

# Partnership **Update**

 news and information from *The Partnership for New Communities*

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## **Historic groundbreaking at Robert Taylor Homes** **New mixed-income development replaces public housing high rises**

Public-housing officials, residents, and community leaders, including Chicago Housing Authority CEO Terry Peterson and 3<sup>rd</sup> Ward Alderman Dorothy Tillman, gathered this month to break ground on Hansberry Square at Legends South, the first new mixed-income development to be built on-site at Robert Taylor Homes.

Alderman Tillman expressed commitment to a holistic approach to building a new community that will be “a place for families to live and work and play, where the previous development was really only a place to sleep.”

Hansberry Square, located along State Street between 40<sup>th</sup> and Root Streets, is the second phase of Legends South, one of the South Side’s largest redevelopment projects. The \$50 million, 238-unit mixed-income residential development will include 181 rental apartments and 57 for-sale homes.

The \$850 million master plan for Legends South calls for the construction of up to 2,388 new mixed-income units, the rehabilitation and construction of seven new community facilities, and the development of new retail space which will provide jobs and greater access to economic opportunities for residents.



*Terry Peterson, CEO of the CHA, looks on as Valerie Jarrett, Executive Vice President of the Habitat Company and granddaughter of Robert Taylor, offers an historical perspective and thanks community partners for their work in realizing her grandfather’s vision through the development of mixed-income communities.*

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## **ComEd announces support of Partnership Initiative**

The Partnership is pleased to announce a recent investment of \$100,000 from ComEd, in support of the Workforce Development Initiative. **(See story on page 4 for more on the WDI)**



“ComEd, an Exelon Company, has a strong tradition of committing our energy to improving the lives of the people who live and work in the communities we serve. We are proud to support The Partnership’s Workforce Development Initiative because expanded resident access to personal development programs and employment will

empower residents to reach their full potential and strengthen their communities,” said Frank Clark, Chairman and CEO of ComEd.

“Work is the foundation of family self-sufficiency, a key tenet of the Plan for Transformation,” said Maria Hibbs, executive director of The Partnership. “We are grateful for ComEd’s contribution to our efforts surrounding workforce development and look forward to their continued support of our work on this Initiative.”

With ComEd’s contribution, The Partnership has raised \$6.1 million toward a goal of \$15 million over the next two years.

More information on ComEd can be found at [www.exeloncorp.com/ourcompanies/comed](http://www.exeloncorp.com/ourcompanies/comed).

## **Synergy between Partners ensures training for entrepreneurs**

### **Partnership grantees and institutions collaborate to spur small business development**

Through a community-wide collaboration, more than 20 potential and existing women entrepreneurs received training on starting or expanding their own retail businesses through the Women's Business Development Center's Retail Development Series, which concluded in March.

With support from The Partnership, the Chicago Department of Planning and Development, Illinois Institute of Technology (IIT) and other community partners, WBDC presented a series of workshops that provided participants with a road map to becoming outstanding retail entrepreneurs.

The Retail Development Series workshops, held once a week for three weeks, addressed key elements of developing and profitably operating a retail business, including strategy, marketing, and communicating with customers.

As a result of the workshops, four entrepreneurs expressed interest in opening businesses in the Bronzeville community area. Their potential ventures include an apparel store, a knitting and yarn store, a coffee and smoothie shop, and a child-care center.



*More than 20 women entrepreneurs who attended WBDC's March Retail Training Series, held at Illinois Institute of Technology, received training on starting or expanding their own retail businesses.*

An example of the synergy between Partnership grantees and institutions, WBDC benefited from IIT's donation of classroom training and meeting space for the workshops as well as local outreach that helped to attract community entrepreneurs to the workshops.

Leroy Kennedy, Associate Vice President of Community Development for IIT, explained IIT's interest in collaborating with the WBDC as complimentary to the work IIT is doing on an institutional level, through the Knapp Entrepreneurship Center, Coleman Chair of Entrepreneurship, and new technology park. "This work helps to blend the academic and practical experiences that will prepare local entrepreneurs to contribute to the economic infrastructures in their communities," he said.

WBDC also received help marketing the workshops to entrepreneurs from the Quad Communities Development Corporation and the Centers for Working Families, both Partnership grantees.

The workshops are one component of the WBDC's Partnership-supported Franchise/Retail and Child-Care Business Initiative, which identifies community needs and offers a range of economic, social, and employment opportunities in transforming communities through the recreation of new and expanded small businesses, the delivery of goods and services, and access to quality early childhood education and child care.

Entrepreneurs who participate in the WBDC's Retail Initiative track first attend a free Retail Business Decision Making Session. After completing one of the WBDC's general entrepreneurial training series, they then participate in the Retail Development Series, and finally receive specialized business counseling and technical assistance from business counselors at the WBDC.

To date, the WBDC has identified over 50 potential entrepreneurs looking to start or expand retail, franchise, or child-care businesses in transformation communities. Another series of the Retail Development workshops will be offered in June and October. More information can be found at [www.wbdc.org](http://www.wbdc.org).

## Tax Help Returns \$1.5M in Refunds to Working Families

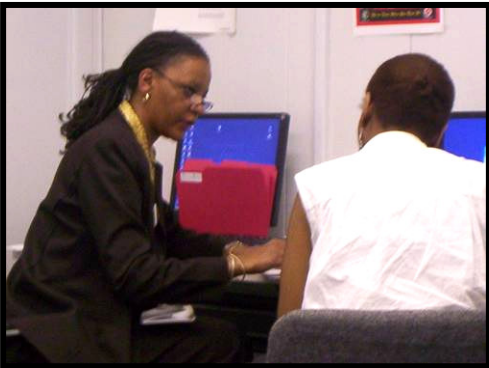
Centers for Economic Progress and Working Families partner to prepare returns

This Spring at the Center for Working Families at the Abraham Lincoln Center in Bronzeville one subject was on the minds of clients more than any other: taxes.

For the twelfth year, the Center for Economic Progress Tax Counseling Project assisted families by offering free state and federal income-tax preparation services at 38 community-based sites throughout the city, including the Partnership-funded Centers for Working Families on the City's South and Near West Sides.

According to the Center for Economic Progress, volunteers prepared over 700 returns at the Bronzeville Center and returned over \$1 million in state and federal refunds to clients. At the Near West Side Center, volunteers prepared over 400 returns totaling over \$500,000 in returns for community residents.

Demand for services at the Project's new Bronzeville location was overwhelming, as the Center experienced overflow crowds in its opening days. "Things settled down for a bit after those first few days, but we experienced another boom when we started offering clients assistance in filing amended returns for as far back as three years," explains Amanda Deisch, director of the Center for Working Families. She adds, "We averaged about 100 clients per week after that."



Clients requested a range of services from the Center's volunteer preparers, who processed income and lifestyle information from clients for use in electronically preparing their state and federal tax returns and then reviewed the

processed returns with clients, pointing out tips for reducing their tax liability (*pictured above*).

A number of married clients were thankful for the volunteers' assistance in determining how to file their taxes (married filing separately versus jointly), how to access tax credits and deductions as heads-of-households (like the Earned Income Tax Credit, see right), and even how to handle deductions associated with caring for elderly parents, all examples of the complex tax and lifestyle issues that face the clients of the Centers for Working Families.

### Looking at The Earned Income Tax Credit

Chief among the tax provisions relevant to low-income taxpayers, suggests Brookings Fellow Alan Berube, is the Earned Income Tax Credit (EITC), a wage supplement for families with children who have incomes under approximately \$35,000, and childless workers who have incomes under approximately \$11,000.

Key trends include:

- In 2003<sup>\*</sup>, 281,118 Chicago residents received the EITC (25% of Chicago taxpayers).
- In 2003, 28.7 percent of EITC recipients in Chicago lived in high-working-poverty ZIP codes, where at least 40% of residents received the EITC. That was up from 27.4 percent in 2000, suggesting that Chicago's working poverty became more geographically concentrated in the 2000-2003 period.
- Chicago's low-income workers and families received roughly \$541 million from the EITC in 2003, an average of \$1,923 per filer.
- In 2003, 73.2 percent of Chicago's EITC recipients paid a commercial tax preparer to file their tax returns and claim the credit. Low-income taxpayers typically spend in excess of \$100 to have their tax returns prepared and filed by a commercial preparer.

More information about the Earned Income Tax Credit and its impact on low-income families can be found at [www.brookings.edu/es/urban/eitc.htm](http://www.brookings.edu/es/urban/eitc.htm).

For one-page highlights of key trends among low-income taxpayers in 122 cities, visit [www.brookings.edu/metro/eitc](http://www.brookings.edu/metro/eitc).

<sup>\*</sup> 2003 figures represent most recent available data.

## **Chicago Jobs Council to facilitate Strategic Advisers Group** **Experience, reputation ensures Initiative's forward progress**

The Partnership is pleased to announce a grant of \$120,000, renewable over three years, to support the Chicago Jobs Council's role in the Workforce Development Initiative being developed by the Chicago Housing Authority, the Mayor's Office of Workforce Development, and The Partnership for New Communities.

CJC will facilitate and coordinate the Strategic Advisers Group, which includes experts and leaders in the workforce development field who meet regularly to guide the Initiative.

The Initiative relies on strategic collaboration among government agencies, workforce development experts, and providers to expand programming that will prepare 3,000 public-housing residents for long-term, family-sustaining employment over the next three years.

"CJC staff adds significant value to the Initiative through its workforce development policy expertise, experience as an effective convener, and reputation among government agencies, service providers, and funders as a knowledgeable advocate for low-skilled job seekers. We look forward to working with them to move this Initiative forward," said Maria Hibbs, executive director of The Partnership.

Robert Wordlaw, CEO of CJC, added: "We are excited about the direction we see this Initiative taking. As the facilitator and coordinator of the advisory process, we will work to ensure that the goals of the Initiative are met and that our own mission of expanding employment and career advancement opportunities for people in poverty is advanced."

More on CJC available at [www.cjc.net](http://www.cjc.net).

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## **CHA program to highlight Partnership grantee contributions** **A Better Place to highlight Chicago Community Ventures, CAEL**



*Courtney Sparkman, co-owner of Cequr Security, will be featured on the May installment of the CHA's A Better Place, which will explore the synergy between small businesses and the Plan for Transformation*

Chicago Community Ventures will be featured on *A Better Place*, a television show that highlights activities in and around Chicago Housing Authority developments. The episode, which will air daily May 15 - June 14 at 8:30 p.m. on Channel 49, focuses on business development around CHA properties and why commercial activity is important to the success of the Plan for Transformation.

Through a grant from The Partnership for New Communities, CCV administers a Small Business Development Initiative that aims to complement the Plan for Transformation by offering business assistance to entrepreneurs in the areas surrounding new CHA developments. The program, which began last year, offers 11 participating companies a mixture of classroom instruction and hands-on consulting. The objective of the program is to give small business owners access to resources that will help them to strengthen and grow their businesses, and in turn create jobs and services for their communities.

One of the SBDI participants, Courtney Sparkman co-owner of Cequr Security, was featured as an example of the synergy between small businesses and the CHA communities. Not only does Cequr Security provide security services for Westhaven Park, formerly known as Henry Horner Homes, but the company has also hired several CHA residents through a job training program at The Partnership-funded Council for Adult Experiential Learning.

For more on CCV, visit [www.chiventures.org](http://www.chiventures.org).

## City-wide partners called to collaborate around historic “moment of opportunity”

In a May 3 address to the City Club of Chicago, Partnership Co-chair Jonathan F. Fanton asked guests to consider the scale, opportunity, challenge, and historical significance of the Plan for Transformation, which he called “a once-in-a-century opportunity”.

Fanton, President of the MacArthur Foundation, urged all sectors to think of the verdict of history if the leadership of the city – government, business, not-for-profit groups, and foundations – fails to realize the promise of public-housing transformation.



*Partnership Co-chair Jonathan Fanton spoke to guests at a May 3 luncheon at the City Club of Chicago about the significance of the Plan for Transformation.*

He cited The Partnership as one such vehicle for the kind of important collaboration that will make this possible.

Fanton told attendees that there is mounting evidence that housing is the critical factor in opening opportunity to individuals and improving communities. “Housing matters,” he said.

He also spoke to attendees about the relationship between housing and education, as both are undergoing significant transformations in Chicago. “Right now,” he told guests, “there is an historic opportunity in Chicago to draw the link between housing and schools. You really cannot fix one without the other.”

Fanton concluded by reiterating Mayor Daley’s vision for Chicago as “a city that capitalizes on diversity as a competitive advantage, where people of different economic status and racial and ethnic backgrounds can live together and forge a community that represents the best of the American dream.”

The event can also be seen on CAN TV on May 20 at 7 p.m. For more of Mr. Fanton’s remarks, visit the Newsroom section of [www.macfound.org](http://www.macfound.org).

## CHA’s Peterson urges Congress to stay the course

Terry Peterson, CEO of the Chicago Housing Authority, joined other housing authority leaders in Washington last week to testify before the House Subcommittee on Federalism and the Census.

The committee is chaired by Rep. Mike Turner (R-OH), who recently visited Chicago and commended Peterson’s leadership in transforming the city’s public housing, calling his approach to public-housing management “innovative and impressive.”

In his testimony, Peterson described Chicago’s Plan for Transformation, highlighting several federal contributions as key to the city’s progress. He also called on federal partners to continue their support.

“Only with more predictable funding and the ability to design housing programs based on local needs instead of federal directives,” Peterson urged, “can dramatic and rapid reform occur.”

Peterson made several recommendations of federal legislative action that would ensure the Plan’s continued progress, among them:

- Expanding and permanently authorizing the federal Moving to Work Program
- Supporting the continuation of HOPE VI at an annual funding level of no less than \$600 million
- Providing consistent funds for the public-housing Capital and Operating Fund Programs
- Allowing the CHA to leverage its assets for private redevelopment funds
- Preserving senior housing through passage of legislation making permanent the CHA’s senior housing plan.

Peterson concluded, “We have created a model for how the federal government can partner with public-housing agencies and we have created a model for all federal dollars devoted to fighting poverty and creating the healthy communities that are critical to that task.”

For more on this hearing, entitled *Public Housing Management: Do the Public Housing Authorities have the Flexibility They Need to Meet the Changing Demands of the 21st Century?*, visit <http://tinyurl.com/hsbpl>.

**Economic development to play important role in new communities**

**Resident access to economic opportunities critical to long-term sustainability**

Chicago is home to “one of the great visions for transforming neighborhoods in America,” panelist Marilyn Melkonian, President and Founder of Telesis Corporation, told attendees at a recent Building Successful Mixed-Income Community forum, sponsored by the Metropolitan Planning Council, to discuss the role of economic development in the success of the Plan for Transformation.

Offering a national perspective (her firm plans, finances, and builds new communities across the country) on what she called the “tremendous undertaking by all sectors” that is the Plan for Transformation, she commended the unparalleled collaboration at work throughout Chicago and urged public and private partners to continue to work together to realize the Plan’s promise.

As much as economic development is cited for its promise to bring a mix of goods and services to new communities, it also provides jobs for area residents. Stephen Maduli-Williams, president of Chicago Community Ventures (CCV), spoke of the contribution that his organization’s Small Business Development Initiative is making to the transformation effort; the SBDI is funded by The Partnership.

CCV has also developed Chicago Prospector, a free online commercial real estate listing service and research tool for business owners and those involved in community and economic development. The free mapping service can be found at [www.chicagoprosector.org](http://www.chicagoprosector.org).

The economic development forum was the seventh in a series of similar dialogues which have brought together national and local experts, policymakers, advocates, and community residents to discuss models for and challenges to transforming Chicago’s urban landscape through the Plan for Transformation. This forum was a follow-up to a 2004 forum on the same topic.

More information on this and other Building Successful Mixed-Income Communities forums can be found at [www.metroplanning.org](http://www.metroplanning.org).

**The Partnership for New Communities**

*Civic Leadership for Chicago’s Neighborhoods*

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**Partnership Update**

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The Partnership for New Communities is a funders collaborative bringing together business, civic and philanthropic leaders to solicit funds and invest them in strategic economic development, community-building and employment-related initiatives to bring about large-scale improvements to the neighborhoods most affected by public-housing transformation in Chicago.

*The Partnership Update* is published regularly by The Partnership for New Communities to provide information on a variety of topics, including status reports on the CHA’s Plan for Transformation, updates on The Partnership’s activities and projects, highlights of relevant research findings and copies of recent news coverage.

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