

Communities at Work: Addressing the Urban Challenge



National Excellence Awards for the City Summit



U.S. Department of Housing
and Urban Development

The National Preparatory Committee

To oversee America's preparations for the City Summit (Habitat II), U.S. Department of Housing and Urban Development (HUD) Secretary Henry G. Cisneros has named a National Preparatory Committee (NPC). Those serving on the NPC are:

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**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
THE SECRETARY**

WASHINGTON, D.C. 20410-0001

I am honored to present **Communities at Work: Addressing the Urban Challenge**—a profile of 25 examples of excellence in building healthy communities from across the Nation.

As part of the U.S. preparations for Habitat II: The Second Global Conference on Human Settlements, the Department of Housing and Urban Development sponsored the National Excellence Awards for The City Summit to identify and share the best of the American community-building experience. With the help of experts and practitioners from the public, private, and nonprofit sectors, the competition identified 25 of the most innovative and successful efforts to promote affordable housing, economic development, education and job training, public safety, and environmental protection in cities and towns across the country.

By demonstrating how local initiatives can help link residents of distressed communities to the larger economic and social mainstream, these success stories are both instructive and inspirational. While such examples are rarely replicable, they are often adaptable to reflect the particular circumstances of a community. By offering lessons about the organizational, financial, and management elements critical to success, these examples will benefit others who engage in the community-building process.

As a former mayor, I recognize the importance of local initiatives in developing lasting solutions to the challenges facing our communities. This publication is just one element of the Department's continuing effort to work in partnership with local governments, private firms, and the growing network of community-based organizations to build healthy cities and a strong Nation.

A handwritten signature in black ink that reads "Henry Cisneros". The signature is written in a cursive, flowing style.

Henry G. Cisneros

Communities at Work: Addressing the Urban Challenge

June 1996

U.S. Department of Housing and Urban Development
Office of Policy Development and Research



Dedication

The U.S. Department of Housing and Urban Development joins the winners of the National Excellence Awards in dedicating this book to Mr. I. Donald Turner, President and Chief Executive Officer of the San Francisco-based BRIDGE Housing Corporation. On April 3, 1996, Don Turner, along with 32 Americans on a trade mission to Bosnia and Croatia, perished in a plane crash near Dubrovnik.

An architect, planner, and housing developer, Don Turner is an inspiration to us all. His passion and strong will led to thousands of affordable homes for working men and women. Since joining BRIDGE in 1982, he has helped develop more than 6,000 units of affordable housing and 250,000 square feet of community-oriented commercial space throughout California. His visionary approach to mobilizing private investment for affordable housing is reflected in the World/BRIDGE initiative, highlighted in this book.

Acknowledgments

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AFL–CIO Housing Investment Trust
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Center for Economic Priorities
Center for Sustainable Cities Program
City College of New York Architectural Center
Columbia University, Graduate School of Architecture
Community Trust
Council for Economic Priorities
CUNY Graduate Center, Department of Sociology
The Enterprise Foundation
GMAC Mortgage Corporation
Hunter College, Department of Urban Planning
Institute of Public Administration
International City Managers Association
Joint Center for Political and Economic Studies
Leadership Council for Metropolitan Open Communities
Mellon Foundation
National Association of Housing and Redevelopment Officials
National Association of Realtors
National Council of Churches
National League of Cities
National Low-Income Housing Coalition
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Picardi and Company
Project for Public Spaces
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Table of Contents

Introduction	1
National Excellence Awards Winners	
The Almena Idea	9
Impact Seven, Inc. Almena, Wisconsin	
Bricklayers and Laborers Nonprofit Housing	13
Bricklayers and Laborers Nonprofit Housing Corporation Boston, Massachusetts	
Campus Circle Comprehensive Neighborhood Revitalization Initiative	17
Marquette University Milwaukee, Wisconsin	
Center in the Square	21
Roanoke, Virginia	
Community Lending Through Community Home Buyer's Program	25
Federal National Mortgage Association Washington, D.C.	
A Continuum of Program-Enriched Housing	29
Northeast Denver Housing Center, Inc. Denver, Colorado	
Greenpoint Manufacturing and Design Center	33
Greenpoint Manufacturing and Design Center LDC Brooklyn, New York	
Habitat for Humanity	37
Habitat for Humanity International Americus, Georgia	
Homeless Families Program	41
Beyond Shelter Los Angeles, California	
Housing Assistance Council	45
Washington, D.C.	
Housing Scholarship Program	49
City of Fremont Fremont, California	
The Loading Dock	53
Baltimore, Maryland	

McAuley Village	57
The McAuley Corporation	
Providence, Rhode Island	
Minneapolis Neighborhood Revitalization Program	61
Minneapolis, Minnesota	
NeighborWorks Full-Cycle Lending	65
Neighborhood Reinvestment Corporation	
Washington, D.C.	
New Community Pathmark Supermarket	69
New Community Corporation	
Newark, New Jersey	
Police Homeowner Loan Program	73
Columbia, South Carolina	
Resident and Community Services	77
Omaha Housing Authority	
Omaha, Nebraska	
South Bronx Churches Nehemiah Homes	81
South Bronx Churches Sponsoring Committee, Inc.	
Bronx, New York	
Take Back The Park	85
Citizens Committee for New York City, Inc.	
New York, New York	
Tent City	89
Tent City Corporation	
Boston, Massachusetts	
Transforming Neighborhoods Together	93
Center for Neighborhood Development	
Knoxville, Tennessee	
The Winds of Change: Meeting the Needs of Rural Resort Latinos	97
Asistencia para Latinos	
Glenwood Springs, Colorado	
The World/BRIDGE Initiative	101
BRIDGE Housing Corporation	
San Francisco, California	
Yard Waste Recycling Project	105
City of Lindsborg	
Lindsborg, Kansas	
National Excellence Awards Finalists	109

Introduction

This is an extraordinary time in America's cities. Communities are tackling old and new problems in innovative ways. They are engaging new partners, working entrepreneurially, using resources in unaccustomed ways, and breaking down barriers in service delivery to revitalize cities and meet complex human needs. These activities and innovations are clearly evident in the winners and finalists in the National Excellence Awards for The City Summit (Habitat II) whose work is highlighted in this volume. Selected from among 175 nominations, these model projects give testimony to the ingenuity and successful enterprise evident in cities all across America.

In the United States, two major changes have occurred in housing and community development since the United Nations convened the first Habitat conference two decades ago:

- In recent years, there has been an upswelling of community-building activity at the local level, not just within government, but also among private and grassroots organizations. Because people at the local level are often better able to recognize their needs, order their priorities, and craft solutions that are consistent with local traditions and resources, even the most disadvantaged communities are taking the initiative to address the range of issues with which Habitat II is concerned.
- The nature of community-building efforts has evolved dramatically. Increasingly, our consciousness has moved away from simple bricks and mortar to viewing housing and community development in the context of integrated service delivery. While adequate shelter is an important element for many low-income families on the road to economic self-sufficiency, health services, education and job training, child care, and public safety are also important.

Local Partnerships

Creating change from the bottom up requires partnerships that bring together the energy and determination of a community with outside resources. Many kinds of resources may enter into these partnerships: money, expertise, volunteer labor, donations of land or buildings, or special credit terms. They typically involve a blend of private and public sources from the local, State, and Federal levels. These partnerships build the sort of citywide and regional ties that will be necessary for disadvantaged communities to participate in regional economies over the long haul. Partnerships such as these have fueled virtually every one of the winners of the National Excellence Awards.

The organizations acting as linchpin to these partnerships for neighborhood betterment are diverse and often surprising.

Several of the projects highlighted here exemplify the state of the art in carrying out community goal setting and planning at the neighborhood level. The Minneapolis Neighborhood Revitalization Program currently involves 65 of the city's 81 neighborhoods in planning, and has earmarked \$20 million annually for the next 20 years to carry out their plans. This program, in effect, asks urban residents who might be tempted to relocate to the suburbs: "What do you need to stay?" Another neighborhood planning program, the Knoxville, Tennessee-based Transforming Neighborhoods Together, a project of the Center for Neighborhood Development, specifically targets low-income areas. The Knoxville program helps leaders of low-income neighborhoods create visions of the future and then develop the skills, networks, and strategies that enable them to work together to implement the vision. In Wisconsin, The Almena Idea illustrates how outside expertise can help revitalize rural towns facing hard economic times. Working with Impact Seven, a community development corporation serving Northern Wisconsin, the small town of Almena witnessed an entrepreneurial renaissance that attracted new businesses, created jobs, and spurred new investment.

From the Bottom Up

Also consider Boston's Tent City, which grew out of a demonstration on April 28, 1968, following the assassination of Dr. Martin Luther King, Jr. A group of community activists amassed a "tent city" as a way to protest the demolition of older housing carried out under urban renewal policies and to demand mixed-income, integrated housing in line with King's dream. Following almost two decades of struggle against a city government opposed to this dream, Tent City eventually forged a partnership in the mid 1980's with the Boston Redevelopment Authority. Through State and local regulatory mechanisms and grants, and with the support from local political leaders, Tent City was able to create 269 units of mixed-income housing, 5 stores, a day care center, and an after school program.

The organizations acting as linchpin to these partnerships for neighborhood betterment are diverse and often surprising. The Boston Bricklayers Union and the Laborers Union came together to form the Bricklayers and Laborers Nonprofit Housing Corporation, which has built more than 279 houses. The homes have sold for \$67,500 to \$149,000 in an area where the median housing cost is \$170,000. Through its Campus Circle Neighborhood Revitalization Initiative in Milwaukee, Wisconsin, Marquette University is turning around the urban neighborhood in which it resides. In addition to its \$9 million investment, Marquette called together a "Neighborhood Circle" of representatives from local businesses, churches,

community groups, and residents to help with the planning process. This inspired friends of the university to invest in the project and provide an additional \$9 million in equity.

South Bronx Churches Nehemiah Homes, which has produced more than 500 new homes, is an example of a type of partnership that has become increasingly common: a church or coalition of churches initiating community development. The funds to develop Nehemiah Homes in the South Bronx were raised with the support of South Bronx Churches member congregations, their judicatories, and denominational leaders. Two Episcopalian churches each agreed to loan \$1 million, and the Evangelical Lutheran Church of America gave \$500,000 to the construction. East Brooklyn congregations, composed of Catholic and Jewish individuals as well as Catholic religious orders, made up the rest of the trust that reached a total of \$3.5 million.

This decentralized approach to community development nurtures local initiatives that are both highly creative and well positioned to take advantage of previously underutilized resources in their communities. The Greenpoint Manufacturing and Design Center in Brooklyn, New York, for example, is an industrial cooperative that houses small businesses while these tenants work to restore the rambling 19th century industrial property. The revitalized Greenpoint is also helping to stabilize its urban neighborhood. The Loading Dock in Baltimore is a grassroots organization that enlists contractors and volunteers to recycle building materials, which would otherwise be thrown away, for use by low-income households.

Intermediary Organizations

Local initiatives and low-income individuals are also often helped by intermediary organizations, which bring in training and technical experience in specialized areas to allow local efforts to take advantage of lessons learned in other places. One such intermediary is San Francisco's nonprofit BRIDGE Housing Corporation, which teamed up with the World Savings and Loan Association, a private sector financial institution, to create the World/BRIDGE Initiative. The initiative, having attracted the participation of other financial organizations, has become a pioneer in enabling nonprofit housing corporations to access public pension funds to construct affordable housing. Another intermediary group, the Housing Assistance Council, works with fledgling, isolated, often rural nonprofit housing developers to begin their development programs. A third, the Neighborhood Reinvestment Corporation, uses its NeighborWorks Full-Cycle Lending program to work with lenders and affiliate organizations to open up mortgage loans to low-income people.

World/BRIDGE has become a pioneer in enabling nonprofit housing corporations to access public pension funds to construct affordable housing.

Housing and community development initiatives do not address housing or the creation of neighborhood facilities in isolation. Instead they conceive of the task of community revitalization as involving a whole complex of needs.

Integrating a Range of Services

Aside from a new emphasis on decentralization and partnerships, a second fundamental change in this area during the past decade is that increasingly, housing and community development initiatives do not address housing or the creation of neighborhood facilities in isolation. Instead they conceive of the task of community revitalization as involving a whole complex of needs, including low education levels, lack of employable skills, unstable living patterns, poor coping skills, and troublesome health conditions (including possibly substance abuse), which require integrated service delivery to tackle all components of the problem. Three winning programs, Los Angeles' Homeless Families Program (a project of Beyond Shelter), Denver's Continuum of Program-Enriched Housing, and Providence's McAuley Village, provide housing as a core service while addressing other acute needs to stabilize homeless individuals and families. The Omaha Housing Authority also uses an integrated services approach to help its low-income public housing residents become self-supporting. In Glenwood Springs, Colorado, Asistencia para Latinos, a local community-based organization, is working to bring together a broad range of social services and advocacy activities to improve the situation of Hispanic residents in the Roaring Fork Valley.

Two programs highlighted in this volume use housing as a means of leveraging other desirable social outcomes. The Police Homeowner Loan Program of Columbia, South Carolina, offers police officers excellent terms on the purchase and rehabilitation of inner-city houses, which gives individual police officers a stake in distressed communities and makes neighbors feel safer. The Housing Scholarship Program in Fremont, California, provides housing assistance as an incentive to encourage heads of households to remain in job training to improve their earning potential.

Working at All Levels

The winning projects of the National Excellence Awards show a great variation in scope, attacking problems at all geographic levels. One New York City program, Take Back The Park, works at the neighborhood level, training young people to reclaim crime-ridden parks for community uses. The Yard Waste Recycling Project in the small town of Lindsborg, Kansas, applies the power of community volunteerism to create a valuable resource—mulch—out of common yard waste. In Newark, New Jersey, the New Community Pathmark Supermarket—a joint venture between a local community development corporation and Pathmark Supermarkets—anchors a new shopping center that reinvests its profits back into the community

and is helping to revitalize a distressed and previously underserved neighborhood. By creating a home for three museums, a planetarium, a professional theater, and an arts council in a restored warehouse, Center in the Square, in Roanoke, Virginia, was the catalyst in the revitalization of the heart of the city and serves as an excellent example of a public-private partnership. Through its national Community Lending Through Community Home Buyer's Program, the Federal National Mortgage Association (Fannie Mae), has funded \$20 billion in mortgages and assisted 258,000 families around the country in the half-decade of the program's existence. In addition, the nonprofit self-help housing program, Habitat for Humanity, has built or renovated more than 40,000 houses around the world in its two decades of operation, providing nearly 250,000 people with safe, decent, affordable shelter.

Models for Change

In their various ways, the winners of the National Excellence Awards demonstrate how local initiative can help link residents of distressed communities to America's economic and social mainstream. In doing so, programs such as these make strategic investments in the human and physical capital of our Nation, and strengthen our society's ability to compete in the global economy of the future.

About the National Excellence Awards

The National Excellence Awards are a key component of U.S. preparations for Habitat II: The City Summit, a global conference convened by the United Nations (U.N.). The conference, being held in Istanbul in June 1996, focuses on the critical urban situation and the initiative needed for worldwide action to improve shelter and living arrangements. At this important world summit, government representatives, political and social leaders, experts in housing and construction, and community development organizations from the U.N.'s 180 member nations have an unprecedented opportunity to explore new approaches to the management, financing, design, and guidance of housing and urban growth. U.S. Department of Housing and Urban Development (HUD) Secretary Henry G. Cisneros named a U.S. National Preparatory Committee (NPC) for Habitat II from among private sector, nonprofit, and government leaders to guide U.S. conference preparations, including the National Excellence Awards process.

Conference organizers asked participating nations to share information on "best practices"—examples of outstanding work being done in housing and community development. The United States responded by initiating the National Excellence Awards for The City Summit in support of Habitat II. This was also an exercise to determine, highlight, and promote effective programs within the U.S.—it focused attention on the inherent strengths in our Nation's communities and resulted in a meaningful exchange of ideas among those with a stake in the country's urban future. NPC, supported by HUD, announced a Call for Submissions for the National Excellence Awards in September 1995.

Application Process

The NPC designed an open, objective, and highly structured submission and evaluation process for the National Excellence Awards. The competition was open to all government, nonprofit, and private organizations. Programs had to have been in operation for at least 2 years prior to the submission deadline of October 16, 1995. They had to address one or more of several issue areas: poverty alleviation; economic development; social infrastructure and services; environmental regeneration; physical infrastructure and services; natural hazard management/mitigation; housing, land use, and urban planning; urban governance; or social and cultural viability. Programs also had to demonstrate a practical course of action. Nominated programs could range in scale from the neighborhood to an entire metropolitan area. And, because rural areas are often an important factor in the urbanizing world, NPC encouraged nominations from rural communities.

Importance of innovation

The review criteria gave weight to such elements as local partnerships, participatory planning, demonstrated programmatic impact, and potential for replicability in other communities and countries. The criteria emphasized innovation—projects needed to demonstrate alternative solutions with the potential to change the logic of the way problems are approached, to create new incentive systems, or to bring new players to the table. The competition encouraged projects addressing a broad range of issues to apply: social (experimenting with new forms of social architecture of group behavior at the family, neighborhood, city, or societal level); cultural (shifting an entrenched cultural belief or norm); economic and financial (testing new ways of mobilizing and allocating resources); political (creating new means of empowerment and participation in democratic decisionmaking); administrative and managerial (developing improved mechanisms for sharing responsibilities, monitoring processes, or ensuring quality); technological (taking the form of a new technical device, mechanical design, or scientific system); and spatial and physical (reorganizing the use of physical space at the building, neighborhood, city, or regional level).

Criteria. In announcing the competition, NPC spelled out in detail the selection criteria:

Impact

- Significance: the program addresses a fundamental urban/community problem.
- Creativity: the new program or process reflects a change from "business as usual."

- **Benefit:** the net impact on those affected (regardless of how many) is clear and profound.
- **Scope:** there is clear potential for broad impact.
- **Proven merit:** there is empirical evidence that the innovation is workable and can serve as a “tried and tested” model of success.
- **Long-term viability:** there is evidence of lasting institutional change in legislation, by-laws, standards, social policies, strategies, management practices, governance, revenue utilization, resource allocation, or the logic of problem solving.

Operation

- **Cost effective:** the approach or project is operationally cost effective.
- **Practical:** the innovation does not require inaccessible technology, unattainable skills, or excessive capital to implement.
- **Collaborative:** the innovation involves partnerships among at least two of these sectors: government, nongovernmental organizations, community-based organizations, the private sector, academia, and the media.
- **Sustainable:** the creative approach has the potential to be ongoing.

Objectives

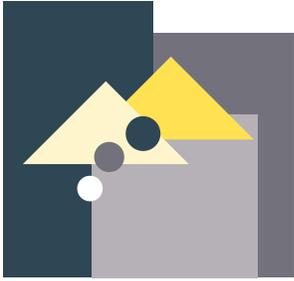
- **Socially equitable:** the program or policy promotes social and economic self-sufficiency among those in need.
- **Economically viable:** the costs are low enough for the innovation to become viable on a wide scale.
- **Politically participatory:** the decisionmaking process is democratic and includes the people whose lives are most directly affected.
- **Ecologically sustainable:** the initiative protects or regenerates the urban environment.
- **Culturally adaptable:** the innovation is culturally sensitive and flexible enough to be applicable in other countries.

National and Global Impact

- NPC emphasized that special consideration would be given to projects demonstrating the potential to make a difference on a national or even an international scale.

Selection Process

Once the deadline for applications had passed, the selection process began. The review process—administered by the Mega-Cities Project, Inc., and Aspen Systems Corporation on behalf of HUD and NPC—was designed to be thorough and fair. The selection process consisted of four phases: review for eligibility, identification of finalists, site visits, and selection of the winners. First, Aspen Systems Corporation reviewed all applications to ensure that minimum eligibility requirements were met. A 20-member panel—representing academia, community organizations, government, and foundations—then reviewed the applications and identified 53 finalists. In the third phase, independent, external reviewers who are experts in their fields made site visits to each of the finalists and submitted extensive written reports, standardized in format to facilitate comparisons among the diverse projects. Each finalist’s application and site visit report was then independently rated and ranked by three members of the NPC Selection Committee. The Selection Committee then met, made their decision, and designated the 25 National Excellence Award winners.



The Almena Idea

■ Impact Seven, Inc.
Almena, Wisconsin

The Almena Idea is an approach to economic development that brought together a regional community development corporation (CDC) and a rural town in an unconventional partnership that allowed an economically hard-pressed, conservative rural community to develop a new risk-taking, proactive stance to promote growth. In Almena, Wisconsin, the initiative has been a success. It has attracted new businesses, created and retained jobs, spurred zoning reform, inspired investment while minimizing risk, and encouraged revitalization. This rethinking of attitudes allowed a community that once believed decline was inevitable to turn things around and stage a rebirth.

Background

During times of fiscal hardship, pursuing “business as usual” may not be the best way to spur investment and stimulate a sagging economy. At the same time, a community wrestling with the effects of decline may feel intense pressure to dig in its heels, ride out the bad times, and resist untested ideas or investment plans. Rural communities, many of them hit hard by economic recession, may be particularly susceptible to this attitude of inflexibility.

Many small, rural communities like Almena, Wisconsin, face high rates of poverty due to high unemployment and declining economic conditions. In the early 1990’s, Almena, a town of 650 people, had recently lost the only employer of any significant size. Its unemployment rate was 19.4 percent—almost three times higher than the national rate.

Almena invited Impact Seven, Inc., a community development corporation serving rural, northern Wisconsin, to challenge the village to combat its sense of inevitable decline and develop feasible, if possibly risky, solutions for turning the community around. Lacking capital, economic development experience, and a history of risk-taking, the community would have been unable to take steps to improve its situation alone.

“I am very impressed by The Almena Idea as a creative and innovative public-private partnership between Impact Seven and Almena. This proves that a community can take control of its future. The Almena Idea is an excellent model for international community development.”

Senator Herb Kohl

Approach

The Almena Idea illustrates how outside expertise can help revitalize a community suffering from inertia and decline. Instead of spreading its resources thinly over a broad range of communities or projects, Impact Seven decided to concentrate resources in one community to demonstrate the value of focused knowledge and expertise. In a matter of years, The Almena Idea was able to reverse a long-term trend of decline.

Impact Seven started by establishing a framework for change. Before a community can effectively control its future, a number of prerequisites need to be in place: a community vision, a process for implementation, cooperative community participation, and strong local leadership and organizations. For the small rural town of Almena, Impact Seven helped make this possible.

Before working with Impact Seven, Almena also lacked a strong local development organization. With support and encouragement from Impact Seven, Almena developed the Almena Business Development Corporation (ABDC) to represent local interests and undertake proposed projects. To get ABDC off the ground, Impact Seven received a \$20,000 State grant for marketing. Total startup costs were approximately \$40,000. Impact Seven provided the staffing for facilitating the development of ABDC. Most of the work was done as in-kind assistance. Ongoing operating costs, estimated at \$20,000 per year, are shared by Impact Seven, ABDC, and supplemented by many volunteer hours. Their activities, aimed at expanding business and making the town more attractive, stressed improving infrastructure and business facades, changing zoning, and developing new industrial parks.



Although Impact Seven brought with them vital expertise in economic development and fundraising, they were, nevertheless, in a delicate, potentially threatening situation. They were invited into the community to shake up the accepted way of conducting business, to push leadership to become more organized, and to take risks. This was not a comfortable time for those in positions of authority in the community, even though they may have recognized that change was desirable. Impact Seven kept lines of communication open by working closely with the village council, an elected body, and through town meetings. In one of the deals arranged under The Almena Idea, Impact Seven sought financing from 13 State and local financial sources, assuming the risk itself. This allowed Almena a chance to explore new ways of doing business without taking on more risk than it felt able to handle. Impact Seven's commitment of its own money helped the community overcome their traditional distrust of outsiders.

Impact

Almena residents now see the town as a place where they can invest and develop their businesses. In 5 years, the project has more than doubled the number of employers in the community. It has added 2 industrial parks (see photo, page 10) and brought in 15 employers that created 96 new jobs. In addition to direct economic development, new roads have been built and the downtown has been revitalized with a park and building improvements. Even housing is improving as exemplified by:

- renovation of rundown downtown housing to provide convenient housing for Almena workers and their families,
- an apartment development for low-income elderly, and
- market rate duplexes.

Most of those who secured jobs through these efforts had previously been unemployed and on government assistance. Almena's increased economic vitality has increased the tax base, lowered unemployment, and strengthened community pride.

Scaling Up

At the foundation of The Almena Idea is the belief that an outside agency can challenge the status quo and persuade a willing community to reorganize and save itself. In many ways, this project focuses in a concentrated fashion on many classic revitalization tools such as job creation, multiple sources of funding, establishment of ways of maintaining momentum, and increasing leadership and community ability to cooperate.

By upgrading infrastructure and business facades, changing zoning, and developing new industrial parks, the community has become more attractive to new and expanding businesses.

Almena invited Impact Seven, Inc., to challenge the village...[to] develop feasible, if possibly risky, solutions for turning the community around.

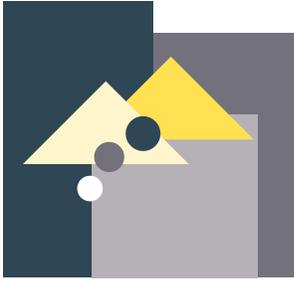
In 5 years The Almena Idea has:

- Created 96 jobs for low-income residents in a small town.
- Doubled the number of local businesses to 31.
- Increased the tax base by \$1.7 million to \$9 million.
- Matched a \$20,000 National Endowment for the Arts downtown revitalization grant with \$50,000 locally.
- Developed two industrial parks and added 70,000 square feet of manufacturing space.
- Constructed new housing for its low-income elderly population.

A number of other communities in northern Wisconsin have started projects based on The Almena Idea.

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Bricklayers and Laborers Nonprofit Housing

■ Bricklayers and Laborers
Nonprofit Housing Corporation
Boston, Massachusetts

In 1989 the Bricklayers and Laborers Nonprofit Housing Corporation built more than 200 attractive and affordable homes in the Mission Hill and Waterfront areas of Boston. This nonprofit housing corporation is changing popular misconceptions about affordable housing. Their work demonstrates that developers can build attractive and affordable housing and still pay union rates. With the creation of top-of-the-line housing units in prime locations in Boston, they leverage pension funds and diversify financing options to build houses and rebuild neighborhoods. The developments foster a sense of community in a downtown multiethnic neighborhood and maintain housing diversity in a rapidly gentrifying former industrial area.

Background

More than 10 years ago many did not view unions as an integral part of their community. But in Boston, where the median house price is out of reach to many low- and moderate-income families, the expertise and organization of unions can play an important role in building communities. When looking for a way to become more involved in the community, Boston Bricklayers Union Local 3 decided to focus on what it does best: construction. Although the union lacked seed money, it did have the ear of then-Mayor Ray Flynn. The union convinced the city to donate a parcel of land in South Boston where the first 18 units were built.

The Bricklayers Union Local 3, in collaboration with a local chapter of the Laborers Union, formed the Bricklayers and Laborers Nonprofit Housing Corporation. The Union pays the salary of the president of the corporation—its only employee. Funds generated by the sale or rental of the completed houses pay an executive director's salary. The corporation's mission is to be a force of good in the community by building well-designed, high-quality affordable housing, using union labor.



Approach

This award-winning innovation consists mainly of two developments: The Back of the Hill (see photo, left), with 165 rowhouses in Mission Hill, and The Charleston Navy Yard, 50 townhouses near Boston's waterfront, both completed by 1989. Effective community organization, creative financing, and innovative design made these developments the success they are today.

“Union pension funds can be a strong force in rebuilding the cities of America.”

*Thomas J. McIntyre,
President, Bricklayers
and Laborers Nonprofit
Housing Corporation*

The union used its community organizing expertise to unite diverse and sometimes divergent interests, including community activists, neighborhood civic groups, architects, developers, city planners, and financiers. In Mission Hill, the local community development corporations played an important role from the outset by articulating neighborhood concerns on design and helping to design and implement the application and selection process for the completed houses. Charlestown neighborhood organizations were similarly involved in Charlestown Navy Yard Development.

The housing corporation held down costs by leveraging a variety of resources and taking advantage of several financing options. The Back of the Hill development combined funding from the Community Development Block Grant (CDBG) and HOME (a Federal housing-specific block grant), city of Boston linkage grants, and union pension funds. To develop the Charleston Navy Yard site along the waterfront, a private developer donated the land and a grant for a copper roof, while the City donated funds from their linkage program.

The design of these developments was also unique. Designed by a renowned architectural firm, the developments used local materials and styles to blend with the existing neighborhoods and support revitalization efforts. The result was a well-built complex without the usual stigma associated with affordable housing. To develop housing that promotes urban cohesiveness in the Mission Hill area, a neighborhood plagued by ethnic divisions, each of the three newly constructed streets in the Back of the Hill development features townhouses with one of three bayfront styles and brick patterns.

The Charlestown development features a combination of a six-story elevator building and stacked townhouses; townhomes on the ground level have a private yard or, for those on the upper level, a private 150-square-foot deck.

Impact

The Bricklayers and Laborers Nonprofit Housing Corporation has developed 279 units of affordable housing in the 10 years since it began. The corporation sold the homes for \$67,500 to \$114,000 in neighborhoods where the median housing cost is \$170,000. The group's attention to housing design and financing proves that low-cost housing can be both well built and attractive.

These projects also integrated the housing into the existing area. In both cases, the design and location of the housing developments physically upgraded the neighborhoods and promoted community spirit. In Mission Hill, the site of the Back of the Hill project that was once 11 acres of vacant land, now links two ethnically diverse neighborhoods that have a history of racial and ethnic tension. The Charlestown Navy Yard reclaimed decaying industrial property on the edge of an urban harbor and supported ongoing revitalization efforts, while ensuring that the revitalization did not leave the poorer members of the community behind.

Scaling Up

Thomas McIntyre, president of the Bricklayers and Laborers Nonprofit Housing Corporation, is also the president and founder of the Bricklayers and Carpenters Charlestown Nonprofit Development Corporation, which was formed in June 1990 to develop affordable housing for the elderly. Bricklayers and Carpenters Charlestown Nonprofit Development Corporation formed a limited partnership to develop Building #104 in the Charlestown Navy Yard into 46 units of elderly housing using Low Income Housing Tax Credits. All of the units are affordable to households at 60 percent of median income or below. Building 104 consists of 46 one-bedroom rental units, half of which are rented to tenants at or below 50 percent of median income. Building 104 was completed in December 1994 with a total development cost of about \$7.5 million.

The Bricklayers and Laborers Nonprofit Housing Corporation is taking its show on the road. Because union pension funds are an important and underutilized source of housing development funding, the Bricklayers and Laborers are working in cooperation with the AFL-CIO Housing Investment Trust to develop similar affordable housing projects in El Paso, Texas. The International Masonry Institute is currently working with groups in New Mexico on a similar development.

“It is surprising nowadays when decent housing for the working class gets built. Boston’s 50-unit Charlestown Navy Yard rowhouses . . . are virtually miraculous: cheerful, dignified, altogether grand looking low-cost housing.”

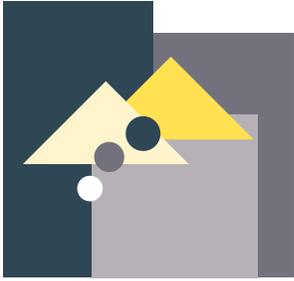
*Time Magazine,
January 1989*

**In the 10 years since the Bricklayers and Laborers
Nonprofit Housing Corporation began, it has:**

- Built and sold 279 units to low- and moderate-income homebuyers.
- Won awards from the American Institute of Architects (AIA), *Time* magazine, the *New York Times*, New England Regional AIA, Central New York Chapter AIA, and Boston Society of Architects.
- Sold houses for \$67,500 to \$114,000 in an area where the median housing cost is \$170,000.

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Campus Circle Comprehensive Neighborhood Revitalization Initiative

■ Marquette University
Milwaukee, Wisconsin

Marquette University's *Campus Circle Initiative* is a unique neighborhood revitalization approach that marshals the strengths of the various professional schools and departments and the institutional outreach of the University. Initially created to focus on housing and commercial needs, the project, in cooperation with its community partners and the city of Milwaukee, has expanded to encompass significant quality of life issues including job creation, education, homelessness, youth programs, crime, and public safety. Because of the Campus Circle Initiative, the near west side of Milwaukee has benefited from the creation of more than 200 units of affordable housing, and the neighborhood has experienced a decrease in drug trafficking and other criminal activity.

The secret of Campus Circle's success lies in its partnerships and financial commitments. Marquette University allocated \$9 million as part of an investment of more than \$50 million, and it is collaborating with the city, the police department, local public schools, social service agencies, the YWCA, large local employers, university staff, and students. The initiative has started a movement: 25 institutions, most of them urban educational institutions, have visited the program, several are in the planning stages of replicating it, and some are already establishing partnerships.

Background

Marquette is the largest institution in the Avenues West neighborhood, which also contains the Sinai-Samaritan Hospital, a regional blood center, two insurance companies, and several churches and businesses. As recently as a decade ago it was a thriving area with eight hospitals. Much of the hospital staff lived in the surrounding neighborhood, but as the hospitals relocated, so did their staff. By 1990 only 4 percent of the housing stock was owner-occupied. Poverty rates doubled between 1980 and 1990. If Marquette was to survive as an institution, it would have to leave the area—as its law school did in the 1960's—or create a neighborhood revitalization effort that linked the university and the neighborhood more closely than ever before.



Local activists and residents were skeptical when they first heard of the revitalization plan. “It has not been in Marquette’s history to work in the community,” says Joyce Henry, a local social service provider. “Their community—yes. The rest of the community—no.” To capitalize on community expertise and win trust, Marquette created the “Neighborhood Circle” with representatives from local businesses, churches, community groups, and residents to help with the planning process and keep other

residents informed. Marquette eventually hosted some 150 neighborhood meetings; refreshments were provided to encourage attendance and to convince the neighborhood of the firmness of the university’s commitment to the entire 90-block neighborhood—not just the 20 blocks where the university resides.

Approach

Winning over the residents was only part of the battle. Other institutions—potential partners and funding sources that would benefit from the revitalization—were reluctant to participate, doubtful that an initiative of this scope could be successful. The university raised only \$2 million from these sources, less than anticipated, and had to reorganize its fundraising. The Marquette donors were more enthusiastic, matching the university’s \$9.2 million pledge. This \$20 million of equity in the form of capital and soft debt was leveraged with about \$36 million in debt that included double tax-exempt bonds, Tax Incremental Financing proceeds, low-interest loans, and targeted loans from the banking community.

From the start, safety and crime reduction formed a central focus of this project. The university partnered with the Milwaukee police to create the city’s first community policing program where neighborhood residents, landlords, and institutions cooperate to increase public safety. Campus Circle provided the police with a highly visible site for their community-oriented substation. In addition, the university formed alliances with landlords who helped to identify problem properties and close down drug houses.

The university hired an alumna with a development and entrepreneurial background who, with the Campus Circle Board, formed two nonprofit corporations—one for residential properties and one for commercial real estate. Housing was one of the first areas tackled. Much of the local housing had deteriorated; 75 percent of landlords were absentee. Many units, built for single persons, did not meet the needs of families living in them. Homeownership rates were very

“We could wall ourselves in or we could weave ourselves in.”

*Rev. Albert DiUlio,
Marquette University
President*

low. Now Campus Circle manages more than 1,000 housing units and rehabilitated nearly 200 of these, converting a portion into family units. The initiative has emphasized keeping residents in place, improving quality, but not raising rents. Insufficient funding has kept some buildings empty, but these are boarded up and no longer available to drug dealers or other criminals.

Campus Circle also began to renovate the business district near campus. It purchased 9 of the 15 bars and closed all but 3 of those. Although the area is still not financially stable enough to attract the supermarket that residents desire, the new development, called Campus Town (see photo, page 18), is a step in the right direction. This mixed-use project features 152 apartments, a sports bar, and 89,000 square feet of new commercial space. Economic development activities have attracted 13 new businesses and encouraged existing businesses to stay and reinvest.

The university is investing its academic resources in the community as well. The Marquette Dental Clinic and Nursing School Parish Nurse Outreach Program help address area health needs. PACE brings the Marquette Department of Mathematics together with the Grand Avenue Middle School for an innovative math education program. The Marquette School of Education and community partners offer parent education, teacher training, and intensive literacy tutoring for children. The Service Learning Project brings 500 students into 50 citywide agencies to link classroom learning to for-credit volunteer service.

Impact

The neighborhood's appearance has improved as Campus Circle has purchased and rehabilitated housing and commercial structures. The community policing effort has made physical changes more than skin deep, with police records showing a 34-percent drop in crime in 2-1/2 years. Improvements to community cohesion and pride of place may be less visible, but they are no less important. They are fostered by the numerous university-community partnerships, by tenant councils, and by resident-student cooperation in various social service activities. The example of Marquette's commitment to the Avenues West neighborhood has challenged its institutional partners to reevaluate their own role in the community and the effect of the community's stability on their own success.

Scaling Up

The Campus Circle approach is adaptable and, indeed, other universities throughout the country are in the process of forming creative partnerships with neighborhood businesses, activists, associations, and residents to create comprehensive change. More than 25 universities or city representatives have visited Campus Circle.

“Employers. . . recognize that their ability to attract and retain employees is influenced by conditions in the surrounding neighborhoods.”

*Michael Morgan,
Department of
City Development
Commissioner*

Campus Circle, Marquette University's neighborhood revitalization initiative, is a pioneer program to build neighborhoods and community.

But it is also an expensive approach, requiring a tremendous amount of funds. Because it could accumulate extensive equity, the institution was able to leverage the additional funds necessary. While the project's immediate future is secure, long-term prospects are less clear. Originally the university thought that program operating costs would be covered by real estate investments, but this has not been the case; Marquette is covering the losses. Campus Circle is currently developing a plan for disposing of some of its undeveloped properties to break even.

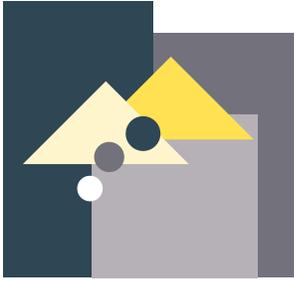
On a smaller scale, the city of Milwaukee is using the Marquette neighborhood anchor approach in a variety of settings. The city has convinced several major employers to act as neighborhood anchors, serving as the focal point for a multifaceted approach. Employers such as Master Lock and Harley-Davidson recognize that their ability to attract and retain employees is influenced by conditions in the surrounding neighborhoods. Consequently, they are developing partnerships with the city and with community-based organizations to address neighborhood problems in a coordinated, systematic fashion.

Marquette University's Campus Circle Comprehensive Neighborhood Revitalization Initiative has:

- Bought and managed more than 1,000 units of housing (with a mix of students and other residents).
- Rehabilitated 188 units without raising rents.
- Developed tenant councils to foster resident empowerment.
- Established a community-oriented policing project that helped decrease crime by 34 percent in 2 1/2 years.
- Constructed 84,000 square feet of rental commercial space.
- Attracted 13 new retail businesses to the area.
- Formed more than 20 partnerships with area landlords, the police department, businesses, social service agencies, homeless care providers, and residents.
- Surpassed its goal of using minority-owned, woman-owned, and disadvantaged businesses in 25 percent of its construction and professional services.
- Constructed 153 units of off-campus student housing.
- Contributed more than 65,000 hours of faculty, staff, and student volunteer time in 1995.

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Center in the Square

Roanoke, Virginia

Center in the Square, Virginia's largest cultural complex, opened in 1983 to support art, history, science, and theater in southwest Virginia. Located in downtown Roanoke, the facility houses five arts, history, science, and cultural organizations. It attracts hundreds of thousands of visitors yearly, including local residents, school groups, and tourists. The business community enthusiastically supports the Center, which has been a catalyst for revitalizing Roanoke's decaying downtown area.

Background

In 1976, Roanoke's downtown area resembled deteriorating downtowns throughout the Nation, and suffered from drugs, prostitution, abandoned buildings, and out-migration of businesses to the suburbs. At the same time, a number of arts groups were scattered throughout the region in substandard conditions or poor locations, and a number of these groups faced closure due to high operating costs.

At the time, one local business association questioned whether the area was salvageable; the answer was not clear. Any decision to invest in Roanoke required reexamining the decaying downtown in light of its potential. Despite its problems, it was an area rich with resources not available in rural or suburban areas: historic buildings and facades, a pedestrian-oriented infrastructure, business sites coupled with residential neighborhoods, multiple transportation choices, and less expensive sites.

Resolved to keep Roanoke's downtown viable, a business association raised \$60,000 to form the Central Roanoke Development Foundation, which was charged with creating a revitalization and development plan. This plan, called Design 79, was developed in a storefront window on Roanoke's busiest downtown street where citizens were encouraged to observe and to offer suggestions. After 4 months of call-in television broadcasts coupled with the participation of a 100-person citizen panel, the public wish list grew to include 3,600 recommendations. Some 1,200 items were eventually integrated into the project.

Center in the Square has become a center of education, entertainment, and excitement for all ages and all interests. Center's success has truly recreated the heart of the city.

Approach

Interest focused on a proposed arts complex known as Center in the Square (see photo below), which would be located in a dilapidated farm implement showroom and warehouse dating back to 1914. But the project immediately encountered obstacles. Some critics believed that the market district—the proposed site of the arts complex—was already lost, kept alive only by farmers selling produce at stalls. Others were concerned that the project would be too complicated to carry out and that visitors would perceive the neighborhood as too threatening. Despite enthusiasm among city officials, local public funding could not be obtained in time for this project.

An array of public, private, and nonprofit organizations did come together to make this vision a reality. In a demonstration of the project's appeal, project organizers, primarily private-sector business leaders, raised \$5.5 million in private contributions in 8 weeks. State and local funds covered the \$7.5 million cost of startup, which included the cost of land, buildings, construction, and architectural fees. The Commonwealth of Virginia provided \$2.6 million, and the remaining amount was made possible by local contributions through a trust indenture arrangement with First National Exchange Bank. Although the town of Roanoke was not able to provide a significant amount of direct funding, it did fund the construction of a parking garage adjacent to the Center.



The Center, which opened in 1983, provides rent-free space and administrative and marketing services to the Art Museum of Western Virginia, Mill Mountain Theater, Roanoke Valley History Museum, Science Museum of Western Virginia, Hopkins Planetarium, and the Arts Council of the Blue Ridge. The operational and programming decisions of its affiliated organizations are independent of Center in the Square. Each has its own Board of Directors and budget, and is therefore autonomous.

Center in the Square's annual operating budget is about \$1.1 million. The State, local government, and private sector contributions each fund approximately one-third of these costs. Because funding for the arts, particularly at the State level, is less predictable, program organizers are especially pleased with the high level of private support. Funding from local companies, representing 42 percent of total funding, includes both cash and

in-kind services. Although the city of Roanoke is the largest local government contributor, the program's success has inspired the city of Salem, and the counties of Roanoke, Botetourt, and Franklin to provide funds as well.

Impact

With Center in the Square, Roanoke improved the economy and quality of its downtown. As further proof of the business community's support, private businesses have invested more than \$250 million in construction projects and capital investments in the downtown area since 1983. Nearly 165 new businesses have located in the immediately adjacent downtown area. The direct and indirect impact of Center in the Square—including consumer spending in the Center and the downtown, Center organizations' budgets, parking garage profits, and use of the Center by other groups—is conservatively estimated at \$25 million annually.

Center in the Square offers residents, school groups, and tourists an accessible location to experience a variety of the region's cultural and educational resources. During the 1994–1995 fiscal year, 425,954 people, including 113,542 school children, participated in programs offered at Center in the Square. Many activities are designed specifically for children; the Center reaches one-third of the school systems in the State with its onsite and outreach programs. Former Mayor Noel Taylor described it as a “. . . center for all people and its programs . . . are intended to embrace individuals of various cultures, interests, and backgrounds.” One educational program last year, Local Colors, emphasized the ethnic diversity of the Roanoke region, and the Center plans to include more international elements in its educational program in upcoming years.

Nonprofit arts and educational programs typically spend a great deal of energy on fundraising to keep their heads above water. The organizations housed in Center in the Square all had financial problems or unsatisfactory locations. With free rent and services in a centralized location, these five organizations enjoy increased visibility, decreased operating costs, and a more stable future. To enhance support for cultural programs in Virginia and protect the Center from economic fluctuations, the Center is developing a \$12 million endowment fund, which will alleviate competition among Roanoke's cultural organizations for scarce operating funds.

Scaling Up

Expanding its scope, the Center has joined Total Action Against Poverty, a nonprofit organization dedicated to alleviating poverty, to provide job training for potential office assistants and custodial, HVAC maintenance, and building maintenance workers.

This [revitalization] plan, called Design 79, was developed in a storefront window on Roanoke's busiest downtown street. Citizens were encouraged to observe and offer suggestions.

[Roanoke's downtown] is an area rich with resources not available in rural or suburban areas: historic buildings and facades, a pedestrian-oriented infrastructure, business sites coupled with residential neighborhoods, multiple transportation choices, and less expensive sites.

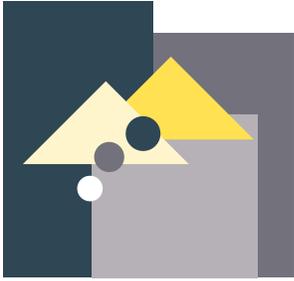
Since its opening in 1983, Center in the Square has:

- Served more than 4 million persons from all 50 States and 20 nations.
- Attracted \$250 million in capital investments in the downtown area.
- Brought more than 165 businesses to the area.
- Helped create an estimated \$25 million direct and indirect annual economic benefits.

Since Center in the Square's inception, many other cities have undertaken similar projects. These cities have tended to have a narrower focus and seek support primarily from the government. The Center has provided pro bono consulting services to these projects and continues to assist them in their development. Areas with projects under way include Albuquerque, New Mexico; Charleston, West Virginia; Erie County, New York; and Harrisburg, Pennsylvania. In addition, more than 27 other communities have contacted Center in the Square for information regarding its operations and policies.

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Community Lending Through Community Home Buyer's Program

■ Federal National Mortgage Association
Washington, D.C.

The Community Home Buyer's ProgramSM (CHBP) of the Federal National Mortgage Association (known as Fannie Mae) makes mortgages more available to families of modest means throughout the country. Beginning as a pilot program in 1989, CHBP delivered \$20 billion in mortgages by the end of 1995 and assisted 258,000 American families to achieve their dream of homeownership. The program is designed to make the housing finance system work for cities, urban neighborhoods, and low- and moderate-income families by reducing the discriminatory and suburban bias of much lending. Fannie Mae blazed a trail for others in the mortgage industry who use the CHBP template.

Background

Even if they are financially able to own a home, millions of families nationwide continue to face significant barriers to homeownership, such as excessive costs, lack of information, and discrimination. Rigid conventional mortgage loan guidelines have tended to exclude many low- and moderate-income families, minorities, and new immigrants who lack long-term employment histories or conventional credit histories.

Fannie Mae, established by the Federal Government in 1938, is a stockholder-owned corporation that provides financial products and services that increase the affordability of housing for low-, moderate-, and middle-income families. The agency does not make mortgages directly to consumers, but purchases mortgages in bulk from primary lenders, thereby decreasing investor risk. Fannie Mae became a private corporation in 1968.

Because much of Fannie Mae's work is behind the scenes, it was clear that the key to successful community lending was not only to work with its lender partners, but to also work closely with grassroots community groups and municipalities. One community group, the National Training and Information Center, approached Fannie Mae and the General Electric Mortgage Insurance Corporation in 1989 to discuss a community lending pilot program in five midwestern cities. Fannie Mae's Office of Low- and Moderate-Income Housing, which designs lending



Fannie Mae's
Community
Lending product—
Lease-Purchase—
offered through
Neighborhood
Housing Services
in Chicago, Illinois,
helped Brenessa
Stiff's family (see
photo above)
purchase a
home.

products and other activities on behalf of underserved populations and communities, developed guidelines for what became the Community Home Buyer's Program.

The \$40 million pilot program had purchased mortgages for 545 families by 1990, when it was made a nationwide program. It was expanded again in 1991 into a \$10 billion initiative with the goal of bringing affordable lending into the industry mainstream. Fannie Mae's CHBP was the catalyst that fueled 66 percent—nearly \$7 billion—of that seminal initiative. Today CHBP is offered by 862 Fannie Mae-approved lenders in all 50 States and all 320 metropolitan statistical areas (MSA's).

Approach

CHBP is designed to make the housing finance system work for cities, urban neighborhoods, and low- and moderate-income consumers by reducing discriminatory bias and the suburban orientation of such lending. The program targets funds to families whose income is below-average or average for their area—a group traditionally left out of the home finance mainstream. Focusing on increasing homeownership rates in central cities, CHBP works to improve the quality of life in urban neighborhoods and stem out-migration from distressed communities.

Working with Fannie Mae, grassroots groups educate and prepare low- and moderate-income families to take on a mortgage. Fannie Mae has developed several high-technology services and tools to help them create concrete paths to homeownership and successfully negotiate each step of the homebuying process. Desktop Home Counselor®, for instance, a finalist for a 1995 Smithsonian Award for Technology, provides personal and financial information for borrowers, such as credit and affordability analyses. Accessible on a personal computer, it can be used to construct financial scenarios that a borrower might use to purchase a home.

To increase lender flexibility, Fannie Mae established alternative qualification guidelines so that families or individuals with less conventional financial histories might obtain a loan. Innovative features built into the mortgage offered under CHBP include:

-
- **Less income to qualify.** Standard guidelines require that borrowers' monthly housing expense payment not exceed 28 percent of their gross monthly income, with a total monthly debt burden not exceeding 33 percent of their gross monthly income. With CHBP, borrowers can qualify with monthly housing expense payments of up to 33 percent of their gross income and total debt expenses of up to 38 percent of their gross income.
 - **Less cash at closing.** Typically home buyers are required to have a cash reserve equal to two mortgage payments at closing. CHBP does not have this requirement.
 - **Nontraditional credit history.** CHBP enables borrowers to demonstrate good credit through nontraditional methods such as evidence of stable, continuous payments to utility companies and previous landlords.
 - **Home buyer education.** Home buyer education ensures that borrowers are knowledgeable about the process of buying a home and obtaining a mortgage and are better prepared to meet the ongoing responsibilities of homeownership. CHBP generally requires borrowers to go through home buyer education.

CHBP is committed to eliminating the “no” in the mortgage application process. All applicants are placed on a path of review and education that—once the flexible CHBP requirements are met—will lead to loan approval. When a mortgage request is denied, the applicant receives information explaining why and recommendations on improving their application.

To decrease lender risk, Fannie Mae guarantees purchase of mortgages in this initiative. This process—which creates the Secondary Mortgage Market—frees up additional lender capital for new mortgages. The education provided to potential low-income homeowners on their responsibilities and rights decreases the likelihood of mortgage defaults.

In 1994 Fannie Mae extended and increased its commitment. The Showing America a New Way Home® initiative pledged \$1 trillion in targeted housing finance by the year 2000 to help 10 million American families obtain mortgages. To increase central-city investment, Fannie Mae committed to extend outreach and form long-term partnerships with cities by opening at least 25 new “Partnership Offices.” In 1994 Baltimore became the site of the first Partnership Office; 21 more local offices have since opened.

Impact

The 1989 pilot program included 6 lenders, who helped 545 low- and moderate-income families achieve homeownership. Fannie

The program targets funds to families whose income is average or below that of others in their area.

Mae's Community Lending product—Lease-Purchase—offered through Neighborhood Housing Services in Chicago, Illinois, helped Brenessa Stiff's family (see photo, page 26) purchase a home. At the end of 1995, CHBP assisted 258,000 families with \$20 billion in mortgages. Ninety-one percent of the homeowners helped were located in metropolitan areas. More than 39 percent of these new homeowners were minorities: 15.2 percent were African American and 17.9 percent were Hispanic. In sharp contrast, only 5.7 percent of standard business mortgages in 1995 were to African Americans and 8.4 percent were to Hispanic applicants. More than 67.5 percent of CHBP homeowners earn the median income for their area or below. Almost half of borrowers are first-time home buyers.

Scaling Up

The success of the pilot program led Fannie Mae to develop nine other products with specialized guidelines that fit under the CHBP umbrella. These share many of the same flexible affordability features, but they also have unique features that address the special needs of some home buyers. FannieNeighbors, for instance, was created to increase homeownership and revitalization in minority, low-, and moderate-income communities and central cities. The upper limit on income is waived if a home buyer purchases a home located in one of these eligible areas. Grassroots groups such as the National Council of La Raza and ACORN (Association of

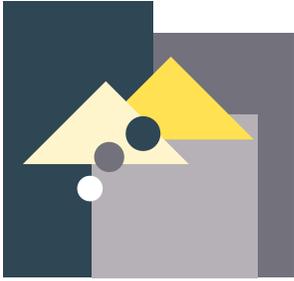
Community Organizations for Reform Now) have worked with Fannie Mae to structure special mortgage guidelines to address the needs of their targeted communities.

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Fannie Mae's Community Lending Through Community Home Buyer's Program:

- Through February 1996, has helped 250,000 families achieve homeownership.
- Served more than twice as many African American and Hispanic home buyers than were served with standard loans.
- Made almost 40 percent of its loans to minority households.
- Made 91 percent of loans to residents of metropolitan areas.



A Continuum of Program-Enriched Housing

■ Northeast Denver Housing Center, Inc.
Denver, Colorado

“From homelessness to homeownership”—these words sum up the Continuum of Program-Enriched Housing, a set of programs operated by the Northeast Denver Housing Center (NDHC). The program helps participants deal with a wide range of issues: homelessness, transitional and rental housing, homeownership, and economic survival and stability. By tailoring its services to the specific needs of its clients—homeless families and individuals, teen parents, persons with HIV/AIDS, the mentally and physically challenged, and low- to moderate-income renters and home buyers—NDHC has created an innovative incentive system that promotes self-sufficiency and fosters social change.

Background

In Denver, as in most communities, a portion of the population struggles with the basic issues of decent housing and economic survival. This is especially true in the northeast part of the city, a historically African-American area that has been isolated from the opportunities of the metropolitan region. Northeast Denver, like many other distressed urban communities throughout the United States, faces the hard challenges of economic blight, extreme poverty, a deteriorating housing stock, and lack of affordable housing, especially for people with special needs.

Fourteen years ago, a group of community based organizations founded NDHC under the leadership of executive director Getabecha Mekonnen. NDHC has since served more than 4,000 individuals throughout the Denver area, primarily in northeast Denver and neighboring areas of Aurora, the second largest city in the metropolitan area. With a board of directors composed of members of the community and former clients, Northeast Denver Housing Center maintains a strong commitment to the community and a direct understanding of its needs.

Approach

Although its primary role is to address housing needs, NDHC does not look at this area of concern in isolation. Instead, the

The development needs of urban inner cities and the challenges lower-income families face need solutions that provide residents with opportunities.

program helps clients achieve stability through an approach that takes into account all factors that influence their ability to succeed. While housing is the key ingredient, services to clients also include child care, education, training, transportation, and job placement and retention programs through collaborative agreements and partnerships with other organizations. Moreover, NDHC makes the most of existing opportunities—from taking advantage of the inherent value in available but neglected and deteriorated housing stock in urban areas, to putting “social riders” on its leases that require tenants to help themselves by obtaining education and skills for better jobs.

The continuum of program-enriched services helps families who might otherwise be unable to become homeowners. Its lease-purchase “homeownership incubation program” lets families move into the homes they intend to buy. Families may remain in the homes as long as they meet the requirements of their performance contract, which spells out their periodic achievements in savings, debt management, and credit improvements. NDHC holds the beneficiaries of its programs accountable by requiring them to fulfill certain mutually agreed upon self-development goals that are monitored through case management services.

To carry out its broad range of activities, NDHC works in partnership with other nonprofit organizations and social agencies. For example, the program works with Warren Village, a transitional



housing program for teen parents. Graduates of Warren Village become candidates for permanent housing through NDHC’s affordable rental housing units. As renters, they are encouraged, challenged, and educated about the next step in housing: homeownership.

NDHC operates on an annual budget of

about \$500,000. The organization has a diverse revenue stream. About 40 percent of annual revenues come from rental income from NDHC's stock of rental housing, which it rents at a cost equivalent to 30 percent of a family's income. An additional 40 percent of the program's budget comes from Federal, State, and local governments. Another 10 percent comes from grants and donations from the private sector, including philanthropic grants, financial institutions, and the community, while the rest comes from earned income and other sources.

Impact

The Continuum of Program-Enriched Housing provided by the Northeast Denver Housing Center has had a considerable impact in the Denver area during the past 13 years. NDHC has served more than 4,000 people in northeast Denver, acting as a catalyst for community stability and social mobility. Each year, the organization provides:

- comprehensive housing counseling to 455 people;
- transitional housing with supportive services and case management to more than 65 homeless people;
- affordable rental units to more than 40 households;
- homeownership opportunities to 25 families; and
- education and training in property management for owners and managers of low-income housing.

Every year, the Continuum of Program-Enriched Housing helps 15 homeless families get off welfare and into stable home environments, producing a net yearly savings in public funds of about \$50,000.

Scaling Up

NDHC's style of operating has been adopted by other community development corporations in Denver. At its heart, the Center's approach is recognition of potential of deteriorated urban housing stock, along with the ability to design and package housing opportunities for specific needs. It has demonstrated the ability to apply social resources in a systematic manner to help low-income and at-risk people take charge of their own lives and more fully realize their potential. Communities across the United States and in other countries could learn much from the Northeast Denver Housing Center.

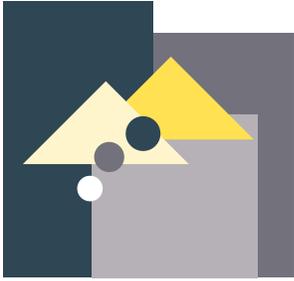
Diversity in income and race, type of housing program, and the will to try new, innovative and environmentally sound practices are the call of the future in community-city planning and development.

The Continuum of Program-Enriched Housing Program has:

- Served more than 4,000 people during the past 14 years.
- Provided comprehensive housing counseling to 455 people per year.
- Provided affordable rentals to 60 homeless people, 14 teen parents and their children, and 5 people with HIV/AIDS in 1 year.
- Provided 20 homeownership opportunities to first-time homebuyers.
- Helped 15 homeless families get off welfare and into stable home environments in 1 recent year.
- Renovated the historic Austin Building (see photo, page 30) into 18 units of affordable housing and 9,000 square feet of retail space.

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Greenpoint Manufacturing and Design Center

■ Greenpoint Manufacturing and Design Center LDC
Brooklyn, New York

In Brooklyn, New York, a group of small crafts businesses and their public and private partners are reversing the decay of abandoned industrial sites by rehabilitating a former jute mill and leasing it to small businesses. These businesses are tenants at the Greenpoint Manufacturing and Design Center (GMDC), an adaptive re-use project that has preserved a significant piece of historic neighborhood architecture in a way that also produces new jobs and promotes neighborhood reinvestment. By creating an environment that is conducive to the formation and growth of small business, the facility addresses the area's economic problems and is the centerpiece of larger neighborhood revitalization activities.

Background

One highly visible problem of older urban areas is the decay and chronic under-utilization of abandoned industrial properties. Old factories—often monumental, architecturally unique structures that employed generations of residents in past decades—now lie unused. Private market forces are inadequate to support their revitalization, and government funds are too scarce to absorb the heavy costs of development.

GMDC originated as the Chelsea Fiber Mills, constructed in the late 1800's at the tip of Manhattan Avenue in Greenpoint, Brooklyn. The eight-building brick mill served as a major industrial anchor in Brooklyn throughout the first half of the 20th century and employed thousands of residents. Then, like other similar facilities across the country, the 400,000-square-foot complex was abandoned in the 1970's. By the end of the 1980's, the abandoned buildings had fallen into severe disrepair. The city of New York, which had acquired the facility in a tax foreclosure action, was considering either sale or demolition of the ailing structures.

Approach

GMDC is a dual innovation: a successful adaptive re-use of a 19th century industrial property and a well-functioning industrial



The Greenpoint Manufacturing and Design Center (see photo above) was made possible by the “sweat equity” and cooperative spirit of the tenants.

(zero-equity) cooperative that nurtures and sustains its members. The adaptive re-use entails a partnership among public, private, and nonprofit organizations, created and led by the building’s tenants. It was made possible by the “sweat equity” and cooperative spirit of the tenants. The industrial cooperative emerged out of the individual and shared needs of each business and is supported by a local development corporation financed through rents and cooperative-related income.

In 1988 a group of 21 small woodworking and cabinet-making firms, which had moved into the buildings on short-term leases, formed the Woodworking Center Equity Corporation and began to work together on rehabilitation. These tenants worked out an interim lease and development scheme and began rebuilding the structure to create a sort of greenhouse for small businesses. The facility began to attract dozens of other small enterprises from around the city, and what began in the mid-1980’s as a small trickle of commercial activity has become a robust concentration of investment and employment. In the early 1990’s when the city decided to dispose of the property, the tenant group banded together with other neighborhood groups and business leaders to create the GMDC Local Development Corporation (LDC). The goal of this new corporation was to redevelop the entire complex into an arts and industry center.

Shortly after taking over management of the building in 1993, GMDC negotiated a special purchase arrangement with the city of New York. In lieu of bringing the building up to code prior to sale (which would have cost an estimated \$10–\$14 million), the city agreed to a sale price of \$1 and provided \$1 million for renovation on the condition that GMDC meet code requirements within 5 years. Once the sale went through, GMDC developed a plan to finance the extensive cleanup and renovations. The group resolved the building’s bad debts and evicted tenants who were not paying their bills. GMDC currently has a waiting list for space.

GMDC established a board of directors with four seats for finance and real estate professionals and four seats for the building’s tenants. This board makes policy decisions, including establishing

rental rates. GMDC's staff of 10 manages the building, schedules and undertakes repairs, obtains grants to provide technical workshops and marketing for the businesses, and has established a line of credit for use in major renovations and for purchasing machinery to be shared on a fee basis.

Because of the terms under which GMDC purchased the building from the city, the corporation has no mortgage bill. Its major costs are ongoing renovation work and the purchase of specialized equipment. The city loan finances renovation work, while equipment purchases are financed through a line of credit and operating surpluses. The project is now mostly self-financing. Small grants and loans are used for special projects (for example, workshops in accounting procedures and a marketing brochure for the building), but GMDC is designed to function within its operating budget. The rents, falling between \$3.75 to \$4.50 per square foot, are competitive with neighboring industrial space. GMDC is currently approaching a positive cashflow and further expansion should make it financially sustainable.

Building construction is pursued in a creative manner. Lacking adequate operating income to support external debt, GMDC relies on a slow, steady, monthly investment strategy and inhouse construction crew. This strategy, born of necessity, has proven highly economical. The management structure of GMDC is also uncommon. Each tenant is a member of the cooperative and controls votes in the organization equal to the portion of the building they occupy. This format fosters incentives for tenants to invest in their own space and in the project overall. It also bolsters their sense of control, heightening their overall commitment to the project.

Impact

As an architectural preservation project, GMDC saved a large industrial complex from demolition and is bringing the building up to code. It has already renovated and leased almost 85 percent of the facility. GMDC has also expanded the number of businesses in the building from 21 in 1988 to about 60 today. It has tripled the number of jobs in the building to about 350.

GMDC has helped to stabilize and revitalize a section of Greenpoint at the end of a major street, Manhattan Avenue. There is some redevelopment activity nearby—a three-story brick townhouse—as well as a new deli and a restaurant. GMDC also gives back to its Brooklyn community. It employs Greenpoint residents and partners with the North Brooklyn Development Corporation to identify workers. It also initiated an English as a second language (ESL) program for neighborhood residents. GMDC also operates the Wood

Through its efforts, Greenpoint has preserved a significant piece of historic neighborhood architecture in a way that also produces new jobs and promotes neighborhood reinvestment.

The Greenpoint Manufacturing and Design Center has:

- Saved a large industrial complex from demolition and renovated and leased almost 85 percent of the facility.
- Expanded the number of businesses in the building from 21 to about 60.
- Tripled the number of jobs in the building to about 350 and employed local residents.
- Established a recycling outlet that provides free wood for school projects.
- Helped stabilize the neighborhood.

Center, a retail outlet that recycles scrap materials by selling to hobbyists and renovators and provides free wood for school projects.

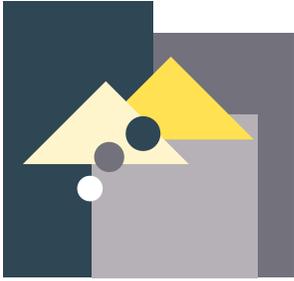
Since the cooperative was put in place, no GMDC business has failed, many have expanded, and only two have left. The GMDC has continued to rehabilitate vacant portions of the building, upgrade existing building systems, and gain new design and production tenants.

Scaling Up

There is much to be learned from the Greenpoint model: how an old industrial building can be made functional, how the tenant mix can contribute to cooperation, how to provide shared services, and how business development and neighborhood job development can be linked. This innovative approach could work in other neighborhoods in New York City and other cities across the country—anywhere where industrial spaces have been abandoned and small businesses need to be nurtured.

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Habitat for Humanity

■ Habitat for Humanity International
Americus, Georgia

Habitat for Humanity, marveled one observer, is “a crazy idea that works.” As a nonprofit, ecumenical Christian housing ministry, Habitat for Humanity works in partnership with people in need to build and renovate decent, affordable housing. The program builds and sells housing at no profit, finances houses with no-interest mortgages, and markets them to people who often cannot even afford decent rental housing. Partner families work many hours of volunteer labor as part of the program, whose goal is to eliminate inadequate housing worldwide and to inspire others to take action to do the same.

Background

Habitat traces its roots to 1965 when millionaire entrepreneur Millard Fuller and his wife Linda were struggling with a crisis of personal values. Resolving to end their materialistic lifestyle and rededicate themselves to a life of serving God, the Fullers sold their assets and donated the money to the poor. In 1968 they began an extended stay at Kiononia Farm, a Christian community in rural southwest Georgia. While there they helped launch Partnership Housing—a nonprofit, no-interest house building program in partnership with many poor families in the area, who often lived in tarpaper shacks without electricity or plumbing. In 1973 the Fullers took the Partnership Housing concept to the African country of Zaire, where they started 114 houses in 3 years and where Habitat’s work continues today. Upon returning to the United States, the Fullers gathered friends and supporters together to explore forming a new housing ministry, incorporating Habitat for Humanity International in 1976.

Key obstacles to Habitat’s work were funding, human resources and, more importantly, skepticism. Many asked, “How can they build and sell houses at no profit, financed with no-interest mortgages?” But as Habitat’s work spread, slowly at first and later at nearly an exponential pace, it became clear that Habitat for Humanity’s program does indeed work. As families are lifted from poverty and as Habitat affiliates transform housing and entire neighborhoods, skeptics become believers.

Habitat for Humanity, according to one observer, is “a crazy idea that works.”

Approach

Through volunteer labor and tax-deductible donations of money and materials, Habitat builds and rehabilitates simple, decent houses with the help of the homeowner families (see photo below). Habitat houses are sold to these low-income families at cost, financed with affordable, no-interest loans. The homeowner's monthly mortgage payments are placed in a revolving Fund for Humanity that is used to construct more houses. Unlike many housing assistance programs that involve the ongoing receipt of housing vouchers, subsidized rentals, or semi-permanent placements, Habitat is a program of full homeownership.

Habitat does not use government funds to finance construction. Government funds may be used, however, to acquire streets, utilities, land, old houses that need renovation, or for administrative expenses. Government entities also provide support in the form of donated land or buildings, waiver of permit fees, and infrastructure development. Corporate support for Habitat and its affiliates has grown considerably in recent years, especially from firms associated with the construction industry.

Habitat is not a give-away program. In addition to a down payment and the monthly mortgage payment, families invest hundreds of hours of their own labor into the building of their homes and the homes of other participants. At each local Habitat affiliate, a Family Selection Committee chooses aspiring homeowners based on the family's need for decent shelter, their willingness to become partners in the program, and their ability to repay the no-interest loan. Neither race nor religion is a factor in selection, but willingness to work is. To participate, families and individuals must be willing to “partner” with Habitat—that is, to perform between 300-500 hours of voluntary labor. Habitat calls this homeowner labor “sweat equity,” and it must be completed before the family can move into their new home.



Habitat's ecumenical, international board of directors determines overall policy and monitors operations in conjunction with a board of volunteer advisors. With a budget of \$53.6 million in 1994, \$40.8 million going to program services in the United States and abroad, Habitat headquarters operates with an administrative staff that is assisted by a core group of clerical and

support employees and supplemented by short-term and long-term volunteers. Each affiliate of Habitat for Humanity is managed by a local volunteer board and many have no paid staff. Habitat's affiliates are independent, nonprofit, tax-exempt, community-based organizations that are empowered to set their own policies within the guidelines adopted by the Habitat board. Committees of volunteers make decisions and carry out the local work. The affiliates are supported by contributions of cash and materials from individuals, churches, businesses, charitable foundations, and other organizations. Affiliates also forge diverse local partnerships to extend and facilitate the work. Habitat headquarters may channel funds and donated materials to its U.S. affiliates for special projects.

Habitat's method of grassroots organization and local ownership are especially important. Too often the poor see "renewal programs" sweep into their neighborhoods from the outside with no invitation for or participation by local citizens. Habitat's approach offers residents the opportunity for homeownership through ownership of the program itself. They identify local leaders and invite them to participate in the Habitat process. Through town meetings and other assessments, local Habitat affiliates learn more about neighborhoods and their people. Committees made up of local volunteers who actively participate in decisionmaking carry out the affiliate's work.

Impact

Habitat and its affiliates have built, renovated, or repaired more than 40,000 houses around the world. Some 250,000 men, women, and children are living in Habitat houses worldwide. The more than 1,200 active U.S. affiliates of Habitat produced about 2,770 affordable homes in 1994. Beyond the bricks and mortar, the program strengthens the social fabric of the community where it operates through its volunteer orientation and provides a heartening example of the potential impact of a humanitarian impulse.

Every Habitat affiliate is making an impact on its community. One example, Sandtown Habitat, is situated in the deteriorated Sandtown-Winchester neighborhood of Baltimore, Maryland. This affiliate grew from a bold community partnership. In 1986, overcoming numerous obstacles, the Rev. Mark Gornick and his close friends the Tibbels, a family of four including 30-year-old Allan Tibbels, a quadriplegic, relocated to the Sandtown neighborhood. The group moved into deteriorated rowhouses in this neglected neighborhood and began rebuilding the structures while forging relationships with their new neighbors. Together with those neighbors they founded the New Song Community Church which, in 1989, started the Sandtown Habitat for Humanity affiliate. Sandtown Habitat initiated a project in 1992 to build 100 homes in the midst of a neighborhood filled with more than 600 vacant

“We believe in Habitat for Humanity’s integrity, effectiveness, and tremendous vision. With Habitat, we build more than houses. We build families, communities, and hope.”

Former U.S. President Jimmy Carter, on the Carters’ long-standing partnership with Habitat for Humanity.

Results of Habitat include:

- Habitat and its affiliates have built, renovated, or repaired more than 40,000 houses around the world.
- Nearly 250,000 men, women, and children are living in Habitat houses worldwide.
- Habitat for Humanity has more than 1,200 active affiliates in the United States that produced about 3,200 affordable homes in 1995.
- One Habitat affiliate in Atlanta has built or renovated 265 houses.
- A Habitat affiliate in the Sandtown neighborhood of Baltimore initiated a renovation program in 1992 in the midst of a deteriorated neighborhood and has completed 35 houses to date.

rowhouses. Working in partnership with groups such as the Enterprise Foundation; the city of Baltimore; and Baltimore area churches, corporations, and foundations, Sandtown Habitat has completed more than 35 homes.

The Habitat approach produces affordable houses. Most families pay far less each month to own their Habitat home than they would pay to rent much less desirable housing. For example, in Atlanta, where the Habitat affiliate has built or renovated 265 houses, the total cost of a Habitat home is between \$38,000 and \$42,000 and the monthly payment is about \$275 per month including loan, taxes, and insurance.

Scaling Up

Without decent, affordable places to live, people cannot develop their potential and families often cannot overcome the circumstances that so often lead to personal dysfunction and social disintegration. Habitat's grassroots, self-help homeownership model has been adapted and successfully replicated throughout the

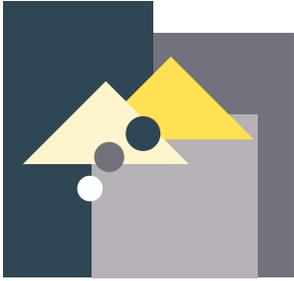
United States and around the world. There is almost no place in the world where Habitat's model could not be successful. Even the poorest communities in the poorest countries can benefit if citizens pool their resources and work together to address local housing problems.

The program that began as a personal, religious initiative in a small town in Georgia is, almost two decades later, a widely adopted model. Habitat for Humanity is solving the problem of finding affordable housing for many people, providing others with a practical means of serving others, and seizing the imagination of countless more.

Habitat's method knows no jurisdictional boundaries or limitations because it is locally based. With proper resource development, on a larger scale than single affiliates can maintain alone, Habitat building programs could be launched or expanded wherever both substandard housing and the local will to eliminate it exists.

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Homeless Families Program

■ Beyond Shelter
Los Angeles, California

The “Homeless Families Program” run by Beyond Shelter of Los Angeles is a dramatic new response to the problem of family homelessness that stresses immediate return of families to independent living. Beyond Shelter deals with the interrelated problems that homeless families face: poverty, economic development and access to credit and job training, social infrastructure, and housing. The services are provided in an integrative manner to place families, especially female-headed families, not only back into housing, but back into communities. It involves women in economic and social services *after* they are stabilized in permanent housing and are no longer traumatized by the experience of homelessness. In the 7 years of its existence, Beyond Shelter has placed 750 homeless families in permanent rental housing in residential neighborhoods. Many program graduates enroll in school or vocational training, obtain employment, and become financially self-sufficient.

Background

Homelessness is our Nation’s most serious housing problem. While estimates vary, the number of homeless people in America is greater today than at any time since the Great Depression. Most troubling is the fact that families—often single mothers with children—are a growing proportion of the homeless population and account for approximately 35 percent of the general homeless population in the United States.

Constrained by limited resources, providers are often forced to move participants out of their program when they have only begun to stabilize. While some families are able to move into affordable housing and remain there, others who move into housing lack stable living patterns or adequate coping skills and are rendered homeless again when another crisis occurs. Other families are forced to leave emergency shelters or transitional housing without any followup plan at all and become chronically homeless or experience recurring episodes of homelessness over a long period of time. As a result, homeless families often move from shelter to shelter and from agency to agency in a process that is capital intensive for providers and disenfranchising for clients. In fact, this system can actually impede the



Since 1989
Beyond Shelter
has helped more
than 750 high-risk,
homeless families
stabilize in
permanent
housing.

process of helping homeless individuals and families achieve a stable and permanent home in mainstream society.

Approach

Beyond Shelter began in 1988 as an alternative to traditional practices that emphasize emergency shelters and transitional housing. An innovation in social architecture, Beyond Shelter's Homeless Families Program places homeless families directly into permanent housing while providing them with individualized case management support for up to 1 full year. This approach shifts cultural, political, and administrative policies and practices in a new and important way. By situating homeless individuals within the larger community, the program fosters dignity and human connection. The program makes financial and management innovations by coordinating existing services in the community through individualized and proactive case management.

More than 25 agencies across the city of Los Angeles including shelters, transitional housing programs, drug treatment programs, social service agencies, and churches, refer homeless families to Beyond Shelter for the "next step," after they have provided initial emergency or interim services. Families meet with intake workers at the Beyond Shelter offices for screening and enrollment. During that time, the family works with agency staff to develop an individualized Family Transition Plan. This plan identifies the family's housing and social service needs and the steps necessary to achieve independence and self-sufficiency. Then, families receive assistance in negotiating leases, financing the move, accessing subsidies, and overcoming the barriers of poor credit history, prior evictions, and discrimination based on ethnicity, family size, and unemployment. To access affordable housing for families, Beyond Shelter builds and maintains close working relationships with private sector building managers, nonprofit affordable housing providers, and local, State, and Federal housing assistance programs. The fact that there exists a support system for their tenants motivates many private landlords to rent to homeless families referred by Beyond Shelter.

Each family enrolled in the Homeless Families Program is assigned a case manager, who provides individualized support for up to 1 full year as the family carries out its Family Transition Plan. Once in their new housing, the formerly homeless family is introduced to their new neighborhood—its shopping, transportation, and community

agencies. Families are supported as they improve their coping skills and reorient to normal living patterns and are provided assistance with homemaking, nutrition and parenting skills, and budget planning and money management. Each family receives their own copies of the *Family Survival Guide* and *Successful Household Money Management*, two Beyond Shelter publications that help program participants learn self-sufficiency skills. Case managers work in partnership with the family on issues such as education and literacy, career development, health, family dynamics, and recreation. Progress is evaluated every quarter until the participant is no longer considered at risk of becoming homeless again.

Funded by a major private donor the first year, Beyond Shelter has since been financed largely through government grants from a variety of agencies, including the U.S. Department of Health and Human Services (HHS); the U.S. Department of Housing and Urban Development (HUD); the State of California Department of Housing and Community Development; the City of Los Angeles Community Development Department; the Housing Authority, city of Los Angeles; and the U.S. Emergency Food and Shelter Program. A variety of foundation and corporate grants support Beyond Shelter, including the California Community Foundation, the James Irvine Foundation, the Times Mirror Foundation, the Ahmanson Foundation, the Soref Foundation, the Seaver Institute, and the Better Homes Fund. An anonymous donor made a \$1 million endowment gift in 1991 that made possible the creation of the Beyond Shelter Fund at the California Community Foundation to help support Beyond Shelter's operating expenses. Two additional anonymous donors provide substantial support each year.

Impact

Since 1989, Beyond Shelter's many programs have had an important impact on homeless families in Los Angeles. For example:

- Beyond Shelter has helped more than an 750 high-risk, homeless families stabilize in permanent housing.
- In the most recent statistical year, approximately 40 percent of graduates have enrolled in school or vocational training, and 25 percent have obtained employment.
- About one-third of graduates increase their incomes.
- Program graduates demonstrated increased self-determination, participating not only in developing their Family Transition Plans but also in the ongoing evaluations of service provision and activities leading toward self-sufficiency.

“It is an axiom of our field that the longer a family or individual remains homeless, the more dysfunctional they tend to become.”

*Tanya Tull,
Executive Director,
Beyond Shelter*

Since 1989, through the Homeless Families Program:

- 750 high-risk homeless families have stabilized in permanent housing.
- 40 percent of the program's graduates enrolled in school or vocational training.
- 25 percent of graduates obtained employment.
- 30 percent of program graduates increased their incomes after participating in the program.

- Program graduates improve their money management skills by creating and following monthly family budgets.
- Approximately 90 percent of graduates experience no recurrence of homelessness.

Scaling Up

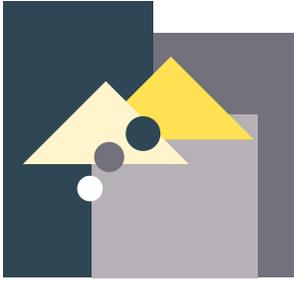
Beyond Shelter actively disseminated its Homeless Families Program model, which has attracted considerable attention from policymakers. In 1990 Beyond Shelter designed a 3-year demonstration project funded by HHS to help develop

the *Los Angeles Early Intervention Demonstration Project for Recently Homeless and At-Risk Families*. In 1992, Beyond Shelter implemented a second 3-year project for HHS, the *Homeless Families Support Services Demonstration Project*. That same year Beyond Shelter published the *Beyond Shelter Methodology Manual*, a 158-page, step-by-step guide and began presenting the methodology in a series of technical assistance workshops in various U.S. cities. Beyond Shelter's Technical Assistance Department provides training, consultation, workshops, and publications for agencies throughout the country on the Homeless Families Program and also on the provision of services and tenant management in permanent, multifamily housing projects.

Nationally, both public and private agencies have learned from Beyond Shelter's individualized approach that maximizes the use of existing services and resources in communities. Developed in an era of shrinking resources, the Beyond Shelter methodology is based on collaboration between public and private sectors to create *permanent change* in the lives of homeless families by helping them build a personal support system within a residential neighborhood. This approach has been incorporated into HUD's "continuum of care" strategies being adopted by communities across the country.

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Housing Assistance Council

Washington, D.C.

The Housing Assistance Council (HAC) uses a three-pronged approach to identify and nurture local nonprofit housing development groups by providing them with training, technical assistance, and seed capital to begin their development programs. Particularly for fledgling, isolated, nonprofit housing developers, the combination of technical assistance and loans is crucial to their ongoing success, even existence. HAC works with all low-income rural people, but emphasizes minorities, women, children, elderly, homeless, farmworkers, and the disabled. In 25 years of operation, HAC has made more than 860 loan commitments totaling more than \$50 million, created 26,000 housing units, and established 220,000 water and sewer connections throughout the United States.

Background

Although the number of substandard rural homes has declined over the past 20 to 30 years as a proportion of all rural housing, the problem persists. Many rural homes are of poor quality and still lack water and sewer facilities, particularly in Appalachia, Indian country, the Mississippi Delta, the Ozarks, the Southeast, and the colonias on the Mexican border. Minority groups in rural areas suffer an even higher incidence of housing problems; in 1991, for example, almost 32 percent of African Americans in rural areas lived in units with severe or moderate structural problems, compared to 17 percent of their urban counterparts.

The nature of the problem has changed over time. Historically, quality was the primary housing issue in rural areas. But by 1991, almost 70 percent of poverty-level households in rural areas had to pay more than 30 percent of their income—the Congressionally defined threshold of affordability—for housing.

Approach

Established with a Federal antipoverty grant in 1991, HAC is the Nation's oldest full-service intermediary for housing and community development. Through training, technical assistance, and seed capital, HAC seeks to build capacity and strengthen



The Housing Assistance Council operates the oldest active, continuously operating, and successful loan fund for affordable housing.

the network of community-based organizations working to meet rural housing and local development needs.

HAC provides much-needed seed money to spur housing and community development in rural areas. This up-front, pre-development, high-risk money enables isolated, cash-strapped, and often fledgling nonprofit development groups to initiate

potential housing projects. HAC funds typically pay for optioning the land, resolving site design or environmental issues, or working through community processes such as rezoning approvals.

As a full-service provider, HAC is unique in integrating loans with project-specific technical assistance, training, and other services. For example, technical assistance accompanies most loans, and training events use HAC publications. After delivering a loan or workshop, HAC continues to provide assistance for as long as it is needed. HAC also produces many how-to and policy publications for its clients and people interested in rural housing issues, including an 1,800-page technical training manual on housing development and nonprofit management.

The HAC approach builds on the strengths of private financial institutions, local government jurisdictions, nonprofit groups, State and Federal agencies, and the homeowner families themselves. HAC provides funds to acquire and develop sites, including a public improvements completion guarantee bond. Government agencies provide financing and handle complex site development questions. Local nonprofit groups may identify the families, provide necessary credit and homeownership counseling, and construct the project. The families themselves provide a critical mass of voluntary labor (see photo above).

Impact

In almost 25 years of operation, the organization has made more than 860 loan commitments totaling more than \$50 million for almost 26,000 housing units and 220,000 water/sewer connections

in 48 States, the Virgin Islands, and Puerto Rico. These loans have directly helped almost 250,000 rural households. In the past 5 years alone, HAC lending has leveraged more than \$177 million in permanent financing. HAC also has conducted more than 90 intensive training workshops and published more than 250 guides, reports, manuals, and information briefs.

Scaling Up

HAC was one of the earliest intermediary organizations. To some extent later organizations, such as the Local Initiative Support Corporation and The Enterprise Foundation, have borrowed from its model.

In the past few years, HAC has begun to broaden its services. HAC has increased loan assets, made their uses more flexible, developed lending partnerships with other entities, allied with other community lenders, and reduced borrower charges. In recent years HAC also has become a source of support for community-based housing groups by passing through administrative funds from sources such as the U.S. Department of Housing and Urban Development and private foundations. This complements HAC loans, technical assistance, and other services.

The Housing Assistance Council identifies local nonprofit housing development groups and nurtures them by providing training, technical assistance, and seed capital to carry out their development programs.

During the past 20 years:

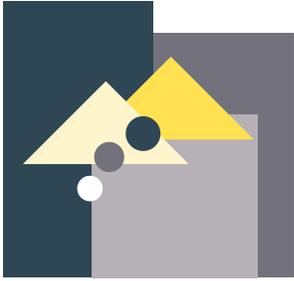
- HAC has made more than 860 loan commitments totaling more than \$50 million for almost 26,000 housing units and 220,000 water/sewer connections.
- HAC has assisted rural housing groups in 48 States, the Virgin Islands, and Puerto Rico.
- HAC has directly helped almost 250,000 rural households.

In the past 5 years:

- HAC lending has leveraged more than \$177 million in permanent financing.
- HAC has conducted more than 90 intensive training workshops.
- HAC has published more than 250 guides, reports, manuals, and information briefs.

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Housing Scholarship Program

■ City of Fremont
Fremont, California

By offering housing as an incentive to encourage heads of households to stay in job training to improve their professional skills and earning potential, the city of Fremont, California, has taken a creative step to alleviate poverty. Fremont's Housing Scholarship Program combines affordable housing, job training, child care, and other supportive services to enable participating low-income families to obtain full-time employment and achieve economic self-sufficiency. The program provides housing units at below-market rents to participants and recent graduates of eligible job training programs.

Background

In the city of Fremont, economic self-sufficiency has been an unattainable goal for many low-income families. Nearly 1,400 renter households, most of which are headed by women, spend more than half of their income for housing while earning 30 percent or less of the area median income. Without adequate child care and other supportive services, these families cannot escape their low-paying jobs and remain trapped in a cycle of poverty and welfare.

When Carol Lamont, Housing Director for the city, introduced the idea of housing scholarships to landlords in 1987, she faced widespread skepticism. Not giving up, she convinced the director of a local job facility, the Mission Valley Regional Occupation Program (ROP), to speak to the landlords' association. By describing individual cases, the director was able to show the plight and motivation of individuals in her program. During the meeting, one landlord raised his hand and said that he would like to sponsor one individual in his building.

From then on, more landlords volunteered units to help family providers while they completed training and secured employment. They agreed to provide rent discounts of up to 50 percent for up to 1 year. Once housing scholarship graduates acquire jobs, rents gradually increase to market price. ROP provides job placement and case management services, and the city provides

“Because there are insufficient resources to provide affordable housing for all low-income families in need, we must help to build the earning capacity of families while targeting housing assistance for those with the most critical needs.”

policy direction and coordinates the program under the leadership of a Housing Scholarship Board composed of representatives of the city council, the apartment owners association, the board of realtors, a program graduate, and many other community groups.

Approach

“It is particularly difficult for cities to be innovative because of the risks involved,” comments Gus Morrison, Mayor of Fremont. “But, Fremont took the step to establish the partnerships needed to create this program. We have shown that it can be done—and that it should be done.” The Housing Scholarship Program is not just another housing subsidy program; rather, it inspires and enables heads of households to achieve. It provides families with the case management, job search services, and affordable child-care services that are an essential component in the quest for economic self-sufficiency. Through intensive focused community support, this important project is helping families who have demonstrated their commitment to improving their skills and employability to achieve their goals. The city and private landlords, both for-profit and non-profit, have collaborated to provide a safety net for families moving toward economic self-sufficiency.

As part of the Housing Scholarship Program, the city initiated a rigorous screening, monitoring, and followup process. Applicants are recommended by designated representatives from job training and educational programs. An advisory board meets monthly to review new applications according to special criteria and rank candidates. When units become available, one of the two top applicants is selected by a landlord. The applicant signs a program agreement

detailing his or her responsibilities for job training, job search, and employment in exchange for a rent reduction. Participants are terminated from the program if they fail to meet their obligations.

Public-private partnerships help keep expenses manageable. Donations from



landlords, rather than public subsidies, cover rent discounts. As the program grows, nonprofit and for-profit developers create more housing scholarship units. In its recent renovation of Century Village apartments (see photo, page 50), the Mid-Peninsula Housing Corporation set aside several units for the Housing Scholarship Program, which were financed through development funds and redevelopment fees. The Fremont Housing Department covers operating costs by providing five full-time staff, and public funds cover the costs of the Tri-Cities Children's Center, a child care center that has been established at ROP. This center now serves 50 preschool children on a sliding-fee schedule.

Impact

"There's so much talk about getting families off welfare," says Carol Lamont, "this program really did it." To date, this relatively new and growing program has empowered 91 families to achieve self-sufficiency—a 90-percent success rate.

The benefit to the community is reflected in the pride that the people of Fremont feel in their multiagency effort to successfully address a problem that many cities believe is unsolvable. Landlords and employers are active, positive agents of change, and community service agencies not only alleviate immediate suffering but also move recipients toward independent, financially secure living. Aided by life skills classes, scholarship graduates are taking on new leadership roles. One graduate has become an Advisory Board member of the program, while another has moved from extreme poverty and welfare to a \$40,000 annual income that allows her to send her bright daughter to Montessori school.

Scaling Up

The Housing Scholarship Program has successfully helped families climb the ladder to self-sufficiency. The program is so highly popular that there are 10 to 20 applicants for every housing unit available. To meet this need, the city is working to convince nonprofit housing developers to set aside units in developments financed by the city.

In 1995 its success prompted the Fremont City Council to agree to use vacant city-owned houses for housing scholarships. Communities throughout the Nation, such as Temple, Texas, are now considering establishing a housing scholarship program based on the Fremont model.

The scholarship program has received much recognition. It was showcased in September 1995 at an International City Managers Association Meeting in Denver and, in May 1995, the Center for Housing Policy in New York showcased the program as 1 of 12

There is so much talk about getting families with children off welfare—this program really helps families do it while improving their quality of life.

“It is a partnership—no one part could accomplish such dramatic results on its own.”

*Carol Lamont,
Housing Director for
the City of Fremont*

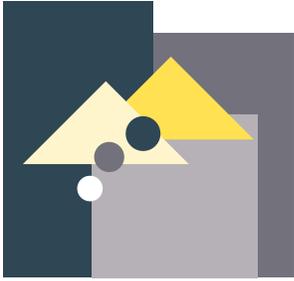
The City of Fremont Housing Scholarship Program has achieved the following accomplishments:

- More than 90 percent of the housing scholarship recipients have successfully completed job training, secured gainful employment, and have become economically dependent.
- Housing Scholarship Program graduates are developing leadership skills and becoming assets to the program and the community.
- It has received growing recognition, including the 1995 California Cities Helen Putman Award for Excellence, the Association for Local Housing Finance Agencies Meritorious Achievement Award, and the State Department of Education Career Vocational Division Award. The program is also a semifinalist in the Ford Foundation and Harvard University “1996 Innovations in American Government Awards Program.”

national case studies in its “Linking Jobs and Housing: The Key for Self-Sufficiency for Low-Income Residents and Communities” workshop. The program has won several awards, such as the “California Cities Helen Putman Award for Excellence” in November 1995.

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The Loading Dock

Baltimore, Maryland

The Loading Dock (TLD), a grassroots organization that provides resources for low-income housing rehabilitation and development, was the first successful self-sufficient nonprofit recycler of reusable building materials in the Nation. Through its recycling efforts, the program increases the supply of decent affordable housing available to low-income families by helping them acquire building supplies to renovate their homes. At the same time, TLD helps save the environment by educating the public and private businesses about how to donate and reuse building material rather than dumping it into our rapidly filling landfills.

Background

Like many older cities in the United States, much of Baltimore's housing stock is more than 100 years old and in need of repairs. Ten percent of Baltimore's housing is considered substandard, and all but 1 percent is considered suitable for rehabilitation. Low-income homeowners are particularly hard-hit; they are more likely to live in older housing but least likely to have extra income for repairs and maintenance.

To help rectify this situation, a group of housing professionals with an interest in the environment saw the possibility of matching needs: low-income homeowners need low-cost building materials to renovate and maintain their homes, and the building industry has a large supply of excess building materials that go to waste. In 1984, through a \$25,000 grant from the Morris Goldseker Foundation, TLD opened for operation in a 7,000-square-foot warehouse where it stores building materials. In 1988 the effort expanded to add a 21,000-square-foot warehouse.

Approach

Recent visitors to The Loading Dock warehouse in Baltimore, Maryland, found lumber, windows, solar panels, a maple gymnasium floor, toilets, tubs, kitchen sinks, and even a gargoyle water fountain. In the past, these materials, left over from commercial construction projects, would likely have been considered waste



“It’s the old story
of one person’s
trash is another’s
treasure.”

Leslie Kirkland, Director

and dumped in a landfill. Today, however, these usable materials are made available to low-income homeowners and nonprofit organizations for home repairs and rehabilitation.

Although TLD receives donations from several States, the warehouse serves lower income neighborhoods in the greater Baltimore area. Grassroots groups refer people to join TLD. Once they are certified as low income, applicants pay a \$5 annual fee to become

members. TLD members can shop in the warehouse for building supplies, which cost about one-third to three-fourths less than retail, and may also attend monthly home improvement workshops hosted by trades- and craftspeople.

Realizing that issues of waste management are regional in scope, TLD works with donor partners from throughout the Mid-Atlantic region, encompassing Maryland, Pennsylvania, New Jersey, Delaware, Virginia, and Washington, DC. TLD gets most of its donations from its 400 contractor, manufacturer, and distributor partners. TLD formed 75 new partnerships in 1995 alone. The partners benefit through reduced dumping fees (about \$500,000 in 1995) and often receive tax breaks for their donations (an estimated \$200,000 in 1994).

During the past 4 years, TLD also has developed partnerships with Montgomery, Howard, and Baltimore Counties, as well as with the city of Baltimore to develop methods of saving salvageable material from rapidly decreasing landfill space. For instance, TLD placed onsite containers at local landfills to better handle reusable building material.

The supplies that TLD redistributes are often unused materials, ranging from unpainted doors and windows, ceramic tiles from discontinued lines, or slightly damaged goods. Because these items cannot be sold for a profit, in the past they would be sent to landfills. “It’s the old story of one person’s trash is another’s treasure,” said Leslie Kirkland, Director of the project.

One of The Loading Dock's goals was to prove the economic viability of this type of recycling business. Initially, TLD supplemented its income by renting trucks, administrative services, and unused space to other nonprofit organizations. An expanded network of donor partners and the resulting increase in donations has helped TLD increase its self-sufficiency. In the past 2 years, TLD's income from handling fees for purchased materials has risen by more than 30 percent to more than \$400,000. TLD's annual budget is \$560,000; approximately 82 percent of this money is covered through handling fees with the balance of the funding coming from foundation grants.

Impact

In its 11 years of operation, TLD has provided nonprofit organizations and low-income individuals with more than \$5 million worth of repair and rehabilitation supplies. It has rescued some 33,000 tons of building materials from landfills and provided materials for the rehabilitation of more than 27,000 homes. The Loading Dock's base of low-income individual members has increased from 1,250 in 1990 to more than 6,000 in 1995. An additional 1,300 nonprofit organizations and religious institutions are also members.

In addition to the environmental and economic benefits for nonprofit organizations, low-income households, local governments, and donors, TLD has made a direct impact on the community by providing job opportunities. When TLD opened in 1984, it had one full-time staff person and three volunteers who received stipends. TLD has since grown to 18 full-time staff (see photo, page 54), 4 part-time staff, and 8 active volunteers. The organization is committed to hiring from within the community and gives its staff the necessary tools to increase their knowledge and become greater assets to the neighborhoods TLD serves.

This organization is recognized nationally. The White House recently honored TLD with a 1996 President's Council on Sustainable Development Award. *Good Housekeeping* magazine awarded Hope Cucina, director of TLD for 9 years, a 1993 Green Housekeeping Seal of Environmental Leadership Award.

Scaling Up

As word of its success has spread, The Loading Dock has been contacted by 350 communities nationwide about replicating TLD's model. To address these requests, the National Network (currently a subsidiary of TLD) was created in 1994. The National Network is working with a steering committee to support efforts of groups starting recycling operations similar to TLD. It is consulting with 40 sites nationally and internationally.

The Loading Dock not only provides materials to the low-income community, we also teach people how to use the materials through home repair workshops.

“The Loading Dock's committed staff operate TLD as a business with a heart and soul, encouraging recipients to also be self-sufficient.”

Leslie Kirkland, Director

In 11 years of operation, The Loading Dock has:

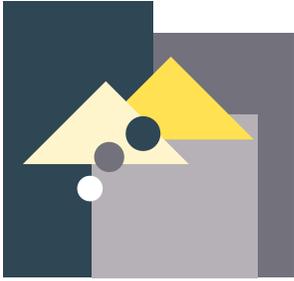
- Rescued approximately 33,000 tons of building materials from landfills.
- Provided materials for the rehabilitation of more than 27,000 homes.
- Increased grassroots membership from 1,250 in 1990 to more than 6,000 in 1995.
- Established partnerships with more than 400 manufacturers, distributors, and contractors.
- Saved the building industry about \$500,000 in dumping fees in 1995.

TLD maintains a relationship with a number of other recycling groups, including Impact (Philadelphia, Pennsylvania), Urban Ore (Berkeley, California), Rehab (Indianapolis, Indiana), the Frederick Nonprofit Building Material Warehouse (Frederick, Maryland), and the Community Resource Bank (Baltimore, Maryland).

In addition, in partnership with Urban Ore, Material for the Arts (New York City), Environmentally Yours (Albany, New York), and the New York State Recycling Market Development (Albany, New York), TLD is establishing a Reuse Development Organization (REDO). REDO will be a nonprofit national reuse network to advocate, educate, and organize new and existing building materials recycling centers.

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McAuley Village

■ The McAuley Corporation
Providence, Rhode Island

McAuley Village is a transitional apartment facility that helps single parents and their children by systematically and simultaneously addressing homelessness, unemployment, domestic violence, alcohol and other drug abuse, and public safety. McAuley Village takes poor single parents from a life of dependence on welfare to one of independence by offering onsite day care facilities, a library, tutoring, mentoring, and housing and job placement services. Sixty percent of parents who lived in the village in the past 5 years have found jobs in fields such as engineering, nursing, banking, and administration.

Background

High rates of unemployment and the widening gap between income and housing costs have made it very difficult for low-income, single-parent families to house and feed themselves. As a result, increasing numbers become homeless. Domestic violence and substance abuse problems may increase, while crime and fear of crime haunt the housing options available to them.

Young single parents especially may lack the self-esteem and resources to become self-supporting. They need skills to get jobs that pay enough to provide hope for a better future. They may be cut off from the supporting community that could help them move toward economic independence. Low educational levels or language barriers may hamper their advancement.

McAuley Village was developed as a response to rapidly growing numbers of low-income, single-parent families using the McAuley House soup kitchen and day center in Providence, Rhode Island. The conditions in which these families lived precluded healthy development.

Seeing the need, the McAuley House executive director mobilized individuals, businesses, and State and local governments to raise funds to build a subsidized housing facility that would include a variety of support programs. Originally, neighbors surrounding the proposed site opposed plans for the village.

McAuley Village is a supportive community in which single parents can move to economic independence and families can thrive.

Staff met with neighborhood groups to explain the program's plans to build support. Now, neighbors have come to see McAuley Village as an asset to their community.

Approach

McAuley Village is a transitional facility that provides a setting where residents can realize a sense of self-worth and gain the skills and confidence necessary for self-sufficiency. Supportive programs are tailored to individuals who come from diverse backgrounds and have different levels of preparation, some of whom cannot read or speak English when they arrive. Village residents include school dropouts and some persons with college education, victims of domestic violence, and immigrant families.

Residents are charged 30 percent of their income during their stay of up to 2 years. In exchange, they design and commit to individual plans in which they stipulate goals and objectives that will lead to self-sufficiency. The plans lay out educational, job skill, and personal goals.

McAuley Village is designed as a supportive community in which single parents can move to economic independence and families can thrive. Its relatively small size—22 apartments—facilitates close

personal interactions. Its programs are planned to nurture families as they build skills. Day care, mentoring, tutoring, and employment services are available on site, and workshops, meetings, and counseling services allow residents to explore their problems in depth and then move forward. A staff of 20 is employed to provide its services, including child care and building security.

McAuley's program does more than deal with symptoms; it confronts root

causes of individual situations. It addresses several crucial areas at the same time:

- **The program strongly encourages education and training.** Most residents take part in some formal educational program or English as a Second Language classes at local community-



based agencies. Community volunteers tutor adults and children, while an onsite library serves children. Plans are under way to provide computer equipment for use by residents.

- **The program emphasizes parenting and life skills.** McAuley Village teams each resident with a volunteer mentor who teaches parenting skills. Activities for children stress socialization skills. Other life skills that are taught include stress management, budgeting, and decisionmaking. The program emphasizes the value of building real homes, friends, and community.
- **Employment is a major goal, with an emphasis on good jobs that offer living wages and benefits.** The staff job placement coordinator brings in experts who can teach job search skills and help residents find appropriate employment.
- **To ensure the security of residents, McAuley Village provides 24-hour security and safe play environments for children.** This sense of security is very important to enable residents to concentrate on their programs.

McAuley Village also promotes interaction between residents and the larger community. At any one time, 30 to 40 volunteers help carry out the program, and college and university students work with the children. A variety of local organizations use the facility for meeting space and residents are encouraged to attend. The day care center accepts children from outside McAuley Village, and a former resident and a community member serve on the board of directors.

Two years is barely enough time to turn around lives and obtain education and job training. When residents are about to move on, a housing coordinator also helps residents find appropriate housing. After they leave, the program continues to provide followup and support services. The program currently serves about 75 families.

Impact

Since McAuley Village opened in 1990, about 80 families and 160 children up to age 10 have been served. Two-thirds have succeeded in remaining in academic programs and/or work for at least 1 year after they completed residency. Some 1-year plus alumnae are interested in buying their own homes.

For example, Paula was one of the first residents of McAuley Village. At the time, she was a single mother with two children and no academic credentials, behind on her rent, and had almost no money. Her stay at McAuley Village led to educational opportunities, much higher self-worth, greater awareness of responsibility for her actions, and a job. For Paula, McAuley Village was a stepping stone

For Paula, McAuley Village was a stepping stone to her success that provided a sense of community and strength of mind.

McAuley Village:

- Raised money to develop a three-story building with 22 apartments.
- Housed 80 families with 160 children under 10 years old.
- Assisted 60 percent of its residents to find jobs.
- Employs 20 persons at the facility.
- Involves 30 to 40 community volunteers in its program at any one time.
- Currently provides services to 75 families.

to her success that provided a sense of community and strength of mind. She now has an associate degree in electrical engineering technology and is a technician at the Cherry Semiconductor Corporation. She recently purchased her first home.

Because McAuley Village is one of only two transitional housing facilities in the State, its impact extends to all of Rhode Island as well as southeastern Massachusetts.

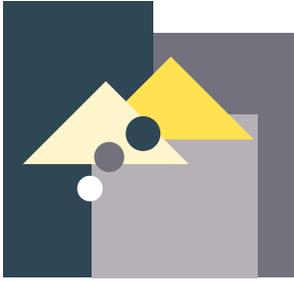
Scaling Up

McAuley Village receives many inquiries about its programs. Their holistic and comprehensive approach could be used wherever a nonprofit organization chooses to respond broadly to the needs of poor, single-parent households. Marshaling partnerships among agencies and volunteers would be key to the success of similar programs.

Two recently founded transitional housing programs were modeled on McAuley Village: Thames River (1992) in Norwich, Connecticut, and Crossroads Apartments (1994) in North Kingstown, Rhode Island.

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Minneapolis Neighborhood Revitalization Program

Minneapolis, Minnesota

Minneapolis Neighborhood Revitalization Program (NRP) puts neighborhood residents in charge of planning their future, and backs that involvement with substantial long-term commitment of city funds. It provides a way for residents in each of the city's 81 neighborhoods to come together to create positive change in their neighborhoods. Communities identify priorities, develop strategies, capitalize on opportunities, decide how to channel resources, and build partnerships to solve their own problems. According to Minneapolis Mayor Sharon Sayles Belton, "NRP is a way of talking to working- and middle-class people and asking them directly: 'What do you need to stay?'"

Background

In 1960 Minneapolis had a population of 483,000 in a metropolitan area of 1.5 million. By 1990 Minneapolis' population had shrunk to 370,000 in a metro area of 2.3 million. Although the area as a whole enjoys a strong, diverse economy, the two core cities of Minneapolis (see photo, page 62) and St. Paul are home to a disproportionate 56 percent of the region's population that lives in poverty. Both middle-class households and jobs have fled to the suburbs, leaving behind concentrations of very low-income, minority, senior, and single-parent households without adequate support systems. The older housing that predominates in the core cities often has high maintenance needs that are beyond residents' ability or landlords' willingness to pay.

In 1987 two Minneapolis task forces reported that it would take \$4 billion to maintain the city's aging infrastructure and reinvest in older housing stock. These reports galvanized the city council to suggest committing a sizeable amount of tax-increment financing to revitalize neighborhoods. Implementing this idea required support of the State legislature, Hennepin County, and the Minneapolis Public School District. Through a joint powers agreement, a Neighborhood Revitalization Program Policy Board was set up to partner the city, Hennepin County, the Minneapolis School District, the Park Board, the Library Board, the State Legislature, the Minneapolis Chamber of Commerce, labor



“The Neighborhood Revitalization Program is a way of talking to working- and middle-class people and asking them directly: ‘What do you need to stay?’”

*Sharon Sayles Belton,
Mayor of Minneapolis*

unions, community representatives, and nonprofit organizations in a collaborative effort to revitalize these neighborhoods.

Approach

The NRP improves Minneapolis neighborhoods through neighborhood-based planning. It strengthens the capacity of neighborhood organizations to plan and carry out projects in all 81 neighborhoods—rich and poor. Instead of top-down plan-

ning, neighborhood residents identify priorities, develop strategies, capitalize on opportunities, and solve problems through partnerships with government, nonprofit organizations, and the private sector. During the planning process residents work together to address their housing, safety, economic development, recreation, health, social service, environment, transportation, and cultural needs. The program emphasizes:

- Building a sense of community among residents.
- Identifying human resources and other assets for implementing plans.
- Increasing intra- and intergovernmental collaboration.
- Redirecting government budgets to strategies identified in neighborhood plans.
- Using NRP funds to leverage other community resources.

The NRP requires the involvement of all segments of the community in the neighborhood planning process. As a condition of participating in NRP, neighborhood organizations draft a participation agreement describing how the neighborhood will select a NRP steering committee to coordinate the planning process, get diverse people and interests involved, gather background information for the planning effort, define neighborhood issues and opportunities, and structure meetings and events to develop their plan. This agreement is a formal contract between the NRP and the neighborhood to ensure broad citizen participation.

The action plan for the Whittier neighborhood was one of the first to be approved. Because children in this neighborhood were attending more than 50 different schools under desegregation plans, a new neighborhood school was high on the neighborhood's list of priorities. Today the neighborhood is well on the way to having its own Whittier Campus including a new elementary school, a neighborhood early learning center, and a gymnasium built by the Park Board with the school sharing the facility. Metro State University may soon begin offering adult education classes at the campus. NRP facilitated collaboration between government agencies and programs to make this possible: \$14 million came from the School Board, \$1.8 million from NRP, more than \$1 million from the city for site acquisition and infrastructure improvements, and \$2.5 million from the city for the early learning center.

Impact

The NRP investment is beginning to pay off. Its \$6.6 million invested from early 1995 in housing rehabilitation has been matched by more than \$14.3 million in private or other public dollars. By October 1995, 22 of the 65 organizations had completed a neighborhood plan and begun implementation on efforts to establish affordable housing, bike patrols for city and park police, bicycle trails, traffic management projects, adopt-a-park and tree planting programs, job training efforts, neighborhood-based conflict mediation, and removal of lead hazards. More than 5,500 trees have been planted, 9 parks have been improved, and 8 commercial corridor planning and investment initiatives have begun.

Public participation also has been impressive. Availability of funds has been a significant factor behind citizen participation. More than 700 volunteers serve on NRP steering committees, and nearly 3,000 people participated in 145 meetings in just 1 month. An evaluation by Rutgers University reported, "Most participants expressed optimism that the NRP would significantly change their neighborhoods."

By placing the neighborhood residents in charge, NRP has changed the way government provides and delivers services. For example, the Jordan neighborhood began a citizen inspection program. Resident volunteers identified housing code violations and sent letters asking the property owners to fix the problems, tasks formerly carried out by city inspectors. More than 70 percent of property owners made the requested improvements. The program's success prompted the Minneapolis Inspections Division to begin similar programs in other neighborhoods. Through NRP, government becomes a partner rather than a top-down decisionmaker in shaping neighborhoods' futures.

“The Neighborhood Revitalization Program’s two primary goals—empowerment of residents by involving them in planning for their future and accommodating change, and building community by building partnerships—is making Minneapolis the place where people want to live.”

*Robert D. Miller,
Director, NRP*

The Minneapolis Neighborhood Revitalization Program:

- Provides \$20 million per year for 20 years for implementing neighborhood plans.
- Has 65 plans in progress covering all but one of the city's 81 neighborhoods.
- Involves more than 700 volunteers on NRP steering committees.
- Brought together nearly 3,000 people in 145 meetings in just 1 month.

NRP is building a sense of community through hundreds of personal contacts with neighbors and government and agency staffs. As a result of the program, many residents are ready to remain in the neighborhoods and upgrade their properties because they believe a critical mass of other properties will also be repaired.

The program has spent \$31.2 million on neighborhood strategies since it began operation in 1991. The organization has a diverse revenue stream that includes program and government revenue sources, grants and donations, and other sources. An annual amount of \$20 million is dedicated to carry out neighborhood programs.

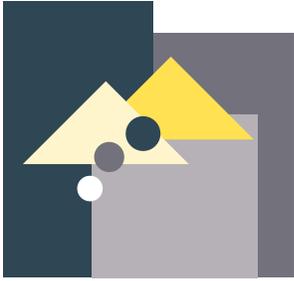
Scaling Up

Minneapolis' approach to neighborhood-based planning could be adapted and used in many other cities. Officials from Seattle, Washington, have visited Minneapolis and started a similar program of planning for neighborhood revitalization in Seattle's "urban villages." A staff exchange program between NRP and Seattle is being explored for 1996.

NRP receives many inquiries from cities of all sizes around the country. Many have incorporated elements of NRP in their own programs. Because of these inquiries, NRP and the Minneapolis Planning Department will host a national neighborhood planning conference, *Vital Communities*, in September 1996.

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NeighborWorks Full-Cycle Lending

■ Neighborhood Reinvestment Corporation
Washington, D.C.

The NeighborWorks Full-Cycle Lending program increases homeownership among low- and moderate-income families and enhances revitalization of distressed communities in the process. Through its comprehensive, systematic approach to affordable housing lending, the NeighborWorks program also ensures that low- and moderate-income homeowners remain in their homes for the long term. Since 1993, NeighborWorks organizations have assisted more than 6,000 households in their quest to become homeowners.

Background

Lack of access to mortgage funds particularly affects residents of older urban neighborhoods. In many cities, such neighborhoods have experienced a decline after residents move to the suburbs rather than maintain and repair the older housing stock they leave behind. The older neighborhoods gradually become concentrated with lower-income persons—especially persons of color, female-headed households, and the working poor—who are less financially able to repair their homes. Businesses also may move to higher-income areas. Absentee landlords may be much more concerned with immediate cash flow than with future liveability of their buildings and neighborhood facilities, further destabilizing the area. Some properties may be purchased by investors whose only interest is speculation that particular parcels may become more valuable.

At some point in this cycle of decline, the lending industry begins to see such neighborhoods as poor credit risks and may become increasingly unwilling to make mortgage or rehabilitation loans in these areas. They may require more stringent terms to cover what they perceive as greater risk, or they may stop making loans in such neighborhoods altogether. This spiral of decline affects many low-income households that could afford to purchase homes in older neighborhoods if mortgages were available.

However desirable homeownership may be for the community, experience has shown that low-income homeowners, with fewer

NeighborWorks Full-Cycle Lending aims not only to increase the number of low- and moderate-income homeowners, but also to ensure that they remain in their homes for the long term.

reserves to cushion them in case of financial setbacks, are more at risk of losing their homes than higher-income homeowners. Therefore, traditional homeownership programs, which focus only on helping people buy a house, may result in higher delinquency and default rates in low-income neighborhoods. Something more is needed.

One organization that responds to this reality is the nonprofit Neighborhood Reinvestment Corporation (Neighborhood Reinvestment). Neighborhood Reinvestment has established a national network of 178 NeighborWorks local affiliates in targeted low-income areas. Establishing a local affiliate begins with a commitment to a resident-led partnership that includes business and local government leaders. Each affiliate selects its target communities and identifies the needs of its populations. The partners in each of these local nonprofit organizations plan together for community revitalization. They assess family, community, and housing stock issues, and design assistance packages and pool financing from a variety of sources to facilitate community reinvestment.

Approach

In 1993 Neighborhood Reinvestment launched the NeighborWorks' Campaign for Home Ownership. In developing the campaign, Neighborhood Reinvestment researched the best practices for developing successful low- and moderate-income homeownership in minority and immigrant communities. The result was NeighborWorks Full-Cycle Lending, which includes a neighborhood revitalization strategy, loan product flexibility, comprehensive prepurchase and postpurchase housing counseling, and technical help for housing rehabilitation. Started on a pilot basis in 20 communities, NeighborWorks Full-Cycle Lending now operates in 97 communities in 34 States.

NeighborWorks Full-Cycle Lending aims not only to increase the number of low- and moderate-income homeowners, but also to ensure that they remain in their homes for the long term. Potential homebuyers work with NeighborWorks organizations to learn about the purchase process and



overcome their own barriers to ownership. The program has found that the most effective time to offer housing counseling is well before a prospective buyer actually selects a home. Then, credit problems can be corrected and the household can begin a budget and savings plan to meet the needs of ownership. Later, post-purchase counseling provides continuing support to help prevent delinquency and default. The collaboration within NeighborWorks affiliates gives borrowers more access to willing mortgage lenders.

The Full-Cycle Lending program helps lenders reach a new customer base. In some places, loan officers meet with potential borrowers in NeighborWorks offices, without the cost of maintaining a branch office presence. The program helps lenders meet their Community Reinvestment Act obligations to make loans in underserved areas. The additional supports of the Full-Cycle Lending program can help near-bankable households to become good credit risks. Pooled lending further reduces the risk to lenders.

Because the program targets communities, its impact is much greater than that of single loans. It helps to halt the downward spiral of neighborhoods that can be hastened by an influx of speculative investors and absentee landlords. Residents and city officials can see real improvement in specific neighborhoods.

The ability to harness the resources of the private and nonprofit sectors of the community is crucial to the effectiveness of the program. Its decentralized approach allows for solutions that cross jurisdictional boundaries and flexibly fits local circumstances.

Impact

NeighborWorks Full-Cycle Lending helps neighborhoods grow and improve by stimulating reinvestment in participating communities. Through the program, increasing numbers of resident homeowners stake a claim in their communities, enhancing the tax base and building overall community renewal. This holistic approach provides important services that local public agencies and private lending institutions are increasingly unable or unwilling to offer.

By the end of the first 3 years of the Full-Cycle Lending program, NeighborWorks had helped 6,530 households achieve homeownership. Of these, 95 percent received housing counseling and 88 percent received financial services. A typical client was a low- or very low-income female-headed or minority household. The total investment in low- and moderate-income communities was \$415.5 million.

At this early stage, the Full-Cycle Lending portfolio is performing as well as, or better than, conventional loans. For example, Chattanooga Neighborhood Enterprise, a NeighborWorks affiliate, has

“NeighborWorks Full-Cycle Lending provides a comprehensive system to increase homeownership rates among lower-income families. We believe this will cause neighborhoods to become safer; individuals to regain hope and a sense of belonging; and families to reclaim their schools, their street corners, and their economic growth.”

*George Knight,
Executive Director
of the Neighborhood
Reinvestment Corporation*

**In its first 3 years,
NeighborWorks
Full-Cycle Lending has:**

- Helped 6,530 low- and moderate-income households buy homes.
- Assisted the investment of \$415.5 million.
- Expanded from its initial 20 communities to 97 communities in 34 States.
- Offered housing counseling services to 40,000 persons.

1,242 loans in its portfolio, totaling \$56.8 million. Its delinquency rate is 1.3 percent, just a little over half the national conventional loan delinquency rate of 2.5 percent.

The Full-Cycle Lending approach has given target communities access to credit and the stability of increased homeownership. For every buyer, almost eight people

become involved in some form of homebuyer education. It has been estimated that 40,000 people have been offered some level of NeighborWorks homebuyer education.

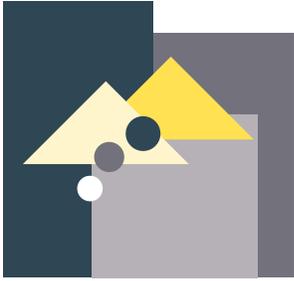
Scaling Up

Industry leaders such as the Federal Home Loan Mortgage Corporation (Freddie Mac) and Mortgage Guaranty Insurance Corporation have touted NeighborWorks Full-Cycle Lending as a model not only for borrowers but also for lenders to improve the profitability of their investments.

In mid-1995 the Neighborhood Reinvestment Corporation teamed with the American Bankers Association and the National Foundation for Consumer Credit to develop an educational workbook series for first-time homebuyers that incorporates the Full-Cycle Lending elements. This partnership is designed to promote collaborative efforts for quality homebuyer education and counseling programs, innovative loan products, and lending services targeted to traditionally underserved markets. The workbook series is also being distributed by the National Association of Realtors.

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New Community Pathmark Supermarket

■ New Community Corporation
Newark, New Jersey

The New Community Pathmark Supermarket is a 55,000-square-foot neighborhood shopping center that forms the cornerstone of an urban revitalization effort taking place in the Central Ward of Newark, New Jersey—an area that was nearly flattened in 5 days of deadly rioting, arson, and looting in 1967. It is a creative partnership between the New Community Corporation (NCC), a nonprofit minority-based community development corporation, and Pathmark Stores, Inc., a large supermarket chain.

This innovation is based on a simple, common sense idea that the best way to stimulate local economic activity is to capture and capitalize on the basic economic transactions of daily life. It not only captures dollars leaving the community, but it also creates new jobs and new job training opportunities. The Pathmark supermarket is the first major commercial facility to be built in Newark's Central Ward since 1967.

Background

Soon after the riots in 1967, there was an acceleration of white middle-class families moving out of Newark to the suburbs. The major supermarket chains also followed suit. Local residents struggled to find fresh, fairly priced food. The residents of the city's poorest, most densely populated neighborhood had to ride several buses either to distant parts of Newark or beyond the city limits to obtain the same reasonably priced, quality foods offered by suburban markets. For example, a 1987 study found that local residents were spending 50 percent of their income for food (in comparison, the "average" American family spends 15 percent). Another finding was that food prices were 38 percent higher at small local stores than at large supermarkets. The study also showed that the Central Ward offered enormous opportunity for a supermarket—90 percent of the 93,000 people living within a half-mile radius already shopped in the lower priced supermarkets of Newark.

For many years NCC was among the few groups working to renovate and build new housing in the Central Ward. Working in vacant lots dotted with abandoned or deteriorating structures, NCC kept adding housing units to its inventory. After having



This innovation is based on a simple, common sense idea that the best way to stimulate local economic activity is to capture and capitalize on the basic economic transactions of daily life.

provided thousands of new housing units in the neighborhood, NCC began to address the critical economic development needs in the area. Using its housing as a base, NCC began creating jobs and branched out into social services such as day care, health care, education, elder care, and transitional housing to eventually become the biggest community development corporation in New Jersey and among the most successful in the Nation.

Approach

The NCC Pathmark brought together the diverse experiences and resources of two established groups—NCC and Pathmark—to provide access to supermarket shopping, create jobs, and generate investment in the community. Commitment between the partners dates back to 1980, long before the lease arrangements were finalized. NCC developed the project, assembled the land and financing, and provided a valuable bridge between the supermarket and the community. Pathmark provided some working capital, management expertise, and store operation and administrative support.

For these two experienced and enthusiastic partners, the collaboration was natural. According to community research that NCC had been carrying out since 1979, the people of the Central Ward wanted a neighborhood supermarket. The solution was obvious: NCC decided to find a joint venture partner—as they had many times previously in developing housing projects—to open a supermarket-anchored shopping center in the Central Ward. Monsignor Linder of NCC decided to approach Pathmark Stores with his proposal. Around the same time, New Jersey-based Pathmark had opened an urban store with the Bedford-Stuyvesant Restoration Corporation in Brooklyn. The CEO of Pathmark wanted to do the same in Newark and knew that Monsignor Linder could help. The NCC-Pathmark partnership and their shared vision was initiated by both organizations.

It took 11 years from the time NCC entered the preliminary planning stages to the opening of the shopping center in 1990. During those years, the project had to overcome a number of obstacles including assembling all of the land necessary for the project and raising the finances needed for such a large venture. NCC was able to overcome these obstacles because of its persistence; its coordinated petitioning efforts with the Governor, mayor, and city council; and its litigation to condemn the vacant buildings on lots still needed for the supermarket.

Between 1980 and 1984, NCC assembled the land for this supermarket “lot by lot,” which involved the acquisition of 3.3 acres of land consisting of 62 parcels, 15 of which were city-owned and 25 had structures on the property. This was a major hurdle that NCC had to overcome.

In support of NCC’s plans to build the shopping center, more than 12,000 community residents signed a petition. In this 1984 petition to the Governor, mayor, and city council, the community declared “We desperately need a high quality supermarket in our community so that we can properly provide for the shopping needs of our families.”

The total cost of the shopping center, which includes four satellite stores as well as the Pathmark supermarket, was \$16 million. NCC invested \$2.8 million of its own funds and Pathmark invested \$400,000, mostly in inventory. The rest of the financing was raised through banks, an Urban Development Action Grant, a Community Development Block Grant, and funds from the New Jersey Economic Development Authority. Pathmark retains one-third of the supermarket’s profits, and NCC retains two-thirds.

A supermarket board of top NCC and Pathmark management meets regularly; the partnership has evolved into a solid, ongoing relationship that both parties believe has been integral to the store’s strong community role and its successful operation.

Impact

Since the supermarket opened on July 26, 1990, NCC Pathmark has been an unqualified success. Weekly sales volume exceeds original projections, and sales per square foot are above the industry average. More than 50,000 shoppers pass through its doors each week (see photo, page 70). Because of the location in an urban enterprise zone, Pathmark gives its customers the advantage of a reduction in State sales tax. Pathmark also has a strong commitment to hiring from the community—more than 50 percent of the store’s employees are from Newark. Satellite stores that are wholly owned by NCC provide additional jobs. This shopping center has generated 343 jobs, 250 of which are at the thriving Pathmark store.

The impact of the NCC Pathmark Neighborhood Shopping Center can be measured most significantly by the jobs created and the career ladders it has begun. The impact can also be measured by the ripple effect of a modern shopping center successfully operating in a community that had been without this important neighborhood asset. Local residents take pride in shopping at the supermarket, and they benefit by the nutrition, health, and education programs that are regularly sponsored by the NCC Pathmark. In addition, the impact can be measured by savings in food costs, the feeling of

The opening of the NCC Pathmark affirmed the reality of a community dream: a modern supermarket within the Central Ward, belonging to the community and helping to build a solid economic base for the community.

Shoppers refer to it as “our Pathmark.”

security on the premises, and by the overall physical change Pathmark has brought to the heart of the Central Ward in Newark.

What makes this shopping center so important is that profits generated remain in the community. Shoppers refer to it as “our Pathmark.” In the words of Mary Smith, Treasurer of NCC and founder of Babyland Nursery, Inc., the supermarket is, “a social investment, not only a business investment, one that is helping to revitalize the community. It is an affirmation of vitality and dignity for the people who live here and now can shop here in their own neighborhood and know they are spending money within their own community.”

Scaling Up

Local Initiatives Support Corporation (LISC), an organization that offers funding and technical assistance to Community Development Corporations (CDCs) established The Retail Initiative (TRI), and has raised more than \$24 million to help community development groups replicate the NCC Pathmark model in at least a dozen cities, including Philadelphia, Pennsylvania; Los Angeles, California; and Chicago, Illinois.

According to LISC, supermarkets and CDCs are natural partners. LISC maintains that high-quality food distribution at affordable prices is an underserved need in many urban neighborhoods and that this large unmet demand can provide opportunities for many potential partnerships.

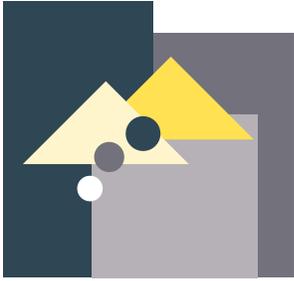
The success of the NCC Pathmark Supermarket is due to the shared vision of Monsignor Linder and Jack Futterman of Pathmark. For them this supermarket is not just a business, but also a social investment to help revitalize the community. This shared vision and a high level of trust between the two groups helped cement a partnership that endured various obstacles for nearly 10 years. This shared vision and partnership are essential to the success of a commercial project in a highly politicized inner-city environment, where there are deeply vested, often conflicting interests, and where the stakes for preserving the status quo are surprisingly high.

Pathmark’s success is evident:

- Sales volume has exceeded initial projections.
- The sales per square foot are above both Pathmark and industry standards.
- More than 50 percent of the store’s 250 employees are Newark residents.

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Police Homeowner Loan Program

Columbia, South Carolina

The Police Homeowner Loan Program in Columbia, South Carolina, encourages police officers to buy homes in the low-income neighborhoods they serve within the city. This gives many officers the opportunity to own a home much earlier in their career. Becoming a member of the neighborhood gives the officers extra incentive to invest their time and energy in community concerns. It also gives them a chance to interact on a more personal level with the people who live there. Not only has the program deterred crime within these communities, it has also been an incentive for other residents to improve their own property.

Background

In Columbia, South Carolina, older, low-income neighborhoods found themselves in a downward spiral of economic and social decline. With an aging housing stock and persistent crime, owners had little incentive to fix up their properties when housing values were falling. Many areas were once highly sought-after places to live, but homes gradually fell into disrepair as landlords increasingly neglected their property. Because unsold and abandoned houses perpetuated the criminal activity that leads to neighborhood deterioration, these neighborhoods found themselves in a vicious cycle of poverty and despair.

To counter such trends, the Columbia Community Development Department targeted certain low-income neighborhoods for investment of Community Development Block Grant (CDBG) funds in programs such as an Urban Homestead Program, Rental Rehabilitation Program, Affordable Housing Program, Operation Paintbrush, and the Purchase Rehabilitation Program to address housing needs. At the same time, the police department began community-based policing initiatives to reduce crime and to make officers more accessible to low-income neighborhoods. While these efforts were sufficient to stabilize some neighborhoods, in others they were not. Because police officers see neighborhoods only from a distance, residents still could say, "The police don't live here, so they don't really care what happens."

This unique, visionary, and beautifully simple program really works!

Approach

The Police Homeowner Loan Program offers police officers 20-year, 4-percent, no-down-payment mortgages for the purchase or rehabilitation of houses in inner-city areas. By providing strong financial incentives for officers to purchase, rehabilitate, and live in older houses in low-income neighborhoods, it affords police the opportunity to gain the perspective of living in the community. By increasing police presence, the program improves housing and gives the resident police officers a round-the-clock stake in crime prevention and neighborhood revitalization.

When the program was established during the spring of 1990, officers were reluctant to participate. Much of Columbia's police force is comprised of younger officers, many of whom have families with small children. When first approached with the program, they were understandably concerned about the quality of life in these low-income neighborhoods. The Chief of Police reassured officers that low-income neighborhoods are not necessarily synonymous with high crime and they would not be compromising their families' safety in any way.

One year after the program began, the first officer moved into a newly refurbished home. Ironically, the house he purchased had the street number of "911." After spreading the word about the terrific deal he received, other officers began to express interest in the program. Interest in the program soon became overwhelming. Another eight officers followed his lead, depleting the funds reserved for the program sooner than was anticipated. Local banks agreed to help with half of the financing for future home police homeowner house purchases, and residents of adjacent communi-

ties started calling city hall to request officers for their neighborhoods.

Impact

Before the program began few police officers lived in the city, especially in the neediest neighborhoods. Now 16 officers have purchased and rehabilitated homes through the Police



Homeowner Loan Program. They include nine white and seven African-American police officers; three are among the first police-women in the city. The officers range in age from 23 to 49, and 7 have children. Potentially, 280 officers would be eligible for the program, but individual circumstances such as age, income, and existing residence have kept many from participating. As younger officers enter the force, more are expected to participate, especially because living in the city is considered when awarding promotions in the department. The number of officers who live in the city has doubled in 10 years to 50.

Improved housing conditions can be credited to the program. Each rehabilitation exceeded local property standards, contributing to physical revitalization of its neighborhood. When police began living in a neighborhood, neighbors began to feel safer and followed the officers' examples by improving their own homes. Property values have stabilized and even rebounded. Some areas are being renovated so successfully that they no longer qualify for the program.

Beyond the physical changes to the houses, residents now say that they feel more in control over what happens in their neighborhood. Now they personally know someone to talk to about their concerns—someone who will take action and get results. The resident officers better understand the personality of the community and can more easily serve as friends and role models. The presence of a police family and a squad car in the neighborhood deters criminal activity, especially burglaries and drug-related crime. Community support is so strong that two low-income neighborhoods near the target neighborhoods *demand*ed that the city recruit police homeowners for deteriorated houses in their area. Each of these neighborhoods now has two police homeowners.

An unexpected but positive side effect of the Loan Program has been a more diversified population within the inner city. Some of the white officers have chosen homes in minority neighborhoods, and some African-American officers have chosen homes in predominantly white communities. Having younger families move into older neighborhoods has rekindled community spirit and generated a sense of security among elderly residents.

Noting the ripple effect of low crime rates, improved real estate values, and the coming together of the community, one observer commented, "This unique, visionary, and beautifully simple program really works!"

Scaling Up

Columbia's Police Homeowner Loan Program has attracted wide attention. It was featured in *Parade* magazine, on NBC News, ABC's

“Columbia's Police Homeowner Program affords the opportunity for police officers to experience first-hand what we in Community Development already know—that the vast majority of our residents are just like you and me, with similar aspirations, as well as the frustrations of everyday life.”

*Richard J. Semon,
Director, Community
Development Department
Columbia, South Carolina*

Community support is so strong that two low-income neighborhoods *demand*ed that the city recruit police homeowners for their area.

Because of Columbia's Police Homeowner Loan Program:

- 16 officers now live in completely rehabilitated homes in targeted neighborhoods.
- Nine white and seven African-American officers participate, including three female officers.
- 70 cities are implementing similar loan funds.

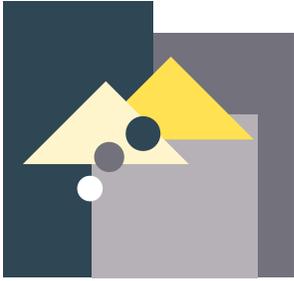
World News, and CNN. The program received the South Carolina Municipal Association Award, The Audrey Nelson National Community Development Association Award, and the Innovations in State and Local Government Award sponsored by Harvard University's John F. Kennedy School of Government and the Ford Foundation. The latter award included a \$100,000 grant, a portion of which was to be used in helping other communities replicate the program. The city has also produced a video and brochure to explain what was done.

In Columbia, the success of the Police Homeowner Loan Program prompted development of the City Employee Home Loan Program, which helps city employees to purchase homes in the city that do not need rehabilitation. The Federal National Mortgage Association (Fannie Mae) and First Union National Bank participate in the city employee program.

The award-winning Police Homeowner Loan Program has inspired other rehabilitation efforts in the neighborhood and enhanced racial, gender, and age diversity in low-income neighborhoods. The program has been contacted by some 400 cities or agencies around the Nation, and more than 70 communities of all sizes have now implemented a similar program.

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Resident and Community Services

■ Omaha Housing Authority
Omaha, Nebraska

Through its Resident and Community Services program, the Omaha Housing Authority (OHA) eliminates barriers that low-income individuals experience on a daily basis by providing innovative and effective supportive services for residents and assisting them in a comprehensive way. As the key agency for assisting the poor in the Omaha metropolitan area and surrounding counties, OHA works in collaboration with universities, public agencies, religious institutions, and community-based organizations to provide a broad range of services for residents. The result has been better-educated, better-trained, healthier, and more independent individuals who use OHA housing as a stepping stone towards upward mobility and economic self-sufficiency.

Background

Since its inception in 1935, OHA has always been a pioneer in affordable housing. It was one of the first public housing authorities to operate a Scattered Site Housing Program with success. It was also one of the first large housing authorities to sell homes to residents under the HOPE program. Today, operating in a city of 370,000, OHA owns and manages nearly 3,000 units in 3 housing developments and 12 high-rise buildings and administers more than 4,000 rental assistance housing units. The current annual operating budget is \$30 million, with \$126 million in assets.

In 1986, Robert Armstrong became executive director of OHA, which marked the beginning of resident and community service specifically targeted to encouraging self-reliance, job training, education, confidence-building, and entrepreneurship services.

Approach

Low-income persons usually are disadvantaged by complex barriers that limit their options. OHA has been a leader in the metropolitan area in lowering the barriers to self-sufficiency for its public and assisted housing residents. It has provided safe, clean, and affordable housing; helped low-income individuals



“It is our dream that the children living in public housing today will have no need for public assistance of any kind in the future.”

Omaha Housing Authority

become self-supporting; encouraged economic development; and promoted social and cultural vitality.

Efforts to meet the special needs of OHA's low-income residents began in 1986, when Armstrong walked door-to-door through family housing developments to visit with residents and find out what he could do to assist them. As a result, Armstrong created the Resident Relations division to help residents “remove excuses for failure” and become self-supportive. Solid working relationships were built with the Omaha Public Schools, the Omaha Police Department, and other community service organizations. Since that time, OHA has developed a wide variety of programs and services for residents.

Because low-income families often lack access to regular health care, OHA's First-Step facility provides residents with one-stop

access to receive the comprehensive services they need. With funding from the Department of Health and Human Services, FirstStep offers pre- and post-natal care for mothers, medical services for children, and parenting classes. It houses offices of the Nebraska Department of Social Services, Douglas County Health Department, Charles Drew Health Center's Women, Infants and Children Program (WIC), substance abuse counseling and referral, and medical care. In addition, an onsite immunization clinic operates 1 day a week.

OHA also promotes educational development among young residents. The LaFern Williams Center adjacent to OHA's South Side Terrace housing development offers recreation, arts, educational, and cultural programs throughout the year. The center provides a safe place for nearly 200 youth daily, with special sport and field trip programs in the summer. OHA also provides a study center in each low-income project where volunteers provide tutoring 2 nights a week. Each center has a classroom equipped with computers, printers, and software donated by local businesses.

In addition, OHA has established a foundation to provide college scholarships of up to \$2,500 for public housing residents, \$100 bonds for public housing students with the highest grade point averages, and field trips. A partnership between OHA and the local cable TV company generates most of the Foundation's funds. The company contributes \$1 of the monthly fee for public housing

residents' cable subscriptions in exchange for having OHA collect the cable fee in conjunction with its monthly housing rents.

Job training is another focus of OHA. In an effort to provide qualified workers for the Omaha skilled labor market, the Omaha Housing Authority created Step-Up—a 1-year pre-apprenticeship program. After successful completion of 6 months of classroom instruction, participants receive 6 months of on-the-job training at OHA construction and maintenance sites. At the end of the year, students apply for full, 4-year, labor trade union apprenticeships.

Moreover, to overcome the barrier of lack of job skills and experience, OHA operates a Door and Window Manufacturing Shop that employs and trains its residents while producing doors and windows for its own housing units and for outside buyers. Proceeds from the shop have saved OHA more than \$1 million. In 1992 OHA began a nationwide marketing strategy to sell the products of its Door and Window Manufacturing Shop.

Recently, OHA developed a more comprehensive job training program called Focus Omaha, a collaborative effort with Creighton University and Metropolitan Community College. Focus Omaha trains unemployed and underemployed workers in basic skills that allow them to compete for living wages (see photo, page 78). The training program has two components: FastTrack and Information Technologies. FastTrack is an 8-week, intensive class that upgrades math, reading, communication, and literacy skills. After completion of FastTrack, individuals may enter another 8-week "Information Technologies" computer course designed to introduce participants to various computer applications. Training graduates are assisted in their job search by School-to-Work Transition Coordinators, who help them complete job applications and coordinate interviews with local companies.

Impact

The Resident and Community Services program has improved the lives of virtually everyone it touches. In the FirstStep facility, one-third of the infants in care receive age-appropriate vaccinations, while two-thirds receive immunizations from private physicians and offsite clinics. The WIC nutrition program serves 3,000 clients monthly, and the Foundation helped 5 residents obtain scholarships to earn college degrees. These residents are now employed in the corporate world. Of the residents that completed the Focus Omaha Program, many have completed the FastTrack basic skills course while others have found employment or enrolled in further education.

What is needed is the vision to see outside of traditional program boxes, good planning, and a genuinely collaborative team.

Through its innovative mix of resident support services, OHA:

- Manages 3 housing developments and operates 12 high-rise buildings.
- Serves 200 youth daily in the LaFern Williams Center.
- Operates FirstStep, a one-stop health care facility for a mix of needs.
- Accommodates delivery of the Women, Infants and Children (WIC) nutrition program to 3,000 clients monthly.
- Provides transportation services.
- Provides job skills training while saving more than \$1 million in its Door and Window Manufacturing Shop.
- Helped five residents use Omaha Foundation scholarships to earn college degrees.

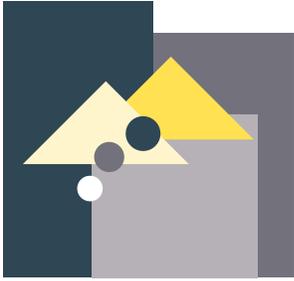
Scaling Up

OHA has received the National Association of Housing and Redevelopment Officials' Award of Merit, Agency Award of Excellence, and Innovative Programs Award for Direct Client/Resident Services. Its programs have been featured in the *New York Times*, *Wall Street Journal*, *USA Today*, *Cleveland Plain Dealer*, and *Washington Post*.

The OHA model has been explored by interested government officials throughout the United States. Almost any public housing authority interested in promoting self-improvement among its residents and "removing excuses for failure" can use OHA's comprehensive approach to resident services.

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South Bronx Churches Nehemiah Homes

■ South Bronx Churches Sponsoring
Committee, Inc.
Bronx, New York

The Nehemiah Homes program provides more than 500 affordable homes in New York's South Bronx. It is part of the larger mission of South Bronx Churches Sponsoring committee to address core issues facing the community, including adequate housing; public safety; quality public education; responsive government; and direct citizen involvement in the political, cultural, and civic life of the South Bronx. Rather than simply building houses to replace vacant land, South Bronx Churches builds communities by enabling working families to become homeowners through the Nehemiah program and pursuing a broad agenda of urban revitalization. In addition to producing the Nehemiah homes, many of which are owned by previous tenants of public housing, South Bronx Churches has also helped revitalize commercial activity, increased voter participation, and improved local schools.

With Nehemiah Homes, the South Bronx Churches rejects the notion that higher density is more appropriate for low-income neighborhood developments. They believe that the urban poor have as much right to public and private space as anyone. Nehemiah has stood in the face of housing policies that make it difficult for families in the South Bronx to have a yard of their own and supports the rights of other Bronx residents (predominantly white and middle-class groups) to live in lower-density neighborhoods as well.

Background

The story of the innovation and involvement of the community at large in the neighborhood development is tied to the organizing approach of the Industrial Areas Foundation (IAF), a nationwide grassroots organizing group of which South Bronx Churches is an affiliate. Working primarily through local churches, IAF builds leadership, organizing skills, and self-confidence in community members by challenging them to address problems in their own community. The Nehemiah Homes program is designed to bring together enough families in a contiguous area to rebuild the concept of community. The program's large scale enables the owners to become a base of power from which to deal with local issues.

Community organizing and housing development have complemented one another to change the outlook and conditions of a very tough urban community.

The vision for Nehemiah Homes—affordable homeownership for working families on a scale that allows for the development of an entire neighborhood with a population density that is livable (not congested)—was first articulated in 1982 by East Brooklyn Congregations, IAF, and a renowned developer. The Nehemiah vision was adapted for the South Bronx when the South Bronx Churches formed in 1987. South Bronx Churches worked from 1987 to 1991 to transform the vision into a reality.

The funds to develop Nehemiah Homes in the South Bronx were raised with the support of South Bronx Churches' member congregations, their judicatories, and denominational leaders. Two Episcopalian churches each agreed to loan \$1 million to the construction loan fund. The Evangelical Lutheran Church of America gave a grant of \$500,000 for the fund. East Brooklyn Congregations, Catholic religious orders, and Catholic and Jewish individuals make up the rest of the trust to reach a total of \$3.4 million. Because the Lutheran Church grant was payable over 5 years, Chase Manhattan Bank was part of the pool in the beginning but subsequently withdrew from direct participation when sufficient money from the Lutheran Church was in place to balance the loans of the other parties. Chase continues to offer a \$500,000 line of credit if needed during construction.

Approach

South Bronx Churches works with the lay and clergy leaders of member congregations to address a broad agenda of community problems. Along the way, these leaders participate in IAF training and workshops. In addition to its work on improving housing, South Bronx Churches has sought to improve medical care at a local hospital, better education in local schools, and has worked with the local police precinct to fight crime and improve safety on the streets.

It is never “one [individual] against the world” at Nehemiah Homes because everyone has learned that it is the power of collective



ownership in their community that gives them the ability to shape what happens around their homes. One community member's account of her experience with IAF methods as they were applied in a church leadership workshop is demonstrative. She and several others were asked as a group to try to do something about the lack of lighting in a nearby subway station. Individual phone calls led to group meetings, petitions, press conferences, and finally a walk through meeting with public officials in the subway station itself. Each step of the way,

the frustration of the group of community members drove them to increase their efforts. The group, which consisted of seven low-income Hispanic and African-American women, was featured in a newspaper article, met with the president of the New York Metropolitan Transit Authority, and secured vandal-proof lights that have been permanently installed in the local subway station.

The main obstacles that South Bronx Churches met with in developing Nehemiah homes were land acquisition and planning clearances. These problems were addressed by tapping the political will of the community. Rallies and petitions were as important to the process as meetings at the borough president's office and at the Housing Preservation and Development Department. Even in those meetings, the community was represented by leaders who lived and worked in the community—not by outside consultants.

The minimum annual income for people living in Nehemiah Homes apartments is \$20,000; the maximum \$56,000, in accordance with the State of New York Mortgage Agency requirements. Two hundred twenty-four single-family homes and 288 condominiums (see photo, page 82) have been completed, sold, and occupied since construction began in late 1991. Single-family homes sold for \$69,000, less a \$15,000 second mortgage from the city of New York. The condominium base price is \$81,500 for a duplex and \$76,000 for a simplex, which again is less the \$15,000 second mortgage. An additional \$5,000 for a perpetual maintenance fund and \$4,000 for closing costs are added to the mortgage for condominium purchasers, as well as costs for security fencing, air conditioning, and a washer/dryer combination. Monthly payments for a Nehemiah home or condominium are approximately \$450.

Impact

One of the most significant impacts that the South Bronx Churches Nehemiah Homes has made is the development of affordable housing with a minimum income requirement of \$20,000 instead of the usual \$35,000 minimum income, which typically makes it difficult for the working poor to own homes.

However, the benefits to the target population extend far beyond housing. The organizing and leadership development model followed by South Bronx Churches is an impressive method for creating a permanent mediating organization to help new homeowners shape the future of their community.

In addition, Nehemiah Homes are just one part of South Bronx Churches broader efforts that include organizing a new community high school, the Bronx Academy for Leadership, in partnership with the New York City Department of Education. There is also a homeowners association that encourages community members to directly address problems in the community and the school.

“When South Bronx Churches finally won Nehemiah, I put in my application. Now I have my house. Theresa and her little friends play in the yard. Nehemiah is the best thing that ever happened to my family.”

Mary Martinez

The South Bronx Churches successes include:

- Providing 512 new homes on land that was vacant rubble for 20 years.
- Repopulating an abandoned portion of the South Bronx.
- Transforming the Nehemiah neighborhood into a nearly drug-free zone.
- Creating new forms of construction capital.
- Creating a new public high school, sponsored by South Bronx Churches.
- Focusing on neighborhood development, not just housing development.

South Bronx Churches has used the Nehemiah program as a stepping stone to address broader community issues. In particular, drug and crime activity has declined since the neighborhood development was built. Addressing crime continues to be a priority of the Nehemiah homeowners association and South Bronx Churches.

South Bronx Churches challenges the “rules of the game” in the sense that community members have collectively organized to develop housing for themselves. They are not isolated actors in the market, nor is the housing provided by a centralized public agency or a private developer.

Scaling Up

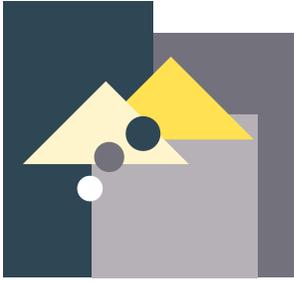
South Bronx Churches Nehemiah Homes is modeled after a similar project sponsored by East Brooklyn Congregations (EBC), an affiliate who pioneered housing construction in the early and mid-1980’s. East Brooklyn Congregations were the first to put together the necessary ingredients for locally controlled housing construction in New York City.

South Bronx Churches and other IAF affiliates around the country followed EBC’s example. The first phase of South Bronx Churches Nehemiah included 224 single-family homes and 288 condominiums. Phase II, now entering the final land acquisition phase with the City of New York, includes about 350 additional units with single-family and two-family models.

IAF affiliates in other communities have also built the required partnerships to acquire land, raise construction capital, and build affordable new houses. To date, Nehemiah projects have been successfully completed in Baltimore, Maryland; Philadelphia, Pennsylvania; Los Angeles, California; Sonoma County, California; and Memphis, Tennessee. The model can be adapted wherever there is a broad-based citizens organization with the power, determination, and relationships to raise no-interest construction capital and fight for land on which to build.

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Take Back The Park

■ Citizens Committee for New York City, Inc.
New York, New York

Take Back The Park is a summer-long, youth-run project that helps inner-city neighborhoods reclaim crime-ridden parks for recreational and community uses. By creating a process in which neighborhood residents work together to meet local needs, Take Back The Park has begun to chip away at the feeling of dependence on external forces to solve community problems. The program works to replace these negative attitudes with a new awareness of available resources and a sense of local empowerment.

Background

Many inner-city neighborhoods face a shortage of recreational space and activities for young people. During the mid-1980's, this trend was exacerbated in many urban neighborhoods by increases in crime and drug dealing in public parks, which made the parks unusable by neighborhood residents.

With support from the Citizens Committee for New York City, a nonprofit organization established to support and strengthen local volunteer efforts, Take Back The Park addresses the lack of usable urban recreational space for youth and their neighborhoods. The program began in 1987 when 25 young people from neighborhood housing projects and local welfare hotels initiated programs in 3 parks in New York's Chelsea area—also known as Hell's Kitchen—to provide positive recreational, cultural, and educational activities for young people.

Since then, the project has relied on young volunteers who receive valuable training and experience through their participation.

Approach

Every summer, Take Back The Park targets a number of New York City neighborhoods to reclaim local parks that have been taken over by drug dealing, vandalism, and substance abuse. The program mobilizes and trains a range of partners, including youth representatives, the police department, parks department



Youth organizers learn how to reach out and create a peer support group based on the mutual discovery and use of personal strengths.

personnel, community leaders, and representatives from tenants associations and community boards, to take an active role in the collaborative planning process.

Each year the Citizens Committee recruits 25 “at-risk” youth between the ages of 14 and 25 to participate as program organizers. Youth organizers work on all aspects of designing and implementing program activities, including sports tournaments, concerts, and issues forums. They receive 25 hours of leadership and community organizing training on program planning, outreach, community problem solving, and strategies for addressing drug trafficking and substance abuse. Trained youth organizers conduct a needs assessment survey in the targeted community to determine what types of changes or programs neighborhood residents desire. Once youth organiz-

ers have established a network with the police, parks and recreation departments, community-based agencies, tenants associations, and community boards, each Take Back The Park project creates a 6-week calendar of events detailing daily activities, such as sports, movies, concerts, gardening, arts and crafts activities, and educational forums.

The reliance on youth leadership is a unique feature of the program that fosters the sense of intergenerational ownership. By training young people from local communities and placing them in leadership roles, the program acknowledges the skills, perspectives, and voices that young people can bring to community problem solving. The program challenges a contemporary urban reality—fear of inner-city youth by the community. Because many of the youth leaders are or have been considered at-risk (high school dropouts, former substance abusers, and children who have experienced family homelessness or substance abuse), Take Back The Park also helps to “take back” young people.

Funding for the program comes from a variety of public and private sources. A large portion of program funds come from the city and the State, including the State Office of Substance and Alcohol Abuse and the New York City Department of Parks. To offset the

effect of city and State budget cuts, the Citizens Committee has secured increased grant funding from several private charitable foundations.

Impact

Through organizing and implementing community activities in neighborhood parks, Take Back The Park also helps young people identify and draw on their personal and peer resources. Youth organizers learn how to reach out and create a peer support group based on the mutual discovery and use of personal strengths. Young people learn how to access external resources in their communities, including churches, nonprofit organizations, city agencies, community boards, the police department, local merchants, schools, and concerned individuals. Working cooperatively with law enforcement agencies to ensure the safety of Take Back The Park events has led to attitudinal changes about police among program participants.

By developing organizational skills and a knowledge of community resources, young participants come away with a new understanding of the interconnectedness of the urban fabric and a heightened sense of their own potential. With community organizing skills learned from the program, many former Take Back The Park participants have chosen careers in human services. Today, one former youth organizer is an Assistant Director for Youth Unlimited while another is Director of the Neighborhood Youth Leadership Center.

Since 1987, 15 of some of New York City's most distressed neighborhoods, including Chelsea, Harlem, Bushwick, Fort Greene, and Washington Heights, have reclaimed parks and playgrounds from violence, crime, and drugs. More than 22,000 people, approximately 1,500 people per neighborhood, have participated in Take Back The Park summer programs, and more than 160 young adults have received valuable experience through their critical leadership roles as youth organizers.

Scaling Up

Take Back The Park is transferred to new participating neighborhoods each summer. Communities, inspired by the project's training and technical assistance, continue to collaborate and plan programs addressing other community issues.

Take Back The Park is clearly an important model that is easily replicated in any city or community that possesses the interest and energy to restore harmony in their public spaces and will lend their young people the support and credibility to prove themselves as leaders.

Take Back
The Park also
helps to “take
back” young
people.

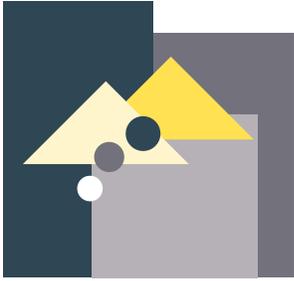
By training young people from local communities and placing them in leadership roles, the program acknowledges the skills, perspectives, and voices that young people can bring to community problem solving.

**Since its creation in 1987,
Take Back The Park has:**

- Reclaimed more than 15 parks plagued by crime, vandalism, and drugs in some of New York City's most distressed areas.
- Reached more than 22,000 people through its programs.
- Provided 160 disadvantaged, primarily minority youth with advanced leadership training.

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Tent City

■ Tent City Corporation
Boston, Massachusetts

Located in the heart of downtown Boston, Tent City is a unique mixed-use development that includes 269 units of mixed-income housing, 5 stores, a day care center and after school program, and a community room. It is an integrated community of people who live together as a vital part of their immediate neighborhood and their broader community. Tent City is the realization of a vision that people of all races and incomes can and should be able to live together in socially and physically integrated housing.

Tent City today stands as a testimony to a vision that took 20 years to turn from ideals into bricks and mortar, but one that sets a precedent for the continued social and physical integration of a diverse neighborhood. The success of Tent City has the power to show other communities that living together in a diverse neighborhood can truly bring harmony to the community and to a city.

Background

The vision of Tent City was born in a demonstration on April 28, 1968, following the assassination of Dr. Martin Luther King Jr., when a group of community activists occupied a large parking lot site and amassed tents into a “tent city” as a way to protest the demolition of older housing carried out under the city’s urban renewal policies. The site had been cleared for a parking lot for nearby commercial development. The demonstrators demanded its replacement with affordable, mixed-income, racially and ethnically integrated neighborhood housing.

The first demonstrations were followed by the 1974 formation of a Tent City Task Force, which successfully halted an 18-story luxury apartment tower. Yet, renewed development interest in the site continued. In 1978, when Urban Investment and Development Corporation (UIDC), a private developer, proposed Copley Place—a large commercial development with offices, hotels, and retail space—it was clear that the economic pressure against the development of affordable housing was mounting. After many years of attempting to get private developers to accept the vision of an integrated community, and trying to force the city of Boston to support the needs of all of its citizens, it became apparent that

Because of the success of Tent City, the principles of mixed-income, integrated development of high quality design have become the standard for all new construction in the South End urban renewal area.

the best way of ensuring the success of the development of affordable housing was for the residents to incorporate as a local non-profit community development corporation, the Tent City Corporation (TCC), and become the developer themselves.

Approach

In 1984 incoming Mayor Raymond Flynn announced his support for the development of affordable housing at a hearing in Boston's South End. This support paved the way for progress on the Tent City development. His political agenda laid the groundwork for successful negotiations between UIDC and TCC, which in the beginning had obviously competing goals.

Subsequently, TCC forged important partnerships among different lenders, government agencies, private investors, and charitable foundations to finance the development. TCC was assisted in the project development by The Community Builders, a Boston-based, nonprofit corporation that acted as development consultant with responsibility for assembling financing and managing the development team and property.

In an innovative approach, UIDC traded the surface and air rights on its land for the right to build a garage beneath the entire 3.3-acre site. To facilitate this compromise, Boston Redevelopment Agency (BRA) assigned two parallel 99-year leases, the subsurface to UIDC and surface and air rights to TCC. As a testament to the vision of racial and economic inclusion and grassroots control of development, Tent City has been in full scale operation since 1988.

Tent City has one of the most innovative and complex financial structures of any mixed-income housing in Massachusetts. In total, 13 different sources were woven together to support the \$36 million

project. Seed money for the project was raised from eight different lenders. Development costs were funded through such varied sources as the Massachusetts Housing Finance Agency, grant funds from BRA, UIDC itself, and equity syndication funds. Continuing rental assistance comes from the State Housing Assistance for Rental Production Program and Neighborhood



Development Funds, whose source is the repayment to the city of the UDAG loan for Copley Place.

Impact

The most immediate and tangible result of the community-initiated and controlled process that created Tent City is the 269 units of new affordable housing. This housing was developed at a time when the displacement of low- and moderate-income residents of the South End due to gentrification was rapidly accelerating. Because of the success of Tent City, the principles of mixed-income, integrated development have become the standard for all new construction in the South End urban renewal area. Tent City has demonstrated that integration works.

Furthermore, Tent City has demonstrated that high-quality design is achievable in affordable housing. The standards of quality exhibited at Tent City have given affordable housing in Boston a new benchmark that is broadly supported and replicated both in the South End and across the city. From the perspectives of the individual residents, quality design supports a strong sense of ownership by providing a sense of “personal turf.” The project also includes a mechanism for conversion to cooperative ownership by the year 2003.

Tent City’s success demonstrates that dedicated individuals and community groups, through their determination and perseverance, can bring about change in their immediate neighborhood, as well as in the public policies of the community at large.

Scaling Up

The program for Tent City is a successful attempt to break away from the stigma of publicly assisted housing that often results from skeletal budgets and minimum standards for low-income housing. Tent City has created an environment that is desirable for all income groups. Its admirable design manages to make sense both economically and aesthetically and adds to the city’s body of excellent architecture.

On a local level, innovations for Tent City have been successfully adapted for Langham Court, a mixed-income cooperative also located in the South End. Similar to Tent City, Langham Court is result of municipal involvement, community activism, architectural commitment, and complicated financing. The winning design in BRA’s Request For Proposal for the development was created by the same architectural firm responsible for the design of Tent City.

“We are proud to be associated with Tent City, a living monument to our community’s 20-year struggle to realize a vision that people of all races and incomes can and should live together in socially and physically integrated housing, and a vital precedent for the preservation of diversity in the South End.”

*David Price,
Executive Director*

Tent City's success demonstrates that:

- Dedicated individuals and community groups, through their determination and perseverance, can bring about change in their immediate neighborhood, as well as in the public policies of the community at large.
- Residential development can succeed if there is advocacy and support at all levels of government.
- Social and economic integration, coupled with quality design, is possible and workable.

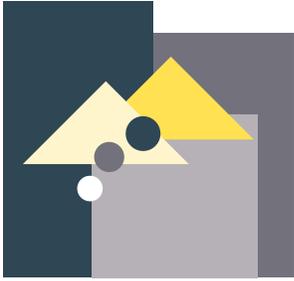
The struggle to build Tent City helped to change the city of Boston's housing policies. Tent City's innovation serves as a useful model for communities beyond Boston. Tent City stands today as a testimony that grassroots activism can bring to life complex partnerships based upon an inclusionary vision of how our communities should be.

The innovations of Tent City have been recognized with two major awards:

- The Urban Land Institute presented Tent City with its 1990 Special Award, which "recognizes development projects in the United States and Canada that exemplify superior design, relevance to contemporary issues and needs, and resourceful utilization of land, while improving the quality of the living environment."
- A representative of Tent City traveled to Curitiba, Brazil, to receive the 1994 World Habitat Award from the England-based Building and Social Housing Foundation.

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Transforming Neighborhoods Together

■ Center for Neighborhood Development
Knoxville, Tennessee

Transforming Neighborhoods Together (TNT) is a comprehensive, resident-led neighborhood planning program that seeks to overcome problems of crime, unemployment, and housing and commercial deterioration in Knoxville, Tennessee. The program assists leaders in low-income areas to create visions of their neighborhoods' future that represent the hopes and aspirations of the citizens of the neighborhood. It helps them develop the skills, networks of contacts, and strategies that enable residents to work together to make that vision real. To date, this relatively new program has affected more than 14,000 individuals living in 6 low-income, inner-city neighborhoods.

Background

Urban planning has long been the domain of professional planners working for government agencies. As a result, the level of citizen participation varies with the political climate and viewpoint of the agency. Top-down, professional plans are also less likely to include strategic plans for implementation and are rarely detailed enough to take into account small area and neighborhood concerns. These plans also do not generally address factors such as business creation, neighborhood blight, or increasing poverty and crime.

TNT, a program of the nonprofit Center for Neighborhood Development (CND), brings planning to the neighborhood level. Created by the Partnership for Neighborhood Improvement—an important citywide coalition of neighborhoods, lenders, public agencies, and other public and private businesses—CND contracted with the East Tennessee Community Design Center, a highly respected technical assistance provider, to help develop the TNT concept and training manual. The TNT program has five main goals:

- To create an active, informed group of neighborhood leaders who are committed to developing a long-term vision for their neighborhoods.
- To establish a process for achieving resident input and consensus.

- To develop and organize a comprehensive body of knowledge about the neighborhoods.
- To study the neighborhoods parcel by parcel and develop long-term, written policies for neighborhood development.
- To develop written action plans with goals and strategies for achieving desired results.



Residents decide what changes they want and negotiate for resources and improvements.

Approach

Transforming Neighborhoods Together shifts the traditional urban planning process from a largely technical endeavor led by city agencies to a vision- and values-driven process led by the neighborhood. TNT has helped Knoxville neighborhoods organize themselves, decide what changes they want, and negotiate for improvements and resources. The

program does this without sacrificing technical quality by using the oversight of a city planner on the CND staff.

TNT uses public participation, neighborhood committees, and nonprofessional neighborhood-resident planners to address inner-city decline. CND staff guide the neighborhoods through a set program with a timeline and general parameters concerning subjects to explore (see photo above). Neighborhoods, however, are free to reject or add issues to fit their individual circumstances. CND then facilitates monthly skill-building workshops for neighborhood team members that also provide a place to network and share findings and concerns. The workshops teach skills such as data collection, community assessment, and the writing of action plans. Neighborhood team meetings, held on a monthly or biweekly basis, allow participants to report on their activities and to talk about future tasks. The neighborhood teams periodically hold public meetings to collect input from residents who are not otherwise involved in the program. These meetings are used to brainstorm about neighborhood problems and strengths, gather ideas for improvements, and inform residents about current TNT activities.

The neighborhood planning teams select a neighborhood planner from among interested residents, paying a small stipend provided through the Neighborhoods Small Grants Program. These funds are

available to any neighborhood that is eligible for Federal Community Development Block Grant (CDBG) funding. The nonprofessional neighborhood planners are residents who gather, analyze, and map neighborhood data; prepare and facilitate meetings; and write neighborhood plans.

Since the initiation of TNT, two important developments have occurred. First, after making a full evaluation of the process and products of the first three TNT neighborhood plans, CND made significant improvements in the process. Second, CND successfully negotiated with the Knoxville Department of Community Development to obtain Neighborhood Strategy Area designation for neighborhoods that complete the TNT planning process. Designation as a Neighborhood Strategy Area assures a neighborhood that a city staff person is available to work with residents and ensure priority consideration for public improvements. This designation also provides rehabilitation assistance and small grants for implementation.

Impact

In its 3 years of existence, TNT has helped residents in six different low-income inner-city neighborhoods in Knoxville. The program has given 14 neighborhood leaders experience as paraprofessional planners and brought them into direct working relationships with key staff members of the city's Department of Community Development, Police Department, and Metropolitan Planning Commission. An additional 60 to 70 people have been active participants in the planning process as members of working teams. More than 15,000 residents of low-income neighborhoods will benefit by improved prospects for neighborhood stability and enhancement.

The program has also facilitated improved communication within and across neighborhood boundaries. One neighborhood has started a bimonthly newsletter; neighborhood activists are talking more to each other; and communication among neighborhoods is more frequent, direct, and constructive. The number of crime-watch groups has increased by three or more, and more residents are willing to involve themselves in crime reporting and prevention. Improvements to four neighborhood parks are underway; three of the parks will be remodeled and the fourth expanded.

The housing picture is also showing improvement. The city has stepped up demolition of dilapidated and unsafe structures, demolishing 1 house and placing at least 11 others on the priority list for demolition. As many as 20 houses have been identified for rehabilitation and sale to owner-occupants. Neighborhood organizations are currently acquiring properties and identifying developers, financial resources, prospective owners, and other resource

“It was a real eye-opener for us. We didn't realize we had so many resources and that has helped us realize we have a neighborhood worth saving. Plus, the more we've worked together, the stronger we've become.”

*Veste Hudson,
Parkridge Community
Association TNT Planner*

Through the Transforming Neighborhoods Together program, Knoxville has:

- Helped more than 15,000 residents of low-income neighborhoods benefit from increased neighborhood stability and enhancement.
- Helped residents in six low-income neighborhoods become involved in the planning process for their neighborhoods.
- Given 14 neighborhood leaders experience as paraprofessional planners.
- Made decisions to demolish at least 11 dilapidated and unsafe houses and rehabilitate 20 houses for resale to owner-occupants.
- Initiated improvements to four inner-city parks.

providers. In addition, eight new houses are scheduled for construction by nonprofit organizations.

Scaling Up

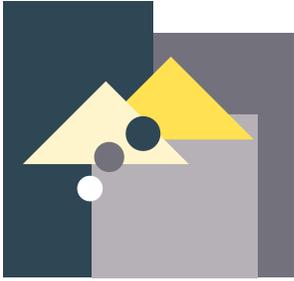
The potential for other cities to repeat the success of TNT is high. Many cities already have existing citywide coalitions of neighborhood-based groups, and many city agencies are interested in ways to improve relations with and services to low-income neighborhoods. Programs such as TNT build a foundation of skills that promote

neighborhood values and empowerment that lead to long-term community changes. Incorporating the input of low-income citizens in the planning process has tremendous potential to make the public practice of urban planning more sensitive and relevant to the lives of inner-city residents throughout the Nation.

The TNT program is a model that other cities and towns can modify to meet their unique needs and concerns. But professional planners involved in this type of process must be able to exercise the restraint necessary to make this truly the neighborhood's program. This may involve some painful situations as the neighborhood learns from experience what will work and what won't. Clear recognition of the value of "ownership" is a vital ingredient—grassroots organizations are more likely to fight for improvements that they themselves identify and articulate.

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The Winds of Change: Meeting the Needs of Rural Resort Latinos

■ Asistencia para Latinos
Glenwood Springs, Colorado

In the Roaring Fork Valley of Colorado, The Winds of Change program advocates a new image of their Latino community, removes the label of “burden,” and replaces it with the concept that the Latino community is an untapped market and resource. Program goals are achieved by assisting new businesses and by educating nonprofit organizations, governmental agencies, and Anglo citizens on the assets and needs of Latinos. The Winds of Change promotes equity in service provision, increases a sense of pride in the Latino population, devises ways to develop mutual respect, and assists the Latino and Anglo communities to recognize the economic and social power of the Latino population.

Background

Glenwood Springs, near Aspen, Colorado, is known for its majestic mountains, world-class skiing, summer music festivals, outdoor adventures, spiritual seeking, and arts and crafts. This resort town projects an image of affluence, lavish vacation homes, luxurious hotels, and exciting recreation.

To provide this luxury, however, resort areas like Glenwood Springs rely on the labors of thousands of service workers—positions that increasingly have been filled by Latinos. Although Roaring Fork Valley had only 500 Latino-speaking residents in 1989, almost 12,000 first-generation Spanish-speaking immigrants from Mexico, El Salvador, Belize, and other Latin American countries lived there by 1995. Although new immigrants are drawn by wages that are much higher than those in their home countries, they are low in terms of the cost of living in the United States. Low incomes and discrimination make it difficult for Latino immigrants to find affordable housing, especially in upscale resort communities. Therefore, most Latinos live in rural areas outside of where they work. Some have daily commutes as long as 90 miles.

Having a sizable Latino community is relatively new in Colorado’s resort areas, and language and cultural barriers still tend to isolate Latinos from social services and full participation in

The private sector, most notably banking, is directing efforts toward Latino economic development.

community life. This new diversity challenges both the new residents and the existing community. Most businesses, services, and government agencies had not yet developed the capability to operate bilingually. The Latino immigrants face many challenges, including:

- Language and communication barriers leading to social isolation.
- High rates of social and health problems, including domestic violence, substance abuse, and AIDS.
- Difficulties in comprehending U.S. laws and the legal system.
- The need to function within mainstream society while retaining cultural identity.
- Recognizing when a situation requires mental health care and locating appropriate treatment.
- Dealing with the frustrations of low income.
- Lack of familiarity with U.S. values and cultural traditions.

Approach

Asistencia para Latinos is a private nonprofit corporation whose mission is to empower the Latino community of Colorado's Roaring Fork Valley to achieve self-sufficiency through service, education, advocacy, and interagency collaboration. The Winds of Change program was created in 1992 as a bridge to span the cultural distance in the 100-mile-long Roaring Fork Valley. It now operates in five counties.

The Winds of Change is best known by residents and visitors for the annual "Latin American Festival in the Mountains" (see photo,



left) that brings together the Latino and Anglo communities. More than 6,000 persons attended the festival during the past 2 years. But The Winds of Change is much more than a festival. Their services, aimed at building capacity in the Latino community, concentrate on four areas: health and human services, education, business, and public safety/immigration. The program assists in communication and outreach by providing translation and interpretation services, and by producing a Spanish news page published in local newspapers.

Caseworkers conduct substance abuse prevention programs and make presentations on cultural diversity for health care providers and educators. To help Latino persons access community services, information and referrals are provided to more than 300 clients per month. Finally, the program advocates for Latino needs in the work place, encourages mentoring and internships for Latino workers, mediates conflicts with businesses, and advocates for the hiring of bilingual personnel in key public positions.

Two years ago, Asistencia para Latinos began to move away from the traditional approach of focusing on needs, deficiencies, and problems and took a new direction: discovering and making use of the Latino community's capacities and assets. The program now facilitates interaction between the Latino population and the larger community while educating the Anglo community on the assets that Latinos bring to the area. Instead of writing grants for Latino projects, the program collects data on the Latino population and provides it to business, government, nonprofit organizations, and the media to help them realize the social and economic power of the local Latino community.

The Winds of Change creates far-reaching institutional change in the Roaring Fork Valley by assisting agencies and individuals with diverse cultures and languages. The program brought together a coalition of 100 professionals, educators, law enforcement personnel, and Latino and Anglo community members to work on integration and issues affecting Latinos.

Asistencia para Latinos insists that recipients help sustain the program that serves them by paying fees for service. Program organizers believe that this creates a sense of pride and ownership in Asistencia para Latinos and promotes the ethic of self-sufficiency.

Impact

Since Asistencia para Latinos' The Winds of Change movement began in 1992, it has served more than 5,000 persons. It has improved the lives of Latino participants by increasing their capacity for economic advancement, while educating the Anglo community and motivating them to change. Because of Asistencia para Latinos' persistence, every human service agency in Pitkin County now has a bilingual staff person. The program fosters mutual respect and cooperation between Latinos and Anglos—a recent partnership between law enforcement officers and Latino youth is just one example.

The program's emphasis on the Latino community as a market and resource has stimulated business interest. The private sector, most notably banking, is directing efforts toward Latino economic

The Latino community is now taking more pride in itself.

Since The Winds of Change program began in 1992:

- More than 5,000 persons received services.
- More than 6,000 persons attended the Latino Festival in the Mountains.
- Latinos opened 10 new businesses.
- An Anglo/Latino coalition of 100 professionals, educators, law enforcement personnel, and community members are working on issues affecting Latinos.
- Every human service agency in Pitkin County has a bilingual staff person.

development. Ten new Latino-owned businesses have opened since the program started in 1992.

Perhaps the most important impact, however, is a growing sense of pride. The Latino population feels ownership of The Winds of Change

activities. For instance, the Festival in the Mountains shared Latino cultures with the Anglo community. The first festival did not have a single Latino volunteer; it was as if the Latino community was not aware that it had anything to offer. The second year, half of the volunteers were Latino. One observer noted, "The Latino community is now taking more pride in itself instead of hiding out in the back of the restaurant."

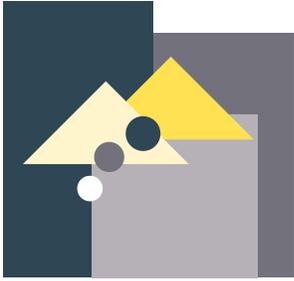
Scaling Up

Neighboring communities are asking for help to develop programs modeled on The Winds of Change, including Summit, Delta, Lake, and Durango Counties. Although the program has not been replicated elsewhere, it could be used in other communities with large influxes of Latinos. Nationally, Latinos comprise the fastest growing ethnic minority in the Nation; in the past 10 years this population has grown by 53 percent to 22.4 million persons. The Winds of Change concept also could be adapted in many parts of the United States or even in other countries with new immigrant populations.

The Winds of Change has the potential to be transferable to any community struggling to enrich its native culture with an understanding and problem-solving approach to the issues of multiethnic communities.

Contact:

Ms. Jackie Morales, Executive Director
1512 Grand Avenue, Suite 110
Glenwood Springs, CO 81601
Phone: 970-945-4060
Fax: 970-945-4065



The World/BRIDGE Initiative

■ BRIDGE Housing Corporation
San Francisco, California

The World/BRIDGE Initiative, a collaboration between World Savings and Loan and BRIDGE Housing Corporation, uses pension funds to finance affordable housing for low- and very low-income households. Through this program, two of the largest pension funds in the United States, the California Public Employees Retirement System (CalPERS) and the California State Teachers Retirement System (CalSTRS), agreed for the very first time to invest in construction loans for nonprofit affordable housing, much of it in distressed, inner-city minority neighborhoods. By late 1995 nearly 400 new homes were completed and available for sale or rent, and 600 more units were financed or under construction.

Background

BRIDGE Housing Corporation (BRIDGE) made it its business in 1993 to raise investment capital for construction of affordable housing in low-income areas of San Francisco, using public pension funds as its source. What seemed an impossible task at first—considering the traditional risk-averseness of pension fund investors—has now grown into a \$340 million revolving fund, financed largely by low-interest loans from the two largest pension funds in the United States and two banks.

Before the World/BRIDGE Initiative, pension funds played no part in investment programs in very low-income communities. Frequently, only token investments are available in low-income areas, causing chronic and acute shortages of financial capital and a great waste of human potential. As a result, governments, philanthropic organizations, and a very limited number of private-sector organizations are left to bear the entire burden.

The World/BRIDGE Initiative addresses the acute shortage of capital available for affordable housing construction financing, particularly in high poverty areas. Because few funding sources had the financial resources to consider such a large match, BRIDGE focused its efforts on pension funds.



What seemed
an impossible task
at first ... has now
grown into a
\$340 million
revolving fund.

Approach

The World/BRIDGE Initiative is the product of a collaboration that began in February 1993 between The World Savings and Loan Association, a private-sector financial institution, and BRIDGE, a nonprofit, tax-exempt homebuilder. Initially World Savings offered BRIDGE a \$15 million interest-free loan for the creation of low-income housing throughout California if BRIDGE could obtain a matching commitment of at least \$150 million.

To make this offer a reality, BRIDGE tapped into the large sums of investment capital held in pension funds.

After 14 months of diligent campaigning, officers of CalPERS and CalSTRS became convinced that loans for affordable housing were both profitable and low risk. The matching fund that resulted exceeded BRIDGE's most optimistic expectations: CalPERS agreed to a \$150 million match and CalSTRS agreed to \$75 million in credit enhancements. In addition, The Bank of America and Wells Fargo Bank committed an additional \$100 million, while the Ford Foundation joined the effort with \$3.7 million in grants and concessionary loans at a 1-percent interest rate.

This critically important undertaking demonstrated how the cooperative effort of diverse partners who share a mutual commitment to affordable housing can create a major community investment. The creative financial leadership of the initiative generated a construction loan funding pool and credit enhancements of \$340 million, which provides for the development of thousands of affordable homes. All funds in the lending pool were originally available at an interest rate of one percentage point above the prime rate, and the financing structure has been carefully crafted to deliver the greatest number of affordable homes to families with the lowest possible income.

Projects funded by the initiative are subject to local approval, which ensures local consideration of economic, social, and environmental concerns. The private and public partners make programmatic decisions in concert with local governments. Investments cross regional boundaries and address housing needs throughout California.

Impact

Recognizing the unusual significance of this innovation, Henry Cisneros, Secretary of the U.S. Department of Housing and Urban Development, took part in the public announcement of the World/BRIDGE Initiative. Secretary Cisneros praised the initiative as “truly an historic innovation” and “a wonderful example of what is possible” in the field of subsidized housing. Additionally, U.S. Senator Dianne Feinstein of California added her support at the public announcement by proclaiming the World/BRIDGE Initiative an affordable housing “blockbuster.”

So far, nearly 400 new homes capable of housing more than 1,000 people are ready for sale and rental, and more than 600 units are being built or are about to start construction. Another 4,000 homes are planned for the next phase of construction, providing residences for more than 10,000 people.

Several World/BRIDGE projects are currently underway across the State. These include the development of 34 townhouses as part of an inner-city project in the northern California city of Richmond; residential construction in Marin City, a very low-income, minority area in northern California’s generally wealthy Marin County; and the construction of 344 units in San Diego County. In both the Richmond and Marin City projects, BRIDGE has integrated the construction of new houses with more than 250,000 square feet of new commercial development, providing new businesses, economic development opportunities, and more than 800 newly created permanent jobs. Large supermarkets were built in both communities, which previously had access to only convenience or liquor stores for virtually all of their grocery shopping. In addition, both projects provide major public facilities, including police stations, child care centers, libraries, inter-city bus terminals, senior care centers, churches, and a series of parks and roadways.

Scaling Up

The commitment of pension funds with their enormous potential for worldwide investment represents a vast new source of prudent and productive capital that can be replicated on both a national and an international level.

The significance of the World/BRIDGE Initiative as a blueprint for others to follow and build on cannot be overstated. The initiative has created a partnership among nonprofit developers; public pension funds; and traditional financing sources such as thrift institutions, banks, and charitable foundations. In doing so, the initiative has brought together a coalition that can be replicated across the United States and in other countries as a new solution to the persistent

“[T]ruly an historic innovation [and] a wonderful example of what is possible.”

*HUD Secretary
Henry Cisneros*

**Through its innovative use of pension funds to
finance affordable housing, the
World/BRIDGE Initiative:**

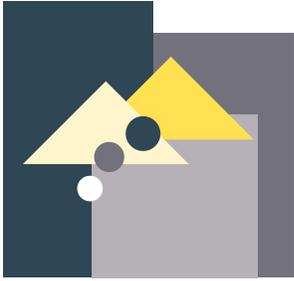
- Has generated a construction loan funding pool and credit enhancements of \$340 million to finance thousands of affordable homes.
- Has created nearly 400 new homes, with an additional 600 new homes currently being built or about to start construction.
- Plans to construct more than 4,000 homes during its next phase of construction, providing housing to more than 10,000 people.
- Is creating hundreds of permanent jobs and economic development opportunities in low-income communities throughout California.

shortage of affordable housing. In addition, positive results from the initiative could lead pension funds to invest in the higher risk, but higher return, area of pre-development financing.

The success of the World/BRIDGE Initiative has heightened the interest of leaders in many parts of the country and the world. Nelson Mandela has met with the president of BRIDGE to discuss utilizing South Africa's substantial pension funds as a way to invest in that country's critical need for affordable housing. The replicability of the initiative's financing for low-income housing will largely be contingent on the willingness of nonprofit development organizations to work together to convince pension fund officials to invest in affordable housing. U.S. pension institutions hold an estimated \$3 trillion that could potentially contribute to the Nation's investment in affordable housing. In addition, the initiative could induce the leaders of other large pools of risk-averse capital—including insurance company holdings and university endowments—to venture into investing in affordable housing.

Contact:

Ms. Carol Galante
BRIDGE Housing Corporation
One Hawthorne Street, Suite 400
San Francisco, CA 94105
Phone: 415-989-1111
Fax: 415-494-4898



Yard Waste Recycling Project

■ City of Lindsborg
Lindsborg, Kansas

In Lindsborg—a town of 3,300 that lies along the Smoky Hill River on the prairies of central Kansas—yard waste that just 4 years ago was burned or buried in the landfill is now shredded and composted to create a large supply of finished compost and mulch for public parks, tree stations, and homeowners. Lindsborg began its Yard Waste Recycling Project in 1991 out of a sense of environmental stewardship. Since then, stiffening environmental regulations that protect ground water, soil, and air have caused Kansas to close two-thirds of its landfills and, increasingly, to ban yard wastes from those remaining landfill sites. These factors have raised interest in the Lindsborg model in the State of Kansas and beyond.

Background

With its innovative Yard Waste Recycling Project, the small Kansas city of Lindsborg is addressing an issue that many communities recognize as an impending crisis: the disposal of solid waste. Household yard wastes—grass clippings, leaves, and dead wood—make up one-fifth of a community's solid waste stream. In the past, yard waste has gone into the landfill or was burned, a practice not only wasteful but unsustainable.

Lindsborg's Yard Waste Recycling Project began August 6, 1991, as the Kansas Department of Health and Environment issued the town an experimental composting permit. The project, under the leadership of Project Director Wes Adell, had the support and encouragement of other civic leaders, including Mayor Don Anderson and the city council. Some experts believe that a small community cannot run a cost-effective yard waste program—that labor costs are too high and that the market value of the finished products is too low. Lindsborg did not accept this conventional wisdom. Instead, the city chose to take a proactive approach to reduce the amount of waste going into its landfill and, at the same time, produce usable products that benefit the environment.

“A community can create a lot of end-use value with a little creativity and effort. In the beginning, there was a little spark. Now, there’s a fire going.”

*Project Director
Wes Adell*

Approach

“A community can create a lot of end-use value with a little creativity and effort,” commented Project Director Wes Adell. “In the beginning, there was a little spark. Now, there’s a fire going.” The community responded enthusiastically to the recycling idea. The first year, volunteers brought 250 tons of grass clippings, leaves, and small yard waste to the new composting site near town, where they were mixed all winter by a city compost turning machine (see photo below). In the spring, the Lindsborg Parks Department and the Tree Board used 10 tons of compost in the two town parks and in the downtown area, and then issued an open invitation to the community. Over the next few days, a city vehicle loaded the remaining 35 tons of compost into 107 pickups and trucks, headed for community gardens all over the Lindsborg area.

The Yard Waste Recycling Project has taken shape as the means through which one small midwestern community expresses and nurtures a strong commitment to environmental stewardship. The project relies on citizen involvement, volunteers, and an extensive network of partnerships, working across jurisdictional boundaries with State and local governments, schools, and civic groups.

The project is strictly voluntary—facilitated by, rather than run by, local government. No mandate was given to create it. The project started because the people of Lindsborg felt it was the right thing to do, and it runs on cooperation and goodwill. Since its inception, the sense of stewardship expressed in the project has received steady media support from the local newspaper, the *Lindsborg News-Record*. Supported through a network of partnerships, volunteer efforts, and citizen participation, the project vigorously pursues outreach educational activities and puts on a regional “Composting Works!” conference.



In the beginning, there was no charge for the service. The project held down costs from its implementation, with only about \$10,000 in labor costs in the first year. The city government invested \$20,000 to purchase a

chipper/shredder; then after 2 years, each household was charged \$1 per month for the purchase of a large \$180,000 commercial wood chipper/shredder that is shared by all communities in the county. The bottom line, however, is that everyone directly benefits. The city uses finished compost and wood chip mulch for the tree station, city flowerbeds, and landscaping. Citizens receive compost and mulch at no cost.

The Lindsborg model balances environmental, economic, and social concerns. The people of Lindsborg had an environmental concern about the treatment of yard waste and had to find an economically feasible way to address that concern. Volunteers provided the solution. Widespread volunteer participation, in turn, strengthened the social fabric of the community.

Impact

The Yard Waste Recycling Project has had considerable impact. It is estimated that the program recycles more than 60 percent of the town's yard waste and prevents 1,200 tons of solid waste per year from reaching the landfill. Residents of Lindsborg receive direct benefit from the program, in public spaces and their own homes. The project has spurred a communitywide volunteer effort and involvement, including elementary, secondary, and college-age youth. The compost and mulch are both used to grow 30,000 young tree seedlings a year to beautify Lindsborg and the entire State of Kansas.

In 1994, as a direct result of the Yard Waste Recycling Project, the National Tree Trust chose environmentally conscious Lindsborg as a site for a Regional Tree Growing-Out Station, a designation generally awarded to much larger cities such as Dallas, Texas; Baltimore, Maryland; or Seattle, Washington. Working in partnership with Lindsborg, the Trust is providing site development, seedlings, and growing materials. Lindsborg is providing the 5-acre site, water, and electricity for the Trust-funded irrigation system, which is necessary in this drought-prone region. In keeping with the Lindsborg approach, community volunteers are planting the seedlings, and products from the Yard Waste Recycling Project will mulch them. The facility will soon be sending out 30,000 to 50,000 sapling trees each year. Lindsborg will distribute 20 percent of these locally, and the Kansas Urban Forestry Council, another partner in the effort, will distribute the remaining 80 percent of the saplings across Kansas.

As its most basic effect, however, the Yard Waste Recycling Project has raised public awareness of the tangible, everyday benefits to a community that result from environmentally conscious behavior.

“This is the first project in the Nation, that I know about, that combines composting and waste wood utilization with tree planting, then provides a unique educational conference to encourage others to practice environmental stewardship.”

*George Cates,
Maj. Gen. USMC (Ret.),
and Executive Director
of the National Tree Trust,
Washington, D.C.*

“There have got to be better ways to go about conserving our resources. Getting everyone involved...the way they’re doing it here, is the best way to approach it.”

*Attendee, 1995
Composting Works!
Conference*

It has changed the behavior of a whole town, shifted old ways of thinking, and made a good end use out of previous trash. It has provided a forum for shared responsibility and sparked a growing vision for new environmental programs and improvements. The project has generated new interest in reducing waste and beautifying communities in the city of Lindsborg, throughout Kansas, and beyond State borders.

Scaling Up

From its beginnings, the Yard Waste Recycling Project emphasized public education activities. Lindsborg supplies information on composting and recycling through slide presentations, small group discussions, leaflet distribution at conferences, and other formats. The city has given yard waste recycling assistance to more than 80 cities and countries, as well as 15 States and the Island of St. Lucia. The project has been the subject of stories in print and electronic media. Lindsborg received \$10,000 in Solid Waste Utility planning funds to host a March 1995 conference—Composting Works!—which drew 221 people from 12 States. In 1996 the conference drew 300 attendees.

Commented one conference attendee on the Lindsborg community recycling approach, “It’s something every community should be totally involved in—making something out of nature, which we’re

losing. We’re losing our green spaces, our open spaces. There have got to be better ways to go about conserving our resources. Getting everyone involved in the world problem, the way they’re doing it here, is the best way to approach it.” Through the Yard Waste Recycling Project, Lindsborg has changed a problem into a resource and an opportunity. As a result, what began as a small community project has grown vastly in reputation and influence.

Through its Yard Waste Recycling Project, the city of Lindsborg:

- Diverted 20–25 percent of the solid waste stream away from the landfill.
- Worked with 37 partners, crossing sectors and traditional policy areas.
- Provided yard waste recycling assistance to more than 80 cities and countries, as well as 15 States and the Island of St. Lucia.
- Made major conference presentations in Oklahoma City, Oklahoma; Wichita, Kansas; Manhattan, Kansas; Omaha, Nebraska; and Spearfish, South Dakota.
- Hosted a major yard waste educational conference, with 221 attendees from 12 States.
- Attracted a large tree-growing facility, which will provide at least 300,000 trees for planting in Kansas over the next 10 years.

Contact:

Mr. Wes Adell, Project Director
Yard Waste Recycling Project
110 South Main, P.O. Box 69
Lindsborg, KS 67456
Phone: 913–227–2424
Fax: 913–227–3740

National Excellence Awards Finalists

The following 28 finalists in the National Excellence Awards for The City Summit (Habitat II) represent some of the most innovative approaches for strengthening communities in the United States. The program summaries that follow provide a brief synopsis of each project's departure from "business as usual" in addressing community challenges.

Affordable Housing Program of the Federal Home Loan Bank System

Federal Housing Finance Board

The Affordable Housing Program (AHP) encourages Federal Home Loan Bank System member institutions to expand their participation and support for efforts that increase the supply of affordable housing by subsidizing the interest rate on loans. The program provides a decentralized and flexible housing finance program to help create affordable housing for very low-, low-, and moderate-income households and for the elderly, handicapped, and near-homeless. AHP loans and direct subsidies may be used with other sources of public and/or private assistance programs. After more than 5 years of operation, AHP commitments have totaled \$377.1 million toward financing 2,620 projects. More than 250,000 people have benefited from the program, which is available in all 50 States and Commonwealths.

Federal Housing Finance Board
1777 F Street, NW.
Washington, DC 20006
Phone: 202-408-2890
Fax: 202-408-2947

Bronx Community Paper Company

Banana Kelly Community Improvement Association

The Bronx Community Paper Company seeks to reclaim an abandoned urban industrial site and create 1,000 jobs for local residents. This project uniquely links a grassroots community development organization with both private industry and a nationally recognized environmental advocacy group to develop an environmentally sound and technologically advanced paper manufacturing plant in the South Bronx. Banana Kelly spent nearly 2 years conducting community outreach and information dissemination on the project through public meetings and hearings. Onsite day care, job

training, and the sponsorship of six additional community improvement projects are included in the up-front cost of the plant's construction to ensure community investment.

Banana Kelly Community Improvement Association
863 Prospect Avenue
Bronx, NY 10459
Phone: 718-328-1064
Fax: 718-991-3242

Central Cities Initiatives/Partnership Offices Federal National Mortgage Association (Fannie Mae)

Fannie Mae is a national business that purchases mortgages from banks and mortgage companies and sells them as mortgage-backed securities on the stock market. In an effort to expand services to inner cities, Fannie Mae sought to establish 25 Partnership Offices across the country and maintain 2 Central Cities Initiatives. To date, 21 Offices are operational and respond to the specific housing needs of their city, based on different needs, partners, resources, capacity, and expectations. Local lending activity in these cities has increased as a result of individualized investment strategies, housing needs assessments, and development of 5-year investment plans. The Chicago Partnership Office alone has assisted in the purchase of more than 25,000 single-family homes and the financing of more than 2,200 multifamily rental units. Partnerships between Fannie Mae; government; and local nonprofit organizations, foundations, and lending institutions are a vital component of this program's success.

Fannie Mae
3900 Wisconsin Avenue, NW.
Washington, DC 20016
Phone: 202-752-6576
Fax: 202-752-4230

Classic Community Centers New York City Housing Authority

Classic Community Centers (CCC) improve the lives of New York City public housing residents by improving and transforming their housing and living environments. The CCCs are located in each of the New York City Housing Authority (NYCHA) Districts and offer safe, secure areas for residents to participate in programs on computer literacy, general education, English as a second language, job readiness, and parenting skills, as well as cultural activities, scouting, and sports programs. During the first 6 months of 1995,

total CCC participation was 36,612 residents. Security is provided by the NYCHA Operation Safe Home program, which partners police, residents, and building management in an effort to clear out criminal activity in the public housing area. A total of 311 foot patrols and 14,000 resident volunteers across the city are collectively acting as a deterrent to crime. CCC's comprehensive support package has revitalized the public housing environment.

New York City Housing Authority
250 Broadway
New York, NY 10007
Phone: 212-306-3416
Fax: 212-306-8888

Community Economic/Housing Revitalization Project

Southeast Raleigh Community Development Corporation

The Southeast Raleigh Community Development Corporation (SERCDC) adopted a comprehensive approach to revitalize its target community of low- and moderate-income African-American households. The project addresses the interrelated problems of poverty, unemployment, lack of decent and affordable housing, preservation of cultural identity, and racism through the political, economic, physical, and social development of their clients. They are currently constructing 72 moderate-income homes, training 30 school dropouts in construction trades, and helping 20 nonprofit organizations and small businesses through their Small Business Resource Center. The SERCDC, which works closely with two historically black universities, is also sharing their ideas and conducting training for like-minded organizations across the State, Nation, and world. SERCDC is also establishing a worldwide network for organizations to share expertise.

Southeast Raleigh Community Development Corporation
734 Rock Quarry Road
Raleigh, NC 27610
Phone: 919-834-8101
Fax: 919-834-7917

Community Partnerships

Housing Authority of the County of Salt Lake

Salt Lake County's Housing Authority is partnering with all types of agencies, companies, schools, and church groups to become an access point for community services. The Community Partnerships program integrates and incorporates public housing tenants into the life of the larger community. They provide tutoring to children,

housing to more than 50 homeless persons with severe mental health and substance abuse problems, and “school” lunches to 600–700 children a day during the summer months. The Salt Lake City Housing Authority also established a \$25,000 fund to pay for classes, exams, books, and fees for tenants to complete their high school education. They are currently rehabilitating senior housing.

Housing Authority of the County of Salt Lake
3595 South Main Street
Salt Lake City, UT 84115
Phone: 801–284–4403
Fax: 801–284–4406

Comprehensive Homeless Assistance Providers’ Taskforce
Colorado Springs, Colorado

For 8 years, the Comprehensive Homeless Assistance Providers’ Taskforce has met monthly to coordinate assistance and related support services for the homeless and near-homeless in Colorado Springs. Partnerships formed among the local government; community-based, advocacy, civic, and religious organizations; and the public schools facilitate this process. Committees of interested persons work together on a specific issue and draw from community resources to accomplish their problem-solving goals. The program has created group homes for people with mental illnesses, affordable housing facilities, and transitional housing for families. The Taskforce also established a voice mail service for area homeless to connect them with more opportunities.

Comprehensive Homeless Assistance Providers’ Task Force
30 South Nevada Avenue, Suite 302
Colorado Springs, CO 80903
Phone: 719–578–6912
Fax: 719–578–6543

Cougars Committed to the Community
Shawnee, Kansas

Students in Shawnee, Kansas, are providing underfunded city programs that serve the elderly, drug abusers, and needy children with a needed boost—their time. Prompted by the mayor, the local high school and the city formed a partnership to organize a community services program that has already reached thousands of people. This program has evolved into a special class offered during school hours for 35 students each semester. Students provide

general assistance at nursing homes, retirement centers, a non-profit community services retail store, troubled youth centers, and youth correctional centers. This program has also provided financial assistance to two children in Central America.

Cougars Committed to the Community
11110 Johnson Drive
Shawnee, KS 66203
Phone: 913-631-2500
Fax: 913-631-7351

East St. Louis Action Research Project

University of Illinois, Urbana-Champaign and
Winstanley Industrial Park Neighborhood Organization

In this community reconstruction and development program, East St. Louis residents plan and work together on projects that address the virtual economic, social, and political collapse of their inner city. Through the program's grassroots, participatory process, 1,500 local university students have benefited from community service experience. Other achievements include comprehensive plans for five neighborhoods, designing and developing four neighborhood parks, establishing a successful farmer's market, improving or rehabilitating several dozen homes, clearing vacant lots, and forming citywide neighborhood-based advocacy coalitions.

East St. Louis Action Research Project
1003 West Nevada Avenue
Urbana, IL 61801
Phone: 217-244-5394
Fax: 217-244-1717

Eldertel

Grace Hill Neighborhood Services

Eldertel links senior citizens with youth to enhance the social framework of the St. Louis metropolitan area. Education and literacy for both the young and the elderly is the core of the program. Senior citizens who read and write with difficulty sharpen their literary skills, then go into the community to speak at schools, libraries, and community centers. Reaching 1,000 people a year since its inception in 1989, the program fosters community cooperation, civic spirit, and social and racial integration—youth realize that someone cares, and the seniors gain a sense of belonging. Key to the success of this innovation are the partnerships formed among the State government, the private sector, nonprofit organizations, academia, and the media.

Grace Hill Neighborhood Services
2600 Hadley
St. Louis, MO 63106
Phone: 314-241-2200
Fax: 314-241-8938

Family Self-Sufficiency Program
San Antonio Housing Authority

Initiated in 1992, this comprehensive 5-year Family Self-Sufficiency program reaches people whose families have relied on public housing for generations. Participants receive individual assistance from San Antonio Housing Authority (SAHA) staff to develop a plan to move out of public housing and off public assistance. Twenty-two organizations work in partnership to provide direct services to participants and help them overcome barriers to self-sufficiency. The services include transportation, child care, affordable housing, employment, job skills training, money management, parenting skills, domestic violence, and substance abuse. Program graduates have an opportunity to gain entry-level employment at SAHA, access to an emergency loan program, and receive a monthly newsletter that provides information to both graduates and potential participants. Since its inception, more than 100 individuals have participated in the program. In addition, some program graduates have gone on to college, and a few have become homeowners.

San Antonio Housing Authority
818 South Flores
San Antonio, TX 78204
Phone: 210-220-3259
Fax: 210-227-9307

Genesis Homes
The H.E.L.P. Organization

This organization's innovative model of community revitalization has successfully integrated permanent low-income housing with comprehensive resources and services. The Genesis Homes complex houses 150 homeless and low-income families. It strengthens generations of children and adults by making previously unavailable resources and services such as day care, counseling, and education and medical services, available through its onsite community center. Partnerships and linkages with local and citywide service providers have made it possible to address the multiple challenges and concerns of Genesis Homes residents.

Genesis Homes
30 East 33rd Street, Ninth Floor
New York, NY 10016
Phone: 212-779-3350
Fax: 212-779-3353

Hilltop Neighborhood Development Program Tacoma, Washington

The Hilltop Neighborhood Development Program (HNDP) is a variety of projects that form a comprehensive vision to area development in Tacoma, Washington. Neighborhood residents and outside partners from 18 community, public, and private organizations formed a consortium to give direction to this program, which sought to construct new and rehabilitate low-cost housing as a first crucial step to convince financiers to invest in this 250-block area. HNDP's ultimate goal was to achieve overall social, economic, and environmental revitalization of the neighborhood. A wide range of public agencies, private organizations, and individuals have worked together to build or extensively renovate 238 units in the past 2 years and provide housing for 610 low-income children and adults with incomes well below the city median. HNDP efforts have also provided many with jobs; since January 1, 1995, 30 percent of new hires on HNDP projects have been required to be Hilltop residents or be employed by companies doing at least \$100,000 worth of business in the Hilltop area.

Hilltop Neighborhood Development Program
747 Market Street, Room 1200
Tacoma, WA 98402
Phone: 206-591-5567
Fax: 206-591-5123

Kutztown University EDGE Center Program Kutztown University

Kutztown University in Pennsylvania established the EDGE Center to promote change in its community by teaching its students entrepreneurship. The Center addresses the interconnected problems of training minorities, women, and low-income entrepreneurs; creating international opportunity and commerce; and educating a new generation of business leaders. Although the minority population of the city is estimated to be nearly 50 percent, these groups had historically been underrepresented in the business community. Through a multitiered business assistance program, students and community volunteers work in the business center to help local entrepreneurs develop their business plans and conduct

international and domestic market research. The EDGE program, a partnership among city and county governments, educational institutions, local business leaders, and nonprofit organizations, led to the expansion or start of more than 60 businesses.

Kutztown University EDGE Center Program
601 Penn Street
Reading, PA 19603-0253
Phone: 610-375-4220
Fax: 610-375-4229

The L.A. Housing Exchange

L.A. Housing Exchange

Originally designed to provide housing information to people infected with and or affected by HIV/AIDS, the Los Angeles Housing Exchange (LAHE) now provides an array of services designed to create a "department store" approach to providing easily accessible housing information and referrals to individuals or families who are homeless or at risk of becoming homeless. LAHE works with property owners, managers, and supported-living programs to maintain a current list of housing options. Its unique tracking system provides current information on who is looking for housing, where housing is being sought, what levels of care are being requested, and what gaps in service may exist. LAHE has provided more than 7,600 housing lists to requesters since 1992.

Los Angeles Housing Exchange
P.O. Box 2778
Redondo Beach, CA 90278
Phone: 310-331-4544
Fax: 310-978-1334

Life in Jacksonville: Quality Indicators for Progress

Jacksonville Community Council, Inc.

Jacksonville citizens were the first in the Nation to develop indicators of the quality of life for their city and to monitor and measure that quality. This innovation developed a model that enhances the ability of citizens and public officials to assess local problems by monitoring, measuring, and reporting selected quality-of-life indicators. The citizens who developed the model, selected the indicators, set the targets, and established priorities were broadly representative of the Jacksonville community. The model addresses education, the economy, public safety, health, the natural and social environments, government/politics, recreation/culture, and mobility. Prior to this project, Jacksonville citizens were unable to determine

community progress on a comprehensive basis at a given point in time. When annual data is released, citizens now develop partnerships and committees to tackle and improve documented deficiencies.

Jacksonville Community Council, Inc.
2434 Atlantic Boulevard, Suite 100
Jacksonville, FL 32207
Phone: 904-396-3052
Fax: 904-398-1469

Low-Income Co-Operative Housing

Peoples Housing, Inc.

This urban initiative creates self-sustaining, self-managed, and economically viable housing for the working poor through partnerships with community-based organizations and a community development corporation. Its individual and community-level benefits are many. By signing a conventional lease and paying a small amount each month in addition to market-rate rents, residents gain ownership of their dwellings. At the end of 3 years, residents receive co-op shares and assume ownership. Twenty-two families have secured safe, affordable housing and are involved in a series of training programs on maintenance and repairs, tax preparation, personal financial management, and cash-flow planning. Program participants have learned from monthly meetings about the responsibilities of cooperative ownership and about the business operations of a large building. At the community level, the stabilization of a long-abandoned building has stimulated local real estate and increased the number of stakeholders in the community.

Peoples Housing, Inc.
7510 North Ashland
Chicago, IL 60626
Phone: 312-262-5900, Ext. 109
Fax: 312-262-7033

Maya Angelou Project

Housing Our Families

Begun by a group of women who were concerned about the lack of affordable housing for women-headed households, this project involves tenants in the affairs of their housing complex and creates civic pride by enabling them to participate in efforts to invigorate their declining neighborhood. Fueled by partnerships between local and State governments and community and technical assistance organizations, the project renovated a problem-ridden housing complex and now provides 42 households with decent

and affordable housing. Residents, who are involved with maintenance and operational decisions, feel they are one large family with an obligation to share responsibility. The surrounding neighborhood has also benefited from this project—in the past 2 years, 11 houses belonging to low-income or senior homeowners were painted and 20 other homes were repaired. In addition to initiating after-school programs for children, residents launched a successful neighborhood foot patrol program.

Housing Our Families
5315 North Vancouver
Portland, OR 97217
Phone: 503-335-0947
Fax: 503-281-0933

Milwaukee Community Service Corps' Partnership Milwaukee Community Service Corps

This project targets the widespread problems of unemployment and lack of job skills and experience among young people ages 18 to 23 residing in public housing. The innovation places participants in jobs that lead to permanent, well-paying positions. A unique partnership among the city of Milwaukee, local unions and general contractors, the State and Federal Governments, and Wisconsin's largest bank, allows the Corps to bid competitively, obtain bonding, and secure job guarantees from building trades contractors. In addition to providing training and employment, the program offers participants help in completing high school, securing day care, and obtaining counseling that enhances their personal development and encourages them to become active members of the community. Since 1993, 85 young public housing residents have been hired to work on 21 different public housing developments across the city, which has also resulted in a benefit to other public housing residents.

Milwaukee Community Service Corps
1150 East Brady Street
Milwaukee, WI 53211
Phone: 414-276-6272
Fax: 414-276-7330

Multi-Family Mortgage Enforcement Agreements Northwest Bronx Community and Clergy Coalition

This groundbreaking initiative links community-based grassroots organizing to sophisticated financial and institutional analysis to restructure one of the Nation's most important lending institutions. For 21 years the Northwest Bronx Community and Clergy Coalition (NWBCCC) has worked to prevent housing abandonment and bring

about community reinvestment for the development of safe and affordable housing. NWBCCC initiated an investigation by the U.S. General Accounting Office, which determined that “inaccurate and incomplete appraisals led to over financing and to uninformed servicing leading to conditions that result in hazardous housing violations and require emergency repairs and are severe enough to threaten the health and safety of tenants in the buildings.” The NWBCCC-led investigation changed the way buildings are evaluated and financed, and viable mortgage rules were created that have improved the living conditions in several hundred buildings in the Bronx.

Northwest Bronx Community and Clergy Coalition
103 East 196th Street
Bronx, NY 10468
Phone: 718-584-0515
Fax: 718-733-6922

Neighborhood-Based Micro Entrepreneur Training and Loan Program

Neighborhood Development Center, Inc.

By partnering with community-based development corporations in low-income neighborhoods, the Neighborhood Development Center (NDC) has designed a unique approach to micro-enterprise development. NDC has contracts with 11 community development corporations to inform neighborhood residents of training programs via newsletters, door-to-door flyers, and word-of-mouth. With the assistance of a professional trainer, NDC provides instruction on developing a business plan to groups of 7 to 10 neighbors. After completing the 16-week training course, participants are eligible to apply for a startup loan. To ensure the long-term viability of these neighborhood-based businesses, participants receive ongoing technical assistance and form support groups after startup. By September 1995 NDC had trained more than 330 persons in 11 neighborhoods throughout the Minneapolis-St. Paul area and disbursed about 50 startup loans.

Neighborhood Development Center
651-1/2 University Avenue
St. Paul, MN 55104
Phone: 612-291-2480
Fax: 612-291-2597

The Neighborhood Environmental Leadership Institute

Citizens Committee for New York City, Inc.

The Neighborhood Environmental Leadership Institute trains grassroots community activists on environmental issues and effective participation in community affairs. Low-income, minority communities often have the greatest concentration of environmental problems. The Institute targets these communities and provides free ongoing workshops and followup technical assistance to organize inner-city community activists and make them more effective at reversing environmental decline in their neighborhoods. Originally intended to serve 100 people per year, the Institute has provided training to more than 1,200 participants since opening in June 1993. Support from local government, nonprofits, and the Federal Government, as well as community organizations and a university, has helped this program achieve its high level of success.

Citizens Committee for New York City, Inc.

305 Seventh Avenue, 15th Floor

New York, NY 10001

Phone: 212-989-0909

Fax: 212-989-0983

The Oregon Model of Community Visioning

Oregon Visions Project Committee

In an effort to break urban and regional planning out of a regulatory mode, this model uses community values to drive planning efforts. The program helps citizens anticipate and plan for change—not simply growth—in their communities and has formed partnerships with local jurisdictions, conducted workshops, and published technical reports. The program has also developed the guidebook *A Guide to Community Visioning: Hands-On Information for Local Communities*, which was distributed around the country and is the winner of the American Planning Association's 1995 National Chapter Achievement Award.

Oregon Visions Project

Steven Ames Planning

325 Southeast 14th Avenue

Portland, OR 97214

Phone: 503-235-3000

Fax: 503-235-6000

Planning & Design Center

Riverfront/Downtown Planning & Design Center

Individuals, private companies, community organizations, and students gather at the Design Center to plan, design, learn, debate, refine, explore, and build consensus for public and private developments. This program was initiated to rectify the decline of a downtown area that had been drained of much of its retail and all of its residential development, experienced racial and social conflicts, and had been beset by the decay of industrial areas along its waterfront. The Design Center has generated \$334.7 million in development since 1988 and has helped develop the identity of the city, particularly its downtown and riverfront, in a way that has brought together local government, the private sector, and a university.

Riverfront/Downtown Planning & Design Center
Miller Plaza, Second Floor
850 Market Street
Chattanooga, TN 37402
Phone: 423-266-5948
Fax: 423-266-2757

Project STEP

The Los Angeles Free Clinic

Project STEP's (Short Term Employment Program) unique day labor and job skills preparation program is an integral part of Hollywood's social service network for young homeless and run-away youth ages 16 to 19. STEP provides breakfast, lunch, and transportation to jobs, which may range from light clerical tasks to manual labor. Employers hire youth through STEP on a daily, weekly, or longer term basis. STEP also provides a daily, 1-hour session on topics such as employment readiness, job search preparation, and self-esteem, and pays youths after each day's work. After 4 months, a young person is eligible to graduate to a 6-month job placement and more intense support and supervision. At the end of that sixth month, the young person is helped to secure a permanent job. Project STEP has employed nearly 1,500 young people since its inception 5 years ago.

The Los Angeles Free Clinic
8405 Beverly Boulevard
Los Angeles, CA 90048
Phone: 213-653-8622
Fax: 213-651-5026

Southtown—The Historic Urban Village

Mainstreet Alliance of San Antonio

One of the few projects in the Nation that addresses historic preservation issues in a low- and mixed-income area, Southtown's community revitalization program is stimulating business and housing development while preserving the character of the neighborhood. Conceived through a Master Plan; implemented through partnerships among neighborhood associations, its 50,000 residents, the business community, and the city of San Antonio; and supported by a volunteer board of directors, the area has experienced economic growth at the rate of 1 new business start every 3 weeks. This has resulted in more than \$10 million in private investment. Of the more than 50 new businesses created since 1992, more than half are minority-owned and two-thirds are women-owned firms. Arts and public involvement, including an annual "Art in the 'Hood" event that highlights neighborhood artists, have also been incorporated into this outstanding program's holistic approach to community revitalization.

Mainstreet Alliance of San Antonio
322 Martinez
San Antonio, TX 78205
Phone: 210-226-0888
Fax: 210-299-1666

Supportive Housing Program

Lakefront SRO Corporation

By combining single-room occupancy (SRO) buildings with needed social services, this program maximizes a tenant's ability to stay housed and lead an independent life. Very low-income residents of this type of a facility live in one-room, dormitory-type settings, often with shared bathroom facilities. Buildings in this program have an onsite social service team that provides counseling, case management, referrals, followup, and recreational activities. The team also offers tenants substance abuse prevention programs, an employment program, and life skills training. Through the purchase and renovation of the worst SRO buildings in the community, the program is providing affordable, stable housing and enhancing the surrounding neighborhoods. To date, the Lakefront SRO Corporation has improved the lives of more than 600 individuals living in single-room occupancy buildings.

Lakefront SRO Corporation
4946 North Sheridan
Chicago, IL 60640
Phone: 312-561-0900
Fax: 312-561-4693

Transitional, Intergenerational Group Residence

Shared Housing Center, Inc.

Initiated in response to increased homelessness in the Dallas area, this assistance and support program provides homeless elderly and single-parent families with long-term transitional housing in an innovative, home-like setting similar to that of an extended family. The unstaffed houses have private bedrooms and common kitchen, dining room, and living areas to help create a sharing environment—one that includes people from different generations, ethnic backgrounds, and races. In addition to 12 months of housing, the program also offers tutors and instructors who address educational and literacy issues; nurses and nutritionists who present classes on health, food, and nutrition; recreation and children's programs; and crime and public safety training—all of which lead to independence and increased self-esteem. This program has helped change the lives of 155 people since it began in 1989. It is supported by local government, private and public foundations, businesses and corporations, civic clubs and church groups, and community volunteers.

Shared Housing Center, Inc.

3110 Live Oak

Dallas, TX 75204

Phone: 214-821-8510

Fax: 214-828-9623

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