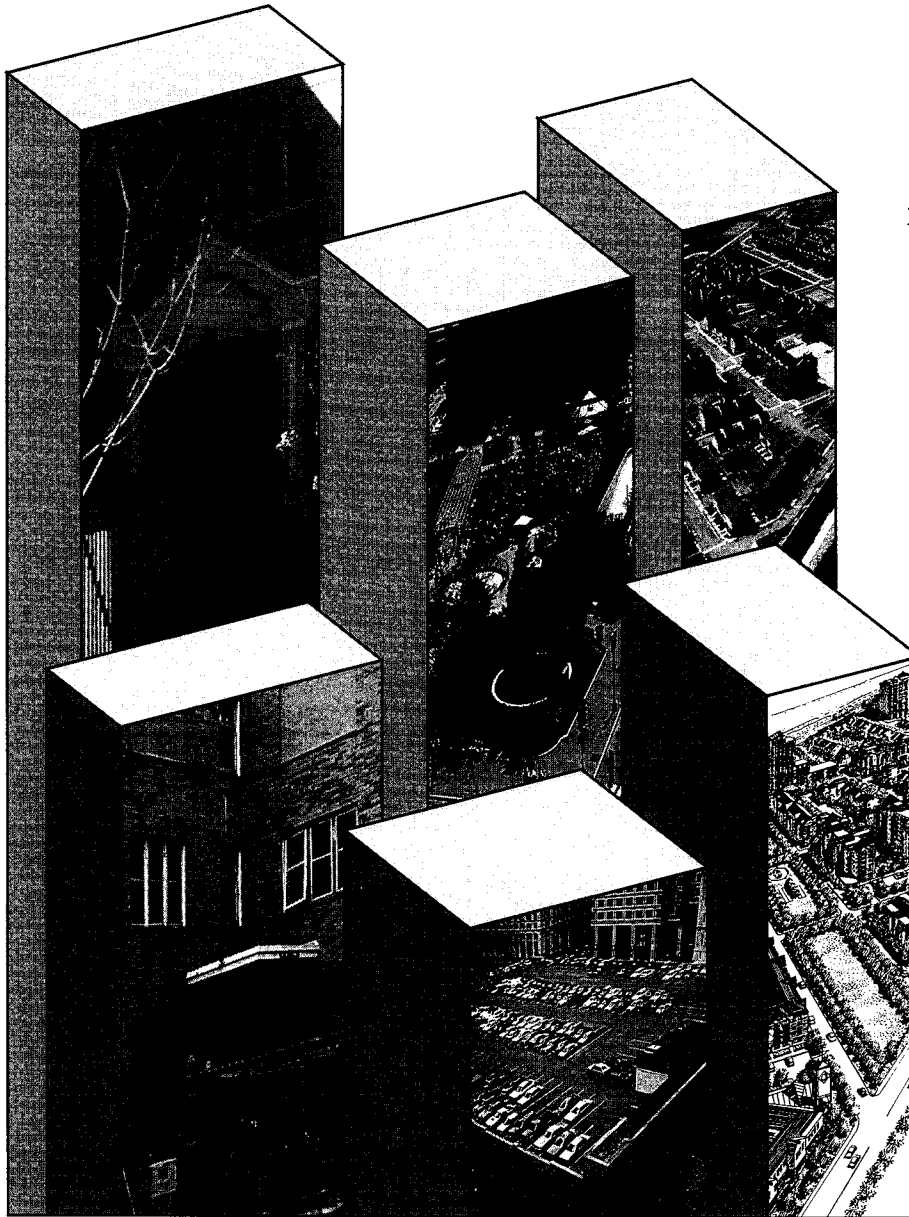


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# REBUILDING COMMUNITIES: RE-CREATING URBAN EXCELLENCE

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## **NEW COMMUNITY CORPORATION Newark, New Jersey**

### **SUMMARY OF SELECTION COMMITTEE DISCUSSION**

#### **Initial Reasons For Including the Project as a Finalist**

- Range and comprehensiveness of services offered.
- Ability to create jobs.
- Their choice of projects appears to be driven by community needs.
- They have built institutions that allow the community to solve its own problems.
- Sensitivity to historic sites.
- Patience and longevity; survival for over 25 years as a community developer.

#### **Selection Committee Concerns and Questions**

- Does the project still depend on its founder (Msgr. Linder) or has succession taken place?
- Is this a bureaucratic or a community based organization?
- How is it perceived by the various communities in Newark?
- What is their design process? Is it participatory? Why aren't buildings more interesting architecturally?

- Is there a focus on adaptive reuse? Why have the uses of historic buildings (e.g., the church) been changed?
- What is their relationship with local government?
- How do their for-profit businesses affect other NCC operations? Are local people employed by these businesses?
- How is security handled? Is there a proactive response to crime?
- What are NCC's future plans?

### **THE PROJECT AT A GLANCE**

#### **What It Is**

- One of the oldest and largest community development corporations in the country, having developed projects worth over \$200 million with annual operating budgets of nearly \$100 million.
- The most significant provider of affordable housing in Newark's Central Ward (over 2,500 units with over 6,000 residents), including facilities for families, senior citizens, extended care, and homeless families.



*NCC has redeveloped 45 acres of the inner city.*

NCC

- A provider of many essential social services (GED, drug prevention, job training, etc.) to residents of Newark's Central Ward; almost a "shadow city".
- Developer and operator of 7 child care centers, several of which are aimed at groups with special needs (for example, one created the first Head Start program for HIV positive children, another serves formerly homeless parents and children who reside in Harmony House's transitional housing program).
- A major force in training, employing and finding jobs for Newark residents. Currently employs over 1,200 people, most of whom are minority residents of Newark.
- Operator of a number of health related services (including a Wellness Center and a Community Health Service).
- Owner of several for-profit businesses, including a shopping center (with a Pathmark supermarket, food court, printer and some franchise operations), and a restaurant and sandwich shop in the renovated St. Joseph's Church building.
- Operator of a kindergarten through eight grade alternative school for almost 300 children.
- Publisher of a monthly community newspaper with circulation of 42,000.

#### **Who Made Submission**

- The New Community Corporation, a private, non-profit organization.

**Major Goals**

- To respond to the urban decay and destruction of the 1967 riots in Newark.
- To improve the quality of life of the people in Newark to reflect individual dignity and personal achievement.
- To be responsive to community needs.
- To provide a complete range of human services (including housing, health care, employment, child care, etc.)

**ACCOMPLISHMENTS**

(Note: this is a partial listing, containing only major projects in the Newark area.)

**Housing**

- NC Homes - 120 units. Total development cost \$4,448,300; rent subsidized (HUD Section 236 with 101 rent subsidy). New construction, opened 1975.
- NC Associates - 224 units in a 15 story building. Total development cost \$8,750,000; HUD Section 8 rent subsidy. New construction, opened 1978.
- NC Commons - 372 units consisting of an 18-story senior building, two-story family units, and a one-story community pavilion. Total development cost \$20,650,000; Section 8 rent subsidy. New construction, opened 1980.
- Douglas Homes - 135 senior units in a 15-story building. Total development cost \$6,175,000; Section 8 rent subsidy. Rehabilitation of former hotel, opened 1980.
- NC Gardens - 161 senior/handicapped units in an 11-story building; 75 family units in five 3-story buildings. Total development cost \$13,500,000; Section 8 rent subsidy. New construction, opened 1981.
- NC Manor - 154 senior units in a 10-story building; 173 family units in ten 2- and 5-story buildings. Total

development cost \$23,425,000; Section 8 rent subsidy. New construction, opened 1983.

- Harmony House - for homeless families. See case study below.
- Extended Care Facility - 180 nursing home beds; 60 adult medical day care slots. Construction cost \$11,000,000; 100% Medicare eligible. New construction, opened 1986.
- Other - several other projects including NC Roseville, Douglass-Harrison, NC Sussex, for a total of 2,579 units accommodating over 6,500 low income persons.

**Child Care**

- Babyland I - 99 Head Start & Title XX children, infant to preschool.
- Babyland II - 35 Protective Services children, 74 Good Start Program children, 3 months to 4 years.
- Babyland III - 192 Title XX & non-Title XX children and REACH program, infant to preschool.
- Babyland IV - 30 HIV-infected children, Head Start, 3 months to 3 years.
- Babyland V - 77 homeless children of Harmony House, infant to preschool.
- Babyland VI - 95 children in a protective services program, from infants to 4-1/2 years.
- Babyland VII - 79 children of Blue Cross/Blue Shield employees (in downtown office building), infant to preschool.
- Babyland also runs a Family Violence Protective Shelter for 20 families (women and children); and a summer program for 50 children in the 5th through 12th grades.

**Employment Training**

- NCC runs an employment center with three locations (one of which is in Harmony House to serve homeless parents). The

center places people in major New Jersey companies and in NCC enterprises. In 1991, 965 applicants were placed in jobs.

### **Commercial Enterprises**

- Neighborhood Shopping Center: Pathmark Supermarket/ Pharmacy, NCC Grocery Delivery Service, Dunkin' Donuts, Mailboxes, Etc., NCC Print and Copy Shop.
- St. Joseph's Plaza: The Priory (restaurant), Sandwich Shop, Wellness Center and Spa, Walk-in Health Center (in partnership with United Hospital Medical Center).

### **Other Programs**

- NCC is involved in many social service programs, working in partnership with many different agencies, including but not limited to: Meals-On-Wheels, the Ryan White Foundation, Center for Adolescent Substance Abuse, Medical Transportation, and the Community Food Bank.

### **Issues That Could Affect Selection As Winner**

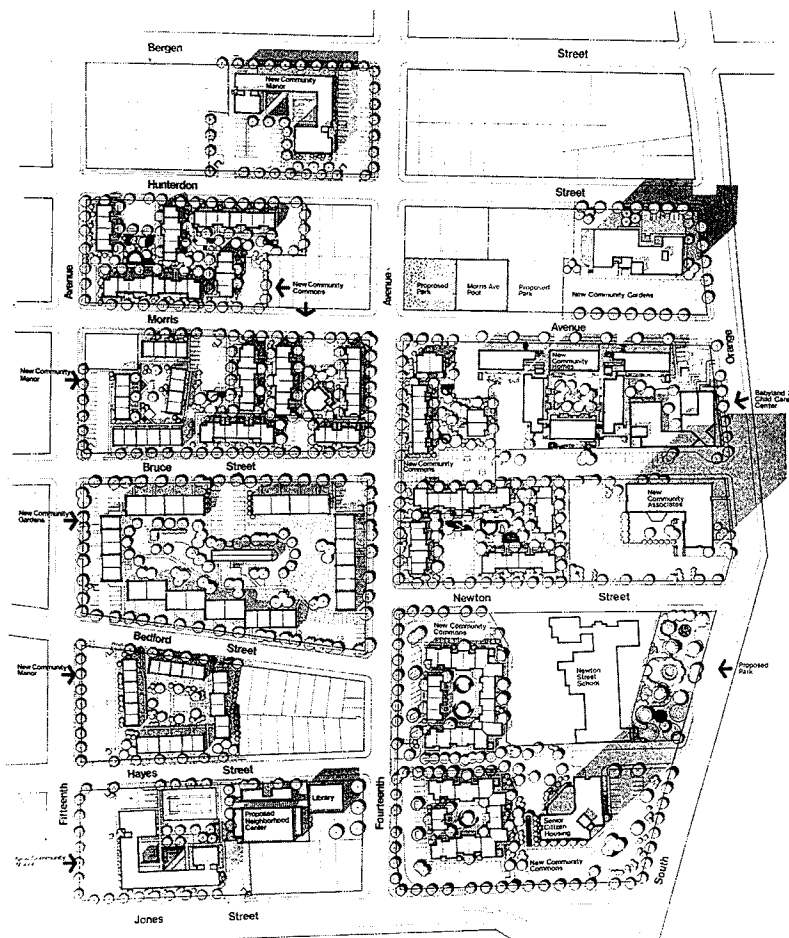
- NCC has accomplished a great deal in one of the most devastated urban areas in the country, and has survived and prospered in lean times.
- NCC has a comprehensive approach to community development, touching almost every aspect of the problems people face in urban communities, in most cases with a large scale, thorough, and thoughtful response.
- NCC has shown itself to be responsive to changing community needs, moving quickly and strongly into niches as needs arise (such as its leap into the health care business, and current development of the "Children Together" program).
- NCC has shown the ability to undertake internal self-examination and organizational restructuring to maintain its flexibility and deal with its own growth.
- NCC's approach focuses on providing quality services for its clientele and helping people to become independent.

- In the past, NCC has shown a lack of (possibly even a disdain for) strategic planning, in favor of a flexible, ad hoc response to problems as they arise. The new restructuring has involved a greater emphasis on strategic planning for growth in critical areas (see Current Projects and Future Plans, below).
- The organization clearly centers on the creative and moral force of Msgr. Linder, and would suffer greatly from his loss. It is far from a one-man operation, however. There are many talented people at all levels — some come from the community and have been promoted from within, others as hired outside professionals. A major goal of the recent reorganization is to put in place a structure which can assure survival and growth in the future.
- In spite of the stated emphasis on "quality" the design and aesthetic nature of much of the housing is less than exciting. NCC officials suggest that code restrictions severely hindered creativity in those areas, and point to the very attractive rehabilitation of the St. Joseph's Church as an example of what they can do when they have free rein.

## **PROCESS**

### **Chronology**

- 1967. Newark riots. A group meets in Queen of Angels church to aid the community during and after the riots. A housing committee is formed to explore low cost housing solutions. On a parallel track, Mary Smith begins to explore child care options.
- 1969. With a seed loan from the N.J. Department of Community Affairs, the New Community Foundation is established. Babyland Nursery opens in the basement of Scudder Homes.
- 1973. Construction of NCC Homes begins; occupied in 1975.
- 1977. Construction of NCC Associates senior high rise and rehabilitation of Little Sisters of the Poor Home for the Roseville Senior Building are begun.



- 1978. NCC Associates is occupied. Construction of NCC Commons begins.
- 1979. Douglas Hotel rehabilitation (as Douglas Homes) begins.
- 1980. NCC Commons and Douglas Homes are occupied. Construction of NCC Gardens begins; occupied in 1981.
- 1982. NCC Manor begins construction; occupied in 1983.

- 1984. Extended Care Facility begins construction. NCC Employment Center opens.
- 1985. St. Joseph Plaza renovation complete. NCC Federal Credit Union opens.
- 1986. Extended Care Facility is occupied. Rehabilitation of Douglass Harrison Apartments begins.
- 1988. NCC acquires Sussex Apartments.
- 1989. Bayview Court Phase I begins. Construction and occupancy of Harmony House.
- 1990. Neighborhood Shopping Center opens.
- 1991. Bayview Court is occupied. NCC assumes management of Englewood Gardens.
- 1992. Construction begins on Phase II of Bayview Court. Bergen St. building purchased for conversion to Employment Training Center.

**Key Participants**

In an organization this large there are many key participants These are but a few of them.

**New Community Corporation (NCC)**

- Msgr. William Linder\*, founder and head (though he is not chief executive).
- Raymond Codey\*, Director of Development.
- Mary Smith\*, Executive Director of Babyland.
- Florence Williams\*, Director of Human Services.
- Jeanette Page Hawkins\*, Director of Harmony House.
- Sister Daniele Brought, Director of Nurses, Extended Care Facility (no longer at NCC).
- Tonya Smith\*, In-house Counsel.
- William Delaney\*, Finance Director.

**Other Participants**

- Frank Passini\*, architect, responsible for design of several of the housing projects and the World of Foods.
- Sharpe James\*, Mayor of Newark.
- Jack Mullen\*, Executive V.P. of Johnson & Johnson, President of the Board of Trustees, New Community Foundation.
- Catherine McFarland\*, Victoria Foundation, a very early supporter of NCC.
- John Marques\*, Fiscal Manager of Supermarkets General (owner of the Pathmark chain).

**NCC's Decision Process**

The decision making process at NCC is keyed on being able to make fast decisions in order to respond to opportunities and needs. In the past there has been a short chain of command - NCC staff discusses an idea, goes to Msgr. Linder and a decision is made. As we note in more detail elsewhere, decisions involving considerable commitments of time and resources have been made in a few hours. Spontaneity seems to be an important ethic at NCC.

Once a decision is made to begin a new project, the community is typically involved in the planning process. This may be through a survey of needs or by creating a planning group which includes community and potential user groups to help in the planning and design process.

The recent reorganization (described below) is aimed, in part, at allowing the organization to maintain personal contact over the growing range of operations. Each of the six divisions will be headed by an NCC staff member, and will have a corporate member of the Foundation as its personal advisor or consultant. It seems likely, however, that for the foreseeable future important decisions will still be made in discussions with Msgr. Linder.

**PROJECT DESCRIPTION****Historical Context**

Newark in early 1967 was a city which had gone through major social and economic upheavals in the post-war period. Where African-Americans had been a small minority in 1944, by 1967 they were the majority population. A once prosperous industrial city had lost manufacturing and jobs to the suburbs. It had the highest concentration of public housing in the U.S. — 13,000 units owned and run (poorly, by most accounts) by the Newark Housing Authority. Much of the private housing stock was substandard. The city ranked at the bottom of lists of U.S. cities as measured by most indicators (crime, poverty, disease, etc.).

The State of New Jersey evoked considerable bitterness by siting the new College of Medicine and Dentistry in Newark's Central Ward. "Much of the housing on the site was substandard, but residents had few other options in Newark's tight housing market. The state gave neighborhood residents no input into the medical school plan, leaving the community outraged and desperate." (Koechlin p. 12)

The beating of a cab driver set off several days of riots and looting which were aimed at white store owners and the College site. The official post-riot analysis blamed the worst violence on the police response. Most of the 26 dead were shot by police. Father Linder was among the people to report seeing Newark police join in the looting of stores.

**Founding of NCC**

Before the riots were over, Father Linder and others began meeting at the Queen of Angels church to discuss a response. With all local sources of food closed or burned out, they began delivering food to people in their homes. The group that met eventually formed the core of NCC Board and established a housing committee to create a response to the poor housing conditions in the Central Ward.

The committee visited low income housing sites around the country and concluded that high rise buildings were unsuitable for poor families. They recruited architect Oscar Newman (of "defensible space" fame) to help plan their first housing project, NCC Homes. It is a low rise structure in which each apartment has its own out-





New Community Gardens

NCC



NCC Commons

NCC

side entrance. All units face the internal courtyard, to facilitate parents watching their children at play.

Babyland began as a response to the difficulties black women had in finding stable employment. Mary Smith, a resident of Newark public housing, organized Babyland I to care for 25 infants in the Scudder Housing project. For years it operated on church fund raisers, until federal and state funding became available. Father Linder speaks of the connection between NCC and Babyland as a mutually supportive network.

Today, as NCC seeks to expand its scope of operations, the College of Medicine and Dentistry remains its prime competitor for land in the Central Ward.

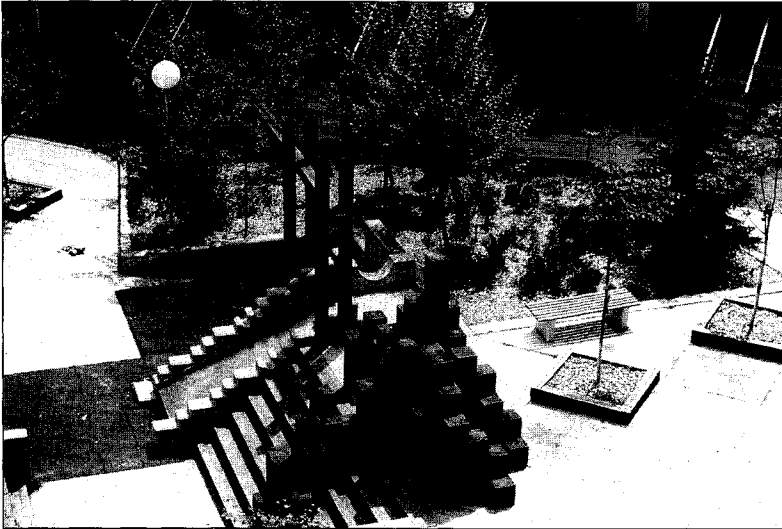
#### Description of Selected Projects

NCC is too large and diversified to present all or even most of its projects in detail. What follows is a description of two projects:

#### Harmony House

Harmony House was developed as a response to the lack of transitional housing for homeless families. Most such families are placed in one of several motels in downtown Newark where living space is tight, cooking facilities and other amenities are non-existent, and security is poor.

The new facility was planned with a design team which included staff from local agencies and potential residents. The goal was to build safe housing which was adequate for a brief transitional period of around 8 months. Most units are small 1 bedroom apartments with a living/dining room, small kitchen and bathroom. This can be tight quarters for a family of four, even if spacious by comparison to a motel room. Walls are painted concrete block, floors are vinyl tile. NCC staff said that the space was intentionally kept small and sparse to spur motivation for finding permanent housing outside the facility. All units are entered from a covered (but not enclosed) outside walkway so that windows and doors face the interior courtyard and play area.



*New Community Homes: courtyard*

NCC

A most important aspect of the facility is the social service program. The minimal screening process focuses on obtaining resident commitment to the building's rules (for example, no visitors are allowed in the apartments) and program (school for all children; education, counseling and/or job training for parents). The average stay is eight months.

We met one woman who had left because the strict rules made the facility "feel like a prison." Several others said that many adults in Harmony House only "pay lip service" to the program. Still, a significant number seem to benefit from the facility and its programs, including the children. An important part of the philosophy of Harmony House is to use the program to "get to the kids". While it may difficult or impossible to turn around the lives of many adults, a program may make a major difference in the life of a child. Staff pay careful attention to school attendance, and report only a 1% truancy rate. After school and summer enrichment programs are also offered.

Parents are offered GED programs, job training, parenting courses, and other counseling aimed at helping them to develop and main-

tain independent living. We met several women who had been trained at Harmony House and placed in jobs through NCC Employment Center. One resident we met was trained as a home health care worker and placed at the Extended Care Facility, which is next door to Harmony House. Harmony House claims to have better than an 80% success rate in placing residents in viable housing.

The program includes follow-up with residents after they have left the facility to see how they are doing and to offer further aid if needed. In 1993, Harmony House won the National Alliance to End Homelessness' award for homeless programs.

#### **Community Shopping Center/Pathmark Supermarket**

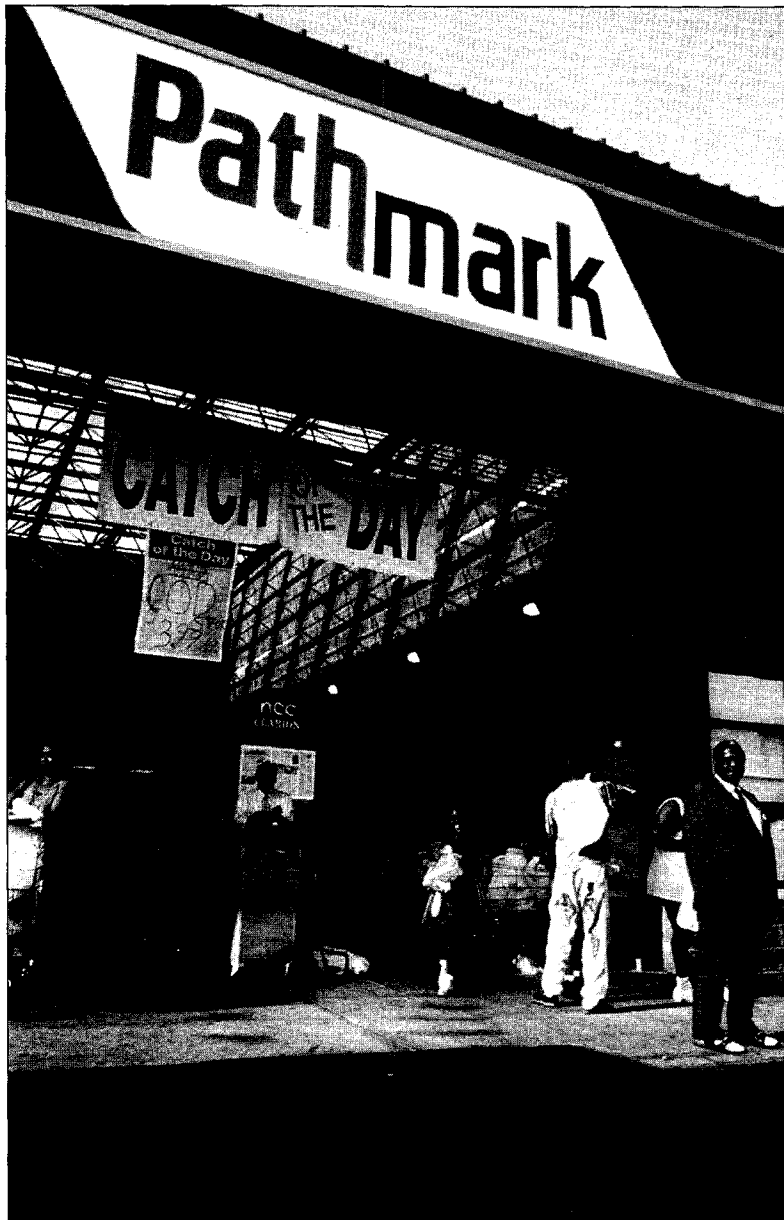
The Central Ward of Newark, like many other inner city areas, had been without a major supermarket for years. Residents were forced to travel long distances for food shopping (which for many poor women meant riding on one or two buses), or to shop at neighborhood bodegas or convenience stores with less selection and higher prices (as much as 30% more)

In the early 1980s, NCC began to assemble parcels of land with an eye toward developing a shopping center with a supermarket. They conducted a survey of the community and determined that most favored two local chains, Pathmark and Shoprite. At the same time they became aware of a Pathmark store in another inner city area (the Bedford-Stuyvesant section of Brooklyn, New York) which was owned in partnership with a community organization. NCC eventually negotiated an agreement with Pathmark in which NCC is owner and developer of the shopping center and two-thirds owner of the supermarket.

The agreement required that prices in the NCC store be set at levels no higher than in similar suburban markets. Pathmark originally planned to have a minimal fresh produce section and only sell frozen fish. Community input led to expanding both these sections. Today there is an extensive and impressive produce area and large, well designed fresh fish department, both of which are profitable.

The shopping centers contains other businesses owned by NCC: Dunkin Donuts, Mail Boxes Etc., Print and Copy Store, and the World of Foods food court. All these businesses provide jobs and





NCC

job training for local residents, through the NCC Employment Center. World of Foods is working on developing a training in culinary arts.

NCC uses these stores to support other programs wherever possible. The Pathmark Pharmacy, for example, is used for health screening programs. The supermarket offers weekly specials supporting nutrition classes. In addition, vans are provided to deliver food and provide door-to-door rides for customers.

Sales have far exceeded expectations. The shopping center is making money for all partners. NCC uses its profits to support money losing for-profit and non-profit enterprises, and to finance new ventures. The Local Initiative Support Corporation (LISC) has cited the Community Shopping Center as a model for returning supermarkets to other inner city areas.

#### **NCC Organization and Leadership**

It is tempting, but misleading, to begin and end the story of NCC with Msgr. Linder. His ability, however, should not be understated. Over two and a half decades he has shown courage, creativity, persistence, and political and organizational understanding. "I don't know about the other MacArthur winners, but Father Linder is truly a genius," said New Community Foundation Board President Jack Mullen. People regularly speak of him as providing creative approaches to problems and, more importantly, a moral compass for the organization.

Some of that genius is obvious in the early strategies and decisions taken when NCC was just beginning. Msgr. Linder asked each member of the board to commit to a twenty year membership — to provide a long term perspective and continuity — and none dropped out. He also made an early effort to expand support for NCC beyond the inner city. Extensive networks were created with people and organizations in white, middle class suburbs. These provided money, political support, and expertise.

He is, associates say, impatient with "no" when "yes" is possible, and a master at making it easy for someone to say "yes". He won't hesitate to wear his priest's collar and full clerical garb if that helps to impress a potential donor. He has been known to have a troop of children from a day care center "accidentally" walk in on an impor-

*Babyland 3*

tant conference and position themselves in the laps of various businessmen or politicians.

Msgr. Linder also lends a critical element of credibility to NCC operations. Newark is no stranger to political power plays and kickbacks. In other hands many might look at these ventures in which considerable sums of money are exchanged and wonder who is getting rich. With NCC, that does not seem to be an issue in anyone's mind.

It is clear, however, that NCC is much more than any one person. First, there are many dedicated and creative people within the organization, such as Mary Smith who created and manages the largest day care operation in New Jersey. It is also an organization with considerable grassroots support and involvement in all of its endeavors.

NCC has grown so large and complex that it is hard to adequately describe it as a CDC. In some respects it is like a corporate conglomerate, a loose organization of six sub-corporations. In other ways it is a shadow city, filling voids left by Newark's legal government in housing, health care, education, job production and train-

ing, transportation, child care, and even mail service. As Msgr. Linder himself has said, "in the Central Ward, we are it." Peter Goldberg, president of the Prudential Foundation says "I've seen more non-profit CDCs than most. There is no question that on many scores it is clearly the best in the country — in terms of its impact on a large area, and in developing a broad base of support."

NCC is experiencing considerable organizational change as it enters its 25th year. The newly constituted New Community Foundation board of trustees, largely drawn from major New Jersey corporations (such as Johnson & Johnson, AT&T, Prudential), has played a major role in this restructuring. The new NCC organization consists of six inter-linked groups: Finance and Commercial Development; Education; Public Relations; Health Services; Training; and Housing. Each group has an NCC head and a trustee from a related industry serving as an advisor and consultant. These groups are beginning to go through a more formal strategic planning process to identify needs and plans over the next five years (see Current Projects and Future Plans, below).

### Design

The design process in all of NCC's many projects is reported to involve user participation. NCC designs seem appropriate and supportive of their functions, although the esthetic quality of the designs vary considerably.

The early housing projects, planned with the assistance of Oscar Newman, made good use of defensible space concepts, and appear to be quite successful in providing safe and comfortable housing. However, it seems that security became the overriding concern, at the expense of esthetics. The early projects are utilitarian in appearance with little effort expended to make them more attractive. NCC maintains that constraints of cost as well as code and agency restrictions have led to this result. They suggest that the "state did not want attractive design for low income housing." However, there are other examples in the immediate area of projects built at the same time and under the same constraints that have succeeded in achieving a more pleasant appearance.

More recent projects also vary in their treatment of visual quality. Harmony House is plain on the street facade but even stark on the

interior courtyard and inside the apartments. The brick Extended Care Facility next door had more attention paid to its design and is more attractive.

On some of the projects, NCC has realized the potential for design image to support the facility's mission. Some of the Babylands are bright, colorful, cheerful, dynamic spaces — highly appropriate to the children's activities they contain. The food court at the World of Foods is a tall, sky-lit space with indoor trees and rather crisp, high tech detailing — making a pleasant and inviting place to eat lunch.

St. Joseph Plaza is a well conceived and executed adaptive reuse of an abandoned church. The exterior has been restored and retained in close to original condition, while the interior has effectively made use of the tall, arched spaces to create attractive and pleasant dining areas, and comfortable office space. Stained glass windows have been retained throughout.

### **Financing**

NCC has developed over \$200 million worth of properties. It has many diversified sources of income, with an annual operating budget in 1991 of about \$100 million. Any "profit" or surplus is invested in projects that require capital or used for scholarships and other contributions. NCC has tried over the years to avoid funding which came with unwanted strings or restrictions. For that reason, very early on they requested that a \$50,000 grant from a large corporation be changed to a loan. The corporation, impressed, agreed and increased the loan to \$200,000. Two examples of project financing are described here.

Harmony House was financed as follows:

- \$3 million mortgage from Mutual Benefit Insurance
- \$1 million grant from the N.J. Dept. of Community Affairs
- \$200,000 grant from the Leonard Stern Foundation
- \$300,000 working capital from NCC

Harmony House receives payments for each resident family of \$76 per day from federal Emergency Assistance funds. These payments (which are less than the fees paid to welfare hotels) are sufficient to cover the mortgage and support Babyland V and other programs.



*Extended Care Facility*

The Community Shopping Center was financed as follows:

- \$2.8 million equity investment from NCC of funds derived from syndication of tax credits from low income housing projects.
- \$1.53 million Urban Development Action Grant
- \$300,000 Community Development Block Grant
- \$50,000 Neighborhood Development Demonstration Grant
- \$717,000 equipment loan from the Economic Development Authority (for satellite stores)
- \$8.58 million construction loan from First Fidelity Bank
- \$1.38 million mortgage (at 4% for 25 years) from N.J. Local Development Finance fund
- \$7.2 million mortgage from Prudential Insurance



*A church converted into offices, a restaurant and health club*

NCC contributed land, managerial resources, and equity. Since the center is part of an Urban Enterprise Zone, NCC also receives a \$1,500 tax credit for each worker it employs who has been out of work for at least 3 months.

The shopping center has proved to be very profitable; only the World of Foods is currently losing money. Net profits for the supermarket in 1992 were \$1.2 million, of which two-thirds went to NCC.

#### **Current Projects and Future Plans**

NCC sees economic development as the critical area for its future. It has organized a broad economic development plan aimed at linking its other activities to project development the generation of job. The plan has eight components or tracks.

- Track 1: Career Development for NCC Staff. NCC is the ninth largest non-government employer in Newark and this track is aimed at increasing the skills and employment opportunities for its employees. To support this goal, NCC

plans to build a leadership training institute on a rural retreat site.

- Track 2: Vocational Skills Training. To provide "comprehensive employment and training tailored to employment opportunities in the community." Construction will begin soon on Bergen Street Vocation Skills Center with 20,000 square feet of classroom space and a day care center. Programs to be used have been developed by the Center for Employment Training in San Jose, California.
- Track 3: Advanced Technology Training. NCC will work with local corporations and universities to develop training programs in areas including precision machinery, manufacturing technology, industrial equipment maintenance, and telecommunications and electronics maintenance.
- Track 4: Small Business Development in the Community. NCC plans to create its own small business development office to advise local residents through the various steps in creating and operating their own businesses.
- Track 5: Small Business Development in the NCC Network. To improve and expand the operations of current NCC businesses and create new ventures. Current ideas include an auto repair shop, an apparel design and production firm, a housing materials manufacturing company, and a data input business. NCC is working with the New Jersey Institute of Technology to create an environmental clean-up company to restore abandoned, hazardous sites.
- Track 6: Housing Development. NCC intends to continue building low-income housing, but also to expand into moderate-income rental and owner-occupied housing. It will reactivate its Chelsea Construction Company as a rehabilitation construction firm.
- Track 7: Development of New Financial Institutions. NCC plans a drive to increase deposits in the NCC Federal Credit Union and make use of it according to the Chicago South Shore Bank model to provide community development loans.

- **Track 8: New Construction.** NCC plans to rehabilitation or build a number of projects. Current plans include: St. Joseph's Annex (for NCC offices); a garage for its 90 vehicle fleet; a facility to house home health care and related training projects; the Orange Street Education Center (a facility for adult and child education programs and a Babyland day care center); the Hayes Street Recreation Center (24 hour youth recreation center and green space); New Community estates (56-unit low income rental); and Hayes Homes (rehabilitation of two buildings for 206 units of low-income, owned housing — this project was funded by HUD after the Bruner Award visit).

There are also plans for an internal TV network for communications and training; a system of vans to transport workers to suburban locations, an urban park created jointly with the Trust for Public Lands; and Children Together — housing to help keep siblings together who are orphaned or who have been removed from their homes (also recently funded). NCC is working with a manufacturer of modular homes to build several models, which will be offered at subsidized rents to foster families willing to take in the siblings.

### Impact

NCC has positively affected the city and people of Newark, especially its Central Ward. Indeed, it is easy to imagine that, but for NCC, the Central Ward today might be a university and little else.

The various projects developed and supported by NCC have filled a gap in a part of the city where government was ineffective or even dysfunctional. For example, NCC's security staff has helped make all of these projects tenable in a city overwhelmed with crime. People feel that they can live, work and shop within NCC projects in relative safety.

NCC seeks to fight more than a holding action, however. The various programs, offered through many channels, are aimed at decreasing dependency and giving people the resources and tools to improve their lives. In that sense, there are many individual success stories coming from Harmony House, the Employment Center, Babyland and other projects. We met many people who said that they were able to go to school, get jobs, and reorganize their lives because of NCC programs. One mother we met in Babyland III said

"I wouldn't be where I am today — working toward a master's degree— without this place." Some people we met at random didn't know the name NCC per se, but all knew about and appreciated its projects. NCC's efforts seem almost always to be timely, well conceived, efficient, and of high quality.

There are also indications of "ripple effects" in nearby areas. A major developer has recently built several large subdivisions of attractive market rate townhouses on the edge of NCC's operating area. It is likely that this development never would have occurred without NCC to shore up the Central Ward and serve as a buffer between the new development and the masses of high-rise public housing projects on the other side. Similarly, a new multiplex theater has just opened in nearby.

Mayor Sharpe James, not always a political ally to Msgr. Linder, suggested that NCC has been a good model for CDCs in other communities. "They come to me and complain that NCC gets the funding," he said, "and I tell them to go out and compete for it." He sees NCC as a significant model which spurs development throughout the city. He also notes that the city just can't move as fast as NCC can. "They have learned to use local and state government, and are knowledgeable about finance; they are dogged in determination, and they are credible."

## THEMES AND LESSONS LEARNED

### The "Moral Compass" — a Focus on Needs and Goals

Though most staff are from secular backgrounds, people in NCC like to say that its success is strongly bound up in its religious roots. The religious orientation provides them with a sense of purpose and strength which is sustaining in the face of adversity. Theirs is a form of "liberation theology", pushing them to challenge existing "anti-black, anti-poor, anti-urban" power structures where necessary (including in the church) in order to obtain change and empowerment. They also cite the Catholic tradition of staying in and supporting a community, even when founding populations have moved out.



### **A Comprehensive Approach**

NCC is comprehensive in the scope of its projects and in its approach to each one of them. In each case, they take maximum advantage of opportunities provided by the situation and existing NCC skills and services. Thus, Harmony House is not just housing but a complete social service program. It has a day care center to allow parents to work or study and to enrich children's experiences. It makes use of NCC employment operations to train and place residents, and makes job placements in other NCC operations. Even the supermarket is not just a food store, but an opportunity for health screening and nutritional education.

### **Opportunism and Responsiveness to Community Needs**

NCC is characterized by being "light on its feet". It is proud of its ability to seize an opportunity or see a need and respond quickly with important services. For example:

- When a local convent became available and the state sought proposals for a family violence prevention center, NCC was able to respond and have the center open and operating in three weeks.
- When NCC heard that a local community health center was going out of business on a Friday it made an almost instant decision to take it over and, by Monday, were operating the business, continuing services and assuring pay checks for the more than 100 employees.
- Local residents complained that post boxes were not available at the closest post office. NCC responded by adding Mail Boxes Etc. to the shopping center.

When we asked if they were concerned about taking risks of such ventures, Msgr. Linder responded that their board was more likely to be angry if they chose not to take a risk when there was a need to fill.

### **Persistence, Patience and Toughness**

While they move quickly and can be frustrated by city government, NCC takes a longer view. For example, it took 10 years and considerable effort to assemble the land necessary for the shopping center. And when asked how they would handle a troubled enterprise,

Msgr. Linder simply said "We wouldn't let it fail" but would apply whatever expertise and resources it took to make it work. Their track record lends credibility to this statement.

### **Financial and Political Resourcefulness**

NCC has displayed considerable financial resourcefulness in leveraging their assets to support programs and project development. They are effective not only at getting grants, but also at syndicating tax credits from their developments and using the income from profit making enterprises to fund new projects. They also have a great deal of political acumen, assiduously avoiding becoming too closely associated with any one politician. They have no qualms about going around or above a local agency if they have to in order to get results. They have friends at the local, state and national levels — both New Jersey senators count themselves as NCC fans and regularly cite them in the Congressional Record — including the White House. When speaking about a current conflict with city hall, Msgr. Linder said in an aside, "We may have to use a little muscle." When needed, their muscle appears often to be strong enough to get the job done.

### **Community Participation**

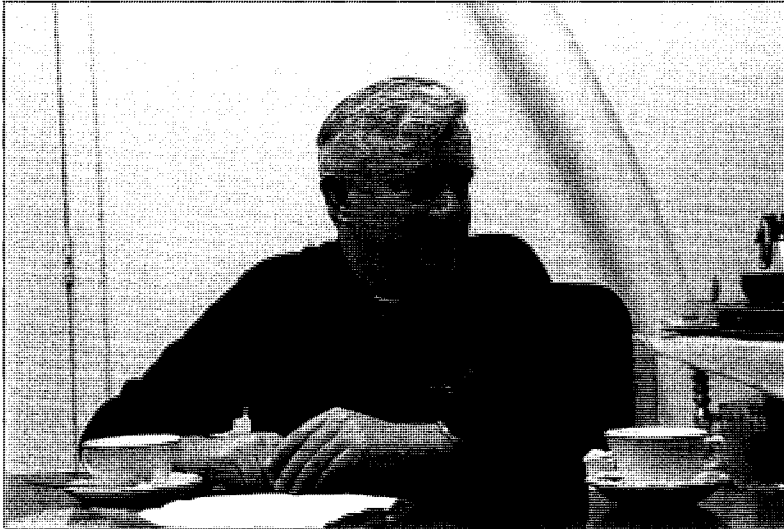
The ethic of empowerment, independence and competence is important at NCC. An integral part of their operating style is to include community members and potential service users in their planning process.

### **Quality**

An important part of NCC's guiding philosophy is the belief that poor people deserve quality services. This approach guided choices in the development of the shopping center and supermarket.

### **Creative Conflict**

Msgr. Linder notes that "conflict is not a bad word" at NCC. He cites Frederick Douglass in saying that those who seek change without conflict are like people "who want crops without plowing up the ground." He is struggling against the sense of hopelessness and resignation among the poor, and suggests that non-violent conflict may be necessary to get to the point where negotiation and real movement toward change is possible.



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### **Organizational Continuity and Long Term View**

NCC began by asking its board members to make a twenty year commitment to the organization. This demonstrates their early understanding of the need to take a long-term perspective on the solution to urban decay and the level of effort required to address these problems.

### **ASSESSING PROJECT SUCCESS...**

#### **...BY ITS GOALS**

To respond to the urban decay and destruction of the Newark riots.

While this is too big a job for any organization to do alone, in NCC has responded effectively to the destruction, creating a zone of hope and progress in an area of neglect.

**To improve the quality of life of the people in Newark; to reflect individual dignity and personal achievement.**

NCC offers programs that help "shore up lives" and provides opportunities for people to make substantive changes in their circumstances.

**To be responsive to community needs.**

NCC is extraordinarily responsive to community needs. Through their network of services and participatory tenant and community boards, they are closely in touch with people's needs. They will respond very quickly when opportunities arise to fill a need, sometimes taking risks in order to proceed immediately.

**To provide a complete range of human services.**

As outlined above, NCC goes well beyond the typical community development corporation in delivering comprehensive social and human services, from child care centers to a nursing home.

### **...BY SELECTION COMMITTEE CONCERNS**

**Does the project depend on its founder (Msgr. Linder)? Is there a process for succession?**

It depends on Linder for creative energy and moral leadership, but it has many competent people with significant responsibilities. The new Foundation Board has initiated a reorganization of NCC designed to build a stronger and more resilient institution.

**Is this a bureaucratic or community-based organization?**

Any institution of this size tends to be somewhat bureaucratic, but NCC seems to be successful in listening to the community and remaining responsive to its needs. The new organizational plan breaks NCC into 6 sub-units, and is designed to keep it from getting too large and bureaucratic. At this point, the community appears to be involved in most important decisions.

**How is it perceived by the various communities in Newark?**

Within the Central Ward it is too major a force to go unseen by anyone and is viewed almost universally in a positive light. At all political levels in New Jersey, NCC is viewed as a positive and important entity, though it sometimes competes or conflicts with city government and the neighboring university.

**What is their design process? Is it participatory? Why aren't buildings more interesting architecturally?**

The design process is participatory. In all the projects we heard about the designers worked at least to some extent with groups including current or potential users.

Some recent projects are attractive (e.g., St Joseph's Plaza and the World of Foods) while others are plain or even stark. Though NCC blames project constraints for the plain appearance of some projects, they could probably have achieved more within those constraints.

**Is there a focus on adaptive reuse? Why have the uses of historic buildings been changed?**

Preservation is not a driving force in their mission, but is an issue of opportunity in several projects. St. Joseph's Church had been abandoned and was in danger of demolition as was the Douglas Hotel (which became Douglas Homes). For these projects, additional money was spent on preservation and restoration.

**What are future plans?**

Future plans, detailed above, show that NCC has laid a solid base for its direction in the next few years. Economic development, to create job opportunities for local residents, is a prime force. There is also a focus on special needs housing (SROs, AIDS) and a variety of projects aimed at helping the next generation of Newark youth escape poverty. They also intend to remain responsive to unanticipated opportunities, making it difficult to predict all the areas they will move into.

**What is their relationship with local government?**

NCC works cooperatively with local government when that serves its perceived interests, but does not hesitate to engage in conflict and go to other sources and levels of government when necessary. While some in Newark seem angry that NCC does not always "play ball" and criticizes others in public, all seem to respect NCC for its goals and achievements.

**How do for-profit businesses affect other NCC operations? Are local people employed by these businesses?**

The for-profit businesses serve several roles for NCC: they allow NCC to provide important services for local residents (food shopping, restaurants, postal services, etc.); they provide job training and employment opportunities which are mostly taken up by local people; and they raise funds which are used to support other projects.

**How is security handled? Is there a proactive response to crime?**

NCC has its own 120 person security force, which works closely with the Newark police. The force patrols all NCC projects, including the shopping center and housing projects. NCC also works with the police to identify and bust drug traffickers, has an anti-gang program, and is planning a 24 hour youth center to give kids who might be on the street a place to hang out.

**SELECTION COMMITTEE COMMENTS**

The Selection Committee saw New Community Corporation as a mature and proven community developer — highly innovative in its approach and providing much more than just housing. It was crucial to them that NCC projects respond to the full range of community needs, such as job training, health services, child care, and retail shopping. NCC has clearly made the Central Ward of Newark a better place to live. "It is exactly what we want other CDCs to aspire to; New Community Corporation is not building housing, it is building a community" — and it is doing so through self-reliance and without overwhelming government support. The committee knew of no other organization that goes as far as NCC in simultaneously advancing all elements of community development.

The Selection Committee was also impressed with NCC's political and organizational savvy. From the start NCC took a long term view of community building, extracting twenty year commitments from board members. The committee was extremely impressed that NCC has evolved over this period, transforming itself to meet changing community needs — and that a current focus is on community "wealth building" through jobs and the creation of locally owned small businesses.

While the Selection Committee found NCC's commitment to excellence in community service praiseworthy, it was troubled that this level of excellence did not extend more consistently to project design. Concern was voiced about the "pedestrian" nature of much of NCC's architecture, particularly the low income housing projects, where missed opportunities included lack of covered entries and other aesthetic and functional concerns. It recognized that these projects were constrained by budget and government regulations, but noted that others had overcome such limitations. The Selection Committee felt strongly that excellence in community development needs to include the aesthetic dimension, and expressed the hope that NCC would focus greater energy in this direction.

**For More Information...**

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**Reference**

Much of the history of NCC is taken from the masters thesis of Carl Koechlin, "Integrating Compassion and Pragmatism in a Successful Community Development Strategy: A Case Study of the New Community Corp., Newark, NJ", University of Massachusetts, 1989.