FIRST COMMUNITY PLANNING TEAM REPORT
FIRST MAJOR PROGRESS REPORT*

EAST MARKET STREET DISTRICT

October 1995 - January 1996

Dr. William M. Harris, AICP, Team Leader

Lee M. Brown, AICP
Ellen Crain
Samuel J. Cullers, AICP

Cynthia A. Norman
Dr. Emil E. Malizia, AICP
James E. Shelby

Staff Associates

Stephen Cochran, AICP, American Planning Association
Sue Schwartz, AICP, City of Greensboro

*The CPT acknowledges with appreciation the efforts of Jessie L. Davis in editing this document for final presentation.
EXECUTIVE SUMMARY

The planning community of scholars and practitioners are concerned about the widening gap between the rich and poor, and the increasing disparities among racial groups that intensified in the 1980's. The Community Planning Team (CPT) of the American Planning Association (APA) hosted by the City of Greensboro, North Carolina is dedicated to uncovering resources, opportunities, and choices for those who have fewer of these. Our volunteer team worked with citizens, government, institutions, and non-profit groups to ensure that our recommendations take into account the needs of the community and articulate the potential consequences of the recommendations. The team is committed to a three-year effort in Greensboro.

The CPT visited Greensboro to assist in the identification of alternative solutions for economic development, urban design, and community empowerment in the East Market Street District. The combination of desegregation, urban renewal programs, and public and private neglect brought low what had once been the core of the city’s African-American business district. The CPT had three basic goals for the project:

- Bring significant economic development to the East Market Street District as a means of increasing employment, services, and resident ownership of businesses.
- Develop planning and urban design concepts for a major roadway - East Market Street.
- Help build coalitions and partnerships that will see the revitalization of the District through for whatever period of time required.

Economic development or revitalization of the business sector in the East Market Street District received the highest expressed concern by residents of the area, city officials, private developers and lending institutions. A number of priority actions have been identified: creation of a lead agent, completion of a thorough market analysis for development, and establishment of public-private ventures.

Urban Design proposals focus primarily on the six-lane width of the East Market Street corridor. The width makes dysfunctional crossing by students, residents, and business customers. The landscaping needs improvement. The CPT recommends narrowing the street width, improving landscaping by institutions, city government, and residents, establishing a special overlay district and consider historic district designation for the area.

Community empowerment recommendations are intended to increase the ability of local residents to influence or determine the decisions that affect their quality of life. The CPT recommends that residents expand cultural and artist programs, "regain their neighborhood" through direct intervention in social problem areas, improve academic achievement among youths, and form a lead agent corporation for the purpose of project management.

The Team encourages comments about the findings of this report. The long-term commitment is possible only with good feedback from citizens and institutions in the city. Members of the Team look forward to returning for another session.
also design and safety issues with six-lane East Market Street itself, which acts as a barrier between the communities north and south of it.

The City of Greensboro views the community planning team as the best opportunity for years to come to develop a vision for the corridor that is exciting enough and practical enough to stimulate and attract reinvestment and ameliorate some of the area’s social problems.

The east side of downtown did not get "renewed" and still has a mix of dense, but relatively small scale African-American owned businesses and, just off East Market, residences. Clearance was near total, beginning four blocks from downtown, and now East Market Street is a very large arterial leading into downtown. On either side of the road are churches; the 7,500 student but relatively unmarked North Carolina A&T; a 15-acre U.S. Postal Service facility that may or may not vacate the site; four small strip malls, two of which are operating fairly successfully, one of which is a vacant eyesore and one of which has been given the planning term "dead mall". There are also a few offices for African American professionals; the Hayes-Taylor YMCA; and a few small businesses. There are substantial residential areas north and south of the corridor.

The goals the City of Greensboro identified for the Community Planning Team were:

- Assess the area for its potential for economic development opportunities, specifically small business development. This should include a determination of the service needs of the adjacent neighborhoods and the college/university community and the potential impact of this market on the economic development opportunities of the corridor.

- Offer creative urban design solutions to make the area more attractive, enhance the aesthetics of this part of the campus, address pedestrian accessibility and provide an inviting gateway into the downtown.

- Recommend land use changes that would be beneficial to the area and the surrounding community.

- Offer/develop strategies for creating partnerships to begin implementing program objectives.
ECONOMIC DEVELOPMENT

Economic development’s purpose is multi-faceted. It is about financial incentives, the recruitment of large industrial development, and the amount of private investment added to an area. Economic development is the result of establishing practical and well-balanced quality of life trends for the good of the entire city. It is the process of seeking a diversified economic base that reflects the “personality” of the community. A really successful economic development program requires the cooperation of the entire community.

Although there are pockets of economic activity in the Greensboro community, overall, development is fractured and segmented. In particular, the East Market Street District has remained isolated from the norms of economic consideration for a number of reasons. The following factors must be addressed to correct this situation:

- Historic city and institutional neglect
- Public perception
- Creation of lead agent
- Lack of adequate financing mechanisms
- Blighted business development
- Strengthen resident cooperation

HISTORIC CITY-AND-INSTITUTIONAL NEGLECT AND PUBLIC PERCEPTION

Whether acknowledged or not, City Hall and its staff play a very distinct and critical role in shaping attitudes within a community. Through a myriad of visible and invisible actions, they set the stage as to how, not only segments within, but the community as a whole, views an area’s viability. This includes those perceptions and positions held by the Chamber of Commerce, financial institutions, investment groups, and even the residents themselves. Consequently, as City Hall thinks, so thinks the city.

Intrinsically connected to attitude is public perception. Perhaps, no other area in community development yields such pervasive power as public perception. A positive perception generates possibilities for a neighborhood’s social, economic, and residential growth, just as negative perception left unchecked sentences an area to failure. In either case, it is the perception of a neighborhood, be it positive or negative, that ultimately becomes assimilated into the community.

When coupled with the elements of drug activity, vacant buildings, lack of landscaping and low income housing in a predominately African-American neighborhood, the stage is set for stereotypical assumptions of a “bad neighborhood.” However, during a windshield tour and subsequent meetings, the Team did not find a typical blighted area, but an economically depressed area with vacant storefronts and a dysfunctional shopping center. Instead of littered streets and unkempt housing, the study area is an attractive neighborhood.

Many of the vacant buildings are free of graffiti and broken windows. The absence of vagrants around the campuses, shopping centers, and business districts is immediately noticeable. Low income housing is well-kept. Single-family houses are painted, for the most part, and the presence of community gardens adds to the attractiveness of the area. Even though the major thoroughfares appear void of landscaping and streetscape amenities, residential streets appear groomed.
CREATION OF LEAD AGENT

Community capacity refers to a group’s innate potential for growth, development, or accomplishment. As the Team met with vested members of the East Market Street project area, one profound and critical fact became evident. The project area possesses a wealth of untapped resources that have the potential to significantly influence the district’s future.

There needs to be a lead agent that can oversee and orchestrate the development process. An organization must be charged with lobbying the lending institutions and the political machines on behalf of the study area. They need to be dedicated to effectively marketing and dealing with prospective business interests.

Recommendations
- Establish a Mayor’s Task Force or Committee which will include the Chancellor of NC A&T, the President of Bennett College, and a high level economic and financial group.

Resources:
- NC A&T, Bennett College, bankers, developers, realtors, active citizen volunteers, members within the business community, and the Greensboro Steering Committee.

Funding sources:

LACK OF ADEQUATE FINANCING MECHANISMS

During the process of organization, steps need to be taken to establish adequate financing mechanisms. Typical of many African-American areas, a poor image and past failures discourage investment. Further compounding the situation is a definite lack of existing capital.

Still, the project area possesses a solid pool of professionals who could help obtain and establish alternative financing options. Coupled with an aggressive marketing campaign, the combination would encourage individuals to look at development possibilities.

Recommendations
- Establish a “development capital pool”.
- Establish a special business overlay district. This does not necessarily need to be instituted through city mechanisms, nor is it immovable, retractable, or binding. A designated area is simply carved out for special consideration and focus for revitalization efforts. Keep it simple, tight, and manageable. It should be a place that can achieve immediate results to build a solid foundation.
- Establish a financial institutional consortium.
- Apply for grants.

Resources:
- Doctors, dentists, attorneys, brokers, developers, banks, credit unions, insurance companies, financial institutions, the Chamber of Commerce, state department of economic development, HUD, and area churches.

Funding sources:
- Public, private, and corporate grants, donations, and appropriations. See appendix: Grants and Foundations.
Resources:
SHPO, private foundations, corporations, state, HUD, Chamber of Commerce, the City of Greensboro, and the school district.

Funding sources:
Private grants (NC Arts Organization of Color Development Grant, NC Arts Council Folklife Documentary Program Grant, NC Artists in Residence Grant, NC Emerging Artist Grant, A. W. Mellon Foundation Grant), corporate grants (Coke, ARCO), Main Street concept, donations, and appropriations. See appendix: Grants and Foundations.
The presence of overhead utility lines throughout the District are especially disruptive of the visual character along East Market Street. Although there is some evidence of minimizing the number of separate service lines, the City staff noted a reluctance on the part of Duke Power and others to bury lines, and there is no mandate to force the issue. Although the success of communities to retroactively require utility companies to bury their cables varies greatly, many communities have successfully partnered with the utilities to relocate cables to rear property lines. Some investigation by City Public Works officials of this possibility is appropriate.

Both NC A&T University and Bennett College are important assets to the community and the District. Both create demands for housing and support the market for goods and services that are compatible with the needs of residents. Both lend a stability to the land uses and activities which comprise the district. But, in both cases, these institutions can do more through their own campus planning and decision-making to enhance the character and identity of the District. To enhance corridor identity, the entries to the NC A&T campus should be emphasized and celebrated. The decisions on new building orientation or building renovation should emphasize visual access to East Market Street as a front door to the campus. Installing safe bike paths and bike parking throughout the campus and discouraging on-campus and on-street student parking can make the campus more attractive while allowing capital improvements to remain focused on academic facilities.

- The comprehensive streetscape design plan, which should extend outside the Market Street right-of-way, should establish a visible, physical design "connection" between the NC A&T and Bennett College campus across Market Street.
- Opportunities for joint off-campus parking facilities which rely on shuttle-bus or similar connections to and between campuses should be investigated as a mechanism to relieve on-campus and in-neighborhood parking problems.

**Market Street Acts as a Community Divide and Barrier**

The commercial corridor and neighborhoods within the East Market District had been at the heart of the African American community. But changes in retail markets, public neglect and private disinvestment led to deterioration in both housing and business properties. Rather than repairing the conditions which made it a viable business environment, the public efforts of "urban renewal" backfired and resulted in the loss of commercial buildings and dozens of African American businesses along the East Market Street corridor. The loss of the fabric of the business district was further affected by the physical widening of the East Market Street road from two lanes to six lanes. Rather than serving as a seam which unites the neighborhoods, the two university campuses and the business community, this wider road has created a divide or barrier between areas.

The traveling portion of East Market Street at approximately 90 feet in width makes pedestrian travel across the road unappealing and dangerous. This separation between sides of the street substantially inhibits the function of the street as a double-loaded business corridor, depriving shops and offices of the interest of pedestrian traffic and patrons who may wish to visit more than one business in a single trip. This is a dysfunctional condition which contributed to a general loss of market attractiveness of East Main as a business corridor. From an urban design standpoint, the relationship between the buildings along the street and the wide street itself do not induce an attractive shopping environment, and is further diminished by the substantial setbacks required to support off-street parking related to the auto-oriented uses. Those businesses which do survive appear to not fully engage nearby markets: the 8,000 students at NC A&T University, their faculty and staff, the surrounding neighborhoods, Bennett
narrowing often results in a behavioral change: Drivers usually drive slower through a narrower corridor (particularly when there is parallel parking on the street.) The "friction" of more activity (people getting into and out of cars, a narrower, less "freeway" character, more campus buildings with entrances facing Market) will make a more interesting place to move through and lots of things to look at. The addition of new infill buildings along the commercial strip will further enhance the sense of vitality and interest resulting in slower traffic and a more pedestrian, business oriented traffic.

The effect of reducing the corridor width can be further enhanced by the installation of other streetscape improvements. Street tree planting and tree planting on private property contributes a very significant corridor narrowing effect, and further enhances the corridor’s attractiveness. Other landscaping, bench seating and trash bins, banners, pedestrian protection, sidewalk widening and reduction in the number of median cuts should be coordinated through a carefully designed comprehensive streetscape plan which incorporates a significant public participation element.

**SENSE OF SECURITY**

Though reported violent crime and property crime statistics may not portray the East Market District as unsafe, the comments received in the focus groups suggest that the district presents a sense of insecurity, particularly at night. From the standpoint of community character and marketability of businesses or homes, perception can be reality, and a sense of insecurity is just as important as real evidence of crime. We cannot discount statements which suggest that some incidents go unreported, or when reported there is little follow-up. Nor can we suggest that rumor and hearsay over-emphasize the sense of insecurity. Like other cities, low lighting, hard surfaces, hidden spaces, minimal landscape quality, relative bleakness of surroundings, physical decay of properties, lack of accommodations to pedestrians and the dominance of accommodations to automobiles can inhibit residents or students from patronizing local businesses.

There are two primary responses which may induce a greater sense of confidence that an area is secure. First, as discussed elsewhere, the visibility of police, and more importantly the character and visibility of appropriate policing, directly influences the sense of security. Although the City has an ongoing "community policing" program, community residents voiced concerns over the degree to which the police and other agents of the City enforced existing codes and ordinances in this district. These community comments included claims of overt racism and inequitable enforcement. Such claims must be investigated, and if validated, appropriate changes must be adopted and given high priority.

A second response to inducing a greater sense of security is through improvements in the physical environment along the District. Lighting is a critical element of security and community character. Lighting levels need to be high enough to provide both drivers and pedestrians a sense that people or activities are not hidden in a cloak of darkness, yet not so bright as to become either distracting or damaging to the residential environment. Lighting is primarily directed to four areas: roadways, pedestrian lighting on the walking surface, parking lot areas, and building entries.

**Recommendations**

- Within the immediate area of the East Market Street corridor, street illumination levels and pedestrian area lighting need to be improved.

The favored approach in many communities is to use relatively tall street lights which can flood a large area of the street while avoiding excessive spill-off in conjunction with much lower masts that provide light to the public sidewalk. Attention must be paid to choice of fixture and mast, spacing and luminare
Recommendations

- On the basis of the Team's preliminary feasibility analysis, the Team recommends that a complete redevelopment of the Cumberland Shopping Center site be pursued for new uses which meet the standards for physical design and other needs of the neighborhood.

The Team does not believe a "face-lift" will solve the problems associated with this center due to the bad orientation to the primary market (the neighborhoods), the poor on-site circulation and parking, poor physical condition of buildings, and the very limited opportunities for site amenities and landscaping. A face lift would have very limited impact on the perceived image of the center.

Unattractive Private Commercial Development

The existing zoning within the corridor allows little public influence on the character and quality of improvements to private property. A wide range of uses and improvements are permitted within the zoning district. The recently updated development regulations for the City raise the opportunity to establish overlay zoning districts which may include more restrictions on uses, and more municipal review and oversight of private property improvements.

Recommendations

- The Team recommends that a task force of City, business, institutional, and community leadership work together to prepare an overlay zoning district for the Market Street District.

Common to the use of these overlays is a set of design standards which may require site landscaping, lighting, sign control, consolidation of driveway access, off-street parking modifications, stormwater controls, and a special procedure for review and approval of private development which may require opportunities for public comment. These design standards are "sticks" that should be coordinated with the "carrots" of the public investment in streetscape and other improvements.

The use of the overlay should be used as a tool to encourage the development of types of businesses most likely to serve the needs of the East Market District community, and to ensure that each development contributes to a robust and diverse economic strength, attractiveness and marketability of the district as a whole. Further, these zoning standards and procedures should be designed to specifically accommodate small businesses and emerging entrepreneurs in smaller shops. These new developments would benefit by limited setbacks to the street (placing parking to the side or rear) which can emphasize the interaction with the sidewalk. In conjunction with this should be a program to assist private businesses to upgrade their buildings and sites to these standards.

Some communities have had good success with a program which offers design assistance to property owners. The City or a private not-for-profit development corporation may retain an architect or other professionals to provide advice to property owners on how best to utilize their property or how best to modify building and site improvements to make them more attractive. Even if the architects provide assistance on signage, entries, or paint improvements, they can have a tremendous impact. In some jurisdictions, the introduction of the overlay zone is coordinated with the provision of grants, matching funds or low interest loans for facade restoration and design expertise in a manner which makes the carrot more effective than the stick.
The adoption of formal historic district status for the Lyndon Street Historic Area under federal, state and local standards should be evaluated.

The owners of each of the properties in this area should be interviewed to determine the intent and interest in participation in a revitalization strategy. The strategy may include means of encouraging substantial cleanup, repair and reinvestment in those properties suitable for the uses which are compatible with the historic character of the area, and the pursuit of new uses and new entrepreneurs to fill properties currently occupied by inappropriate or incompatible uses. This is likely to be one of the areas within the District which can comfortably support a mix of businesses and residential uses in close proximity, horizontally or vertically. The area may also support a cultural center for arts and history in the district. The economic development efforts should be coordinated with physical improvements so that funds for new business start-ups are available to this area.

**DIMINISHING STRENGTH OF HOUSING RESOURCES**

The housing within the East Market District is aging, and reinvestment, repair and maintenance appear inadequate in some locations. The community identified many factors which may contribute to this deterioration, including lower family income available to maintain homes associated with underemployment; higher percentages of absentee landlords; uncertainty induced by potential land acquisition by NC A&T University; inequitable code enforcement; benign neglect of public investments in infrastructure and public property; and/or, the more insidious effects of overt racism in the real estate and financial institutions. Although the City's Housing and Community Development Department operates a wide variety of programs to aid and support increased homeownership and property maintenance, every opportunity to maintain housing and encourage the introduction of additional housing in the community should be pursued. Housing development will enhance the community's capacity to present a viable market to retail and service businesses.

The viability of the business environment in the East Market Street District will be dependent in part on the viability of the residential neighborhoods. The image of the business environment will be linked
<table>
<thead>
<tr>
<th>Issues</th>
<th>Opportunity (+) or Constraint (-)</th>
<th>Priority Actions</th>
<th>Resources</th>
<th>Responsible Parties</th>
</tr>
</thead>
</table>
| Unattractive Private Commercial Development | - Existing zoning  
+ Local markets  
+ Landscaped setbacks | * Establish overlay zoning/design review  
* Offer design assistance/incentives  
* CDBG or other Grants | * Existing ordinance provisions  
* A&T Design Students  
* Local AIA | * New Organization (the Lead Council) |
| Few Positive Landmarks and Gateways | - Railroad Bridge                  | * Hold a design competition for interim artwork  
* Design new bridge | * Student and community talent  
* Artists  
* Professional organizations | * A&T, AIA, ASLA |
| Lack of Historical References     | + Remnants of original African-American business area | * Re-establish & reinforce historic area  
* Pursue local, state or Federal historic designation  
* Develop a specific revitalization strategy  
* Target business development/recruitment funds. | * Local developers  
* Historical society  
* Property owners | * New Organization and the City  
* Historical society  
* Non-profits |
| Diminishing Strength of Housing Resources | - Racism  
- Decaying housing stock  
+ Existing housing programs | * Consider "Christmas in April"  
* Identify sites appropriate for mixed use development | * National "Christmas in April" program  
* Local Volunteers  
* Available sites | * City Housing and Com.Dev with New Organization |
committee.
- Create post drug rehab center for counseling and socialization.
- The Mayor's War on Drugs Task Force could be funded by local businesses.

**Resources:**
The Mayor's War on Drugs Task Force, local businesses, Bennett College, and NC A&T.

**Funding sources:**
See appendix: Grants and Foundations.

**STUDENT ACADEMIC ACHIEVEMENT**

The study of the corridor could be the impetus for galvanizing the community to work for social change. There is also the opportunity to revisit past failures of the local government in addressing troubled youth and high unemployment. The planning team discovered existing tutoring/mentoring efforts at both A&T University and Bennett College.

**Recommendations**
- Enhance existing Mentoring Program.
- Create Partners in Education Program where employers work with the schools.

**Resources:**
NC A&T, Bennett College, area and city businesses, and City Hall.

**Funding Sources:**
Annual special assessments on lodging during NC A&T's Homecoming Activities.
Lead Agent Options

East Market Street District

Includes
Development Corporation Addendum

July, 1996
Addendum: October, 1996

Dr. William M. Harris, AICP, Team Leader
Lee M. Brown, AICP

Staff Associate
Sue Schwartz, AICP, City of Greensboro
Introduction

In the first report of the Community Planning Team (CPT), recommendations included a call for a number of short-term and long-term actions to be taken to spark the revitalization of the E. Market Street Corridor. The report recognized the heyday of the corridor. During the period of Reconstruction, the E. Market Street area became home for the freedmen. As in most southern cities of the era, African Americans lived in conditions often unattended by city public service and limited by the lack of resources of the residents. In 1891, North Carolina A & T State University was founded in the racially segregated system of public colleges in the state. The institution was established for the education of African Americans. The creation of the institution of higher education inspired development in the area. For the next four decades, the area witnessed a heyday for the Greensboro black community. However, by the end of the Second World War, the area was in physical decline. Urban Renewal was the response of the City as a cure.

Nearly every major American city experienced the infamous impacts of the programs initiated under Urban Renewal. The original intent of the program was to rid urban core cities of slum and blighted areas. To do so, the concept was presented as one of clearing areas of dilapidated houses and other buildings. To replace these structures, local governments accepted federal funding that was designed to build new business districts and attract firms that would expand the employment base. The system did not work in the interest of the residents of the core cities. Not only were the dwelling units destroyed and people displaced, but entire social systems were lost. Greensboro was no different. The negative impacts of Urban Renewal are especially evident along the E. Market Street corridor. In 1995, the City of Greensboro elected to correct some of the losses experienced in the corridor.

The City invited the American Planning Association (APA) to assist in the planning for the revitalization of the corridor. APA appointed a Community Planning Team to provide the technical assistance for the project. Seven professional and academic planners from around the nation made up the team. The City and the Team collected data, facilitated focus groups, and reported their findings. In April 1996, the planning team met with the Steering Committee, residents of the area and other stakeholders to determine priority alternatives to commence the revitalization process. The highest priority was determined to be the creation of a lead agent to manage the revitalization efforts.

This report presents alternatives for creating the lead agent. The lead agent is seen by participants as being the most immediately essential step in getting the revitalization process started. It will likely also be the lead agent which will be the most accessible and accountable to the community. This paper discusses the process of bringing the lead agent into being and offers several alternatives for the organization of the lead agent. The paper is divided in sections to present options available for lead agent creation and recommendations that are prioritized for the most desirable format. Readers are encouraged to present comments to the city or the CPT regarding the paper.
Approach

The Community Planning Team used the term "Lead Agent" without providing a definition or clear picture of what it had in mind. This is evident by the multiple perspectives expressed at the April community workshop lead by the Steering Committee which evaluated the CPT's first report and set priorities which included the establishment of a lead agent. Lead agents are defined by three things: Who they are (structure and membership), what their intended focus is (mission), and the tools and actions they use to achieve success (approach). What was clearly expressed in the CPT report was the necessity of the lead agent to be the central element of a public/private partnership.

Lead agents, in various forms, have had as much variation in their approach as they have had in their success. On one end of the spectrum are the most aggressive lead agents who act as developers, seeking development and revitalization opportunities within their communities, gathering capital, constructing buildings and finding tenants. On the other end of the spectrum are those lead agents who act as cheerleaders, promoting and encouraging the public and private sectors to take an interest in their community. For simplicity, we can categorize the approaches into five categories:

Promotion

There are four fundamental prerequisites to attracting the interest of private development:

1. The existence of unmet market demand
2. Useable and available sites
3. A favorable regulatory environment
4. The financial practicality, probability of profit

In some rare instances, the only impediment to reinvestment and revitalization is lack of knowledge of opportunity within the private development marketplace. If developers do not perceive of the existence of the opportunity to meet market needs and make a profit, they will not invest there. In these instances, simply preparing the appropriate market studies which identify the existence of the four fundamental prerequisites, followed by the dissemination of these studies to the appropriate development circles, will yield appropriate development interest. Unfortunately, these really are rare instances. The lead agent may be responsible only for the preparation of the studies and their distribution to potential developers.

Developer Recruitment

The next level of effort above simply promoting the existence of the opportunity is to directly recruit a developer. In the most optimistic circumstances, this can actually be transformed into a competition between different developers for the right to develop property. Recruitment procedures range from very elaborate when many developers have shown interest, to straight-forward meetings in pursuit of a limited number of probable developers. The critical difference between promotion and recruitment is the commitment to provide assistance or enter into a partnership with the developer to minimize impediments (one or more of the fundamental prerequisites is missing) to development. That partnership should take advantage of what resources each of the partners has to offer (funds, authority, expertise, etc.)
Property Marketing and Sales

Where the market for property exists for uses not deemed desirable by the community, the lead agent may acquire legal interest in the property, (options or actually holding title) and may market the property for uses more to its desire. The lead agent may maintain an existing use until the market is ready for redevelopment and in other instances may choose to remove an existing use, or make improvements, or assemble multiple properties and prepare the site for new uses, before ultimately selling to a developer or user.

Joint Venture with a Private Developer

Joint ventures are formal partnering arrangements through which the lead agent and a private developer share in both the financial risks and rewards of the development. Depending on the character of the development and the amount of project control the lead agent is willing to transfer to the private developer, the lead agent may take a majority financial interest or a minority financial interest. Joint ventures may be most appropriate where the market conditions pose the greatest uncertainty. As is the case with developer recruitment, the joint venture must distribute the responsibilities between the venture partners so as to take advantage of what resources each of the partners has to offer (funds, authority, expertise, etc.)

Direct Development

The most risky, but potentially most financially self-sustaining approach is for the lead agent to take on all of the roles: risks and responsibilities of a developer, seeking feasible development opportunities that meet community needs, preparing plans, investing capital, seeking approval, borrowing funds, acquiring and preparing property, building structures, finding tenants, leasing or selling. Success in the development business is often dependent on the experience and analytical skills of the developer, the financial ability to absorb changes and setbacks, the fortitude to take risks that relate to the rewards, and good fortune.

Summary

Each of these approaches has its own set of trade-offs which makes it an appropriate choice under certain conditions. In light of what will ultimately be adopted as the lead agent’s mission, the selection of an approach or approaches should be made after evaluating the following:

1. What is the desired level of control over the character or nature of the ultimate program or development product?

2. Which takes priority, the value of tax base enhancement, the number and quality of jobs and services created, or the speed of change and revitalization?

3. How much financial risk is the lead agent willing to take on? How much political risk to individual members of the lead agency are they willing to take on?
Structural Options

There is no single best method of facilitating public-private ventures to effect change in a community. How lead agents are structured and operate reflects the uniqueness of the project and the constituency they serve. In general, there are two approaches that are used: the direct hiring of a project manager or the formation of a development corporation.

The distinctions between these options are presented in the matrix that follows. This is not an exhaustive list of features nor is the information in these cells discrete. There is overlap between these options. This matrix is offered as a method to assess the characteristics that are generally found among the different forms of lead agents.

What is important for the Project Steering Committee to keep in mind while reviewing this matrix is: which of these characteristics will be important to the E. Market Street Project?

Project Manager Option

The Project Manager option involves hiring an individual to implement a specific project or work plan. Two methods commonly used to do this are presented in the matrix as: Focused Staff Position at Existing Agency or Institution and Contract with an Individual or Group.

☐ Focused Staff Position at Existing Agency or Institution

This option would involve an agency or institution dedicating either an existing staff person or hiring staff to work exclusively on the project. This could be an expedient option, especially if the staff is already a part of the agency. This person could have the advantage of drawing upon other agency staff to work on the project.

☐ Contract with an Individual or Group.

For this option, a sponsoring agency or coalition of agencies would have a contract with an individual or group. This type of arrangement was used by the City of Greensboro to implement the plan for the Eastside Park Neighborhood. A part time project manager was hired for one year and was given a very specific work plan.

Both of these options can work well if there is an existing source of funds, a clear work plan to execute, agreement among the stakeholders on the administrative logistics and agreement on measures of progress and how work will be monitored. Traditionally, these are used for time limited projects. In both of these options influence by the community at large may be less direct than other options.

Development Corporation Option

Another approach is to create a Development Corporation, which is an organization that commonly consists of a Board of Directors, and Executive Director (hired staff) established around a specific mission. Development Corporations tend to define their work in a geographic region such as a downtown or a neighborhood. The mission of development corporations vary greatly from promotional and marketing activities to bricks and mortar development.
Development Corporations
The main distinction between the two types presented in the matrix is accountability. Development Corporations that are business oriented tend to be membership driven. That is, the Executive Director and Board tend to give priority to the needs of their members as opposed to the community or their service area.

Development Corporations are traditionally used for downtown areas. Their success is often driven by major business owners or by those members who benefit from the success of the corporation's activities. In the past, they have been more likely to operate independently and not engage with other service providers.

Community Development Corporations (CDCs)
Community Development Corporations (CDCs) evolved during the community activism movement of the 1960's and the term is used across the country to describe a variety of organizations. Traditionally, CDCs have focused on housing development, job training and other social programs. According to a study by the Center for Urban Economic Development (CUED), 80% of CDCs have housing development as their primary focus. Although some CDCs have been successful in retail/commercial development for years, this a relatively new but fast growing use of CDCs.

The State of North Carolina defines Community Development Corporations as the following:

"Community development corporation means a nonprofit corporation:
1. Chartered pursuant to Chapter 55A of the General Statutes;
2. Tax-exempt pursuant to section 501(c)(3) of the IRS code;
3. Whose primary mission is to develop and improve low-income communities and neighborhoods through economic and related development;
4. Whose activities and decisions are initiated, managed, and controlled by the constituents of these local communities; and
5. Whose primary function is to act as a deal-maker and packager of projects and activities that will increase their constituencies' opportunities to become owners, managers, and producers of small businesses, affordable housing, and jobs designed to produce positive cash flow and curb blight in the target community."

There are financial opportunities associated with CDCs. As a 501(c)(3) non profit, they can receive tax-deductible donations and they are eligible for a number of foundations that fund CDC projects. In addition, this status and their community focus make them very desirable partners for financial institutions looking for investments that comply with Community Reinvestment Act (CRA) requirements.

The Development Corporation option can take a much longer period of time to establish because the success of the organization is often tied to the strength of support built through networking, consensus building and community visioning. There is also a greater degree of risk associated with this option. Both types of development corporations strive to develop their own source of funds and eventually become self sustaining. Success therefore is often tied to the financial success of early projects. Like any institution, not all CDCs are successful. Those that are successful have one thing in common: a clearly focused mission that is faithfully adhered to by the Board of Directors and the Executive Director.
Case Studies

Broadway Corridor Equity Development Project
Gary, Indiana

Background
The Broadway Corridor Equity Development Project had an unusual start compared to other community development corporations which initiate by grass roots efforts. Broadway is a main corridor of Gary’s downtown. The area south of downtown was once the heart of Gary’s African American business district. Thirty years ago it was subject to urban renewal and new, suburban-like businesses were built. Gary’s overall economic decline is well known and this area of Broadway suffered like the rest of the city.

In 1992, a consultant, driving through this area of Gary saw enormous potential. He went to the Mayor and proposed that he assemble a team to develop and implement a plan for the corridor. The team of planners, architects and attorneys would work for 1/2 of their normal fees.

How it Happened
Over the next 18 months, the team had a series of 6 workshops in the area to define the issues. A core group of citizens became a steering committee which oversaw the effort. A concept plan for the Broadway Corridor was completed by late 1993.

Five priorities were established for the area: "Demolition of Abandoned Housing, Create Additional Housing Opportunities, Economic Empowerment, Improve Infrastructure, and Recreation."

The Broadway Area Community Development Corporation (BACDC) was established in 1994. BACDC is made up of a Board of Directors of 13 (7 members are area residents) and an Executive Director. Its task for the first 12 months was to develop a mission statement and an action plan for the organization.

In 1995, BACDC focused its efforts on getting an initial project, an 80 unit 3 bedroom apartment development, off the ground. It took over 12 months to package the project including site design, financing and a finding a developer. Construction began in early 1996. The Broadway Corridor Equity Project is considered an early success story. It went from concept to construction in just over 3 years. It received the Indiana Chapter of the American Planning Association’s Outstanding Planning Award in 1995.

How Does BACDC Operate?
BACDC has a full time Executive Director and secretary. Office space has been donated by a bank. The majority of their funds come from Federal funding sources through the City of Gary including: CDBG, HOME, Section 108 Loans, and Economic Development Incentive Grants. Funding for establishing the BACDC also came from a private foundation, Local Initiatives Support Corporation (LISC). The group’s goal however, is to eventually become independent of these sources through the development fees they will collect from projects like the 80 unit apartment development.

BACDC sees itself as a catalyst for change in the Broadway corridor. To that end, the organization works with the City of Gary to focus resources on the area. This includes code enforcement, lot clean-up, demolition of dilapidated structures, rehabilitation loans and work with the Parks & Recreation Department on park development plans.
The Executive Director of BACDC points to 3 keys to their initial success:

1. The development and adherence to the mission of the organization and action plan. All of their work is tied back to this plan. As other issues come up, they are evaluated against the priorities established in the action plan.

2. Partnerships with the private sector and with other agencies. They spent a lot of time inventorying all of the resources and tools available to them. Their goal is to spend as little time as possible reinventing an existing service.

3. Staying focused on the positive and the possibilities. BACDC has some detractors. They try to understand the concerns others have about their efforts but they do not let those concerns become obstacles.

South Bronx Overall Economic Development Corporation
Bronx, New York

Background
The South Bronx Overall Economic Development Corporation (SOBRO) was founded in 1972. During the 1970s, South Bronx was the nation’s poorest congressional district. Failed urban renewal projects, among other factors, had taken a heavy toll on the area’s 600,000 residents. Businesses had fled and rundown, burned-out and abandoned buildings lined the streets. Significant economic disinvestment and job loss was widespread in the area.

How It Happened
SOBRO was created in an effort to reverse these negative trends. Area business and community leaders make the effort beginning with a modest $10,000 interest free loan from a local bank. In little over a decade, SOBRO evolved into a corporation with three divisions and approximately forty employees. In that same time period, the corporation brought in over $60 million in new capital, created 15,000 jobs and helped retain nearly that same number of jobs in the area. Currently, SOBRO is supported by a combination of government contracts, corporate and foundations donations, and self-generated revenue.

How Does SOBRO Operate?
The corporation’s three divisions focus on industrial development, commercial development, and job training and placement. One of the most successful projects of the Industrial Development Division was the renovation of an abandoned six-story building into a viable industrial site. This division also provides financial services including loan packaging and real estate placement. It is stimulating private investment and revitalization in the area.

The Commercial Development Division has found success in renovation through its Shopstreets Program. The project provides technical assistance and grants to store owners to cover up to one-third the cost of renovation. It was instrumental in renovating Yankee Village, a two-block retail strip opposite Yankee Stadium.

The Manpower Division focuses on the people and job training provision and counseling. The job training program teaches skills ranging from typing to bank teller and home repair. A job counselor is provided each successful trainee until a job is located.
SOBRO's community economic development approach toward revitalizing South Bronx is clearly working. Furthermore, its success has prompted the creation of sister CDCs such as the Port Morris neighborhood of the South Bronx.

Shorebank Corporation
Chicago, Illinois

**Background**
Nearly 62,000 people live in the community of South Shore Chicago. The residents are mostly African American and of moderate income. White flight, redlining, social ills, and economic disinvestment turned South Shore into a blighted community. By 1970, only one bank remained in the area.

Four experienced bankers with an eye toward revitalizing the community took over the last remaining bank and created the Shorebank Corporation (SC) in 1973. The bank has taken a socially responsible approach to its business practices. The Shorebank Corporation with nearly 270 employees, is a holding company for several subsidiaries. Its underlying philosophy is that if the community is healthy, Shorebank is healthy as well.

**How Does SC Operate?**
The subsidiaries include a financial institution (South Shore Bank), a for-profit real estate development company (City Lands Corporation), a small business lender (Neighborhood Fund), a consulting firm (Shorebank Advisory Services), and a center for social programs (The Neighborhood Institute). Each subsidiary has complementary goals with the others. Shorebank invests in the community directly while taking steps to enable residents to invest in themselves. The bank has rehabilitated more than 7,000 housing units and developed more than a quarter of a million square feet of commercial space while producing several hundred new jobs for residents.

One of its star achievements is the rehabilitation of Jeffrey Plaza, a once run-down, partially vacant strip mall, completed under the efforts of the City Lands Corporation. Other equally successful efforts have let one observer to suggest three reasons for Shorebank's achievements.

1. The bank is viewed as a catalyst for growth.
2. A comprehensive community development approach is taken with services ranging from job training for residents to commercial development.
3. It aggressively seeks diverse outside funding sources ranging from federal grants to individual investments.
Recommendations

There is perhaps no single option that is ideal for East Market Street. The alternative selected may depend upon a number of factors that cannot be completely determined in advance. The commitment of local institutions, willingness of key players to cooperatively work together through difficult situations, ability to attract funding, and sustainability of community involvement and support are impossible to predict with any degree of accuracy. The research does, however, point to the community development corporation as the choice most appropriate for the East Market Street at this time.

At public meetings, in focus groups and in individual interviews, the desire for continued strong public involvement in the E. Market Street Project was repeatedly emphasized. The community development corporation option delivers best in this area. Also, from the research it appears that CDCs have a higher rate of success with this type of project and reflect a long term commitment to the area. There are however, also drawbacks to the CDC option. Please refer to the MATRIX.

Other options may need not be rejected. The disadvantages to the community are too great to warrant suggesting the focused staff position approach (at existing agency or institution). The contract with the individual or agency is similarly weak for the East Market Street project. The problems of tenure are especially critical. Also, unless there were an existing sustainable funding source, the contract option is not feasible.

The development corporation does have potential. The challenges lie in forming the organization with dispatch, assuring adequate, fair community involvement, and winning support of players who may not share the vision of the community. Its advantage owes to possible greater operational efficiency perhaps than the community development corporation model.

The Steering Committee will recommend the option that appears most effective for achieving the goals of the East Market Street project. This consideration must reflect concern for longevity, participatory governance, and broad-based economic returns to stakeholders.
References

The following professional and nonprofit organizations were contacted. Some of the information was gathered through telephone interviews with staff. Some organizations provided background information about their agency. This reverence material is on file in the City of Greensboro's Department of Housing and Community Development and can be made available, on loan, upon request.

American Planning Association, Planning Advisory Service: Collection of articles and monographs on public-private partnerships, development corporations.

Broadway Area Community Development Corporation, Gary, Indiana

Center for Neighborhood Technology, Chicago, Illinois.

Institute for Community Economics, Springfield, Massachusetts.

Local Initiatives Support Corporation, New York, New York.

National Congress for Community & Economic Development, Washington, D.C.

National Center for Urban Economic Development, Washington, D.C.

North Carolina Association of Community Development Corporations, Inc. Raleigh, NC.

North Carolina Community Development Institute, Raleigh, NC

North Carolina Institute of Minority Economic Development, Durham, NC.

Pratt Institute for Community & Environmental Development, Brooklyn, New York.
## Lead Agent Options - East Market Street Project

<table>
<thead>
<tr>
<th>Distinguishing Characteristics</th>
<th>Contract with an Individual or Group</th>
<th>Development Corporation Similar to Downtown Corp.</th>
<th>Community Development Corporation</th>
</tr>
</thead>
<tbody>
<tr>
<td>An individual or a group of individuals hired as the staff of an existing agency or institution responsible to an existing or new board</td>
<td>A limited term contractual agreement for defined services aimed at implementing the goals and programs identified by a board</td>
<td>Project oriented independent development corporation focused on the creation of buildings and the attraction of building users</td>
<td>An organization which represents the community by implementing services and development projects within the focus described in the mission defined by the community</td>
</tr>
<tr>
<td>Requires identified source of funding and the approval of the agency's executive or governing body</td>
<td>Requires the identification of at least two parties to the contract: a funding and responsible authorizing party(s) and a willing and capable service provider. The Steering Committee, the City, A&amp;T, a group of interested churches, etc. may be responsible authorizing parties, but the legitimacy of the service providers activities is only as strong as the responsible authorizing party's mandate.</td>
<td>Must be established under the statutory requirements for a (most commonly non-profit) corporation in NC and federal tax laws (most commonly 501 c. 3 or 501 c. 4)</td>
<td>Must be established under the statutory requirements for a (most commonly non-profit) corporation in NC and federal tax laws (most commonly 501 c. 3 or 501 c. 4)</td>
</tr>
<tr>
<td>Employment framework already in place through existing agency</td>
<td></td>
<td>Requires (at least early) active involvement of members (individual, corporate, institutional) in the definition of the mission, identification and voting of board members, and the development of capital</td>
<td>Requires (at least early) active involvement of community members in the definition of the mission, and the development of the strategic work plan</td>
</tr>
<tr>
<td>Form of Selection</td>
<td>Consensus</td>
<td>Voluntary membership, typically corporate, institutional and significant business domination</td>
<td>May or may not involve membership</td>
</tr>
<tr>
<td>Community Control of the Products for which the Lead Agent is Responsible</td>
<td>Weak; same control the community has over the sponsoring agency</td>
<td>Membership votes for Board of Directors</td>
<td>Board of Directors established at conception of corporation, with own by-laws</td>
</tr>
<tr>
<td>Speed of Delivery of End Products (Development and Programs)</td>
<td>Able to quickly generate initial results due to limited procedural impediments</td>
<td>Moderate control based on the proportionate membership of the corporation and the individuals on the Board of Directors</td>
<td>Substantial control through the mission, work plan and community participation in corporation activities.</td>
</tr>
<tr>
<td>Community Input</td>
<td>Relatively little direct community input</td>
<td>Strong membership input, more limited direct community input</td>
<td>Strong community involvement and consensus required</td>
</tr>
</tbody>
</table>
# LEAD AGENT OPTIONS - EAST MARKET STREET PROJECT

<table>
<thead>
<tr>
<th>Focused Staff Position at Existing Agency or Institution</th>
<th>Contract with an Individual or Group</th>
<th>Development Corporation Similar to Downtown Corp.</th>
<th>Community Development Corporation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development of Capital</td>
<td></td>
<td></td>
<td>Typical reliance on initial outside sources of capital, but seeks financial independence through capital accumulation resulting from its deals</td>
</tr>
<tr>
<td>- Seeks outside funds</td>
<td>- Seeks outside funds</td>
<td>- May rely on the contribution of capital of its members (and outside sources), initially, but seeks financial independence through capital accumulation resulting from its deals</td>
<td></td>
</tr>
<tr>
<td>- Facilitates &quot;deals&quot;</td>
<td>- Participates in deals</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Cannot accumulate capital</td>
<td>- May accumulate capital for the agent, but that capital may not necessarily return to the community</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial Independence</td>
<td>- Little independence from supporting agency/institution</td>
<td>- Seeks relative independence from individual funders</td>
<td>Often initially highly dependent on limited funding until project revenues drive financial independence from outside sources</td>
</tr>
<tr>
<td>Accountability</td>
<td>- Dependent on sponsor/authorizing party</td>
<td></td>
<td>Accountable to Directors of the CDC but commonly strongly influenced by the community consensus</td>
</tr>
<tr>
<td>- Greatest accountability to those that hold the purse strings and to the agency that shelters the staff position, secondary to the governing board, minimal to the community</td>
<td>- Greatest accountability to those that hold the purse strings and to the agency that shelters the staff position, secondary accountability to the governing board, minimal accountability to the community</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strengths/Weaknesses</td>
<td>- Associated with the agency</td>
<td>- (f) Non-profit status provides tax benefits and CRA benefits to leaders/funding sources</td>
<td>(f) Non-profit status provides tax benefits and CRA benefits to leaders/funding sources</td>
</tr>
<tr>
<td>- Lead agent's credibility tied to overall agency's credibility</td>
<td>- Depend on the strength of the contracting document and supervision of the contract</td>
<td>- Community involvement dependent</td>
<td>Community involvement dependent</td>
</tr>
<tr>
<td>- Blurred loyalties (Who are they really responsible to if there is conflict among the major actors?)</td>
<td>- Depend on the capabilities and past experience of the Lead Agent</td>
<td>- Grant and foundation funding for some types of CPCs</td>
<td>Grant and foundation funding for some types of CPCs</td>
</tr>
<tr>
<td>Risk to the Community</td>
<td>- Limited risk to community capital</td>
<td>- Non-membership's interest are not represented</td>
<td>Risk of community's capital</td>
</tr>
<tr>
<td>- Least capacity to deliver on objectives</td>
<td>- Least control by the community over the design and nature of the products</td>
<td></td>
<td>Greatest opportunity of consensus-based success, and greatest opportunity for consensus-based failure</td>
</tr>
<tr>
<td>- Least amount of private sector leverage</td>
<td>- Financial risk limited by nature of contract</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tenure of Agent</td>
<td>- Possibilities could be limited by sponsoring organization (how long is the sponsor willing to keep this position on its payroll?)</td>
<td>- Tenure determined at time of contract negotiation. Traditionally a year to year situation</td>
<td>Depends how CDC is created</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Usually longer term. The more successful, the more likely it will remain.</td>
<td>Some CPCs are time - limited by design</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Some are highly successful and have very long tenures (20 years or more)</td>
</tr>
</tbody>
</table>
Addendum
East Market Street Lead Agent

William M. Harris, AICP
Lee M. Brown, AICP
Sue Schwartz, AICP

Introduction

At the August 26th meeting of the Steering Committee, the Community Planning Team with the assistance of the Department of Housing & Community Development, presented this report advising of the several options available for the creation of a lead agent for the East market Street Project. That meeting concluded with a request by the Steering Committee for additional information that would best combine the strengths of two options presented, specifically the community development corporation (CDC) and the downtown development corporation (DDC).

This section amends the August 26 report provided to the Steering Committee. Two basic purposes are intended. The request by the Steering Committee is addressed by integrating the desirable features of both lead agent alternatives. Also a recommended set of next actions are provided for the committee’s consideration and ideally, implementation.

Desired Lead Agent Characteristics

The most productive form of lead agent has little to do with its label or name. Actually, there is no real conflict between the two alternative types of development corporations. The difference lies more in the expectations of the organization as to immediate and long term desires. Therefore this addendum chooses the title East Market Street Development Corporation (EMSDC) to identify the most preferred features of both the community development corporation and the traditional downtown development corporation. The EMSDC hybrid can be best presented considering basic factors: orientation, credibility & visibility, and funding potential.

Orientation

A major strength of the downtown development corporation model is its strongly focused attention to getting projects built. Development activities under a downtown development corporation have typically been driven by medium to large scale projects requiring high levels of private and public support. DDCs are typically member-based and led by business leaders with very low tolerance for schedule delays and failure.

The community development corporation model brings as its primary strength the intense, sustained participation by citizens and other advocates of the goals of those greatly affected
by project activities in the area. They place a high priority on consensus building and
capacity building. As a management approach, this requires extensive public meetings,
workshops, charrettes, and other public forums focusing on policy development, team
building, leadership development and organizational enrichment. As a result, CDCs have a
long start up period. DDCs place greater priority on identifying projects, resources and high
priority opportunities with a goal of achieving quick success.

How
The results orientation of a DDC can be matched with the involvement of the community.
EMSDCs mission statement and work program can be very clear about what is to be
accomplished. It is clear from all of the public meetings in East Market Street that the
community at large wants to be kept informed and involved. This can be done through
regular community meetings with the Board of Directors and Executive Director,
newsletters, community representation on the Board, etc. But, the EMSDC’s mission and
action agenda must be focused on projects and programs, not the quality of community
consensus.

Credibility and Visibility

The EMSDC will be a new organization in the city and state. Its credibility will be
measured in part by its visibility. The DDC model frequently involves members from the
lending community and business interests. Thus, it may have some advantage over the
more community-focused board in the CDC case. The CDC model has the positive
characteristic of being able to build support over a long period of time rather than the usual
short-term project orientation of a DDC.

There are two critical reasons that credibility and positive visibility must be reflected in an
effort to restore a community. Funding potential is primarily influenced by the credibility
of an organization. Lenders, supporters, and evaluators must believe that the organization
has respect in its home base. Staffing and a well-articulated program plan contribute much
to credibility. Positive visibility has more to do with organizational behavior. CDCs may
have an edge over the DDC. Often the latter is as a closed group, not seeking input from
outside the organization. Combining the strengths of both models can be achieved with
able direction by the board of directors.

How
A new organization can address the credibility and visibility issue through careful balance
of the membership of the Board of Directors. Members of the immediate community need
be recruited, but also there needs to be members from financial, area businesses,
institutions and government. Another way is for the agency to have a series of small
immediate successes. This would help the organization build an action oriented reputation.
As the axiom goes, “success breeds success”.

Funding Potential

As a community development corporation, EMSDC, would be able to take advantage of
several funding sources that are targeted for CDCs. These include state and federal
government programs, private foundations (local, statewide and national) and other sources.
As projects are developed, EMSDC will also have the advantage of being able to discuss with lending institutions in light of Community Reinvestment Act activities.

As in the DDC model however, the EMSDC Board of Directors may want to consider membership fees. This is not in conflict with a CDC and may encourage more active and responsible participation by members. This can be structured in the organization’s by-laws.

How
When the articles of incorporation are drafted for the East Market Street Development Corporation, they will need to include the criteria established by the North Carolina General Assembly (specific criteria can be found in the main part of this report) as to what constituted a community-development corporation. This will also need to be reflected in EMSDC’s adopted mission and composition of its Board of Directors.

Membership Pattern & Nominating Strategy

As stated earlier, the membership and structure of the EMSDCs Board of Directors is critical for several reasons. Both will influence it’s credibility & visibility, it will be a resource of talent in the areas of business and finance and will be a link to area institutions, and a link to the community which will be effected by EMSDCs actions. The following is a list of Board responsibilities and recruitment sources.

Board of Directors
The typical responsibilities of a lead agent’s board of directors includes:
1. Setting goals of the organization.
2. Hiring staff, whether this is a group, person or organization. This can be what makes or breaks an organization. Quality, experience and fit are critical. Strong emphasis on at least a regional search but not to the exclusion of local possibilities.
   - The Board must craft a very clear job description in order to conduct a successful search. It also serves as a basis for evaluation for job performance.
3. Providing policy expertise, judgment and oversight on projects that are going to be developed.
4. Fundraising: recognize that most funding sources have strings. Two types of resources can be raised:
   - Hard dollars - cash
   - Human resources such as short term assignments from other organizations to help defray start up and development costs, marketing specialists, and other specialized talent volunteers.

The size of the Board of Directors needs to be manageable yet be representative. Typically, Boards of 11 to 15 members are created. The following are the four major areas to draw from.

Categories of Board Membership
1. Institutions: Churches, NC A&T, Bennett College, YMCA.
2. Developers / Lending Institutions: Bankers, Insurance companies, development professionals.
3. Public(s): City of Greensboro, State of North Carolina, other government bodies.
Job Description/ Characteristics of Executive Director and Search

The most salient goal of the EMSDC must be to obtain and retain the highest quality staffing. In the immediate future, this means hiring a very capable non-profit manager. Ideally the committee would make a national search for such an individual. Of course, this person may be local. Since the startup activities of the effort will be project oriented, the individual must be one who is competent in fundraising, familiarity with funding sources, experienced in project budget management, experienced in the distributed responsibilities typical of public/private cooperative activities and have credentials that are credible with the financial community.

Simply, this individual must be able to hit the ground running and require no close supervision. In addition the person must be a leader capable of building support from the community as well as financial supporters. In many cases, the initial project manager or lead agent may serve only for a brief period, a few years at most, until the project is secure fiscally and politically.

Executive Director's Job
1. Build visibility & credibility in community
2. Program Planning: Developing a set of proposals that will be implemented including timeline and costs.
3. Develop the assessment schemes: how will the work be evaluated for quality and completeness.
4. Marketing: Sell E. Market Street so that people want to come and make an investment in the area.
5. Fundraising
6. Staffing: Fleshing out the organization over time from within the community.

Action Agenda for Steering Committee

When the Steering Committee was formed, it had three stated responsibilities: help plan the Community Planning Team visit, promote the visit activities, assist with the implementation of the Team’s recommendations. Establishing the lead agent will be the fulfillment of the third part of the committee’s charge. To get to that point, however there are several things the Steering Committee needs to do which include:

1. Work with the City to promote the $1 million bond referendum.
2. Nominate a panel of business, professional, and other community leaders to become board members of the lead agent.
3. Invite A&T, Bennett and community leadership to nominate other board members
4. Convene a meeting of the nominated board members to turn the mantle of responsible oversight for E. Market Street activities.
5. Work with these nominated board members to formulate its mission and action plan.
6. Provide assistance to the EMSDCs Board of Directors as needed during its initial period of operation.
7. Public introduction of the with the establishment of the lead agent, bringing closure to the process.
8. Dissolve.

**Early Action Agenda for Lead Agency**

It will be critical for the East Market Street Development Corporation to move quickly after its incorporation and seating of the Board of Directors. Of the listed items below, perhaps the most critical after the hiring of the executive director will be developing resources. Fund raising can be very time consuming. In order to get some quick successes it may be prudent to have the Board concentrate on fund raising, leaving the new executive director to focus on planning & project implementation.

1. Develop the organization’s mission.
2. Develop an initial budget and raise the initial capital.
3. Hire chief executive.
4. Identify primary opportunities
5. Adopt strategies
6. Develop plans and programs
7. Develop resources
8. Initiate small achievable projects