

What Is Community Economic Development?

COMMUNITY ECONOMIC DEVELOPMENT (CED) is one of the true inventions and success stories of the last decades of the twentieth century and of community development in the United States. As the plight of U.S. cities in those last decades grew more dire—cities lost population, jobs, and their taxable bases and faced increased concentrated poverty, crime, drug abuse, and school failure—community development corporations (CDCs) and other nonprofit, community-based development organizations using CED methods were quietly and consistently saving individual neighborhoods (Gratz, 1994; Rubin, 2000). One historian heralded CED as “the most direct and powerful . . . of all the neighborhood-based fighting strategies that evolved in the United States” (Halpern, 1995, p. 127).

Indeed, where a large number of CDCs and other community-based organizations operated in a given city, and especially where there was persistent support for them, they contributed so much to turning around the ominous trends that writers would come to talk about “comeback cities” (Grogan & Proscio, 2000). In Cleveland, for example, after twenty years of solid work and sophisticated support, more than two dozen of these organizations demonstrated a consistent and impressive track record of results. In one of the most dismal real estate markets in the country, the city of Cleveland’s housing values were higher than those of the region as a whole, and the neighborhoods with active CDCs had higher housing values than the city of Cleveland’s averages (Burns, Wing, Butler, & Weinheimer, 2001).

Across the United States, the phenomenon of successful self-help organizations working at the neighborhood level to improve physical, social, and economic conditions grew from dozens of experiments to hundreds of pioneers to thousands of reliable, sophisticated institutions. They grew out of opposition to large-scale public projects such as highway construction and urban renewal, religious-institution-based efforts to save constituents' neighborhoods, and nonprofit housing efforts. A social change movement became an industry as CDCs and community-based organizations became more sophisticated and sustainable.

To effect change at the neighborhood level in cities across the United States, CDCs and other CED organizations combined their empowerment agenda and social goals with the sophisticated techniques of private-sector real estate development and finance and the best of public-sector neighborhood-level urban planning and social development programs. They formed alliances with city hall and business leaders with whom they may have once fought, and they developed partnerships with growing universities and hospitals, whose expansion once threatened the very neighborhoods the CDCs sought to strengthen. They cobbled together public, private, and philanthropic resources and sophisticated business and real estate investments that changed the nature of development finance in the United States. National and local foundations that once shied away from community development because it required granting such large amounts of money found that CDCs gave them more financial leverage than any of their other grantees.

What exactly is community economic development? What are CDCs? Where do they come from? How do they succeed, and what are their strategies? What are their methods and tools of success? Where are they going? What is the role of the social worker in CED, and how do social workers prepare for employment and leadership in this phenomenal industry? Those are questions this text will answer. This chapter will examine the definition of CED and the basic concepts and structures of the CED field. It closes by summarizing the current state of the field, including today's trend toward community building as the main focus of CED, and by describing some of the debates around and critiques of CED. The following chapters examine the evolution of CED in the context of the larger history of community development in the United States and the unique role of social workers and social work education in this field.

DEFINING COMMUNITY ECONOMIC DEVELOPMENT

The field of CED has been given short shrift in the academic literature. Most of the scholarly works documented in the literature are evaluations of CDCs (Mayer, 1984; Vidal, 1992; Walker & Weinheimer, 1998). In the literature on CED that does exist, academic writers often proceed without defining CED. Halpern (1995) devotes a whole chapter in his fine history of neighborhood initiatives to CED without ever defining the field. Rubin and Rubin (2008) also devote a whole book to the “community-based development model” without ever defining CED, describing the work of community-based organizations rather than defining them. In their fundamental text, now in its fourth edition, they portray CDCs as a vehicle for taking community control of housing, community development, and economic development, activities assumed to be understood by the reader. They portray CED as evolving from and being a manifestation of community organizing and community empowerment, as do Murphy and Cunningham (2003).

Consistent and concise definitions of CED, when it is defined in academic literature, are hard to come by. For example, Sherraden and Ninacs (1998a) define CED as the process of “link[ing] social and economic development through the creation and regeneration of accessible institutions that empower and improve the life chances of community residents” (p. 1). Bruyn and Meehan (1987) focus on the key variables of empowerment, input, and the degree of control that neighborhood residents have in the overall process, but especially in the economic arena. Simon (2001) states nicely that “the core definition of CED embraces (1) efforts to develop housing, jobs, or business opportunities for low-income people, (2) in which a leading role is played by nonprofit, nongovernmental organizations (NGOs) (3) that are accountable to residentially defined communities” (p. 3). Yet another definition, this one from the former trade group for CED, the National Congress for Community Economic Development (NCCED), defines CED as “the economic, physical and social revitalization of a community, led by the people who live in and around designated geographic areas of that community” (NCCED, 2005, December, para. 3).

The *Encyclopedia of Social Work* describes CED as “community development [that] has evolved into a competitive interdisciplinary field practiced in a variety of social and economic sectors, including downtown

and neighborhood development, affordable housing, social entrepreneurship, workforce development, financial management, among others” (Johnson-Butterfield & Chisanga, 2008, p. 380). Using the rubric of community practice, Gamble and Weil (2010) view CED activity as coming under the framework of what they label “social, economic and sustainable development” (p. 209). To them, sustainability is the key word of their definition.

Murphy and Cunningham (2003) offer perhaps the broadest definition, redefining CED as organizing for community-controlled development (OCCD), which they go on to define as “people coming together within shared living space to plan and deploy resources in ways that enhance the local community, enrich society, and advance social justice” (p. 6). Because CED has the capability of extending conventional investment and business practices of the private sector to previously excluded markets and neighborhoods, Halpern (1995) calls CDCs “a vehicle for reinventing capitalism” (p. 142). Peirce and Steinbach (1987), in their now classic report to the Ford Foundation, summarized CED succinctly in their title as “corrective capitalism.”

The lack of a clear definition may be a product of the interdisciplinary nature of CED or, as will be demonstrated in chapters 4 and 5, the field’s being composed of organizations with different backgrounds and ideologies that have embraced common practices and joined together for purposes of public advocacy to meet common goals. A practitioner turned author, Temali, in conjunction with the Amherst H. Wilder Foundation (2002) defines CED in terms of its goals as:

Actions taken by an organization representing an urban neighborhood or rural community in order to 1) Improve the economic situation of local residents (disposable income and assets) and local businesses (profitability and growth); and 2) Enhance the community’s quality of life as a whole (appearance, safety, networks, gathering places, and sense of positive momentum).
(p. 3)

Rubin (2000) likewise points to the importance of goals and the sense of positive momentum or hope: “Development activist [*sic*] want their projects to symbolize to community members and outsiders that hope remains” (p. 18).

We suggest that any definition of CED must include the following elements: It is a process of multifaceted comprehensive revitalization, building, or rebuilding to plan and implement a place- and people-based strategy that is community driven, democratic, and participatory. Furthermore, CED benefits the community, which retains the wealth generated from revitalization; uses private-sector tools; and attracts private-sector investment to create a sustainable economic and social dynamic in the community. CED also looks to make the community viable over the long term, reconnecting the community to the mainstream economy and social and political structures of the region through a partnership of the community with the public, private, and nonprofit sectors. Finally, the effects of race- and gender-based discrimination, among other concerns, must be factored into the work. Therefore, we define CED as (1) the practice of revitalizing the economic, physical, and social infrastructures and networks of a specific low-income community or set of neighborhoods that (2) includes input and direction from the affected residents, thus (3) empowering both the individuals and institutions within the geographically defined area; (4) benefits residents of that community; and (5) makes sure that various discriminatory practices are avoided in the work.

HOW THE DEFINITION EVOLVED FROM A NARROW TO BROAD PERSPECTIVE

It is important to recognize that definitions of CED evolved over many years as practice and programs changed, beginning with a narrow concept and later growing to be broad (see chapters 4, 5, and 7 for more detail). The exact origin of the term is unclear, but it began to be widely used during the War on Poverty in the 1960s, related to the creation of CDCs, and the term was current enough by 1970 to be used as the name of the trade group that the first CDCs formed in that year, the NCCED, as mentioned already.

The first wave of CDCs resulted from a program of the Ford Foundation and the federal government begun in the late 1960s; these CDCs had a definite set of components set forth by the program (see chapter 7). A second wave of similarly motivated, place-based neighborhood revitalization organizations that developed outside of the original CDCs broadened the scope of CED and made the set of components less definite (Halpern, 1995). Still later, organizations that were less place based adopted the

methods of CED to empower and benefit nongeographic constituencies, thus forming a third wave of CDCs (Peirce & Steinbach, 1987). Some, including the authors of this book, consider the plethora of single-purpose, nonprofit affordable housing organizations and faith-based organizations that exploded in the 1990s as part of this wave of CED (Brophy & Shabecoff, 2001). This text broadens the definition of CED still further to suggest that a fourth wave has emerged that is devoted to comprehensive community building (see chapter 15).

RELATED FIELDS AND TERMS

CED should be distinguished from terms that are closely related and describe fields of work with which CED has some overlap. Brief definitions will be given here to distinguish CED. A more developed understanding of these fields will come from discussion of the history of community development work in the United States in chapters 4 and 5. Readers should consult more specific texts (e.g., Blakely & Bradshaw, 2002, on economic development) or the very fine glossary of CED terminology by the California Community Economic Development Association (2011) for additional detail.

Community development is perhaps the oldest term encompassing a broad set of activities for creating all of the physical and social aspects of a thriving community and economy in an underdeveloped country or area. For example, the international Community Development Society (<http://www.comm-dev.org>) uses the term this way, but it adds a heavy emphasis on participation of members of the community in directing the process. In developed countries, it has come to mean revitalization of areas that are not benefiting equitably from the opportunity, productivity, and prosperity of the developing economy and its society. In the United States, since the time of government programs for urban renewal, community development has come to mean physical- and housing-oriented revitalization activities, with some social service supports that are supported by federal government programs. Usually, community development in the United States is undertaken by local or state government or by some agency outside of the target community with some level of community participation.

Economic development is a broad term encompassing all efforts to spur business growth or expansion. It is usually associated either with financial

investment in infrastructure development that allows business to flourish with direct or indirect financial support for business growth and the facilities needed for such growth. It encompasses both the attraction of business not presently in an area as well as the promotion of the “home-grown economy.” Economic development in the United States is usually undertaken by state or local government or quasi-governmental organizations, with the government efforts organized on a state, local, or regional basis and involving the private sector. In developing nations, economic development is financed by international bodies such as the World Bank. Economic development has a slightly different meaning and is undertaken differently in socialist economies or in places with central, government-controlled economies.

Community organizing, particularly when it involves underdeveloped areas in developed economies, is a process of mobilizing the residents and indigenous institutions of a particular area and building an organization with sufficient recognition to control the decisions about development (and other policies) made by government and other large institutions. It is a process of political empowerment in a nonpartisan sense. While many community organizers have historically employed the conflict-based tactics of Saul Alinsky (1971, 1989), more recently some organizers are using Eichler’s (2007) consensus-based model of community organizing. Eichler argues for an approach to community organizing that focuses on finding common ground among parties via consensus. He contrasts his approach with the classic Alinsky conflict model of organizing, the less-well-known feminist organizing model, as well as the community building organizing model. The consensus-based and community building organizing models have far more similarities than differences, and they are not distinguished for the purposes of this book.

Community participation refers to the formal and structured outreach and involvement of those affected by a community development plan (or other program) in the planning and evaluation of the implementation of that plan or program. Community organizing is directed by a representative organization of the residents themselves; community participation usually falls to some level of advisory power and is structured and controlled by the local government, program operator, or project developer.

CED borrows elements of all of these fields of work and to some degree overlaps with them. The agenda of the CED organization is often a

combination of community and economic development. Like community organizing, CED represents an empowerment of the indigenous community through an institution controlled by that community. Like community participation, CED aspires to a high level of engagement with beneficiaries of particular CED actions.

In an international context, the term “social development” is prevalent. The United Nations (UN) Department of Economic and Social Development refers to social development as “the promotion of higher standards of living, full employment, and conditions of economic and social progress and development” (UN, n.d., para. 1). To the degree that social development is undertaken by NGOs, it closely resembles CED. In both national and international contexts, the more recent term, “community building,” is used to refer equivocally to all activities of community economic and social development, which are undertaken in ways that build the relationships and capacity of members of a targeted community and their connections to mainstream institutions and leaders. Community building will be the subject of a special chapter in this text (chapter 15) in which the authors promote it as a term for the most recent permutation of CED.

THEORETICAL PERSPECTIVES ON LOCALITY DEVELOPMENT

What are the theoretical origins of the CED perspective? This might seem like an easy question to answer, but in reality, it is a topic of sometimes fierce academic debate. In their important book *Theories of Local Economic Development*, Bingham and Mier (1993) attempt to address this question. Drawing on the obvious academic disciplines of economics, political science, sociology, and urban planning and the not-so-obvious disciplines of geography, regional science, and public administration, Bingham and Mier use various theoretical perspectives and case studies to make a case that there is no one theory of CED but rather a series of seven “metaphors” that help explain its workings: (1) problem solving, (2) running a business, (3) building a growth machine, (4) preserving nature and place, (5) releasing human potential, (6) exerting leadership, and (7) a quest for social justice (Bingham & Mier, 1993, pp. 287–301).

One of the key theoretical underpinnings of CED is the analysis of money flow and utilization in the community in a healthy local economy (Murphy & Cunningham, 2003). In the best-case scenario for a local

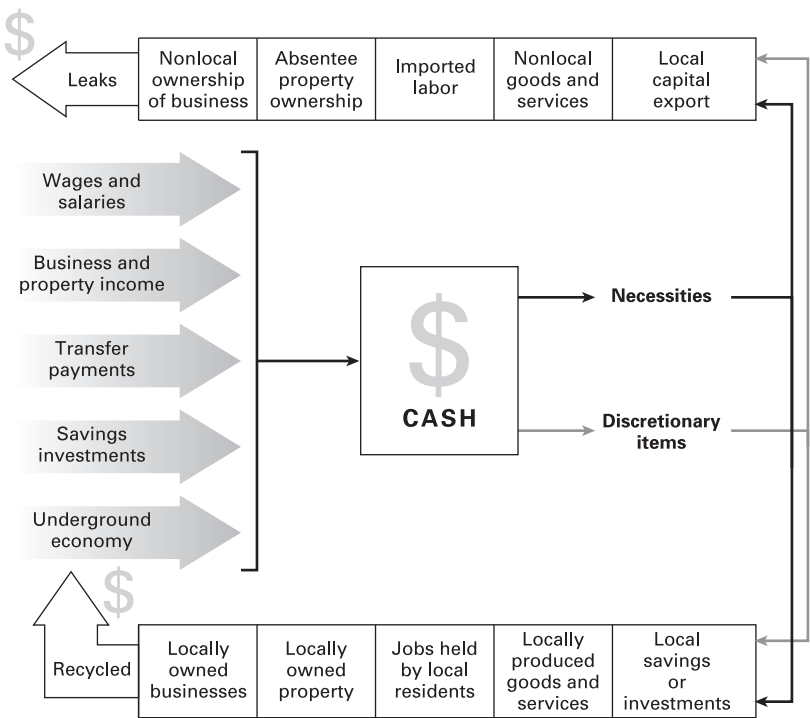


FIGURE 1.1 Cash flow diagram. This diagram illustrates the flow of money as it circulates through a community with locally owned businesses (Murphy & Cunningham, 2003).
Source: Pratt Institute Center for Community and Economic Development, © 1984.

economy, businesses and property are locally owned, people from the community are locally employed, money is saved and/or invested in the community, and goods and services are produced and/or utilized within the local area. Money circulates within the community and is aided by the multiplier effect, creating a positive balance of available economic resources (see figure 1.1). That is, a dollar that is spent in the community and stays in the community recirculates over and over again, which creates a ripple effect and keeps wealth in the community. This multiplier effect can be small or large, as much as sevenfold, depending on how often that hypothetical dollar keeps circulating. Once the dollar leaves the community, the effect is over.

Conversely, in an unhealthy local economy, businesses are not locally owned, labor comes from outside the geographic area, goods are imported,

and local capital—meaning money—flows out of the community. Landlords may be absent, resulting in properties that are not maintained as vigilantly as those with on-site ownership, frequently resulting in deteriorating conditions and lower local property values. This scenario leads to the death of a community if steps are not taken to halt the destructive economic erosion.

When reinvestment is sustained, major governmental subsidies are no longer necessary. It is the multiplier effect in the healthy local economy that perpetuates the flow of reinvestment. This leads to an improved quality of life and produces an incentive for local residents to continue living in the area, setting in motion a cycle of economic and social improvement and health in the community. New businesses and additional jobs are thus created, and outside investment is attracted, too.

THE STRUCTURES OF COMMUNITY ECONOMIC DEVELOPMENT

CED programs help stem the tide of a deteriorating local economy by revitalizing the community and establishing a healthy flow of money into the community instead of allowing the economic resources to leave the community. However, CED programs require funding to operate, in addition to local cooperation. What is the structure of a CED program, and how does it work?

The success of CED lies in fashioning business ventures, real estate projects, and other profitable investment vehicles to attract outside capital and retain the cash flow and profit in the community. Unlike most social or educational programs, or even government public works programs, these engines of reinvestment must pay a bottom-line return to their sources of capital. To pay that return, they must generate more income than expenses. Other programs with which social workers are more likely to be acquainted usually have expenses that exceed program income and therefore require a regular operational subsidy from government or philanthropic sources. CED ventures usually do not have that kind of subsidy. Like all conventional businesses, they must become self-supporting. If they cannot achieve that “breakeven” point based on income, sales, or rents from the very beginning, they must use the conventional business financing technique of capitalizing the startup, that is, securing loans and/or investments of cash that will cover the program’s operating loss until the projected breakeven

moment. Calculating the capitalization required and planning business or real estate operations on a monthly basis and over multiple years require private-sector knowledge and skills in business, real estate, financing, and capital markets. It is most especially here that CED differs from other kinds of social development or social work programs. It draws from, involves, and pays returns to the private sector.

In securing capitalization for areas that have been abandoned by conventional lenders and investors, CED often has to find sources of public or philanthropic “investment” or subsidy. In that pursuit, CED is like other charitable enterprises, although the use of those funds looks more like business capitalization than it does charity. The simplest way to describe the use of subsidy is to cover or reduce the risk to the private investors who provide the lion’s share of the financing of a project. The payoff for the disadvantaged families and communities comes from the job and housing opportunities, the accumulation of wealth, and the revival of the market dynamics of the target community; that is, a very localized tide will float neighborhood boats. The ends are as charitable as those of youth development or family counseling programs (and are recognized as such by the IRS), but the mechanisms and financing are markedly different. Hence, the language of CED work is more often about ventures or projects or businesses than about programs or services or client support. The financial analysis of CED is more about sustainable profits, return on investment, and creditworthiness than about annual grants, balanced budgets, and charitable appeal. A clear example of the difference in practice is seen in “matching requirements” for receiving program funding. A social services program may receive grant funding with a “match” of 10 to 20 percent, that is, the granting organization will supply 80 to 90 percent of the funding if the organization raises and/or supplies the other portion. A 10 to 20 percent match is considered very good. In CED, however, the aim is to “leverage” an equity investment of 9:1; each dollar of social investment by the funding organization is expected to generate nine to ten dollars in additional money.

If profitable ventures are the fruit of CED efforts, what is the structure that creates and attracts resources for them? Some CED endeavors may be loosely structured as community organizing campaigns or resident participation efforts targeted at influencing the redevelopment being carried out by others so that those projects meet community goals and direct the benefits of redevelopment to the community residents and institutions. More

generally, however, CED efforts are led by some permanent, community-based organization that owns and/or directly develops the ventures or projects. The work of development requires the expertise, relationships, and resources to spot an opportunity, plan the details of building and operating the project or venture, recruit and structure both private investment and public and philanthropic capitalization, and manage the process of starting up the venture or constructing the project. Since myriad public, private, philanthropic, and community institutions in a variety of fields (from finance, business management, and law to architecture, construction management, urban planning, social work, and education) are involved in the process, the work of development requires a high level of managerial and group facilitation skills.

While CED efforts may have social goals, their mechanisms are those of private investment, real estate development, and housing. The operative theory is that “development and ownership of physical assets is central to impacting the community and individual success” (Rubin 1994, as cited in Ferguson & Dickens, 1999, p. 7), and it has been shown that “when community building/organizing activities were linked with physical rehab projects, in a concentrated area, the impact was significantly more visible and commitment to sustain the improvement was more widely owned” (Pew Charitable Trusts evaluation, as cited in Ferguson & Dickens, 1999, p. 7). This orientation is distinctly different from clinical social work’s focus on individuals.

The most common vehicle for the implementation of CED programs is the community development corporation, or CDC. A CDC is a nonprofit organization that helps drive redevelopment in low-to-moderate income neighborhoods. CDCs are generally broadly focused on a multifaceted strategy for reviving and sustaining the community. Some, however, choose to focus on an area of interest, such as housing, or on one mechanism, such as microloans or microenterprise businesses, and to champion that focus. The CDC generally has a small staff (an average of six) and a budget between \$100,000 and \$500,000, and many are very small, with few staffmembers and budgets under \$100,000 (Rubin, 2000). However, their effects can extend well beyond their limited staffing and budgets (Vidal, 1992; Vidal, 1997). The key to a CDC’s success is its board of directors, who are representatives of the community and local institutions, including neighborhood residents; inside and outside business persons; unrelated

development professionals, lawyers, and bankers; and local government officials. The board provides input and direction for the community, recruits outside stakeholders, and assists with the implementation of the established goals. Building a strong CED organization is more important in the long run than any of the CDC's individual ventures (Soifer, 2001).

Where does the CDC or other community-based development organization get its resources? Originally, as will be discussed in more detail in chapter 4, CED programs largely relied on direct federal governmental subsidies and a couple of national foundations (most notably the Ford Foundation). Today, CDCs recruit financial support from a combination of private foundations, corporations, banks, entrepreneurs, and state and local government (often using federal funds devolved to them). The CDC persuades them to work together and to finance community revitalization efforts collaboratively. In effect, one role of CED-related organizations is to act as intermediaries, linking outside businesses, government, and philanthropic resources with the people and businesses of the community with related interests (Rubin, 2000).

Importantly, one development since the early 1980s that has helped the CED field and CDCs in particular is the launching of intermediary organizations that link the CDCs with funding sources. Called community development partnerships (CDPs), they "bring together the human and financial resources of community-based organizations, national and local foundations, for-profit corporations, and governments to help rebuild low-income communities (Glickman & Servon, 1998, p. 1). One of the effects of these partnerships has been to increase the capacity building efforts of CDCs across the country. Clearly, community building activities can be complex and require high levels of coordination between various elements in impoverished areas. Glickman and Servon (1998) do an excellent job describing five core elements of capacity building: "resource, organizational, network, programmatic, and political" (p. 6). The reader is referred to their Ford Foundation report for an in-depth discussion of these components.

While assisting the production of affordable housing has been an important goal of CDCs, their reach has also extended into finances, jobs, commercial real estate, and social services. This expansion is a result of the realization and acknowledgment that CED also includes building the skills, assets, and resources of a community's inhabitants and that poverty in America, by the last decade of the twentieth century, had become

intensely concentrated in urban inner-city neighborhoods ever more isolated from the mainstream economy. A focus on building the social capital of the residents is now seen as critical to the success of the community's revitalization—whether urban or rural, domestic or international—and the tools of building social capital through the work of CED are expanding (Kretzmann & McKnight, 1993). Through the work of such CED experts as Kretzmann and McKnight (1993), McKernan and Sherraden (2008), and Green and Haines (2012), a focus on community asset building has taken hold in the CED field. Recent changes in the CED field include more emphasis on the Asset-Based Community Development (ABCD) framework, an explicit set of tools for building community capacity (Soifer & McNeely, 2008).

THE NEED FOR CED

In spite of a general increase in American prosperity over the second half of the twentieth century, and without respect to the ups and downs of economic cycles, there remains a considerable population that has not benefited equitably from that prosperity. Sometimes defined by income—those below the poverty line or living on the low-level family budget established by the Department of Labor—and sometimes defined by racial or gender inequities of health, infant mortality, educational achievement, or mental illness, a portion of the American population is always “at risk,” or in deep need. Often those populations are not dispersed throughout the country but are concentrated in urban areas of low economic growth, deteriorated living conditions, and failing public institutions. A broad range of anti-poverty and “social safety net” programs attempts to address the needs of these populations. Many of these programs are focused on the individual or the family without respect to the environment; others, including CED, are decidedly place based. The goal of CED is both to eliminate poverty for individuals and families and to reverse market failure and deteriorated conditions for the communities in which individuals and families live.

As will be further described in later chapters, poverty in America shifted through the end of the twentieth century. When presidents John F. Kennedy and Lyndon Johnson announced the War on Poverty, poor people were largely rural, white, and elderly. In the last decades of the twentieth century, poverty was more concentrated in the inner-city neighborhoods

of the country's largest cities, and most of the poor people were children in female-headed households among people of color. These areas of concentrated poverty produced conditions in which multigenerational persistent poverty was more the norm than ever in the American experience of welfare (Wilson, 1987). Changes in the economy and urban sprawl of both residences and employment centers made it even more difficult for these people to access American opportunity. A dramatic reduction over twenty years in government support for programs serving these populations in neighborhoods further exacerbated the difficulties of overcoming the barriers to opportunity. CED has shown itself to be one of the few mechanisms even able to tread water against the stream of downward pressure. In some instances, CED has demonstrated dramatic success in addressing just these conditions.

The American private real estate market also tends to disinvest in older areas adjacent to but not as bad off as the areas of concentrated poverty in the inner city; that disinvestment leads to further deteriorated conditions in those older areas, which also cry out for CED. Driving from the suburbs to the inner-city neighborhoods adjacent to downtown in most large American cities, one can witness concentric circles of progressive disinvestment and deterioration, the natural product of a marginally regulated real estate system with well-documented racial discrimination dynamics (Goetze, 1983). In times of strong real estate dynamics, new investment appears on the periphery. The middle area holds its own with the median level of investment and growth in asset value. The older inner suburbs and outer ring of the city are often experiencing the beginning of property deterioration and a stagnant investment climate. Then come areas with some abandonment or vacancy in residences and commercial property, the visible signs of a community in economic and social distress (crime, drug abuse, lack of jobs, underperforming schools, fragmented families). Progressive rings toward the inner city show more abandonment, worsening housing conditions, and a terrible social environment. CED is crafted specifically to address this real estate cycle, to create both positive conditions for the populations of all these neighborhoods and sustainable communities.

Changes in the American economy away from manufacturing and toward a globalization of the economy have only made conditions worse for these areas of concentrated poverty and the marginally distressed neighborhoods of the middle city and older suburbs. The decline in

well-paying, easily accessible semiskilled manufacturing jobs (Harrison, 1974) has created a bifurcation in employment: on the one side, low-paying service jobs with little access to higher-paying service and knowledge-based jobs, and, on the other side, high-paying technology and knowledge-based entry-level jobs that lead to long-term employment in growing industries and companies.

According to Blakely and Bradshaw (2002), CED could play a major role in helping rectify many of the problems in this bifurcated national economy if it was given a chance through federal monies, foundation support, and local initiatives. They further allude to the work of the Harvard business expert Michael Porter (1995), who counterintuitively argues that the inner cities are good investments for corporations and private investors who could be imaginative enough to see their competitive advantage and that their money would help market forces turn these communities around.

It must not be forgotten that rural communities too have a need for economic and community development and that CED has been demonstrably successful in areas as diverse as Maine, West Virginia, New Mexico, and rural California. It is easier to imagine new developments occurring to help low-income families in an underdeveloped rural community, although resource institutions are often far away and the necessary partners widely dispersed. The strategies are different than in a failing urban region or a thriving region with a failing inner city, but the tools and CDC capabilities needed are often the same. Unfortunately, this book will not be able to address both urban and rural CED equally and focuses primarily on urban development.

THE SIGNIFICANCE OF CED WORK

The effect of the work in this field in general and of CDCs in particular cannot be overstated. The physical bricks-and-mortar effectiveness of CDCs is well documented but may be the least significant accomplishment of this kind of work. Because economic and physical capital are only two forms of community capital, gains in human and social capital must also be measured for the true impact of what we are calling community building work to be adequately demonstrated.

The NCCED, the CDC field's trade organization (which, unfortunately, closed its doors in 2007), issued regular reports dating back to

1988 on the state of the portion of the CED field that included only those community-based development organizations that met NCCED's narrow definition for CDCs. The fifth and most recent such report, "Reaching New Heights: Trends and Achievements of Community-Based Development Organizations" (2005), documents some of the remarkable things that have been accomplished since this movement began over forty years ago. The highlights include the following: At the time of the report, there were at least 4,600 CDCs nationwide that met NCCED's definition, and they had produced more than 1,252,000 units of affordable housing and three-quarters of a million jobs. While these results may be a drop in the bucket nationally, for this industry, they are quite impressive. Moreover, the median CDC had ten employees on staff, including an executive director. Unfortunately, average budget information is not available. However, federal funding in different forms was important to the sustainability of CDCs, and intermediaries still played a key role in pushing them to greater heights (NCCED, 2005).

More than half of all CDCs examined in the NCCED report serviced urban areas. Also, more than half had their origins as a CDC rather than as some other type of nonprofit organization. There was a good regional distribution across the country. Most served low-income, very-low-income, or poverty-level populations (in fact, only 10 percent helped moderate-income people). More than one-half of all CDCs documented by NCCED were doing some form of commercial or industrial development at the time of the 2005 report. About 126,000,000 square feet of commercial and industrial development had occurred, including "day care centers, health care centers, youth centers, arts programs, and social service [programs]" (NCCED, 2005, p. 13).

Microlending had become a major activity of CDCs and one of its key antipoverty strategies. As of 2005, more than 100,000 loans totaling more than \$1.5 billion had been made. Also, community building had become an important theme for CDCs since the late 1990s, with more than two-thirds of CDCs engaged in community organizing and advocacy activities. The top-ranking community building activities (i.e., 20 percent or more of CDCs saying they have engaged in the activity), in order of popularity, were homeowner counseling, budget and credit counseling, education and training, tenant counseling, youth programs, housing resident services, job skills training, job readiness training, homeless services, senior programs,

emergency food assistance, job placement, community safety, transportation, setting up Individual Development Accounts (IDAs), and child care (NCCED, 2005). Other interesting findings include that one-quarter of all CDCs were faith based. The report concludes that in the last four decades, the CED field “has become more professional, more institutionalized, and better funded by a wider base of organizations” (NCCED, 2005, p. 3).

By the end of the century, there were an estimated 12,000 community-based development organizations, including the almost 5,000 CDCs that fit NCCED’s definition, and all told they have produced more than 30,000 units of housing annually, the major activity of most CDCs (Brophy & Shabecoff, 2001). In addition, they engage robustly in commercial and business development; workforce development; and the supports in health, child care, and transportation needed by their populations in order to matriculate in the employment market of today (Ferguson & Dickens, 1999). More than two-thirds engage in some form of community organizing (Rubin, 2000).

These findings are the tip of the iceberg. If the estimated number of 12,000 community-based development organizations is even approximately correct, one has to multiply the outputs documented by NCCED many times over to estimate the effects of CED. The CED industry is a very strong part of the nonprofit sector of the U.S. economy and has a much wider impact than the above numbers indicate through its multiplier effect on the local economy. To judge its overall impact on the economy is very difficult, but it would be fair to say that CED has revived the economy and competitiveness of thousands of urban neighborhoods and rural communities in the United States, most of which are in the most challenging areas of disinvestment and discrimination in this country.

Moreover, the stories of the millions of people whose lives have been transformed by these efforts often go untold, but they are perhaps the most significant aspect of this work. Although the impact that these people have had on others is not readily measurable, the stories are out there for the asking and are being captured by a variety of techniques, such as ethnography (Briggs, Mueller, & Sullivan, 1997). The empowerment impact of CED may also be demonstrated by the large numbers of CED leaders who have gone on to successful positions directing public agencies or in elected political office, including the U.S. House of Representatives and Senate.

As mentioned, the NCCED has closed its doors, but the phoenix has risen from the ashes. In 2006, the National Alliance of Community

Economic Development Associations (NACEDA) was formed (<http://www.nceda.org>). Representing twenty-four state and nine city trade associations, the organization was set up to support the work of CED associations, local CDCs, and practitioners nationwide (NACEDA, n.d.).

We believe that CED is an effective method for social change, a powerful engine for addressing in concrete terms the issues that are often the focus of social work: poverty, inequality, and disparity; powerlessness; racism; gender inequality; and diversity. CED organizations and projects must necessarily include these issues in their analysis of problems and in the mechanisms for planning and operating if they are to succeed in the long run and overcome the “business-as-usual” economic, political, and social dynamics that disadvantaged the target community in the first place. CED seems to succeed on these issues especially because it involves challenging specific policies and practices and shaping new modes of action (Kingsley, McNeely, & Gibson, 1997). For example, engaging financial institutions in an analysis of institutionalized racism and the resulting discriminatory lending practices, then creating a homeownership program that requires that bank personnel be retrained and teamed up with a culturally sensitive, community-based housing counseling agency cuts through the issues more effectively than does holding an abstract “dialogue about race.” A project that organizes largely female and underpaid workers in office cleaning or home health care into their own cooperative business so they can better negotiate wages, quality control, and benefits directly alters the gender disparity affecting so many low-income, female-headed households in target communities.

There is agreement among professionals that true CED helps empower residents to take charge of the planning and rebuilding process in their neighborhoods. The result of such resident involvement creates a vested interest in the community by those inhabiting the area and a personal capability that contributes to resilience in other areas of residents’ lives. As a neighborhood begins to rebuild, profits are recycled and resources replenished. This creates a “sustainable local market,” or “self-reliant communities,” a critical point for successful revitalization (Shuman, 1998).

THE CURRENT STATE OF AFFAIRS IN THE CED FIELD

In their monograph for the Ford Foundation, Peirce and Steinbach (1987) identify three waves of CDCs: (1) the first generation (1960s), which they

describe as “pioneering and expansive” (p. 19); (2) the second generation (1970s), which were “leaner and widely diverse” (p. 25) but similarly multifaceted; and (3) the third generation (1980s), in which there was a “reassessment of the ‘marketplace’” (p. 29) by constituency organizations and service providers who looked to housing and business development to expand their services to clients and who took on the tools and orientation of earlier CDCs.

In addition to the frontline community-based development organizations, CDCs, and others, the field now boasts a rich panoply of support organizations at the local and national level. Local and national sources of specialized technical assistance now exist that reach virtually every part of the country, including service arms of university departments in planning, law, and social work (McNeely, 2004). In addition to local and national foundations and financial institutions providing funding, several large financial intermediaries formed in the 1980s in response to the growth of CDCs and the simultaneous cut in federal support for community development (Brophy & Shabecoff, 2001), most notably the Local Initiative Support Corporation (LISC), the Enterprise Foundation (now Enterprise Community Partners), and the Neighborhood Reinvestment Corporation (now NeighborWorks). These financial intermediaries deploy millions of dollars of investment every year, provide significant capacity building to local groups, and set the national policy stage for support of the field (Anglin & Montezemolo, 2004). Specialized departments of banks, foundations, and local governments round out a field that employed more than 400,000 people at the turn of the century (Brophy & Shabecoff, 2001). A more detailed map of the CED field is taken up in chapter 7.

THE FOURTH WAVE—COMMUNITY BUILDING: TRENDS AND PERSPECTIVES

We argue that beginning in the 1980s and early 1990s and into the mid 2000s, the United States entered a fourth wave of CED, which many refer to as community building or comprehensive community initiatives (CCIs). This new wave of CED is more comprehensive and inclusive of providing family and individual support strategies to supplement the physical and economic agenda of CED. This movement toward more

holistic, comprehensive community-based solutions in CED is parallel to and joined forces with a similar movement in the field of family and child support and antipoverty efforts from human service and educational organizations (Connell, Kubish, Schorr, & Weiss, 1995). Moreover, the fourth wave refers not only to a new set of organizations in the CED field, as the typology by Peirce and Steinbach (1987) depicts, but also to the comprehensive set of principles and practices being adopted by groups of the earlier three waves (Anglin & Herts, 2004).

Community building is a broad term that includes the principles of CED and incorporates the functions of CCIs, which are discussed in greater detail in chapter 15. Community building utilizes activities and concomitant skills to revitalize marginalized communities from an empowerment perspective. It also takes into consideration the “person-in-environment” perspective, a staple of social work philosophy. Finally, the self-help nature of these newer initiatives, as well as the stronger community participation component of them, indicates a new depth in the field.

The National Community Building Network (NCBN) was the nerve center for this activity and provided networking opportunities and resources for community builders. The organization lasted for twelve years (1993–2005) and then dissolved. At its height, it had 200 organizations and more than 800 members.

This fourth wave has called for much more coordination, collaboration, and networking among the principal parties, something that clearly calls on the values, knowledge, and skills base of the social work profession. It also requires work from a perspective where place and family are critically important and where interagency collaboration across systems is necessary. This leads us to the notion of community building.

Community building expands on current social work models. It takes into account the strengths perspective, which is inherent in the family preservation model and implicit in the group work model critical to social work. Simply defined in this context, this perspective focuses on a community’s assets rather than its deficits. But it also considers all possible perspectives in its analysis of problems. For example, a “troubled teenager” who uses drugs or joins a gang may do so because there are no healthy environmental alternatives. A community building approach considers community factors, such as a lack of supervised activities, in addition to neighborhood crime, unemployment, poor educational resources, and/or

a lack of social services, as contributing causes to the young teen's dilemma. In theory, once such deficiencies are identified, the next step would be to create and execute an action plan based on the community's strengths and assets that would bring about comprehensive change within the community. The phrase "people-based, place-based" has been the watchword of the community building movement.

This kind of approach must also include what has been considered the purview of community organizing and social planning, so that the fourth wave of CED is a multifaceted model that looks a lot like the mixing and phasing of Rothman and colleagues' (1979, 2001) "old" and newly revised conceptualizations of locality development, social planning, and social action. It also involves collaboration among CED, human service, educational, and community organizing entities.

Multicultural variables also must be considered in this scenario. Individual and institutional classism, racism, sexism, ageism, ableism, heterosexism, and other prejudices must be taken into account in both analysis and implementation if a comprehensive plan for a community's problems is to be effective.

No one approach can address all of the broken-down components of a deteriorating community. The multifaceted approach that community building encompasses is a strong starting point for community empowerment and improvement. As social work professionals look to the future, it may well be that an evolved prototype of community building will define how true CED is executed. (Community building is discussed in greater detail in chapter 15.)

CURRENT POLICY DEBATES AND CRITIQUE OF THE CED FIELD

The CED field has matured over the past forty years. It is no longer an experiment; there is among CED practitioners and intermediaries, financial institutions, and foundations that support them a very significant knowledge base of what works and what does not. However, this knowledge is not codified or part of the academic literature and is not easily available or generally accessible. A lot of new initiatives therefore repeat the mistakes of the past or have long and unnecessary learning curves. How then does one replicate the complex processes undertaken by successful

CDCs? We understand what works, but we have difficulty institutionalizing that knowledge and taking it to scale (Schorr, 1997).

Not everyone is pleased with the role of CED in today's distressed communities. There is a vocal minority, ironically mostly from the left of the political spectrum, who feel that CED is basically a sellout to the forces of capitalism. These critics, who see CED as palliative at best, believe that CED cannot improve the lives of the poor, at least not alone.

One of the more outspoken critics of CED is Stoecker (1996). He argues that, because CDCs are doing most of the work of CED and because most CED boards are not controlled by community residents, the kind of development engaged in by these groups is usually conservative in nature, not representative of the community, and often not even in the best interests of its residents. Although not many share this opinion, Stoecker and other critics do raise a valid point, one that should be heeded by those engaged in the CED field. While these critics do not particularly chide CDCs for being hesitant to criticize larger institutions for their negative effect on communities, they have noted the challenge that the growing professionalism and technocracy of the CDC has posed to genuine community accountability and the involvement of community members in the development process (Rubin, 2000; Vidal, 1997). However, to throw out the baby with the bathwater seems disingenuous to those who know that almost anything is better than what exists in most disenfranchised, impoverished communities. And CED done well, as illustrated by the numerous case studies featured in this text, puts the highest priority on community accountability and resident involvement.

There is also a considerable criticism directed at place-based revitalization strategies in general, of which CED might be considered a part, because they have failed to transform the most deteriorated communities in large American cities (Lemann, 1994). When criticism is directed at CED in particular, CED advocates counter that small resources, inconsistently committed, even over a long period of time, are unjustly expected to turn back the impact of macroeconomic forces and exponentially larger government investment in sprawling suburban and exurban development that suck the economic life out of the inner city (Cisneros, 1993).

With the national and international economy in a state of constant flux, it is difficult to assess, much less predict, how events at the national and international level influence local CED work. However, one thing seems

fairly clear. Generally speaking in the United States, Democratic administrations at all levels of government are more open, both programmatically and financially, to CED initiatives and programs than are Republican ones. Be that as it may, home-grown, community-initiated CED projects—what some call self-help or local reliance initiatives—can make an enormous difference in the lives of ordinary people especially with the right kind of governmental support. It is our belief that what is being called community building holds the key to rebuilding America's devastated urban and rural areas like no other effort we know.

CONCLUSION

In the opening chapter, we discussed what CED is and is not and provided a comprehensive definition of the term. An overview of the CED field and the growing fourth wave of community building was presented, and a description of the primary vehicle for change—the community development corporation (CDC)—was introduced. It should now be clear why CED work is needed, and students should now be ready to delve into an in-depth exploration of this exciting field.

Presenting the story of BSRC as the first case study in this book makes natural sense, as it was one of the first CDCs in the nation, and it still exists as a thriving example of CED work in action. Many of the themes introduced in this opening chapter are illustrated by this case: the nature of CDCs, the expanding field of CED work over the past decades, struggles with how to do “locality development,” the role of the federal government in supporting (or not supporting) these efforts, and the potential and limits of this work. How CED work can positively affect a community is clearly seen here, and the revitalization of a particular neighborhood in a city or region of the country is highlighted. Finally, the depth of public-private partnerships, and how to do (and not do) them, are illustrated.

Of particular note, the importance of having a lynchpin project (in this case, Restoration Plaza) in CED efforts is pointed out. Moreover, as with most successful CDCs, the role it plays in helping to restore and/or build housing for its residents is noted. Encouraging small business ownership, providing social services, and creating a diversified funding base over the years all point to the necessary (though not necessarily sufficient) conditions needed for a successful CDC. Given that BSRC has been in existence

for forty-five years now is a story in itself. To get a sense of the impact such organizations can make, one can simply ask the question: what would this part of Brooklyn look like today if this CDC had never come to be?

BEDFORD STUYVESANT RESTORATION CORPORATION

Description

Origins

Bedford Stuyvesant Restoration Corporation (BSRC) is one of the nation's very first—and most successful—community development corporations (CDCs). During World War II, large numbers of African Americans migrated from the South to Bedford-Stuyvesant, a large neighborhood in Brooklyn, New York, where housing was more affordable than it was in Harlem. By the 1960s, the primarily African American residents of Bedford-Stuyvesant were facing poverty, substandard housing, inadequate public services, unemployment, race and gang riots, an inability to deal with increasing crime, and difficulties in municipal government (Pratt Center for Community Development, n.d.a).

At that time, Senator Robert F. Kennedy was seeking a new approach to address the nation's urban problems, and the Bedford-Stuyvesant community caught his eye after the riots of 1964 ("RFK in Brooklyn," n.d.). In February 1966, Kennedy toured the neighborhood and met with community leaders and activists. Kennedy was struck by the poor conditions of "Bed-Stuy," as it had come to be known. There were broken families, residents with little or no job history, a lack of federal funding, numerous vacant lots filled with garbage, burnt-out buildings, and abandoned vehicles on the street. Moved by his tour and impressed by meetings with community activists, Kennedy began to identify those he knew in the private sector and at foundations who might be able to help. His idea was to establish a community organization in Bedford-Stuyvesant that was nonpartisan and nonpolitical. He successfully recruited leaders of the Ford Foundation, Astor Foundation, and Taconic Foundation as well as business leaders from IBM, CBS, Welch's Grape Juice, Equitable Life Assurance, National City Bank, and Lazard Freres to support and fund the new organization ("RFK in Brooklyn," n.d.).

With the help of New York's senior U.S. senator, Jacob Javits, Kennedy went on to collaborate with neighborhood leaders to designate Bedford-Stuyvesant as a "testing ground" for a national model of community development supported by the Special Impact Program, a recently passed amendment to the Economic Opportunity Act of 1964 allowing for federal funding of community development projects in urban poverty areas ("RFK in Brooklyn," n.d.). After facing leadership and management trials in its first year, the organization that began in 1966 as the Bedford Stuyvesant Renewal and Rehabilitation Corporation evolved into the BSRC in 1967.

Structure

BSRC's Board of Directors consists of twenty-five board members (BSRC, n.d.a). It has approximately eighty full-time employees and fifty volunteers.

Funding

BSRC's original sources of funding came from private foundations including the Taconic Foundation, the Rockefeller Brothers Fund, the Edgar M. Stern Family Fund, the J. M. Kaplan Fund, and the Ford Foundation (BSRC, n.d.d). Between 1966 and 1981, however, BSRC received a significant portion of the total \$100 million appropriation from the federal Special Impact Program and relied on its relationship with this program for most of the funding needed to implement its initiatives (Pratt Center for Community Development, n.d.a).

When the Reagan administration eliminated the Community Services Administration in 1983 and state and local governments replaced the federal government as the primary source of public financial support for CDCs, BSRC faced hardship and needed to downsize and even eliminate some of its programs (Pratt Center for Community Development, n.d.a). Since the late 1980s, BSRC has worked successfully to expand its funding base. Today, BSRC receives nearly \$2 million each from the City of New York/City University of New York for NYC Justice Corps and the New York State Division Housing and Community Renewal (GuideStar, 2009a). It currently operates with a budget of more than \$7 million. For the fiscal year ending June 30, 2009, BSRC had total revenues of \$7,178,306, total expenditures of \$7,575,089, net revenues of \$396,783, and net assets of \$13,203,528 (GuideStar, 2009a). In the fiscal year ending June 30, 2008, however, BSRC had much higher net revenues of \$2,154,943; it appears that the recession at the end of the decade significantly affected BSRC's financials.

Strategy and Programs

Target Community

Between 1940 and 1960, Bedford-Stuyvesant's racially diverse population was in flux as the population transitioned from 75 percent white residents to nearly 85 percent African American and Latino residents. White homeowners fled Bedford-Stuyvesant, selling their houses at below market value to real estate speculators, who persuaded sellers that their homes would lose value as African Americans and Latinos moved in to the neighborhood. As white families fled and African American families migrating from the South began to make up the majority of the neighborhood's population, banks began redlining residents and businesses, essentially refusing to lend to those in the neighborhood based on their race. Locked out of the housing market, African American families were forced to pay

exorbitant rents for overcrowded, substandard shelter. Public services such as police protection, garbage collection, health care, and education deteriorated (Pratt Center for Community Development, n.d.a).

Today, Bedford-Stuyvesant has nearly 153,000 residents (New York City Department of City Planning, 2010a). More than three-quarters of its residents are African American (compared with one-quarter of the population of New York City as a whole), and another roughly 20 percent are Hispanic (New York City Department of City Planning, 2010a). About 89 percent of residents are proficient in English, and for those who are not proficient in English, the most common languages are Spanish, Creole, French, and Chinese (New York City Department of City Planning, 2010a). Nearly half of all Bedford-Stuyvesant residents receive income support including public assistance, Supplemental Security Income, and Medicaid. About 20 percent of the residents own homes (compared with 34 percent of New York City residents as a whole), and approximately 80 percent live in rental housing (New York City Department of City Planning, 2010a, U.S. Census Bureau, 2009).

The Community District Needs for the Borough of Brooklyn (New York City Department of City Planning, 2010b) report states that neighborhoods including Bedford-Stuyvesant are most in need of more funding to support arts and culture, child care centers, smaller class sizes and more educational resources, environmental protection, and health care. Many residents do not have health insurance, which leaves them without access to necessary physical and mental health services, especially in an area that has been plagued with HIV/AIDS. There is also a need for more housing and services for the increasing senior population. Several planning groups including the Mayors' Commission on Economic Opportunity are working together to address community economic development and workforce preparation needs particularly designed to target underserved and underemployed men and women in Bedford-Stuyvesant.

Strategy

BSRC's strategy for comprehensive neighborhood revitalization grew directly from the victories of the civil rights movement and federal antipoverty programs begun in the 1960s. The civil rights victories created greater access to home ownership and personal wealth for a growing black middle class. The movement forced banks to pay attention to BSRC; key to BSRC's initial strategy was to persuade banks to locate branches in the neighborhood to lend to the local black businesses and to provide BSRC itself with major real estate financing. The antipoverty programs funding BSRC provided the means to offer services. BSRC got down to the hard realities of housing, commercial development, minority business expansion, and wealth creation, deeply immersing itself in the

particulars of community economic development and real estate strategies in order to provide comprehensive services.

To retain homeowners, the middle class, and businesses in Brooklyn, BSRC recognized that it needed to improve the deteriorated physical conditions of the community. The declaration “Bed-Stuy is coming back” was trumpeted by BSRC to all of New York as BSRC undertook major commercial developments in the neighborhood, the first of which was Restoration Plaza (see below). When completed—with the first new inner-city supermarket by a major chain, its first bank branch, a theater, and offices—it was a project of a scale that had not been pulled off by any African American organization or business in New York. BSRC was putting Bedford-Stuyvesant on the map by playing with the big boys.

In the 1960s, BSRC intended to build local wealth dramatically through homeownership, business success, and employment. As federal antipoverty programs disappeared over the decades, BSRC needed to regroup, which it did successfully. It took on more workforce, health, education, and family support programs to help neighborhood residents succeed and capture the opportunities opened by civil rights victories.

Programs and Projects

PHYSICAL AND CULTURAL ENVIRONMENT. One of BSRC’s first projects, the 300,000-square-foot town square Restoration Plaza, is a multipurpose complex for education, commerce, and culture in central Brooklyn and has an estimated 1.5 million visits each year. Formerly an abandoned milk-bottling plant, the plaza now consists of several buildings that were combined into one facility in the 1970s. Since that time, Restoration Plaza has become home to the Billie Holiday Theatre, an outdoor amphitheater, Skylight Gallery, and the Youth Arts Academy, and it hosts weddings, outdoor concerts, and community events year round. BSRC also attracted commercial businesses to the plaza, including a Super Foodtown (a 25,000-square-foot full-service supermarket), an Applebee’s Bar & Grill, a Duane Reade pharmacy, and three full-service banks. In addition to encouraging economic development, the plaza fosters a sense of pride and identity in the community’s heritage and culture (Pratt Center for Community Development, n.d.a). An extensive restoration begun in 2006 and still underway will create more pedestrian access and dining and entertainment venues (BSRC, n.d.f).

HOUSING AND FORECLOSURE PREVENTION. In 1967, BSRC created its own home mortgage pool to combat the effects of redlining by banks in the community. By the early 1970s, BSRC had made more than 850 home loans totaling \$17 million. By the early 1980s, BSRC had developed more than 3,000 units of commercial and residential property by

rehabilitating deteriorated and abandoned housing owned by the city (Pratt Center for Community Development, n.d.a).

BSRC is a leading partner in the Coalition for the Improvement of Bedford-Stuyvesant (CIBS), which in 2009 received a grant from New York City Department of Housing in partnership with BSRC to expand the coalition's home foreclosure prevention program. The grant supports the "Know the Facts, Don't Lose Your Home" campaign for preventative education that warns residents about predatory lending, hosts quarterly town-hall meetings on foreclosure prevention, organizes workshops for first-time homebuyers, and provides educational trainings for current homeowners (BSRC, n.d.e). BSRC and CIBS prevent approximately 180 homes from reaching foreclosure and save approximately fifty homes from foreclosure per year in Bedford Stuyvesant (BSRC, n.d.b).

BUSINESS DEVELOPMENT. In addition to creating its own home mortgage pool, BSRC also created loan programs that provided more than \$8.5 million in capital to more than 125 local businesses between 1969 and 1979. These enterprises created and retained an estimated 1,000 jobs in the community and attracted \$13 million from conventional commercial investment sources. In 1984, BSRC established a revolving loan fund that continues to offer low-interest loans to small businesses (Pratt Center for Community Development, n.d.a). In 1998, BSRC created the Restoration Capital Fund (RCF), intended to support entrepreneurship and increase the presence of minority-owned businesses in the community that create jobs and contribute to Brooklyn's economy. RCF offers fixed-rate business loans to startups and established businesses regardless of credit history (BSRC, n.d.g).

SOCIAL SERVICES. As a comprehensive CDC, BSRC provides a continuum of services designed to remove barriers to economic self-sufficiency, build household incomes, foster education, and help individuals reach their full potential. BSRC provides employment services including assessment, career counseling, job readiness training, job search and placement assistance, resume and cover-letter writing, and interview training to residents who are underemployed or unemployed, ex-offenders, and at-risk youth who have multiple barriers to employment (BSRC, n.d.c). Residents also are provided with free benefits screening, financial and legal counseling, social service referrals, financial literacy workshops, and GED preparation and adult basic education courses (BSRC, n.d.h).

ENVIRONMENT. In 2010, BSRC combined forces with the Community Environmental Center (CEC) in an environmental sustainability initiative. CEC trained BSRC's Justice Corps to paint a highly reflective material on the rooftops of BSRC's residential properties.

This reflective material reduces roof temperatures in the summertime, which can reduce air conditioning costs by as much as 50 percent, in addition to curbing CO₂ emissions in the community (BSRC, 2010). In March 2010, BSRC started the first cycle of “green construction” courses, in which participants from across Brooklyn undertake ten weeks of training in green construction skills and weatherization practices to make homes more energy efficient. After their training, participants are given internships and job placements (BSRC, 2010).

MAJOR SUCCESSES

In 2010 alone, BSRC was recognized for its commitment to community development and affordable housing from the Brooklyn Community Foundation’s Brooklyn Do-Gooder Award, the Asian Americans for Equality’s Dream of Equality Award, and Bank of America’s prestigious Neighborhood Builder Award. Since its founding in the 1960s, BSRC has constructed or renovated 2,200 units of housing and repaired the facades of 150 homes on 150 blocks. Its home mortgage pool has loaned more than \$60 million to nearly 1,500 homeowners. BSRC’s commercial and business development programs have attracted more than \$375 million in investments to central Brooklyn. In addition, BSRC has placed more than 20,000 Brooklyn youth and adults in jobs (BSRC, n.d.d).

Restoration Plaza remains the center of community life in central Brooklyn, and renovation and modernization of the plaza and ensuring a thriving arts community are critical to BSRC’s vision of neighborhood revitalization. The plaza’s Skylight Gallery continues to feature artwork from more than one hundred artists every year and provides opportunities for community artists to show their work. The plaza’s Billie Holiday Theatre productions sell more than 30,000 tickets per year and provide training opportunities for theater professionals. The Youth Arts Academy now offers classes in dance, martial arts, music, visual arts, and theater to approximately 400 students each year (BSRC, n.d.d). With nearly sixty financial supporters, BSRC has achieved a broad funding base that has enabled it to continue to evolve and provide the workforce, health, education, and family support programs it started in the wake of the civil rights victories of the 1960s.