ECONOMIC DEVELOPMENT INITIATIVES OF AFRICAN-AMERICAN CHURCHES IN TREME: THE OLDEST AFRICAN-AMERICAN NEIGHBORHOOD IN THE UNITED STATES

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ABSTRACT

The economic condition of inner cities in the United States is one of the most important issues facing us as a nation. The inner city is now a frontier of growth and entrepreneurship. One influence in promoting economic development in the inner-city is the African-American church. This study examines the nature and extent of economic development activities of African-American churches in Treme an inner-city neighborhood in New Orleans, Louisiana. Treme is black, low income, 71% rental and is the oldest African-American neighborhood in the U.S. dating back to the early 1800s. Six of 16 churches in Treme were studied. Churches were more likely to take part in social service activities than entrepreneurial activities (job training, housing, supporting small business start-ups). Two churches (both Catholic) followed different approaches to economic development. St. Peter Claver targets a weakness in Treme, housing and lack of home ownership. St. Augustine’s efforts are directed towards tourism and related cottage industries. This strategy plays to Treme’s history and the growth of cultural tourism. Further study should be oriented toward church strategy used given the strength and weaknesses of congregations in light of community threats and opportunities.
INTRODUCTION

The economic condition of inner cities in the United States is one of the most important issues facing us as a nation. The lack of business, jobs, and private investment in these disadvantaged urban areas not only perpetuates poverty, but also contributes to other social problems such as crime and drug abuse. (Porter, 1995).

Largely abandoned during an era of industrial restructuring, the inner city is now a frontier of business growth and entrepreneurship. From Harlem in New York City to Los Angeles, blighted inner cities have begun to improve (McNatt, September 20, 2004). According to a recent study by the Initiative for a Competitive Inner City (ICIC), ghettos and surrounding neighborhoods actually outpaced the U.S. as a whole in such factors as median household income increases, poverty rate decline, home ownership, and high school graduates (Bernstein, Pameria, & Crocket, 2003). Growth in the inner city and a major market potential reflect renewed interest by the public sector, bankers and developers, large corporations, and the influx of young professionals. Despite the improving picture, too many inner city neighborhoods remain untouched.

Another influence in promoting economic growth and entrepreneurship in the inner city is the African-American Church. There are 50,000-75,000 black churches in the U.S. with 19 million members. Church deposits total $2.6 billion per year. Ten percent of the churches underwrite business enterprises (Wilson, n.d.). Twenty eight percent of urban churches implement economic development programs (Jackson, et.al., 1997).

This project examines the nature and extent of economic development activities in African-American churches in Faubourg Treme, a poor inner city neighborhood in New Orleans, Louisiana. Treme is the oldest African-American neighborhood in the United States dating back to the early 1800's. It has a long tradition of African-American history, culture, and small business ownership as well as music (jazz), food, and architecture.
BACKGROUND

Inner City U.S.A.

U.S. inner cities represent the largest emerging market in the world. They represent $85 billion in annual retail spending excluding unrecorded income from legal activities that could add another $15 billion. That amounts to nearly 7% of total U.S. spending per year (Porter & Blaxill, 1997). In addition, inner cities in the 100 largest central cities of the U.S. are a substantial part of the economy. They account for 8% of the U.S. population (21 million people), 8% of private employment (9 million employees) and 814,000 business establishments (Initiative for a Competitive Inner City, June, 2004).

The interest of the private sector in expanding into the inner city is motivated by the recognition of the market potential offered by the inner city. These markets are attractive because they are large and densely populated. Despite lower per household annual median income ($24,900 versus $42,000 for the U.S.) the high population density results in the concentration of more buying power into a square mile in the inner city than suburbs.

Inner cities can possess up to six times as much buying power per square mile as surrounding areas. For example, the average consumer demand per square mile is twice as great in Chicago’s inner city than in the suburbs ($57 million versus $27 million). In Boston, inner-city buying power is about six times higher per square mile than in more affluent suburbs ($71 million vs $12 million) (Stegman, 1998). Many inner cities suffer from significant outshopping. The ICIC estimates that 25% of inner city retail demand is not met by retailers in the inner city (ICIC, n.d.).

African-American Churches and Economic Development

Historically, the African-American community has used the church as a means for spiritual, social, and economic development. Churches founded insurance companies and banks during the early part of the 20th century. Economic development is considered by many black church leaders to be the new frontier of civil rights (Klump, n.d.). To others, the black
church must itself become an economic development institution (Shultz, 2001).

Many urban churches (African-American, white, and mixed) initially focused their efforts on community development activities such as housing, job training, daycare and social services. Some churches now include job and entrepreneurial training, business incubators, consulting support, credit unions, and commercial loans among their activities (Reese & Shields, 1999; Reese, 2004). Churches also include business incubators, consulting support, credit unions, and commercial loans among their economic development activities (Heim, 1995; Hodgkinson, Weitzman & Kirsch, 1988; La Berbera, 1992; Mares, 1994). Entrepreneurial efforts of churches in central cities include cooperative restaurants, recycling operations, daycare centers, construction cooperatives, the rehabilitation of former crack houses, auto shops, credit unions, job information centers and restaurant franchises such as McDonald’s and Kentucky Fried Chicken, (Heim, 1995; Sherman, 1995; Gordon & Frame, 1995; Lincoln & Mamiya, 1990; Thomas & Blake, 1996). According to Cisneros (1996) programs have included low and middle income housing developments, credit unions to provide start-up financing to minority businesses and a community supermarket.

Reese and Shield (1999) studied the economic development activities of 15 faith-based churches in Detroit, Michigan. Six of the responding churches were African-American, two mostly white, one Hispanic, and six mostly mixed. Economic development activities carried out by these churches included job training, mixed social services and training, financial activities, housing, citizenship, training/relocation, CDC’s, and cultural activities. Five of the churches operated free-standing businesses. These included a Coffee Beanery franchise, a cathedral restoration company, a food cooperative, a parking lot and an Hispanic Women’s Center.

Reese (2000) surveyed 183 faith-based churches in Detroit about their economic development activities. Of these churches, 62% were African-American. Overall, very little economic development activity seems to be carried out by the responding churches in Detroit. Most commonly, respondents described shelter, clothing and hunger programs as their economic development activities. Those providing more explicit economic development programs were smaller in number. Six percent supported adult
education that stressed computer training or home maintenance, 5% provided job skills training or job search assistance and 4% have started businesses (Reese, 2000).

In closing, another example is Auburn Avenue in the heart of Atlanta, Georgia. The development is the result of the efforts by the Wheat Street Charitable Foundation, a nonprofit that serves as the development arm of the Wheat Street Baptist Church (DePriest & Jones, 1997). As of 2004 the development includes two strip malls which house ten small businesses. (Personal interview, staff member, Wheat Street Baptist Church, August 4, 2004.)

**Faubourg Treme**

Faubourg is a French term that means suburb. Faubourg Treme (or as it is commonly referred, Treme) is not only America’s oldest black neighborhood, but was the site of significant economic, cultural, political, and legal events that have literally shaped the course of events in Black America for the past 200 years. Treme is adjacent to the French Quarter and near the Central Business District (CBD) of the City of New Orleans.

From its earliest settlement in the early 1700’s and its incorporation in 1812, free persons of color played an important role within the entire geographic region of Treme. The most remarkable aspect of Treme is that its residents, free people of color and African slaves who acquired, bought, or bargained for their freedom, were able to acquire and own property in Treme. The ability to acquire, purchase, and own real estate during a time when the U.S. was still immersed in slavery and was very unique and only in New Orleans did this occur regularly and consistently.

Until 1927, Treme experienced urban development typical of its day including: extensive, dense residential settlement and important religious and commercial developments (Brooks & Wagner, 1995). Once a vibrant community in the 20th century, Treme became the site of many public infrastructure projects such as the municipal auditorium, a theater for performing arts, a public housing project, Louis Armstrong Park (which contains Congo Square, the origin of much African-American music and culture) and in the 1960's an elevated Interstate Highway (I-10) over North
Claiborne Avenue, a major thoroughfare which cuts through the heart of Treme.

North Claiborne had been the centerpiece of an African-American neighborhood. The street and its wide median was a place of cultural expression and celebration, and recreation and social interactions. The street served as a place of commerce along North Claiborne and provided residents a broad range of products and services (Samuels, 2000). There were pharmacies and drugstores, barbershops and shoeshine stands, restaurants, bakeries, hat stores, saloons, repair shops, banks, and markets that supplied the needs of everyday life (Samuels, 2000). With the coming of the Interstate, North Claiborne declined. The number of business along an eight block stretch declined from 132 in 1960 to 35 in 2000 (Samuels, 2000). Today, North Claiborne is populated by bars, nights clubs, convenience stores, vacant lots, and abandoned buildings.

Like many inner-city neighborhoods in the U.S., Treme has declined. Treme is unique, however. The housing stock is historic. Many structures were built in the early 1800's. In addition to historic buildings, Treme has a tradition of Creole food and music (jazz). Last, Treme has been designated by the National Register of Historic Places as an historic district.

**Treme Demographics: A Picture of Poverty**

Treme is made up of poor, blacks and those who rent. The population of Treme is declining. Between 1980 and 2000 the population declined by 2,745 residents, a decline of 30%. For the period 1990-2001, the decline in population was 12%. The loss reflects the flight of whites to other parts of the Metropolitan area, (Treme was 27% white in 1970 in contrast to 7.5% in 2001) and middle-class blacks to Eastern New Orleans and outlying parishes.

The number of households declined eight percent during 1990-2001. Some 88% of the housing units are occupied. Of these, 71% are occupied by renters, the rest by owners. An estimated 31% of vacant houses are abandoned or blighted. Over 55% of the buildings were built prior to 1939; some date back to the early 1800's. Some 34% of owner-occupied houses were valued at less than $50,000 each in 2000.
Household size has declined to fewer than 3 persons per household in 2001. By the year 2006 it is predicted that 47% of all households in Treme will consist of one person (Easy Analytic Software, Inc. 2001). Treme is 89% black and 7.5% white. Twenty-five percent of those residents over 25 years of age have less than a high school education. Employment is not the best as 43% of those 17-65 years of age were not employed in 2000.

The lack of employment is reflected in the income of Treme residents. Treme is poor. The median household income for Treme in 2000 was $20,500 in contrast to $27,503 for Orleans Parish. Sixty-six percent of Treme’s households each earn less than $24,999 per year in household income; 40% live below a poverty-level income of $15,000 per year. Household income density in 2001 was $91,866 per square mile compared to $55,771 in Orleans Parish.

Treme has the weaknesses that are common to poverty-stricken neighborhoods. Surveys by the University of New Orleans College of Urban and Public Affairs have found that resident concerns center around: 1) housing including abandoned buildings, vacant lots, absentee landlords and the need to rehabilitate occupied buildings, 2) crime consisting of murders, drug dealing, prostitution and a lack of police presence, and 3) the lack of infrastructure such as sanitation, abandoned vehicles, trash, poor drainage, insufficient street lighting, potholed streets and bad sidewalks (Dufour, W., Bordelon, B., Hamilton, A., & Keeler, T., 1999). The current mayor (Mr. Nagin) found similar concerns of Treme residents in a recent community forum (Knabb, May 25, 2003).

Treme does have strengths, however. It is close to the New Orleans Central Business District and the French Quarter, has an historic past, community pride, and two very community-active churches. Other signs of recent economic development in Treme are listed below:
1. A $25 million initiative to promote home ownership in seven key areas in Orleans Parish including Treme (Eggler, April 8, 2004).

2. Gentrification of certain areas in Treme.

3. The founding of Urban Routes, a nonprofit neighborhood-based organization focusing on the preservation and promotion of historic Treme’s culture. A walking tour is part of the Urban Routes effort.

4. The conversion of several property sites into church-sponsored low-income housing for the elderly (Thomas G., October 12, 2000).

5. The development of a jazz music complex by the National Park Service in nearby Armstrong Park.

Churches are a vital part of Treme and Treme residents value the close proximity of churches to their homes. Some who have moved outside of Treme still attend Sunday church service in Treme.

**RESEARCH METHODOLOGY**

It was determined that there were 16 churches in the Treme area. Responsible individuals at six churches were personally interviewed. Multiple interviews were conducted at two churches (St. Peter Claver and St. Augustine). Ten churches declined interviews or the researchers just couldn’t get anyone to answer the telephone. The churches surveyed are listed in Table 1.

One issue faced by the researchers was to define an economic development activity. For the purpose of this study the definition used by Reese and Shields (1999) was used. If an outreach activity did more than provide emergency food, clothing, or shelter, it is related to an activity which
would return revenue to the church or to encourage/promote economic development it was considered economic development.

The survey instrument developed for this study consisted of five categories. The categories included employment, entrepreneurship, business operations, social services, and housing. Items included under the category of employment were job training, job placement, and other. For the category of entrepreneurship items included were business plan counseling, youth entrepreneurship education, adult entrepreneurship workshops, business incubator, and other. Similarly, business operations included church-sponsored credit unions or bank, revolving loan funds, food service, daycare center, elder care center, tutoring center, real estate development/leasing, other church operated business, and other. Social services included family and marriage counseling, parenting workshops, educational tutoring, GED preparation workshops, after-school programs, senior citizen activity programs, church-sponsored travel or vacation packages, credit counseling, drug and alcohol counseling, study skill counseling, health screening or wellness workshops, young adult recreation programs, and other. The housing category included housing rentals, and new housing developments such as apartments.

**FINDINGS**

The level of participation in each activity for the churches is summarized in Table 2. Employment and entrepreneurship activities were carried out by one church. Responding churches were most likely to take part in social services activities such as family counseling, programs for senior citizens and recreation programs for all ages. There was little church activity in business operations, even less in housing. A major exception in housing was St. Peter Claver. Its community and economic development programs are described next.

**St. Peter Claver Catholic Church**

St. Peter Claver church and school was founded in 1852 and is a leader in the Archdiocese and the City of New Orleans. It has 2,500
registered families and is the largest African-American Catholic church in Louisiana.

Community/economic development programs conducted by St. Peter Claver include a first-time buyers program which builds new houses in the community. The church is also completing a new wellness center which will house a church nurse, expanded food pantry, and a youth center. The center will offer programs such as ACT/SAT prep, GRE training, and computer classes. St. Peter Claver has sponsored with All Congregations Together, The Treme Neighborhood Planning Project (Dufour, W., Bordelon, B., Hamilton, A., & Keeler, T., 1999). The project was underwritten by the City of New Orleans Division of Housing in Neighborhood Development. Last, the church has been active in the City’s Night Out Against Crime Program as well as having church leaders taking to the streets protesting against area night clubs and bars which have been sources of problems.

St. Peter Claver has an 80 year history of community involvement in service and leadership. Perhaps its most notable achievement has been the initiative of church staff and volunteers to form Ujamaa.

**Ujamaa**

Ujamaa Community Development Corporation (UCDC) is a nonprofit organization located in New Orleans. It is housed in the St. Peter Claver church offices and the Ujamaa Executive Director works closely with church leaders and staff. UCDC has the primary function of addressing the concerns of low-to-moderate income families in New Orleans, although a major emphasis has been in Treme. UCDC’s primary guiding principles are the following: (1) provide education and training for job opportunities and entrepreneurship, (2) develop decent, affordable housing for low and moderate income individuals, (3) promote cultural enrichment.

UCDC was formed in 1996. It was the fruition of a dream long held by Treme residents. A history of economic development activities by UCDC is summarized in Figure 1. Future plans for UCDC are summarized in Figure 2. A unique activity is the Treme Entrepreneurship Program. UCDC has acquired control of a square block of city property in Treme. Plans are to
build a new building and construct a moderately-sized commercial building. This building will house the Treme Entrepreneurship Program. This multi-faceted program will provide job training and education, cultural and social enrichment, and hands-on operations and business development. The hands-on operation is yet to be identified. Students in a Small Business Consulting class at the University of New Orleans studied the feasibility of having a coffee shop or a sandwich shop at that location. Ujamaa will partner with local nonprofits, schools, social and civic group to provide an entrepreneurship program for youth 14-18 living in Treme.

**The St. Augustine Catholic Church**

St. Augustine church was built in 1842. It is the oldest existing church in Treme and the first African-American Catholic church in New Orleans. The staff at St. Augustine provides basic or traditional social services such as marriage counseling, programs for seniors, drug and alcohol counseling, health screening, and recreation programs for the community and its members.

Under its current pastor, the church has evolved into a cultural and community center. The church hosts literary readings, musical performances, exhibits related to African-American history, parades, jazz masses and jazz funerals. It is the site of a major jazz mass during the Louis Armstrong Music Conference held each August, and attended by jazz enthusiasts from throughout the world. The historical significance of St. Augustine makes it an attraction for tourists visiting New Orleans, especially African-Americans.

St. Augustine is partnering with the Historic Treme Cultural Alliance and the International Project for Nonprofit Leadership, a joint project of the University of New Orleans (UNO) College of Urban Studies and Public Affairs and the UNO Metropolitan College. In 2001 IPNL established Urban Routes, a community-based learning project. One activity of Urban Routes is to establish a walking tour of Treme. Urban Routes has formed collaborations with cultural-based nonprofits, museums, faith-based organizations (St. Augustine Church) small businesses and Treme residents. Many residents recognize the economic development potential of the cultural and ethnic diversity of the neighborhood and would like to see an increase
in both the promotion of its cultural resources and positive publicity for the area. Assistance and counsel have been received from the State of Louisiana Lt. Governor’s Office which is in charge of tourism for the state.

A recent addition has been the establishment of the St. Augustine Parish Tour organization. Tours are conducted for tourists and New Orleans residents of St. Augustine church and the church campus (buildings on the church grounds). Cooperation is carried out with the New Orleans Multicultural Tourism Network and the New Orleans Metropolitan Convention & Visitors Bureau.

Cooperation with Urban Routes (described below) and stops on the Urban Routes walking tour (Backstreet Museum, Armstrong Park, and the African-American Museum and others) is a strong possibility.

The area adjacent to St. Augustine church has the potential to develop small cooking/catering businesses, home-based businesses related to skilled building trades, and gift shops.

**Church of the Sanctified Vision**

This responding church was only one of the six to provide job training and placement. In addition, it was the only one to have a youth entrepreneurship program. As in the case of the other churches no other entrepreneurship-related activities were carried out. Sanctified Vision provides the various social services such as St. Augustine and St Peter Claver. There is no activity in housing except for assisting veterans.

**DISCUSSION**

The definition of economic development used in this study (and by Reese & Shields, 1999) is broad. It includes employment, entrepreneurship social services, business operations and housing. A narrow definition of economic development activities includes only employment (e.g., computer training) and entrepreneurship (youth entrepreneurship education, business start ups and housing.)

Reese’s (2000) survey of Detroit churches found that only a minority of churches engaged in the narrow definition of economic development.
activities. Five percent provided job training and/or job search help, 6% adult education that focused on computer training, 4% started small business, 8% helped in housing, and 7% provided health care services such as a clinic. Overall, about one-third of the churches engaged in some type of charity work or traditional church assistance and less than one-third of that number in economic development activities more narrowly defined (Reese, 2004). Similarly, the majority of the Treme-based churches were heavily involved in social services. Only one provided employment training and help. It also had an entrepreneurship training program for youth (Church of the Sanctified Vision).

Next let us compare St. Peter Claver and St. Augustine. Both are significant historically dating back to 1852 and 1842 respectively. St. Augustine is noted for being the first African-American Catholic church in the United States. Each church is led by a highly energetic pastor, lay members and staff. Both have large congregations, many members coming to church there each Sunday though having moved from Treme to other parts of New Orleans. The churches provide similar social services, however, that is where the similarity ends. St. Peter Claver provides more activities in the business operations category such as a credit union, elder care center, and real estate development. Also, as noted in the findings, St. Peter Claver has been very aggressive in providing housing, home ownership, and apartment development, (especially for the elderly).

The approach to economic development by St. Peter Claver has been to provide liveable and affordable housing for the elderly and to promote home ownership in a neighborhood that is 75% rental.

St. Augustine, perhaps reflecting its historical roots, has taken a different approach by taking part in the Urban Roots Program. The long-range economic development objective of this program is to foster small business development in Treme as related to tourism.

How are the programs of the respective churches financed? Reese (2004) found that economic development activities of religious congregations was enhanced by public sector funding. St. Peter Claver taps into federal funding through Ujamaa, a community development organization (See Figures 1 and 2). The source of funds for the Urban Routes program has
been a grant from the state of Louisiana through the efforts of a state legislator representing the district.

Both churches have developed partnerships in furthering their economic development efforts. For example, St. Peter Claver works with Ujamaa and local public entities such as the City of New Orleans, Total Community Action, the Housing Authority of New Orleans, the New Orleans Redevelopment Authority, the city Department of Housing and Neighborhood Development, as well as banks such as the Whitney.

St. Augustine has developed a partnership with Urban Routes which in turn works with the Historic Treme Cultural Alliance and the State Department of Culture, Recreation and Tourism.

In terms of economic development the two churches have taken different approaches. St. Peter Claver addresses improving the living accommodations of Treme residents (apartments) and furthering home ownership. St. Augustine by working with Urban Routes is fostering small business development related to cultural tourism. The latter approach takes advantage of the history of Treme, especially as related African-American history. Both churches have partnered with other organizations and have sought out public funding through these agencies, e.g. Ujamaa.

St. Peter Claver and St. Augustine have economic development strategies which address Treme’s weaknesses (housing) and strengths (history, architecture, food, music). As pointed out by Reese (2000) the connection to the neighborhood appears to be cultural to extent that congregations are involved in both economic development and education activities. This is especially true of these churches, especially given their roles in Treme.

**CONCLUSION**

The churches surveyed took some part in social service activities which come under the broad definition of economic development activities.

The major churches in Treme follow different approaches to economic development, St. Peter Claver targets a weakness in Treme, inadequate housing and low home ownership. In the case of St. Augustine, economic development activities are directed toward tourism and the
development of related cottage industries. This approach plays to a strength of Treme, its history especially as related to African-American. Both churches partner with public and private sector agencies, the former being a source of funding.

As pointed out by Reese (2004) more research on faith-based churches and economic development is warranted. Future research should focus on congregational characteristics to determine patterns in local factors that stimulate and promote economic development activities (Reese, 2004). On the other hand, our research suggests that further study should be oriented toward the strategy used given the strengths and weaknesses of congregations in light of community threats and opportunities. Inadequate housing and the historical significance of Treme have brought about two different approaches to economic development. In addition, what are the strategic planning processes used, if any, by churches to foster economic development. The church and state relationships issue raised by public funding of faith-based activities make this a timely issue for additional study.

<table>
<thead>
<tr>
<th>Table 1: Treme-Based Churches Surveyed</th>
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<tbody>
<tr>
<td>Name</td>
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<tr>
<td>Church of the Sanctified Vision</td>
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<tr>
<td>St. Davids</td>
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<td>Nazarene</td>
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<td>Mt. Zion</td>
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<tr>
<td>St. Peter Claver</td>
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<td>St. Augustine</td>
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<tr>
<td>Economic Development Activity</td>
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<tr>
<td>Employment</td>
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<td>Job Training</td>
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<td>Job Placement</td>
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<td>Other</td>
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<td>Entrepreneurship</td>
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<td>Business Plan Counseling</td>
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<td>Youth Entrepreneurship Education</td>
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<td>Adult Entrepreneurship Education</td>
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<td>Business Incubator</td>
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<td>Other</td>
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<tr>
<td>Social Services</td>
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<td>Family/Marriage Counseling</td>
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<td>Parenting Workshops</td>
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<td>Educational Tutoring</td>
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<td>GED Preparation Workshops</td>
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<td>After-School Program</td>
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<td>Senior Citizen Programs</td>
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<td>Church Sponsored Travel</td>
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<td>Credit Counseling</td>
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<td>Drug/Alcohol Counseling</td>
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<td>Study Skill Counseling</td>
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<td>Health Screening/Wellness</td>
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<td>Recreation Programs</td>
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<td>Stress Reduction</td>
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<td>Business Operations</td>
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<td>Church Sponsored Credit Union</td>
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<td>Revolving Loan Funds</td>
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<td>Economic Development Activity</td>
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<td>Food Service</td>
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<td>Day Care Center</td>
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<td>Tutoring Center</td>
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<td>Real Estate Development/Leasing</td>
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<td>Other Church Business</td>
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<tr>
<td>Housing</td>
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<tr>
<td>Housing Renovation Project</td>
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<tr>
<td>New Housing Development</td>
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<tr>
<td>Housing Rentals</td>
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<td>Veterans</td>
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<td>Other</td>
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In 2001, UCDC completed the $3MM dollar construction of a senior apartment complex, St. Ann apartments, at 2117 Ursulines Avenue. The rehabilitation of blighted property and a former church/school accompanied the new construction. Today the St. Ann Apartments is a project-based complex consisting of 44 units rented to eligible Section 8 residents that are selected through a partnership with the Housing Authority of New Orleans (HANO). Sitting on Ujamaa Square, St. Ann Apartments also features a senior activity center, St. Ann House, that is utilized not only for activities of the residents, it is made available for special event rental to the citizens of Treme. The second floor of St. Ann House is designed for future use as office space for Ujamaa and area businesses.

**Childcare Center-Headstart**

UCDC is currently renovating and expanding its child development center, leased and managed by Total Community Action (Headstart Program) to include childcare for infants. Construction, estimated at $350,000 is scheduled for completion in Spring 2005. The new site will consist of three buildings connected via breezeways. The child development center provides much needed daycare for the 75% female-headed households of Treme. It is also located on Ujamaa Square.

**Community Wellness Center**

UCDC purchased two buildings on Prieur Street in 2002 for use as a community wellness center. The buildings have been connected and are undergoing complete rehabilitation ($200,000). Once complete (Spring 2005), the center will be leased and managed by St. Peter Claver Church. The wellness center will house an on-site medical staff, a food distribution program and other social services sorely needed by the Treme community.

**Program of All-Inclusive Care for the Elderly (PACE)**

UCDC had the unique opportunity of being the developer chosen to complete Louisiana’s first program of All-Inclusive Care for the Elderly (PACE) Center. St. Cecilia, a former Catholic Church, that had fallen into disrepair underwent a $3MM
Figure 2  
Ujamaa Community Development Corporation  
Executive Summary

Solution

The UCDC has designed a Comprehensive Revitalization Plan for the Treme Community, the first target area of UCDC. The two broad components are “The Ujamaa Neighborhood Revitalization Initiative” and the “Treme Entrepreneurship Program.”

“The Ujamaa Neighborhood Revitalization Initiative”

The UCDC has identified blighted property made available by the City of New Orleans. The UCDC will acquire these properties and newly construct or rehabilitate homes for purchase by low- to moderate-income individuals. The use of soft second funds, down payment assistance, individual development accounts and home buyer education and financial literacy will increase mortgage availability and sustainability to traditionally under-served populations living in or relocating to the Treme Community. UCDC has identified three initial phases of development. Phase I will entail newly constructing ten (10) homes at approximately 1300-1500 sq. ft.

As UCDC moves forward in its mission, it plans to develop (new construction or rehabilitate) ten (10) affordable homes in the Treme Community in 2005, while increasing that annual volume at a rate of five (5) additional houses per year over the next five (5) years. Partners are listed below.

“Catch the Dream, Treme”

UCDC announced a $25MM affordable home ownership partnership with FreddieMac in April 2004.

Whitney CDC

Whitney CDC is partnering with UCDC to provide interim financing for new construction along with providing affordable mortgage products for the consumers.
NOCDF (New Orleans Community Development Fund)

NOCDF is partnering with UCDC to provide a line of credit for acquisition of blighted and abandoned property from the New Orleans Redevelopment Authority (NORA).
DHND (Department of Housing and Neighborhood Development)

DHND is partnering with UCDC to provide HOME funds for acquisition and related costs along with an innovative “Soft-Second Mortgage” that can provide subsidy
REFERENCES


