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At A Glance

During the past year, five legal services programs each received funding and technical assistance from the National Economic Development and Law Center to help them build community economic development capacity within their program and service area. All five were able to generate new funding and continue providing assistance to community organizations engaged in revitalizing impoverished neighborhoods. This article describes:

- how this project was conceived
- how participating legal services programs were selected
- the design of the project itself
- the major accomplishments of the participating programs, and;
- the lessons learned that will assist attempts to incorporate community economic development capacity into legal services programs in the future.

Building a Community Economic Development Unit

By Mario Salgado

Mario Salgado is a staff attorney and the Capacity Building Project Coordinator at the National Economic Development and Law Center, 2201 Broadway, Suite 815, Oakland, California 94612, (510) 251 -- 2600.

I. Introduction

Individuals and families who live in neighborhoods experiencing economic decline have been deprived of quality jobs, decent education, access to health care, and affordable housing for generations. However, during the 1980s and early 1990s this country's needy inner cities and rural areas plunged into further poverty and decay. This rapid process of deterioration has caused concerned institutions, including government, not -- for -- profit organizations, legal services programs, civil rights organizations, and national intermediaries, to reassess the traditional approaches and strategies used in addressing these serious problems.

Nowhere was the process of reassessment more dramatic than in Los Angeles following the "Rodney King" verdict and disturbances of April 29, 1992. In the aftermath of the events in South Central Los Angeles, a number of foundations, including the Ford and James Irvine Foundations, asked the National Economic Development and Law Center (NEDLC) to assess the damage and outline the community economic development (CED) rebuilding issues presented by the civil unrest. During the assessment process NEDLC talked to a number of legal services programs and found them eager to help identify economic solutions for the hardest -- hit communities.

This process served as the catalyst for a Ford Foundation grant to closely examine the role that legal services programs can play in facilitating local CED efforts. By assisting several programs in forming CED units and building their CED capacity, NEDLC sought to create an easily replicated model to integrate CED into the structure, work, and mission of legal services programs. NEDLC sought to test the circumstances under which a legal services program should undertake this work; what value a legal services program could add to the local CED support structure; and how a program could best receive national technical assistance and coordination.

Legal services programs are part of the network of technical assistance and financial intermediaries at the local, state, regional, and national levels, which supports community -- based organizations engaged in CED. In some communities legal services programs are the only resource available to these organizations, and among the few local institutions that can foster and assist the growth of new organizations entering the community revitalization field.

Some legal services programs have formed highly successful and effective CED units. Of more than 300 programs around the country, approximately 20 percent have devoted substantial resources and staff to CED activities. A number of these programs, including those in Los Angeles,

Miami, New York City, and the statewide support center of North Carolina, have formal CED units which work directly with community development corporations and community -- based organizations. They have become an important part of the local community revitalization efforts.

Many programs, however, have done little CED work, focusing on their traditional role of providing individual legal services in areas such as evictions and public benefits. In addition, these programs often lack the staff time, expertise and program resources needed to explore innovative strategies and approaches that address the socioeconomic problems of their communities. They have been unable to integrate group representation into their overall programs so that it strengthens their effectiveness.

To overcome these barriers, NEDLC provided five legal services programs with grant funds and technical assistance to develop a CED unit, respond to substantive requests for assistance, and identify the local funding and other resources necessary to sustain the unit. NEDLC also made grants to five experienced programs to serve as mentors. The mentorship program allowed participating programs to learn from the mentors' experiences and successful track records. It also addressed one of the major barriers to effective CED activity -- the lack of information exchange among legal services programs. NEDLC hoped that this example of cooperation and information sharing would facilitate the development of regional networks of legal services programs engaged in CED work.

II. Participant Selection

The five legal services programs were carefully selected to ensure diverse representation, taking into consideration their:

- commitment to CED;
- community's interest and desire for CED assistance from the program;
- capacity to develop or enhance a CED unit; and,
- the clientele served and geographic location.

NEDLC selected four local programs -- Camden Regional Legal Services (New Jersey), Bay Area Legal Services (Tampa, Florida), East Arkansas Legal Services, and the Evansville office of Legal Services Organization of Indiana -- and the Arkansas statewide support center. These programs serve both urban and rural populations that exemplify the economic conditions found throughout the country. They are generally located in minority communities; in dense, poor, urban areas; in areas with access to nearby resources; and in rural communities whose only access to resources is hundreds of miles away.

For example, Camden is an impoverished minority community with very few resources, although only ten minutes away from Philadelphia. The program serves not only the urban community, but a large population of migrant farmworkers in the outlying rural counties. The Tampa program serves

both urban and rural clients. Its service area has been heavily impacted by the recession and downturn of the construction industry. The Evansville program faces the challenge of addressing the loss of jobs and the flight of the younger generation to other locales. It has a small minority community that makes up the majority of the program's clientele. The East Arkansas program is situated in the Mississippi Delta, an area far from any major industrialized sector, and often considered the United States' equivalent to the third world.

The Arkansas statewide support center was chosen to test the development of a model CED effort on the statewide level. NEDLC also hoped that the support center could continue working with the East Arkansas program after the project was completed.

Participants were matched with mentors as follows:

- Camden Regional Legal Services with Brooklyn Legal Services Corporation
- Evansville office of Legal Services Organization of Indiana with Legal Aid Society of Louisville, Kentucky
- East Arkansas Legal Services and the Arkansas statewide program with North Carolina Legal Services Resource Center
- Bay Area Legal Services with Greater Miami Legal Services

These mentors were selected for their geographic proximity and established CED track records. Brooklyn Legal Services Corporation has assisted community organizations in constructing hundreds of low -- income housing units and in obtaining bond financing for housing development. The Legal Aid Society of Louisville has represented neighborhood organizations on a wide range of organizational matters, and provided them with numerous training programs. The North Carolina state support center was instrumental in the creation and direction of the North Carolina statewide CED association, and together they have obtained and leveraged substantial funds for CED projects throughout the state. Greater Miami Legal Services has represented community development organizations in complex housing and commercial development projects, conducted many training seminars for community groups, and devoted significant energy to working with groups on the reconstruction of the Homestead community devastated by Hurricane Andrew in 1993.

The fifth mentor, the Legal Aid Foundation of Los Angeles, provided technical assistance to all five program participants. Its long -- standing CED unit has been actively involved in representing community organizations and conducting CED workshops, particularly for tenant groups.

III. Project Design

The methodology used to implement the project was varied and responded to the specific needs of each participant, but generally proceeded in the following four stages:

A. Phase 1: Site Visits

NEDLC staff visited the site of each program and their mentor to become acquainted with staff, provide general training on CED, and collect significant local data necessary for eventually providing effective technical assistance to the program and its clients.

B. Phase 2: Community Assessments

Each program, with NEDLC backup support and technical assistance, developed an assessment of its community's needs and resources, its own capacity to provide CED services, and the services in which it would be most effective.

To assess their community, the programs utilized personal interviews, focus groups, and data research, as well as examining reports and assessments made by other local institutions. During the assessment process, the programs cultivated relationships with community leaders, community -- based organizations, religious groups, elected officials, administrators, the business community, and other community institutions whose cooperation would be necessary to effect change.

C. Phase 3: Strategic Planning

After completing their assessment, each program, with NEDLC assistance, created a one -- to three -- year strategic workplan for the operation of its CED unit and the integration of the CED unit into its other work. The workplan was based on the community assessment and identified specific priority projects. It included goals, objectives, methodology, timelines, and evaluation mechanisms. The workplan was discussed and approved by the program's board and staff in order to ensure full support for CED efforts and permanent integration of the CED unit into the program.

D. Phase 4: Ongoing Technical Assistance

NEDLC provided technical assistance and CED training to the programs on their specific projects, including training for client organizations and other CED practitioners in the community.

Participating programs had continuous telephone access to the Project Coordinator and other NEDLC staff throughout the project year. NEDLC staff visited each program three or more times during the year. Three major in -- person meetings and teleconferences were conducted. After the first round of site visits, a mid -- project status update took place, followed by a project -- ending evaluation session. In addition to the site visits by NEDLC staff, a representative of each mentor program visited the assigned program at least once during the project year, and was available for consultation by phone at all times.

IV. Major Accomplishments

A. Empowerment Zones/Enterprise Communities Program

Four of the five program participants used their training in CED and their needs assessments to assist community organizations in participating in their city's applications for the new federal Empowerment Zones/Enterprise Communities (EZ/EC) program, one of HUD's most sought -- after funding opportunities. NEDLC distributed several briefing papers and provided telephone and on -- site technical assistance on planning for the new program. NEDLC also hosted a telephone conference on the EZ/EC program, with speakers from HUD, the Department of Agriculture, and several highly experienced CED practitioners.

B. Arkansas Statewide Support Center

State support centers traditionally provide training, coordinate task forces, prepare newsletters and manuals, and engage in advocacy on issues brought to them by local programs. In Arkansas, because only one program had a history of CED work, the support center was not being asked to devote significant resources to CED. It decided to take the initiative in introducing CED to other Arkansas programs. Support center staff met with all programs in the state and sponsored eight training sessions on community economic development. The staff developed a database of community -- based organizations and encouraged programs to discuss issues and needs with those in their service areas. The staff also worked with six of the programs to attract human, technical, and financial capacity -- building resources to their communities. Four programs now include CED as a component within their overall goals and objectives. The Arkansas support center will next focus its efforts on one or two key issues of interest throughout the state, and seek funding for a coordinated strategy. So far, it has received sufficient local funding to finance its increased CED activities.

C. Bay Area Legal Services

Few community organizations, in either the urban or rural parts of Bay Area Legal Services' (BALS) service area, had CED experience or the capacity to develop and implement a CED project. In developing a workplan based on this initial community assessment, BALS program staff emphasized assistance to two promising organizations, one urban and one rural, and the delivery of CED capacity -- building workshops. The assessment also identified the many other available resource organizations in the community. Program staff organized a group meeting and encouraged these organizations to learn more about the services offered by the others, and to explore ways of working together. Program staff also gained considerable pro bono support from private attorneys, primarily for incorporation and tax exemption application.

Since fewer local resources are available to rural organizations, BALS program staff sought assistance from the Local Initiatives Support Corporation and an experienced farmworker housing organization in the Miami area. The staff also held community forums on topics of concern, and helped rural organizations in their efforts to advocate for more resources as part of the federal

Enterprise Community application. To address the CED capacity -- building needs of the rural farmworker housing organizations -- none had experience in new housing construction -- BALS program staff organized a workshop on housing development and job creation.

In the urban areas, community organizations identified crime and safe neighborhoods as their primary concerns. In response, BALS program staff organized workshops on this subject, and assisted groups in obtaining funding for crime prevention and other similar programs. Although program staff initially thought that urban organizations would focus on housing rehabilitation and development, the assessment process enabled them to adapt to and more effectively meet community needs.

D. Camden Regional Legal Services

Program staff at Camden Regional Legal Services (CRLS) spent a considerable amount of time ensuring community participation in Camden's federal Empowerment Zone application. They reached out and became much better known throughout the community as an available resource. As a result of their outreach efforts, the program began a close working collaboration with a newly formed coalition of eight nonprofit housing development organizations in Camden. CRLS staff is now assisting one of them with its real estate closings, and is helping another housing group to incorporate and obtain tax exempt status. The program also assisted one group in its successful application for a HOPE III grant for the rehabilitation of 20 homes for low income homeowners. The New Jersey state support center actively assisted CRLS program staff during the Empowerment Zone application process, a collaboration that the program hopes to encourage in the future.

In addition to these urban efforts, staff working with the large farmworker population in the program's service area explored the development of a credit union and a food buying club, as well as farmworker housing. CRLS received an increase in United Way and IOLTA (Interest On Lawyers' Trust Accounts) funding to support its CED efforts. Its success in securing funding and the process of developing a long -- term CED strategic plan, resulted in the decision to hire an experienced CED attorney to lead their future efforts, and a CRLS board decision to adopt CED as a major program priority.

E. East Arkansas Legal Services

Program staff at East Arkansas Legal Services (EALS) significantly increased their CED involvement and the program's visibility within their community. The community needs assessment process brought the program to the attention of many community organizations. The program's CED efforts also were publicized in local newspapers and organizational newsletters. Unlike other programs, all case handlers participated in CED efforts, thus integrating and institutionalizing this type of work throughout EALS. The program provided the necessary staff training.

EALS pursued several high -- impact, large scale collaborative projects during the year. Staff assisted the Mississippi County Opportunity Commission and the Delta Research Education

Development Foundation in developing a coalition of housing organizations. The coalition will serve as a resource network for local community -- based housing and development organizations. The Arkansas Association of Community Development Corporations was formed with an EALS staff attorney as the board chairperson. Facilitating community meetings in several counties, EALS program staff served on the steering committee for the preparation of a federal Empowerment Zone application.

The program also provided critical assistance to a community organization in the acquisition and removal of housing from a closed air force base; assisted several housing organizations in securing more than \$230,000 in HOME and HOPE III monies for the construction of affordable housing; assisted in the development of a community based drug education program; worked on the development of several day care centers; and conducted three training classes for community groups on financial management, including board responsibilities, preparation of forms, and use of computers.

To address the lack of local financial resources for community -- based CED efforts, the program worked with the United Way of Greater Memphis to form a local United Way chapter. The local chapter will be an ongoing source of financial support for community organizations. Finally, EALS was successful in obtaining funding for its CED unit for three years.

F. Legal Services Organization of Indiana, Evansville

Program staff at the Evansville office of the Legal Services Organization of Indiana conducted an extensive community economic development needs assessment, from which they developed a two - year workplan. The Evansville plan emphasized CED capacity -- building in community -- based organizations by providing workshops and the technical assistance of program staff and other resource organizations, as well as engaging in advocacy focused on redirecting the flow of government resources for the benefit of community -- based efforts. The assessment, partially funded by the Indiana Department of Commerce, sparked a city -- wide debate on the role of community organizations in the revitalization of Evansville.

Evansville program staff pursued several other opportunities to promote an increased role for community organizations. The staff actively intervened in the federal Enterprise Community application process on behalf of organizations whose input had not been sought. They assisted a coalition of neighborhood organizations in their challenge to the allocation of Community Development Block Grant funds. Evansville staff also worked closely with a coalition of inner -- city organizations seeking a financial commitment from the city and the potential operators of a riverboat gambling concession.

CED capacity -- building efforts included technical assistance to a neighborhood organization in establishing a community center, and to a public housing tenants organization on a joint business venture. Evansville program staff conducted grantwriting and other relevant workshops, and linked the local bar association to organizations for the preparation of tax exemption applications and other legal assistance. Staff worked cooperatively with the Local Initiatives Support Corporation as a member of its strategic committee. They assisted the local community action program in its

efforts to create a new facility in a distressed African American community. Finally, Evansville staff succeeded in obtaining more than \$65,000 from new sources in support of their CED work, thus funding the CED unit for at least another two years.

VI. Lessons Learned

Participating programs and their mentors felt that the project was a success. The programs found that local funding was available to legal services programs to support the implementation of a well -- developed workplan and to incorporate CED permanently into their work. The community assessment process provided the participating programs with new insights into their communities and helped them forge alliances with other organizations and the community itself. They educated their staff and board about CED. They received expert technical assistance not only from their mentors but from each other, demonstrating the value of networking and information sharing among legal services programs. They have become leaders within their states on CED issues.

Mentors found that the project provided an opportunity to reflect on their CED work and how they operate their CED units. As their communities have changed, they realized they had not always reassessed their workplans and activities, or reevaluated their efforts. In assisting others, they learned more about themselves.

Individually, some participating programs benefited more from the project than others. For some programs turnover in management and staff, the lack of involvement of an executive director, or a lack of acceptance by other staff members affected the ability to make the most of available assistance. NEDLC found that successful integration of CED work requires support at many levels within a program, and that programs need to designate a formal CED coordinator/manager.

Although participating programs moved quickly and were able to begin work on specific projects within six months, the one -- year time period was found to be too short for the planning, implementation, and fundraising necessary to create a permanent CED unit. Two or three years will generally be needed. The participating programs will receive assistance from NEDLC during the second year transition from creating a workplan to implementing it, but must depend more on the assistance from other legal services programs.

By the time of publication, an NEDLC manual based on the project should be completed and available to legal services programs interested in forming a CED unit. The manual describes the challenges programs face in providing coordinated assistance to community organizations on issues of community revitalization, and suggests processes and methods for meeting those challenges. The staff at the NEDLC looks forward to working with your programs.