

Final Report

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THE OVERVIEW

The Ginger Ridge Apartment Complex, 934 rental units, located in Calumet City, Illinois, a south suburb of Chicago, was built in 1968. Since that time, the property has seriously debilitated due to chronic neglect, high turnover and vacancies, exacerbated by a lack of investment making it an undesirable place to live. Further, abandoned building have provided havens for criminal activity creating a danger to the residents of the community.

The Ginger Ridge Mutual Housing Association

(GRMHA) was formed to address the problems plaguing the residents of the complex and the surrounding communities. October 7, 1996, GRMHA, sponsored by New Cities Community Development Corporation received title of the property for \$1.00, from the United States Department of Housing and Urban Development with a mission for change.

THE PRINCIPLES

1. *Ensure the housing units occupied by those families presently living in Ginger Ridge, who have been faithful in maintaining the conditions of their lease agreement, remain affordable and available to those families.*
2. *Fundamentally reshape the physical characteristics of Ginger Ridge in terms of the outdoor landscaping and indoor floor plans. Ginger Ridge must demonstrate in its physical appearance that it is a model community that cares for its residents and the surrounding community.*
3. *Include a broad-base and cutting-edge community support services strategy for the residents, for example, daycare, after-school programs, youth activities & training and senior citizen services.*
4. *Develop a mechanism for training the residents of Ginger Ridge how to eventually take over the management and eventual ownership of the redeveloped complex through a mutual Housing Association.*
5. *Ensure that local construction sub-contractors and, in particular, Minority-Owned and Women-Owned Businesses, are given a full opportunity to participate in the construction contracts that are generated through the Ginger Ridge Redevelopment Project.*

BACKGROUND

The Ginger Ridge Mutual Housing Association (MHA), was incorporated in March 1996 as an alternative to traditional home ownership, and was created to own the Ginger Ridge Apartment Complex. The organization is made up of residents from the complex, pastors and members of churches in the area, businesses, and representatives from local government (the Mayor's Office).

The very essence of the MHA is to provide quality affordable housing for the prevailing residents allowing them to have a significant amount of control while inducing a spirit of community. The present resident population is comprised of over 400 families whose income ranges from \$6,000 to \$45,000.00 annually, depending on the number of persons within a household. Currently 50% of our residents are eligible for some type of rent subsidy. Leasing of units has been halted and will not resume until the redevelopment of the Complex has been completed.

Ginger Ridge was a HUD owned, formerly co-insured unsubsidized project, located in Calumet City, Illinois; a southern suburb of Chicago. HUD had owned this project since May 1991.

Ginger Ridge is unique for several reasons:

1. The 934-unit complex is the largest number of rental units in Calumet City.
2. The disposition of the property will have a substantial impact on the rental market in the area and on nearby land uses.
3. The complex is made up of low to upper middle income families and senior citizens, some who have lived on the property for over 15 to 20 years.
4. The property is only half occupied and vacant apartments provide shelter for selling of drugs, teenage fornication, and gang activities.
5. The residents wanted the property to be redeveloped into a mutual housing association.
6. South Suburban Action Conference (SSAC) who owns New Cities CDC, The Finch Group, have been investing time and money negotiating with HUD, including the mayor of Calumet City, for the property.

SSAC is a group of churches whose pastors joined forces under the leadership of Pastor Princeton McKinney, founder of the organization. His vision was to provide an infrastructure that would

reach out into communities contributing to the economic and physical revival of the south suburbs. Thus New Cities Community Development Corporation (NCCDC) was born. When Ginger Ridged foreclosed for the third time, it became a NCCDC's resident-initiative challenge.

NCCDC is an Illinois not-for-profit corporation and the sponsoring organization for the GRMHA. Nevertheless, a Board of Directors is the decision-makers. GRMHA Board of Directors, include representatives from New Cities CDC Board of Directors which are representatives from the SSAC churches; residents of the surrounding community, The Finch Group, a Boston-based realtor, and six GR residents. Residents of the MHA hold the right to a housing unit owned by the association for life or until that resident decides to end his or her membership and move out. Resident's family members have the right to first refusal, and members can bequeath the unit to a family member. Additionally, residents have power over all decisions affecting the asset, and can participate and create other types of redevelopment around the surrounding community. Mutual Housing is a hybrid of an ownership model for housing that allows residents to acquire skills relating to controlling the real estate in which they live. This process will take anywhere from 7 to 15 years to complete.

THE PROBLEM

The Ginger Ridge Mutual Housing Association was formed to benefit over 400 families, singles and senior citizens of low-moderate incomes currently residing in the Complex. These residents (disproportionately) single female headed households with children), have been commonly remanded to live in substandard housing within unsafe neighborhoods. Usually, economic constraints and/or social disadvantages place them in these precarious situations.

The purchase and rehabilitation of this historically neglected apartment complex will provide stability for the residents. The quality of their lives will be enhanced and this will positively impact

the social and economic value of the surrounding community; as housing is one of the most basic human needs.

If the Ginger Ridge Mutual Housing Association fails to develop in accordance with the fundamental principles of the redevelopment, these families will be displaced: approximately 50 employees (mostly residents) will become jobless. On a broader scale, many local businesses will suffer revenue losses, downsizing and eventually closing the establishments. Ultimately, both co-developers, New Cities Community Development Corporation and The Finch Group, will stand to lose millions of dollars along with their credibility, and the Mayor of Calumet City's dream to become State Treasurer will become his nightmare.

PROJECT GOALS & OBJECTIVES

Develop residents, through a series of workshops, seminars, small informal training sessions, employment, formal education, and exposure to other residents of existing Mutual Housing Associations of Ginger Ridge; to eventually take over the management and ownership of the redeveloped complex over a period of 4 years. Empowering residents to makes decisions that directly affect them, through their involvement with the physical design and program designs for the McKinney Center. The Center will be a newly constructed building on location with services offered to those that are members of GRMHA.

This will be the educational and recreational facility that will offer broad based and cutting-edge community support services that have been identified by the residents and community leaders surrounding Ginger Ridge. Plans to open this facility up to the neighborhood have been discussed, but nothing will be done in this area until after five years when residents will control 51% of the Board (currently residents only hold 30 %) which is the MHA/s governing body.

GOALS - 1996

The Mutual Housing Association within one year will have identified additional residents who are leaders in the complex through the functions of the Standing Committees, and will have trained these residents in (1) understanding a MHA, and (2) developing and fine tuning their leadership skills. These residents will have been serving on the Resident Council that was established under the GRMHA Bylaws, back in March 1996. Board members will be a functioning team whose foundation is built upon trust. Youth participation in program design for the McKinney Center will have been planned and implemented. Mentoring and entrepreneurial programs will have been established for our youth. The first Job fair held at Ginger Ridge will have been given successfully.

OBJECTIVES & METHODS:

1. Redevelopment related technical assistance to residents of Ginger Ridge and the community represented through the Mutual Housing Association.

Three management tools will be utilized to provide technical assistance to the residents of Ginger Ridge. They will include 1) Monthly development team meetings at which residents and community leaders will be present. (2) Standing committees as listed in the GRMHA Bylaws: Finance, Property Management and Security. Meetings of these committees will be organized by the resident representatives of the MHA (former Tenant Council members who now hold a seat on the Board) with assistance of the Director of Resident Initiatives and the Resident Organizer. (3) Monthly MHA Board meetings. These meetings will be utilized to ensure that discussions relating to property disposition initiative have the proper input from the residents and the community.

2. Organizational Development and Training with Residents and the Mutual Housing Association.

Because Mutual Housing allows for a high level of resident control of the day-to-day activities while providing a vehicle for community advocacy and involvement on issues which affect the development, residents must be trained. Real estate, by nature depends on the surrounding marketplace and environment for its value. Families depend on nearby quality commercial activity, day care and public safety to create a stable living environment. However, in a cooperative or rental structure, there is no entity which brings together residents and surrounding governmental and community institutions that can work together to address both property related issues and surrounding community issues and services. By participating in Mutual Housing, residents can control their immediate environment through its majority board oversight while partnering with other representatives of the local community to address wider concerns.

Additionally, Mutual Housing can provide through its corporate structure an economy of scale by joining residents together from many developments to pay for services such as day care, senior services, and job training. MHA provides a vehicle where people, assets and money can be connected together as the basis of community and regional revitalization.

3. Provision of Job Training/Education/Employment Opportunities to Residents

On October 7, 1996, when HUD transferred the Title of Ginger Ridge over to the Ginger Ridge Mutual Housing Association, several job opportunities were created and are now being held by residents and residents of the surrounding communities. Because the GR redevelopment effort will cost approximately 30 million dollars, other opportunities, will become available, including construction work, property maintenance, and various staff position will be opened to residents first and members of the local community second.

The Director of Resident Initiatives, in an effort to create job opportunities the GR complex, will be responsible for overseeing the implementation of a property maintenance-training program, which will be made available to MHA residents. These training sessions will be held temporarily in a GR vacant apartment until the lab is moved to its permanent location within the McKinney Center. The training center will be used for the training of both New Cites homebuyers and GR residents. It is designed and equipped to provide broad range training for its participants.

4. Learning Center: Design and Implementation

Part of the goal statement for GRMHA is the provision of on-site support services and the establishment of a building where such services could be housed. This concept, and the building, was dubbed the "McKinney Center".

The service delivery plan is designed with principles which are central to the McKinney Center Concept proposed by New Cites and adopted by the GRMHA Board of Directors and is as follows:

- Encourage, develop and support residents' abilities as responsible decision-makers;
- Assist working parents by providing outlets and opportunity for youth energy creativity and continuing education;
- Provide opportunities which stimulate and support parents' work as teachers first and lifelong role models for their children;
- assist residents in accessing all manner of community services for financial, health, mental health, recreation and/or continuing education;
- Support senior residents' independence by encouraging and supporting activities for learning, companionship, recreation, and communication;
- Encourage all ages, all incomes, all races, creed and colors to have opportunities to share and work together. Thus a community based approach to social services will be provided and address a wide-spectrum of needs.

RESULTS: ONE YEAR LATER

September 15, 1997, all of the financing for this 35 million-dollar project was in place. This complex package was a combination of government grants (17.5million up-front grant from HUD); loans for and private financing redevelop the property. Additionally, residents who are eligible will receive Section 8 vouchers or reduced rent under the "Low Income Tax Credit" criteria.

Residents have been temporarily relocated while construction is taking place, and our new construction, The Reverend Princeton H. McKinney Center (TheCenter) has walls, and (Community Economic Development Association) has been granted funding to open our Day Care facility that will be located within "The Center".

The Office of Resident Initiatives has begun educating resident to the concept of a Mutual Housing Association and what membership in the MHA can mean. The purpose of these training sessions is to look for resident leadership. To date (January 9, 1998), two training sessions have been given by the Lead Organizer. Originally, this was to be one of the functions of Director of Resident Initiatives.

On October 1, 1997, our Director terminated her position, and the Executive Director of New Cities had left her position to pursue her own dream of being a Consultant. The responsibility fell on the then Resident Organizer. I created a curriculum, devised a plan to reach residents by doing the following:

- Hand carried letters to 34 residents that are the first to move into their newly redeveloped unit by the end of February, announcing that I would coming around with a survey three days later.

- Simple survey of 5 questions geared toward me finding out how they felt about moving into their new units and changes at this point they would still like to see.
- Three days later I visited each unit with the survey, and I completed 50%.
- Residents were offered a choice between two dates that I had chosen to attend the training session.
- Residents who were not home I left an attractive flyer attached to their door explaining my visit and asking them to call the office and give a date they could attend training
- Classy personalized invitations were mailed to each resident.
- On the day of the training, I went back to each unit and tape a reminder that included a map showing where the meeting would be held.

My “hook” was holding the training session in one of the newly remodeled sample units.

Most of our residents have not seen the new unit. Also, I had created a training module that was very participatory, including an icebreaker that got residents involved right from the beginning.

In the creation of the training module, I first talked to several residents, resident Board members, and non- resident Board Members, members of the Property Management Office, The Secretary of Housing for Calumet City, and the CEO of New Cities. All were very positive and gave me some very good ideas. It was one of the residents that suggested I hold the session in the new unit.

The Mayor of our city has been very supportive, as have the local business vendors. The Mayor was very instrumental to our being granted “limited access” approval. We will have partial fencing and landscaping to help control the accessibility to the property. Also, our Mayor authorized the Community Economic Development Officer for the City of Calumet to sit on the GRMHA Board of Directors in his place. As a result, we will be receiving a substantial Community Development Block Grant later in this year. The City’s involvement has spurred our local vendor to

become more supportive, and most have pledged to offer various discounts to our residents, which will be part of our membership package.

The local police answers call more quickly, because the Mayor wants everything to go well at Ginger Ridge. A major part of his campaign platform for the office of State Treasurer is riding on the success of Ginger Ridge.

ANALYSIS/CONCLUSIONS/RECOMMENDATIONS

The goals of the people who live at Ginger Ridge has not changed, and it is up to them to hold those who have made them promises of a safe environment for their children, affordable housing for their seniors, and tenure of security, accountable. Things are progressing not as fast as the CDC hoped, but things are moving. What I hope people will learn from this is you must check in with the community. This is key to organizing humans. Also, to have a true CED initiative involving the community you can not afford to overlook local politics. That is something I really did not understand before I came into the program. Your City government officials are very important to the success of your project. It is absolutely necessary to forge good relationships with someone in the Mayor's office.

Other residents felt as I did, that you don't need City Government, but part of my training is to tie in all facets of the community, showing how it takes all of us to make a difference. I remind them how three years ago, they laughed at the five ladies who where on the tenant association. I was one of those five. We would knock on doors, tape up flyers, and residents would not come out. We have been abused verbally, had our flyers thrown at us and held resident meetings where we were the only one in attendance.

We had major conflicts, and at one time we were so divided, we did not know if we were every going to be unified again. That's why having a purpose, a mission is so important. The one thing we were sure of was that we truly wanted the quality of our lives and those of our neighbors improved. Marshall McCray, of whom there is not relation, tried to have me removed from the council.

Community Building as my son would say "ain't no joke", but I love doing it. It is hard work, and most times you don't get any recognition for what you do. The people you serve, the ones you work for and with, are usually the first to turn on you. That is why I believe it is important for Community practitioners need to have integrity, and tell the truth.

You can not lead a people if they do not respect you; Community building is all about building relationships. When you are up front and honest with people, they may not like it, but they will respect you. Consistency and fairness, and do not "sell out" you community to advance your own personal wealth. This is most destructive. I had an opportunity to see the results of this during these past seventeen months, and nothing good derives from it. Another thing, learn about different organizing models to see where your style falls. I have lived in Ginger Ridge for twelve years. I know my neighbors, and this has been help, but that may not be the case for some. There are not any organizing modes ingrained in stone. So many people in the business have told me this won't work. me organizing where I live. Well it has worked and it is still working, but I do where some problems could take place. People have perceptions and there is nothing you can do about that. As long as you know your purpose, and you remain honest the cause, things have a way of working out. Working out does not always mean you stay in that position sometimes working out means going and work somewhere else.

The next steps for me are to fulfill my obligation to train 471 families at Ginger Ridge. I will be using skills and knowledge I have acquired here at New Hampshire College. I will continue to check-in with the community, and revise my curriculum when and where needed. I have been told that after this year is over, I will be able to name my salary and get it. Sounds good but it was not given to me in writing. Still, I do want to do this. You see the knowledge and experience I get from building this organization; finding twenty-five residents leaders over the next twelve months will be my contribution and part of my legacy, and there just "ain't no price tag you can place on that".