Advancing Neighborhood Goals: The Role of Geographic-Based Community Development Corporations

by Noel Nix

Community development encompasses three broad areas: physical development, economic development, and social development. Community-development corporations (CDCs) have traditionally been geographically based, concentrated on a specific neighborhood, and primarily focused on physical- and economic-development activities (for example, building and rehabilitating housing, providing financial and technical assistance to small businesses and entrepreneurs, and enhancing public infrastructure, such as green space and sidewalks). Most CDCs have remained small and undercapitalized, which has contributed to the rise of so-called area-wide nonprofit development entities that work on projects throughout a city, metropolitan area, state, or region.1

“Area-wides” have been lauded for their ability to produce a greater quantity of housing or commercial real estate than their neighborhood-based kin. However, production capacity is only one capability that must be brought to bear if community-development initiatives are to complete projects successfully and meet the goals of local residents. Area-wides have been criticized for their diminished capacity for neighborhood advocacy.2 This criticism is rooted in part in the recognition that, regardless of whether an organization


is taking a place-based approach to community development, development always occurs in the context of a local community.

In the Twin Cities, organizations such as Seward Redesign in Minneapolis and Sparc in St. Paul have a long history of neighborhood-based community-development work. To gain insight into the current work of CDCs, I conducted interviews with developers involved in two recent initiatives in the Twin Cities: the Winnipeg development in St. Paul co-led by Sparc and the Franklin Avenue Vision project in Minneapolis conducted by Seward Redesign. These projects illustrate the role that CDCs play in local planning and development, as well as their partnerships with area-wide developers to move locally conceived projects forward. This article describes findings from my interviews that highlight how local community-development efforts can be successful. The work upon which this article is based was supported by a Charles R. Krusell Fellowship in Community Development, a joint program of CURA and the Hubert H. Humphrey Institute of Public Affairs.

Case Studies in Community Development

**The Winnipeg: Revitalizing Rice Street in St. Paul.** In 2003, the St. Paul District 6 Planning Council completed a large-area plan for its service area, which is located in the north-central region of the city known as the North End. The goals for the community included maintaining a safe environment, strengthening the community identity and image, and maintaining and enhancing the built environment. In a subsequent small-area planning process for the Rice Street area of the North End, local residents agreed on the need to improve the streetscape through targeted redevelopment and increasing residential uses along the corridor. In addition to establishing building and streetscape design guidelines for the corridor to preserve community character, the plan also identified several priority sites for redevelopment along Rice Street.

Staff at Sparc, a CDC that serves the North End community, began monitoring the redevelopment sites that had been identified in the plan for purchase opportunities. With funding from the Greater Metropolitan Housing Corporation and the city of St. Paul, Sparc was able to purchase several parcels at one of these sites in 2004. However, Sparc was not able to obtain from the Minnesota Housing Finance Agency the tax credits necessary to help finance the redevelopment. To overcome this hurdle, the organization partnered with Legacy, a local for-profit developer that specializes in constructing affordable housing. Asked why Legacy agreed to work with them, Sparc Vice President of Development Pat Lamb explained,

> We always try to find a local partner when we are doing a new development. Successful projects require buy-in from neighborhood groups who represent local residents, and politicians [who] will indicate to the state and to funders that the project is a priority for the community.... Sparc had already done a good job of working with the district council to factor in community concerns.

With a larger collaborator on board and support from local residents and politicians, Sparc was able to gain approval for tax credits and other financing necessary to complete the project. The result was a $12-million complex known as the Winnipeg that includes two mixed-used buildings with 28 units each of affordable housing. The structures, which opened their doors in February 2009, met the design guidelines laid out in the small-area plan for Rice Street, and even featured the first-ever green roof on an affordable residential structure in Minnesota. Plans are on track for a small neighborhood convenience store to expand into one of the commercial spaces in the complex and offer fresh produce.

**The Franklin Avenue Vision in Minneapolis.** What has grown into a planning project known as the Franklin Avenue Vision began as an effort to address a single neighborhood issue. In 2007, the Riverside Market, located at the intersection of Riverside Avenue and East Franklin Avenue in the Seward neighborhood of Minneapolis, announced that it was closing its doors permanently. Residents who lived near the market site formed a task force to facilitate discussion about future uses of the site. At the same time, the leadership of the Seward Co-op, a longstanding neighborhood business and provider of locally sourced foods, decided that their business had reached maximum capacity at its location at 22nd Avenue and East Franklin Avenue (less than one mile away from the Riverside Market). To offer more services, expand its market area, and defend against a chain store moving in nearby, the co-op expressed interest in relocating to the Riverside Market site. However, for the move to make sense, the co-op needed a larger building and more parking than was currently available on the site.

Seward Redesign, a CDC based in the Seward neighborhood, worked with the co-op board and the resident task force to find a solution that was workable for both parties. Seward Redesign served as the developer for the co-op, helped to purchase the site, and assisted a successful East African grocery wholesaler in the neighborhood to purchase the co-op’s previous building. Seward Redesign also participated in discussions with nearby residents about whether the site should be expanded to include two adjacent residential parcels to create more space for the store and a rain garden that can capture and infiltrate all of the stormwater up to a 100-year rainfall event. After the neighborhood and co-op management achieved agreement, the CDC led the way in obtaining the necessary zoning changes. With the
help of Seward Redesign, the new, expanded Seward Co-op was able to open its doors at its new site in early 2008.

The resident task force included in its final recommendations that a planning process should be conducted for all of Franklin Avenue east of the light rail station to guide future redevelopment activity. Seward Redesign, the Seward Neighborhood Group, and the Seward Civic and Commerce Association jointly applied for a Great Streets grant from the City of Minneapolis to fund such a project, dubbed the Franklin Avenue Vision. The City of Minneapolis awarded grant funds for the project and the partners agreed that Seward Redesign should provide staffing support for the Franklin Avenue Vision. The Vision’s steering committee formed a task force of business and community leaders to guide the effort, and organized community walks. Bruce Johansen, a local resident who joined Redesign’s board after participating in the Franklin Vision process, explained,

[Through the walks,] I was able to meet people in the neighborhood I might not have had the chance to otherwise, and hear about their concerns. We were able to point out areas to each other that we liked or didn’t like. I really felt like I was able to get a better understanding of neighborhood issues.

The Franklin Avenue Vision steering committee synthesized the community feedback from the walks into four themes: crossing, way-finding, biking, and greening. In consultation with CityDeskStudios, an urban design firm, the committee translated these themes into specific goals, strategies, and locations for implementation. The Vision project partners also sponsored a charrette (a collaborative design session) to allow community members to provide additional input.

The process culminated in a series of experimental test projects that temporarily put into action many of the ideas from the community. The final plan was adopted by the board of directors of Seward Redesign, the Seward Civic and Commerce Association, and the Seward Neighborhood Group, producing a shared vision for Franklin’s future. Volunteers from the neighborhood used spray chalk and stencils to place text on the sidewalk pointing passersby to local restaurants and shops. Flowers were planted at various commercial properties and a prototype for a public bicycle maintenance rack was tested on the street. Custom stickers were used to place zebra-stripe crosswalks in artistic designs at pedestrian crossings, and volunteer crossing-guards helped people make their way across the street.

The Complementary Roles of CDCs and Area-Wide Developers
These case studies provide some general insights into the unique role that CDCs play in the community-development industry in the Twin Cities and elsewhere. CDCs have four essential characteristics:

- **Focus on locally initiated and driven projects.** CDC initiatives originate out of community visions or concerns. The CDC’s board of directors, which usually includes a number of concerned local residents, shapes each organization’s strategies and focus.
- **Technical adeptness and flexibility.** CDC staff members typically have backgrounds in any number of fields, such as law, organizing, for-profit real-estate development, government, or other areas relevant to community-development work. At the same time, these professionals are highly entrepreneurial, managing many aspects of the projects they undertake (including community engagement, neighborhood planning, negotiation, and finance).
- **Comprehensive and cumulative project focus.** With each project a CDC takes on, the organization considers how it supports past developments or planning efforts in the community, its relationship to current community issues and goals, and how it can facilitate future opportunities in the neighborhood. Development fees earned through the completion of projects support the ongoing work of the CDC.
- **Commitment to pursuing community goals.** Because they are focused on a specific neighborhood or area within a city, CDCs are well positioned to focus on redevelopment of specific parcels, and to direct investment into businesses, homes, and other assets that are already within the community.

In contrast to CDCs, area-wide nonprofit developers typically are not committed to a specific neighborhood or area of a city. These organizations often work in a variety of different communities, and often specialize in a particular area of community-development work, such as housing or business development. An integrated collection of projects such as the Seward Co-op and the Franklin Avenue Vision would lie
outside the purview of most area-wide organizations.

These characteristics position area-wide developers as outside actors when it comes to planning and designing community-development projects. However, the Winnipeg is an example of how the community relationships, political capital, and entrepreneurial capabilities of CDCs can be paired with the organizational and financial resources of an area-wide developer to move a locally conceived project forward. These two types of organizations are niche players within a mature, sophisticated industry that is engaged in work that can be particularly challenging. Both bring to the table critical strengths that are required for successful community-development efforts. In an environment where funding for community development has become significantly constrained, it is essential that foundations and other financial partners support community-based CDCs for the invaluable long-range planning, integrated development, and community engagement they provide.

Noel Nix is a graduate student in the Master of Urban and Regional Planning program at the Hubert H. Humphrey Institute of Public Affairs.

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The 2010 U.S. Census: Ensuring Everyone Counts in Minneapolis

by Margaret Kaplan

Since April of 2009, the Minnesota Center for Neighborhood Organizing, a program of CURA, has been partnering with the City of Minneapolis to coordinate outreach efforts for the 2010 U.S. Census. In 2000, the Census mail-in participation rate for Minneapolis was 68%. A number of events in the intervening 10 years will make the city’s population even harder to count this year. These include demographic shifts such as the growth of immigrant populations and non–English speaking residents, as well as the foreclosure crisis, which has produced more vacant properties and large numbers of families doubling up. In addition, there are many reasons why individuals may choose not to return their census form, including confusion about how the census works, fear of the government, and apathy. Unfortunately, if these barriers to participation are not addressed, people in undercounted communities will be denied their fair share of resources and representation for the next 10 years.

MCNO’s approach is to build relationships with key community leadership, and use the existing assets, knowledge, and expertise in these communities to support a campaign organized around the common goal of increasing Minneapolis’ participation in the U.S. Census. The primary vehicle for outreach is the Minneapolis Complete Count Committee (CCC), which is made up of a diverse group of community leaders. The philosophy behind the Minneapolis CCC is that people need to hear about the importance of the census not from the government, but from trusted community members, who have unique wisdom about what messages will speak to their community. This is particularly important for communities of color and immigrant communities, which make up an increasingly large percentage of the population in Minneapolis. The broad membership of the committee includes representatives from organizations such as the Minneapolis High Rise Council, MAD Dads, Somali Confederation of Minnesota, St. Stephens Homeless Shelter, Shiloh Temple, Archdiocese Hispanic Ministries, Asian Media Access, and La Asamblea de Derechos Civiles. Unlike some complete count committees that are resource focused and government driven, the Minneapolis CCC is action focused. Each member is expected to make commitments to doing census outreach work, and there is a process of accountability to ensure that commitments are honored.

Although the Minneapolis CCC represents some of the hardest-to-count areas of the city, MCNO also has worked to actively build community partnerships outside of the CCC structure. In January, MCNO, in partnership with the Main Street Project, organized a Census Leadership and Training Conference, bringing together more than 100 community leaders to develop strategies for outreach to hard-to-reach communities. Additionally, MCNO created partnerships with campus-based organizations, neighborhoods, communities of faith, and schools. Other activities have included census promotion at key community celebrations such as Somali Eid Festivals, count-a-thons in hard-to-reach communities, a census salsa event, media coverage in both mainstream and ethnic media, and door-to-door census outreach. Together, these efforts will help to ensure that everyone counts in Minneapolis.

Margaret Kaplan is operations director for the Minnesota Center for Neighborhood Organizing, a program of CURA.