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★ Expand Homeownership
and Affordable Housing Opportunities

★ Empower the Poor through
Resident Management and Homesteading

★ Enforce Fair Housing for All

★ Help Make Public Housing Drug Free

★ Help End the Tragedy of Homelessness

★ Create Jobs and Economic
Development through Enterprise Zones

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U.S. Department of Housing and Urban Development

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and Affordable Housing Opportunities

Jack Kemp

Cochran Gardens St. Louis, Missouri

**Vital Statistics: Constructed in 1952; high-rise, 704 units,
3,250 residents; management contract negotiated in 1976**

The Cochran Gardens Tenant Management Corporation, born out of a rent strike to protest slum conditions, is a classic example of how a previously untapped source of limitless talent and imagination can bring a community back to life. A wide array of self-help social programs and a succession of bold economic schemes that put people to work changed the attitudes and behavior of a community pushed into near-oblivion by years of managerial neglect and disinterest.

In November 1969, the St. Louis Housing Authority (SHA) committed a final outrage by raising rents at Cochran Gardens. Residents who had been living in an atmosphere that perpetuated violent crime, prostitution, drugs, and other negatives that caused fear, frustration, and resentment, finally rebelled. A year-long rent strike ensued that resulted in the drastic reduction of the housing authority's control over Cochran Garden policy and operations. An elected on-site Tenant Affairs Board was created that could appoint two of its members to the SHA Board of Commissioners. These appointees had the power to veto the selection of others on the board if it was felt the individual would not promote the interests of public housing residents.

Concurrent with this power gain, during the period from 1969 to 1975, a private, community-based management corporation was administering on-the-job management training to Cochran Gardens residents whose organizational expertise made the rent strike successful. Residents learned about rent collection, tenant selection, lease and grievance procedures, maintenance and custodial requirements, and security. At the time a management contract was negotiated in 1976, a resident management team was already in place and ready to function.

Cochran Gardens never looked back. It established a five-person board of directors, electable every three years. The board makes policy; provides planning direction; and oversees all management programs, including personnel employment, social services, and tenant complaints. Each board member chairs one of five resident management committees—maintenance, security, social services, recreation, and economic development.

Wasting no time in tackling their problems, the resident managers tapped into training programs that were utilized for providing employment opportunities for the community's hard-core unemployed youths.

As trained, skilled workers, young men and women were hired to renovate the same unoccupied apartments many of them had broken into and vandalized when they were aimless and without direction. After inheriting some 250 vandalized vacant apartments, Cochran TMC, through its efforts with these youngsters, was able to renovate and rent 150 vacant units within its first year of operation.

Involving the young also resulted in the design and building of the Malcolm X Community Center, which sponsors athletic events, talent shows, field trips, and employment-related activities. Its facilities include a gymnasium, boxing facilities, and meeting rooms. A successful day care program is also operated at the facility.

Economic development is the primary driving force and the major funding source for program growth at Cochran Gardens. Business enterprises established by the Cochran Gardens resident managers have resulted in 330 new jobs for community residents.

In 1978, the city's Community Development Agency provided a block grant for Cochran TMC to develop a comprehensive rehabilitation and modernization plan. The plan was eventually funded by a \$21 million HUD renovation grant, which opened the door to private sector joint ventures in real estate activities.

Cochran's first joint venture, with McCormack, Baron and Associates, involved the construction of 675 units of low and moderate income housing units. A second project, Cochran Plaza, established 100 new units of low-rise housing. A third project converted an old school building into a 40 unit complex for senior citizens.

As part of its welfare reform "back-to-work" package, Cochran has created a janitorial company employing 45 former welfare recipients and a catering company that is responsible for providing 650 meals a day to a large number of the city's senior citizens. Another component of the Cochran welfare reform program will be the establishment of a factory to train and employ 300 welfare recipients. Cochran TMC is negotiating with the State of Missouri to purchase the factory while Cochran residents will renovate it as part of a women's employment training effort. The Cochran Gardens TMC is also negotiating production contracts with three major national industries.

In 1986, the Cochran Gardens TMC was awarded a contract for the installation of cable television equipment into the homes of public housing residents citywide.

In late 1987, plans were initiated for Cochran TMC to become a 50 percent owner of a shopping mall adjacent to the Cochran Gardens complex. It will contain 20 to 25 business establishments that will include a supermarket, restaurant, dry cleaner, movie theater, drugstore, hardware store, and a beauty shop.

Cochran Gardens, in a relatively short period of time, has become a community that generates jobs, businesses, talent, creative ideas, and a solid home-base for residents who have begun to lead productive lives.

Profile of Carr Square Village
Tenant Management Corporation
St. Louis, Missouri

Carr Square Village was the first public housing development in St. Louis, built in 1942. It is comprised of 658 units of low-rise townhouses.

The leadership of Carr Square along with Cochran Gardens in St. Louis served as the initial catalyst for the then unprecedented public housing rent strike in 1969 due to deplorable living conditions at the sites. The rent strike and subsequent tenant organizing activities ultimately resulted in the creation of a tenant management program in March, 1983, which was supported by the Ford Foundation and the housing authority.

As a result, Cochran TMC and the housing authority jointly developed new rental and occupancy policies, several new leases, a tenant security program, a Title XX Social Services Program, several T.P.P. and Modernization Programs. Residents have developed rules and regulations that are regularly enforced by the TMC staff and its five member board of directors.

Board members are elected by the residents of Carr Square, 16 years and older, in staggered terms every three years. The board of directors are responsible for all contracts pertaining to Carr Square, and maintain operational functions in four areas: maintenance, social services, security and development.

The experience of Carr Square TMC suggests that residents will respond affirmatively to self-imposed standards, once the process of developing and enforcing those standards is created by the residents themselves. The quality of life in the development is much improved, and vandalism has substantially decreased along with the rate of serious crimes.

Carr Square Tenant Management Corporation has developed and sponsored a

variety of social, educational, recreational and employment programs to increase the effectiveness of resident management efforts. New programs which have been created include: Mary McElroy Day Care Center, In-Home Service Program (staff trained by St. Louis Comprehensive Health Center), and an on-site recreational room (open from 5:00 p.m. to 9:30 p.m. daily). Through the Carr Square Youth Community Conservation Improvement Project, the TMC received HUD demonstration funding to train 193 youth in carpentry, painting and landscaping. Tenant management experience at Carr Square suggests that the "hard" and "soft" aspects of management and community development must be integrated with social services to effectively upgrade the quality of life within public housing.

The housing and community development programs of the TMC represent a significant expansion of TMC organizational development. Carr Square has participated as a co-developer of 810 units of new low and moderate income housing provision with the Cochran Tenant Management Corporation.

FROM THE FRONT LINES

From the front lines:

"From the Front Lines" is a regular feature of Home Front. It highlights efforts of PHAs and resident groups around the country to fight drugs and improve the quality of life in public and assisted housing. This edition features programs in the District of Columbia, St. Louis, Missouri, and Chicago, Illinois.

Who is making a difference in your community?

Do you know someone whose volunteer activities have made a difference in his or her public or assisted housing community? If so, we would like to hear from you so we can recognize their hard work. Please send names, along with a brief description of what the person has done, to:

HUD Drug Information & Strategy Clearinghouse, P.O. Box 6424, Rockville, MD 20850.

st. louis

Cochran Gardens Tenant Management Corporation

Self-help social programs and business ventures have reformed attitudes and united this community. Cochran Gardens Tenant Management Corporation (TMC) is an excellent example of what cooperation, hard work, and determination can do for a community.

In 1976, the Cochran Gardens TMC was incorporated and assumed management responsibilities from the St. Louis Housing Authority. For the previous 6 years, residents had honed their management skills by working with the housing authority and a private management company in on-the-job training.

By the time it assumed control, the TMC Board of Directors had set firm goals and was ready to work on its top priorities—ridding the neighborhood of drugs and drug-related crime and creating job opportunities for residents. The directors felt these goals could be met simultaneously and identified job training opportunities for the community's unemployed young people. Most were placed in construction trades and began rehabilitating the community's 250 vacant apartments—the same apartments they had previously vandalized. By 1978, the crew had refurbished 150 of these apartments, and the TMC was able to rent them out to families.

With this success, the TMC moved on to other economic development options, largely focusing on property development. In 1978, Cochran Gardens received a Community Development Block Grant from the St. Louis Housing Authority to develop a comprehensive rehabilitation and

modernization plan, which was later funded by a \$21 million renovation grant from HUD.

These funds opened the door to other real estate opportunities, including ownership or investment in:

- Construction of 675 low- and moderate-income housing units.
- Cochran Plaza, made up of 100 low-rise housing units.
- Conversion of an old school building into a 40-unit complex for senior citizens.
- A 25-store shopping mall to be built adjacent to the original neighborhood.

These and other economic development projects aimed at keeping the community safe and drug-free by redirecting residents' lives have created more than 300 jobs, each filled by a former welfare recipient.

Current business ventures include:

- Daycare centers, located within the community and staffed by 75 residents.
- A catering business that delivers nearly 700 meals to senior citizens.
- Housing management services contracting to provide management services to Cochran Gardens and other PHA facilities.
- Property development.
- Cable TV installation.

For more information on Cochran Gardens Tenant Management Corporation, contact Bertha Gilkey, Chairperson, Cochran Gardens Tenant Management Corporation, 1112 North Ninth Street, St. Louis, MO 63101.

THE NCNE ST. LOUIS TOUR: "GATEWAY TO HOPE"

By Robert L. Woodson
President, National Center for Neighborhood Enterprise

On a Sunday evening three years ago, millions of Americans viewing "60 Minutes" witnessed the miracle of Cochran Gardens in St. Louis. The segment, appropriately titled "Tenant Power," depicted the phoenix-like rise of a public housing project once the equal in squalor and crime of the infamous Pruitt-Igoe development, which stood just 10 blocks away on the city's near North Side before its widely publicized demolition became a national symbol of the crisis in public housing.

Cochran was slated for removal from the urban war zone in much the same way. Residents recall that the main building was dubbed "Little 'Nam," as gangs roamed freely and terrorized residents; snipers perched on the upper floors fired at pedestrians; drug sales flourished in illegally occupied rooms; and vandalism was so rampant that the authorities even balked at installing a coin laundry.

When stop signs around Cochran were removed to protect motorists at the expense of the lives of playing children and other residents of the area, the nightmare of living in a Housing Authority-run property that had become blacker and poorer through the years was laid bare. It was said that even the police avoided the project except with guns drawn in hot pursuit. But while agency officials were getting the dynamite ready, one woman who had lived in Cochran since childhood served notice that she and other concerned tenants were not about to roll over and join Pruitt-Igoe as a public housing statistic.

The "miracle worker" at Cochran was Bertha Gilkey, a feisty, flamboyant mother of two. For over a decade, Bertha has headed the Cochran Tenant Management Corp., which earns its substantial yearly management fee from the Housing Authority by consistently maintaining uncompromising standards and the stability of the complex. Her dynamic grassroots leadership was also the catalyst for the \$27 million federal rehab grant which handily fulfilled her lifelong dream of transforming the 800-unit complex into "a neighborhood, not a project" for all of its residents, including her own family.

But Bertha Gilkey's dream of self-sufficiency for her community does not end there. Plans for tenant purchase of Cochran under special federal legislation are on the drawing board. And Bertha's group promotes economic empowerment by operating successful community-wide enterprises including a catering service, daycare centers, a cable television installation service for low-income neighborhoods, a reverse commute transportation service for workers, and a limited partnership in several private housing complexes nearby.

Bertha's innovative Cochran Gardens People's Factory is being developed to provide training and at least 300 jobs in manufacturing, construction and computer work for unemployed residents. A full plate, to be sure, but typical of the response of grassroots leaders to the needs of the community that they know best -- their own.

The media exposure given to the Cochran Gardens story on the network telecast was particularly gratifying for those of us at the National Center. In our ongoing efforts to identify and lend technical assistance to local self-help groups pursuing enterprise development, we fought vigorously for the resident management concept in the urban public housing trenches alongside courageous activists including Bertha and Loretta Hall of Carr Square Village in St. Louis and Kimi Gray of Kenilworth-Parkside in Washington, D.C.

But the viability of resident management rising out of strong grassroots leadership -- as confirmed initially by the successes in these two cities -- was winning powerful converts even before the "60 Minutes" coup. Among them was Rep. Jack Kemp, then an influential Congressman from New York. When Kemp was later named Secretary of Housing and Urban Development, he brought his sensitivity to the strengths of indigenous leadership in public housing management, ownership and economic empowerment to the Department and to the Administration.

As the Secretary acknowledged in his address last March to the National Convention on Resident Management and Urban Homesteading, the desire to control their own destinies exemplified by the efforts of Bertha Gilkey, Loretta Hall, Kimi Gray and Mildred Hailey, among others, "reminds us of what America was meant to be."

So it is particularly appropriate that St. Louis -- the base of operation of two of the outstanding public housing activists

cited by Secretary Kemp -- has been chosen to inaugurate a three-city national tour sponsored by the National Center to spotlight community-based implementation of President Bush's HOPE (Homeownership and Opportunity for People Everywhere) initiative. It expands upon the comprehensive agency reforms introduced by the Secretary last October. There are few, if any, urban areas which offer more compelling examples of grassroots-led efforts consistent with HOPE's housing and inner city job creation strategy than this heartland city whose majestic arch symbolizes its historic role as the "Gateway to the West."

The American tradition of boldly proceeding to new frontiers of independence and self-sufficiency are indeed alive and well today in Cochran Gardens and Carr Square Village. I encourage each of the tour participants to absorb fully the myth-shattering reality of what has been accomplished because it is the cornerstone of a new strategy to combat poverty.

At Cochran, for example, the capacity of poor people to move beyond the shackles of social service client dependency to self-management and economic empowerment has been demonstrated impressively. Here is a textbook case of what grassroots people in a disinvested community can achieve if given the opportunity and resources (e.g., incentives, information, capital, and technical assistance) to control their own lives. Cochran is also a classic example of how public and private sector partnerships can be forged successfully.

In the past, we believed and acted upon the principle that if the system were changed, people will respond. A greater influx of money became the panacea for all urban ills, including public housing, even when the evidence clearly showed that spending on people whose attitudes are not rehabilitated is of no consequence. As Bertha Gilkey explained to Morley Safer on "60 Minutes," "We changed the thinking of the people," and in the process, kindled in them the belief that they could achieve and take advantage of the available opportunities.

Item: American business will continue to require a disciplined workforce if it is to compete successfully in the world economy. Increasingly, workers will be drawn from groups in crisis such as public housing residents. Cochran/HOPE offers a comprehensive solution.

In addition to having been cited by an influential national publication as "a showcase of urban ingenuity," Cochran enjoys a distinction shared by few, if any, public

housing developments: the presence of market rate housing in the immediate vicinity. A major supermarket chain, too, has displayed its confidence in the stability of the area by opening up a store next to Cochran after others had moved out because of the high crime rate.

The NCNE tour will also provide an opportunity for participants to observe firsthand the stark contrast between the legacy of the Public Housing Authority-managed past and the resident-managed future. At Darst Webbe, a decaying high-rise complex in a St. Louis slum, the cumulative effect of decades of poor maintenance and management are dramatically illustrated. It is typical of the PHA's pattern of neglect, which exacts a human toll in the "spiral of decline," where the individual abandons his self-respect and dignity. Neither PHA contractors nor managers are responsive to residents, who become dispirited because their needs are constantly submerged into the priorities of others.

But the calculus of the downward spiral is changed when residents are given the opportunity to improve themselves and the quality of their lives. As it turns upward, you get more of what you reward; less of what you punish. Community improvement is thus a response/reward for changed behavior.

Like the HOPE initiative, the concepts of homeownership and economic empowerment implemented so successfully at Cochran Gardens and other resident management corporations, including Carr Square Village, were developed from the bottom up, as opposed to the top down.

When you plant seeds of HOPE by encouraging low-income people to take the self-help route and provide the resources to mobilize and reward their efforts, the results are bound to be positive. Cochran/HOPE is indeed a microcosm of these exciting possibilities -- a prototype of what can happen when we change our mindsets and approaches to dealing with poor people and maximize the strengths that exist within their own communities. The Bertha Gilkeys, Loretta Halls and Kimi Grays are both the inspiration and keepers of the flame for this national initiative which can and should enhance their groundbreaking work in the empowerment of poor people.

Accordingly, NCNE reaffirms its commitment to work closely with Secretary Kemp to carry his message of HOPE to the American public. We will continue to identify and expose potential private sector partners to those grassroots communities which can offer the greatest opportunities for their investment in the future of this country.

Welcome to St. Louis -- NCNE's "Gateway to HOPE"!



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

FACT SHEET

o n

Resident Management and Homeownership

- o *There are currently over 100 resident management entities under development. In April 1990, Secretary Jack Kemp announced a new round of \$2.4 million in technical assistance training grants for 37 grassroots resident organizations. There are 13 Resident Management Corporations under contract with a Public Housing Authority with responsibility for project management functions (maintenance, security, rent collection).*

- o *The Department expects the number of resident groups and homeownership projects to more than double with expanded funding proposed in President Bush's \$2.1 billion Homeownership and Opportunity for People Everywhere (HOPE) grants legislation.*

- o *Positive social and management benefits have been recognized through resident management of public housing -- job creation, reduction of crime and welfare dependency, development of new social services, enhancement of community services and overall improvement in the quality of life. Resident Management Corporations have also incubated new enterprises such as small grocery stores, laundromats, beauty salons, catering and janitorial businesses and transportation services.*

- o *Resident management groups have been in existence since the early 1970's, beginning at Bromley-Heath in Boston; Cochran Gardens and Carr Square Village in St. Louis, Missouri. Resident involvement is crucial to making public housing work.*

- o *"The Housing and Community Development Act of 1987" authorized HUD to promote resident management and homeownership in public housing, and to provide technical assistance funding to resident groups. HUD regulations were revised in 1988.*

{OVER}

- o *A new Office of Resident Initiatives (ORI) was created by Secretary Jack Kemp to promote resident management and homeownership. Field staffing includes a Resident Initiative Coordinator (RIC) in each HUD Regional and Field Office.*

- o *Resident managed homeownership projects underway include Kenilworth-Parkside in Washington, D. C. and Carr Square Village in St. Louis, Missouri. A study by the accounting firm of Laventhol and Horwath shows positive results regarding economic feasibility for Kenilworth-Parkside, which could save the Federal government \$6 million over 10 years; \$11 million over 15 years; and \$26 million over 40 years.*

- o *Homeownership opportunities include conversions of public housing units under section 5(h) of the Housing Act of 1937 and the Department's Turnkey III program. In 1990, HUD-assisted multi-family housing properties will be included in the homesteading program.*

- o *It is the Department's belief that resident management and homeownership instills pride, improves neighborhoods, enhances independence, and encourages stable and intact families. After gaining control of their property, through the successful application of the principles of resident management, self-help, and job training, residents of federally assisted and public housing deserve the full opportunity to achieve the American dream --to own a home of their own.*

* * * * *

For further information regarding the benefits of resident management or the purchase of public housing for homeownership, please contact the local Resident Initiatives Coordinator (RIC) in your local HUD office.

PREPARED BY:

*Office of Resident Initiatives
Office of Public and Indian Housing
U. S. Department of Housing and Urban Development
451 Seventh Street, S. W.
Washington, D. C. 20410*

RESIDENT MANAGEMENT
(202) 708-3611

HOMEOWNERSHIP
(202) 708-4233

From Squalor to Showcase: How a Group of Tenants Won Out

By ISABEL WILKERSON

Special to The New York Times

ST. LOUIS — A decade ago the Cochran Gardens public housing development here was a squalid den for narcotics dealers. There were bullet holes in the walls and pools of urine in the hallways. The tenants, most of them welfare recipients, were virtual prisoners of the 12-building complex, and the city wanted to tear it down.

Now Cochran Gardens is a showcase of urban ingenuity. Where once there was only dirt, there are now azaleas and "keep off the grass" signs. Tenants sweep the hallways every day and dare not mark the freshly painted walls.

The development, with 1,900 residents, has been transformed since the tenants began managing the buildings in a movement that is spreading across the country. Fifteen years ago there were just two such tenant management groups; now there are 15, and dozens more are being formed in Cleveland, Chicago, Philadelphia, New Haven and other cities.

In most such cases, the tenants, though they hire building janitors, also perform cleaning and minor maintenance work themselves, and they apply peer pressure to insure that the development stays well kept. They collect rent for the local housing authority, which pays them a fee for their management services.

In so doing, they not only gain a new sense of independence but also deal effectively with their own housing problems, whose solutions often escaped seemingly distant bureaucracies.

Next Step Is Ownership

Now some tenant management groups are seeking total control: they want to buy their complexes from their local governments under legislation, signed into law by President Reagan last February, that allows tenants to buy public housing at a small fraction of the market price.

At least two such groups — the one at Cochran Gardens here and another in Washington — are now drafting purchase proposals to be submitted to the Department of Housing and Urban Development. They hope to reach tentative agreements with the department by the end of this summer.

Already, though, the tenants at Cochran Gardens, organized into the Cochran Tenant Management Corporation, have been astonishingly successful. Using foundation grants as well as the hundreds of thousands of dollars in management fees they receive, they have built a community-wide empire: a \$400,000-a-year catering business, five day-care centers, a cable-television installation service for low-income neighborhoods and a limited partnership in several private housing complexes nearby.

The corporation employs 250 people, most of them Cochran residents, and hopes within the next year to open a factory across the street that will hire hundreds more.

A Long List of Rules

The tenants' leaders run Cochran Gardens like the military, with almost as many rules and with their own hierarchy. Below the board of directors are floor and building captains who, in monitoring residents' behavior, are not above searching through garbage to find out who violated one of the complex's strictures.

At Cochran Gardens, it is forbidden to hang wash outdoors, throw garbage out the windows, speak discourteously to managers, put old furniture on the balconies, let the corridors go unswept or have pets, even goldfish.

Prospective tenants must sign a two-page list of these and other regulations before they move in, and are given periodic updates in the form of frankly written fliers. A recent edict warned, "Anyone caught spitting or urinating

on the elevator, incinerator or anywhere in the building will be evicted."

That the development could vastly upgrade itself was first envisioned by Bertha Gilkey, the 39-year-old head of

the board, who founded the tenant management group. She remembers moving there as a child, with her parents and 14 brothers and sisters, from a St. Louis tenement that had dirt floors. Cochran Gardens then was landscaped and clean, and she thought it was utopia.

By the late 1960's, though, the development had begun to change. Drug dealers became the unofficial managers, setting up shop in vacant apartments, stealing tenants' checks from the mailboxes and barricading the street. Drivers forced to stop at the barricades were robbed.

Many tenants moved away, and the buildings fell into disrepair. The complex, once racially mixed, had become predominantly black and predominantly poor, most of its households headed by women. Despair set in, Mrs. Gilkey recalls, and many residents gave up hope and caring.

'The Abnormal Became Normal'

"People threw garbage out of the windows, and the hallways were lined with garbage bags stuffed with month-old food and mice jumping out of the trash," Mrs. Gilkey said. "The abnormal became normal."

By the mid-1970's, Mrs. Gilkey and several other outspoken tenants were fed up. "We decided things didn't have to be this way," she said. "We wanted to build accountability and standards and self-esteem."

They began with a modest wish list. They wanted clean, well-kept buildings that had front and back doors, which had been torn down by drug dealers who wanted quick access to hiding places. They scheduled a cleanup day, brought soap and water, and scrubbed the floors and walls themselves. They bought new paint, and every family painted its own hallways. They sold pig's feet and chicken wings to get the money to replace the doors.

Early successes helped the tenants convince the local and national governments that they could run the complex, and in 1976 they signed a management contract with the St. Louis Housing Authority that provided them a fee of \$69,000 a year. Today that fee is \$858,000, more than 95 percent of the \$895,000 in publicly subsidized annual rents paid by the residents.

Morgan Doughton, a senior domestic policy analyst at the White House, says the group has surprised even its supporters.

"It turned into an all-purpose organization that had earned the right to manage its own housing," Mr. Doughton said. "It's more than collecting rent and making sure broken windows get repaired. It makes residents feel they are part of the community."

To work, the system relies in part on people like Nellie Moore, a building captain who tracks her charges like a private investigator. "If somebody leaves a bag of trash in the rubbish room, I go through the trash to find out who they are," Mrs. Moore said. "If you look long enough, you usually find a bill in there with their name on it."

Mrs. Moore does her "building check" every day, making sure that the floors, walls and baseboards are cleaned and that there are no cobwebs in the stairwells.

"We run Cochran like a real estate manager would, not like a social program," Mrs. Gilkey said. "The buildings aren't writing graffiti on themselves. They're not tearing themselves down. There are consequences for that kind of behavior, and the consequence here is that we're going to put you out."

Mrs. Gilkey herself has now risen to international prominence as a leader in the tenants' rights movement. She has traveled to Europe, Africa and the Middle East, training low-income residents and preaching the gospel of tenant management.

At the same time, her group's business ventures have expanded rapidly. When the complex received \$22 million for renovations from the Department of Housing and Urban Development, the tenants decided to reduce the number of residents in each of the build-

One day Bertha
Gilkey decided
she wouldn't take
it anymore.

ings. They enlarged the old apartments, built a complex of town houses for the displaced residents and then sold the town houses back to the housing authority, at a profit of about \$10,000.

And when Mrs. Gilkey heard that some cable television companies were afraid to send crews to low-income neighborhoods, the Cochran Gardens group trained its residents in installation. Now the group receives from the cable company 10 percent of the revenues from each household the group serves. "What becomes a problem for other folks becomes a market for us," Mrs. Gilkey said.

The successes of the Cochran and similar tenant management groups have put pressure on local housing authorities to either improve their management or allow more tenants to run their own complexes. "This is one of the best ways to make the public sector more efficient," said Mr. Doughton said, the White House aide.

Thomas Costello, who as St. Louis housing director handed management of Cochran Gardens to the tenants in 1976, agreed. Tenant management "is not necessarily a panacea" for all the problems confronting public housing, he said. "But if properly nurtured, it's the best of both worlds."



The New York Times/Dan Miller
Bertha Gilkey, head of the tenant management group at Cochran Gardens, with Lenora Williams, president of the Harrison Tenant Council Association, outside the Harrison Plaza development in Philadelphia.

Memorandum For: Scott Reed, Chief of Staff

From: David Caprara, Deputy Assistant Secretary for Resident Initiatives

Subj: St. Louis Event Concept

Date: April 2, 1991

This is to recommend the Cochran Gardens Tenant Management Corporation, St. Louis, Missouri, for a White House site visit opportunity with the Secretary. The event could combine a highlight of one of the most powerful success stories behind the President's HOPE initiative, with a call for Congressional action in support of FY'92 HOPE funding as well as enactment of Enterprise Zone legislation.

Cochran Gardens, led by the dynamic Bertha Gilkey, has been effectively tenant managed since the mid-1970's. The residents have transformed a former hellhole (once nicknamed "Little Nam") into an oasis of entrepreneurial enterprises including child care, UMTA reverse commute transit firm, catering company, youth renovation crews, and joint ventures with the private sector which produced hundreds of new units of affordable housing.

President Bush mentioned this success story during the Presidential campaign, while emphasizing his commitment to strategies that empower tenants with choice and opportunity as opposed to perpetuation of failed bureaucratic approaches.

Not far from Cochran Gardens is the former Pruitt-Igo site, a monument to failed welfare/public housing policies of the past that was imploded in the early 1970's. The Pruitt-Igo site still stands empty today: it is a large tract of valuable urban land potential that could be utilized for an urban enterprise zone. HUD has conditioned the final disposition of the property with the development of a job creation plan.

Cochran has been featured twice on CBS "Sixty Minutes," and news publications throughout the country. Ms. Gilkey, as you know, has trained other emerging tenant management groups from St. Petersburg to Cabrini-Green in Chicago and East L.A. As head of the National Tenant Union, she recently sponsored a political action conference which supported the Administration's HOPE funding proposals.

The two Republican Senators from Missouri, Kit Bond and John Danforth, were among only five GOP senators who failed to vote for the 1991 HOPE supplemental. A site visit to Cochran, in addition to making a national statement for the Administration's HOPE and Enterprise Zone policies, could also serve to shore up Congressional votes on the '92 HOPE budget.

In sum, this event at Cochran Gardens, juxtaposed with the failed policies of the past and future Enterprise Zone potential at Fruit-Igo, would provide a dramatic and visual expression of the President's commitment to a new urban renaissance.

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Subj: St. Louis Event Concept

Date: April 2, 1991

This is to recommend the Cochran Gardens Tenant Management Corporation, St. Louis, Missouri, for a White House site visit opportunity with the Secretary. The event could combine a highlight of one of the most powerful success stories behind the President's HOPE initiative, with a call for Congressional action in support of FY'92 HOPE funding as well as enactment of Enterprise Zone legislation.

Cochran Gardens, led by the dynamic Bertha Gilkey, has been effectively tenant managed since the mid-1970's. The residents have transformed a former hellhole (once nicknamed "Little Nam") into an oasis of entrepreneurial enterprises including child care, UMTA reverse commute transit firm, catering company, youth renovation crews, and joint ventures with the private sector which produced hundreds of new units of affordable housing.

President Bush mentioned this success story during the Presidential campaign, while emphasizing his commitment to strategies that empower tenants with choice and opportunity as opposed to perpetuation of failed bureaucratic approaches.

Not far from Cochran Gardens is the former Pruitt-Igo site, a monument to failed welfare/public housing policies of the past that was imploded in the early 1970's. The Pruitt-Igo site still stands empty today: it is a large tract of valuable urban land potential that could be utilized for an urban enterprise zone. HUD has conditioned the final disposition of the property with the development of a job creation plan.

Cochran has been featured twice on CBS "Sixty Minutes," and news publications throughout the country. Ms. Gilkey, as you know, has trained other emerging tenant management groups from St. Petersburg to Cabrini-Green in Chicago and East L.A. As head of the National Tenant Union, she recently sponsored a political action conference which supported the Administration's HOPE funding proposals.

The two Republican Senators from Missouri, Kit Bond and John Danforth, were among only five GOP senators who failed to vote for the 1991 HOPE supplemental. A site visit to Cochran, in addition to making a national statement for the Administration's HOPE and Enterprise Zone policies, could also serve to shore up Congressional votes on the '92 HOPE budget.

In sum, this event at Cochran Gardens, juxtaposed with the failed policies of the past and future Enterprise Zone potential at Pruitt-Igo, would provide a dramatic and visual expression of the President's commitment to a new urban renaissance.



Bond of Missouri. Both Bond and Kemp are advocates for low-income housing tenants to own their own housing complexes with financial assistance from the federal government.
Photos by Bob Williams.

Republicans Determined To Make Home Ownership A Reality For Low-Income Tenants

After the tour of public housing units by Jack F. Kemp, U.S. Secretary of Housing and Urban Development, along with powerful Republican U.S. Senator 'Kit' Bond, both gentlemen agreed that now is the time for the federal government to make owning a piece of the American Dream a reality.

Kemp's trip to St. Louis was basically a fact finding one to

determine if the proposal to make the aging public housing complex (Carr Square) one of the first in the nation to be sold to its tenants. His assessment of the proposal to sell Carr Square was good, and he said that his critics "are flawed in their thinking, they're wrong." He was referring to Congressman William L. Clay, who has been very critical of the Bush administrations attempt to unload expensive

housing complexes on the poor. Clay says the federal government is trying to get out of the low income housing business.

This is the second trip for Senator Bond to Carr Square to talk with the tenants. Senator Bond has introduced legislation that will enable low income tenants to purchase public housing complexes with the assistance of the federal government.

Housing Authority May Sell 658 Units To Tenant Group

By Cynthia Todd
Of the Post-Dispatch Staff

The St. Louis Housing Authority is considering a proposal to sell 658 units of public housing at Carr Square Village in north St. Louis to the development's tenant-management association, housing officials said Tuesday.

Charles Poole, a spokesman for the authority, said the agency was negotiating to turn over the ownership of the project to the tenant group.

The group is applying through the U.S. Department of Housing and Urban Development to buy the complex, at 1521 Carr Street. An amendment to the Community Development Act, passed in December, allows such sales.

If the application is approved, Carr Square would be one of the first public housing developments in the country to be sold to tenants.

The Department of Housing and Urban Development also is considering the sale of another public-housing development, Kenilworth-Parkside in Washington, to its tenant-management association.

"This has always been our objective — to buy the development," said Loretta Hall, the manager of Carr Square and a member of the tenant-management group, which is 15 years old.

Hall said the group hoped to form a cooperative to let tenants buy stock in the complex and to eliminate all subsidized housing in the development for any tenant who is not elderly.

The group proposes to buy the development from the Housing Authority for \$1. Once the sale is completed, the group plans to enter into a joint venture with the development firm of McCormack, Baron & Associates of St. Louis to renovate the development, Hall said.

She estimated that the first phase of the project would cost about \$235,000. The modernization project could be paid for with bonds, through investments from individuals or through a grant from a foundation, Hall said.

She said that the group had contacted the Ford Foundation and that "prospects look good. But the first thing we have to get is the ownership."

The proposal also provides that the 658 units of public housing lost through the sale would be replaced by:

- Making vacant public housing in the city livable.
- Buying or building new units of public housing.
- Developing more public housing through a partnership with government



Loretta Hall, manager of Carr Square Village.

Wayne Crosslin/Post-Dispatch

or private industry.

The proposal would preserve the development for low-income families. It also provides that any resale of property in the development must be made to people who have low incomes.

Michael W. Jones, executive director of the housing authority here, was unavailable for comment. Sources said several city officials supported the proposal.

David Caprara, of the National Center for Neighborhood Enterprise in Washington, said the application was being reviewed. The center helped the tenant group develop the proposal.

Caprara said officials at the department already had given the plan preliminary approval. He hailed the proposal as a visionary method to tackle the

problem of low-income housing.

In St. Louis, officials estimate that 3,700 people are on the Housing Authority's waiting list for public housing and another 6,300 people are waiting for Section 8 subsidized housing.

"We see this as a tremendous cycle to generate new housing," Caprara said. He is the director of economic development for center.

"First . . . the city will have replacement housing to improve the quality of life," Caprara said. "Second, Carr Square is contiguous to the Pruitt-Igoe site, and this will enhance the value and accessibility of the site."

The city has proposed a \$25 million redevelopment of the old Pruitt-Igoe site, where 33 buildings of public housing for 12,000 people once stood.

Shuttles Help Workers Commute To Suburbs

By Jerri Stroud
Of the Post-Dispatch Staff

With most jobs, it's the worker's responsibility to get to work.

But when the jobs and workers are miles apart, the jobs can go begging if workers can't get there.

Schnuck Markets Inc. last week began a shuttle service in a bid to fill jobs at its West County stores. Another shuttle service sponsored by the Cochran Gardens Tenant Management Corp. has been taking workers from the central city to jobs in Maryland Heights since February.

Both the Schnucks and Cochran Gardens shuttles are aimed at bridging the gap between surplus jobs in suburban areas and unemployed workers in the city and inner suburbs.

"The real goal is to get our West County stores fully staffed," said Sue Gibson, a Schnucks spokeswoman. "It's a problem for everyone in that area, particularly for the part-time positions."

Patricia Ferguson Willis, executive director of Cochran Gardens Transportation, says her main goal is to help welfare mothers become self-sufficient. The Cochran Gardens group provides day care as well as transportation for the mothers it recruits for jobs.

Unemployment rates for specific neighborhoods are hard to come by, but suburban employers frequently complain about the difficulty of re-

"The real goal is to get our West County stores fully staffed. It's a problem for everyone in that area, particularly for the part-time positions."

SUE GIBSON, Schnucks spokeswoman.

cruiting entry-level workers, particularly in affluent areas of St. Louis County.

The county's unemployment rate was a low 3.7 percent in September, whereas the city's rate was 8.1 percent, according to the Missouri Division of Employment Security. The area's average unemployment rate was 5.2 percent in September.

But the employment statistics are only part of the story. Entry-level workers often must depend on public transportation to reach their jobs. Unless a suburban employer is near a bus route, just getting to work can be so difficult that the workers are reluctant to take the jobs.

The Cochran Gardens project is one of eight nationwide that received start-up grants from the U.S. Urban Mass Transit Administration. So far, only three of the projects have gotten beyond the planning stage, said Sydney Stakley, a senior research associate for the National Center for Neighborhood Enterprise.

The Washington-based neighborhood center oversees the "reverse commute" projects as one way for low-income communities to help themselves, Stakley said. All the projects are aimed at getting unemployed inner city residents to suburban jobs.

Willis said the \$150,000 grant to Cochran Gardens pays only for administrative staff — herself, a job counselor and a transportation coordinator. The \$3.10 round-trip fare for the shuttle pays for the driver and gas. Cochran Gardens Tenant Management, which owns the van, is paying for insurance, she said.

"The goal is to get local funding," Willis said. Employers pay nothing for the service so far. Willis says it's important in the beginning to show employers that the program can provide the workers needed for entry-level jobs.

So far, Willis has worked mainly with two hotels in the Westport area of Maryland Heights. The Red Roof Inn at 11837 Lackland Avenue has hired most of the workers Willis has recruited.

Joel Manker, assistant manager of the Red Roof Inn, said that without the van, he would have to pick workers up at a bus stop more than a mile from the hotel. Buses "don't come anywhere near us," Manker said. Almost every business in the area that hires hourly employees has hung out a banner to attract job applicants, he said.

The hotel has hired only house-keeping workers through Willis so far, Manker said. The project is helping the hotel develop a core group of loyal workers who use the van, he said. The combination of transportation and day care offered in the Cochran Gardens project makes it easier for people to take the jobs, he said.

Willis has recruited 60 people for jobs in the nine months since February. Only 10 people are riding the shuttle regularly now, partly because there is a high turnover in the entry-level positions she tries to fill. Some workers have found better jobs, she said. Others have been unable to keep their jobs for a variety of reasons.

Only a handful of workers were riding the Schnucks shuttle last week. But Gibson said she expects between 50 and 60 riders by the end of the week. Many of the new workers were in training last week, she said.

The Schnucks shuttle provides twice-daily runs to stores in Kirkwood, Des Peres, Town and Country, Ballwin and Chesterfield. The shuttle leaves either from the company's store at 5055 Arsenal Street in south St. Louis or the company's training center at Northland Shopping Center. The shuttle costs \$1 for a round trip.

Gibson said shuttle schedules may change as Schnucks attempts to match shifts at its stores with workers' needs.



NEWS PHOTO - ROBERT CHASE

Bertha Gilkey, an advocate for public housing tenants, discusses the national public housing situation during a seminar Saturday in the Michigan Union.

Federal housing aid is improving under Kemp, activist says

By JUDSON BRANAM
NEWS STAFF REPORTER

While federal assistance for public housing remains shrunken from years of budget cuts through the 1980s, the administration of Housing Director Jack Kemp offers hope for the future, a national tenants' rights activist said Saturday.

Bertha Gilkey of St. Louis, active in public housing issues for nearly a decade, said Kemp has shown a commitment to improving the federal Department of Housing and Urban Development that was absent during the administration of his predecessor, Samuel Pierce.

"We have made more headway under the Kemp administration than we have under any under Republican administration," said Gilkey, though she added that conditions still need major improvements.

One positive move by Kemp was the recent suggestion of a \$250-million "HOPE" bill that would fund housing rehabilitation, tenant management programs, actions for the homeless and home-ownership programs. She said that bill is pending before the House and Senate banking committees.

Gilkey said that while a number of laws give rights to public housing tenants, it is the responsibility of residents to make sure those rights are followed by local officials. As an example, she said local housing authorities are required to consult with tenants groups before

applying for federal improvement grants.

However, since that rule has been lightly enforced for years, Gilkey said, tenants must make sure they have real input on grant applications or complain to HUD officials.

Despite the recent improvements, Gilkey said tenants still face "built-in bureaucracy" when trying to improve their complexes, and must work toward creating their own management cooperatives and maintenance staffs.

One program that can help tenants move toward self-management is HUD's Resident Initiative Program, said Joann Inglis, who administers the program through HUD's Detroit office. That program offers assistance in resident involvement, home ownership, drug elimination and economic development.

Gilkey spoke during a day-long seminar at the Michigan Union organized by UNITY, a local tenants' organization. The session, called "No Place to Go: The Struggle for Affordable Housing in Ann Arbor," offered talks by about 90 public housing activists from around the state, guidance on tenants' rights, organizing strategies, action for the homeless and welfare rights.

UNITY is a year-old alliance of local tenants' groups formed to improve the conditions and availability of public housing, said spokeswoman Elmira Collins.



Sharon Gipson (right), resident manager of LeClaire Courts, a Chicago low-income housing project, walks through the snow outside the project recently with Irene Johnson, head of the resident management board. Associated Press/MARK ELIAS

'Empowered' poor taking control of how their housing is managed

By SHARON COHEN

The Associated Press

CHICAGO — In five years, Sharon Gipson became an expert on the many indignities of public housing: leaky roofs, stopped-up sewers, shoddy service, bloated bureaucracy. That was as a tenant.

Now she's determined to make big changes — as manager.

Gipson juggles both lives at LeClaire Courts, a housing project in which low-income folks make high-powered decisions about their neighbors, their needs and the fate of their Southwest Side community.

Power to the poor. Across the nation, public housing residents are taking charge of multimillion-dollar buildings, collecting rent, screening new tenants, evicting drug dealers and deciding how to spend government dollars. Some even own property.

Low-income people are taking their destiny in their own hands," said John McKnight, director of community studies at Northwestern University's Center for Urban Affairs and Policy Research. "People are concluding if they don't do it, no one else will."

It's happening in other arenas, too. In Milwaukee, some poor children choose their own private schools. In Detroit, low-income residents buy, renovate and sell buildings. In Denver and Omaha, fathers are crime-fighters.

Trend spreading

"We cannot look to government to do things for us," said Charlene Johnson, president of Reach, a Detroit-based community group. "We must do for ourselves."

That's what's happening in cities such as St. Louis, Boston, Jersey City, N.J., and Washington, where tenants, not professionals, are the power brokers in public housing. It's a shift some say is logical and long overdue.

"They better understand the problems of their own community," said Justin Milberg, of the Washington-based National Center for Neighborhood Enterprise. "They enjoy the trust of their own community. They're a permanent solution. They're not going to leave as funding runs out."

The poor aren't the only champions of choice.

Housing and Urban Development Secretary Jack Kemp has made it a cornerstone of his agenda, establishing the Office of Resident Initiatives in 1989 and training public housing tenants to become managers.

About 15 resident management corporations are operating nationwide; more than 100 others are in training stages.

President Bush is another booster. In signing a housing bill in November, he declared: "When the people who live in public housing are in charge, the results are remarkable: More people pay their rent, maintenance improves . . . and neighborhoods spring back to life."

In the first four years of tenant management at Kenilworth-Parkside, a public housing project in Washington, rent collections rose by 77 percent and hundreds of drug dealers were forced out, a report said.

A 1989 study said converting Kenilworth-Parkside to tenant ownership could save the government \$26 million over 40 years.

But not everyone is enamored of the idea. Last year, Budget Director Richard Darman called "The New Paradigm" — the label a presidential aide gave to self-help programs — pretentious and a rehash of failed '60s ideas.

Programs no panacea

Even boosters say empowering the poor is no magic wand.

"I don't think it's going to wipe out all problems with the exception of tooth decay," said Robert Rigby, director of the Jersey City, N.J., Housing Authority. "In many quarters, it's seen as a panacea. I don't think in any way it represents that."

In Jersey City, one tenant-management plan fizzled — high turnover of residents and community leaders were blamed — but in three others, vacancy rates and delinquent rent payments have fallen sharply.

Though empowerment is a new buzzword, the idea is not. Since the '60s, a long line of committed public housing activists, often black women, have preached the gospel of self-help.

But in recent years, there has been a "growth from a cottage industry to a major grass-roots movement," said David Caprara of HUD's resident initiatives office. "It has just spread like wildfire."

There also are new strategies. In Atlanta, for example, dozens of graduate students from a black university will move into a project this spring, operate programs and serve as role models.

Resident management, Caprara said, already has been a boon to communities, creating jobs in areas where unemployment is chronically high and leading to spinoff business-

es, including a catering company, a screen door repair service and, at LeClaire, a reverse commuter shuttle to the suburbs.

"It instills pride and hope," he said. "It restores a sense of community control."

That shift didn't come quickly or easily at LeClaire, a community of about 4,000 people living in modest red-brick row houses in the shadow of Midway Airport.

"When we started out, we were ignored," said Irene Johnson, head of the resident management board. "They (local officials) thought we were a joke."

LeClaire gets good review

But the residents persisted and, after working side-by-side for a year with the Chicago Housing Authority, took over in 1989. So far, the reviews are good.

Caprara calls LeClaire "a good case study in all the right ingredients for success."

CHA Chairman Vincent Lane adds: "The management out there is doing at least as good a job or probably better than the management under CHA."

A paid staff of about 30, mostly LeClaire residents, manages the day-to-day business, processing and completing repairs, balancing the books and deciding, with the CHA, on bids for major projects.

Since 1989, new windows have been installed for everyone. Most tenants have new storm doors and about half of the 600-plus row houses have received new stoves and refrigerators.

Longtime resident Joselyn Pughley sees other changes: Repairs that once took months now take days. That doesn't surprise her.

"When you live in a place and you're working there, you're going to do a better job, you're going to want the best for your children," she said. "You're going to take care of where you live and . . . what you consider yours much better."

Yet expectations can be too high.

"They think we can perform miracles," said Gipson, the resident-manager, who has lived at LeClaire since 1984. "They think it's 'Bewitched,' twist your nose and it's fine."

There are painful decisions, too — especially evictions. There have been about 10.

"The first eviction . . . I cried all day and night. I didn't sleep a week," Johnson said. "But you've got a business to run. You sign on the bottom line of the contract."

'You are coming into a neighborhood'



Times photo — JIM STEM

Bertha Gilkey says her mission is to help the residents of Jordan Park to regain their self-esteem.

■ Jordan Park has been in the grip of poverty, crime and fear for years. But one woman is teaching the public housing complex to take control.

By WILMA NORTON
Times Staff Writer

ST. PETERSBURG — Jordan Park sits in isolation on Ninth Avenue S, the interstate and a high concrete wall blocking it from the public's view.

Not so long ago, the residents of the 50-year-old public housing complex felt isolated themselves as, plagued by crime and poverty, they retreated into their homes to watch and wait.

Then an outsider with a mission arrived to bring them out of their homes.

Bertha Gilkey saw the problems. She stepped over gamblers on the sidewalks. She saw the drug dealers, the graffiti and the vandalism. She walked through the

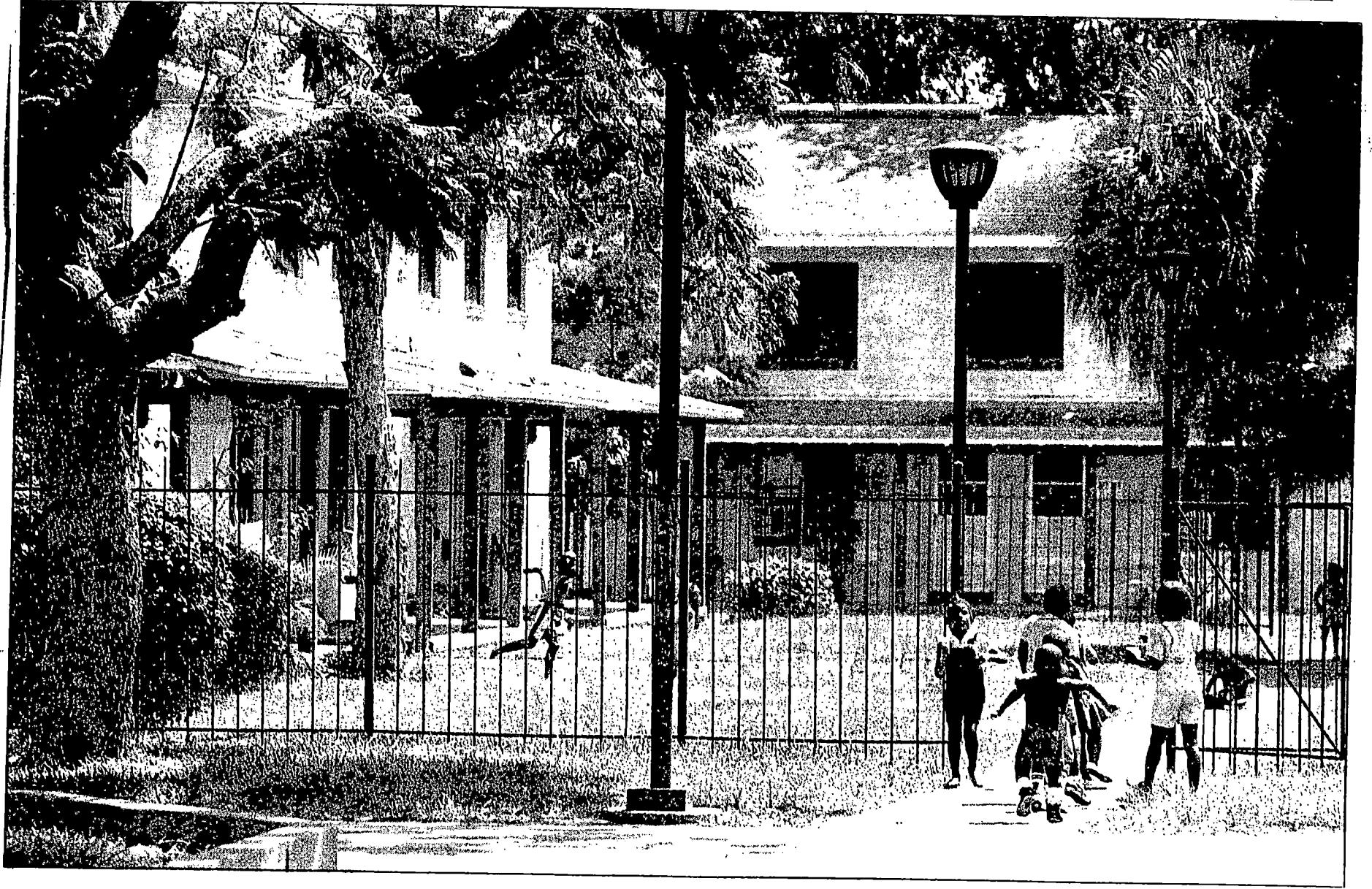
litter. She heard residents say they stayed inside at night with the porch light off, because the burning lights quickly got shot out. They told her they were afraid to venture into the dark, too, for fear of being shot.

She says, "We can change these things." She had done it in St. Louis, in New York, in Chicago, in Philadelphia. So the St. Petersburg Housing Authority hired her to bring her message of change here.

Her mission, she says, is to help the people of Jordan Park regain their self-esteem. Stand up for their neighborhood. Let the troublemakers know they aren't welcome any more. Bring some of the old ways back to the neighborhood, when Jordan Park offered some of the finest housing available to black families in a segregated city.

Gilkey is training residents to organize a business, to feel better about themselves and to take charge of their neighborhood.

Please see **NEIGHBORHOOD** Page 3



Jordan Park residents once feared to leave their homes, but today children move freely through the rejuvenated neighborhood.

Times photo — JIM STEM

Neighborhood from Page 1

"I teach them to look within themselves, not to look outside to somebody else to do for me," she says. "What the training does is says you are somebody and that you possess skills. You're unique. You're special. You are bright. You are articulate. You are all of the things people say poor people are not. The problem is you lack the training."

When she imparts that message to people who have been poor all their lives, she finds a change, Gilkey says. "You find a stronger, more informed, more crime-free, more employed and productive community. You bring back the old-fashioned American dream."

■ ■ ■

Watch Bertha Gilkey in action, and it's easy to believe she can deliver her promise.

She's a striking, charismatic woman.

As she guides the residents through the evening, she is part coach, part cheerleader, part evangelist.

She gathers the dozen or so residents into a circle to sing, changing the words of *Kum Ba Yah* to include "Stop the drugs, my lord, come by here," and "Save Jordan Park, my lord, come by here."

Every time a resident offers a comment, she claps and praises.

Sometimes, though, she is harsh in her criticism.

Speaking about young, unwed mothers, Gilkey says: "Some of these young mothers should not be given apartments. They are not mature enough. Give them a unit, and all they use it for is to get more babies. They end up getting caught up in crime, drugs, abused and killed. They become victims."

She is just as adamant on the topic of people who think public housing should take anyone who applies.

"We want to make sure they understand that Jordan Park is no longer a dumping place," Gilkey says. "You're not coming into a project. You are coming into a neighborhood."

The Jordan Park Residents Association meets with Gilkey three nights a month. The group already has incorporated. Its committees stage cleanups, maintain playground equipment and monitor security. Members also plan to open a child-care center they will own and operate.

The group also is putting together a screening committee of residents and St. Petersburg Housing Authority staff members who will approve new residents.

Those gathered for the meeting go over screening guidelines. There are rules on supervising children and housekeeping. People who use drugs and create disturbances will be kicked out.

Speaking in support of the screening committee, Vernadean Shaw says, "We're working hard to clean up Jordan Park. . . . We might get drug fiends, crack heads, drunks and people who are violent. We want to clean it up and keep it clean."

Part of Gilkey's process is getting each

resident to stand up and speak at each meeting. They talked at a recent meeting about improvements they have seen in Jordan Park.

Ms. Shaw says asking residents to clean up their yards never used to bring a response. If they don't clean it up when asked now, they can be fined \$25.

"I have people now who, when they see me coming, they send their kids in the house to get a rake so by the time I get there, the yard is clean," she says.

Wilbert Shack says, "I had someone tell me the other day they can sit out on their porch at night and not be afraid of shooting."

"A lot of the traffic has ceased," Johnnie Jones says.

"More people are taking more pride in the Jordan Park area," says Alberta Quarterman, vice president of the association. "More people are more concerned about what's happening with their lives. We're learning a whole lot. You learn a lot about yourself and what your ability is. The biggest thing I've learned is that I can get in front of a group and talk and not have to be ashamed."

Even having the residents stand up and give their names is progress, Gilkey says.

"I can see the sureness in them. When they first came, many of these women that spoke today wouldn't even speak. Johnnie wouldn't speak. When I used to call on her, she would run. Vernadean and Alberta would put their heads down; they wouldn't even talk," Gilkey says. "A lot of this is not money. It's just making people feel like they are somebody."

■ ■ ■

Gilkey grew up in St. Louis in the Cochran public housing development (She rejects the term housing project as derisive). She still lives there.

She talks to residents in a way others couldn't get away with, she says, because she is one of them.

She got her start as a public housing advocate in the 1970s when the St. Louis Housing Authority, frustrated with conditions there, turned the running of Cochran over to the residents. They turned the development around and now own several small companies.

Next year they plan to buy Cochran from the Housing Authority.

Jordan Park could get there eventually, too, Gilkey says. The first step to resident management is the training she gives them. The next step will be management — having a say in who gets into the complex, how money is spent, who is hired.

The third step is economic development.

Jordan Park's residents are planning to open a day-care center. They have hired a cook to cater training sessions, but hope to expand that enterprise. They are raising money for several other projects.

"They've got to have other income so that when the (federal) dollars are cut, the housing stock doesn't suffer," Gilkey says.

With this framework in place, the residents can move on to social service programs, job training, education. Only then could they think of

owning the development, she says.

The Housing Authority also is committed to making Jordan Park a better place to live, says Edward White Jr., the authority's executive director. In recent years, the authority has spent about \$10,000 per apartment on renovations, White says, and it has added police patrols and security equipment.

Gilkey and White say they want to see Jordan Park become the well-respected, sought-after housing it was in the '40, '50s and '60s. "It would have then been viewed as a real mecca. A lot of people fought to get into Jordan Park," White says.

"Today, all too many people look at Jordan Park as housing of last resort," White says. "The people who lived in Jordan Park 25 years ago felt differently about themselves."

Back then, most of the residents were traditional families — husband, wife and children — who worked. They saw Jordan Park as a temporary home until they could buy their own home.

But as society and social programs have changed, so have the tenants. Almost all of the 446 apartments are occupied by women raising children alone. Few can work.

"We've moved from working class poor to subsistence poor," White says. "A preponderance of people (in Jordan Park) do not work, and they're on welfare. . . . They are trapped in the poverty cycle.

"People don't really take charge of their own communities and their own lives when you have a welfare system," White says. "We're trying to change that. We're trying to empower people so that they will once again take charge of their lives, and they will move from a subsistence in the poverty cycle to the mainstream."

The Housing Authority has a federal grant for \$299,000 it is using to pay Gilkey, buy the site for the child-care center and pay other program expenses.

But Gilkey says the money isn't the main source of change.

"Eventually, we need money, but the beginning of it, before you change physical designs of the buildings through massive amounts of HUD or federal subsidies, you've got to change the people, and that's what this program does. It changes the people. It changes the thinking of the people."

Eleanor Cooper, who has managed Jordan Park for 18 years, was doubtful at first, but is now a believer in Gilkey's gospel.

"I first felt 'Why are they bringing that woman here to take my job from me,' but I don't feel that way anymore," Cooper says. "I am real happy about the progress we've made here. I know it's going to work. I know it's going to work."

Gilkey heard doubts from others, too.

"When I came to Jordan Park, people said, 'This is not St. Louis. You can't change these people,'" Gilkey says. "Now I've got the same people telling me, 'I can sit on my porch at night.' We've got a long way to go, but we've come a long way.

"And these changes, it amazes people. But it doesn't amaze me."



Women Who Make a Difference

By Olga Wickerhauser

A Miracle Worker Saves Public Housing

Cleaning day falls on a cool, drizzly Saturday morning, and a handful of tenants at Miller Homes—a Trenton, New Jersey, public-housing complex—turns out to help sweep the parking lots, scrub the hallway floors and repaint the entrance.

"They used to call us 'Killer Homes,'" recalls Alberta Williams, who is currently president of the Miller Homes Tenants Association. "Crackheads were everywhere. They were selling drugs in the hallways, on the stairs, and urinating all over the place. My God, it was just awful."

Muggings were epidemic. Gunshots rang out night and day, and tenants were afraid to leave their apartments. In fact, the housing complex was so drug- and crime-infested that the mayor of Trenton had suggested that the only way to clean up Miller Homes was to tear it down.

Then a kind of miracle happened. In the eyes of Alberta Williams and other tenants here, that miracle is a petite, 40-year-old one-woman dynamo. "Since Bertha Gilkey came, has it changed!" says Williams.

For more than a decade Bertha, herself a child of the shums, has been teaching tenants of dangerous, drug-infested public housing how to transform their environments into safe, decent places to live.

"We had spent hundreds of thousands of dollars trying



Bertha surrounded by tenants at Miller Homes. "The majority who live here are good, hardworking people."

to turn Miller Homes around, and failed," recalls Martin Hillman, the executive director of Trenton's housing authority. "As soon as a door or window was replaced, it would be smashed again."

Hillman realized money alone wasn't the answer. The only way the development could survive was to change the environment and the outlook of the tenants—256 poor families.

This time, in addition to approximately \$2 million in Federal moneys to renovate the two high-rise buildings and an \$80,000 state grant to begin round-the-clock police protection, Hill-

man brought in Bertha Gilkey, a woman who has never been afraid to get her hands dirty.

CLEANING UP

Grabbing a broom and a plastic garbage bag, Bertha begins sweeping the litter of bottle caps, candy wrappers and cigarette butts into neat little piles. Then she picks up the trash with her bare hands—without regard for her perfect, long red fingernails—and begins filling one garbage bag after another until the parking lot is spotless.

A group of children runs up to report that the paintbrushes Bertha provided have disappeared. (Continued)

FC's "Women Who Make a Difference" is featured on HOME, weekday mornings on ABC-TV.

Bill Bernstein/Outline

Women Who Make A Difference

continued from page 15

She pulls crumpled bills from her pocket and hands them to the oldest to buy more.

"You can't change people overnight," Bertha says later. "It takes time for people to start thinking of public housing as their home, to start thinking they can change how it is.

"The majority who live at Miller

Homes are good, hardworking people," she continues. "The problem is that public housing is used as a dumping ground for dope pushers, the have-nots and want-nots. You have to deal with the bad ones already here and stop more bad ones from moving in."

IMPROVING LIVES

At least three evenings a month, Bertha meets with Miller Homes tenants. These sessions are a combination religious revival, condominium meeting and civics class.

Bertha listens to tenants' complaints about broken elevators and washing machines, and helps to settle disputes between neighbors.

"We're not going to live with people who urinate in the elevators and mug and kill and rape," she shouts at one point. "This is the rebirth of Miller Homes!"

The tenants are mesmerized. Many shout "Amen" and "Right on."

She asks them to stand and, fists thrust in the air, shout: "We're tired of it. We're not taking it anymore."

Bertha has taught residents how to read a lease sentence by sentence, and helped organize an effective tenants association. Floor captains patrol the halls to make sure there are no graffiti, that the garbage is taken out, that children don't run around late at night.

A joint tenant/housing authority committee has been formed to screen new tenants. From now on, anyone who wants to move into Miller Homes will have to pass a background check and an orientation.

"We're going to teach them they've got to be accountable and responsible," says Bertha, "and if they are not, they're going to be evicted."

In addition, she finds grant money to set up services designed to make residents' lives more manageable and hopeful.

An on-site day-care center has been opened so mothers can find jobs and get off welfare. Retired carpenters have been recruited to teach skills to unemployed high-school dropouts who then will be hired to renovate the buildings. There is an after-school tutoring program, a Cub Scout troop, even a girls' drill team.

"I make people believe in themselves," Bertha explains. "What's wrong with the government is that they work on the buildings. I work on the people first. Once you give people back their pride and dignity, then the buildings are easy."

TAKING CHARGE

Bertha was born Bertha Knox, the second of 15 children, and grew up in a St. Louis tenement. Her early years were defined by sexual abuse and neglect, but despite a hellish home life, Bertha managed to graduate from high school. (Continued)



Women Who Make A Difference

continued from page 15

"I was determined not to let what happened to me as a child ruin my whole life."

At 17, she married Emmett Gilkey, a middle-class college student whom she had met at church. They had two children in three years, but the marriage ended when the younger child was 9 months old.

Bertha worked, raised her children and went to college. From 4 A.M. until noon she pressed clothes at a dry cleaner's, and at night she took classes for an associate degree in early-childhood education.

Back then, as today, she lived in Cochran Gardens, a public housing development in St. Louis. In the late 60's, the complex was known as Little Nam, because of the routine drug killings, muggings and burglaries. "I just got fed up," she says. "I decided this was my home, and I didn't have to live this way."

When she wasn't working or studying, she was leading other tenants in their struggle to improve life at Cochran Gardens. They scrubbed the walls and floors, and badgered the housing authority to replace missing lights. With Federal and private grants she secured, Bertha set up a day-care center and businesses to create jobs for tenants.

Eventually, in 1976 the Cochran Tenant Management Corp., with Bertha as president, took over the buildings' management. Today, it remains a model of what public housing can be—crime-free, clean and quiet.

She has the same goals for Miller Homes—tenant management. "I believe that the only way public housing will work for low-income people is if they take charge of it themselves."

Bertha's success at Cochran Gardens earned her national attention. After she appeared on *60 Minutes* in 1986, officials from many cities asked her to help save their worst public housing. So she has worked in Philadelphia, Camden, Chicago, Louisville and Cleveland, as well as in Trenton, and she lectures worldwide.

STAYING PUT

While Bertha started as a volunteer, for the past three years she has drawn a modest salary. Most of the money she earns—including the \$77,000 fee from Miller Homes—goes to Urban Women, Inc., the nonprofit organization she started six years ago to pay the salaries of three assistants and dozens of "interns"—tenants she trains to carry on her programs after she leaves.

When not traveling, which is only about five days a month, she returns to the apartment in Cochran Gardens that she shares with her son and daughter, both college students.

Now that she has made something of her life, she says many people urge her to leave the "projects."

"That's why my marriage broke up," she says. "My husband wanted to save me, to buy a house in the suburbs with a two-car garage. But I wanted the same for my neighbor in public housing. If she couldn't have it, then I didn't want it either." ■

Olga Wickerhauser is a freelance writer who lives in New Jersey.

REMARKS PREPARED FOR

JACK KEMP

SECRETARY



for

HOPE EVENT AT DALLAS HOUSING AUTHORITY

DALLAS, TEXAS

APRIL 4, 1991

Thank you all very much. It's great to be back in Dallas. You're fortunate to have one of the very best public housing authority directors in the Nation, Al[fonso] Jackson. As Mr. Lincoln said of General Grant, "I cannot spare this man, he fights." And he has been guided by the ready advice of Dale Kessler, the Chair of the Dallas Housing Authority. I'm also very happy that we are joined here today by Mayor [Annette] Strauss, the Reverend M. L. Curry and Mrs. Tilley Baylor.

They all have courageous Dallas residents helping them, like Jesse Toles of Rhoades Terrace. President Bush praised Jesse publicly for her special brand of "take-charge leadership." As I've said before, Dallas is setting the standard for the Nation.

Twenty-five years ago, almost to the day, Lyndon Baines Johnson, a great Texan with vast Texas-sized dreams, stood before the National League of Cities and said, "I believe that future generations will look back on our era as the dawn of the Golden Age of urban living."

But by 1972, the Brookings Institution, lodestar of the liberal establishment, ruefully confirmed that Johnson's Great Society had failed.

America's best and brightest, the technocratic whiz kids who came to Washington with John Kennedy, heeded LBJ's call for an America free from want and hunger. Yet poverty only got worse, despair only deepened, and for millions of low-income Americans, hope receded into memory.

Disenchantment did not bring dismantlement of the Great Society. Almost twenty years after its epitaph was written, the

first war on poverty and its antecedents still boast a legacy of 100 Federally-funded programs costing more than \$150 billion a year. But their patent failure -- having consumed some \$2.5 trillion since 1966 -- to do anything more than cushion the blows of poverty has enervated the American conscience and deadened our will to resist -- just witness the devastation we have tolerated in West Dallas for all these many years.

Abraham Lincoln said the process by which a poor man in America can raise himself up and out of poverty and then hire someone else to repeat the same feat "is the great purpose for which this government was formed." Lincoln founded a political party on that faith. Today, those who would disregard the poor, those who would steer past the ghettos and the barrios and abide a permanent, static underclass, attack the very marrow of the American idea. For if poverty in America is now permanent and pathological -- if sometime in the last two or three decades America adopted the fixed and fated class structure of the Old World -- then a great divide has been passed and Lincoln's America is no more.

Wouldn't it be tragic if -- just as diverse and distant peoples adopted the American example of free government -- we here in the New World were to give up on making democratic capitalism work, as Lincoln said, for "all peoples of all colors everywhere"?

The truth is, we have no reason to shy away from the bold, categorical rhetoric of the first war on poverty. We have every

reason to believe the war can be won.

This time we will fight smarter ... this time we will keep our army bureaucratically lean ... this time we will rely on proven principles which have kept the American Dream alive for the overwhelming majority of Americans and which still today draw millions of immigrants to our shores.

The syndicated columnist, William Raspberry, who writes often and well about poverty, asks the question: "Is there something about poor people themselves that impels them toward and keeps them in poverty....Or is there something about the way the society at large treats the poor that perpetuates their poverty?" Consider that in the two decades before the Great Society began in earnest, poverty dropped steadily. Between 1950 and 1968, for example, the number of Americans living below the poverty line decreased from 45 million to 25 million. But since then, the number has actually increased to roughly 32 million. Why the abrupt reversal in trend? Why did poverty suddenly become an inescapable quagmire for so many millions of our fellow citizens?

Simply put, our paternalistic -- albeit well-meaning -- welfare system severed the just link between effort and reward -- risk and achievement -- for low-income families. We created in our inner cities a shadow economy alienated from the economic mainstream -- an Alice-in-Wonderland second economy where crime pays and honest labor does not. The welfare mother who takes a job loses her government benefits and is liable to make less

money working than she did while on the public dole -- she is, paradoxically, ensnared in the safety net.

And some of the worst neighborhoods in America are owned by the Federal Government, many of our public housing communities having become breeding grounds for crime, drugs, and despair. The Bush Administration is committed to making them staging grounds for a new war on poverty through HOPE -- that's Homeownership and Opportunity for People Everywhere -- the centerpiece of our empowerment agenda.

Homeownership has always been a chief pathway to the American Dream. Mr. Lincoln drew on this tradition when he introduced the Homestead Act of 1862, which transferred government lands to the poor and became the most successful anti-poverty program in American history. Fifty years later, when the great Russian Prime Minister, Pyotr Stolypin, brought homesteading to Siberia, he asked, "What, if not the individualism of small farm ownership, brought America so quickly to the fore?" Others, too, emulate our Lincolnian example. A free Czechoslovakia is on the verge of privatizing \$130 billion in government assets. And the Mayor of Moscow, Russia's latter-day Stolypin, wants to create millions of new homeowners by giving away all of Moscow's state-owned homes.

Today, President Bush is moving to bring the power of homesteading to the American inner city, by empowering public housing residents to manage and ultimately own their own homes.

The President is seeking \$855 million in fiscal 1992 to fund

our HOPE initiative, which would create 26,000 new homeowners in public housing and start an additional 50,000 families on their way toward homeownership. Of some 300 resident groups which have sought HUD's assistance in becoming resident managers, funds have been available to support only 100. Responding to the groundswell of interest in HOPE, the President asked Congress to provide an immediate infusion of \$155 million in fiscal 1991. Congress refused, preferring instead to provide huge increases for some of the discredited programs of the past.

Congress also balked at funding our \$500 million supplemental request for the new HOME Grants initiative. HOME would house five times as many people, at least twice as fast, by emphasizing cost-effective vouchers and housing rehabilitation. So the President has requested \$1 billion in HOME funding for fiscal 1992.

But even with the limited funds Congress has made available up to this point, we are implementing our strategy to give low-income families access to assets and homeownership.

It is happening right here in Dallas. At Rhoades Terrace, in South Dallas, residents are about to begin sharing management responsibilities with the Dallas Housing Authority. In a year, they will assume complete, unilateral control -- the prelude to full homeownership.

In her important and radical book, The Death and Life of Great American Cities, the author, Jane Jacobs, tells how complaints about the lawn at an East Harlem public housing

community used to mystify the local social workers. Who could complain about a neatly trimmed lawn, right?

One of the residents finally explained it to her this way: "Nobody cared what we wanted when they built this place. They threw our houses down and pushed us here and pushed our friends someplace else. We don't have a place around here to get a cup of coffee or a newspaper even, or borrow fifty cents. Nobody cared what we need. But the big men come and look at the grass and say, 'Isn't it wonderful! Now the poor have everything!'"

That says it all. It says that bricks and mortar do not make a community. It says that the residents neither want nor need masters -- to succeed, they must be free to fail. It says, in their own homes, they must be king.

And as for that cup of coffee in Jane Jacobs' story ... I defy the Dallas Housing Authority -- I defy even my resourceful and talented friend Al Jackson -- to build a corner coffee shop with the look and feel of one run by a genuine resident entrepreneur. Not that it hasn't been tried. There are stories about overzealous urban planners who blocked out space at regular intervals for corner groceries and bars, as if "neighborhood" were a fungible commodity which government could procure as it would a new water main or sidewalk.

Resident management restores to low-income families and communities their rightful independence. But real economic empowerment requires more than simple sovereignty -- it requires ownership of assets, homeownership. Today, American welfare

policy emphasizes income transfers. But a subsistence-level paycheck is here today, gone tomorrow, while assets appreciate over time, creating new wealth. Assets provide a buffer during lean years and a basis for risk-taking at opportune moments. They reduce the cost of failure. An asset -- a house -- is pure potential. It is a piece of the future.

The acquisition of private property, the accumulation of wealth, the putting down of roots ... these are the simple building blocks of prosperity in America. Why should it be any different for the poor than for the middle class?

The black scholar John Sibley Butler of the University of Texas at Austin has shown that accumulation of assets and entrepreneurial experience are vital to the economic vitality of a community. His work focuses on the blacks of Durham, North Carolina, which -- even amid the injustice of Jim Crow -- was once known as the "Black Wall Street." He found that 63 percent of third-generation black college graduates in Durham are descended from these first black entrepreneurs.

Today, 40,000 blacks in Durham control more wealth than a million blacks in Chicago -- indeed, more wealth than any other black community in America. There's no great hidden secret behind that statistic -- only the time-honored American truth that entrepreneurship is a ticket out of poverty. A poor man or woman starts a business, earns a living, builds a nest egg, passes it on to the next generation so that his or her children can go on to college.

Our great challenge, in these last tumultuous years of the twentieth century, is to revive this classic American success story ... to restore in our inner cities this dynamic system. We can make it happen in Dallas -- not by destroying the slums and building shopping malls in their place, not by massive World Bank-style interventions, but by shattering the barriers to entrepreneurship and growth.

In his fiscal 1992 budget, President Bush has asked Congress to authorize 50 Enterprise Zones in the most depressed urban and rural neighborhoods. Thirty-eight states have established some 1,300 Enterprise Zones, and they have proven their worth. In New Jersey, the state's Enterprise Zone program generated 15,700 new jobs and \$1.5 billion in added investment in under five years. But the state Enterprise Zones are necessarily junior varsity imitations of what could be achieved at the Federal level. Only the Federal Government can eliminate the capital gains tax entirely in Enterprise Zones and properly reward investors who provide new capital to inner city entrepreneurs.

Some people look at West Dallas and see only problems. I see possibilities. In many ways, it is a natural habitat for the urban entrepreneur. Traditionally, the urban small businessman can't afford glitzy Park Avenue commercial real estate. He wants an old, maybe even run-down building where his overhead will be low ... he wants Brooklyn, not Park Avenue. Sure, IBM isn't going to find West Dallas very appealing. But West Dallas doesn't need IBM, it needs Joe's Grocery, Millie's Bar and Grill,

laundromats, shoe repair shops, newsstands. Viewed from this perspective, West Dallas is not a desert but a fertile field of opportunity. It is like the thick primordial soup before a new world is born. Our recipe for growth is simple: Add a dash of cheap capital and stir.

What we have here in Dallas is an army of would-be capitalists -- without the capital. Enterprise Zones, the resident management revolution in public housing, and public-private partnerships can combine to open up the flow of capital and create a surge of new jobs and new businesses.

We must have faith that the residents themselves will rebuild West Dallas, if we open to them the full universe of American opportunity. This is a simple faith, born of our centuries-old encounter with the American Dream. "We hold these truths to be self-evident, that all men are created equal, that they are endowed by their creator with certain unalienable rights...." Where life, liberty, and the pursuit of happiness are concerned, we assume as an article of faith that all are equally endowed to be the architects of their own self-creation.

So today, with the Declaration of Independence in mind, we declare a new war on poverty and inaugurate the West Dallas front. The whole Nation is watching. Success here will be felt from East Harlem to East L.A. And, in a still larger sense, as a step on the road to eliminating poverty in America, it will stand as a beacon of hope and encouragement for all the world.

Thank you very much.

OUTLINE
DALLAS HOPE EVENT
APRIL 4, 1991

I. OPENING.

- * Thank Al[fonso] Jackson [DHA Director], Dale Kessler [Chair, DHA], Dallas Mayor Annette Strauss, Rev. M.L. Curry, Mrs. Tilley Baylor, Mrs. Jesse Toles.

II. FIRST WAR ON POVERTY FAILED.

- * 25 years ago, LBJ said, "I believe that future generations will look back on our era as the dawn of the Golden Age of urban living."
- * 1972: Brookings Institution said Great Society failed.
- * Today, still have 100 Federal anti-poverty programs costing \$150 billion-plus per year.
- * Between 1950 and 1968, poverty dropped from 45 million people to 25 million. Since 1968, it's gone up to about 32 million. Why?
- * William Rasberry: "Is there something about poor people themselves that impels them toward and keeps them in poverty....Or is there something about the way the society at large treats the poor that perpetuates their poverty?"
- * Second economy is the problem.

III. HOPE.

- * Homeownership is key escape route from poverty.
- * President requested \$855 million for fiscal 1992 for HOPE, Homeownership and Opportunity for People Everywhere.
- * HOPE funds would create 26,000 new homeowners in public housing and start an additional 50,000 on their way to homeownership.
- * Some 300 resident groups have sought HUD assistance in resident management. Funds have allowed us to help only 100 so far.
- * President also wants \$1 billion for HOME Grants program, which helps states and localities provide affordable housing -- favors vouchers and rehab.
- * Congress rejected our FY '91 supplemental request for \$155 million for HOPE and \$500 million for HOME.

IV. ASSETS AND ENTREPRENEURSHIP.

- * Assets, not cash income transfers, help the poor escape poverty.
- * Assets allow risk-taking, provide a buffer during hard times, provide something to pass on to children.
- * John Sibley Butler, scholar at University of Texas, studies Durham, NC, which used to be called "the Black Wall Street."
- * Butler found that 40,000 Durham blacks control more wealth than 1 million blacks in Chicago, or any other black community. Why? Because they come from entrepreneurial families.

V. ENTERPRISE ZONES.

- * President wants 50 EZ's.
- * 38 states have established some 1,300 EZ's.
- * In NJ, the EZ program created 15,700 new jobs and \$1.5 billion in new investment.
- * West Dallas is perfect place for an EZ.

VI. CLOSING.

- * Here today to inaugurate the West Dallas front.
- * Dallas can be an example for the Nation.

The Resident Management Revolution in Public Housing

By the Honorable Jack Kemp

Last November, President Bush signed the National Affordable Housing Act, the most sweeping revision of Federal housing policy in two decades. Its centerpiece is a groundbreaking new initiative called HOPE, Homeownership and Oppportunity for People Everywhere. HOPE makes a radical break with government paternalism by enabling public housing residents to manage and ultimately own their own homes.

At the Kenilworth-Parkside public housing community in Washington, D.C., the independent accounting firm, Coopers and Lybrand, estimates that resident management reduced operating costs by 45 percent, welfare dependency by 70 percent, and crime by fully 75 percent. All across the Nation, from Bromley Heath in Boston and Cabrini-Green in Chicago to Rhoades Terrace in Dallas, similar resident initiatives are rebuilding devastated neighborhoods.

This contrasts sharply with public housing's dismal record. In 1972, for example, the City of St. Louis demolished all 43 buildings of the Pruitt-Igoe public housing community. Pruitt-Igoe had become a vast, bleak, crime-ridden ghetto, and its ruins stood as grim testimony to the bankruptcy of Federal housing policy.

Nearly two decades later, some of the worst neighborhoods in America are still owned and operated by the United States Government. It is no coincidence. Government welfare policies discourage work and reward dependency, creating a socialistic shadow economy in our inner cities. The 3 million Americans

living in public housing are alienated from the real world's linkage of effort and reward, risk and achievement.

Homeownership has always been the chief pathway to the American Dream. Abraham Lincoln drew on this tradition in introducing the Homestead Act of 1862, which transferred government lands to the poor and became the most successful anti-poverty program in American history.

Today, President Bush is moving to bring the power of homesteading to the inner cities by empowering low-income Americans with the same freedom of opportunity the rest of America enjoys. In his State of the Union Address, the President said, "Freedom and the power to choose should not be the privilege of wealth. They are the birthright of every American."

While so many of our welfare policies reflect the premise that poverty is permanent and pathological, HOPE's urban homesteading is grounded in the common sense faith that all Americans -- rich and poor, black and white -- share the same dream of a better life for themselves and their children. The American Dream is class and color blind.

At the start of the Bush Administration, there were 13 resident groups training to become resident managers. Today there are 100. Two hundred more groups have applied for training but been turned away for lack of funding. Yet amid this groundswell of interest in resident management and homeownership, Congress recently rejected the Administration's request for \$155 million to implement HOPE in fiscal year 1991. Instead, it chose to bolster the discredited programs of the past.

The President is determined not to disappoint the thousands

of low-income families who have staked their dreams on HOPE. He is seeking \$855 million in fiscal year 1992 to dramatically expand this initiative. The Administration's full funding request for HOPE would start 40,000 residents in some 400 public housing communities on their way toward homeownership by the end of 1992.

The first War on Poverty failed not because it aimed too high but because it did not aim high enough. Its architects doubted the continuing power and validity of the American system. This time around, we will rely on the classic American formula for escaping poverty by empowering the poor to freely pursue their dreams.

A new generation of homesteaders is climbing the ladder of opportunity. America is watching and taking heart.

I can only hope Congress is watching, too.

MISSOURI ENTERPRISE ZONE PROGRAM

MISSOURI

Program Status

Legislation approved in 1982. Program became operational in 1983.

Number of Zones

A maximum of 33 zones are authorized. As of July 1988, all 33 zones had been designated. Legislation in 1989 and 1990 authorized 41 zones, 37 of which have been designated and 2 more are pending. This year the legislature may create additional zones.

Eligibility Criteria

- * Population:
 - * Within an MSA, at least 4,000 but not more than 32,000.
 - * Outside an MSA, 1,000 to 20,000.
- * Areas of pervasive poverty, unemployment, and general distress.
- * Meets UDAG criteria.
- * All of the following must be present:
 - * 65% of the population below 80% of the median income for the State.
 - * Unemployment 50% above the average rate of unemployment for the State.
- * Cooperation from the localities.

Incentives for Qualified Businesses

- * Tax Credits:
 - * If 30% of the new employees are zone residents or are considered "difficult to employ", tax credits are available for 10% of the first \$10,000 in investments, 5% of the next \$90,000 and 2% of the remaining qualifying investment.
 - * Up to \$1,200 in tax credits for each new hire:
 - * For each new job, regardless of the time of year started, \$400 in tax credits,
 - * For each 3 months the new hire lives in the enterprise zone, \$100 in tax credits, and
 - * For each 3 months that a "difficult to employ" person works on the job, \$100 in tax credits.
 - * Up to \$400 in training credits for training other than JTPA or state training program.
 - * State income tax exemption of 50% for 10 years to be earned by a zone business if 30% of the firm's employees are zone residents or have exhausted their benefits.
 - * Unused tax credits will be refunded at a rate of 40% or up to \$50,000 for the first year, and 25% or up to \$25,000 for the second year.
 - * A minimum 50% exemption from local ad valorem property taxes for at least the first 10 years for improvements to real property. This may run for 25 years depending upon the decision of the local government.
 - * A tax increment financing law became operational in 1985.
 - * A direct loan program for qualifying Missouri businesses became effective in 1983,
 - * Infrastructure improvements are required as part of the competitive enterprise zone program.

Highlights of Zone Activity

Significant emphasis is placed on creation of new jobs for residents residing in the Enterprise Zone. Many of the tax incentive programs are geared towards that concept.

Data available from 1983 through December 1990#

Jobs created: 11,702
Total investments: \$541 million ~~Person:~~
Contact person: William O. Green
Coordinator, Enterprise Zone Program
Department of Economic Development
P.O. Box 118
Jefferson City, Missouri 65102
(314) 751-6835



State of Missouri

John Ashcroft, Governor

Department of Economic Development
Economic Development Programs
P.O. Box 118
Jefferson City, Missouri 65102

Carl M. Koupal, Jr., Director

February 23, 1991

Mr. Michael McMahon
Director, Enterprise Zone Staff
Department of Housing and Urban Development
451 7th Street S.W.
Washington, D.C. 20410

Dear Mr. McMahon:

I am pleased to respond to your inquiry regarding new development in the Missouri enterprise zone program during the preceding year. Major changes are occurring in the number of zones authorized and designated. I also have an update on the number of jobs created, as well as the amount of investment placed in service since the program became operational.

As a result of legislation adopted in 1989 and 1990, the Missouri Department of Economic Development now has legislative authorization to designate a total of 41 enterprise zones, of which 37 have been designated as of this date. Two applications for designation are in the process of being prepared and submitted to the Department. We would anticipate designations in both of these communities within the next 4-6 weeks. Additionally, legislation is pending in the current session of the Missouri General Assembly which, if passed and signed by the Governor, would create additional zones. The session concludes on or about May 15, 1991.

Our verified statistics reflect an aggregate of 11,702 new jobs created since the program's inception in 1983. We also can document the creation of capital investment totalling in excess of \$541 million since 1983.

The remainder of the information included in the last update is unchanged. Thank you for your interest in the Missouri program. Please let me know if I may be able to provide additional information.

Sincerely,

A handwritten signature in cursive script, appearing to read "William O. Green".

William O. Green
Enterprise Zone Coordinator

WOG/vmk

Residents of Public Housing Will Learn How to Manage Themselves

■ **Nickerson Gardens:** HUD Secretary Kemp presides over official opening of yearlong training program seen as one answer to problems of crime and vandalism.

By BETTINA BOXALL
TIMES STAFF WRITER

Some of the thousands of people who live in Nickerson Gardens will start going to class this week for lessons in how to take over their housing project, the largest in Los Angeles and one of the most troubled.

About 50 Nickerson Gardens residents are expected to show up for the beginning of a yearlong series of training sessions intended to help them form a management corporation that would gradually replace the Los Angeles Housing Authority in running the Watts housing project.

The program is one of many being launched in public housing projects around the country as the Bush Administration promotes tenant management and even ownership as answers to the festering problems of crime and vandalism that riddle many public

housing projects.

"[We] want to make sure that every resident of public housing in the United States of America from Watts to East Los Angeles to the South Bronx to East Harlem has the opportunity to manage their own public housing and someday to own it if that's their dream," Jack Kemp, U.S. secretary of housing and urban development, said Tuesday before a crowd that filled a gymnasium at Nickerson Gardens to mark the official start of the training program.

Kemp shared the stage with several other dignitaries, including Mayor Tom Bradley and Assemblywoman Maxine Waters (D-Los Angeles), all of whom praised the trend toward tenant management as the beginning of a new era in public housing. "Nickerson is ready," declared Waters.

The management training—open to all adult Nickerson residents—is being paid for by a

\$93,000 HUD grant, one of five such grants given to Los Angeles public housing projects. The others will go to the Estrada Courts, Jordan Downs, Normont Terrace and Pico Aliso projects.

Nickerson has hired Bertha Gilkey to run the sessions, which will be held three times a month for the next year. Gilkey, a seemingly irrepressible advocate of tenant rights, is known nationally for helping notoriously bad housing projects, such as Cochran Gardens in St. Louis, clean up by putting the people who live there in charge.

"I say to the 6 million people in public housing in this country . . . it is time to challenge the system. . . . Who can better manage us than us?" Gilkey said.

Kemp also announced that the Los Angeles Housing Authority will get \$18 million this fiscal year to make improvements at its housing projects. Last year the authority received nearly \$15 million for repairs and improvements, but housing officials say it would take more than \$200 million to do all the improvement work they would like to do.