Social Capital and Community Directed Change: A Plan for the Brightmoor Neighborhood

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Executive Summary

The Brightmoor neighborhood in Detroit faces significant problems stemming from widespread disinvestment in the community. Disinvestment manifests itself as many challenging situations, such as a lack of economic growth, lack of employment opportunities, and problems associated with vacant and abandoned properties. An analysis of neighborhoods facing problems similar to Brightmoor suggests that building social capital, targeting strategic commercial revitalization, and envisioning short and long-term goals are successful tools for commercial revitalization. The concept of social capital is important because communities struggling with disinvestment also face problems associated with exclusion and lack of community participation.

- **Social Capital:** Most communities facing the repercussions of disinvestment and increasing poverty are also suffering from social “exclusion.” These characteristics are similar to challenges caused by disinvestment, such as disconnection from the region and everyday services, few opportunities resulting in lowered expectations, inability to exercise their rights and acknowledge responsibilities, and personal or institutional barriers to self-actuation (Kearns, 2004).

To find out how social capital affects neighborhood-planning initiatives, we selected plans from four urban regions that share similar characteristics with Brightmoor. These characteristics include: low to moderate-income areas; dilapidated and vacant buildings; poor reputations; and the communities are developing strategies for future growth within a transitory economy. A brief summary of each plan is described below:

- **Parma & Cincinnati, Ohio:**
  - Encourage entrepreneurial opportunities and training programs;
  - Establish a business incubator to facilitate start-up of new businesses and the growth of existing businesses;
  - Celebrate success through an awards program to recognize and promote commercial activity; and
  - Build social capital by strengthening the relationship between business owners.

- **Fort Wayne, Indiana:**
  - Participation by residents, business owners (current and past), and developers to identify strategic targets for revitalization;
  - Creation of a tool kit to address the needs of multiple business owners; and
  - Establishment of teams to address the long-term vitality of the plan’s objectives.

- **Chicago, Illinois:**
  - CDC driven initiative to retain and grow a transit center;
  - Growing commercial development from a central location (e.g. around the transit stop); and
  - Creation of a neighborhood plan from an adverse situation that now serves as the center of the neighborhood.

Brightmoor has an active CDC, involved churches, and numerous community partners that could help with the development of social capital. Our findings suggest that harnessing the social capital of Brightmoor would maximize the probability of success in revitalizing the neighborhood’s commercial areas, because actions and plans would be tailored to the active stakeholders in the community. Working to focus neighborhood development, establish relationships between business owners, and encourage entrepreneurial opportunities, all build social capital. The resultant connectivity and impetus increase success in seeking federal and state support, or in obtaining city designation for specialized commercial zones. By working on its social capital, Brightmoor can leverage its success in obtaining support for neighborhood revitalization.
Central-city commercial revitalization is not a singular endeavor. Communities often address several issues at once such as housing, crime, and neighborhood isolation. This review focuses on the revitalization efforts of four urban communities; each of which has taken a slightly different approach to combating common problems. The Ohio communities of Parma and Cincinnati seek to promote entrepreneurial opportunities; Fort Wayne, Indiana, provides a tool kit of programs to assist businesses; and a CDC-driven initiative in Chicago seeks to retain and grow an urban transit center. Although not specifically stated, each of these endeavors also sought to create social capital by involving residents and retaining their involvement to create change. Many researchers espouse the value of social capital within communities, especially lower-income communities.

The Centre for Neighbourhood Research (CNR) in the United Kingdom is actively working to tie this invaluable asset into practical policy change to further neighborhood revitalization. Pockets of poverty, within urban centers occur in nearly all cities around the world, and Detroit’s Brightmoor neighborhood is a quintessential example of this kind of poverty clustering. Oftentimes, social exclusion and concentrations of poverty are intricately linked. CNR defines social exclusion in the following way: cyclical movement in and out of poverty, lack of connection from the city’s mainstream, lack of opportunity and lowered expectations, difficulty in expressing and exercising rights, and existing barriers to advancement. Their research suggests that by focusing on the aspects of social exclusion, rather than simply addressing the residual effects of poverty, cities will have greater success in moving their populations out of poverty. Social exclusion manifests itself in emotional and psychological ways through the widespread lowering of expectations and the lack of control felt towards the ability to change individual situations. Social, educational and training programs can help to address these issues in order to bolster growth within communities. Harnessed social capital can provide “community self help and social cohesion to reduce crime and anti-social behavior, improve services and stabilize communities” (Kearns, p. 5).

Social capital grows from networks of strong relationships often found in complex lower-income communities. These networks provide residents with opportunities to trade services from babysitting, to car
repair, to carpool rides to the doctor’s office. Strong social networks and social norms within a community can result in higher quality social interaction and support, shared objectives and cooperative action. Neighborhood organizations such as the Northwest Detroit Neighborhood Development (NDND) and Brightmoor Alliance are groups that share similar goals and pool together their social capital to create or advocate for change by being the bridging elements between communities and their local governments. Building social capital between entrepreneurs and business owners is an important tool for commercial revitalization.

Integrating social capital goals and programming into neighborhood revitalization plans will increase community cohesion and promote community involvement throughout the process and after the plan’s adoption. Simply following free-market approaches has failed many urban communities, and combining efforts within policies to allow for both a top-down as well as a bottom-up approach could result in more widespread and effective improvements. These combined approaches can: decrease crime; improve health; increase employment opportunities; improve education and promote government efficacy within urban communities (See Appendix A). CNR identifies these five areas that can be the most affected by harnessing social capital. These areas are intrinsically linked to each other as well; reduced crime will result in improved health conditions, an improved labor market could make home life better for many children, resulting in better performance in school; the combination of all of the aforementioned areas would result in greater self-actuation and engagement at the community level. If the community commits to improving these five areas of impact, Brightmoor could have a greater quality of life. Improvement in these areas also apply to commercial spaces because retailers are often concerned with protecting their investments and attracting competent workers; therefore, reducing crime and improving education could help entice businesses to locate in the neighborhood.

One of the commonly cited assets of Brightmoor is the strength of its local CDCs and the residents’ involvement with their churches and other local institutions. These neighborhood organizations and groups offer residents ways to become more active in their communities, and can offer training components to help residents engage in democratic change within their own community. Additionally, by working within
groups of residents the CDCs, churches and other social institutions can focus on the true needs of the area and create training and advocacy programs focused on those needs.

*CNR* also identifies three parts to social capital, all of which are interconnected and dependent upon each other. These three components, social networks, social norms, and levels of trust, directly impact the efficacy of any movements to affect social change within a community. Transitioning these three components into operative assets requires community participation, engagement and interaction.

Social Capital: Components, Outcomes and Operation

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<th>Components</th>
<th>Intermediate Outcomes</th>
<th>Scales of Operation</th>
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<td>Social Networks</td>
<td>Quality &amp; Quantity of Social Interaction, Shared Objectives</td>
<td>Bonding Capital</td>
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<td>Social Norms</td>
<td>Co-operative Action, Reciprocity</td>
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<td>Levels of Trust</td>
<td>Civic Engagement, Access to Resources and Opportunities</td>
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Once a community organizes to the point of attaining “linking capital” they are no longer socially excluded from the greater city area, and can achieve success through self-advocacy with these created links and relationships. Social capital is not a stand alone concept, and is closely linked to the ultimate dynamic between existing political and economic processes, “by defining social inclusion broadly to embrace the economic, social and political, the modernization of local government and public services . . . becomes necessary to the achievement of social inclusion which embraces a strong element of participation in political processes,” (Kearns, p. 4).

The efficacy of the outcome is always dependant upon the political structures in place, but an organized, focused community organization can have far greater reach and impact than one that is disorganized, unclear and unstructured. Community cohesion is important for improving and harnessing social capital. Some aspects of community cohesion are strong in many impoverished Detroit neighborhoods, and Brightmoor is no exception. Detroit’s lifelong residents, for the most part, have a strong attachment to place and a high sense of pride in their neighborhoods. Brightmoor has great potential to tap into its social capital to facilitate change and development, however, it is important to note that “Social
capital is not an end in itself, rather it is a resource which individuals and communities must have the opportunity to use” (Kearns, p. 29).

Revitalizing commercial strips is important to neighborhood health because residents see these strips as “mirrors of their communities” or an “important spine of the neighborhood” (Loukaitou-Sideris 1997, p. 30). Although retailers often hesitate to locate their businesses in inner-city environments because of perceived low buying potential, a survey of Los Angeles residents found that residents were willing to shop in the neighborhood to meet daily needs. Residents also expressed a desire for a range of uses: groceries, sit-down restaurants, music stores, pharmacies, beauty salons, day care centers and professional offices (Loukaitou-Sideris 1997, p. 19; see Appendix B for survey questions). To connect social capital, inner-city residents' needs, and on-going revitalization efforts, the following sections investigate opportunities to engage and improve social capital in Brightmoor through commercial development initiatives.

Opportunities have been identified through the analysis of four neighborhood plans. All of the neighborhoods share common characteristics with Brightmoor, including: low to moderate incomes; vacancy and dilapidated buildings; negative reputations that detract businesses from locating there (e.g. crime); and are developing strategies for future growth within a transitioning economy. Interestingly, these plans often shared common themes such as assessing current commercial conditions, identifying needs, creating tools to promote commercial growth, cultivating community involvement, marketing positive changes and neighborhood characteristics, and promoting connectivity to employment centers. Each of the strategies will be discussed in detail in the following sections.

Development Tools Case Studies: the Over-the-Rhine Comprehensive Plan (Cincinnati neighborhood) and the Parma 2001 Economic Development Strategy (Cleveland suburb)

Background

Over-the-Rhine is a neighborhood in Cincinnati, Ohio, with similar conditions to Brightmoor: many vacant buildings and vacant lots, significant loss of population, vandalized and dilapidated buildings and issues with crime and the perception of crime in the neighborhood. The Over-the-Rhine neighborhood has
many assets including physical proximity to Downtown and the University, existing cultural institutions and
the popular outdoor Findlay Market. Despite these assets, the neighborhood residents suffer from lack of
neighborhood-serving retail and services (City of Cincinnati, p. 72). The Over-the-Rhine Comprehensive
Plan was created by the City of Cincinnati through a participatory design process with neighborhood
residents and local business owners to address this deficiency. This report will focus specifically on the
economic development strategies proposed in the plan, though it is recommended that Brightmoor
leadership review the entirety of this high-quality comprehensive neighborhood plan.

The Parma 2001 Economic Development Strategy also contains useful tools for commercial
development. The City of Parma is a “significant economic center within the Greater Cleveland region”
(Iannone and O’Brien, p i). Like Detroit, Cleveland and its inner-ring suburbs are located within a
“transitioning economic region” (Iannone and O’Brien, p. i). This Economic Development Strategy
provides a vision for the city to become a more “entrepreneurial community” to build upon its existing
economic base despite local and national economic uncertainties. Unlike the Over-the-Rhine plan which
was created by the City of Cincinnati, the Parma plan was created by an outside consultant working for the
City of Parma. Its planning process was lacking in community development, but the plan is notable for its
well-outlined strategies for pursing local entrepreneurship.

These two plans provide examples of local small business development tools that may help to encourage
and assist the small business community in Brightmoor; the policies are listed below:

- Encourage entrepreneurial opportunities
- Provide economic empowerment training
- Establish an “Enterprise Center” business incubator
- Establish community entrepreneurial awards program
- Strengthen relationships between local business owners

**Policies**

*Encourage Entrepreneurial Opportunities*

Community organizations may encourage the growth of local businesses by establishing markets in
which to capitalize on arts and handicrafts that are often practiced recreationally, but create products that
can be sold; the Over-the-Rhine neighborhood plan calls for vendor space for selling these products at the local Findlay Market (City of Cincinnati, p.79). Training in building trades and handyman-services should also be encouraged (City of Cincinnati, p.79). Though these may be very small-scale or home-based enterprises, they are “economic units” that can “contribute to the local and regional economy as well as foster new venture creation in specialized niche markets” (Iannone and O’Brien, p. 11). Vacant buildings along the commercial corridors are suggested for reuse by these businesses. It should be noted that these existing buildings may be more reasonably priced than building new, but they may require significant renovation costs (City of Cincinnati, p. 67).

Provide Economic Empowerment Training

Economic empowerment training programs may be established in the local high school to train students with the management skills required for a start-up business (City of Cincinnati, p. 68). Community organizations may partner with local universities or corporations to provide these training courses (Iannone and O’Brien, p. 8).

Establish an “Enterprise Center” Business Incubator

The creation of an “Enterprise Center” business incubator can assist new businesses by providing office or lab space and supplies that can be rented by a new company (Iannone and O’Brien, p.13). This will reduce the company’s up-front capital costs and allow the owners to focus their efforts on creating quality products and services and to gain a customer base. One example of a business incubator is a licensed, shared-use kitchen that serves as a production facility for home-based cooking enterprises, and may also offer food-service training. Additionally, the incubator can provide access to capital, training and technical assistance that is essential for start-up businesses (City of Cincinnati, p. 79). Products created at the incubator may be sold at local markets and retailers, or receive greater distribution in the city or region.

Establish Community Entrepreneurial Awards Program

To acknowledge the commitments of community members to a neighborhood’s commercial success, an awards program may be established to reward local business owners, residents and students. An annual awards dinner and media coverage can be part of this “special recognition initiative” (Iannone and O’Brien,
Strengthen Relationships between Local Business Owners

Finally, strengthened relationships between local business owners may help catalyze commercial revitalization. A recent survey of business owners in Los Angeles found that merchants were “suspect of residents and each other, which was causing them to work in isolation.” Due to this isolation, the merchants did not share information about the community or work in collaboration on projects or express a collective voice on issues affecting their businesses. Their isolation also constrained flow of local money and did not support local vendors (Loukaitou-Sideris 2000, p. 173; see Appendix C for survey questions).

As its objectives the business association should seek to establish both horizontal ties such as collaboration between members of the association and vertical ties with the local community, the neighborhood residents and institutions as well as the larger community (Loukaitou-Sideris 2000, p. 177). Community organization might facilitate these connections by creating a merchant resource directory to list products and services provided in the local community or a monthly newsletter shared amongst the local businesses (Loukaitou-Sideris 2000, p. 178). The business association could eventually evolve into a Business Improvement District, or BID, in which the business owners voluntarily tax themselves to provide funds for marketing, maintenance and security services for the commercial corridor.

Applicability to Brightmoor

The above-mentioned policies may be implemented in Brightmoor to encourage entrepreneurial small business development. The scale of implementation of these policies varies. Some may be feasible for community organizations like the Brightmoor Alliance to implement; others may be beyond the organization’s scope and may require outside partnerships with local universities or corporations. Other policies may require larger city-wide policy changes enacted by the City of Detroit.
**Encourage Entrepreneurial Opportunities**

A Brightmoor neighborhood commercial development potential survey should inquire about home-based or other small businesses that may currently exist, either informally or away from traditional commercial corridors. If existent, these small businesses likely already contribute to the local economy. Though these businesses may not contribute a physical presence to the commercial streets by renting space or building a new structure on Schoolcraft Road or Fenkell Street, the money earned through these ventures has the potential to circulate within the community as the earners shop along these revitalized commercial corridors. As these small businesses grow they may seek to establish a presence along the commercial street by rehabilitating existing buildings or by building on a vacant lot. Additionally, community members interested in selling their handicrafts to markets beyond the Brightmoor neighborhood can find resources through the organization Handmade Detroit (http://www.handmadedetroit.com/). There is a growing “crafter” movement in Detroit, especially among young people. This organization provides networking opportunities for local craftsmen and also sponsors popular urban craft fairs throughout the year.

**Provide Economic Empowerment Training**

The recent Land Use Plan for Brightmoor created by University of Michigan urban planning students suggests a new high school for the community (Doherty et al., p. 65); perhaps this can be an Entrepreneur High School that offers this type of training (City of Cincinnati, p. 79). A high school with this particular curriculum would enrich the arts, math and sciences programs already offered by the Detroit Public Schools at the Communication and Media Arts High School, the Davis Aerospace High School and the Detroit School of Arts. Entrepreneurial training courses may be offered to the larger Brightmoor community, or local community members seeking to establish a business may team up with a student at the Entrepreneur High School to get his or her business started. This high school may also serve as a Neighborhood Pride Center staffed by city employees from the Police, Building, Public Services and Economic Development offices to address service requests and other community needs (City of Cincinnati, p. 77). An Entrepreneur High School will encourage the youth in Brightmoor to set business and life goals
and will create relationships between the youth and older members of the community in addition to generating economic benefit to the commercial corridors.

*Establish an “Enterprise Center” Business Incubator*

The fact that existing or new small neighborhood businesses in Brightmoor may not have a physical presence along commercial streets may present a challenge to businesses early in their establishment because potential shoppers and clients may not be aware of the business or its services. In Brightmoor a business incubator could occupy a prominent location along the commercial strip, helping to revitalize the commercial area by bringing foot traffic and spin-off businesses such as restaurants or office supply stores to serve the companies at the incubator. A Brightmoor business incubator focusing on small businesses and services could also open its doors to neighborhoods beyond Brightmoor, complementing the existing Tech Town business incubator/accelerator in the Wayne State University/New Center area (http://techtownwsu.org/) and the Ann Arbor SPARK (http://www.annarborspark.org/).

On a cautionary note, Brightmoor community leaders may find much to learn from the Mexicantown neighborhood in Detroit, in which the relatively new *Mercado* has suffered from lack of business, recently losing nearly all of its shops to closure or relocation. In response the Tech Town business incubator has recently signed a deal with the Mexicantown Community Development Corporation to provide business support services to the *Mercado* and to attract Hispanic businesses. It is important to note that the failure of the *Mercado* has been attributed to its owner’s financial and legal problems (Shea, Crain’s Detroit Business, 2 Nov 2008); strong leadership is required for this type of project to succeed. Partnerships with local universities or corporations may provide the necessary leadership and business plan for a business incubator in Brightmoor.

*Establish Community Entrepreneurial Awards Program*

The efforts of community members to revitalize Brightmoor’s commercial corridors should be celebrated through an awards program. Their successes should be promoted through local newspapers, especially business newspapers such as Crain’s Detroit Business, on local news programs and through
Internet newsletters that focus on positive developments in Detroit, such as Model D (www.modeldmedia.com). This publicity will bring attention to the success of Brightmoor’s small businesses and will bring in more customers. It will also help shatter the negative perceptions of the neighborhood. Additionally, other companies that have been reluctant to locate in the neighborhood may now see it as a viable investment opportunity.

*Strengthen Relationships between Local Business Owners*

Finally, to establish and strengthen relationships between business owners in Brightmoor, community organizations may partner with a local university to survey the business owners and help establish a Brightmoor Business Association; a business incubator may also facilitate these relationships. Using participatory techniques such as asset-mapping, local business owners may discover their commonalities and strengths. They may become friends, advisors and hosts to one another and began to make purchases from each other, stimulating cash flow through the commercial strip. This new association also may help them realize their potential political leverage (Loukaitou-Sideris 2000, p. 174).

*Identify Agents for Change*

To facilitate redevelopment of commercial strips, many actors will be involved including local governments and local agencies (Loukaitou-Sideris 1997, p. 24). Planning and housing departments can develop incentives, tax breaks for investors, access to credit and low-interest loans, rent subsidies for small business owners and rezoning to permit mixed land use with fewer restrictions and reduced parking requirements (Loukaitou-Sideris 1997, p.24).

Retail-friendly policies are also important; helping small businesses survive by offering economic incentives may be more effective than policies that provide tax breaks for major corporations to locate downtown. The cumulative effect of many small businesses can provide a substantial number of local job opportunities (Loukaitou-Sideris 2000, p. 175). Additionally, local governments can spearhead blight removal, rezone commercial strips to meet more current demands, attempt to attract supermarkets and convenience stores, and act to mitigate crime perception by increasing neighborhood police presence.
The City of Fort Wayne, Indiana, has addressed some of these local government policy initiatives in its Southeast Area Development Strategy; these are addressed below.

City of Fort Wayne – Southeast Area Development Strategy

Background

The City of Fort Wayne, Indiana, is a fairly typical Midwestern city founded along rivers and built upon industries. Spurred forward by successful businesses and railroads, the city grew as the demand for affordable housing increased. Growth naturally occurred in the city’s southeast side because of its proximity to factory jobs, streetcar lines and railroads. Unfortunately, economic downturns in the 1980s caused major employers to close, which subsequently decreased neighborhood stability. The southeast side deteriorated and prospective homebuyers were further deterred by small houses and escalating crime. Similar to Brightmoor, this area now faces increased vacancy rates, a high number of renters, few jobs, negative publicity, and distressed commercial areas. Residents of both areas also represent significant buying power, but remain underserved by commercial uses. A study of southeast Fort Wayne found that the area has the second highest buying power of the city’s four quadrants (Southeast Area Development Strategy (SADS), p. 10). In response to problems found in southeast neighborhoods, the city created a “Southeast Area Development Strategy” (See Appendix D for Area Map). This holistic approach identifies development opportunity areas for commercial, residential, mixed-use, and industrial growth. It also creates a package of incentives and tools to encourage such development and outlines a series of strategic recommendations. The city also sought to build the area’s social capital by encouraging community input throughout the process and after the plan’s adoption; this was an important tactic because “…‘social capital’ is as important to economic development as economic capital” (Kearns, p. 4).

Fort Wayne began revitalizing the southeast side by reinventing the former mall site – a long time eyesore - now known as Southtown Centre. The city entered into a public/private partnership to successfully attract two large superstores, Menards and Wal-Mart, as well as a Firestone Tire store (SADS, p. 10). Since then, a fast food restaurant and the Public Academy for Safety of Northeast Indiana have
joined the site (http://www.cityoffortwayne.org/). Southtown Centre lies just south of the study area and the city hopes to use it as both an anchor and a catalyst for new development (SADS, p. 10). At the north end of the study area, the city partnered with real estate and construction companies to create Renaissance Pointe— an ambitious housing project aimed at providing over 400 new homes (SADS, p. 13). In between these two developments are the aging, vacant strip centers and commercial corridors of southeast Fort Wayne, which the city now addresses in the newly adopted plan.

**Policies**

*Overview of the Southeast Area Development Strategy*

The *Southeast Area Development Strategy* is the product of a ten-month planning process that included resident participation, multi-departmental representation from the city government, and an advisory committee (SADS, p. 5). Approved in July of 2007, it established the following planning goals for southeast Fort Wayne:

- Identify areas of opportunity for commercial and residential development, redevelopment, and investment;
- Recommend incentives and initiatives to encourage investment within “opportunity areas”; and
- Provide guidance through innovative land use policies (SADS, p. 5).

The plan identifies “Strategic Development Opportunity Areas” for commercial uses where public resources can be leveraged to encourage development; within these areas are those with priority status, called “Opportunity Areas” (SADS, p. 10). These have been identified to assist developers with site selection. This effort also established policies to guide the community decision-making process as well as provide support and assistance to both public and private sector decision makers. The plan encourages the use of incentives and regulatory tools along with the coordination of infrastructure improvements to support development in targeted areas. Finally, to address long-term goals the plan recommends the creation of “Southeast Strategy Action Teams” to work on three important tasks: development opportunities; address marketing and community outreach; and create and implement ordinance changes simplify redevelopment.
Commercial Planning: Southeast Area Development Strategy

Similar to the Brightmoor plan, an initial planning step for southeast Fort Wayne was the identification and assessment of existing commercial spaces. The plan identifies eight “Commercial Opportunity Corridors and Areas” for redevelopment (see Appendix D). It also strives to connect each area to either the Southtown Centre site or Renaissance Place. Recognizing numerous vacant commercial spaces, the City is investigating acquisition of some of these parcels to accommodate future neighborhood needs (SADS, p. 11). Finally, the plan strives to build upon the strength of surrounding neighborhoods, incorporate a mix of uses (residential and commercial), and capitalize on access to major roads and nearby interstates (SADS, p. 11).

To spur commercial and residential revitalization, the city developed an extensive package of incentives (SADS, p. 17). Not all of the areas are eligible for every tool, which could enable funding more than one project at a time. The incentives allow business owners to seek financial support to help create jobs, make façade improvements, conduct site assessments, and receive loans when conventional financing is unavailable. Tax incentives and abatements are also available in some areas. The plan highlights the following five major commercial development tools:

1. **Economic Development Target Areas (EDTAs):** The Fort Wayne City Council and the Fort Wayne Economic Development Commission has designated areas where retail businesses can apply for Economic Revitalization Area Designation. Business owners in these areas are eligible for tax abatements on real and/or personal property investment. All of the identified commercial areas in the strategic planning area have been designated as EDTAs (SADS, p. 17).

2. **Urban Enterprise Zone:** A small portion of Fort Wayne’s enterprise zone is located in the southeast strategic planning area. The Urban Enterprise Zone is a 3.99 square mile area that was locally designated and received state approval. Its intent is to spur physical revitalization, job creation and improvements in social and economic conditions. Businesses in the area can receive tax incentives for manufacturing equipment and property investments (SADS, p. 17).

3. **PRISE Program:** The Prime Retail Incentives in Southeast Program was established to provide financial support to existing commercial and retail businesses for façade improvements and rental assistance. The Go Southeast grant provides up to $3000 in rental assistance to qualified retail owners to attract new (qualified) tenants. Similarly, the Grow Southeast grant provides the lesser of 50% or $10,000 for qualified façade improvements. Improvements to brickwork, landscaping, parking lot, sidewalks, pedestrian access, and exterior security units can be covered (SADS, p. 19).
4. **Brownfield Assistance Program**: This program provides technical and financial assistance for the assessment and remediation of land parcels with environmental contamination. This assistance can make redevelopment cost effective. The Fort Wayne Redevelopment Commission administers the program through the redevelopment department. The city provides assessment grants up to $30,000 based on a percentage of the total assessment cost (SADS, p. 19).

5. **Community Development Corporation (CDC) Loans**: The city sponsors this non-profit business development organization to promote growth and development of small commercial and industrial businesses through creative financing programs. New and existing small and medium-sized businesses that are unable to obtain conventional funding can apply for loans. These loans may be made in conjunction with or without bank loans and may be used for the acquisition of land or buildings, new construction or renovation, equipment or working capital. Most loans have a fixed interest rate and usually require collateral for approval (SADS, p. 20).

**Applicability to Brightmoor**

Although this review focuses on the plan's commercial strategies, the Southeast Area Development Strategy also includes a number of residential improvement initiatives, infrastructure upgrades, and an array of land use policies to help revitalize the area. This approach is similar to the Brightmoor plan created by University of Michigan urban planning students (Doherty et al.), which also addressed several critical aspects of neighborhood health and promoted strategies for each. Although this city-prepared plan demonstrates a level of city support not found in Brightmoor, the neighborhood can still garner four valuable insights into revitalization: (1) central “anchor” developments, (2) diverse incentives to encourage such developments, (3) strategies to mitigate bad publicity, (4) high levels of public participation.

First, Fort Wayne anchored the southeast area with two major developments: Southtown Centre & Renaissance Pointe. The city intends to use these developments as catalysts for additional growth. This approach is similar to comments expressed by Northwest Detroit Neighborhood Development’s director, John O’Brien, who feels that the new post office in Brightmoor could be used to encourage additional commercial uses (John O’Brien, presentation). Second, Fort Wayne has created a number of incentives to encourage development, help business owners make improvements, and assist owners attract renters. This diverse “toolbox” allows the city to address a variety of needs. Brightmoor also has resources available, e.g. grants from the Skillman Foundation, which could be used to create such a tool kit. A tax incentive program
could lure new businesses, while a façade improvement program would help an existing business make upgrades, and a new loan fund would allow the creation of a start-up business.

Third, many inner-city areas suffer from “bad publicity or reputations” and actively combating this with positive stories could begin to change attitudes. Fort Wayne is addressing the tarnished reputation of the southeast side by specifically creating an outreach task force to market both positive changes and characteristics of the area (SADS, p. 33). Brightmoor is home to an active community garden that sells its produce at both the Northwest Detroit Farmers’ Market and Eastern Market – this market is a great asset to the neighborhood. Brightmoor could create a taskforce to perform the same activity and enlist the help of its extensive social service network to broadcast the message.

Finally and perhaps most importantly, Fort Wayne sought and received a high level of community participation. Not only does this strategy promote ownership of the final plan, it also encourages development of social capital. City planners held community forums and summarized residents' comments into maps to use at future meetings (SADS, p. 5). They also employed focus groups, telephone interviews of current and former business owners, wrote surveys, and created a panel of young professionals from the neighborhood to explore housing issues (SADS, p. 5). Finally, planners engaged developers to provide comments on policy recommendations. This intense community outreach helped planners identify areas appropriate for development and reinvestment as well as create the final plan.

Unlike Brightmoor, the southeast side of Fort Wayne is not extremely isolated from other parts of the city. A noticeable void in the Fort Wayne plan is that it fails to address public transit. Many cities have encouraged public transportation initiatives as a means of connecting isolated populations. This is especially important in places like Brightmoor where many residents lack personal automobiles. The following section is review of a successful CDC-driven initiative to save an existing transit stop in a Chicago neighborhood, resulting in a CDC-driven transit-oriented development and a comprehensive neighborhood development plan.
Case Study: A Community-Based Transit-Oriented Development in Chicago, IL

Background: Transit-Oriented Development

Most transit authorities or departments of transportation in mid- to large-sized American cities manage a system of rail or bus terminals, park-and-ride (P&R) lots, and, following a relatively recent trend, Transit-Oriented Developments (TODs). A TOD is a “compact, mixed-use development near new or existing public transportation infrastructure that serves housing, transportation and neighborhood goals” (Doherty, p. 17), usually located within a half-mile radius of a transit hub. Incentives for transit authorities to build TODs include encouraging more people to ride the system, and developing their real estate portfolios.

By definition, then, TODs offer clear incentives to transit agencies: they encourage residential and commercial development near transit, clustering both people and jobs near transit hubs. For this reason transit agencies often spearhead TOD projects. Yet in certain cases, community development corporations (CDCs) and private developers have spearheaded TODs with the goal of encouraging affordable housing and good jobs; in these cases TODs help working families and encourage regional economic vitality. The following case study is a successful example of a way that one CDC, by effectively mobilizing the Bonding and Building capital (section 1, this paper) within its community, has been able to secure and develop resources for its community around a TOD.

Bethel New Center, West Garfield Park, Chicago

A 2006 study looked at the implementation of 25 recently developed TODs in the United States, eight of which specifically address the case of a CDC spearheading a TOD. These eight examples all contain elements that could pertain to a similar development in Brightmoor, especially the well-known Fruitvale Transit Village in Oakland, CA; the Linden Transit Center in Columbus, OH; and The Bethel Center in Chicago. This section addresses the development of the Bethel Center and the circumstances surrounding it that most pertain to Brightmoor.
Bethel New Life, the CDC behind the Bethel Center, is a “faith-based, community directed” organization that seeks an “asset- and partnership-based, holistic and just” approach to community development (http://bethelnewlife.org). It is located in the West Garfield Park neighborhood on Chicago’s west side, which is connected to the rest of the city by rail. In 1992, the Chicago Transit Authority (CTA) announced that it would be closing the entire portion of its elevated rail system known as the Green Line, including West Garfield Park’s Pulaski station, due to age and lack of maintenance. In response to this announcement a network of community and environmental groups including Bethel New Life formed a coalition (the Lake Street ‘El’ Coalition) that successfully petitioned for the rehabilitation of the Green Line and the retention of the Pulaski station. The station was closed for construction in 1994 but reopened in 1996 after $380 million worth of municipally-funded improvements. Spurred by the CTA’s response to its communities petition and an increased awareness of the power of neighborhood planning, Bethel New Life appointed a “smart growth coordinator”, identified areas for redevelopment, and came up with a development plan for 100 units of housing near Pulaski station.

After working on a number of affordable housing initiatives near Pulaski station using a mix of private and public funding, Bethel New Life embarked on a larger project: the conception of a large scale TOD master plan. The “Lake Pulaski Village Master Plan”, still currently in effect, centers around two rail stations (Lake and Pulaski) on the Green Line. Originally, the plan’s first and biggest goal was the conception and development of the Bethel Center, a $4.5 million, 23,000 square foot, environmentally-sound development containing an employment center, commercial space, and a daycare center all connected to the Pulaski station by a pedestrian bridge (Nelson). Planning for the center began in the early 1990s, the project broke ground in 2002, and was completed in 2005. At least eight public (city, federal and state) and private organizations funded various aspects of the Bethel Center, including a grant from the City of Chicago Department of Planning and Development and tax abatement credits (http://bethelnewlife.org).

Grady et al. hail the center as “one of [the country’s] most successful community-based TOD stories to date” (p. 30) with good cause: it has received widespread recognition for its collaborative approach and environmental focus, including a 2006 Equitable Development award from the United States Environmental
Protection Agency (EPA). As of 2006 the center had applied for LEED Gold certification, its employment center was serving approximately 600 clients a month, and nearly all of its six commercial spaces were serving important neighborhood functions: food services, dry cleaning, and a newly added Financial Services Center (http://bethelnewlife.org). Transit agencies, municipalities and researchers cite the Bethel Center as an exemplary community-based TOD, and are eager to learn from its success.

Three components to the Bethel Center’s strategy in developing the Bethel Center as part of its focus as a CDC have been integral in contributing to the project’s success. Via the center, Bethel New Life (1) fosters neighborhood redevelopment to encourage accessible jobs and sustainable transit within the community, (2) places residents in jobs across the region via the center’s employment services, and (3) hires as many residents as possible for its own growing operations (Grady et al., p. 30). Stephen McCullough, Bethel New Life’s current president and CEO (he replaced Bethel New Life founder and former CEO Karen Nelson in 2005), credits a recently narrowed mission and flexible financial strategies for much of the center’s recent success (Walsh, p. 5). Other more transparent hallmarks of the center’s multiple-decade success in neighborhood transit oriented development seem to be its strong leadership, its mobilized community base, its proximity to a CTA rail corridor, its ability to partner with private and public organizations of different scales, and its flexible approach to project financing.

Implementation (Applicability to Brightmoor)

The case of the Bethel Center applies to Detroit’s Brightmoor Neighborhood in three key ways: demographics and location, relationship to transit decision-makers, and community structure.

First, the West Garfield Park and Brightmoor neighborhoods are relatively similar in demographics and location. The West Garfield Park of the 1990s and the Brightmoor of today have predominantly African-American populations, are economically depressed relative to their surrounding neighborhoods, and boast high levels of transit dependency (this could be measured in a few ways; low automobile ownership suffices here) (http://www.point2homes.com). Differences include their relative locations to downtown and transit access. Brightmoor is located at Detroit’s periphery, while West Garfield Park is closer to Chicago’s
central business district. Additionally, Brightmoor has direct access only to bus transit – not rail -- and is substantially less dense than West Garfield Park. Still, the above neighborhood similarities combined with the uniqueness of Bethel New Life’s project provide a set of creative ideas for TOD-based commercial stimulus in Brightmoor.

Second, there are parallels between West Garfield Park’s situation with the CTA in the early 1990s and the Detroit Department of Transportation (DDOT)’s seemingly negligent treatment of the Brightmoor area. DDOT’s August 2008 Maser Plan Draft identifies Grand River, to the northeast of Brightmoor, as a corridor along which a park-and-ride site or TOD might be an option. Yet the organization’s interest in TODs appear to be in very early stages; with appropriate community lobbying in the vein of the Lake Street ‘El’ Coalition’s lobbying to keep the Pulaski station in the early 1990s Brightmoor may be able to work with peripheral neighborhoods and DDOT to draft a comprehensive TOD plan that will to both increase DDOT’s ridership and accessibility, and meet the economic needs of Brightmoor’s citizens.

Third, the ability of community organizations in West Garfield Park to mobilize around Bethel New Life to preserve their transit station seem to parallel the strong network of community organizations in Brightmoor. West Garfield Park’s Lake Street ‘El’ Coalition appears quite similar to the Brightmoor Alliance in makeup. If NDND and a coalition of Brightmoor Alliance members choose to explore the option of a TOD in Brightmoor as a joint residential and commercial economic development strategy, it appears there is at least a wide base from which to begin building the process of reaching the stage of “Linking” social capital, in which CDCs are able to best engage their communities and provide resources and opportunities.

The example of West Garfield Park’s Bethel Center is one that exemplifies the effective harnessing of social capital under circumstances that could have yielded very different results. Brightmoor, like West Garfield Park, has the potential to harness current challenges facing the neighborhood to motivate community involvement. Envisioning the implementation of a multi-use TOD in Brightmoor will require a strong participatory approach and, like it did in West Garfield Park, quite a long-term perspective. The Brightmoor community will first have to determine whether a TOD development is appropriate for the
community, and must then engage in extended conversations with peripheral neighborhood organizations, the City of Detroit, MDOT and DDOT to ensure that all organizations' master plans agree on locations for either rail or bus spurs and their relationship to Brightmoor.

**Conclusion**

The CNR research report suggests that harnessing and developing social capital is an integral first when approaching commercial development within an urban neighborhood. Lessons from Cincinnati and Parma confirm this suggestion and offer tangible tools that CDCs and cities can use to build upon this social capital. The 2007 City of Fort Wayne Southeast Area Development Strategy provides further examples of these tools in addition to suggesting ways in which a city, with the resources available to plan for commercial development within its individual neighborhoods, can enable the use of these tools. Finally, the Bethel Center TOD provides a tangible example of a CDC-spurred commercial development that arose from adversity and now serves as the anchor of a full-blown collaborative neighborhood development plan.

A few common suggestions from the tools and examples from Cincinnati, Parma, Fort Wayne and Chicago seem particularly applicable to neighborhood planning in Brightmoor. Amongst these suggestions are: (1) narrowing neighborhood development focus on a designated development “anchor” area; (2) strengthening relationships between local business owners; (3) encouraging local entrepreneurial opportunities and economic empowerment; and (4) seeking federal, state or city geographic designation (Economic Development Target Areas, Urban Enterprise Zones, TOD Areas, etc.) to obtain earmarked or otherwise unavailable funding. While this latter suggestion may seem frustrating in the light of the 2008 economic downturn in Detroit and Michigan, creative financing from a combination of public and private entities is a fundamental factor throughout successful neighborhood development case studies. The former three suggestions -- designating an anchor area and focusing on local economic opportunities, empowerment and entrepreneurialism – are more tangible approaches to mobilizing community participation and formulating plans to obtain funding and carry out successful neighborhood commercial development.
Again, real social capital is integral to all these processes. The Bethel New Life TOD case provides a clear example of how Community Development Corporations and other local organizations must harness and develop local social capital and neighborhood resources to develop a unified plan and obtain outside funding and support. The CNR's analysis of social capital's role in neighborhood commercial development suggests that Brightmoor and its residents already hold much, though quite likely not all, of the social structure required to harness the social capital required for a unified development strategy. Further work within the community will not necessarily be easy for Brightmoor, but it will be possible; approaching development from a community perspective is a viable approach to commercial development within Detroit’s Brightmoor neighborhood.
Resources


Ann Arbor SPARK. http://www.annarborspark.org/


### The Outcomes of Social Capital

<table>
<thead>
<tr>
<th>Areas of Impact</th>
<th>Social Capital Mechanisms</th>
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<tbody>
<tr>
<td>Reduce Crime</td>
<td>Improved socialisation processes.</td>
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<td></td>
<td>Stronger local norms and sanctions.</td>
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<tr>
<td>Improved Health</td>
<td>Adoption of healthy behaviours.</td>
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<td></td>
<td>Better provision of health services.</td>
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<td></td>
<td>Higher self-esteem and less social isolation.</td>
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<tr>
<td>Better Labour Market Outcomes</td>
<td>Weak ties which offer information and opportunities.</td>
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<td></td>
<td>Higher employment expectations.</td>
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<tr>
<td></td>
<td>Acquisition of soft skill through social networks.</td>
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<tr>
<td>Higher Education Attainment</td>
<td>Lower levels of truancy.</td>
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<td></td>
<td>Parents more effective as educators.</td>
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<tr>
<td></td>
<td>Better home environment for learning.</td>
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<tr>
<td>More Effective Democracy</td>
<td>Community more effective at expressing its needs.</td>
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<td></td>
<td>Voluntary associations train future politicians.</td>
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<td></td>
<td>Citizens more likely to engage and vote in politics.</td>
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<td></td>
<td>Civic-minded citizens make policy implementation easier.</td>
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Appendix B

The following survey was answered by neighborhood residents along three inner-city commercial strips in Los Angeles (Loukaitou-Sideris 1997).

1. How often do you come to the corridor?
   - Everyday
   - 4-5 days/week
   - 2-3 days/week
   - Once a week
   - <Once a week
   - Other

2. Why do you usually come to the corridor?
   - Use shops/services
   - Visit friends
   - Walk/stroll
   - Catch the bus
   - Work
   - Live here
   - Other

3. How do you usually come to the corridor?
   - On foot
   - Bicycle
   - Bus
   - Car
   - Other

4. Degree of satisfaction with corridor: Very satisfied, satisfied, dissatisfied, very dissatisfied
   - Safety
   - Cleanliness
   - Aesthetic appearance
   - Landscaping
   - Retail shops
   - Bus services
   - Open space
   - Parking availability
   - Community services

5. What are the biggest problems along the corridor?
   - Traffic
   - Inconvenience (poor transit service, lack of parking or services)
   - Crime
   - Appearance (lack of landscaping, ugly aesthetics/buildings, rubbish)
   - Other
   - Don’t know

6. What changes would you like to see in the corridor?
   - Safer
   - Better aesthetics
   - Cleaner
   - More shops or services
   - More community feeling
   - Less traffic
   - Better transit
   - More parks
   - Banning of street vendors
   - Different mix of land uses
   - Parks/playgrounds
   - Street furniture
   - Other
   - Don’t know

7. What shops and services would you like to see on the corridor?
   - Neighborhood retail
   - Food markets
   - Restaurant/café
   - Theaters
   - Department store
   - Liquor store
   - Hardware store
   - Health clinic
   - Recreation
   - Utility company office (phone, gas)
   - Discount store
   - No more stores/fine as is
   - Other

8. Would you like to see more of the following on the corridor?
   - Housing
   - Transit lines
   - Parks/open space
   - Retail shops
   - Restaurants
   - Community services
   - Trees
   - Benches
   - Bus-stop shelters
9. Age
  o <18
  o 18-29
  o 30-39
  o 40-49
  o 50-64
  o 65+

10. Race
  o White
  o African American
  o Hispanic
  o Asian American
  o Native American
  o Other

11. Sex
  o Female
  o Male

12. Number of cars in household
  o None
  o One
  o Two
  o Three
  o >Three

13a. Frequency of public transit use
  o Every day
  o 4-5 days/week
  o 2-3 days/week
  o One day/week
  o <One day/week
  o Never

13b. Do you use public transit to:
  o Go to work
  o Go shopping
  o Visit friends
Appendix C:

The following survey was answered by merchants along three inner-city commercial strips in Los Angeles (Loukaitou-Sideris 2000).

Date of Survey:

Please check the box or supply the appropriate response for each question:
1. Name of business (optional):

2. Type of business:

3. Number of years in this location:

4. Number of employees:

5. Do you rent or own your commercial space? o Rent o Own

6. If you rent, how much is your monthly rent per square foot? $

7. In the last 2 years, has your sales volume been: o (a) Up o (b) Down o (c) Stable
Approximate annual sales volume: $

8. To the best of your knowledge, do the majority of your customers come:
   (a) o From the immediate area (within 3-4 blocks or 1/4 mile)?
   (b) o From the greater surrounding neighborhood (within 1/2 to 1 mile)?
   (c) o From more than 1 mile away?
   (d) o Don’t know

9. To the best of your knowledge, how do most of your customers travel to your business?
   o (a) By car o (b) By bus o (c) On foot

10. Why did you choose your business present location? (Check all responses that apply to you; if you select more than one response, please rank them in order of importance, with 1 being the most important reason you chose this location.)
   (a) o Affordable rent
   (b) o Proximity to targeted customers
   (c) o Other profitable businesses nearby
   (d) o Good public transportation access
   (e) o Available space/space appropriate for this type of business
   (h) o Other (please specify)

11. What is the main advantage of this location?

12. What is the main disadvantage of this location?

13. Is proximity to public transit lines or bus stops important to your business? o Yes o No If yes, why?

14. Have you considered moving your business? o Yes o No

15. If you have considered moving your business, what is your major reason for doing so?

16. Have you considered closing down or selling your business? o Yes o No

17. If you have considered closing your business, what is your major reason for doing so?
18. What improvements or assistance could help your business? Please check all that apply and indicate how helpful each item is to your business:
   (a) Improvements to building exterior: o very helpful o somewhat helpful o not helpful
   (b) More parking space: o very helpful o somewhat helpful o not helpful
   (c) Better public transit: o very helpful o somewhat helpful o not helpful
   (d) Street improvements (trees, benches, lighting): o very helpful o somewhat helpful o not helpful
   (e) More police presence: o very helpful o somewhat helpful o not helpful
   (f) Economic assistance (tax breaks, low-interest loans, low rents): o very helpful o somewhat helpful o not helpful
   (g) Easier building and zoning permitting: o very helpful o somewhat helpful o not helpful
   (h) Other (please specify):

19. Mixed-use development combines housing and commercial space in the same building. Commercial or retail space is usually found on a building's first floor and housing units on the upper floors. How do you think mixed-use development (residences alongside commercial establishments) would affect business and customer activity on your street? If there were mixed-use developments along the street,
   (a) Customer activity would: o increase o decrease o stay the same o don’t know
   (b) Business sales would: o increase o decrease o stay the same o don’t know
   (c) Street safety would: o increase o decrease o stay the same o don’t know

20. Have you received any of the following types of government or community assistance in the start-up or operation of your business?
   (a) Tax breaks o yes o no
   (b) Low-interest loans o yes o no
   (c) Rent subsidies o yes o no
   (d) Business planning assistance o yes o no
   (e) Other (please specify)

21. In your opinion, what specific programs or improvements from those identified in Questions 18, 19, and 20 could help attract more customers or encourage more businesses to open on your street?

22. Do you think that the establishment of a Merchant Association can help your business?
   o yes o no
Appendix D

Southeast Development Strategy Area, Fort Wayne, Indiana
Appendix D

Southeast Development Strategy Area, Fort Wayne, Indiana