

The  
RealReal



Up to 90% off  
Luxury Consignment

SHOP NOW »

Classifieds Jobs Cars Homes Apartments Legals Place an ad

 67° Forecast

**& newsobserver.com**

Subscriptions | Report News | Customer Service

Search NewsObserver.com



Web Search powered by YAHOO! SEARCH

Home News Sports Business Politics Living Opinion Communities Local Deals

FIND & SAVE

Doing Better at Doing Good < [zzz-delete](#)

[NEXT STORY >](#) Book shows how Henry Frye, Julius Chambers helped remake system

DOING BETTER AT DOING GOOD

## Initiative invests to help communities

Published: February 6, 2011



### Effort provides a jump-start for innovation in some of the hardest-hit areas

By Christopher Gergen and Stephen Martin

In his State of the Union address, President Barack Obama issued a rallying cry for innovation.

Given the challenging economic climate and significant budget deficits, the well-worn paths of spending or cutting our way to recovery don't seem viable. We'll need to respond instead with ingenuity and smart investment. This is true across every segment of our society.

**NC Foreign Trade Promotion Conference**  
November 14, 2013 in Wilmington, NC

**Connect your business to the World**

Learn about Federal, State and Private resources for international trade

**Invited Guests Include:**  
US Secretary of Commerce  
NC Secretary of Commerce  
Brazilian Ambassador

[Click for Details](#)

services and jobs for low-income populations through a network of community development partners from the coast to the mountains.

Since its founding in 1994, the initiative has invested more than \$75 million in community development corporations, resulting in more than \$566 million in housing and commercial development projects. This is a healthy return on investment, but it's the community stabilization strategies behind these numbers that capture the imagination.

Each year, the initiative awards a series of competitive grants to local nonprofits with track records of driving homeownership, business growth and employment in hard-to-serve communities. These grants are coupled with technical assistance to build the organizations' capacity - in turn positioning them to earn additional investment to accelerate their economic development activities, such as building new homes, creating job training, or investing in local businesses.

The initiative is investing in 40 nonprofits across North Carolina, including 31 community development corporations. This network is being leveraged as the initiative fosters shared best practices and collaboration, furthering opportunities for growth and impact.

## Top 10 Stocks for 2014

These 10 stocks are set to crush the market in 2014.

This annual list beat Warren Buffett's record over the past decade, with gains up to 159%.



[Click here to learn more](#)

Based: Raleigh

Founded: 1991 under a collaboration between Lincoln Park Holiness Church in South Raleigh and St. Francis of Assisi Catholic Church in North Raleigh

Top executive: Co-founder and CEO Jeanne Canina Tedrow

Mission: To strengthen low-wealth families and neighborhoods using a community economic development strategy, which includes developing transitional and permanent affordable housing, and creating business, employment and job training opportunities, and increasing economic self sufficiency in families and neighborhoods.

Annual operating budget: \$2.1 million

Funding: Includes federal, state, county and city grants and other money; operating support from the N.C. Initiative and Faith Partners; corporations such as Cargill, Bayer CropScience, Martin Marietta Materials and ABB; and individual donors

### MOST POPULAR STORIES

**DeCock: 3 questions as basketball season looms for Duke, UNC and NC State**

**Saunders: The case of the furniture store and its disappearing salesman**

**Bogus NCDOT traffic alert blames crash on 'Women Drivers, Rain, Obama Care'**

**Sheriff's office charges second man in NC State Fair ride injuries**

**Test scores for NC schools drop dramatically**

**Evidence stored away may prove Joseph Sledge's innocence**

Web2PDF

converted by Web2PDFConvert.com

The initiative also invests in targeted development projects. With its Community Development Financial Institution, Initiative Capital made 30 loans between 2006 and 2010 totaling \$8.3 million. The loans, which went to 26 organizations, helped create and sustain 64 units of affordable housing and 422,000 square feet of commercial property.

Remember, these are in some of the poorest communities in our state, areas that traditional banks typically avoid. By the end of 2010, Initiative Capital's portfolio had grown in value to \$9 million - and economically distressed neighborhoods now have new housing, new businesses and more jobs.

One of the initiative's successful investments is Passage Home.

Started as an all-volunteer effort in 1991 to create economic self-sufficiency for Raleigh's low-income and homeless communities, Passage Home was a unique partnership between St. Francis of Assisi Catholic Church in North Raleigh, a traditionally white congregation, and Lincoln Park Holiness True Vine Church in south Raleigh, an African-American-led congregation.

Today, Passage Home has an annual budget of \$2.1 million and runs nationally recognized transitional housing and antipoverty programs. Most significantly, it has a proven track record of getting families into homes, people back to work, and dollars into savings accounts.

Passage Home owns more than 100 units of affordable housing and has rehabilitated an 8,000-square-foot community center. Building on its success of forging public-private partnerships, it is partnering with local residents, the city of Raleigh, and corporate backers such as Cargill and Bayer CropScience to work on comprehensive neighborhood development just south of Raleigh's downtown, focused on young people, housing revitalization and economic development.

Passage Home's results are startlingly positive.

The nonprofit offers a kindergarten-to-college pipeline of support for neighborhood youth.

Last year, 100 percent of involved youth graduated from high school, and 89 percent of those students went on to college. The others have stable employment.

Additionally, Bayer and Passage Home are partnering on an experiential after-school program called Making Science Make Sense - planting seeds of possibility for next-generation scientists. In parallel, the partnership is redeveloping blighted and vacant housing units to create safe, affordable and healthy living conditions.

The group is also exploring the idea of an "Urban Agricultural Center" that would tap into the growing popularity of community gardens and local food production to provide training and jobs in horticulture and landscaping for local residents, while beautifying the neighborhood and contributing local produce to the community.

Passage Home represents just one example of the innovative approaches that are lifting up our hardest-hit communities.

From the work of East Carolina University's community development corporations to Mountain Housing Opportunities in the west, there are important success stories to understand, scale, and replicate. We simply can't afford to ignore them.

*Christopher Gergen is the founding executive director of Bull City Forward, on the faculty of the Hart Leadership Program at Duke University and co-author of "Life Entrepreneurs." Stephen Martin, a former business and education journalist, is a speechwriter at the nonprofit Center for Creative Leadership. They can be reached at [authors@bullcityforward.org](mailto:authors@bullcityforward.org).*



Order a reprint of this story

< PREVIOUS STORY

Duke provost learned about innovation from two masters

NEXT STORY >

Book shows how Henry Frye, Julius Chambers helped remake system



## Top 10 Stocks for 2014

These 10 stocks are set to crush the market in 2014.

This annual list beat Warren Buffett's record over the past decade, with gains up to 159%.



[Click here to learn more](#)

### Deals!

\$5 for \$10 Worth of Coffee and Pastries



\$5.00

Buy Now!

[dealsaver.com](#)

### Coupons

[View All](#)



**Physician Assisted Weight Loss**

10% off your initial visit



**Macy's**

\$10 off purchase \$25 or more



**Stein Mart**

40% off red dot clearance

### Search for Deals

Search local inventory, coupons and more

Search

Powered by

**FIND & SAVE**