



Center for Faith-Based and Community Initiatives

UNLOCKING DOORS INITIATIVE



Keys to Successful City Hall,
Faith-Based and Community Partnerships

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INTRODUCTION

The Center for Faith-Based and Community Initiatives (CFBCI) at the U.S. Department of Housing and Urban Development (HUD) hosted seven forums in seven U.S. cities to learn more about how cities and Faith-Based and Community Organizations (FBCOs) partner together to increase affordable housing and homeownership opportunities for their citizens. The *Unlocking Doors Initiative* brought together leaders from public and private sectors in Oakland, CA; Chicago, IL; Columbus, OH; Detroit, MI; Miami, FL; Nashville, TN; and Raleigh, NC; to share their housing success stories. This *Unlocking Doors Initiative Report: Keys to Successful City Hall-Faith-Based & Community Partnerships*, summarizes the findings from the *Unlocking Doors Initiative* forums.



PRESSING HOUSING NEED

In its May 2002 final report to Congress, *Meeting Our Nation's Housing Challenges*, the bipartisan Federal Millennial Housing Commission presented two compelling reasons why the Federal government continues to seek creative strategies to meet the demand for affordable housing and homeownership:

- *“First, housing matters.* It represents the single largest expenditure for most American families and the single largest source of wealth for most homeowners. The development of housing has a major impact on the national economy and the economic growth and health of regions and communities. Housing is in fact linked to access to jobs and healthy communities and the social behavior of the families who occupy them. The failure to achieve adequate housing leads to significant societal costs.
- *Second, there is simply not enough affordable housing.* The inadequacy of supply increases dramatically as one moves down the ladder of family earnings. The challenge is most acute for rental housing in high-cost areas, and the

most egregious problem is for the very poor.”¹

The enormity of this challenge and the varied characteristics, resources and needs of American communities require that the Federal government rely on and work with a host of partners to implement a range of housing strategies.

Working with local governments is essential to meet this challenge, given their expertise in collaborating with the private sector to expand housing and homeownership opportunities. The various private sector partners include nonprofit and for-profit housing developers, faith-based community development corporations, faith-based organizations providing homebuyer education and counseling, financial institutions, businesses, providers of technical assistance, housing advocates, as well as private and nonprofit funders.

ROLE OF FAITH-BASED AND COMMUNITY ORGANIZATIONS

Among these private sector partners, there is growing interest in engaging the faith community as a key ally for increasing affordable housing and homeownership opportunities through a range of activities and services that prepare people to own their homes.

Faith-based organizations have a long tradition of meeting the varied needs of the community, including housing. In recent decades, faith-based organizations have formed their own nonprofit community development corporations (CDCs) to increase their capacity to create affordable housing and foster homeownership opportunities. The National Congress for Community Economic Development, a trade association for the community development industry, found that at least 14 percent of U.S. CDCs are faith-based and the number is growing.²

There are several benefits to city hall working with FBCOs to expand housing options. First, faith-based and community organizations often serve as anchors for their communities. Their worship buildings are visible symbols of permanence and commitment. More importantly, they are viewed as steadfast and committed members of the community because of their holistic

approach to problem-solving.³ As a result, churches bring extra credibility to community-based housing and development efforts. The faith-based connection conveys the congregation's fiscal clout (organized buying power) and political clout (voting power). Congregations typically have strong credit ratings with area banks and credibility with the government. Finally, the congregation's reach often extends beyond the immediate community. In several *Unlocking Doors* cities, churches reported that many of their congregants did not live in the immediate community and traveled in for Sunday services from other parts of the city and the suburbs. Yet, these congregants still felt a sense of responsibility to the community that surrounded their church.

Notwithstanding these benefits, some risks are associated with the partnership between city hall and the faith community. From the city's perspective, the pitfalls include: (1) negative reactions if faith leaders perceive themselves as being "recruited" into a government agenda; (2) insufficient economies of scale due to a multitude of small faith-based producers; and (3) more division within the community as congregations compete for resources and turf.⁴

Similarly, faith-based organizations may feel reluctant to speak out against the government on social justice issues when accepting public dollars. Mary Nelson, head of Bethel New Life, Inc. a faith-based CDC in Chicago, commented on this tension, saying, "That prophetic edge and the capacity to stand up for justice, is somehow dulled if you feel that you will lose your government money when you critique government."⁵

VARYING LEVELS OF CITY HALL-FAITH COMMUNITY PARTNERSHIPS

The type and level of interaction occurring between city hall and the faith community varies from city to city, indeed from community to community. For the purposes of this paper, "partnership" is a generic term used to describe this interaction and encompasses a range of activities.

The community collaboration literature provides a useful model to understand the range of linkages that occur among community partners. One framework describes multiple levels, including:

- *Networking*. The purpose is to dialog, enhance resources and develop a common understanding and serve as a clearinghouse for information. The networking process involves minimal decision-making and informal communication.
- *Cooperation or Alliance*. Partners cooperate in order to match needs, provide coordination and limit duplication of services. This model involves semi-formal links, leaders who facilitate the process and complex decision-making.
- *Coalition*. The purpose is to share ideas and be willing to pool resources, often with a commitment for a few years. All members are involved in decision-making with defined roles and leadership often established in written agreements.
- *Collaboration*. Collaboration is characterized by shared vision and interdependent systems to address issues and opportunities. Decision-making usually occurs by consensus, and roles, time and evaluation are formalized. There is strong leadership, a high level of trust and high degree of productivity.⁶

For a 2003 meeting on faith-based and community approaches to urban revitalization, Harvard University's Brent Coffin

developed more defined models to illustrate the faith community interaction with city hall. These models include:

- Special access model where powerful religious leaders trade their support for resources or favors from city government.
- Faith-based community organizing model where faith communities use grass-roots organizing to mobilize poor citizens to assert their collective voice and force the government to address their issues.
- Separatist or "exilic" model where members of faith communities generally don't engage in the political process due to concerns about compromising their values.
- Collaborative negotiation model where religious and political leaders dialog, build trust and negotiate an agenda for cooperative action.⁷

These models were evident in the cities visited during the *Unlocking Doors Initiative* project. While Chicago resembled a special access model, Detroit, Oakland, Raleigh and Nashville relied on grass-roots mobilization and Miami and Columbus engaged in a collaborative negotiation model. This paper's subsequent city profiles will further detail how the partnerships operate in each of the cities.

City hall promotes these partnerships in various ways. Stephen Goldsmith, professor at Harvard University, pointed out that city government has a range of choices in how it responds to the faith community: simply supporting the faith-based interest and leveraging its impact; requesting or inviting involvement of the faith community; and actively guiding the partnership with the faith community.⁸ He also articulated the types of mayoral assistance that benefit city hall-faith community partnerships. The mayor's office can provide or find funding; articulate an idea to rally stakeholders; use its authority to make decisions that benefit affordable housing efforts; convene working groups; and promote cumulative small successes as the partnership works to address the city's housing needs.⁹

UNLOCKING DOORS INITIATIVE

Established in 2001, HUD's Center for Faith-Based and Community Initiatives recognizes the integral role of the faith community in affordable housing development. Shortly after his election, President Bush announced the White House Faith-based and Community Initiative and charged Federal agencies with reducing barriers

¹ Millennial Housing Commission. (May 30, 2002). *Meeting our nation's housing challenges: Report of the bipartisan Millennial Housing Commission*. Washington, DC. <http://www.mhc.gov/>

² National Congress for Community Economic Development. (October 2001). *Policy on faith-based and community development and related issues*. Washington, DC. <http://www.ncced.org/fb/cil/policyPlatform.PDF>

³ Goldsmith, S. (2002). *City hall and religion: When, why and how to lead*. Harvard University The Hauser Center for Nonprofit Organizations. Boston. <http://www.ksg.harvard.edu/hauser/programs/JPRL/ES/goldsmith.pdf>

⁴ B. Banks, X. Briggs and B. Coffin. (draft September 2003). *Mayor Purcell and the faith community confront Nashville's housing needs*. Harvard University Hauser Center for Nonprofit Organizations. Boston. <http://www.ksg.harvard.edu/hauser/programs/JPRL/ES/Briggs%20paper.pdf>

⁵ Buntin, J. (August 2004). *Relying on faith*. *Governing Magazine*. <http://governing.com/archive/2004/aug/faith.txt>

⁶ Hogue, T. (1993). *Community based collaboration: Community wellness multiplied*. Oregon State University, Oregon Center for Community Leadership

⁷ Coffin, B. (2003) *Models of collaboration: Churches, city hall and community change*. Harvard University Hauser Center for Nonprofit Organizations. Boston. <http://www.ksg.harvard.edu/hauser/programs/JPRL/ES/coffin.pdf>

^{8,9} See footnote 3 (Goldsmith)

faced by faith-based and community organizations when it comes to competing for Federal grants. To carry out this charge the Center conducts outreach, reviews HUD policies and programs to eliminate unintended barriers and provides technical assistance to faith-based and community organizations involved with creating housing opportunities. The *Unlocking Doors Initiative* is just one of a series of technical assistance activities sponsored by the Center.

Through the *Unlocking Doors Initiative*, HUD sought to research, identify and document innovative and successful partnerships between cities and their faith-based and community organizations. To accomplish this goal, seven cities were identified and meetings took place with key community leaders to discuss their efforts and gather information about housing and homeownership strategies that might be replicated in other communities. In particular, HUD was interested in answering the following key questions:

- *Needs.* How were community needs identified? Did discussion of needs include members or representatives of the people who have needs?
- *Planning.* Did the planning process include formal planning activities? Were plans developed in relationship to identified needs? Who was involved? What considerations were made to leverage private money to support the city's affordable housing and homeownership initiatives?
- *Process.* What was done, how was it implemented, what proved to be the most successful and why? What makes your partnership unique? What are the innovative features of this partnership? In particular, what is the unique contribution of the faith-based and community partners?
- *Results.* What were the results of the partnership? Did it meet the identified need? How were the results measured?
- *Future.* What do you see as the future for the partnership? What are the needs of the community? What does your partnership need to do better and work more effectively?

The seven selected cities were Chicago, Oakland, Columbus, Detroit, Miami, Nashville, and Raleigh. A facilitator guided a four-hour discussion with representatives from the Mayor's office and Faith-based Community organizations. During these



Roundtable participants in Nashville.

meetings participants discussed their approaches to meeting the affordable housing and homeownership needs in their community.

Unlocking Doors Initiative: Keys to Successful City Hall-Faith Community Partnerships reflects the discussion at these informative forums. This report highlights common traits of successful partnerships; provides profiles of each city; underscores transferable strategies; and offers suggestions for how HUD and cities might move forward to promote these partnerships.

SUCCESSFUL PARTNERSHIPS COMMON TRAITS

While partnerships and other collaborative efforts are often structured quite differently, their success relies on certain key traits. To underscore this point, a community collaboration manual outlined seven keys to successful collaborations. These elements are shared vision, skilled leadership, process orientation, cultural diversity, membership-driven agenda, multiple sectors and accountability.¹⁰

The discussion that took place in the seven cities echoed several of these key elements. *Unlocking Doors* participants indicated that the following characteristics were important for maximizing the success of their city hall-faith community partnerships:

SHARED VISION

While the need for affordable housing is captured in each city's Consolidated Plan for Housing and Community Development required by HUD, planners must articulate a vision of how to address that need. A compelling vision generates innovative housing strategies, encourages coordinated action and motivates members of the community to implement the plan. During the *Unlocking Doors* forums, participants from several cities credited their cities' visions with providing a clear sense of purpose to sustain their efforts. In Columbus, the mayor's frequent call to make the city "the best city to live, work and raise a family" was familiar to all and it had great

credibility, due to the mayor's initiation of multiple affordable housing activities. In Nashville, the vision was an ambitious and specific goal: 25,000 new or rehabilitated units by 2010. This bold vision also provided a benchmark against which planners could measure their efforts.

DYNAMIC LEADERSHIP

In each of the cities, formal and informal leaders have stepped forward and articulated a commitment to developing more affordable housing in their communities. These leaders act as catalysts for bringing important stakeholders to the table, stimulating ideas and energizing those who will implement the plans. In Oakland, a local minister with a vision convinced three churches to put aside religious differences and work together. From his leadership, the innovative East Bay Faith-Based Homeownership Alliance was born. In Raleigh, the Raleigh Redevelopment Authority has changed the face of this southern city and provided an avenue for a direct stream of information for Raleigh residents. Chicago's Mayor Richard Daley is another leader whose commitment to the community sets an important tone. According to *Unlocking Doors* participants, the mayor visits two or three different communities on any given day, walking through neighborhoods, attending local churches and going to community budget meetings.

INVOLVEMENT OF ADDITIONAL COMMUNITY PARTNERS

The focus is on partnership between city hall and FBCO's developing affordable housing and promoting home ownership. Community partners are essential in both large scale developments and smaller, community-based projects. For example, a Detroit faith-based community development corporation built a relationship with a local family owned hardware store. The family later gave an entire street block as a gift from the store. *Unlocking Doors* participants in Oakland called this cross-sector approach of businesses, community agencies and the faith community working together as partners "a new paradigm of leadership".

TANGIBLE ACCOMPLISHMENTS

During the forums, participants were eager to point out their accomplishments and to highlight their commitment to meeting the long-term challenge of housing affordability. According to Goldsmith, these tangible accomplishments or "small wins" help build trust and fuel participants' energy.¹¹ Miami's Mayor Diaz shares this viewpoint; he urges the faith-based and community organizations to pursue reachable goals in order to build momentum. During the *Unlocking Doors* forums, reports of accomplishments varied from success stories of disenfranchised individuals who eventually secured housing to concrete numbers of completed units.

Each of the cities had developed formal and informal structures that were vehicles for discussion and action. Some structures were initiated and run by the city; others by the faith community. Some focused solely on housing, others focused on other issues,

too. Some were organized around assessing need and planning, while others leveraged funding. Miami's Pastoral Roundtable sponsored by the mayor's office is an example of a structure that allows faith leaders to gather regularly and discuss community problems with the city's political leadership. In Nashville, the Nashville Housing Fund is a more formal mechanism created to leverage financing for affordable housing.

The following profiles further highlight these "keys to success" and provide details about how the seven cities, faith-based and community organizations work together to promote affordable housing and home ownership.

¹⁰ The National Assembly of National Voluntary Health and Social Welfare Organizations (1991). *The community collaboration manual*. Washington, DC

¹¹ See footnote 3 (Goldsmith)

Chicago

While often well-known for its American Irish heritage (St. Patrick's Day celebrations include dyeing the Chicago River green), Chicago is a thriving city with a diverse population. Chicagoans number close to 3 million residents. Its population is 42 percent White; 37 percent African-American/Black; 26 percent Hispanic/Latino; 4 percent Asian; and 4 percent American Indian and Native Alaskan.¹²

Chicago Mayor Richard M. Daley has held office since April 1989, when he was elected to complete the term of the late Harold Washington. His long public service career includes eight years in the Illinois Senate and nine years as State's Attorney of Cook County. Daley continued the family tradition of public service; his father, Richard Daley, also served as Chicago mayor from 1955 until his death in 1976.

The current mayor's, take-charge leadership style was evident when he took over Chicago Public Schools in 1995 and his team turned around the ailing school system. In his 16 years in office, Mayor Daley has focused on improving basic services to city residents and launching large scale development to revitalize the city's landscape. Mayor Daley's dynamic leadership has earned him numerous awards.

HOUSING

The third largest city in the United States, Chicago has a robust housing market. A primary challenge to housing and homeownership affordability is the high percentage of residents who must spend in excess of 30 percent of their income on housing (the HUD benchmark for excessive housing cost burden). Other concerns are the city's aging housing stock; shrinking rental inventory; rent increases that exceed the consumer price index; and competition for affordable housing among both the general population and groups such as people leaving homelessness and those leaving welfare.¹³

Unlocking Doors participants cited other real world evidence of the housing needs: the



STATISTICS: Chicago's housing and economic status

City population	2,896,016
Home ownership rate	43.8%
Median value of owner occupied housing	\$132,400
Median monthly owner cost (with mortgage)	\$1,216
Median monthly renter cost	\$616
Renters paying 30%+ of income on housing	47%*
Owners paying 30%+ of income on housing	47%*
Median household income	\$38,625 (1999)
Persons below poverty line	19.6% (1999)

presence of visible empty lots, deteriorating neighborhoods and residents' complaints about the quality and cost of their housing.

CITY'S RESPONSE TO HOUSING NEED

Chicago planners identify affordable housing as a priority concern for the city. The city has four core strategies to address this priority: (1) build new affordable rental and homeownership housing; (2) preserve Chicago's existing affordable housing; (3) assist households in remaining in their homes; and (4) pursue policies and funding to support affordable housing.

Beginning in the mid-1990's, the Chicago Department of Housing developed successive five-year plans laying out the city's goals for creating and preserving affordable housing and expanding homeownership opportunities. The most recently completed plan (1999-2003) guided significant accomplishments. According to the department's website, the Department of Housing committed over \$1.45 billion to housing programs over the five-year period and constructed, improved or preserved 45,000 units of affordable housing.

The current iteration of the affordable housing plan (2004 - 2008) calls for an additional 25 percent in city resources and another 48,000 units to receive some type of housing support or assistance. Eighty percent of the units receiving city assistance are reserved for



Mayor of Chicago, Richard M. Daley

households at or below 60 percent of the area median income, while 85 percent of units supported through rental programs serve households at or below 50 percent of the area median income. The Department of Housing also plans to advocate for legislation to create a rental subsidy program that would provide more than \$21 million to the Chicago Low Income Housing Trust Fund over the next five years.

In addition to large scale development, the Chicago Department of Housing has initiatives that reach out directly to Chicagoans - in order to educate them about homeownership and affordable housing programs in the city. For example, the First Affordable Neighborhood Housing Expo was held in spring 2005.

INVOLVEMENT OF FAITH-BASED AND COMMUNITY ORGANIZATIONS (FBCOs)

Chicago is a city, like many others, where ministers and other faith leaders are highly respected. Believing that the faith community has an integral role in moving projects forward, Mayor Daley strongly encourages the relationships between the city and FBCOs. He directs his department heads to meet regularly and work with the city's pastors and community organizations. According to *Unlocking Doors* participants, the City of Chicago has provided consistent support and commitment to FBCOs engaged in housing development. In one particularly famous example, once, when a contractor had a problem with a building project, the city's housing department advanced funding to the organization to complete the work.

Ministers and community leaders have worked actively with city officials for the last 15 years to address housing issues and develop affordable community housing. This relationship is a two-way street built around mutual interest. Churches and

community organizations recognize their important roles in the community, and they mobilize their networks to deepen relationships and address issues. When faith-based organizations plan a housing or homeownership initiative, they assess the political dynamics of the area of interest and engage city officials and local alderman accordingly. The city helps faith-based organizations identify and access available property.

Faith-based organizations often rely on their relationship with the city when they seek private dollars. For example, the city helped facilitate a relationship between a faith-based organization and the United Center, the venue that serves as the home for a few of Chicago's professional sports teams. This led to a private developer donating funds to help the church finance a parking lot nearby.

Local banks also support faith-based housing initiatives; Pullman Bank partnered with faith-based organizations, the city and HUD in supporting housing development projects. In spring 2005, several Chicago churches received Community Impact Awards at ShoreBank's ninth annual Preacher's Night Out. These churches were lauded for their range of programs aimed at building stronger communities, including their affordable housing and homeownership efforts. Award winner Kenwood United Church of Christ formed a CDC that is in the process of transforming unused church land into affordable, single family housing residences. Another honoree, St. James Ministries Church of God in Christ, offers financial education programs that help members build wealth and become first-time homeowners.

Faith leaders aim to replicate this type of partnership with other financial institutions and businesses to leverage more private funding for housing projects. *Unlocking Doors* participants report that some institutions have seemed reluctant to join such ventures.

Ministers also turn to their own congregants to enlist support for housing initiatives, particularly as some churches have a number of congregants who live outside of the church's immediate community and drive in for services. Ministers must establish credibility with local residents who may not belong to the church. Faith leaders make this connection by demonstrating a passion for the local community and commitment to its well-being through words, deeds and partnerships with community based organizations.

Chart: From 2000 U.S. Census Bureau data available at quickfacts.census.gov and factfinder.census.gov (* data from U.S. Census Bureau's 2003 American Community Survey at census.gov/acs)

¹² U.S. Census Bureau. (2000). *Illinois quick facts: Chicago*. <http://quickfacts.census.gov/qf/allstates/17/1714000.html>

¹³ The Great Cities Institute, University of Chicago at Illinois et al. (November 1999). *For rent: Housing options in the Chicago region*. Chicago: Metropolitan Planning Council

Unlocking Doors participants noted that the city hall-faith community partnership can encompass all interested stakeholders, regardless of church size or community. While larger denominations may not provide mentoring to smaller ones & independent churches, intra-denominational mentoring does occur in Chicago.

Several participants also praised the leadership model of Rev. Floyd Flake, pastor of the Allen AME Church in Queens, New York for 28 years, as a goal to strive for in Chicago. His efforts are known as Flakism. Rev. Flake is considered one of the most successful and innovative leaders in housing and economic development. His approach is to own and maintain control of nearby land so that the benefits of development remain with the community and its people, not go to outside interests. Today, Flake observes, “Nobody can get within 26 blocks of this church and to any property that’s for sale or vacant, because if it comes up for sale or is vacant, we buy it. We take charge of it; therefore we control what happens in our community.”¹⁴

COLLABORATIVE EFFORTS

In Chicago, faith-based organizations regularly join together to discuss community needs and problem solving. For example, a Chicago alderman hosts a monthly clergy breakfast meeting which serves as a forum for clergy to address community needs, including affordable housing. Similarly, the mayor’s office sponsored “Restoring the Walls,” a collaborative meeting in October 2004. Faith-based organizations came together and identified which of their organizations were best suited for meeting certain needs. Now, when a church has a parishioner or resident in need, it conducts a needs assessment and will meet the need(s), or when they cannot, refer the individual to a sister church that can. Thus while larger denominations do not mentor smaller ones and independent churches, the churches nevertheless cooperate to supply expertise and care.

A number of churches have joined forces with public employee unions to form United Power for Action and Justice (UPAJ), a broad-based, grassroots citizen organization that addresses community issues, including housing. Formed in 1997, the organization currently has a number of faith-based members, including Ambassadors for Christ (CDC), Bethel New Life, Claretian Associates, Jewish Council on Urban Affairs, Interfaith Organizing Project of Greater

Chicago, and Lawndale Christian Development Corporation. On the housing front, UPAJ worked with the nonprofit Chicago Metropolitan Development Association to create Ezra Community Homes, a community of new homes on Chicago’s west side affordably priced for working families. Five faith communities provided the non-interest construction loans that financed Ezra homes. The goal is to build 300 brand new affordable homes over the coming years.

Faith-based organizations also are involved with broader collaborative housing development efforts. Several Chicago churches participate in the Chicago Rehab Network (CRN), a coalition of over 40 housing organizations. Established in 1977 as a network for members to share information and expertise, CRN provides training and technical assistance to community developers, conducts research and housing needs assessment, advocates for housing policies and serves as technical assistance intermediary for designated Community Housing Development Organizations (CHDOs).

SPECIFIC FBCO INITIATIVES & ACCOMPLISHMENTS

Faith communities have played an integral role in promoting homeownership opportunities in the following Chicago neighborhoods:

- *Rockwell Garden.* This homeownership program had 300 participants. Recognizing that potential homebuyers need more help, Rockwell Garden paired public housing residents with home owners, who shared homebuyer experiences and knowledge. With the Pastor’s encouragement, congregants assumed the lead for implementing this program.
- *44th and Cottage Grove.* The two blocks of houses around 44th and Cottage Grove Streets represent another successful homeownership project. Church members brought together prospective homebuyers, reviewed all facets of the home-buying process and covered the basic responsibilities of home ownership. People from throughout the city began to settle in the two blocks of newly built houses, which grew into a thriving community. *Unlocking Doors* participants noted a trend to start a project in a small geographic area, then help that project grow.
- *East Englewood.* The local Catholic Charities reinvested in the East Englewood community and developed housing in partnership with St. Bernard Hospital, which served as the fiscal agent. The church held focus groups with church members in order to enlist their support for having the housing development in their neighborhood. Once the project was ready, they welcomed their new neighbors, hosting meetings and encouraging people to buy in the community.

According to the city’s website, Chicago has invested more than \$3 billion in creating, rehabilitating and preserving more than 100,000 affordable housing units since 1989. Under Mayor Daley’s watch, the city has begun to rebuild public housing, extend housing affordability and address homelessness. The Chicago Department of Housing releases a quarterly progress report to track the progress of the city’s affordable housing

initiatives. Such regular reporting helps the entire community maintain focus on the issue of affordable housing.

Faith-based and community organizers are key partners in helping the city meet its housing goals and strengthening Chicago neighborhoods. For example, Bethel New Life, Inc. provides a range of programs for the community, including employment services, family support, economic development, as well as housing and real estate development. Recently Bethel New Life opened 85 units of affordable housing for low-income senior citizens with funding from HUD's Section 202 Program.

STRENGTHENING THE CITY HALL-FAITH COMMUNITY PARTNERSHIP FOR THE FUTURE

Unlocking Doors participants identified technical assistance and cooperation as two major areas that needed to be addressed.

Faith-based organizations requested technical assistance to help them sort through HUD requirements and address the factors that can stall housing projects. Participants voiced the need to consult with experts who understand the complex development process and can help with the initial leg work.

In addition, as in other major cities, churches end up competing for limited resources and sometimes shy away from cooperative projects. This competition is heightened when churches serve the same or nearby community. For example, the Englewood area has over 1,000 churches that end up vying for limited resources. Stakeholders acknowledged this tension and recognized the need for faith-based organizations to work together and share resources.

LESSONS LEARNED

In Chicago, *Unlocking Doors* participants offered insights on the importance of vision in their work. These lessons included:

- A community's vision is essential and it should drive a project. This vision helps to generate wide-spread community support, which helps fuel the project.
- Planning and generating buy-in for a housing vision involves a "triangle" model. For the triangle to stand, three critical "sides" must work together: resources, understanding the vision and community support.
- To implement a vision, an organization must establish credibility (residents must know what the organization stands for and presents a clear understanding of the vision); network with local, state and national officials for resources; and have personality (since the private sector responds to individual personalities and relationships).

¹⁴ Hudson, K. (September 24, 2004). Profile: Floyd Flake. *Religion & Ethics Newsweekly*. Public Broadcast System <http://www.pbs.org/wnet/religionandethics/week804/profile.html>

Columbus

The largest city in Ohio and 15th largest city in the United States, Columbus has experienced significant growth in the last decade. Unlocking Doors participants characterized Columbus as going from a sleepy college town (home to Ohio State, Wilberforce and other private universities) to a big city that hosts a thriving business community, including several corporate headquarters. The population in Columbus has jumped from 633,000 in 1990 to more than 720,000 today, a growth spurt of 11.8 percent.¹⁵

Columbus' mix of urban and suburban areas, poor and exclusive neighborhoods and nearby farmland caused *USA Today* to observe, "Columbus is America."¹⁶ City planners echo a similar theme, billing Columbus as America's 21st Century City.

Columbus also is experiencing increased diversity. The last decade has seen an increase in immigrants. Somali refugees number about 30,000, while Mexican immigrants have led to a doubling of the Hispanic population since 1990 to 18,000.¹⁷ U.S. Census figures indicate that Columbus' population is 68 percent White; 24.5 percent African-American/Black; 3.4 percent Asian; 2.5 percent Hispanic/Latino and 0.3 percent Native American and Native Alaskan Alaskan.

Governing this dynamic and growing city, Michael B. Coleman is Columbus' first African-American mayor. He has served as mayor since 2000, winning re-election in 2003. Prior to being mayor, Coleman was actively involved with the city's affairs, sitting on the Columbus City Council since 1992 and serving as Council President since 1997.

Upon becoming mayor, Coleman vowed to make Columbus "the best city to live, work and raise a family." This vision (which was referenced by several *Unlocking Doors* participants) guides both city planners and citizens as they work to improve the city, including increased access to affordable housing. In a magazine interview, Mayor Coleman commented that, "I have a multidimensional strategy to lift up this city, and it involves all these things. I have a road



STATISTICS: Columbus' housing and economic status

City population	711,470
Home ownership rate	49.1%
Median value of owner occupied housing	\$101,400
Median monthly owner cost (with mortgage)	\$987
Median monthly renter cost	\$586
Renters paying 30%+ of income on housing	30%*
Owners paying 30%+ of income on housing	44%*
Median household income	\$37,897 (1999)
Persons below poverty line	14.8% (1999)

map, and hopefully I'm inspiring others to walk that same path."¹⁸

While Coleman and his administration are working to revitalize Columbus' neighborhoods, he is particularly familiar with the importance of a home, as well as the pain of losing one. In October 2001, his home was destroyed by an accidental fire. Describing this challenging period, he noted: "We lost almost everything we owned. It was a challenge to me both personally and professionally. While leading a city in the aggressive manner that I've tried to lead, I was without anything. But the citizens of Columbus helped me and my family through that. They came to our aid, comfort and assistance."¹⁹

HOUSING

While Columbus has moderately priced homes, a sizeable percentage of renters still have to spend more than 30 percent of their income on housing. Since taking office, Mayor Coleman has addressed this issue head on.

CITY'S RESPONSE TO HOUSING NEED

At the beginning of his first term, Mayor Coleman created the Affordable Housing Task Force, consisting of city and county

representatives charged with studying affordable housing needs and offering recommendations. Those recommendations included urging the city to provide incentives, institute regulatory reform, enact zoning reforms, and consolidate development decisions into a single body. The task force also urged for the creation of a detailed scorecard to report the progress on these measures.

Building on the task force's recommendations, Mayor Coleman announced a 10-year plan to add 10,000 housing units downtown. To carry out this plan, the city has launched several initiatives:

- *Columbus-Franklin County Affordable Housing Trust Corporation.* A housing trust fund was created in 2001, one of the key task force recommendations. With funds from the city and surrounding Franklin County, the Housing Trust combines public dollars with private investment funds to provide grants and loans to construct affordable housing. To date, the Housing Trust fund has leveraged funds to stimulate construction of 860 homes and apartments. A goal of the Housing Trust fund is to use 50 percent of the leveraged funding to benefit residents who are or below 60 percent of median income.
- *The Partnership for America's 21st Century City.* This initiative encourages investment in older or historic neighborhoods through partnerships with banks. For example Provident Bank provided \$275 million in 2003. The Partnership has already helped 625 families buy a home and provided nearly 2,400 loans to small businesses.
- *Neighborhood Investment Districts.* Columbus has five declining neighborhoods that have been designated as Neighborhood Investment Districts. This designation helps to attract private and public investment that encourages citizens and developers to upgrade existing housing and build new housing. For example, citizens who build, renovate or buy a home in one of these five investment areas qualify for 100 percent, 15-year tax-free incentives.
- *Neighborhood Pride.* Described on the city's website as the "heart of Mayor Coleman's vision," Neighborhood Pride began in 2000 as a targeted team effort to make Columbus' neighborhoods safer and cleaner. For one week each year, city workers and citizens work side-by-side to make repairs, clean and otherwise spruce up city neighborhoods. Mayor Coleman also created Neighborhood Pride Centers, one-stop-shopping locations where citizens directly link up to a full range of city services.
- *Expansion of Title 47.* Columbus' Title 47 Nuisance Abatement regulation was revised to allow the city to quickly acquire vacant property and require that absentee landlords maintain their property. Historic neighborhoods in Columbus use Title 47 to take action and upgrade their neighborhood.

Columbus has two agencies with primary responsibility to implement this housing agenda and oversee the city's affordable housing. The Columbus Metropolitan Housing Authority runs the city's public housing, Section 8 and capital improvement programs, and the Department of Development's Housing Division is responsible for collaborating with Federal, state and local government housing agencies to target resources for neighborhood investment.

Unlocking Doors participants lauded the city's comprehensive



Thomas H. Leach, HUD Columbus Field Office Director in Columbus.

housing agenda and efforts to make Columbus a vibrant community. They viewed Mayor Coleman as the driving force behind housing development, describing his leadership and vision as the "spark plug" for bringing stakeholders together and building coalitions. Several observed that Mayor Coleman may be known as "the housing mayor" when he eventually leaves office.

INVOLVEMENT OF FAITH-BASED AND COMMUNITY ORGANIZATIONS

In December 2003, the Columbus HUD field office sponsored the first statewide faith-based conference in the country. The conference drew 100 people from 40 faith-based community organizations to discuss ways to increase homeownership. This meeting highlighted the important role of the faith community in housing and further stimulating partnerships among the city, faith-based and community organizations, and other nonprofits.

Unlocking Doors participants described the important role of faith communities in expanding affordable housing and homeownership opportunities. Faith-based and community leaders (such as church

Chart: From 2000 U.S. Census Bureau data available at quickfacts.census.gov and factfinder.census.gov (* data from U.S. Census Bureau's 2003 American Community Survey at census.gov/acs).

¹⁵ U.S. Census Bureau (2000) *Ohio Quick Facts: Columbus*. <http://quickfacts.census.gov/qfd/states/39/3918000.html>

¹⁶ El Nasser, H. (December 17, 2003) *Columbus, Ohio: The 'everyman' of America. USA Today, Arlington, Virginia*. http://www.usatoday.com/news/nation/2003-12-16-who-we-are-columbus_x.htm

¹⁷ See footnote 23 (El Nasser)

¹⁸ Foston, N. (March 2003). *Mayor Michael Coleman: leading Columbus into the 21st century; the first African-American mayor in the Ohio city is turning things around. Ebony*. http://www.findarticles.com/p/articles/mi_m1077/is_5_58/ai_97874232

¹⁹ See footnote 25 (Foston)

pastors) are seen as tremendous assets for housing initiatives. These leaders articulate a strong vision, effectively engaging both their board members and the full congregation. FBCO leaders are also in a position to form key relationships with lenders and political leaders, building capital with both.

Forum participants reported that most Columbus churches prefer homeownership programs, believing that the homeownership market is more stable than the rental market. One participant noted that an approach designed to foster homeownership was consistent with the city's preference for single family home development.

Mentoring occurs within the faith community, with smaller churches seeking housing development information and guidance from larger churches. Churches also tap members who are retired to be active in their housing projects. Participants expressed interest in large scale, neighborhood involvement, similar to Rev. Flake's efforts in Queens.

Acknowledging the economic challenges faced by faith-based and community organizations, city representatives want to help these organizations secure ongoing, consistent funding that they can focus on their work rather than on emergency fundraising to cover operating expenses. Columbus is one of the few cities that offer Community Housing Development Organization (CHDO) operating money to faith-based non-profits. Yet, even CHDO funding presents challenges: the timeline to use the funding often leaves the faith-based organizations insufficient time to develop the necessary expertise and capacity for the projects.

COLLABORATIVE EFFORTS

Columbus boasts several collaborative efforts, one of which is led by a nonprofit and supported by various faith institutions and another which is an ecumenical producer.

The Columbus Housing Partnership, Inc. (CHP) is a nonprofit with a key role in promoting affordable housing and homeownership in Columbus. CHP partners with every segment of the community; faith-based and community organizations, lenders, businesses, government, developers and community development corporations. By means of these partnerships, the agency produces affordable housing, promotes homeownership, provides down payment and rental assistance, and delivers homebuyer

counseling services. The development of Renaissance Village in northeast Columbus is one example of a CHP project. Serving as the managing general partner for 16 two-story buildings, CHP then worked with Dayspring Christian Community Development Corporation to engage church support for the development.

The local Habitat for Humanity also adopts a collaborative approach. Established in 1987, the Greater Columbus Habitat for Humanity (GCHFH) is an independent affiliate of Habitat for Humanity International, the nonprofit, ecumenical Christian housing ministry dedicated to eliminating poverty housing and homelessness worldwide. Its mission is "working in partnership with God and people to build affordable homes, empower families and develop communities."²⁰

In a good illustration of a public-private collaborative project, GCHFH worked with a private homebuilder to create a new mixed income subdivision and the city of Columbus agreed to pay for the new road. GCHFH also reaches out to individual congregations in the greater Columbus community. The agency encourages organizations of any faith to participate in construction work groups, provide financial support, serve as a prayer partner, contribute meals or adopt-a-house. Its adopt-a-house program receives financial and volunteer contributions from a range of inter-denominational congregations, including Hilliard United Methodist Church, Indian Run United Methodist Church, Mountview Baptist Church, St. Brendan The Navigator Catholic Church, St. James Lutheran Church and Scioto Ridge United Methodist Church.

SPECIFIC FAITH INITIATIVES & ACCOMPLISHMENTS

In addition to collaborative efforts, individual congregations in Columbus are tapping their resources to address the affordable housing shortage. The following examples were mentioned during the *Unlocking Doors* forum:

- New Beginnings Christian Revitalization Community Corporation purchased 120 acres of land as part of its homeownership initiative. The plan is to build a community around the church that would include independent living houses, senior apartment homes and single family houses.
- The Samaritan Project CDC initiated its own homeownership program and offers homeownership classes to congregants in the city. Building single family homes is a priority for the community around the church where the Samaritan Project is located.
- The Living Faith Apostolic Church formed the MiraCit Development Corporation, which established partnerships with developers and successfully implemented several housing projects. One strategy used by MiraCit was to identify pre-approved buyers who committed to buying homes before construction began.

Columbus has made notable progress in increasing affordable housing and homeownership opportunities over the last few years. The city has 6,000 new units added, moving closer toward Mayor Coleman's ambitious goal of 10,000 units by 2010.

The private sector has contributed toward this success. With support from the FBCOs, Columbus Housing Partnership has

added more than 3,200 affordable homes since its inception while Greater Columbus Habitat for Humanity built over 160 houses in its communities since its inception.

Individual churches and their community development corporations also have had a role. By leveraging private funding for their housing development projects, faith-based organizations like XENOS, Tabernacle Baptist, and MiraCit have successfully instituted homeownership programs without government funds.

STRENGTHENING THE CITY HALL-FAITH COMMUNITY PARTNERSHIP FOR THE FUTURE

Faith-based organizations suggested several strategies to strengthen their ability to contribute to housing stock and to help prepare homebuyers. These ideas included:

- *Technical assistance.* Participants requested technical assistance to help faith-based and community nonprofits learn about and understand the housing development and property management processes. One suggestion was to establish a liaison or public facilitator to help nonprofits navigate the complicated process. Faith-based organizations also need technical assistance on best ways to form public-private partnerships when developing affordable housing.
- *Information about accessing resources.* Faith-based and community organizations need more knowledge about key laws and regulations that benefit affordable housing development, such as the Community Reinvestment Act (CRA) and its requirement that banks help meet the credit needs of the people in their communities.
- *Mentoring.* Participants suggested that organizations with successful housing track records mentor those faith-based organizations just starting out.
- *Realigned expectations.* High expectations are placed on nonprofit housing developers, who suffer penalties when they cannot meet those expectations. Some small nonprofits build only 6 houses per year and barely have the cash flow to keep their doors open. The city should hold realistic expectations for this type of developer.
- *Additional city support.* Participants recommended that government regulations be streamlined. In addition, the city could provide upfront funding for land acquisition, tax abatement and elimination of fees for affordable housing projects.

LESSONS LEARNED

Based upon Columbus experience, several key lessons emerge:

- The mayor has an integral role in promoting a housing agenda. Mayor Coleman's strong vision and high priority on housing have been critical. The city has backed up this vision with money, land, and planning.
- Nonprofits' relationships with developers need to be clarified and on equal footing. Forum participants

recommended that contracts contain explicit expectations and guidelines, and that the nonprofit representatives attend all meetings with developers.

- While they have specific strengths, FBCOs also should understand their limitations and seek out partners and practitioners who can balance their efforts accordingly.

²⁰ Greater Columbus Habitat for Humanity's mission. <http://www.habitat-columbus.org/about/index.asp>

Detroit

At Detroit's Helm is Mayor Kwame M. Kilpatrick, who took office in 2002, re-elected in 2005 at the age of thirty-four and is the youngest Mayor of any major U.S. city. Previously, Kilpatrick served as a state representative and leader of Michigan's Democratic Caucus. Prior to his career in public service, he taught in a Detroit middle school. This former college football captain exudes enthusiasm for the city where he was born and raised.

The city of Detroit has many of the problems of a "rust belt" economy. The city experienced a significant loss of middle and upper income families through suburbanization in the 1960's and 1970's. The viability of the city's housing market was further damaged by the riots of the 1960's.

Detroit's fortunes also are inextricably linked to auto manufacturing, the crucial industry that earned Detroit its "Motor City" moniker. As one saying goes, "When the auto industry hiccups, Detroit coughs, and when the auto industry catches a cold, Detroit gets pneumonia."²¹ As auto plants closed in Detroit in recent decades, the city's economic and population bases have suffered. From 1990-2000, Detroit lost 7.5 percent of its population.²²

In 2005, Detroit faced more economic challenges. The city faced a projected deficit of \$230 million for the 2005-2006 fiscal year. The mayor and City Council have been forced to institute layoffs, benefit reductions and cuts to basic city services to close the budget gap. Despite the city's current economic woes, Detroit is striving to grow.

HOUSING

CITY'S RESPONSE TO HOUSING NEED

Mayor Kilpatrick's mantra - "Grow Detroit" - focuses on fueling economic development as the means to revitalize the city's neighborhoods. While the city uses available tools to foster affordable housing development, Detroit's process of allocating



STATISTICS: Detroit's housing and economic status

City population	951,270
Home ownership rate	54.9%
Median value of owner occupied housing	\$63,600
Median monthly owner cost (with mortgage)	\$769
Median monthly renter cost	\$486
Renters paying 30%+ of income on housing	43%*
Owners paying 30%+ of income on housing	57%*
Median household income	\$29,526 (1999)
Persons below poverty line	26.1% (1999)

funds and tax credits for housing was reported to be highly politicized with no consensus between the Mayor and City Council. Allocating tax credits at the state level also appears to have significant regional differences, which negatively affect Detroit. *Unlocking Doors* participants urged greater citizen participation in the process to allocate funds, particularly Community Development Block Grant funds and housing tax credits.

Mayor Kilpatrick is still developing a vision for housing in Detroit. FBCOs stressed the need for better relations with grassroots groups and a tailored approach from city hall to meet the unique needs of each neighborhood. Despite the lack of clarity around the relationship between the city and churches, Detroit's faith-based organizations and non-profits are leading the work in affordable housing development in their communities.

INVOLVEMENT OF FAITH-BASED AND COMMUNITY ORGANIZATIONS

Faith-based organizations are active in housing and community development in the city of Detroit. They are uniquely positioned to do this work for several reasons.



Mayor Kwame M. Kilpatrick at the opening of the Michigan State Fair.

Churches are anchors and often land owners in low income neighborhoods. Their buildings, land and generally 24/7 operations bring a sense of permanence to their communities. Someone said at the *Unlocking Doors* forum, “the parking lot is always full.” Churches remain strong in the inner-city, even when many of their members have moved to the suburbs. The metropolitan Detroit region has a strong faith community, which has the potential to help revitalize the inner-city housing market.

The church serves as the epicenter of the community. Residents go to church leadership for advice, services and resources. In addition to trusting their church, people appreciate the heart, determination and sincerity church staff and volunteers bring to their endeavors. Thus, residents are not afraid to seek assistance from fellow church members when completing housing applications, even when they cannot read or have poor credit.

When FBCOs get into the business of community development, they sometimes encounter residents who fear that the church is taking over the neighborhood. Detroit churches combat this fear by not trying to evangelize while offering housing services. They emphasize that their mission is to serve the community, not to increase church attendance.

During the forum, participants articulated a belief that Detroit should have a strategy for attracting new people to the city, and that faith-based and community groups in the housing development business should leverage their products to attract buyers throughout the state. A process for assessing community needs and establishing long-term goals should involve the full community, including residents and nonprofits. Once developed, these long-range plans can guide community practitioners as they develop housing.

COLLABORATIVE EFFORTS

FBCOs are involved in a number of successful partnerships with nonprofits, for-profits, and other public and private sector groups. As noted by one participant, these partnerships work because nonprofits contribute community knowledge and the for-profit groups bring developers to projects. The following two examples

illustrate this cross-sector, collaborative approach.

- *Local Initiatives Support Corporation - Detroit*. A national organization with affiliates that focus on local communities, Local Initiatives Support Corporation (LISC) helps nonprofit CDCs convert troubled neighborhoods into vibrant communities. LISC Detroit supports a number of FBCOs by tapping into corporate, government, and philanthropic funding to provide loans, grants, and technical and management assistance.
- *Michigan Neighborhood Partnership*. Begun in 1993 as a collaborative among five of Detroit’s faith-based CDCs, today MNP member organizations represent over 200,000 urban residents. The nonprofit, multicultural, membership intermediary organization provides an in-depth faith-based community development training program. Among its core member organizations are Church of the Messiah, Coalition of Parish-based Youth and Family Centers (Detroit Catholic Archdiocese), Hartford Agape House, Joy of Jesus, Jubilee Christian Church, and Rosedale Park Baptist Church.

FAITH-BASED & COMMUNITY INITIATIVES ACCOMPLISHMENTS

FBCOs also have taken the lead in a number of housing development projects. Prevailing CDC, Perfecting Church, Vanguard CDC and Historic Little Rock Baptist Church have each developed major projects in Detroit, including housing, a school and a mini-mall. Others, such as Evangel Ministries and Faith Community Homebuyers have provided counseling services, acquired land and helped put together development partnerships. The following is a partial list of their accomplishments:

- Prevailing CDC developed Heritage Park Townhomes, a 66-unit townhouse development built with Michigan State Housing Development Authority affordable housing tax credits and city home funds in partnership with Phoenix Communities, Inc. Prevailing CDC also is constructing a 25-single family housing development in conjunction with Phoenix Communities, Inc., National City Bank, LISC and the city of Detroit.
- Perfecting Church CDC acquired sixteen acres of land for development with a goal of obtaining a total of 30 acres for future

Chart: From 2000 U.S. Census Bureau data available at quickfacts.census.gov and factfinder.census.gov (*data from U.S. Census Bureau’s 2003 American Community Survey at census.gov/acs)

²¹ Wikipedia, the free encyclopedia. *Detroit, Michigan*. <http://en.wikipedia.org/wiki/Detroit>

²² U.S. Census Bureau. (2000). *Michigan quick facts: Detroit*. <http://quickfacts.census.gov/qfd/states/26/2622000.html>

affordable housing development.

- Vanguard CDC has conducted community needs assessments, focus groups and door-to-door surveys to find out what community residents want. The CDC also completed an 89-unit development after assuming the partially completed project from another financially troubled CDC.
- Historic Little Rock Baptist Church used \$50 million dollars in bonds raised by church members to build a mini-mall in the community.
- Evangel Ministries CDC pursued and partnered with for-profit organizations and business owners to support its projects. As a result of its relationship with a small business in the community, a family owned hardware store gifted a city block of property to the church.
- With funding from banks and other private sources, the Faith Community Homebuyers Program has counseled over 3,000 people to prepare them for homeownership.

The efforts of the community, combined with the 7,400 housing starts in the pipeline reported by the mayor's office, are chipping away at the shortage of affordable housing in Detroit.

STRENGTHENING THE CITY HALL-FAITH-BASED & COMMUNITY PARTNERSHIP FOR THE FUTURE

Unlocking Doors participants praised the mayor for establishing an office of faith-based initiatives and community outreach. They also applauded him for being accessible to the faith community and for articulating a commitment to housing and community development. They called for a strategic plan for housing and community development, with measurable goals and milestones for progress toward those goals.

Faith-based representatives argued for stronger grass roots relationships between the neighborhoods and city hall, leading toward a tailored approach for each community. Community representatives should play an active role in the strategic planning and goal-setting process. Some asked for an ongoing ad hoc committee - consisting of representatives of the city,



Thomas E. Brandlin, MNA, Not-For-Profit Counsel, coordinated all city conferences.

HUD, representatives of the faith community and other interested stakeholders - to ensure accountability.

City, State and Federal officials need to provide incentives for partnerships between government, large and small community-based organizations, private developers and builders, banks and local residents.

Faith-based organizations need assistance from city hall on how to create incentives for housing development despite the increasing cost of permits; help new homeowners deal with issues that arise after moved (e.g., high cost of insurance, rising property taxes); and establish methods to measure results (e.g., neighborhood indicators and community outcomes).

Participants expressed a need for more mixed income housing projects. Mixed income projects will necessarily be larger, more expensive projects requiring tax credits and perhaps subsidies as well. Faith-based institutions have the community credibility to leverage support for mixed income projects.

Participants also indicated how smaller faith-based organizations need technical assistance to participate in complicated tax credit projects and/or partnerships with larger, more experienced community organizations.

They inquired about creative ways for more experienced community organizations to train smaller, less experienced FBCOs. These leaders also felt that inner-city, mixed income projects for tax credit assistance should be prioritized. Participants recommended that technical assistance be provided on helping Section 8 recipients transition to homeownership and reducing associated costs of providing affordable housing including land acquisition, permits and closings costs.

FBCOs expressed a need for greater access to the HUD programs. Smaller community-based organizations would benefit

from information on best practices and cutting edge methods on housing and community development from the private sector and leading local governments. CDCs would welcome guidance on the best way to work together and form partnerships to conduct strategic planning, leverage funds and not duplicate each other's resources.

Participants also expressed interest in learning more about other sources of Federal dollars appropriate for faith-based initiatives including (U.S. Department of Health and Human Services Compassion Capital Fund, and similar resources from the U.S. Departments of Education, Justice and Labor) all centers.

LESSONS LEARNED

Detroit faith-based organizations offered several lessons to share with others:

- *Tap into the resources of the community.* Vanguard CDC uses a land consultant, who also is a community resident, to help them with land acquisition, the tax implications and the development process.
- *Hire experts to guide the organization through the process.* In an effort to build its internal capacity, Evangel Ministries CDC hired people with expertise in developing affordable housing projects.
- *Utilize the city's Consolidated Plan.* The Consolidated Plan for Housing and Community Development is a vehicle for influencing the city's housing activities. Faith-based and community organizations should be prepared to inform the discussion with concrete numbers about needs and progress.



Miami

The city of Miami is a vibrant, culturally diverse city in southern Florida that also serves as the county seat for Miami-Dade County. Two-thirds of city residents are of Hispanic or Latino origin,²³ reflecting the flow of immigration that began in the 1960's as Cubans fled after Castro's ascension to power. Immigrants from Central and Latin America and Caribbean nations have continued to make their way to Miami over the last few decades.

Miami's economic base reveals the city's international roots. The city serves as the business gateway to Latin America and the Caribbean with Miami housing the regional headquarters of over 50 multinational corporations, numerous international banks and the busy Port of Miami. Other important industries in Miami include tourism and small business. *Unlocking Doors* participants reported that Miami has a very high percentage of small businesses compared to most major cities, earning a reputation as a good city for small business.

In recent years, Miami has experienced a significant real estate boom. Many credit Mayor Manny Diaz for leading Miami out of troubled economic waters and into a period of rapid growth, an example of the new breed of "corporate" mayors coming into power nationwide.²⁴ Born in Havana, Cuba, Diaz arrived as a boy and lived with his family in the Little Havana section of Miami. After pursuing his education (Belen Jesuit Preparatory High School in Miami followed by college and law school in Florida), Diaz embarked on a career in law and business. He was elected mayor in 2001, his first time holding public office.

Diaz's vision for Miami has been to transform it into an international city that embodies diversity, economic opportunity, effective customer service and a high quality of life. Using private sector management strategies and consultants, the Diaz administration has restructured city departments to ensure top notch services to city residents, launched a capital improvement plan and streamlined bureaucracies that previously hindered development. As a result, private investment and development have



STATISTICS: Miami's housing and economic status

City population	362,470
Home ownership rate	34.9%
Median value of owner occupied housing	\$120,100
Median monthly owner cost (with mortgage)	\$1,163
Median monthly renter cost	\$535
Renters paying 30%+ of income on housing	54%*
Owners paying 30%+ of income on housing	65%*
Median household income	\$23,483 (1999)
Persons below poverty line	28.5% (1999)

flowed into the city. The city's website stated that Miami has over \$20 billion dollars worth of development projects at various stages.

Mayor Diaz's tenure also has been marked by his efforts to engage Miami's FBCOs. Carrying out a campaign promise, Diaz created a citywide advisory council of faith-based and community leaders and became an active supporter of city hall-faith community collaboration. He also serves as the vice chair of the U.S. Conference of Mayor's Task Force on Faith-based and Community Initiatives.

HOUSING

The city of Miami is in the midst of a housing boom. The inner-city is being redeveloped for commercial purposes and for upper income buyers. Vacant land is disappearing and its cost is escalating rapidly as private developers continue to grab all available land. Nonprofit community development corporations are now in competition with private developers to acquire real estate. As a result, housing density and prices are rising rapidly. By 2003, the median home value had jumped to \$183,808, up from \$120,100 in 2000.²⁵

Not all have benefited from Miami's economic prosperity. New units are being produced and deteriorated units are being rehabilitated by the private sector at prices/rents that are well beyond the reach of low and moderate income families. The



Left to Right: Emilio Fernandez, VP Citibank FSB; Susanna Proenza, VP Eastern National Bank; and George Mensah, Miami Housing Program Manager, in Miami.

market is moving so quickly that 70 percent of current residents could not afford to buy their present homes were they to move out and then try to buy back into the market.

The increasing costs associated with homeownership and housing development create major hurdles. Growth and demands of higher income residents have caused property taxes to skyrocket—600 percent or more, according to some *Unlocking Doors* participants. The recent history of increased hurricane activity in Southern Florida has led to a significant jump in homeowner's insurance. Other maintenance costs, including water and sewage charges, are also going up rapidly. In addition, the higher costs of housing development, such as rising permit fees, add to the challenges of creating affordable housing.

The end result is a growing shortage of affordable housing in Miami. *Unlocking Doors* participants estimated 8,000 people were on the city of Miami's section 8 housing waiting list with two to three times more waiting for affordable housing in Miami-Dade County.

CITY'S RESPONSE TO HOUSING NEED

Responding to the need for affordable housing, the Miami Department of Community Development's Housing Division runs a variety of housing programs to assist eligible low and moderate-income residents to purchase, rent or rehabilitate existing housing units. The Division relies on several programs to provide loans and grants to prospective homebuyers, homeowners and developers: the State Housing Initiatives Program (SHIP); HUD's Home Investment Partnership Program (HOME); and its Community Development Block Grant (CDBG). The city also provides additional subsidies to offset the costs of purchasing a home through down payment assistance programs.

Some of Miami's affordable housing policies target developers. The Florida Housing Finance Corporation provides tax credits to developers who build affordable housing. Developers that secure local funding obtain five points on the Florida Housing Tax Credit application. If developers do not obtain the maximum points, the amount of funding they receive will be reduced. In addition, the city instituted a new policy to encourage more private developers to keep their commitment to affordable housing and not sell promised affordable units at market rates. Now when private developers indicate they plan to build affordable housing, the city commits the funding but requires an upfront commitment fee. Developers who do not build the project, lose the upfront money. Finally, Florida has a surtax program that places a tax on all real estate transactions in the state. These tax receipts originally were earmarked to fund

affordable housing development. However, *Unlocking Doors* participants relayed that a significant portion of those funds are diverted for general government purposes.

The city also engages the community in discussion about affordable housing and homeownership. As part of its consolidated planning process, the city meets with invited community groups, including faith-based organizations, to talk about the city's need for housing and public services. The city's Bricks and Mortar staff, responsible for financing new affordable housing development, meet with developers and bankers to assess the status of projects.

To strengthen the relationship between city hall and faith-based organizations, Mayor Diaz launched the Office of Faith-Based Initiatives and Community Outreach. The office provides workshops, conferences and other technical and educational assistance to help faith-based and community organizations secure funding and otherwise meet their goals. The mayor also hosts a Pastors' Roundtable, comprised of clergy, who meet quarterly with the mayor and city commissioners. During these roundtables, the mayor asks faith leaders to focus on solvable problems that city hall and faith community can tackle together to achieve small wins that generate momentum to address more complex issues.²⁶

To better position Miamians to be homeowners, the city's Office of Faith-Based Initiatives and Community Outreach launched a poverty initiative that focused on building wealth and financial literacy. Realizing that residents who were eligible for the Earned Income Tax Credit (EITC) were not receiving it, Mayor Diaz asked churches to raise awareness among their congregants about under-utilized tax credits. The city worked with H&R Block to provide tax assistance to city residents, increasing the number of people who claimed the EITC and opened Individual Retirement Accounts. As a result, EITC payments to city residents rose by 42 million in one year.²⁷

INVOLVEMENT OF FAITH-BASED AND COMMUNITY ORGANIZATIONS

Faith-based organizations are active in housing and community development in the city of Miami. Many form a separate community development corporation to manage their housing and community development

Chart: Source: 2000 U.S. Census Bureau data available at quickfacts.census.gov and factfinder.census.gov. Some data (*) is from U.S. Census Bureau's 2003 American Community Survey at census.gov/acs

²³ U.S. Census Bureau. (2000). *Florida quick facts: Miami*. <http://quickfacts.census.gov/qfd/states/12/1245000.html>

²⁴ No author. (December 2004). *Manny Diaz: Business Leader of the Year. South Florida CEO*. http://www.southfloridaceo.com/archives/2004_Issues/DECo5/Pages/DECo4_COVER.html

²⁵ U.S. Census Bureau. (2003). *2003 Data Profile: Miami City. American Community Survey*. <http://www.census.gov/acs/www/Products/Profiles/Single/2003/ACS/Tabular/16016000US12450004.htm>

²⁶⁻²⁷ See footnote 3 (Goldsmith)

activities, evidencing a significant degree of expertise and commitment. They are skilled at both working with prospective homeowners and developing affordable housing.

A particularly important role for faith-based organizations is educating potential buyers and preparing them for the fiscal demands and responsibilities of homeownership. *Unlocking Doors* participants reported that, in the current market, fewer Miami residents are able to qualify for mortgages. Previously, seven out of ten people would qualify; now perhaps three out of ten meet qualification criteria. Thus, faith-based organizations educate low income families about methods to improve credit ratings, the economics of renting compared to homeownership, availability of the EITC, importance of acquiring capital, and skills needed for homeownership.

Faith-based organizations also have proven adept at arranging financing. They work with banks to assemble complex packages of assistance to make homeownership possible for low and moderate income residents. Often these organizations persuade banks and developers to participate in affordable housing projects for little or no profit. In making affordable loans, banks and credit unions fulfill their commitments under the Community Reinvestment Act. This is not just good will, faith-based organizations are able to find and pre-qualify responsible buyers, handle much of the processing and help the new homeowner through financial rough patches.

Another source of funding for faith-based organizations comes from their congregations. Faith-based organizations in Miami remain connected to the vast majority of congregants who move out of the community. They access the wealth and influence of these upwardly mobile individuals, raising capital both from their members and against their assets to develop housing and community development projects.

COLLABORATIVE EFFORTS

Given the over-heated Miami housing market, affordable housing requires creative public-private partnerships. In addition to engaging banks and leveraging funds, faith-based organizations work closely with the public sector. They convince government officials to provide subsidies, streamline paperwork and even provide public land for affordable housing projects.

One example of a successful public-private collaboration occurred in the Little Haiti section of Miami. The Catholic Campaign for Human Development gave more than \$50,000 to the Little Haiti Housing Association. This

funding enabled more than 200 families to purchase refurbished homes. The city then joined the effort and deeded 17 single family unit lots in the neighborhood to the community development group. The Little Haiti Housing Association proudly reports that not one of its homeowners has ever defaulted on a loan in its 16-year history.²⁸ This collaboration among the faith community, a nonprofit developer and city government is just one example of the many collaborative affordable housing and homeownership efforts that occur in Miami.

SPECIFIC FAITH INITIATIVES & ACCOMPLISHMENTS

Numerous faith-based organizations have made a real difference in Miami. The discussion at the *Unlocking Doors* forum focused on three in particular: St Agnes, St John and Jubilee Community Development Corporations.

St. Agnes CDC

St. Agnes is committed to homeownership for those already living in the inner-city and in immediate danger of being displaced. This Episcopal church CDC uses its excellent network to find and prepare potential buyers from the inner city. To that end, St. Agnes worked with the county to establish a homeowner's association to promote home buying. The CDC provided training on home ownership, financial management and assists potential buyers to improve their credit scores. The county provides a limited subsidy in the form of a down payment matching grant.

St. Agnes also constructed a project of 80 single family homes with prices in the \$100,000 range, with the help of government subsidies and banks providing most services at cost. The CDC approached churches in Overtown, a predominately African-American community, to solicit participation from congregants to buy the houses. Buyers cannot sell the homes for five years and the CDC is aggressive in its efforts to keep out speculators and flippers.

St. John's CDC

Growing out of St. John's Baptist Church in Overton, St. John's CDC has used its land to build more than forty single family homes and multi-family units in partnership with Citibank. *Unlocking Doors* participants acknowledged Citibank's significant role in investing in poor communities, areas that other lenders were not willing to touch. They indicated that CDCs must have strong private partners to succeed in the current Miami housing market. Participants also discussed how while building affordable housing is a calling, it also is a business. To be successful, housing development organizations must realize that they are businesses, and they must run themselves as businesses, a realization that sometimes causes friction between the development and faith wings of the faith-based organization.

Jubilee CDC

Sponsored by the Catholic Archdiocese of Miami, Lutheran Social Services, United Methodist, and Presbyterian churches, Jubilee CDC has built approximately 34 affordable housing projects in East Little Havana in Miami. In partnership with the Urban League, Jubilee is building a HUD Section 202 housing project in Overtown, and Jubilee projects have participation from most area banks.

However, Jubilee CDC reported long delays in the development process, leading to increased costs and discouraging the participation of private developers. *Unlocking Doors* participants

suggested streamlining the process by starting with purely private equity taken out by banks and then converting to publicly-subsidized individual mortgages. Others commented that burdensome government required paperwork adds two years to the development process. A reduction in paperwork could reduce housing costs and encourage additional private developers to consider affordable housing projects.

STRENGTHENING THE CITY HALL/ FBCOs PARTNERSHIP FOR THE FUTURE

In discussing the future, *Unlocking Doors* participants highlighted the challenges facing CDCs. They indicated fewer CDCs can continue their involvement with affordable housing development due to rising construction costs, partial funding awards and burdensome government requirements. These are the realities that make it more difficult for CDCs than for private sector developers to develop housing.

Participants suggested several ways the city could help. Public officials need to be proactive about affordable housing; the city has permitted 48,000 units to be built in downtown Miami in the next three years and none of them are slated as affordable housing. Possible city strategies include launching an aggressive land acquisition program, better coordinating of infrastructures and resources, and ensuring that new housing developments designate a set number of affordable units through inclusive zoning policies. City officials responded they plan to organize technical assistance seminars to assist nonprofit developers and arrange an affordable housing forum with commissioners from both the city and Miami-Dade County.

Participants also identified a number of ways that HUD could contribute to the efforts of faith-based organizations and other public spirited developers in Miami. CDCs need education in creating partnerships with private developers and working more effectively with mortgage lenders. HUD could organize a series of seminars on these issues and how to leverage HUD dollars for affordable housing at little cost.

Since the private Miami housing market has no plans to provide affordable units for at least the next three years, mixed-income projects appear to be the only possibility for affordable housing development in the near term. For that to occur, HUD needs to create a series of incentives to encourage Florida to target a significant portion of its Section 8 and/or tax credit allocation to such projects in greater Miami.

Participants also see potential buyer education as a major need. HUD could fund and/or host seminars on building a down payment, establishing/restoring credit and the benefits/responsibilities of homeownership. HUD could support the partnership of the city of Miami and H&R Block to help low and moderate-income families with their taxes, particularly accessing the EITC and starting IRA's. HUD might also work with the Federal Reserve Bank to host a seminar for banks in the region to explore how they meet their CRA requirements and leverage the city and HUD affordable housing initiatives.

As many CDCs, particularly faith-based organizations, do not have strong relationships with private developers, HUD could help make that connection by convening workshops and bringing together faith-based organizations, state and local officials, and developers with successful track records at HUD. These workshops

would focus on making HUD programs more accessible and understandable; they might also facilitate the formation of partnerships between private developers and nonprofit organizations.

Finally, the community leaders of Miami would like to see a "best practices workshop" in Miami and other hot real estate markets, highlighting ways to speed housing from concept to market, acquire cheap land, provide incentives for mixed-income projects, cut red tape and facilitate public private-partnerships. Miami needs ideas to responsibly simplify its building code, reduce the costs of property taxes and insurance on affordable units and discourage speculation and flipping.

LESSONS LEARNED

Miami participants articulated several messages they wanted to share with HUD officials and other cities:

- *Realize that affordable housing development is a business.* Faith-based CDCs must engage financial institutions as business partners. As one *Unlocking Doors*' participant remarked, "The banks don't want to hear, 'I've got this great idea - show me how to do it.'" Instead, banks and other for-profit partners want to hear a specific business plan that makes financial sense.
- *Focus on homebuyer education and financial literacy.* Participants recommended that the faith community focus on helping citizens become more financially literate and save for their future home purchase. The ultimate goal is to help low and moderate-income families accumulate wealth for themselves and future generations, a much more achievable goal when families are homeowners.
- *Institute policies and practices that help neighborhood growth.* With urban land selling at premium prices, nonprofits are in competition with for-profit developers and speculators. Faith-based organizations, nonprofits and government need to work together and take action to ensure land remains available for affordable housing development. For example, one land-owning faith-based CDC in Miami refused to sell its land to speculators interested in buying multiple housing units. The CDC also required that new home buyers stay in their houses for five years.

²⁸ Stevens, B. (no date). *Catholics fund affordable housing for the working poor. The Florida Catholic.* http://catholiccharitiesadm.org/english/socialAdvocacy/services_social4.htm

Nashville

Nicknamed “Music City USA,” Nashville is the capital of Tennessee and a growing, dynamic city. Nashville’s population increased 11.7 percent in the last decade. Its population is 66 percent White; 27% Black or African-American; 5% Hispanic or Latino, 2% Asian and .3% Native American and Native Alaskan.²⁹ While Nashville is best known as the center of country music recording, the city hosts several industries. Over 250 health care companies call the city home and the city houses the headquarters for several Protestant denominations, including the United Methodist Church, Southern Baptist Convention and National Baptist Convention USA, Inc.

Bill Purcell is the mayor of the metropolitan government of Nashville and Davidson County (the two entities combined in 1963). First elected in 1999 and re-elected in 2003, Mayor Purcell has made safe and affordable housing, as well as a good schools and a high quality of life, priorities for his administration. Prior to becoming mayor, Purcell was the director of the Child and Family Policy Center at the Vanderbilt Institute of Public Policy Studies. His legislative career included five terms in the Tennessee House of Representatives beginning in 1986.

The city’s religious community is fundamental to Nashville’s identity. Nashville residents often identify themselves socially by what church they attend rather than by neighborhood or high school attended or other social markers.³⁰ While some *Unlocking Doors* participants characterized Nashville’s racial climate as “uneasy,” they indicated strong religious ties connect groups across racial and ethnic lines. Their common commitment to “build God’s Kingdom” helps smooth over most differences.

HOUSING

Nashville’s housing and economic figures are optimistic and robust by most standards. However, a troubling number of



STATISTICS: Nashville’s housing and economic status

City population	545,524
Home ownership rate	54.5%
Median value of owner occupied housing	\$113,300
Median monthly owner cost (with mortgage)	\$1,006
Median monthly renter cost	\$614
Renters paying 30%+ of income on housing	33%*
Owners paying 30%+ of income on housing	43%*
Median household income	\$39,232 (1999)
Persons below poverty line	13.3% (1999)

citizens pay in excess of 30 percent of their income on housing, particularly renters.

CITY’S RESPONSE TO HOUSING NEED

During his first year in office, Mayor Purcell convened the Nashville Affordable Housing Summit bringing key private and public sector stakeholders together to strategize about how to increase affordable housing and homeownership opportunities. Needs assessment data presented at the summit suggested Nashville needed to build 25,000 affordable rental units and 10,000 houses for homeownership over ten years. Adopting the summit’s goal as part of his housing agenda, Mayor Purcell increased production levels and established a target of producing or rehabilitating 35,000 units in Nashville by the year 2010.

In addition, Mayor Purcell created an Office of Affordable Housing (OAH) within the city’s Metropolitan Development and Housing Agency (MHDA). Acting as a catalyst, OAH has been able to leverage more funding, involve new groups, build more cross-sector partnerships and help with land supply and needed public approvals.³¹ Working closely with nonprofits and faith-based groups on housing development, OAH views its success as dependent upon the city fostering and maintaining creative cross-sector partnerships, as well as partnerships with governmental agencies, private businesses and



Hank Helton, Director of Development MDHA.

foundations, and private developers. Overall, the MDHA centralizes funds for housing development, thus reducing bureaucracy and creating continuity between the department and faith-based community development corporations. For example, MDHA allows nonprofits to recycle funds and use a greater percentage of funds to cover administrative costs. This type of flexibility and openness fosters a positive working relationship between FBCOs and the city.

Finally, the mayor committed the city's money to the affordable housing issue. He set aside general funds to assist non-profit organizations with housing development initiatives. The mayor's strong public commitment to affordable housing set the tone for his administration and validated the involvement of the nonprofit community, including churches.

Unlocking Doors participants praised Mayor Purcell's integral role in moving the affordable housing agenda forward and raising awareness about housing throughout the city. They described city officials as very accessible, personable and responsible for creating a positive collaborative environment in Nashville. Mayor Purcell's focus on neighborhoods and commitment to real change enhanced the legitimacy of the affordable housing issue and, more importantly, contributed to Nashville's real housing successes.

INVOLVEMENT OF FAITH-BASED AND COMMUNITY ORGANIZATIONS

The FBCOs have since galvanized the community around a common vision for affordable housing. Today nearly half of the nonprofit organizations that develop affordable housing in the city are faith-based, and the number is growing fast.³²

Unlocking Doors participants praised the partnerships established in Nashville and noted that non-profits collaborate easily on housing issues, without feeling "threatened" by turf issues that can sometimes arrive in collaborative efforts. They characterized the partnerships as being guided by a sense of mission, which strengthened their joint commitment and collaboration. Some ministers have even formed interdenominational partnerships and come together to address a range of community issues, including affordable housing.

In addition, the public and private sectors respect one other and

collaborate well. Few issues arise around turf as both sectors see the compelling unmet need. Participants credit Mayor Purcell's agenda for providing a platform for this cross-sector involvement in housing.

Mayor Purcell kindled the involvement of the faith community and other nonprofits in affordable housing in concrete ways. In addition to convening the summit and creating a city office dedicated to affordable housing, he offered targeted funds for home rehabilitation. Through a competitive process, the city awarded up to \$3,000 per home in building materials if the organization provided the labor. Churches responded and a few, like Brentwood Baptist Church, even established a nonprofit corporation to facilitate the program. Currently, five organizations, about 150 churches and 1,700 church volunteers are involved with the home rehabilitation program initiated by the city.³³

In addition to investing sweat equity, the Nashville faith community has advanced affordable housing and home ownership in other important ways. Given the faith community's involvement with an extensive range of social issues and services, residents already regard the church as a source for meeting their needs, including housing. With that in mind, it seemed only natural for Nashville churches and nonprofits to provide homebuyer education and counseling, and work with residents directly to broaden their knowledge about homeownership. Churches also contribute in-kind resources to housing development projects such as church facilities and church members who are skilled contractors and laborers.

It is important to note that the churches in Nashville aren't simply asking for funding for these projects. The churches recognize the inconsistency of owning a million-dollar church building in a deteriorated neighborhood, and are investing their own funds in housing projects designed to cultivate the community.

Finally, the faith community has been involved in the Greater Nashville Homeownership Coalition and its campaign to promote homeownership. For three years, a public-private partnership of the Greater Nashville Association of REALTORS®, the Mayor's Office of Affordable Housing, the Nashville Housing Fund, the Metropolitan Development and Housing Agency, and the Tennessee Housing Development Agency sponsor a campaign in early summer to coincide with National Homeownership Month. The 2005 campaign actively sought out faith-based organizations such as churches to discuss homeownership opportunities with their congregations.

Chart: From 2000 U.S. Census Bureau data available at quickfacts.census.gov and factfinder.census.gov (* data from U.S. Census Bureau's 2003 American Community Survey at census.gov/acs)

²⁹ U.S. Census Bureau. (2000). *Tennessee quick facts: Nashville-Davidson*. <http://quickfacts.census.gov/qflag/states/47/4752006.html>

^{30-31, 33} See footnote 4 (Banks et al.)

³² See footnote 5 (Buntin)

COLLABORATIVE EFFORTS

The Nashville Housing Fund (NHF) is a premier example of a private-public collaborative that supports housing development. Established in 1996, NHF is a pool of flexible funds to help low and moderate-income families and individuals become successful homeowners, as well as assist nonprofit and for-profit developers increase the supply of decent and affordable housing in Nashville and Davidson County.

Banks that participate in NHF benefit as they gain positive visibility and credibility in the community. Indeed, faith-based organizations encourage their congregants to use banks that support affordable housing efforts.

With funding commitments for over \$19 million, NHF receives funding from various public and private resources including banks, corporations, local and state government grants, foundations and the United Way of Middle Tennessee. Its three affordable housing programs include: counseling; down payment assistance; and low-interest loans and other incentives for housing developers. In September 2004, NHF was awarded \$450,000 in Federal funding to offer loans to Nashville nonprofits aiming to develop new multi-family housing opportunities.

Unlocking Doors participants recognized the unique advantage of having a centralized resource like NHF to assist individuals and nonprofits with housing initiatives. Some faith-based organizations have directly benefited, using NHF funding to obtain training and certification in housing development.

The nonprofit Affordable Housing Resources (AHR), Inc. is an example of a collaborative effort that creates affordable housing units through its construction, rehabilitation, lending, and education programs. This organization frequently partners with urban churches in its many programs. AHR, a leading producer of affordable housing throughout Nashville, has built 60 single family units, financed down payments and subsidized first mortgages for 128 houses in 2002 alone.

FAITH INITIATIVES ACCOMPLISHMENTS

While Nashville literally has hundreds of faith-based organizations dedicating resources to affordable housing and homeownership, three organizations are profiled here: 15th Avenue Baptist Church, Habitat for Humanity, and Tying Nashville Together.



Christine McCarthy, President & CEO Nashville Area Habitat for Humanity, in Nashville.

15th Avenue Baptist Church. The 15th Avenue Baptist Church launched a CDC in 1999. The CDC has built 25 units of senior housing, is in the process of building eight single family homes, and has partnered with another CDC on a housing/commercial development project. When the CDC joins forces with the private sector, it seeks not only funding, but a shared vision and partnership in the process. The city has supported the CDC's efforts, including providing some of its technical assistance funds. To date, the 15th Avenue Baptist Church CDC has earned a reputation as a dependable producer of affordable housing. Based on their strong commitment to serving those in need, the church's primarily African-American congregants have a large number of parishioners who live outside the church's boundaries in other areas of Nashville and commute to this congregation.

Nashville Habitat for Humanity. Noting Nashville Habitat for Humanity's use of 60,000 volunteers, *Unlocking Doors* participants cited this volunteerism as a sign of Nashville's generosity. The agency has built over 170 homes since its inception in 1985, increasing its annual production rate in recent years (e.g., produced 23 homes in 2002). Faith-based organizations have had a critical role in producing these homes; for example, Belle Meade United Methodist Church partnered with the Jewish Temple and the Islamic Center to build a house. Currently, Nashville Habitat for Humanity is working on Providence Park, a large scale, 141-unit development. The Executive Director expressed interest in pursuing additional large scale developments instead of the traditional Habitat model of single-house infill builds.

Tying Nashville Together. Created in 1989 when Baptist minister Forrest Harris organized churches and synagogues to mobilize community action and influence public policy, Tying Nashville Together (TNT) has 70 member groups, mostly faith institutions and some neighborhood groups and nonprofits. TNT identifies itself as a "broad-based, multi-racial, locally self-determining interfaith organization dedicated to involving the poor, working class, and middle class people dealing with the persistent urban problems of Nashville." In recent years, TNT established Research Action Teams to examine affordable housing and neighborhood improvement issues. TNT established a goal of working with the

city to build at least one new mixed income neighborhood with 200 units for both renters and owners.

Unlocking Doors participants credited Mayor Purcell's leadership for the surge of affordable housing units, including 15,000 newly-created units since he took office. As a result, the city is on track to meeting its 2010 housing goal of 35,000 rental and homeownership units since 1999.

The city's impressive housing milestone is made possible through the efforts of key housing stakeholders, including faith-based organizations. A Nashville housing official estimated that faith-based organizations contribute about 50 housing units per year. Other achievements that help Nashville strive toward its housing goal include:

- The Nashville Housing Fund provided initial homeownership counseling to 5,400 individuals and families; assisted more than 1,600 families in purchasing a home; and provided partial funding to rehabilitate or construct 656 affordable housing units.³⁴
- The Nashville rehabilitation program run by Nashville's Office of Affordable housing resulted in the rehabilitation of 5,575 homes.
- Affordable Housing Resource (AHR) has developed more than 560 single family units through new home construction projects and given more than 5,500 individuals and families home-purchasing assistance through its lending and counseling programs.³⁵
- 15th Avenue Baptist Church CDC worked with multiple partners, including the mayor's office and MHDA, on a mixed-used development project (Jefferson Street 942) and an elderly housing project. The church's goal is to build six single family houses and provide counseling and homeownership education to 100 families in 2005.³⁶

STRENGTHENING THE CITY HALL-FAITH COMMUNITY PARTNERSHIP FOR THE FUTURE

Unlocking Doors participants identified one primary need for the future: flexible funding.

The faith-based community development corporations require financial support for operating costs, purchasing land and hiring staff to build the organization's capacity. In particular, they were worried about future land development opportunities, given the anticipated cuts to CDBG funding.

Participants also cited the need for funding sources to help working poor homeowners with the rising cost of their property taxes. Property tax increases are forcing some inner-city residents into the surrounding counties; for those without vehicles, transportation to work then becomes a problem. Helping them through property tax relief or abatement would allow them to stay in Nashville & make use of the city's public transportation system.

Faith-based organizations realized they could link with local colleges and universities to obtain student interns to work in their organizations. Funding could benefit this initiative as well, as participants suggested locating funding sources that would allow the

organization to pay stipends or offer scholarships to those students.

Participants added that the advisory board of faith-based organizations needed training so that board members understood the housing development process and could better advise the organization.

LESSONS LEARNED

Unlocking Doors participants pointed to a few key lessons from their experience in Nashville. These lessons included:

- Faith-based organizations should not assume that housing development is easy; they must learn the pitfalls and idiosyncrasies of the development process so they can plan accordingly at the front-end.
- Consolidated Plan for Housing and Community Development offers faith-based organizations an opportunity to learn about the housing development process.

³⁴ Nashville Housing Fund.
<http://www.nashvillehousingfund.org/pages/350557/index.htm>

³⁵ See footnote 4 (Banks et al.)

³⁶ Affordable Housing Resource website.
http://www.ahrhousing.org/ahr_more.html

Oakland

Extending from the San Francisco Bay up the East Bay Hills, the city of Oakland is the third largest city in the San Francisco Bay area. Two major natural disasters in the past two decades have resulted in massive damage both to private residences and the city's infrastructure. Both the 1989 Loma Prieta earthquake and the Oakland Hills firestorm of 1991 resulted in the loss of thousands of single family and multi-family residences, not to mention the loss of a city infrastructure that would require billions of dollars to repair. Yet, despite these disasters and a high crime rate, Oakland's location, beautiful weather and resurging service economy make it a desirable hometown, as evident by its rising real-estate prices.

One way in which Oakland maintains its hometown feel and strong connection to its various neighborhoods is through its Community District Boards (CDB). The CDB structure has existed for over 30 years and is composed of community members from participating districts. Locally elected members serve two-year terms, review citywide plans on community development issues and make decisions on funding allocations. Since CDB representatives live in their district neighborhoods, they serve as the eyes and ears of their districts.

Oakland has a history of citizen involvement and activism that dates back to the 1960's. Perhaps fittingly, Mayor Jerry Brown presides over this activist city after being elected in 1998 and re-elected in 2002. Frequently associated with social activism issues, Brown is a former governor of California and 1992 presidential candidate. Upon leaving the governorship, he traveled in Japan to study Zen Buddhism and then worked with Mother Theresa in India. Currently, Mayor Brown is stimulating Oakland's current downtown revitalization.



STATISTICS: Oakland's housing and economic status

City population	399,484
Home ownership rate	41.4%
Median value of owner occupied housing	\$235,500
Median monthly owner cost (with mortgage)	\$1,504
Median monthly renter cost	\$696
Renters paying 30%+ of income on housing	42%*
Owners paying 30%+ of income on housing	56%*
Median household income	\$40,055 (1999)
Persons below poverty line	19.4% (1999)

HOUSING

A glimpse at Oakland's housing and economic status provides a context for understanding Oakland's efforts to promote affordable housing and homeownership. More recent Census estimates highlight how quickly Oakland's property values are appreciating, exacerbating the lack of affordable housing. The U.S. Census Bureau's 2003 American Community Survey estimated Oakland's median home value to be \$377,314, a jump of 62 percent in three years.³⁷ As the United States continues to experience a real estate boom, this upward trend in values has likely continued since 2003.

During the *Unlocking Doors* forum in Oakland, participants reported that racial minorities have the greatest affordable housing needs and, thus, are the primary recipients for such programs. Seventy percent of participants in affordable housing programs are African-American, Hispanic and Asian, while 30 percent are White. These reports closely mirror the racial composition within Oakland: 31 percent White; 36 percent Black or African-American; 15 percent Asian; and 22 percent Hispanic or Latino; and .7 percent Native American and Native Alaskan.³⁸ Participants also indicated that single-parent households make up 42 percent of the target housing population, primarily single mothers with children.

CITY'S RESPONSE TO HOUSING NEED

In remarks to the Federal Millennial Housing Commission in June 2001, Vice-Mayor Jane Brunner outlined Oakland's efforts to meet the housing needs of its low-income citizens. Vice Mayor Brunner indicated the following:

- Half of Oakland's population qualified as low and moderate-income under HUD definitions;
- The city used CDBG and HOME programs, as well as tax dollars from redevelopment areas, to meet the housing needs. The city also worked closely with nonprofit and private sector lenders and investors.
- Since 1991, Oakland built or substantially rehabilitated over 2,000 units of housing ranging from very low income residential hotels to apartments for families and seniors.³⁹

One of the hallmarks of Mayor Brown's administration has been his 10K Initiative, a major housing and development plan to attract 10,000 people to live in downtown area and create a "spirit of elegant density." Since the mayor took office, 5,136 new housing units have been completed or are under construction representing about 85 percent of the target goal of 6,000 new units to house those 10,000 new residents. While most of the units are priced at Oakland's median housing price, one developer (Forest City West) received a \$61 million subsidy from the city council to buy land and to finance 140 below-market units. In addition, the Uptown site will have 700 apartment rental units, 20 percent of which will be reserved for people earning 50 percent of median income.⁴⁰ Many affordable housing advocates criticized the mayor's 10K plans, calling for 25 percent of all new housing units to be subsidized, not just a few. But Brown insisted developments remain market-rate to attract dollars to the city.

Oakland's Community and Economic Development Agency's Housing and Community Development Division oversees these efforts. The Housing and Community Development Division carries out a wide range of activities, from funding multi-million dollar housing development projects to sponsoring the city's multi-lingual 5th Annual Homebuyer's Fair in June 2005. As of April 2005, Oakland had 1,579 units of affordable housing under development, including senior rental, family rental, family ownership, and special needs rental projects. To develop these projects, the city has allotted \$60 million (through HUD's HOME funds, Oakland Redevelopment Agency Affordable Housing funds and other funding streams) and partnered with a number of faith-based nonprofits, including Christian Church Homes of Northern California.⁴¹

Unlocking Doors participants discussed that while Oakland is adept at identifying the need for affordable housing through needs assessments, census data, land space analysis, and Community District Board feedback, the real problem is the lack of funds to meet that need and the resultant tension over prioritizing the percentage of funds allocated to rental housing versus home ownership. Given property value increases in recent years, newly built Oakland houses cost more than \$500,000; consequently, families with incomes of \$60,000 are priced out of these new homes and are forced to move to outlying areas to find affordable housing and to incur, if they can afford them, all the associated

transportation costs associated with living great distances from work, due to the lack of public transportation systems in the outlying suburbs. Oakland's use of city dollars and grants from the California Housing Finance Agency do not meet the pressing housing need. People not only have difficulty qualifying for mortgage loans, but often cannot even pay rent, given Oakland's high rental rates. Stakeholders urged the city to do more to ensure all of its citizens can strive for and attain the goal of home ownership. They also recommended that CDBG funds be used to assist first time home buyers and drive down interest rates.

INVOLVEMENT OF FAITH-BASED AND COMMUNITY ORGANIZATIONS

"Seek the welfare of the city ... for in its welfare you will find your welfare."

— Jeremiah 29:7

Appearing on its website, this quotation from the bible reflects the mission of the Oakland Coalition of Congregations. The coalition is comprised of over thirty congregations that work together to improve the quality of life (including housing, education and medical care) for low income residents of Oakland. Among its victories, the Coalition worked with three banks to increase the number of loans that went to local homeowners and small businesses.

Whether linking up with one another, partnering with developers, or teaming up with city hall, Oakland's faith community has a tradition of getting involved with affordable housing issues.

COLLABORATIVE EFFORTS

The Oakland faith community stepped up its interest and involvement in the community's affordable housing shortage after participating in a Faith-Based Homeownership workshop sponsored by Freddie Mac, M.C. Vision Ministries, and the city of Oakland in spring of 2003. The workshop discussion led to formation of a partnership among three churches dedicated to increasing African-American homeownership in Oakland. This collaborative effort, the East Bay Faith-based Homeownership Alliance (EBFBHA), is comprised of the River of Life Christian Fellowship (Life Development Corporation),

Chart: Source: 2000 U.S. Census Bureau data available at quickfacts.census.gov and factfinder.census.gov. Some data (*) is from U.S. Census Bureau's 2003 American Community Survey at census.gov/acs

³⁷ U.S. Census Bureau. (2003). *2003 Data Profile: Oakland, American Community Survey*. <http://www.census.gov/acs/www/Products/Profiles/Single/2003/ACS/CA.htm>

³⁸ U.S. Census Bureau. (2000). *California quick facts: Oakland*. <http://quickfacts.census.gov/qfd/states/06/065300.html>

³⁹ Testimony of Vice-Mayor Jane Brunner on behalf of Jerry Brown. *Millennial Housing Commission's hearing in Oakland on June 5-6, 2001*, <http://www.mhc.gov/hearing/sloakland.html>

⁴⁰ Levy, D. (March 20, 2005). *Downtown Brown: Oakland's mayor has made dramatic progress in his ambitious plan to bring 10,000 new residents to the city's core*. *San Francisco Chronicle*. <http://sfgate.com/cgi-bin/article.cgi?file=/c/a/2005/03/20/REGTLBPTHCr.DTL>

⁴¹ City of Oakland. Housing and Community Development. Affordable housing projects underway in Oakland (as of March 2005) <http://www.oaklandnet.com/government/lcd/projects/underwaylist.html>

East Bay Church of Religious Science (FACES) and Community Christian Church for Christ (Millennium Community Association). Forum participants suggested that the EBFHHA success is due in part to not being closely identified with any one church and, thus, avoiding most inter-denominational conflicts.

EBFBHA aims to be a one-stop, homeownership assistance program for its combined membership base of over 3,500 members and eventually the broader community of 25,000 members. With funding support from Chase Home Finance, Wells Fargo Mortgage Bank and Freddie Mac, EBFHHA runs a dynamic marketing and outreach campaign that includes targeted outreach and marketing to promote home ownership opportunities (through public service announcements, flyers, etc), information on all aspects of home buying and financial management, comprehensive home buyer education and counseling, and dedicated loan officers who offer a number of affordable mortgage products. Sixteen trained and certified home ownership volunteer counselors who are based at the churches participating in the Alliance support the outreach campaign. EBFHHA also is working with the city of Oakland for a homeownership T-Shirt drawing contest with local schools. The winning students received prizes and were recognized at the city of Oakland's Homeownership Fair during National Homeownership Month in June 2005. In addition, the city provides space for the EBFHHA's ongoing homeownership workshops.

Reverend Elouise Oliver, East Bay Church of Religious Sciences, commented on the important link between housing and the church. "Basically, most African-American people trust the church. Important information was disseminated from the church, so having the homeownership program at the church has encouraged people to put forth the effort to do something which they never dreamed possible - specifically, owning their own home."⁴²

SPECIFIC FAITH INITIATIVES & ACCOMPLISHMENTS

While the EBFHHA is one important synergistic effort among faith-based leaders, individual churches also have been working diligently to increase homeownership and affordable housing opportunities. The churches have accessed HUD funding, used the congregation's own resources, provided



Roundtable participants in Oakland.

housing counseling and offered other supportive services.

Paradise Baptist Church started its own mortgage company, "Have Faith Mortgage," to assist church members with their home purchases by helping them qualify and providing down payment assistance. To support the program, the church uses its own funding and funding from HUD's Section 203(k) program to repair and rehabilitate single family homes. The church also has made available the property around its church building so that 12-15 families could purchase homes and benefit from the property appreciation rates. Despite these efforts, 600 members still remain on the church's waiting list for housing assistance.

Some faith-based organizations have used their own resources to develop transitional housing and support services for ex-offenders. The ex-offender population requires structured living settings, transitional housing, supervision, and support through mentoring. Forum participants indicated that city wide planning processes do not include ex-offenders' programs and, as a result, those programs receive inadequate funding. In addition, local citizens often do not want ex-offender housing in their neighborhoods. Despite the opposition, Moriah Christian Fellowship runs a 26-week course and provides 24/7 supervision, life planning supervision and mentoring to ex-offenders. New Life Church of God in Christ sponsors New Hope Recovery, a one-year program for ex-offenders re-entering their community, operating both a men's and women's facility. The sober living environments offer empowerment classes to build self-esteem and job skills so that men and women successfully re-enter the community.

The accomplishments of Oakland's faith community in their housing efforts range from large scale initiatives to individual successes. This quote from an EBFHHA workshop participant demonstrates the latter: "First of all I want to thank you for following God's plan and opening the doors for young African-American families, individuals and single parents. I attended your very first counseling and workshop. And as of January 26, 2004, I am a proud owner of a 2 bedroom house in Oakland, California."⁴³

Another success story was offered by a forum participant. A man came to his church's program with only a shopping cart. After he completed and graduated from the treatment program, the man obtained a general construction license and built his own business rehabilitating houses. The man now employs

other graduates from the church's program.

Neighborhood Assistance Corporation of America and its faith-based housing project built 200 houses over a period of 7 years with no foreclosures. This program provided counseling to home buyers and crisis funding to support buyers who experienced financial difficulties. Church members contributed money to the emergency fund to cover expenses in the event of a crisis.

STRENGTHENING THE CITY HALL-FAITH COMMUNITY PARTNERSHIP FOR THE FUTURE

Oakland FBCOs outlined specific suggestions as to how the city and HUD might offer assistance in the future.

Church leaders expressed interest in ongoing technical assistance from both the city of Oakland and the HUD Field Office to help keep them abreast of the dynamic housing and funding fields. Technical assistance would include sharing information about new resources and training on how various Federal programs work, including the tax credit programs. Participants also agreed that they need a clearinghouse of services including technical assistance that would help less experienced ministries navigate the maze to building homes and provide affordable housing.

Church groups even need help with basic supplies and expenses, such as photocopying, insurance, and background checks (on clients), all of which quickly drain limited church budgets.

Several church representatives talked about the extra obstacles faced by some community members, such as ex-offenders, in their housing search. Churches work with ex-offenders who need job training and assistance with budgeting and managing their finances. Ex-offenders who complete the church's re-entry program and are ready to reintegrate into the community lack affordable housing options. Despite the good success noted above, the city needs to better address the housing needs of ex-offenders, including those with families.

Finally, the group pointed out an opportunity for a future public-private partnership; one church noted that it trained dozens of men and women in construction trades each year during its six-week training program. Perhaps the city could provide funding to employ these individuals to fix up Oakland's boarded-up properties.

LESSONS LEARNED

Oakland participants observed that successful partnerships are based upon time and trust. Trust begins when there is a sense that the parties are knowledgeable about the community, aware of its strengths and needs, and desirous of helping the community's people. Trusting relationships grow as members of the working group make decisions and stick to them.

Participants also passed along a pragmatic lesson. Faith-based groups should avoid the appearance of parochialism, such as using a church reference when naming its credit

union. They found that residents thought the credit union served only church members, while its services were designed for the entire community.

⁴² Freddie Mac. (April 1, 2005). *Churches create cross-denominational alliance with Freddie Mac, mortgage lenders, city of Oakland to increase homeownership.* http://www.freddiemac.com/news/archives/afford_housing/2005/20050401_oakland.html

⁴³ East Bay Faith Based Homeownership Alliance. Testimonies. <http://www.ebfbha.org/testimonies.htm>

Raleigh

The City of Raleigh uses the following four principles to guide its work in affordable housing development:

- a) All city residents should have access to affordable, decent, safe, and sanitary housing.
- b) Affordable housing made available throughout the City of Raleigh.
- c) Raleigh's housing and community development programs emphasize neighborhood revitalization to encourage neighborhood stability and preservation of housing stock.
- d) The city should maintain an ongoing partnership with the private sector and continued intergovernmental cooperation with county, regional, and state governments.⁴⁴

Ironically, partnerships between the City of Raleigh and the faith community are lacking in that the city and faith community have a less formalized model of collaboration than other *Unlocking Doors* cities. According to some of the *Unlocking Doors* participants from the faith community in Raleigh, they reported using their own resources to address the affordable housing needs of the Raleigh community; as one participant described it, "doing a lot with a little."

At the *Unlocking Doors Initiative* meeting in Raleigh, the Special Housing Coordinator for the city indicated that faith-based organizations are not tapping into the resources available to them for their housing development needs. The Assistant City Manager for Raleigh made similar comments stating that "I think that the church is an untapped resource that has been out there for many years and it has a significant amount of capacity." This dynamic between the city and faith-based groups is consistent with the "exilic model" in which the faith community excludes itself from political participation to avoid compromising spiritual salvation for political gains.⁴⁵



STATISTICS: Raleigh's housing and economic status

City population	279,093
Home ownership rate	51.6%
Median value of owner occupied housing	\$156,000
Median monthly owner cost (with mortgage)	\$1,203
Median monthly renter cost	\$718
Renters paying 30%+ of income on housing	21%
Owners paying 30%+ of income on housing	43%
Median household income	\$46,612 (1999)
Persons below poverty line	11.5% (1999)

HOUSING

The City of Raleigh has an estimated population of 335,512 persons in January of 2005 which indicates a 4.1 percent increase since 2004 and it has experienced a 4 percent increase in population growth each year since 2002. U.S. Census figures show Raleigh's population distribution to include 63.3 percent Whites; 27.8 percent African-American or Blacks; 0.4 percent American Indian or Native Americans and 3.4 percent Asian.⁴⁶ Raleigh had a median household income of \$47,152 in 1999 and \$51,220 in 2004 and although this represents a 8.6 percent increase, median household income has not kept pace with inflation. The 2000 census indicates that 11.5% of Raleigh residents live below the poverty line and housing affordability gaps in the rental market means that there is very little affordable housing for extremely and very low income households.⁴⁷

INVOLVEMENT OF FAITH-BASED AND COMMUNITY ORGANIZATIONS

The faith community in Raleigh reported that it does not necessarily use a formal process for identifying community needs.



Joseph Rappi, Raleigh Special Housing Coordinator, in Raleigh.

Community residents seek out their church to get their needs met. According to participants at the meeting, needs “came knocking at our door, we did not seek them out.” Some organizations do use formal needs and gap assessments to determine best ways to serve some of Raleigh’s special populations. Specifically, the executive director of one organization that provides housing and other services to people with AIDS referred to networking across multiple disciplines to assess the social, psychological, and medical needs of their clients.

Community needs are addressed through partnerships among faith-based organizations, knowing each other’s areas of expertise, referring those in need to organizations with the expertise required.

“Collaboration” is seen by some as a means to decrease duplication of services; one minister described sending other pastors and elders to different cities to identify innovative strategies for addressing housing development needs. It became apparent that duplication of services was common in many of the communities visited; many organizations were doing the same thing and not very efficiently. Organizations should come together to create a clearinghouse of resources accessible to both non-profit and for-profit organizations. Churches have resources and need to collaborate as one service to help them more effectively meet the needs of their community.

Examples of effective local collaborations were highlighted by the meeting participants.

One local successful partnership between faith-based organizations and private contractors resulted in the Hope 6 project in Southeast Raleigh. It was the direct result of the Southeast Raleigh Assembly Forum, which is a formal body that meets regularly to assess community needs.

The Raleigh Area Development Authority, a private development company that works directly with organizations to increase capital, provides mortgages and financing in order to develop affordable housing for church and individual property owners. Its mission is community building with a focus on key issues like public safety, housing, economic development and human capacity building. This organization has teams of individuals who work on the key issues named and conduct 6 month assessments. The Authority is raising \$100 million dollars in capital to support housing development projects in Raleigh.

The City of Raleigh has 250 affordable housing rental units available and offers grant resources for development and infrastructure improvements in needy communities. Some affordable housing funding sources offered by the city are block grants- CDBG funds, capital budget, \$10 million dollars in city bonds, and HOME funds to CHDOS. Although these resources are available to organizations that focus on addressing the housing needs of residents of Raleigh, most FBCOs in Raleigh have not utilized city funds to support their work. Previous constraints on faith-based organizations’ access to HUD grant dollars may have deterred many of the Raleigh faith-based groups from applying for these funds through the city.

Passage Home developed a “forced savings” pilot program to help individuals needing affordable housing save towards that goal. The program helps participants secure a non-maintenance fee savings account and contributes up to \$1000 into the accounts with the restriction that the participants cannot withdraw the funds except for a (one time) emergency.

Operation Breakthrough works with families to help them prepare for homeownership, serving 75 families per year. The Cook Street Project helped 168 congregants of Wesleyan First Church of Deliverance purchase homes in the neighborhood surrounding the church.

Participants agreed with the principles of “Flakism”, meaning the process of replicating the efforts of Rev. Floyd Flake in his community in the Bronx by tapping into “intellectual capital” and other resources within the churches and communities.

UNIQUE PARTNERSHIPS

Inter-denominational Partnership: Building Together Ministries described how pastors strengthen their relationships through partnerships between small urban churches and “suburban mega” churches. These partnerships have resulted in collaborative work to feed hungry citizens in the communities and the renovation of building structures within poor communities. The efforts of small urban churches “doing a lot with little” reportedly provided the impetus for the formation of this partnership.

Non Profit and Faith-based Organizations Partnership: Passage Home has 14 years of working with churches to provide

⁴⁴ City of Raleigh (May 3, 2005). *City of Raleigh, North Carolina Consolidated Plan for the Expenditure of Community Development Block Grant, HOME Investment Partnership and City Housing Bond Dollars July 1, 2005-June 30, 2010.* Raleigh, NC http://www.raleigh-nc.org/portal/server.pt/gateway/PTARGS_0_2_17542_0_0_18/Consolidated_Plan_Draft.pdf

⁴⁵ See footnote 7 (Coffin)

⁴⁶ U.S. Census Bureau. (2000). *North Carolina Quick Facts: Raleigh* <http://quickfacts.census.gov/qaf/states/37/375000.html>

⁴⁷ See footnote 44 (City of Raleigh)

assistance to people who need affordable housing. It has worked with 9 churches over this period and each church has had its own housing projects. The churches create a covenant with Passage Home on use of money and time, wherein a representative from each church is on the board that meets once a month. During these meetings, representatives are told about the needs of the community, and, in turn, the representatives take this information back to their churches, sharing the needs with their respective congregations. As a result of the partnership, 14 families have transitioned from “homelessness to homeownership,” each year of its operation. Indeed, it has been successful in assisting families with homeownership.

CHALLENGES

- Preserving neighborhoods and communities by helping indigenous residents in the city become homeowners and develop their property to counter gentrification
- Being proactive about gaining equal access to the capitalistic process

STRENGTHENING THE CITY HALL-FAITH COMMUNITY PARTNERSHIP FOR THE FUTURE

Some programs that serve special populations measure their success by documenting the progress of the clients they serve. One substance abuse treatment program develops goal plans for every client, tracks the client for 18 months and assesses sobriety status every 3 months. The program has had 5 graduates who have remained clean and sober and have been able to remain homeowners for 5 years.

Programs must focus on dividing responsibility and encouraging communication across the lines that separate city hall and the faith community. By extracting from city hall and the faith community those skills, abilities, and relationships that are the most finely tuned and beneficial to the public, partnership programs in Raleigh can work towards offering the most to those in need.



Sharon Bathea, Project Manager for Integrity Real Estate and Development, and group participants in Raleigh.

LESSONS LEARNED

Raleigh participants learned that there are a variety of needs to be met to help sustain community partnerships. Here is a list of the suggested means for solidifying partnerships and creating an atmosphere conducive to successful future partnerships for the betterment of all those who call Raleigh home.

- A resource guide or book that is current and valid with categories of funding sources for use by faith-based and non-profit organizations
- A website that users in need can log on to get help for their needs, and that would allow for better tracking of requests for help and measurement of community needs
- Training for faith-based organizations in setting up the appropriate organizational structure and doing outreach
- Ways to educate youth to prepare them for homeownership and business ownership
- Ways to educate people to overcome a “poverty mindset” that perpetuates powerlessness
- Resources to organizational capacity with faith-based non-profit organizations
- Resources to help rural communities with housing needs
- A method for pooling knowledge and resources (clearinghouse)
- More collaboration among faith-based organizations, local city government and HUD to increase capacity to do more, with greater effectiveness.
- Help faith-based organizations identify and use resources available through the City and Raleigh Area Development Authority which can provide technical assistance and expertise in housing development
- Advocacy coordination
- More housing units for people with disabilities
- More transitional housing units for people with special needs, i.e., AID
- Faith-based organizations need to tap into resources available through other groups such as Masons and Eastern Stars

TRANSFERABLE STRATEGIES FROM UNLOCKING DOORS CITIES

Unlocking Doors participants shared a number of strategies that could be used by other communities interested in forming stronger partnerships between city hall and the faith community in order to increase affordable housing and homeownership opportunities. These ideas include:

Establishing a local housing trust. A flexible, local housing trust fund, even if modestly funded, creates important momentum in a community. The fund is a resource for nonprofit and faith-based organizations, attracts private investment and grows over time.

Hosting a housing summit. A housing summit is a valuable forum for stakeholders to jointly assess needs, plan, organize and establish common goals for mobilizing action. Summits also signal that affordable housing and homeownership are high priorities and can provide a benchmark for future progress.

Offering financial counseling and homebuyer education. Some participants believed the key role for churches is using local congregation members to educate would-be homebuyers and help rehabilitate their credit.

Considering high density models for affordable housing development. Some expressed concern that urban land has become too valuable for just building single family homes. That policy is not sustainable over the long run, particularly given the limited number of lots. Stakeholders need to adjust their concept of affordable housing development to higher-density models. Participants also observed that successful neighborhoods reflect a mix of income groups and a focus on home ownership.

Creatively seeking partners. While faith-based organizations and city hall regularly turn to developers and banks for assistance, they also can reach out to new partners not typically associated with affordable housing and homeownership. For example, local universities are resources that could offer courses, provide interns, and provide space for workshops.

Treating affordable housing development like a business. In order to succeed, nonprofit and faith-based housing developers must anticipate and address the business needs of financial institutions and their for-profit partners. Others noted that some churches feel ambivalence about operating as businesses. Another participant echoed in response that, “churches must understand the need to blend the Bible and business.” Since some faith-based organizations tend to lack knowledge on standards for running a business, the faith community needs education in best practices or standards for management of development projects, a need that city hall and HUD might address.

Finally, experienced faith-based organizations outlined a series of steps that lead to success in housing developments: (1) work on those areas the organization knows best and learn the rest by consulting with experts; (2) develop and maintain a vision of what needs to change; (3) obtain community buy-in; (4) use local events and fairs to build visibility and support; (5) recognize the project is a team effort and line up partners; (6) learn the local players to ease the sign-off process; and (7) know that leadership can overcome bureaucracy.

These transferable strategies -- combined with the lessons shared by each city in the profile section -- provide mayors and faith-based organizations with a menu of options for strengthening their joint affordable housing and homeownership initiatives.

SOURCES

Coffin, B. (2003). *Models of Collaboration: Churches, City Hall, and Community Change*, Paper presented at the October 2003 Executive Session on Faith-based and Community Approaches to Urban Revitalization Meeting, Harvard University Kennedy School of Government: Cambridge, MA

NATIONAL UNLOCKING DOORS TEAM

Whitehouse: Dr. Ryan Streeter, Presidential Special Assistant; U. S. Department of Housing and Urban Development; Center for Faith Based and Community Initiatives (CFBCI), Robert J. Bogart, Director; B. J. Douglass, Senior Project Officer; Thomas E. Brandlin, MNA, Not-For-Profit Counsel; Jovette Gadson, Presidential Management Fellow.

CONCLUSION

Discussions with stakeholders in the participating cities highlighted how a wide range of partnerships have formed in Unlocking Doors cities to address affordable housing and homeownership needs. Some partnerships were more structured with the city initiating activities to engage Faith-Based and Community Organizations (FBCOs). Other interactions were more fluid and focused on relationship building and regular meetings between the city and FBCOs. Regardless of the structure, both city hall and FBCOs worked diligently to leverage their existing funding and attract private sector resources.

During the Unlocking Doors forums FBCOs suggested ways city hall and HUD could be of assistance. They sought technical assistance on the housing development process, HUD grant programs, guidance in negotiating the HUD grant application process, and creative ways to help homeowners with limited incomes deal with rising property taxes and homeowners insurance. These technical assistance requests and the list of transferable strategies provide a useful roadmap for the future.

The HUD Center for Faith-Based and Community Initiatives now has a useful tool as the Center determines how to best engage city hall and FBCO partnerships in their effort to create more affordable housing and homeownership opportunities. This initiative provides a unique opportunity to find strategic ways to utilize multiple subsidies, multiple partnerships and creative mechanisms to eradicate the growing shortage of affordable housing in American cities.

UNLOCKING DOORS INITIATIVE FORUM PARTICIPANTS

Chicago, Illinois

April 13, 2005

The Palmer House Hilton

Participants:

City of Chicago - *Charles Bowen, Mayor's Liaison to the Faith-Based Community; Jan Austin, Assistant to the Mayor; Ingrid Bridges, Assistant to the Mayor; Ellen Sahli, Mayor's Liaison on Homelessness and Supportive Housing*

St. Ailbe Church - *Pastor John Breslin; Monique Martin, Program Coordinator; Bruce McElrath, Board of Directors*

Walls Memorial CME Church - *Pastor Marvin Thomas; Eduardo Spragg, Presiding Elder*

St. Benedict the African Church - *Father David E. Baldwin*

St. Bernard Hospital - *Chuck Holland, Vice President*

Good City - *Michael Ivers, President*

St. Paul's Church of God in Christ - *Kevin Ford, Elder; Bishop Charles Ford*

Metropolitan Apostolic Community Church - *Ms. Charisma Pryor, Executive Management Assistant to Rev. Dr. Leon Finney, Jr.*

Genesis Housing Development Corporation - *Robert Miller, Chair*

St. Stephen AME Church - *Pastor Albert Tyson*

Grant Memorial African Methodist Episcopal Church - *Rev. Dr. Michael Thomas, Sr.*

Resurrection Project - *Raul Raymundo*

HUD Local Office - *Ken Brucks, Regional FBCI Liaison*

Columbus, Ohio

April 14, 2005

Hyatt Regency Columbus

Participants:

City of Columbus - *William Graves, Housing Division Administrator; B.J. Reed, Coordinator of Housing Programs*

Samaritan Project Development Corporation - *Joseph Copeland, Project Director*

New Beginnings Christian Revitalization Community Corporation - *Renee Thompson, Administrator; Bobby Thompson, Chief of Development*

MiraCit Development Corporation - *Sharon Francis, Program Director*

HUD Local Office - *Thomas Leach, Field Office Director; Lana Vacha, Director, Office of CPD*

Detroit, Michigan

May 20, 2005

Detroit Marriot at the Renaissance Center

Participants:

City of Detroit - *Reverend Claude Cline, Director of Faith-Based Affairs, Mayor's Office; Wanda Bostic, Assistant to Faith-Based Community Office*

HUD Local Office - *Thomasina Brown, FBCI Liaison*

New Day Church of Deliverance - *Maxine Mickens, grant writer/volunteer; Bishop Grover Wimbley, CEO Multipurpose Center*

Evangel Ministries - *Pastor Christopher Brooks; Aaron Richardson, Minister*

Faith Community Homebuyers Program - *Dina Harris, CEO*

Perfecting Community Development Corporation - *Marvin Winans, Pastor; VeRonica Daffin, Residential Director; Richard Mack, Attorney/Political Relations*

Vanguard Community Development Corporation - *Donna Williams, Executive Director; Scott Davis*

Prevailing CDC - *Chaunci Wyche, Project Director*

Habitat for Humanity - *Rob Dewaelsche, Executive Director; Tim Hudson, Development Director*

Church of God in Christ - *Irma Chevant, Attorney; Florice Neville - Ewell, Attorney*

Historic Little Rock Baptist Church - *Lavern Young*

Miami, Florida

May 24, 2005

Wyndham Grand Bay Coconut Grove

Participants:

City of Miami - *William Porro, Director, Department of Community Development; Rene Dago, Loan Program Manager; George Mensah, Housing Program Manager; Abel Rizo, Administrative Assistant II, Department of Community Development; Danny Santivasci, Graduate Intern, Department of Community Development; Roberto Tazoe, Information Analyst Coordinator*

Habitat for Humanity of Greater Miami - *Ethan Colvert, Development Assistant*

Miami-Dade Affordable Housing Foundation, Inc. - *Milli Membiela, Lending Director*

Citibank FSB - *Emilio Fernandez, Vice President*

Eastern National Bank - *Susana Proenza, Vice President*

Jubilee CDC - *Joseph Grimes, Consultant*

St. Agnes CDC - *James Gibson, Director; Lucille Rich, Management Consultant*

St. John's CDC - *David Alexander, President and CEO*

HUD Local Office - *Adoniram Vargas, FBCI Liaison*

Nashville, Tennessee

April 25, 2005

Wyndham Historic Union Station Hotel

Participants:

Nashville's Metropolitan Development and Housing Agency - *Hank Helton, Director*
 Affordable Housing Resources - *Eddie Latimer, Executive Director; Brady Banks, Intake Coordinator*
 Nashville Area Habitat for Humanity - *Christine McCarthy*
 Bordeaux Community Development Corporation - *Sherman Dunlap*
 Fifteenth Avenue Baptist Church - *Louise McClellan, Executive Director; Rev. Coetee Moore, Jr.; Roderic Burton; Arena Groves; Delphine Strains; Rev. Coetee Moore, Sr.; Rev. William Buchanan*
 Bethesda Community Development Corp. - *Lalita Hodge, Executive Director*
 HOPEWORKS - *Pastor Curtis Bryant, Executive Director; Terri Kennedy, Housing Coordinator*
 Dominion Financial - *Regina Harvey, Vice President and Sr. Loan Officer*
 HUD Local Office - *William Dirl, Field Office Director*

Oakland, California

April 8, 2005

Oakland Marriott City Center

Participants:

City of Oakland - *Sean Rogan, Division Director, Housing and Community Development; Jeffrey Levin, Housing Policy and Program Coordinator; Michele Byrd, Manager, CDBG Program; Caroline Williams, Housing Development Coordinator III; Audrey Eugene, Executive Assistant*
 Institute for Contemporary Studies - *Robert Hawkins, President; Richard Chackerian, Vista Volunteer*
 East Bay Faith-based Homeownership Alliance - *Debra Carrigan*
 FACES of the East Bay - *Robert Collins, Executive Director*
 Life Development Corporation - *Dr. Cindy Cristovale, Executive Director; Pastor Chris Cristovale*
 Millennium Ministries Group - *Dr. Lawrence Van Hook, President*
 Paradise Baptist Church - *Pastor Leon McDaniel*
 Allen Temple Housing - *Delores Lykes*
 Neighborhood Assistance Corporation of America - *Martin White, Area Director*
 New Life Church of God in Christ - *Pastor Daniel Stevens and his daughter Ada Stevens*
 Moriah Christian Fellowship - *Pastor Walter Humphrey*
 New Revelation Missionary Baptist Church in Pasadena - *Dr. William Turner*
 HUD Local Office - *Lille Zinnerman, Faith-based Liaison Region IX*

Raleigh, NC

June 16, 2005

Marriott Crabtree Valley

Participants:

City of Raleigh - *Joseph Rappl - Special Housing Coordinator, Lawrence Wray- Assistant City Manager*
 Self-Help - *Evan Covington Chavez - Residential Development Director,*
 The Raleigh Area Development Authority - *Wallace Green - President*
 Habitat for Humanity - *Veronica Bitting - Faith & Community Relations Manager*
 A Touch from above Faith Center - *Alton Sanders - Pastor, Sharon Sanders-Senior Pastor, Dione Curtis - Secretary*
 Glory To Glory House of Refuge - *Angela Ferrell - Exec Director*
 Bernard Hall Homebuilder - *Bernard Hall - Owner*
 CASA - *Mary Jean Seyda - Asst Director*
 DHIC - *Sally Haile - Community Development Specialist*
 Wesleyan First Church of Deliverance - *Rev Charles Brown - Pastor*
 Restoration Outreach - *Janet Taylor - Exec Director, Trythenia Redmond - President, Connie King - CEO*

(Raleigh, NC participants continued)

Fidelity Elk's Lodge #277 - *George Marshall - President*

Extra Hand - *Carla Awe - CEO*

Pieces of A Dream Outreach - *Renee Johnson - CEO*

Fountain of Life - *Eddie McNair - Pastor*

The Paragon Foundation - *Mary Lassiter-Green - President*

Durham Regional Community Development Group - *Glyndola Massenburg-Beasley - Chief Executive Officer*

Able Human Services - *Waymond Burton - President, Patricia Atwell, Assistant*

Passage Home - *Donna Ebron - Volunteer Coordinator, Francis Carmichael - Program Supervisor*

North Carolina Housing Finance Agency - *Mary Rea Todd - Team Leader Supportive Housing*

Evelyn Peoples - *Glorious Church*

Everett Jenkins - *Gethsemane CDC*

Bishop Taylor

Jerome Green

Reverend Frank White - *Alliance CDC, Inc.*

Matthew Ramadan - *Executive Director, Operation Breakthrough*

Royce Hathcock - *Neighbor to Neighbor Ministries*

Integrity Real Estate & Development - *Sharon Bethea, Project Manager*

Christian Community in Action - *Kenneth Bradshaw, Executive Director*

Wake County Human Services - *Claire Denning, Supportive Housing Program Director*

Holy Church of Christ - *Halton Taylor, Executive Director- Carolyn Taylor*

City Council Member - *Dr. James West*

HUD Local Office - *Teresa Shappel, Regional FBCI Liaison, Eddie Woodhouse, FBCI Liaison*

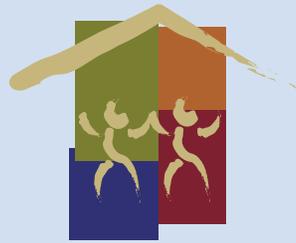


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The Robert C. Weaver Building**

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UNLOCKING DOORS INITIATIVE • FORUMS ANALYSIS



HUD Center for Faith-Based and Community Initiatives (CFBCI)
<http://www.hud.gov/offices/fbci/index.cfm>

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