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A Quiet Partnership Is Beating Blight

By David S. Broder Sunday, September 25, 2005; B07

When 800 movers and shakers gather here Wednesday evening in the Ronald Reagan Building with former Treasury secretary Robert Rubin, National Football League Commissioner Paul Tagliabue and other notables, they will be celebrating the 25th anniversary of one of the less-well-known American success stories.

But the real proof of its accomplishments can be found a couple of miles away, in a section of Washington left badly scarred by the riots that followed Martin Luther King Jr.'s assassination in 1968.

That neighborhood -- and other blighted areas like it in cities and small towns across America -- has sprung back into life, with a major assist from an organization called Local Initiatives Support Corp., or LISC. The story is a rare blending of grass-roots activists and ordinary citizens of limited means, working through their own neighborhood associations and backed by the expertise and resources of foundations, businesses and government agencies in a powerful, transformative combination.

Walk through the Columbia Heights section of Washington, as I did recently with Michael Rubinger, LISC's president, and Buzz Roberts and Oramenta Newsome of its Washington office, and here are some things you will see:

- · The Josephine Butler Parks Center, a former embassy that was abandoned after the riots, became a crack house and now -- after years of sweat equity and investment -- is the sparkling headquarters for a group dedicated to protecting and expanding neighborhood parks, and for a variety of other nonprofits.
- · The Latin American Youth Center headquarters and its art and media house -- rescued from years of neglect and deterioration and now serving as vital recreational and educational resources for the community.
- The Greater Washington Urban League headquarters, converted from a long-vacant funeral home.
- · Block after block of once boarded-up or burned-out buildings, now filled with families, some living in subsidized apartments or rowhouses, others paying market rates in a rapidly gentrifying part of the city.
- · A shopping center, a theater, a dance institute and several child-care centers.

What was once a wasteland has become a thriving community, made possible by the support that LISC gave to several local groups -- known as community development corporations. LISC provided staff assistance, loans (usually recoverable from rents) and small grants, and connected these groups to other sources of capital -- commercial lenders, foundations or government agencies that have learned that LISC can reliably vouch for the recipients.

LISC was born 25 years ago at the instigation of Mike Svirdoff, then of the Ford Foundation, with an initial capitalization of \$10 million and the modest goal of identifying 50 to 100 local economic development groups worthy of support. Since then it has worked with almost 3,000 such organizations, funneling as much as \$720 million a year in grants, loans and equity investments into their projects.

From the beginning, creation and preservation of affordable housing has been at the center of LISC's mission. But over time, it has developed a more comprehensive approach to community development. Its projects now embrace parks, schools, youth and family services, environmental cleanups, crime-fighting and attracting banks, groceries and other needed private businesses.

The latest addition to its portfolio is a partnership aimed at installing high-speed Internet connections in homes and community centers in redevelopment areas, along with vouchers to residents for the purchase of home computers -- a strategy to reduce the "digital divide" and empower those low-income families.

Along with other groups, LISC is operating in the hurricane-damaged Gulf Coast. From its early roots in New York, Chicago and a few other big cities, it has become a truly national program, with offices in 34 cities and rural programs in 37 states.

At the dinner, LISC will honor 25 local activists, the spark plugs of the community organizations that are the essential front line of its work, as well as some of its key partners in business, government and the foundation world. They will celebrate not just their own achievements but the survival of the Community Development Block Grant program, targeted for extinction early this year by the Bush administration but rescued by a bipartisan band of legislators after a successful lobbying campaign by mayors and grassroots groups.

I have seen what LISC has accomplished, not just in Washington but in my home town of Chicago, where once-blighted neighborhoods such as Pilsen and the Near West Side have come back to life. This is a model of public-private partnership -- tested in practice and ready to expand as more resources become available.

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