

A Surge of Better News on the Neighborhood Front

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Parts of Iraq are in flames, and global warming is threatening to engulf us. But check back in our inner-city neighborhoods, and heartening good news is emerging. One major reason: national non-profit housing financiers are not only channeling very big sums into bricks and mortar, but providing critical assistance on every front from crime prevention to “green” buildings.

Take the **Local Initiatives Support Corp.**, which has marshalled more than \$7.5 billion from 3,100 investors and lenders to finance urban projects since the early ‘80s. Last week LISC issued a report showing that in target neighborhoods where it’s active, crime is dropping faster than in comparable areas as new businesses, housing and stores take the place of dangerous blight.

A prime example: a single rundown gas station on the troubled 1000 block of Franklin Avenue in southeast Minneapolis. In 1999, the site generated more than 500 police calls on crimes ranging from drug deals to dangerous assaults. Today, it’s the site of the Franklin Street Bakery, a neighborhood firm that was on the verge of retreating to a safer suburban location.

Why the shift? With LISC’s encouragement, the American Indian Neighborhood Corporation began to work closely with the Minneapolis Police Department. One major result: a storefront headquarters on Franklin from which police and other city personnel work hard-in-hand with resident to target safety risks.

The refurbished bakery, designed for maximum “eyes on the street,” has added 50 jobs. New retail stores have opened. Serious crimes dropped by nearly a third. In Seattle, the Columbia City section experienced a similar turnaround. A scourge of youth gangs had been threatening owners of homes recently built by HomeSight, a community-based organization. With LISC’s encouragement, HomeSight hired a community safety coordinator and formed a partnership with the Seattle Police.

Major cultural differences had to be overcome in the ethnically split neighborhood, which was 38 percent Asian, 23 percent African-American, 6 percent Hispanic. The effort paid off; today there are several successful businesses and a farmers’ market on a shopping plaza that had been the area’s epicenter of violence, prostitution and drugs.

In more than 40 neighborhoods nationwide, LISC president Michael Rubinger reports, LISC has been able to help local community development corporations create new alliances with police and hire staff to focus on the new crime-fighting partnerships. Tensions over race and police-community relations have been addressed and many police departments persuaded to embrace street-friendly community policing approaches. Each safer community, LISC calculates, is a more secure place for the housing efforts its financing supports.

Enterprise Community Partners -- formerly the Enterprise Foundation, and LISC's friendly competitor -- has also been broadening its scope far beyond the low-income housing efforts that were dominant in famed developer James Rouse's mind when he formed the organization 27 years ago this spring. Enterprise's new formula: going "green" in a big way. In a "Green Communities" initiative, now in partnership with the U.S. Green Building Council, Enterprise is insisting on maximum feasible energy saving features in all the 6,600 housing units it has in production in 130 communities nationwide. There's a 2- to 4-percent cost premium in building to green standards, notes Enterprise's Stockton Williams. But tenants will be able to save hundreds of dollars a year in utility costs.

The new objective, says LISC's Rubinger, is fully sustainable communities with such a fine mix of housing prices and both rental and home ownership units, plus schools, childcare, parks and open spaces, small shops and quality supermarkets, that people will choose to live there -- and not just be waiting for their income to improve so they can move out.

Comprehensive neighborhoods approaches were the idea four decades ago when America's first community development corporation began in Brooklyn's Bedford-Stuyvesant. But over time, because housing seemed tangible and easier to achieve, that's where non-profits focused their attention. Now, says Rubinger, cities are attracting a much broader range of income groups and it's time to aim for truly high quality, mixed income neighborhoods.

So LISC not only invests in housing and community safety programs, but has put its fiscal heft behind bringing supermarkets back into urban neighborhoods- including a huge Pathmark supermarket attracted in cooperation with the Abyssinian Development Corporation on 125th Street in New York - East Harlem's first full-service supermarket in decades. And with schools often the Achilles Heel of urban neighborhoods, LISC has created an entity that offers the basic financing for new charter schools. Close to 60 are already underway.

The LISC and Enterprise goal thus becomes fully sustainable communities - LISC in fact has a program with that name. Anyone who knows cities knows the obstacles - political, racial, coping with local bureaucracies -- remain real and won't disappear any time soon. But the broadened vision of these national groups, helping and encouraging urban neighborhoods, is great news.