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Communicating, Collaborating, and Coordinating to Revitalize New Jersey Neighborhoods

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Introduction

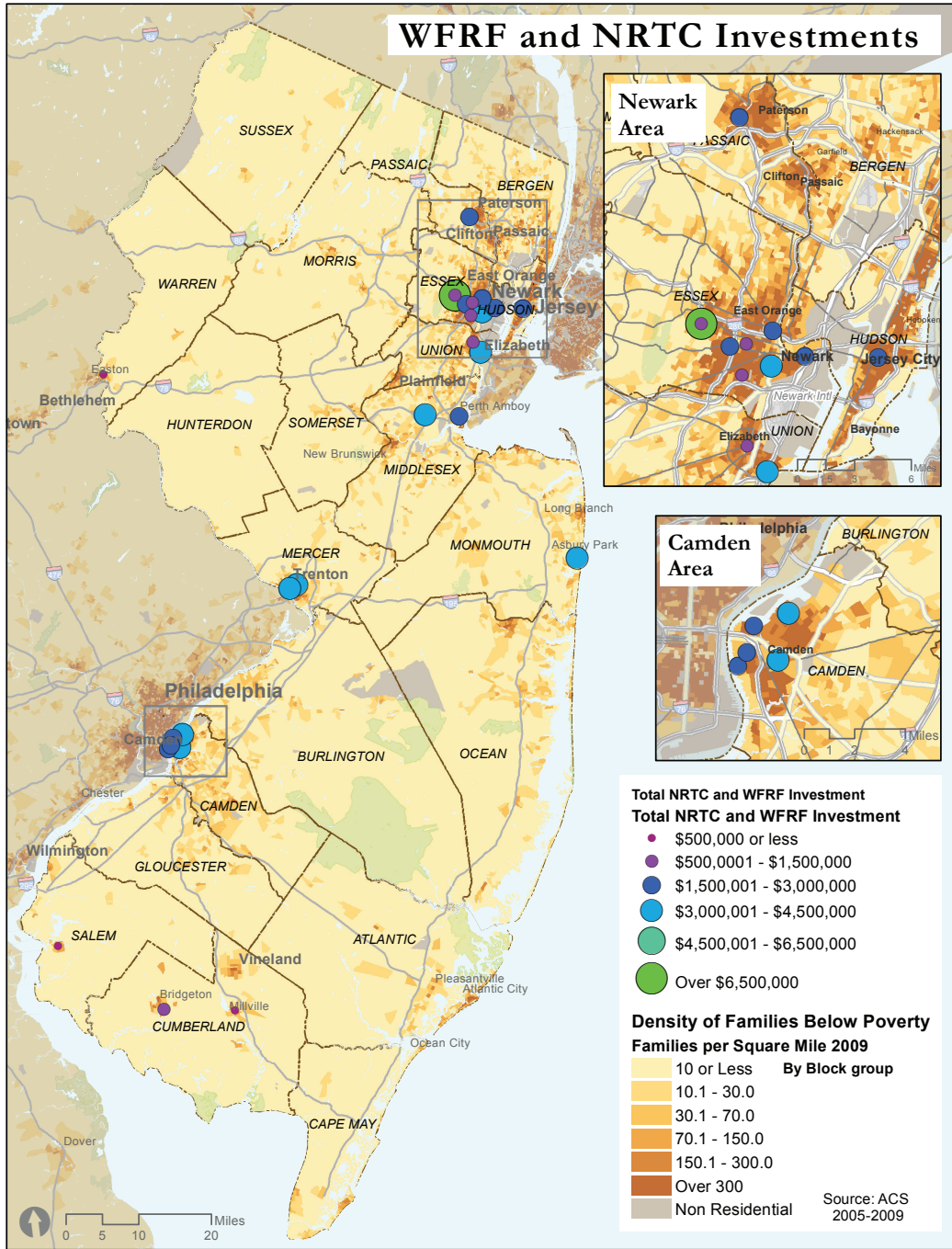
Since 2003, New Jersey corporations, private and public funders, and local community-based organizations (CBOs) have worked with local residents to help organize and implement cross-sector revitalization plans throughout the state's low-income neighborhoods. The confluence of large-dollar, multiyear funding sources, access to programmatic and project capital, and technical assistance is creating a tipping point for neighborhood revitalization in the state.

According to Diane Sterner, executive director of the Housing and Community Development Network of New Jersey, the concentrated activity these initiatives have generated is gaining national visibility. New Jersey is serving as a model for other states looking for creative ways to promote broad-based community development. This activity is noteworthy when one considers that although New Jersey is highly urbanized and densely populated, it is a state comprised primarily of small cities and municipalities. New Jersey also contains a spectrum of extreme wealth – 10 of the wealthiest 100 counties in the United States – as well as highly concentrated poverty; the state ranks 11th in the nation in income disparity. Equally noteworthy is the bipartisan support for the state's tax-credit funding program, which has spanned the administrations of four governors with a range of political perspectives.

Key Points

- Since 2003, the New Jersey public and private funding community has been organizing and implementing a shared, cross-sector approach to revitalizing the state's low-income neighborhoods that incorporates residents and stakeholders, encourages private investment, leverages corporate resources, and produces measurable results.
- The approach has been shaped by the programmatic alignment of the Wells Fargo Regional Foundation's Neighborhood Grants Program and the New Jersey Department of Community Affairs' Neighborhood Revitalization Tax Credit program (NRTC) with technical assistance from the Housing and Community Development Network of New Jersey.
- The combined programs have supported initiatives in 26 neighborhoods, funded by \$16 million in grants from the foundation and \$48 million in NRTC investments from 24 corporations.
- The momentum gained by these initial investments is priming the field for sustained investment and collaborative programming, which will produce stronger, healthier, and more vibrant people and communities. Together, they have created an ecosystem that is helping to nurture these complex initiatives and has produced an impressive level of concentrated activity across a variety of disciplines.

FIGURE 1 Investment Areas



These comprehensive revitalization initiatives incorporate the vision and vitality of a neighborhood's residents and stakeholders, encourage public and private investment, leverage corporate resources, and produce measurable results. The activities focus on implementing prioritized strategies that address the human, physical, and social-capital needs of a community. It is anticipated that these coordinated activities will yield new and engaged leadership, stronger organizations, heightened collaboration among funders and service providers, and additional neighborhood assets such as housing, commercial activity, and family wealth. Cumulatively, these newfound capacities will lead to stronger neighborhoods with a higher quality of life for all residents.

The effort has been catalyzed by the complementary funding and approach to revitalization provided by the Wells Fargo Regional Foundation (WFRF) and Community Development Corp., and the New Jersey Department of Community Affairs' Neighborhood Revitalization Tax Credit program (NRTC). Shepherding this effort is the Housing and Community Development Network of New Jersey (the Network), a statewide membership organization of more than 250 groups and individuals. The Network provides targeted technical assistance, educational programs, and advocacy for the state's locally based nonprofit organizations pursuing neighborhood revitalization, economic development, and housing strategies across New Jersey. As illustrated in Figure 1, WFRF and NRTC have supported specific initiatives and projects in 26 neighborhoods in 14 cities, funded by \$16 million in grants from WFRF and \$44 million in NRTC investments from 24 corporations. In addition, \$4 million in NRTC investments is available to support projects that are being identified.

The Network played a key role in designing and advocating for the enactment of the NRTC, helping its members tap both of these funding sources through outreach, brokering introductions, training, and technical assistance.

Over the course of this collaboration, the partners and grantees have identified eight key benefits

of a shared approach, which will be explored in greater depth through this article:

1. access to program and project capital,
2. ability to focus on the long-term objective,
3. heightened public visibility and credibility,
4. expanded breadth and collaboration of services,
5. improved communication and trust,
6. connections between neighborhoods and city government,
7. neighborhood-level outcome evaluation and metrics plans, and
8. sharing information and challenges to support learning, improvement, and solutions.

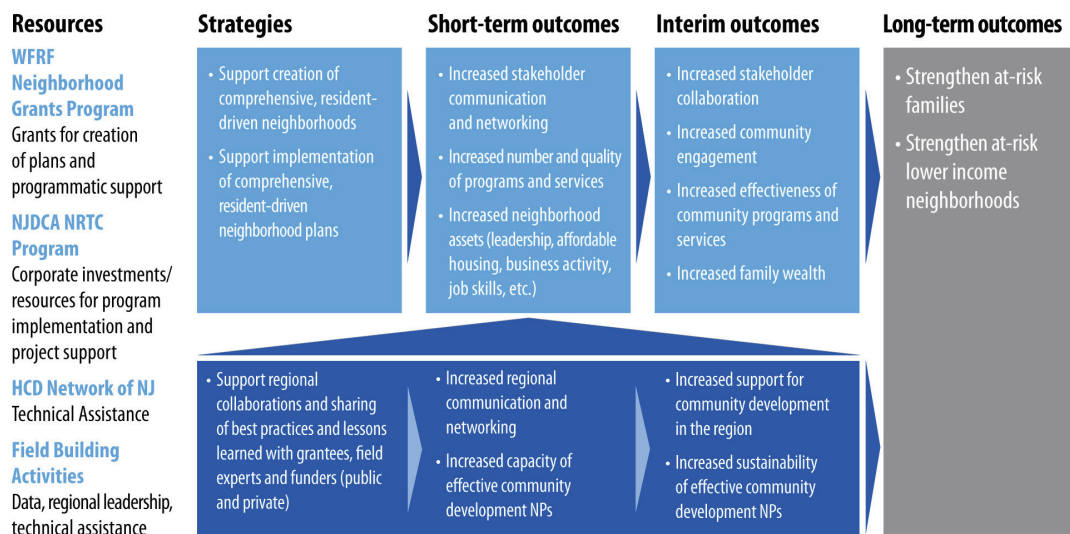
A Shared Approach to Revitalization

The alignment of programmatic guidelines and assistance from WFRF, NRTC, and the Network was structured to be a shared statewide approach to neighborhood change. The approach (see Figure 2) requires that:

- The revitalization initiative focuses on a low-income neighborhood within a defined geography.
- Revitalization strategies originate from a resident-driven plan that addresses the neighborhood's affordable housing, economic development, and neighborhood building needs and identifies the service needs of children and families. The plan's strategies and projects are prioritized and budgeted.
- Specific milestones and activities are outlined and scheduled; progress must be achieved for funding to be awarded and continued.
- The initiative is overseen by a stakeholder group led by a nonprofit organization and includes residents, civic groups, businesses, and local government.
- Each initiative is evaluated to assess the impact of its work to support learning and increased effectiveness.

FIGURE 2 Shared Approach

Shared approach to neighborhood revitalization



The Neighborhood Revitalization Tax Credit Program

Designed by the Housing and Community Development Network of New Jersey, enacted into law in 2002, and administered by the New Jersey Department of Community Affairs (DCA), the Neighborhood Revitalization Tax Credit Program (NRTC) provides corporate donations to projects and initiatives associated with approved neighborhood revitalization plans. Donors, in return, receive a state business tax credit. Corporations can contribute up to \$1 million a year to specific community-based organizations with approved revitalization plans. Sixty percent of tax-credit funds must be used for housing and economic development; the remainder may be used for complementary activities such as improvements to streetscape and public open space, social and community services, recreation activities, and community outreach and organizing. Available to support the implementation of these DCA-approved plans, are \$10 million per year in tax credits, or up to \$1 million per organization per year.

In addition, the complementary nature of WFRF and NRTC funding programs has provided the initiatives with the scale and types of capital required for the plans to be implemented. The training and technical assistance provided by the Housing and Community Development Network of New Jersey help build the skills and readiness of community-based organizations to implement the approach; the Network's advocacy keeps the state tax-credit program relevant to current market conditions.

Shared Origins and Experience

While the NRTC and WFRF funding programs developed independently, they each incorporated common themes contemporary to community-development research and had input from community-based organizations. As WFRF and state Department of Community Affairs (DCA) program staff quickly discovered the complementary nature of the programs, the funding community leveraged the convening power of the Council of New Jersey Grantmakers to host a series of meetings between 2005 and 2007 that included public and private funders. These meetings provided a forum for program staff to share priorities of various community-development funding programs

and to develop and expand relationships among staff. As a result, trust developed between public and private funders. For example, during this time the NRTC launched a planning grant using WFRF's planning-grant guidelines as a template, facilitating common guidelines and expediting the field's access to needed resources.

Since then, staff from WFRF and NRTC meet periodically to advise of potential changes in their respective programs, seek advice on joint grantees/investees, or share experiences and lessons learned. Program staff also may hold joint site visits with shared grantees. This leveraging of knowledge and experience helps to ensure that collective funding dollars remain complementary and appropriate to the scale of anticipated revitalization activity.

The Corporate Role

The NRTC program provides the business community a way to target investment in a comprehensive neighborhood recovery effort at essentially no cost to its bottom line. Diane Sterner, executive director of the Housing and Community Development Network of New Jersey, observes that allowing a business to choose a neighborhood may provide a deeper sense of commitment: "The creativity of the plans often brings out the creativity of the corporation in how they approach the project," she says.

For example, the utility company New Jersey American Water has invested \$1.8 million in the Cramer Hill neighborhood in Camden through the Cramer Hill Community Development Corp. New Jersey American Water is helping fund the construction of the Ray and Joan Kroc Corps Community Center, a \$40 million project expected to generate new jobs while creating a 132,000-square-foot community and recreation center. The funds will also enable Cramer Hill CDC to develop a dozen single-family homes with water conservation features. According to Peter Eschbach, director of communications and external affairs at New Jersey American Water, the utility company is coordinating with the EPA and providing smart-metering technology. Additionally, once the community center is opened

Wells Fargo Regional Foundation and Community Development Corp. Neighborhood Grants Program

The Wells Fargo Regional Foundation and Community Development Corp. (WFRF), a private institution affiliated with Wells Fargo & Co., aims to improve the quality of life for children and families living in low-income neighborhoods in New Jersey, Delaware, and eastern Pennsylvania. In 2003, WFRF launched the Neighborhood Grants Program, which focuses on the creation and implementation of comprehensive neighborhood plans in its 62-county region by providing:

- Neighborhood Planning Grants to support resident-driven comprehensive neighborhood revitalization plans. Grants range from \$25,000 to \$100,000 and are disbursed based on performance over 12 to 18 months.
- Neighborhood Implementation Grants to support a range of community-development projects that have been identified in a resident-driven neighborhood plan, such as workforce, organizing, housing development, or commercial revitalization. Grants range from \$100,000 to \$750,000 and are disbursed based on performance, usually over a five-year period. Renewal Grants, up to an additional \$300,000, may be awarded for up to an additional four years.
- Program Related Investments, in the form of loans, fund predevelopment costs of projects that are identified in neighborhood plans or are investments to intermediaries providing capital to businesses or service providers in these neighborhoods. The investments are up to \$250,000, priced at below-market interest rates, and are expected to be repaid within five to 10 years.

(it is anticipated this year), the utility plans to encourage employees to volunteer there as youth mentors.

Similar stories have emerged in other neighborhoods that have undertaken a wide range of revitalization strategies. (See Appendix 1.) Additional companies are waiting to become investors. A 2012 survey of NRTC investor corporations indicates that they select an investment opportunity based upon a variety of reasons, including:

- the business' presence in the neighborhood,
- the alignment of business expertise or philan-

thropic focus with a community's identified needs,

- the potential impact of the funded project or program,
- the relationship of the corporation with the lead organization, and
- the degree to which the investment can have an immediate impact.

Besides receiving the tax credit through the Neighborhood Revitalization Tax Credit Program, which brings a direct financial benefit to the corporation, the investor companies all indicate that participation in the program has enhanced their reputation in the community and heightened employee pride in their company. In addition, some of the investors said that participation introduced important community partners to corporate management, fostered the company's collaboration with other public and private funders, encouraged interdisciplinary collaboration within the investor company, or heightened employee engagement through volunteer opportunities.

Investor companies are introduced to the program in a variety of ways, including direct solicitation from the lead nonprofit, referral by the Network, introduction from the DCA program staff or media advisory, or from peers at other corporate investors. Initial investment in the NRTC program was slow, but a 2007 revision to the law that provided a 100 percent tax credit for contributed funds (an increase from the initial 50 percent tax credit), coupled with the positive experience of early investors, has resulted in full allocation of the NRTC since 2010. As demand for the tax credits now exceeds the supply, expanding the NRTC to match the level of interest is being discussed.

Benefits of a Shared Approach

The alignment of the NRTC and WFRF Neighborhood Grants Programs has facilitated the implementation of a set of strategic and coordinated revitalization activities in the target neighborhoods that truly engages residents. Bradley Harrington, NRTC program supervisor, states: "The complementary nature of the funding from both programs is really helpful for organizations

that are approaching neighborhood revitalization in a comprehensive and multiyear fashion." A 2012 survey of shared NRTC and WFRF grantees confirmed that the common funder requirements have greatly influenced how community-based organizations approach neighborhood-revitalization activities, including greater emphasis on interdisciplinary planning, coordination of programs across neighborhood service providers, resident engagement, and an established framework for evaluating the work.

Each WFRF grantee conducts two methodologically sound, door-to-door resident surveys using a randomized sample – once in the early stages (typically during the planning phase) and again at the end of the implementation grant phase. The results of this process have been profound in multiple ways. The participatory data gathering not only fits succinctly with grantees' grassroots outreach, it also furthers their ability to connect with those residents who are less likely to be vocal participants in neighborhood-change efforts. Moreover, the collected data help groups understand neighborhood perceptions and conditions, allowing them to adjust their strategies during the grant period.

For example, Housing and Neighborhood Development Services Inc. in Orange, N.J., found that a significant percentage of renters would like to buy a home in their current neighborhood. This insight allowed the organization to reshape its marketing efforts toward existing renters and to leverage the fact that 50 percent of neighborhood residents said they were either "very satisfied" or "satisfied" living there.

IronBound Community Corp. in Newark identified signs of exciting change in its East Ferry Street neighborhood between 2008 and 2012, when their surveys were conducted. During this time, all 14 aspects of quality of life measured by the survey showed improvement. These data were key to the organization's understanding of the impact of its holistic approach. One immediate use is highlighting this impact as it seeks capital from private funders for new major revitalization efforts.

While community-based organizations have been incentivized to approach neighborhood revitalization in the comprehensive, planned fashion these programs encourage, the CBOs surveyed identified eight benefits of the shared approach:

1. *Access to program and project capital.* The grantees overwhelmingly acknowledged the value of access to the breadth and depth of capital provided by the two funding programs. WFRF's Neighborhood Grants Program provides funding exclusively for program costs, including staff, which provides grantees with the human capital to pursue project capital and staff programs. These "soft costs" include critical functions associated with managing the coordination of service providers and stakeholders to keep programs aligned and "directionally correct," as well as ongoing outreach and community-building activities with the residents. NRTC investor funding is largely tied to specific projects and is often used to fund the physical costs of housing and economic-development activities, which, in turn, catalyze other neighborhood improvements.
2. *Ability to focus on the long-term objective.* All grantees expressed the importance of the multiyear nature of WFRF's grants program in supporting financial stability and attracting a professional staff to implement the long-term initiative and oversee development of NRTC investor-funded projects. Some grantees commented that the WFRF's outcomes-oriented approach – rather than a cost-based approach – allows the financial flexibility the community-based organizations need to remain nimble and best meet the changing market context inherent in this work.
3. *Heightened public visibility and credibility.* The prevalence of the shared approach to revitalizing New Jersey's low-income communities has facilitated a common understanding of neighborhood-change initiatives by the corporate and public sectors, ripening the field for investment by new funding sources and often helping to increase local political buy-in.
4. *Expanded breadth of services and collaboration of service providers.* The neighborhood visioning process provides an open environment for the creation of program strategies and projects unique to the neighborhood. By coordinating and vetting strategies in a facilitated, inclusive process, neighborhood service providers and stakeholders can build upon each other's ideas and allocate services based upon core capacities and financial strength. Unique strategies that emerged from the planning processes include the development of a community art collaborative in Orange, the expansion of an award-winning teen center in Newark, and the creation of a Job Bank and Resource Center in Jersey City and an environmental sustainability center in Camden.
5. *Improved communication and trust.* Years of broken promises have sometimes fostered residents' distrust of both government and institutions. Likewise, funding competition and historic turf disagreements may yield distrust or even dislike among service providers. While communication is always desired, the

A comprehensive milestones and activities grid serves as an implementation plan for the various programs, highlighting key deliverables and anticipated activity levels.

Grantees have stated that working with NRTC and WFRF provides their work with enhanced credibility, which boosts confidence of funders and stakeholders who may be less familiar with the complexity of this work. In addition, participant CBOs indicate that the heightened visibility from the initiative has resulted in better attention and resources from municipal service providers such as police, code enforcement, and commerce departments.

fast pace and complexity of community-based organizations requires that feedback loops be created to ensure that communication is prioritized. Participant CBOs surveyed stated that the comprehensive approach to revitalization greatly improves communication among neighborhood stakeholders, including local government. Heather Schulze, outreach coordinator at Interfaith Neighbors in Asbury Park, says: "By working so closely together, the service providers, government, businesses, and civic organizations have learned more about each other and continue to communicate towards a common goal."

A comprehensive milestones and activities grid serves as an implementation plan for the various programs, highlighting key deliverables and anticipated activity levels. This overarching report provides a common project-management tool that is updated quarterly and can be shared with the management team, stakeholders, boards, funders, and residents to facilitate effective communication, accountability, and knowledge-sharing of the initiative's status and progress.

In addition, most CBOs create mechanisms for reporting to the community, including websites, social media forums, newsletters, and community meetings. The enhanced communication creates transparency and heightens resident attachment to the neighborhood.

6. *Connections between neighborhoods and city government.* Community-based organizations also noted that involvement of local officials in the planning and implementation of the initiative helped establish key relationships and understanding of common goals among multiple parties. According to Mike Farley, executive director of Unified Vailsburg Service Organization, the involvement of local officials has "provided a context for new cooperative work" that has helped the Newark-based group acquire and restore abandoned houses in the Vailsburg neighborhood. Other examples include the prioritization of a capital-improvement project in one Camden

initiative, increased police presence in a Perth Amboy neighborhood, the incorporation of resident feedback into the city's redevelopment plan for one Jersey City neighborhood, and assistance in securing the designation of a site in the city of Orange as a brownfield development area.

7. *Neighborhood-level outcome evaluation and metrics plans.* With the technical assistance provided by WFRF through NeighborWorks America's Success Measures Program, each neighborhood initiative develops an evaluation framework that focuses on the outcomes of the aggregate set of programs and projects implemented within the target neighborhood. This larger outcome framework provides funders and collaborative partners the opportunity to assess the collective impact to which they have contributed, rather than just a one-off evaluation for each separate program.¹
8. *Sharing information and challenges.* Pulling together public and private funders, stakeholders, and residents around a common set of principles has helped to identify drivers of neighborhood change that either work very well or are in need of repair. For instance, the Housing and Community Development Network of New Jersey has convened meetings of community-based organizations to discuss ways to heighten the impact of their work, which has served as the basis for recommendations to the NRTC program under review by the state. In another example, WFRF recognized through the initiatives they funded that there were certain consistent factors critical to the success of a neighborhood-planning initiative. As a result, WFRF instituted a "neighborhood planning workshop" to help prepare and inform a neighborhood's readiness for planning. These professionally facilitated workshops are free to the public and are publicized by the Department of Community Affairs and other community-development

¹See Greco, L. W., Grieve, M., & McCullough, M. (2010). Paradigm shift: A foundation/grantee partnership using data to drive neighborhood revitalization and assess impact. *The Foundation Review*, 2(2), 39-54.

TABLE 1 Program Accomplishments

Program Highlights of N.J. Neighborhood Revitalization Initiatives (Note: Not all grantees undertake all activities.)	N.J. Neighborhood Revitalization Initiatives 2004-11 (Figures approximated and rounded, based upon CBO reporting)			
	Total N.J. Initiatives	Emerging Initiatives (0-2 years)	Established Initiatives (3-5 years)	Mature Initiatives (>5 years)
Number of Neighborhoods	26	11	8	7
Dollars Invested Through 2011 (in millions)				
NRTC paid	\$35.2	\$7.7	\$11.0	\$16.5
NRTC approved for future work	\$ 8.8	\$2.8	\$ 4.9	\$ 1.1
WFRF paid	\$12.7	\$2.4	\$ 4.7	\$ 5.6
WFRF approved for future work	\$ 3.8	\$2.3	\$ 1.2	\$ 0.3
Total paid	\$47.9	\$10.0	\$15.7	\$22.1
Total approved for future work (not yet distributed)	\$12.6	\$ 4.0	\$ 5.4	\$ 1.3
Affordable Housing Development and Counseling				
• Individuals counseled (prepurchase/foreclosure prevention)	4,514	2,269	1,210	1,035
• People trained in housing maintenance skills	301	0	301	0
• Rental units developed	789	75	30	684
• For-sale units developed	269	9	104	156
• Energy and environmental health audits	122	0	122	0
Economic Development				
• New businesses developed/attracted to neighborhood	61	2	34	25
• Square feet of commercial space developed	350,000			
• New jobs created	115	100	0	15
• Individuals received job training – trades/professions	459	87	356	16
• People coached in employment readiness	1,807	100	1,450	257
• People placed in new or improved living-wage jobs	574	100	364	110
• Businesses strengthened through technical assistance	68	0	43	25
• Households aided in filing tax returns	1,084	0	1,084	0
Neighborhood Building/Social Cohesion				
• Green or recreational spaces created/maintained	129	26	60	75
• Trees planted	392	156	236	0
• Blighted properties demolished	28	4	3	21
• Cleanups or streetscape enhancements	150	98	15	37
• Houses and businesses receiving physical improvements	445	33	29	383
• Community groups created or strengthened	53	7	21	25
• Neighborhood leaders identified/trained	396	152	150	94
• Community-based organizations strengthened through technical assistance	68	0	43	25
• Neighborhood communication products created	21	8	7	6
• Branding initiatives implemented	7	4	0	3
• Neighborhood festivals or gatherings held	161	26	60	75
Services to Children and Families				
• Community centers opened or expanded	9	0	4	5
• People aided by case management, health care, life skills, advocacy services	24,230	2,235	6,216	15,779
• New child care slots created	191	0	0	191
• Children aided by new school-age programs	14,972	1,037	9,846	4,089

intermediaries. By coalescing around an approach, CBOs are able to share best practices and common challenges.

Accomplishments

As evidenced by Table 1, providing community-based organizations with access to funding and technical assistance for planning, staffing, and implementation has supported resident-driven approaches to revitalizing neighborhoods, with each uniquely tailored to support the visions and dreams of local stakeholders. The accomplishments listed in Table 1 illustrate that the work being done by grantees is broad in scope; not all organizations are using the same approaches, meaning that different programs and efforts are under way in different locations and with distinct program performance. However, the important and common thread is that the process is based on resident-driven plans that result in concrete, place-based outcomes aligned to the community.

Admittedly, tracking the activities is only an intermediate measure of each neighborhood-revitalization initiative's outcomes, as the long-term outcomes will take additional time to measure. To help the organizations evaluate their long-term impact, WFRF has required each of its grantee neighborhoods to assess changes in:

- the residents' perceptions across a variety of quality-of-life measures as reflected in periodic, random door-to-door surveys;
- the neighborhood's physical conditions over time, as measured by periodic parcel-level observations; and
- two to three additional measures customized to their individual programs.

Starting in 2012, and with the assistance of The Reinvestment Fund's Policymap.com, each long-term WFRF grantee also has access to a Community Change Report, which tracks changes of select secondary-data points as compared to three other peer neighborhoods. This report provides a glimpse into how the neighborhood is responding to the revitalization initiative.

In addition, the Network and New Jersey Community Capital conducted a study in 2012 to

assess the impact of the program statewide in its first 10 years. The study found that the program leveraged \$7.30 for every NRTC dollar invested.

What's Working

Neighborhood revitalization is long-term work; the funders and community-based organizations realize that significant and sustained change in most of these neighborhoods will take decades. Yet, the work of these grantees is bearing evidence that positive change is occurring. These shared approaches in New Jersey illustrate that the following underlying principles provide the necessary momentum to foster and incubate the positive changes.

- *Start from the grassroots.* The fundamental premise of the approach is that practitioners and residents closest to the neighborhood are best suited to drive and sustain positive change. By fostering a grassroots approach, the strategies developed are owned by the stakeholders, not the funders or government officials. By definition, the resulting programs implemented are resident-driven and, therefore, have a greater likelihood of resident participation. In addition, by providing resources for professional leadership, the neighborhood coalitions have the ability to organize the grassroots providers and stakeholders for positive action. Consequently, residents and stakeholders have evidenced increased civic engagement, addressing town councils and mayors with concerns about which they expect – and get – results. This local ownership has also allowed the momentum of initiatives to transcend changes in local political office, which in some neighborhoods has been frequent. Informal peer networks have developed among the neighborhoods, which is fostering the sharing of strategies, ideas, and challenges.
- *Provide resources proportionate to the scale of the problem.* Both funding sources recognize the scale and complexity of the challenges faced by the target neighborhoods, and have structured their programs to best match the investment needs in terms of size, purpose, and duration. In addition, the funders recognize that circumstances change over time and, therefore,

are open to amending their expectations provided they are aligned with the initial intent. Each funder remains engaged in the investment to ensure resources are used appropriately.

- *Communicate, communicate, and communicate some more.* Grantees surveyed stressed the importance of coordinated and complementary action from funding sources and remaining responsive to market conditions. To help address the market's fluidity, the Housing and Community Development Network of New Jersey has regularly convened community-based organizations to learn of emergent or pervasive issues and advocated for policy change on its behalf. In addition, the NRTC program has re-established a task force to ensure the development of a formal feedback loop. As a learning organization, WFRF regularly tweaks its grants program based on feedback from its grantees through quarterly and final reports, annual site visits, and listening exercises. The NRTC and WFRF program staff communicates periodically, particularly in times of program review, to discuss contemplated changes to their respective programs and resultant implications.
- *Capitalize upon sphere of influence.* The credibility developed from the success of the WFRF and NRTC programs is a significant asset for the initiatives. Each funder is poised to assist both in sharing the impact of the state's revitalization work and in expanding the funding network necessary to support the initiatives. For example, WFRF has co-sponsored the development of the Strong and Thriving Communities Affinity Group of the Council of New Jersey Grantmakers. The mission of this learning community is to share ways New Jersey grantmakers can aid communities in developing their full potential through place-based philanthropy and investment. This forum also introduces funders to emerging or successful initiatives for possible co-funding and communicates challenges or opportunities for policy change within the field. The NRTC program has routinely looked to broker relationships between the initiatives and potential corporate sponsors by sharing websites and facilitating site visits with like-minded parties.

Based on the belief that good data drive good work, WFRF provides each of its grantees with significant levels of assistance through its relationships with Success Measures at NeighborWorks America, as well as The Reinvestment Fund's PolicyMap team. These resources provide the most current primary and secondary data available to develop and evaluate the efforts of CBOs, access to geographic information system capabilities, and analytical and evaluation support from field experts to help understand the implication of these data points.

- *Provide technical assistance.* The knowledge of community-based organizations is often limited to their own experience and local context. To facilitate the cross-pollination of ideas and heighten skills of CBO staff, the Network provides direct assistance to members in the implementation of their neighborhood plans, supporting their work on both strategic and project-specific levels. Importantly, it also helps to identify planning and implementation resources beyond those available through the NRTC and WFRF and coordinate a member task force, which plans to promote the sharing of successful neighborhood strategies in areas such as economic development, crime prevention, and job creation. WFRF annually provides professional development and celebrates

the work of community-based organizations through its Grantee Conference. Furthermore, based on the belief that good data drive good work, WFRF provides each of its grantees with significant levels of assistance through its relationships with Success Measures at NeighborWorks America, as well as The Reinvestment Fund's PolicyMap team. These resources provide the most current primary and secondary data available to develop and evaluate the efforts of CBOs, access to geographic information system capabilities, and analytical and evaluation support from field experts to help understand the implication of these data points.

- *Keep it simple.* The clarity and simplicity of the NRTC and WFRF program approach has fostered the collaboration of funders. Neighborhood revitalization is about developing and implementing resident-driven neighborhood plans that address a full spectrum of quality-of-life issues. While the execution of the comprehensive plans may be complex, the simple message can be understood by those not familiar with all of the nuances of the field. In addition, the breadth of the programs that emerge from the planning process almost guarantees that a prospective funder can identify an issue they are interested in addressing.
- *Evaluate progress in the open.* Given the history and propensity for distrust between so many stakeholders, it is imperative that the neighborhood stakeholders openly and regularly discuss progress against the plan and explore any planned modifications with all involved parties (funders, collaborative members, residents, etc.).

Challenges

While many things are working well in New Jersey's revitalization market, challenges remain:

Level of corporate investment. Declining corporate profits could result in a decline in state business-tax liabilities, limiting one of the primary drivers of the demand for corporate investment through the NRTC program.

Expansion of NRTC. Success of the program from the community standpoint has led to its oversubscription, leading to calls from some community-development advocates for the program's expansion and initial legislative activity toward that goal. In an era of government budget constraints, these considerations will require evidence that it is a valuable use of public funds. This highlights the importance of:

- demonstrating the program's ability to leverage the corporate investment beyond the dollars, such as business expertise or volunteer hours;
- rooting the program's origination among community-based organizations so that it is clearly understood as needs-driven rather than a program of a particular political administration;
- demonstrating the impact of the program with data, such as the private dollars leveraged and activities accomplished; and
- maintaining relationships among the program staff of public and private funders, to provide continuity in the relationships irrespective of senior leadership changes.

Declining financial condition of CBO community. CBO providers have experienced weakened balance sheets and cash flow due to

- funding cutbacks and slowed payments;
- decreased housing sales, resulting in increased housing inventories and associated financing costs and reduced developer fees; and
- increased demand for services due to foreclosure activity and human-service needs.

The funding community has responded by coordinating additional technical assistance to help vulnerable organizations assess operations and refocus on core mission, advocating with key government programs to expedite payments, or referring prospective funding sources. However, there is still the risk that some initiatives or projects may be stalled or halted due to the vulnerabilities of a lead organization or key partner.

Sustainability of the initiatives. As a large-dollar, programmatic funder, WFRF learned early in the

life of its Neighborhood Grants Program that the initiatives it seeded could not survive the termination of its funding. Simultaneously, it came to understand that it took about three years to get an initiative firmly established, meaning that the initiatives were seeking financial independence just as they were beginning to gain full momentum – with disappointing results. While they made good progress during their initial years, most of the early initiatives were reduced to much more limited scopes than originally intended. To address this challenge, the WFRF lengthened the average life of its initial implementation grant to five years and added the renewal program. Although these changes made a significant difference in the impact of the work, a 2010 listening exercise within its Renewal Grant Portfolio demonstrated that

- grantees are struggling with understanding the true financial cost of the initiatives that span across disciplines and organizations, making planning and allocating appropriate resources difficult;
- organizations need additional assistance to understand and articulate the impact of their work and then make future decisions based upon this analysis; and
- operating an initiative requires a significant amount of staff time, which takes away from their focus on fund development.

To assist its grantees, in 2011 WFRF launched the Sustainability Initiative, which helps the grantee understand the true financial costs and social impacts of the comprehensive community change initiative, prioritize its resource development needs, and develop a fundraising prospectus and pitch. While in only its second year, feedback from grantees has been overwhelmingly positive, with grantees aggressively pursuing new funding sources including the under-tapped individual giving sector, with some exploration of the use of new social media tools available for fundraising.

Conclusion

The shared approach for resident-driven, comprehensive neighborhood revitalization in New Jersey's low-income communities is fostering broad-based, cross-sector partnerships and is

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coordinating public and private funding and resources. The approach has been fueled by a significant investment and alignment of resources by the Wells Fargo Regional Foundation, the New Jersey Neighborhood Revitalization Tax Credit Program, and the Housing and Community Development Network of New Jersey. Together they have created an ecosystem – including state policy, the corporate sector, public and private funders, local community providers, and residents – that is helping to nurture these complex initiatives and has produced an impressive level of concentrated activity across a variety of disciplines.

While significant activities have occurred, the benefit of these initiatives will require additional years of programming to yield sustained results. However, the cross-sector coalitions that have emerged in these neighborhoods are a foundation upon which other programs and investments can quickly take root and build. Large-dollar, multi-year national grants have been awarded in many of these neighborhoods based upon the organized stakeholder groups and identified sense of readiness, including grants from the U.S. Environmental Protection Agency's Environmental Justice and Brownfields programs, U.S. Department of Housing and Urban Development Hope VI Program, and the Living Cities' Integration Initiative. The

momentum gained by these initial investments is priming the field for sustained investment and collaborative programming, which will produce stronger, healthier, and more vibrant people and communities.

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APPENDIX 1 Appendix of N.J. WFRF and NRTC Neighborhood Revitalization Investments

Organization Name, Neighborhood, City	Year Community Development Plan Finalized	Total Planned Investment NRTC & WFRF	Total WFRF Awarded	Total NRTC Award	NRTC Investor Company
AHOME, Center City, Millville	2010	\$415,000	\$415,000	\$0	
Camden Lutheran Housing/ Save Our Waterfront, North Camden, Camden	2009	\$2,110,000	\$860,000	\$1,250,000	Campbell's Soup, PNC Bank, Sun National Bank
Catholic Charities, Diocese of Metuchen, Unity Square, New Brunswick	2007	\$4,192,455	\$900,000	\$3,292,455	Johnson & Johnson, PNC, PSEG Enterprises, Sanofi-Aventis
CityWorks/East Trenton Collaborative, East Trenton, Trenton	2008	\$3,762,500	\$797,000	\$2,965,500	NJM Insurance
Cooper University Hospital, Cooper Plaza/Lanning Square, Camden	2009	\$1,650,000	\$0	\$1,650,000	Campbell's, Horizon Healthcare N.J., NJM, PNC, PSE&G, Sun National Bank
Cramer Hill Community Development Corp., Cramer Hill, Camden	2010	\$3,806,000	\$835,000	\$2,971,000	Campbell's, Horizon Healthcare, New Jersey American Water, PNC, PSEG, RTC Properties
Elizabeth Development Co., Elizabethport, Elizabeth	2004	\$3,550,000	\$1,000,000	\$2,550,000	Horizon Healthcare, JP Morgan Chase, NJM, PNC, PSE&G, PSEG, RTC, TD Bank
Elizabeth Development, Historic Midtown, Elizabeth	2010	\$1,000,000	\$0	\$1,000,000	JP Morgan Chase, PNC, PSE&G
Episcopal Community Development, Clinton Hill, Newark	2008	\$815,000	\$815,000	\$0	

Gateway Community Action Partnership, Southeast Gateway, Bridgeton	2006	\$982,000	\$982,000	\$0	Horizon Healthcare, PNC (NRTC project to be submitted for review)
HANDS, Heart of Orange, Orange	2010	\$736,600	\$0	\$736,600	Chubb Insurance, Prudential Insurance, RTC
HANDS, The Valley Orange, West Orange	2004	\$6,875,000	\$875,000	\$6,000,000	Chubb Insurance, Horizon Healthcare, JP Morgan Chase, NJ Pure/Cure, PNC, PSE&G, RTC, TD Bank, Valley National Bank
Heart of Camden, Waterfront South, Camden	2008	\$2,500,000	\$0	\$2,500,000	Campbell's, Horizon Healthcare, PNC, PSEG, TD Bank
Interfaith Neighbors, West Side, Asbury Park	2006	\$3,750,000	\$750,000	\$3,000,000	Horizon Healthcare, Jersey Central Power & Light, NJ Natural Gas, PNC, Selective Insurance
Ironbound Community Corp., East Ferry, Newark	2006	\$1,820,000	\$820,000	\$1,000,000	TD Bank, Valley National Bank
Isles, Old Trenton, Trenton	2007	\$3,370,000	\$1,385,000	\$1,985,000	JP Morgan Chase, Merrill Lynch, NJM, PNC, PSE&G
Jewish Renaissance Foundation, Greater Budapest, Perth Amboy	2009	\$1,668,900	\$850,000	\$818,900	Horizon Healthcare, Johnson & Johnson, PNC, PSEG
La Casa De Don Pedro, Lower Broadway Newark	2004	\$1,750,000	\$750,000	\$1,000,000	PSE&G, Valley National Bank
Lincoln Park Coast Cultural District, Lincoln Park, Newark	2007	\$3,350,000	\$450,000	\$2,900,000	Horizon Healthcare, JP Morgan Chase, PNC, PSE&G, PSEG
N.J. Community Development Corp., Greater Spruce Street, Paterson	2009	\$2,850,000	\$850,000	\$2,000,000	Beckton Dickinson, Horizon Healthcare, Lakeland Bank, PNC, PSE&G, RTC, Thomson Corp.
NORWESCAP, The Flats/ Parnassus, Phillipsburg	2009	\$10,000	\$10,000	\$0	PNC, TD Bank (NRTC project to be submitted for review)
Parkside Business and Community in Partnership (PBCIP), Parkside, Camden	2005	\$3,975,000	\$975,000	\$3,000,000	Campbell's, Horizon Healthcare, PNC, PSE&G, TD Bank

Stand Up For Salem, Center of Salem, Salem	2011	\$0	\$0	\$0	PSEG (NRTC project to be submitted for review)
Unified Vailsburg Service Organization (UVSO), Vailsburg, Newark	2006	\$2,626,500	\$596,000	\$2,030,500	JP Morgan Chase, PNC, PSEG, RTC, TD Bank, Valley National Bank
Urban League of Essex, Fairmount, Newark	2011	\$775,000	\$775,000	\$0	
WomenRising, Bergen Hill, Jersey City	2008	\$2,050,000	\$750,000	\$1,300,000	Horizon Healthcare, PNC, PSEG, TD Bank
Total Invested		\$60,389,955	\$16,440,000	\$43,949,955	