

Rutgers CD Studio 2010 Presentation

Text

Home, Health, Food

This Spring, the Community Development Studio worked with Episcopal Community Development (ECD), a non-profit organization in Newark, to better understand the neighborhood context of foreclosure and to consider approaches for neighborhood revitalization. For years ECD has worked with Upper Clinton Hill residents to plan the neighborhood's future. In 2009, ECD opened the Clinton Hill Community Center which has greatly expanded ECD's neighborhood presence **[SLIDE]**. ECD takes a comprehensive approach to community development which means that understanding how foreclosure has affected Clinton Hill involves much more than understanding what's happening to the housing stock and thinking about neighborhood revitalization means much more than getting properties back online.

The Studio sought to increase ECD's capacity to revitalize Upper Clinton Hill and an adjacent neighborhood in Irvington. These areas are included in Newark's neighborhood stabilization program (NSP). NSP, a federal program, was established to provide funding for neighborhood revitalization in the wake of the foreclosure crisis. The NSP program provides financial assistance to purchase properties in foreclosure on a very tight timeline. This means that community groups need information on the state of foreclosure in their neighborhoods. But it is deceptively difficult to figure out which properties are in foreclosure, which are REO, which may become REO, and what financial institution services the mortgages and/or handles the properties. This information is necessary to facilitate loan modifications or workouts and to purchase properties. **[SLIDE]**

But neighborhood revitalization is not just about housing. We approached the project as an opportunity to reconceptualize community development. While we focused on foreclosure, we also explored a more comprehensive strategy that integrates home, health, and

food. We mapped foreclosures, identified which foreclosure filings are still in process, which properties are REO and are likely to become REO, identified which financial institutions service the mortgages and/or handle REO properties, and thought about food as a tool for community development. **[SLIDE]**

[Next, Kristin Crandall will provide an overview of Upper Clinton Hill and Adjacent Irvington, Our Study Neighborhood]

Upper Clinton Hill and Adjacent Irvington

[SLIDE] We focused our study on ECD's NSP II target area, which covers three census tracts in Newark's Upper Clinton Hill neighborhood (41, 42, 54) and one census tract in an adjacent area of Irvington (131). Only the northern part of the Irvington tract is residential. Much of our discussion focuses on Clinton Hill and Newark given that we have been working in these communities longer and have much richer data. **[SLIDE]** Upper Clinton Hill, in Newark's West Ward, experienced decades of disinvestment, economic change, and population flight. In 2000, the neighborhood was predominantly African American, with a small but growing Latino population, and incomes in some Census tracts were below the city average. The neighborhood is home to the Clinton Hill Community Resource Center, five public elementary schools, University High School, and two Newark Public Library branches. There is one moderately-sized city-owned park along with a few pocket parks. The neighborhood has two commercial corridors, Clinton Avenue and Hawthorne Avenue.

The neighborhood is eighty percent residential, noted here in orange. **[SLIDE]** We used the address where property bills are sent as a proxy for local ownership and found that more than half (56%) of the parcels are owned by people with a mailing address within the neighborhood's zip code (07108), noted here in green. **[SLIDE]** People who live in other parts of Newark own nearly a quarter of the properties. A lot has been made about investors who bought urban properties but if our use of the billing address is correct, many investors in Upper Clinton Hill are local. More than three quarters of property owners appear to be in Newark. This suggests that programs to assist borrowers should be targeted to "investors" as well as owner-occupiers. **[SLIDE]**

Neighborhood Housing Market

To learn more about neighborhood housing dynamics, we gathered information on property sales from the New Jersey Association of County Tax Boards' website. The website provides information about the last time properties were sold. [SLIDE] We gathered this information for Clinton Hill and found that many properties last sold during the peak years of loosened lending, between 2005 and 2007. When we mapped these properties, [SLIDE] highlighted in purple, we can see concentrations on particular blocks such as Seymour Avenue and the northeastern part of South 14th Street. We also looked at housing price. [SLIDE] The blue dots show the sales price for the last recorded property sale on each property since the 1970s. The price spike starts in 2002 and reaches a peak in 2006, 2007, and 2008.

More recently, local housing concerns have been more focused on vacancy than on excessive housing price. The United States Postal Service gathers information on property address activity. They note when they are unable to deliver mail for 90 days or more because properties are vacant or they are no longer active. [SLIDE] As of the quarter ending September 30th, 2009, 20 to 30 percent of addresses in our target tract in Irvington were vacant. Vacancy in Upper Clinton Hill is lower, yet still substantial, at 10-20 percent. To get a better idea of what might explain these high vacancy rates, we turn to a discussion of foreclosure. [SLIDE]

Foreclosure

To understand how foreclosure affects Upper Clinton Hill, we have to look at foreclosure as a judicial process, rather than a single event. Identifying which properties are in foreclosure and where they are in the process will enable community groups to better understand how foreclosure is affecting their communities and will empower them to respond more effectively. [SLIDE] So, how does the process work? In New Jersey, foreclosure starts when the lender sends a mortgage foreclosure filing to the state courts. If a judgment is reached in favor of the plaintiff, the property is put up for Sheriff's auction in the county where it is located. Borrowers can request two adjournments prior to the sheriff sale, and the plaintiff can request unlimited adjournments; although, judges can alter this process somewhat. Once the foreclosure process starts, it takes about 200-400 days for a typical property to be sold at auction. Many events can suspend or end the foreclosure process, including bankruptcy, state mediation, loan modifications and workouts, short sales, deeds in lieu of foreclosure, refinance, and borrowers repaying what they owe. We turn now to a discussion of foreclosure at the filing and auction

stage and we explore properties that have become REO. We will use this chart as a guide as we walk you through the process.

Foreclosure in Clinton Hill and Adjacent Irvington

To provide some context for foreclosure in our study neighborhoods, we mapped foreclosure rates at the census tract level [SLIDE]. We divided the total number of foreclosure filings between 2007 and 2009 by HUD's NSP estimation of the total number of mortgages. Census tracts in the darkest shaded areas show foreclosure rates that exceed 40 percent. Tracts in the middle color have 20-40 percent foreclosure rates. Tracts in Clinton Hill and Irvington have foreclosure rates that exceed twenty percent.

To get a better idea of what foreclosure looks like in the neighborhood, we mapped foreclosure filings, from 2004 to 2009. [SLIDE] We found 797 foreclosure filings on 622 properties in Clinton Hill and the adjacent Irvington tract. The number of filings rose after 2006 following the peak of exuberant lending in 2005 and 2006. On this map, [SLIDE] we note the most recent filings in dark red. The foreclosure starts occurred throughout the neighborhood. Nearly half (46%) of the residential parcels had at least one foreclosure filing. On some streets, like Seymour Avenue in Upper Clinton Hill and Ellis Avenue in Irvington, the majority of properties have experienced at least one foreclosure filing. But many properties had more than one filing. [SLIDE] Properties colored in the darker blues had three or four filings during this period. Reasons for this could include borrowers refinancing or catching up on payments and fees only to find themselves in foreclosure again. Properties can also go through foreclosure more than once. And some borrowers had multiple liens but few second lien holders file to foreclose.

Many of the non-profit organizations are finding that it is much easier to buy properties and to help negotiate loan modifications when loans are held in portfolio so we tried to identify which loans are in securitized pools and which are in portfolios. This is more art than science and involved some educated guesswork. Many of the filings include securities information or suggest that the plaintiff was a trustee [SLIDE]. We coded those filings light blue-green to show that the mortgages are likely in securitized pools. For the remainder of the filings, when the originating lender was the same as the plaintiff, we guessed that these might be in portfolio and shaded them pink. The purple are filings where we didn't have enough information to make an

educated guess. The many light-blue parcels suggests the importance of developing strategies to work with properties in securitized pools. **[SLIDE]**

Thus far we know a lot about when and where foreclosures started but we don't know what happened after the foreclosure complaint was filed.

Cara Purcell will now explain how we tracked the foreclosure filings and what we found. **[SLIDE]**

What Happened to All of Those Filings?

To really understand how foreclosure is affecting the neighborhood, we tracked neighborhood foreclosure filings over time to figure out what happened to them. We started by dividing the foreclosure filings into two broad categories, those that were still in the foreclosure process and those that were not. **[SLIDE]** This may sound like a simple task, but it wasn't. The foreclosure process can end in a variety of ways and there is no easy way to figure out a filing's status. To determine the status of the foreclosure filings, we began by identifying filings that had exited the process in one of three ways. **[CLICK]** First, we identified properties that had been scheduled for sheriff auction and used information on the outcome of the sheriff sale process to determine filing outcomes. **[CLICK]** Second, we identified filings that had exited the foreclosure process through a refinance. **[CLICK]** Third, we identified filings as inactive when a Lis Pendens was discharged, another foreclosure complaint was filed on the same loan at a later date, the property was sold after the foreclosure complaint was filed, or the property was real estate owned. We'll tell you more about how we identified properties that went to sheriff auction and properties that are REO a little later. **[CLICK]**

Using this process, we determined that 55 percent of the filings are no longer active. About half of the filings that are not active reached sheriff auction and more than 80 percent of those became REO. Additionally, five filings exited the foreclosure process through a refinance. For the remaining filings identified as having exited the foreclosure process, the exact path out of foreclosure is unknown. We know the outcomes of these filings because they were the easiest to identify; however, it's entirely possible that many other filings are complete and we just weren't able to identify them. **[SLIDE],[CLICK]**

Given that we started with 797 foreclosure filings and we identified 438 **[CLICK]** as having exited the foreclosure process, we were left with 359 filings (or 45%) **[CLICK]** that we believe are still in foreclosure. 38 of these properties are scheduled for sheriff sale. The status

is unknown for the remainder of the filings. **[SLIDE]** This graph shows the foreclosure filings that we have categorized as in progress by the year the foreclosure complaint was filed. As you can see, most of these filings were filed after 2007. Since the foreclosure process can take up to two years, it is very likely that these filings are still active. However, filings initiated prior to 2008 may have exited the foreclosure process even though we were unable to identify them as having done so. **[SLIDE]**

During this analysis, we found that 141 properties with foreclosure filings were sold between 2008 and 2010; 30 were purchased by individuals and 111 were purchased by about 55 different companies, including banks, mortgage banks and development companies. More than half of these properties were acquired by a financial institution. US Bank, Deutsche Bank, Aurora Loan Services, and LaSalle Bank emerged as the most prominent players **[SLIDE]**.

What's Happening to Properties at Sheriff Auction?

As mentioned earlier, we used sheriff sale information to inform our analysis of foreclosure outcomes. We'll now discuss how we accessed this information and what we learned from it. **[SLIDE]** To figure out what happened to the foreclosure filings and to help us identify REO properties, we created a list of all properties in Newark and Irvington that had exited the Sheriff sale system between December 2009 and March 23, 2010. We also created a list of all properties that were scheduled for sale at Sheriff auction from February 8, 2010 to March 23, 2010. The Essex County Sheriff's Office auctions foreclosed properties every Tuesday. The Sheriff has to advertise them four weeks in advance of the auction date through local papers such as the Star Ledger and Essex County weeklies. They also maintain a database of properties scheduled for future auction on their website. Our sheriff sale data was collected using these public sources. **[SLIDE]**

Using these sources, we identified 1,106 properties that had been scheduled for auction; 870 in Newark and 236 in Irvington. As of March 23, 2010, 500 properties were scheduled for auction in Newark and 121 in Irvington. **[SLIDE]**

Properties that reach sheriff auction may experience one of seven outcomes. They can be 1) adjourned by the plaintiff, defendant, or court, 2) cancelled, 3) put on hold due to bankruptcy 4) put on hold for other reasons, 5) acquired by a financial institution and made REO, 6) settled, which means the plaintiff and defendant reach a settlement, or 7) sold. In both Newark and Irvington, more than one-quarter of the sheriff sale properties studied were

acquired by financial institutions, making them REO. During the same period, 3% percent of property sales were cancelled and only 2% of properties - 16 in Newark and 4 in Irvington were sold to non-bank buyers. **[SLIDE]**

We also tracked how long it took for properties to move through the auction process. We have information on 136 properties in Newark that completed the auction process during our study period. Properties went through the auction system in an average of 117 days; although one property took 861 days. About a third of these properties exited the auction system within 14 days of their initial auction date. The mean length of time for the 49 properties in Irvington was a shorter 97 days. Approximately half of the Irvington properties exited the auction system within 14 days. **[SLIDE]**

Many properties take a long time to move through the auction process because the auctions are repeatedly rescheduled. Between September 2, 2008 and March 23, 2010, one property was rescheduled 29 times for auction. Of the properties scheduled for auction on March 23, 2010, more than a third (38%) had been rescheduled at least once and only 19% were scheduled for what appeared to be the first time. The repeated reschedules may be the result of a variety of actions including borrowers or plaintiffs rescheduling to accommodate loan modifications and workout negotiations, attempts to catch up on missed payments and fees, mandatory state mediation, bankruptcy, or simply because financial institutions may fear the market is too weak to sell the property and opt to hold off on the sale. **[SLIDE]**

We were curious whether, or how, the upset price, the reserve price the bank is willing to accept at auction, changes as properties remain in the auction process for long periods of time. This graph shows the relationship between length of time in the auction process and the upset price. From this data, we see no price difference for properties that have been in the system for longer periods of time. Community organizations have lamented that prices are often too high at auction for them to buy, and this data suggests that discounts may not be provided for properties that have been in the sheriff sale system for long periods of time.

[SLIDE]

We also thought the upset price would give us an idea of the market value for foreclosed properties. In Newark, only 4 percent of the properties that exited Sheriff Auction during our study period sold to non-bank buyers. The median upset price for these 28 properties was approximately \$339,000. The mean price they sold for was approximately \$115,000. Added

up, this means that property the banks valued at 10 million dollars sold at auction for only 4 million dollars. **[SLIDE]**

As just mentioned, many of the properties that enter the sheriff sale system become REO. The number and location of REOs is an important part of understanding how foreclosure is affecting a community. Many non-profits are interested in purchasing REO properties because it is easier to acquire foreclosed properties once they have become REO than while they are still in the foreclosure process. While most properties become REO by going through the sheriff sale process, properties can also become REO through a process referred to as deed in lieu of foreclosure. **[SLIDE]**

What About REOs?

There is no one source of information on REO properties. To better understand how many properties are REO in Newark and Irvington and where they are located, we created an intensive search process that started with the Sheriff Auction notices, and also included searching financial institution websites, and extracting information from New Jersey Community Capital and the Community Stabilization Trust's First Look and Bulk Purchase Programs. **[SLIDE]** From this process, we produced a list of 1,200 REO properties in the two cities. **[SLIDE]**

Of the total REO properties identified, 93 are located within the UCH neighborhood. As you can see, these properties—shown here in yellow—are distributed throughout the study area. Once a property becomes REO, it may be held for long periods of time as the property owner waits for market prices to increase. Because REOs tend to remain vacant until sold, they are especially susceptible to neglect, vandalism, and criminal use. **[SLIDE]** This map shows study area REOs in yellow and residential vacancy in red. As you can see, there is a great deal of overlap between the two.

Understanding how many properties are still in the foreclosure process and their possible outcomes provides a more nuanced understanding of the scale of the foreclosure problem. Additionally, this knowledge can help nonprofits to facilitate efforts to help borrowers and to anticipate future property offerings. For this reason, we sought to identify properties that may end in REO upon completion of the foreclosure process. **[SLIDE]** The term “shadow stock” has been used loosely to refer to properties that may become REO. Depending on how it’s used, the term may mean properties that are scheduled for auction or it may allude to all of the foreclosures in progress. We define the “shadow stock” as properties that have been

rescheduled at the auction phase three or more times. There are 22 properties in the study area that meet this definition. However, we can also think more broadly about properties in foreclosure. **[SLIDE]** To get a better picture of the foreclosure problem in this neighborhood, we mapped 2008 and 2009 foreclosure starts in red—remember, most of these foreclosures are still active—and added REO properties in yellow. It is likely that some of these filings will also become REO in the future.

Who Services These Loans and Who is Responsible for Properties in Foreclosure?

Community organizations that want to buy REOs need to know what entities service the properties. This can enable them to figure out who to work with and possibly how to think about buying multiple properties at one time. But figuring out what financial institution services these properties is incredibly difficult. We opted to look up all of the REO properties in the study neighborhood on the Mortgage Electronic Registration Services' website. **[SLIDE]** Out of 93 properties, we found servicer information for 70%. Analysis of servicer information revealed that REOs in the study area are owned by 28 different servicers. This makes bulk purchases difficult. If bulk purchase is to be considered, we suggested looking at the servicer share at the city level. **[SLIDE]**

Starting in 2009, financial institutions in NJ have been required to send a notice to the municipality where a property in foreclosure is located when they initiate the legal foreclosure process. This notice includes information about property location, what institution should handle questions about servicing the property if it becomes vacant, and what institution should receive notices about property upkeep. In some cases, the notices may identify the servicer. Since June 2006, the city of Newark has been recording information from the filings that it receives. Since that time they have received 1,018 notices and most are dated between June 2009 and February 2010. Chase/WaMu was identified in nearly a third of the notices as the entity to contact if the property becomes vacant. About 12 percent of notices list BAC Home Loans Services. Sixteen percent list law firms and 21 percent list thirty other institutions. **[SLIDE]**

The notices also list the entity that is responsible for property upkeep. Fifty-nine percent of notices list The Corporation Trust Company and 18% list Shore Property Services as the entity responsible for property upkeep. Since so many properties are handled by the same companies, perhaps the city could meet with these groups regularly to ensure that properties are safely secured.

What about Multi-family Properties?

Thus far we have only discussed small residential properties but some larger residential properties may also be at risk of foreclosure, bankruptcy, or opting out of a federal support program. **[SLIDE]** Here we focus on projects known as federally assisted projects. These are moderate to large residential projects that receive federal financing and other forms of assistance and where tenants typically pay less than market rate rents. The federal government conducts assessments of these properties, periodically producing assessments called REAC scores. Scores below 60 are considered failing. We mapped these properties based on their last REAC scores. **[SLIDE]**

When we look more closely at the target neighborhood, shown in gray, we see a number of these projects are located within the neighborhood boundaries and that one property, noted by the red triangle, has a lower score than the others. These properties are important because they provide housing for many lower income residents. The property shown as a red triangle is located at the end of two blocks of Seymour Avenue that ECD is focusing on revitalizing. Looking only at small residential properties would mean that we would miss this important part of the community.

Making sure that community development efforts do not miss key parts of the community is an important theme that Vanessa Kennedy and Patrick Brennan (filling in for the injured and very much missed Caitlin Salemi) will address in the second half of our presentation.

[SLIDE] The Three Pillars: Home, Food, Health

After a few decades spent taking housing development to scale, community development organizations are reimagining the field of community development. Home, food, and health are now necessary ingredients for a strong community. Though few CDCs can provide direct healthcare services themselves, many link residents to those services and many others are seeking to improve health outcomes by increasing community opportunities for exercise and improving access to healthy food. **[SLIDE]**

Health

Many Newark residents have poor health outcomes that may be explained by a lack of access to health insurance and health care services, but they can also be explained by a lack of access to

healthy foods and adequate exercise facilities. In 2007, heart disease, cancer and HIV and AIDS were the leading causes of death in the city. Nearly 18 percent of the people with HIV and AIDS in NJ, live in Newark. Newark women access prenatal care later and less frequently than women in New Jersey. And nearly half of the city's children are overweight compared with 10 percent nationally. Conversations with Clinton Hill community members revealed that neighborhood residents also struggle with hypertension and sexually transmitted diseases. Newark's housing stock contributes to more risk factors especially for the city's children. **[SLIDE]** Lead paint is present in housing constructed before the 1970s. The map shows that while there are clusters of housing built prior to 1970, many of the units were built well before then. Nearly 20 percent of all childhood lead poisoning cases in New Jersey are reported in Newark. In Upper Clinton Hill, more than half of the housing units were constructed before 1950. **[SLIDE]** Additionally, we know that poverty contributes to a lack of food security. The 10th Congressional District, which includes Newark, is among the top ten congressional districts in which residents lack the money their families need to purchase food. And nearly 90,000 Essex residents use food stamps.

[SLIDE]

[Why Food?](#)

Our studio decided to tackle food as one of the major tools for revitalization because access to health food and efforts to produce local food can have immeasurable health, community building, and economic development benefits. Children who lack access to healthy food struggle in school. Adults who lack access to healthy food can suffer negative health effects. According to ECD's 2009 community survey, many Upper Clinton Hill residents want to grow their own food and many want better food retail opportunities within their neighborhood. There is also public and private interest in facilitating access to healthy food. The City of Newark and Brick City Development Corporation recently launched the Fresh Foods Initiative to expand access to healthy, fresh, foods in Newark. **[SLIDE]** The program is designed to: 1) help local store owners sell more produce, 2) attract new larger supermarkets, 3) support the development and expansion of farmers markets, and 4) support the development of urban agriculture. **[SLIDE]**

In this section of the presentation, we discuss a variety of strategies to increase access to healthy food for residents of Upper Clinton Hill (and beyond). We highlight the benefits and challenges of each approach.

Food Distribution

Communities across the nation have been working to transform mainstream grocers from spaces that sell an abundance of costly, processed foods into spaces that provide healthy foods and foster active lifestyles. We focus on three types of food retail outlets, supermarkets, small grocers, and community cooperatives that could serve to expand Clinton Hill community members access to fresh foods. **[SLIDE]**

Supermarkets/Small Grocers

Clinton Hill residents can access a few large supermarkets within a few miles of the neighborhood but residents without cars may struggle to do regular grocery shopping at these stores and instead may shop at small neighborhood convenience stores. Convenience stores often carry fewer fresh items and more processed foods at higher prices **[SLIDE]**. Attracting a large supermarket is especially challenging in a city since it requires a large amount of undeveloped land, remediating any environmental problems, and risks negatively affecting existing businesses. **[SLIDE]** One of the Fresh Foods Initiative programs provides support for some of the pre existing businesses which encourages entrepreneurship and in turn, creates a multiplier effect. Supporting small stores also means providing training for business owners who face more complex accounting and business decisions. The buildings may also need renovation. Brick City Development Corporation (BCDC) provides small grants, below market financing, and technical assistance to encourage small business owners to modify their stores to sell fresh produce under its small grocer program. **[SLIDE]** Some communities choose to open a cooperative grocery store, which is a member owned and controlled business that operates for the mutual benefit of all members and according to common cooperative principles. A co-op could also support economic development and improve access to healthy food since many choose to sell natural, organic and fair trade products. Co-ops require community commitment and start-up resources.

I'll turn it over to Patrick Brennan (who is filling in for Caitlin) who will discuss alternative methods of food distribution.

Alternative Food Distribution (Title Slide)

Urban communities across the country are increasing access to fresh foods by using strategies that operate outside the mainstream food distribution **system** of supermarkets and grocery stores. Here I will outline some unique ways to connect Upper Clinton Hill residents with fresh local food while strengthening community and promoting economic development. **[SLIDE]**

Community Farmers Markets

Farmer's markets increase access to fresh food in underserved neighborhoods by providing residents with a place to purchase produce directly from the producer. The accessibility of a market to neighborhood residents is an important consideration. Attention to affordability, location and community buy-in are essential for establishing a thriving venture. Accepting EBT cards and Farmer's Market Nutrition Program vouchers, which are available to WIC participants and eligible seniors, provides residents who face food hardship with the opportunity to purchase affordable produce.

Farmer's markets also have the potential to boost the local economy. Not only do farmer's markets attract customers to shop at surrounding local businesses, but the market may be an outlet for small, local food vendors to get started. We know from the ECD Community Survey conducted, that some residents are interested in starting their own business. A Community farmer's market can provide low-cost, low-risk retail space for local entrepreneurs to sell their products. A successful market requires a well-organized agency or individual to function as the market manager, recruit farmers and provide technical assistance to vendors. This may pose a challenge to community organizations that are already operating at capacity.

Last year Brick City Development Corporation (BCDC) piloted an effort to bring farm stands to Newark's underserved neighborhoods. From that effort, BCDC created a useful Farmer's Market Manual that details everything from selecting farmers and choosing a location for a market to securing insurance and funding. Together with the city's Office of Sustainability, BCDC is enthusiastic about supporting organizations interested in hosting farmer's markets.

[SLIDE]

Community Supported Agriculture

Community Supported Agriculture, or CSA, also partners urban consumers with farmers seeking new markets. In a CSA members purchase a "share" of the season's produce from a regional

farmer. Typically, members pay the cost for the entire season up front which helps farmers plan for the upcoming season, purchase seed and make repairs. CSAs offer urban residents the chance to develop a relationship with an area farmer and have regular access to healthy foods. However, CSAs may be inaccessible to many residents who cannot afford to pay \$300-\$600 up front and few CSAs are currently available to Newark residents. **[SLIDE]** A unique program in New Orleans offers a more accessible alternative.

Case Study: Hollygrove Market and Farm

Nearly five years after Hurricane Katrina, many vacant lots remain in New Orleans. Started in 2008, Hollygrove Market and Farm was born out of the Carrollton-Hollygrove Community Development Corporation, an organization originally formed to aid residents returning to their homes post-Hurricane Katrina. The CDC connected residents to sources of funding as well as local contractors, builders and materials.

In 2006, the Carrollton-Hollygrove CDC engaged community members in a series of visioning meetings, over the course of several years, to imagine strategies for revitalization in the damaged neighborhood. Lack of access to grocery stores and fresh produce emerged as the primary concern of the community. After exploring several options to address food security, CHCDC started the Hollygrove Market and Farm, in partnership with the New Orleans Food and Farm Network (NOFFN). The project combines elements of a wholesale buying club with the structure of a CSA and incorporates space for demonstration gardens, community gardens, and plots for entrepreneur farmers who, in lieu of paying rent for their plots, provide training to interested growers. Instead of paying for a full season up front, boxes of produce, featuring a selection of 10 to 12 items, are available for \$25 at the twice-weekly market. Hollygrove buys directly from urban farmers in New Orleans as well as regional farmers within 65 miles of the city. The original vision for the market has grown from increasing access to fresh food for Hollygrove residents, to modeling a strategy for transforming vacant lots into productive spaces that grow fresh, healthy food, promote economic opportunity and eradicate blight throughout the city. **[SLIDE]**

Urban Agriculture

Not only do Clinton Hill community members want to see increases in food retail options, they are also enthusiastic about growing their own food. Urban agriculture takes many forms, from

small backyard gardens producing food or flowers for personal use to urban farms that grow food for commercial markets. While urban agriculture alone will not transform neighborhoods traumatized by disinvestment, it can be a critical component of community development.

[SLIDE]

Community Gardens

Community gardens, be they neighborhood, school or senior center gardens, provide a multitude of benefits related to food security and nutrition, physical activity, neighborhood and environmental health, and economic development! There is a strong tradition of community gardening in the city of Newark. A 1996 survey identified more than 1,300 gardens in the city. However, locating community gardens in urban areas is not without challenges. Access to vacant land may pose the biggest hurdle while other considerations include dealing with contaminated soil and pollution from heavily traveled streets and ensuring sustained community participation.

[SLIDE]

Newark Conservancy Gardens

Urban food production is a priority of the city's Fresh Foods Initiative and the city, through its partnership with the Greater Newark Conservancy, addresses many of the concerns I just outlined. The partners have identified dozens of city-owned lots suitable for gardening and plan to construct 21 new community gardens this season. As the map indicates, pink dots are active Newark Conservancy gardens, blue dots indicate gardens to be built this year, and yellow dots are potential future gardening sites. **[SLIDE]** As indicated by the blue dots on *this* map, several potential garden sites are located in and around Upper Clinton Hill. These gardens will be home to the Conservancy's Adopt-a-Lot program, where residents can grow food on their own individual garden plots in return for a small fee. The Conservancy, in partnership with residents, designs and builds the gardens and provides materials, technical assistance, gardening workshops, compost. The city is streamlining the process of leasing city-owned land and examining potential strategies to protect gardens from future development. **[SLIDE]**

Urban Farms

Urban farms are typically larger than community gardens and may be for profit or nonprofit enterprises. In addition to the many benefits of community gardens previously outlined, both

community gardens and urban farms can be vehicles for job training, youth programming and entrepreneurial development. Of course, challenges to urban farming mirror those of community gardens. In addition to accessing land, start-up costs for equipment can be prohibitive and the economic success of an urban farm often depends upon having access to viable markets. And, many cities do not legally allow farming within the city limits. In Newark, organizations interested in farming on city-owned land are constrained because their leases limit the ability to raise food in exchange for 'profit'. **[SLIDE]**

This map illustrates vacant land parcels, owned by a range of entities, in Upper Clinton Hill. The parcels shown here can support larger gardening or urban farming projects, although each location has unique challenges. Some are privately owned and the Dewey Street site is or was slated for a public school. Pursuing urban agriculture as an economic development and food production strategy is an ambitious community development project but there is a growing support network in Newark and beyond to make these efforts into reality.

For ECD and the Clinton Hill Community Center to move forward on this sort of strategy, forming partnerships will be essential. Brick City Development Corporation staff and Newark's Office of Sustainability are supporting organizations that are interested in developing larger-scale urban agriculture. They currently work with at least ten different entities interested in doing indoor and outdoor farm-scale projects to determine project viability. City staff are also tackling obstacles to urban agriculture by trying to modify regulations that restrict profit on food produced on city-owned land. The city is also trying to work around state rules that prevent farmers who work on sites smaller than five acres from receiving state farming subsidies. One potential solution is to qualify a "network" of community gardens and farms to meet the eligibility acreage. **[SLIDE]**

Food and Community

We've argued that food and exercise are critical and necessary components of community development. The first step to increasing access to fresh food is engaging community members in the planning process. A community- facilitated food assessment can take stock of neighborhood assets, stimulate ideas for improving food distribution and production in the neighborhood and engage residents in advocacy efforts at the city level.

While ECD may not be in a position to bring a major grocery store into the neighborhood, it can help local stores access resources to sell more fresh produce. Upper

Clinton Hill businesses already provide food but not necessarily the kinds of foods that Clinton Hill residents want. The Community Center can help introduce local business owners to BCDC's small grocer program. Showing a demand for healthier foods and linking storeowners to organizations like BCDC may help increase residents access to food and contribute to economic development. The Community Center could also work to facilitate a virtual supermarket which would expand residents' access to food quickly. In a virtual supermarket, residents' pre-order groceries and they are delivered to a local community facility like a library or community center. ECD could also work to establish partnerships to advance their efforts. ECD and the Newark Conservancy can move forward on creating a community garden and ECD can include raised beds for food production around homes that they sell and rent that have been in foreclosure.

ECD can also work with other Newark organizations that are increasing access to education about food, health and exercise. This can be done within and outside of the school system. An organized effort within Newark can improve school breakfast and lunch quality. A shared-use or community kitchen creates opportunities for partnerships with entrepreneurs, food educators, and those that provide prepared meals to needy populations.

We identified 45 potential funding opportunities that can be used to make the initiatives we have proposed a reality. In our report, we provide a short description of each grant, information on how to apply and website information. The grants cover food production and distribution, health, education, sustainability, affordable housing, economic development, and infrastructural improvements. We hope that these will help ECD find the right funding source to make their project ideas reality. **[SLIDE]**

Moving Forward

Clearly Upper Clinton Hill and Irvington are struggle with an ongoing foreclosure crisis **[SLIDE]**. As ECD rebuilds these neighborhoods, thinking about neighborhood revitalization comprehensively means thinking critically about home, health and food. Addressing the foreclosure crisis in Upper Clinton Hill means understanding what foreclosure looks like from start to finish and how this is impacting the community. To have a significant impact on this crisis, the approach should focus on preserving housing and keeping people in their homes. This includes intervention earlier in the foreclosure process, providing assistance to renters of foreclosed property, and better preparing and educating new home buyers. Ultimately, houses alone don't build and strengthen communities. There are many other factors to consider when

building strong healthy communities such as education, social services, access to food, and relationships among residents. We believe that some really incredible work is being done as communities have stepped up in the face of the housing crisis. Our hope is that the work we have done will supplement current activities and allow groups to do even more.

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Many thanks to the staff at ECD and the Clinton Hill Community Center and to all of the people who shared their time, ideas and expertise with us.

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We're happy to answer questions now