRA, most of the bank financing for projects in low-income urban and rural areas (like the ones featured

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in this book) would have been impossible. CRA is working for communities, and it requires continued organizing and pressure to keep it on the books.

Land-use planning and controls. Three of the stories in this book featured community-based organizations which won special land-use planning authority and control that was critical to community transformation. Dudley Street Neighborhood Initiative won both control over publicly owned vacant land and eminent domain authority over privately owned vacant land. The Black Economic Union was delegated some important historic district authority over the 18th and Vine development by the state. And the Unity Council was granted site control and authority over land assembly for the Fruitvale BART Transit Center. These examples not only show the importance of land control, but also the power of democratic community decision-making in creating opportunities for community land.

Mixed use and mixed income development. Diverse communities are strong communities. The Congress of New Urbanism says, "Within neighborhoods, a broad range of housing types and price levels can bring people of diverse ages, races, and incomes into daily interaction, strengthening the personal and civic bonds essential to an authentic community." Many of the projects in this book included mixed uses for real estate development and/or mixed-income development generally. The Mercado has retail shops on the first floor and community offices upstairs. Coastal Enterprises's fishing industry efforts try to provide a range of high-quality job opportunities. Beth-Anne and the Power Center combine a whole set of community services in one development. Fruitvale will include housing for seniors to families. But mixed strategies require policy supports, from the local to the national. Proper zoning is required for mixed uses. HUD had to allow special project structuring for Bethel to combine senior housing with adult day care and other services.

Policy changes require our collective effort, now and in the future. Make your community work a model for good policies, and join with others in your area and nationally to support the policies we all need to get good work done.

Contact Information

Mailing addresses, phone and fax numbers, website URLs and e-mail addresses for the organizations profiled in this book are below.

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Core Principles of Community Building



The National Community Building Network is a national membership organization that serves as a hub for brokering information and connections among community builders. NCBN helps community builders become more effective so that *their* actions have a greater impact on neglected low-income communities.

The National Community Building Network, (NCBN)

NCBN's membership has defined and adopted eight principles that form the basis of effective community building:

- 1. Integrate community development and human service strategies.** Traditional antipoverty efforts have separated “bricks and mortar” projects from those that help families and develop human capital; each approach needs the other to be successful.
- 2. Require racial equity.** Racism remains a barrier to a fair distribution of resources and opportunities in our society; our work promotes equity for all groups.
- 3. Value cultural strengths.** Our efforts promote the values and history of our many cultural traditions and ethnic groups.
- 4. Foster broad community participation.** Many community programs have become professionalized and alienated from the people they serve; new programs and policies must be shaped by community residents.
- 5. Forge partnerships through collaboration.** Building community requires work by all sectors – local residents, community-based organizations, businesses, schools, religious institutions, health and social service agencies – in an atmosphere of trust, cooperation and respect. It takes time and committed work to make such collaboration more than rhetoric.
- 6. Start from local conditions.** There is no cookie-cutter approach to building community; the best efforts flow from and adapt to local realities.

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7. **Support families and children.** Strong families are the cornerstone of strong communities; community building efforts help families help themselves.
8. **Build on community strengths.** Past efforts to improve community life have too often addressed problems or deficits; community building efforts build on local capacities and assets.

NCBN members bring a variety of experiences to the Network and differ in the specific approaches they take to address poverty in their own communities, but are united in their support of these principles as the guiding framework of effective community building efforts.

Neighborhood Principles for Smart Growth



The National Neighborhood Coalition (NNC)

- Serves as the national voice for neighborhoods by providing a crucial link to Washington for neighborhood and community based organizations.
- Fosters communications and collaboration among local, regional and national organizations working to build healthy and sustainable communities.
- Promotes public policies that strengthen the role of community and neighborhood-based nonprofits as problem solvers and community builders.

Neighborhood, Regions and Smart Growth Project

Smart Growth promises new forms of growth and development that redirects investment into existing communities and combines greater fiscal and environmental responsibility with more livable communities. In order to be truly smart, growth strategies require regional alliances and coordination and must incorporate an equitable, neighborhood-focused approach that links low-income neighborhoods to regional economies and brings the benefits of growth to all communities. To this end, the National Neighborhood Coalition has developed a set of Neighborhood Principles for Smart Growth. These principles promote just and equitable growth across urban, suburban and rural communities and regions, with a strong role for low-income neighborhoods and communities of color. They should be a foundation of any smart growth policy or strategy.

1. All neighborhoods and communities should have a fair share of the benefits as well as responsibilities of growth.
2. Growth should meet the economic, environmental, and social needs of low-income and other communities.
3. Low-income neighborhoods and communities of color should have a strong voice in decisions about growth.
4. Growth should not displace low-income residents or people of color in urban or rural areas from their homes, livelihoods, or communities.
5. Growth strategies should promote racial, economic and ethnic integration.
6. Growth strategies should make use of the human, economic and physical assets within communities.

Roles in Community Building



Development Training Institute

Founded in 1981, The Development Training Institute (DTI) is America's premier trainer of leaders in community development. We offer comprehensive services to individuals and organizations working in community development.

Development Training Institute (DTI)

By Paige Hull

DTI recently completed research on the competencies of community builders. As a part of this research, we began to identify various roles that individuals play in community building processes. It seems to us, based on our examination of community building cases and experience, that people engaged in community building processes often fulfill these roles, and that these roles exist across the wide variety of foci contained in community building. (See text box for general definition of community building.)

Following is a brief description of the roles that we found that people played in community building work. We do not claim that these roles are complete or definitive, and in fact, we hope by beginning to define them that we begin a useful dialogue.

In our examination of community building case studies, we have identified at least four general roles that are often a part of community building processes:

- **leader,**
- **participant,**
- **coach, and**
- **catalyst (or guider)**

Leadership roles in community building are many and varied. They may include the resident who stands up for a slower participatory process despite the costs, the staff of participating organizations who administratively support the initiative, or the collaborative leaders who consistently meet to push the initiative forward. In a recent study of competencies of community builders, we are focused on the leaders who facilitated. At an intuitive level, the leaders who facilitated are the small group of people who have taken responsibility for moving the community building process forward, for making telephone calls to organize stakeholders, for forging linkages within the community around this process, for ensuring institutional and community support, for communicating complex issues and rationales for action, and for planning

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and implementing the community building process and products. Without this small group of people, the community building process would have stalled.

The second role is that of participant in community building processes. These are the representatives of institutions or communities that come together to participate in decisions, events, tasks forces, and activities of the community building work. They are vital to the process but they do not take on a consistent leadership role.

The third role is that of the coach. While not all community building processes have people who play this role, many do. The coach is usually someone from outside of the area of focus who acts as a sounding board for the leadership, who helps facilitate large meetings, who advises leadership, and who can help connect the initiative to other resources. (For more information on the role of the coach, see *Community Spring/Summer 2000*, a publication of United Way of America.)

Finally, there is often a guider or catalyst of the community building process. These are the individuals who remain one step removed from the process, but lend their support at pivotal times. Mayors, CEO's of local institutions including business and the United Way often play this role. It is not a hands-on leadership role, but it does lend vital support and legitimacy to the process.

Community Economic Development Policy Agenda



The National Congress for Community Economic Development (NCCED) is the trade association and advocate for the community-based development industry. Founded in 1970, NCCED represents over 3,600 community development corporations (CDCs) across America. CDCs produce affordable housing and create jobs through business and commercial development activities. NCCED services the community development industry through public policy research and education, special projects, newsletters, publications, trainings, conferences, and specialized technical assistance.

The National Congress for Community Economic Development (NCCED)

NCCED engages in public policy development and advocacy to enhance and preserve public and private resources for NCCED and the field.

The success of Community Development Corporations would not be possible without federal and state government resources. Government resources provide the yeast that leverages private dollars. It is the mission of NCCED to protect and expand these resources. NCCED also works to ensure that CDCs have access to programs and benefit from policies. NCCED is rare among national organizations in that its policy work is focused on both national and state issues.

Federal Policy

At the national level, NCCED's efforts resulted in \$15 billion dollars in federal programs for housing, economic development, workforce development, and capital access. Working in coalition with other national organizations and partners, NCCED preserved, expanded, and/or created the following federal resources:

Support Housing Development: NCCED was part of the national coalition whose effort resulted in the best HUD Budget in ten years! CDBG, HOME, Section 8, and other programs critical to the work of CDCs was maintained. Also, CDC access was assured for new resources such as the welfare-to-work housing vouchers and HUD's new Office of Rural Housing and Economic Development.

Partner with Banking Institutions: NCCED was very active in efforts to protect the Community Reinvestment from attempts to weaken it. Also, for the first time, NCCED

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promoted a slate of candidates for the Federal Home Loan Bank System. NCCED staff designed and implemented an aggressive advocacy campaign in support of a slate of NCCED members and others in the community development arena. Twenty candidates were promoted and four were selected including two future Bank chairs! NCCED is also leading efforts to modernize the Federal Home Loan Bank to encourage the System to do more economic development lending and investments.

Provide equity resources for economic development: NCCED is the only national organization that protects the \$27 million grant programs for CDCs from the Office of Community Services at the department of Health and Human Services. NCCED was the only representative of nonprofit community based organizations in last year's successful attempt to reauthorize the Economic Development Administration and continue its \$328 million appropriation.

Make Welfare Reform work in our communities. CDCs are concerned that all their efforts will be for naught if many of the residents of their community lose their welfare benefits. CDCs want to participate in these regional and state efforts because they know they add value to workforce development/retention efforts. NCCED staff is helping CDCs best use federal and state TANF resources and Department of Labor funds. NCCED is working to ensure government and private entities know about the benefits of collaboration with CDCs and recently held the first of a series of roundtables between federal and state government agencies and CDCs to promote coordination. A report advising CDCs on how to participate with Welfare Reform will also be published.

Increase economic development activity in rural areas: NCCED is active in the Rural LISC and stand up for Rural Housing campaigns. NCCED also protects two important rural programs (\$75 million), the Intermediary Relending Program and the Rural Business Enterprise Grants at the U.S. Department of Agriculture.

Increase opportunities for corporate/CDC partnerships: NCCED is currently building on our success of state tax credits with the creation of a federal CDC tax credit.

Expand CDC involvement in transportation issues: NCCED is advocating for efforts to promote equal opportunity access to transportation resources; to provide transportation-related education opportunities; and to raise awareness in our nation's economically disadvantaged communities of the programs included in the Transportation Equity Act for the 21st Century.

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<h3>State Policy</h3>

Since October 1995, the number of state community economic development associations in NCCED's network has increased by more than 50 percent -- from 18 to 30. These associations have successfully influenced the enactment of *more than \$520 million in new state appropriations and introduced more than 40 legislative initiatives*, while engaging an estimated 10,000 community representatives in the process in 1998. They have increased their CDC membership by more than 15 percent. The efforts of community economic development leaders are increasingly recognized and supported by state government leaders, the media, and the public due largely as a result of the work of NCCED's state associations.

These remarkable achievements in this three year time period are the result of more than a decade of state policy education, research, and advocacy which has been assisted and facilitated by NCCED. New housing trust funds, core operating support programs, home ownership programs, supportive housing funds, pre-development loans, individual development accounts, and expanded bank loan and equity products are just a few examples of the successful work of state associations. These efforts have contributed to an all-time high in the country's home ownership rate of 67% (including expanded home ownership opportunities in communities of color) and more than 500,000 units of non-profit developed housing.

During this same period, federal and philanthropic sources of core operating support for CDCs have dramatically declined. However, states have emerged as the new frontier for support of the work of CDCs. The state associations have successfully worked to increase public and private financial support for the activities of CDCs. State policies and program for community economic development, in the age of devolution, offer the best new opportunity for sustaining and expanding the capacity of the CDC industry to realize its goals. State associations also support the human capital needs of CDCs through recruitment, training, and networking efforts.

Membership Involvement

NCCED has taken many steps to involve members in policy activities. Three key components include:

Hold an Annual Policy Conference. Every Spring, NCCED's members visit the nation's capital to learn how to access federal programs and of new programs and initiatives. This year's conference is a first-ever collaboration between thirteen national organizations.

Make advocacy easy. Targeted fax action alerts reach CDCs in key legislative districts. Draft letters are posted on NCCED's website. Finally, the Policy Department raised funding for an advocacy contest: Every NCCED member that sends copies of ten letters to Congress or the Administration on issues advised by NCCED will be eligible. Prizes are \$1,000, \$500 and \$250.

Show how CDCs use programs. The Policy Department maintains the following issue task forces: Workforce Development, State Policy, Rural Committee, Public Housing Task Force, Capital Access/Federal Home Loan Bank, Workforce Development Task Force, and Economic Development Task Force. This allows CDCs to share information on their access to the programs and solutions for improvements. Finally, NCCED's conferences provide regular opportunities to hear about specific projects and how they were done.

New Urbanism Basics

Congress for the New Urbanism (CNU) is a San Francisco-based non-profit organization that was founded in 1993. We work with architects, developers, planners, and others involved in the creation of cities and towns, teaching them how to implement the principles of the New Urbanism. These principles include coherent regional planning, walkable neighborhoods, and attractive, accommodating civic spaces.

C N U

CONGRESS FOR THE NEW URBANISM

Congress for the New Urbanism (CNU)

In the late 1980s, a new approach to the creation and revitalization of communities began to emerge in North America. Based on the development patterns used prior to World War II, the New Urbanism seeks to reintegrate the components of modern life – housing, workplace, shopping and recreation – into compact, pedestrian-friendly, mixed-use neighborhoods linked by transit and set in a larger regional open space framework. The New Urbanism is an alternative to suburban sprawl, a form of low-density development that consists of large, single-use “pods”—office parks, housing subdivisions, apartment complexes, shopping centers—all of which must be accessed by private automobile.

Initially dubbed “neo-traditional planning,” the New Urbanism is best known for projects built in new growth areas such as Seaside (Walton County, Florida, 1981; Duany and Plater-Zyberk Town Planners), Kentlands (Gaithersburg, Maryland, 1988; Duany and Plater-Zyberk Town Planners) and Laguna West (Sacramento County, California, 1990; Calthorpe Associates). The principles which define New Urbanism can also be applied successfully to infill and redevelopment sites within existing urbanized areas. In fact, the leading proponents of New Urbanism believe that infill development should be given priority over new development in order to revitalize city centers and limit sprawl. An early manifesto by several leading New Urbanists states: “...we can, first, infill existing communities and, second, plan new communities that will more successfully serve the needs of those who live and work within them” (Ahwahnee Principles, 1991, Local Government Commission). Unfortunately, many of the current social, political and economic realities in the U.S. favor development at the metropolitan edge.

SECTION IV: SOME USEFUL STUFF

The major principles of New Urbanism are:

- All development should be in the form of compact, walkable neighborhoods and/or districts. Such places should have clearly defined centers and edges. The center should include a public space – such as a square, green or an important street intersection – and public buildings – such a library, church or community center, a transit stop and retail businesses.
- Neighborhoods and districts should be compact (typically no more than one quarter mile from center to edge) and detailed to encourage pedestrian activity without excluding automobiles altogether. Streets should be laid out as an interconnected network (usually in a grid or modified grid pattern), forming coherent blocks where building entrances front the street rather than parking lots. Public transit should connect neighborhoods to each other, and the surrounding region.
- A diverse mix of activities (residences, shops, schools, workplaces and parks, etc.) should occur in proximity. Also, a wide spectrum of housing options should enable people of a broad range of incomes, ages, and family types to live within a single neighborhood/district. Large developments featuring a single use or serving a single market segment should be avoided.
- Civic buildings, such as such as government offices, churches and libraries, should be sited in prominent locations. Open spaces, such as parks, playgrounds, squares, and greenbelts should be provided in convenient locations throughout a neighborhood.

Developers, planners, local government officials and citizens have all shown great interest in New Urbanist design approaches, particularly in regions that are experiencing conflicts related to growth. Many see the New Urbanism as a win-win approach that enables a community's growth to be channeled into a physical form that is more compatible with the scale of existing neighborhoods, that discourages auto use, that is less costly to service and that is less consumptive of land and natural resources.

Despite such benefits, the New Urbanism has yet to be broadly embraced as a development model. One reason for this is that its physical design standards and implementation practices are not fully compatible with the regulatory framework in most regions of the U.S. and Canada. For example, many fire departments require streets that are wider than those proposed by New Urbanists. Zoning laws often discourage secondary living units within established residential areas or require large setbacks for homes and businesses.

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Another reason for the slow adoption of New Urbanism is that the real estate industry is highly segmented by land use category (such as single-family housing, multi-family housing, retail, office and warehouse). Each category has its own practices, markets, trade associations, and financing sources. The highly integrated development strategy advocated by the New Urbanists requires a more holistic approach to community-building than the real-estate industry is currently structured to deliver. However, in the face of these challenges, New Urbanist communities are consistently achieving much higher prices than those in more conventional adjacent developments.

Despite such barriers, public opposition to conventional suburban development is creating greater demand for alternative forms of growth, such as New Urbanism. To address this need, a coalition of architects, urban designers, developers, government officials and others formed the Congress for the New Urbanism (CNU) in 1993 to advance the principles of New Urbanism and promote their broad application. Since then the organization has hosted a series of annual meetings and drafted a Charter of the New Urbanism (ratified in May, 1996).

For additional information, CNU can be contacted at 415/495-2255; The Hearst Building, 5 Third Street, Suite 725, San Francisco, CA 94103.

Community Impact Questionnaire

I. The Basics

- What is the location of the project?
- Is this in the empowerment zone?
- Is this project in the Dudley service area?
- Is this project in the Dudley Triangle?
- How large is the site? (Please attach site plans and maps).
- Vacant or abandoned?
- What type of project is this?
- A major site development?
- A housing development?
- An open space improvement?
- Other?

Developer

- Who is the development team?
- Property owner
- Management
- Bank
- Major contractors
- Equity partners
- Ownership
- Who was the previous owner?
- Does the development team have site control?
- How long have you had site control?
- Who is the proposed owner?

Financing

- What is the total development cost?
- What type of financing is sought?
- How much is public funding?
- How much is bank financed?
- If this is a housing project, what are the anticipated rents or mortgages?
- Neighbors
- Who are the immediate abutters?
- Who are the closest neighborhood associations/crime watches?
- What are your plans for communicating with the community about this project?

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Timing

- What time frame are you proposing?

Regulatory framework

- What permits are necessary?
- What regulatory agencies/statutes effect the completion of this project?
- What was the prior use of the site?
- Is this a Brownfield?
- Has their been an environmental site assessment for the site?

II. What will be the benefits of your project/proposal to the community?

- 1) How will it affect local taxes? *The projects most likely to have a positive effect on local taxes are those which employ local people rather than those that bring in a work force from another location, those not requiring the village to expand its police force, sewer, water or road systems, those not generating much traffic.*
- 2) How many jobs will be created? Will they pay reasonably well? Will the jobs that are created, in addition to paying "well" also be satisfying, worthwhile, provide opportunities for personal growth and advancement, and enable employees to live comfortably?
- 3) What are the products and services marketed? Who are target consumers? Will the product or service benefit the community or region and how? Will the product(s) or service(s) provided by the company meet a need of the community? (Recycling center, food processor, recreational facility, food distribution center...)

III. Who are the owners? What percentage of the owners are qualified women or minority business owners and or from the Roxbury or Dorchester community? How are the owners committed to the community?

- 1) How will the project proponent invest in the community? Many companies have policies written explicitly in their corporate bylaws that commit them to make contributions to the community. These may include sponsoring community groups and activities, allowing their land to be used for community gardens or parks, opening their buildings after hours for community meetings, supporting a day care center, sponsorship of community centers, parks, and playgrounds, building affordable housing. The company may also set up a local credit union for their employees.
- 2) How will the project recruit and employ local subcontractors when appropriate?
- 3) How will the project train local people to offer them a step up?

SECTION IV: SOME USEFUL STUFF

- 4) What percentage of the employees will be hired from the surrounding community?
- 5) What percentage of the jobs will require what levels of educational attainment? For example 50% will require at least a high school equivalent, 20% a college degree, 30% ...

IV. Environmentally Sound Company Policy

- 1) Is the company's operation environmentally sustainable? Is it dependent upon selling off parts of the village? Some companies use renewable resources and take advantage of natural systems. Examples include food processors that use locally grown produce and furniture manufacturers utilizing trees grown in the region. Others extract resources like minerals, water and wood from the region.
- 2) How will the company reduce negative environmental impacts? Are companies committed to reducing their waste stream, recycling their wastes, reducing environmentally unsound packaging, conserving energy, utilizing state-of-the-art technologies like solar aquatic wastewater treatment?
- 3) How will the company use indigenous materials when possible?
- 4) How will the company utilize natural processes to handle heating / cooling, waste disposal and pest problems?
- 5) How will the company promote waste minimization, recycling, and use of recycled materials and proper disposal of materials?
- 6) How will the company design systems to be open-ended so that future sustainable technologies can be incorporated, as they become available?
- 7) What effect will the business have on traffic? How many parking spaces will be needed for employees, suppliers, distributors, customers, and tenants / occupants / visitors?

V. Determining Economic Feasibility

- 1) Does the company add value to a local renewable resource or product? For example are you purchasing local fruit or vegetables for use in your salsa?
- 2) How will the company help keep money circulating within the community? Are you patronizing other local businesses?

SECTION IV: SOME USEFUL STUFF

- 3) Is the company dependent on discretionary income or a growth rate? How does the local, state, regional, an /or national economy fluctuations affect your ability to succeed? For example if you build door facings for houses and the housing market crashes are you dead in the water?
- 4) How will the company and its products or services have a positive effect on the village image and on other companies in the village?
- 5) Is the company dependent on cheap energy or other scarce resources? What resources does the company / project depend on?
- 6) How will the company strengthen and preserve the community's assets, particularly those identified by the village plan as important?
- 7) Does the company add diversity to the village's economic base?
- 8) What secondary impacts are likely? Are other companies, housing, gas stations, stores, etc. likely to spring up due to this development? If so, is this consistent with the village plan?
- 9) Visually how will you maintain your site?
- 10) Have you ever been cited for code violations on previous projects?

The above was adapted from "Ecologically Sustainable Community Economics" by Deborah Brighton. The Northern Forest Forum. Vol. 1 No. 1

SECTION IV: SOME USEFUL STUFF



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website
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Sample Employment Training Agreement

XYZ Corporation

THIS AGREEMENT is entered into by and among the following parties:

Coastal Enterprises, Inc., a non-stock corporation organized and existing under the laws of the State of Maine with a principal place of business at Wiscasset, Maine, hereafter referred to as CEI; and

Department of Human Services' Bureau of Family Independence, an agency of the State of Maine with a principal place of business at Augusta, Maine, hereafter referred to as BFI; and

The Training Resource Center, an agency of the State of Maine with a principal place of business at Portland, Maine, hereafter referred to as TRC; and

The Department of Labor's Division of Vocational Rehabilitation, an agency of the State of Maine with a principal place of business at Portland, Maine, hereafter referred to as DVR; and

The Employment Trust Corporation, a stock corporation organized and existing under the laws of the State of Maine and with a principal place of business at Portland, Maine, hereafter referred to as ETI; and

XYZ Company, Inc., an S corporation organized and existing under the laws of the State of Maine and with a principal place of business at Portland, Maine, hereafter referred to as the Company.

WHEREAS, the Company is engaged in a business operation that directly offers employment opportunities; and

WHEREAS, CEI has made a substantial investment in the Company for purposes consistent with CEI's charitable investment activities, primary among which is to enhance employment and training for economically disadvantaged persons eligible under any and/or all Maine Department of Human Services and Labor Job Training Program poverty guidelines, and the (FUNDING SOURCE HERE) Loan Criteria, and hereafter referred to as Program Trainees; and

WHEREAS, the Parties are committed to providing employment and training for Program Trainees; and

WHEREAS, BFI, TRC, DVR and ETI's total direct compensation to the Company may be reasonably estimated at \$1000 per Program Trainee; subject to variances in training times, entry level wages, and wage increases; and

*A private, nonprofit community development corporation founded in 1977
to provide financial and technical assistance to the people, businesses and communities of Maine.*

SECTION IV: SOME USEFUL STUFF



Coastal
Enterprises
Inc.

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WHEREAS, BFI, TRC, DVR and ETI's total direct compensation to the Company may be reasonably estimated at \$1000 per Program Trainee; subject to variances in training times, entry level wages, and wage increases; and

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SECTION IV: SOME USEFUL STUFF

7. Monitor and evaluate BFI-referred Program Trainees and training program elements on a monthly basis and furnish CEI such information as is reasonably necessary to evaluate this program and the effectiveness of this Agreement within DHS confidentiality laws.
- C. TRC shall:
1. Provide TRC Program Trainees to the Company for available employment positions in the Company and whom TRC has determined eligible and appropriate for On-Job-Training;
 2. Provide referrals of Program Trainees to the Company for direct placement into employment positions as they arise;
 3. Notify CEI of Program Trainee referrals made to the Company;
 4. Provide On-Job-Training Contracts and employment counseling services to Program Trainees;
 5. Monitor and evaluate TRC-referred Program Trainees and training program elements on a monthly basis and furnish CEI such information as is reasonably necessary to evaluate the program and the effectiveness of this Agreement.
- D. DVR shall:
1. Provide DVR Program Trainees to the Company for available employment positions and whom DVR has determined eligible and appropriate for On-Job-Training and/or Supported Employment;
 2. Provide referrals of Program Trainees to the Company for direct placement into employment positions as they arise;
 3. Notify CEI of Program Trainee referrals made to the Company;
 4. Provide On-Job-Training Contracts for Program Trainees;
 5. Provide employment-related support services to Program Trainees which are specifically related to enhancing job performance;
 6. Provide the Company with technical assistance on "reasonable worksite accommodations" that would enable disabled Program Trainees to participate in training and employment at the Company;
 7. Monitor and evaluate DVR-referred Program Trainees and training program elements on a monthly basis and furnish CEI such information as is reasonably necessary to evaluate the program and the effectiveness of this Agreement.
- E. ETI shall:
1. Provide or coordinate provision of Program Trainees to the Company for available employment positions and whom ETI and the Company have determined eligible and appropriate for Managed Work Services and/or Contextual Vocational Supports;

SECTION IV: SOME USEFUL STUFF

2. Coordinate with On-Job-Training Contracts for Program Trainees as appropriate;
 3. Provide employment counseling services for Program Trainees;
 4. Provide referrals of Program Trainees to the Company for direct placement into employment positions as they arise;
 5. Provide or coordinate provision of Program Trainees to the Company for available employment positions and whom ETI has determined eligible and appropriate for On-Job-Training;
 6. Provide or coordinate referrals of Program Trainees to the Company for direct placement into employment positions as they arise;
 7. Coordinate provision of support services to Program Trainees, including but not limited to, day care and transportation;
 8. Monitor and evaluate ETI-referred Program Trainees and training program elements on a monthly basis and furnish CEI such information as is necessary to evaluate the program and the effectiveness of this Agreement.
- F. CEI shall:
1. Facilitate implementation of the Employment Training Agreement;
 2. Evaluate the performance of the Parties and the effectiveness of this Agreement by:
 - a. maintaining ongoing communications with all Parties; and
 - b. ensuring compliance with ETAG and compliance with “targeted job placements”; and
 - c. monitoring employment and training activities for evaluation purposes; and
 - d. notifying Parties to the Agreement of job openings available with the Company; and
 - e. notifying Parties to the Agreement of jobs filled with the Company.

IN WITNESS WHEREOF the Parties have executed this Agreement on the date indicated below.

(signatures from all parties to the Employment Training Agreement are required)

For more information on programs involving the Employment Training Agreement, please contact: Coastal Enterprises Inc., P.O. Box 268, Wiscasset, Maine 04578 tel. 207/882-7552

PARTNERSHIPS

Who is the partner?

- ❖ What do they bring to the partnership?
- ❖ What is their experience level?
- ❖ Ask to see their financial statement (and get a Dun & Bradstreet)
- ❖ Ask for references.
- ❖ Ask to look at their other projects.

Who will be the Managing Partner?

- ❖ How much say will the CDC have in the project?
- ❖ Who gets the deciding vote? (Do you even get a vote?)

What will each partner's role be in the long run?

- ❖ Contractor
- ❖ Architect
- ❖ Developer
- ❖ Property Manager
- ❖ Facilitator (bring money then go away – the “sign here, honey” syndrome)

What role will CDC play?

- ❖ Technical Assistance – zoning, lot splits, etc.)
- ❖ Grants (Who writes them)
- ❖ Site selection

What funding is the CDC expected to bring to the project?

- ❖ HOME
- ❖ LISC, Enterprise Foundation
- ❖ Benevolent Depositor
- ❖ State Department of Development
- ❖ Housing Tax Credits / Historic Tax Credits
- ❖ Other funding

Who will be the equity partner (NEF, OCC)?

- ❖ When will they come into the deal
- ❖ What is their equity injection amount
- ❖ What is the reserve amount for operating and building maintenance
- ❖ How is the Developer Fee distributed
- ❖ Bid out for project

Who will the project serve?

- ❖ Percentage low income
- ❖ Unit size
- ❖ Supportive Services (and who will provide)
- ❖ Benefit to community

Personal commitment and the CDC's financial capacity to undertake the project

STRATEGIC PLANNING FOR NEIGHBORHOOD DEVELOPMENT

A DECISION TREE



