

BUILDING A "COMMUNITY GROWTH MACHINE"

The Green Development Zone as a Model for a New Neighborhood Economy



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PUSH Buffalo is a grassroots, non-profit community organization working to rebuild the West Side of Buffalo.

PUSH strives to build a democratic, actionoriented organization capable of addressing the lack of living wage jobs and poor housing conditions on Buffalo's West Side.

INTRODUCTION

In their influential article "The City as Growth Machine" and in subsequent work¹, John Logan and Harvey Molotch assert that regional economic growth is best understood through analysis of the coordinated investments and power maneuvers of a small set of inter-locking regional elites in banking, real estate development, construction, energy utilities and politics.

In post-industrial cities concentrated in the Northeast and Midwest, long-term structural unemployment, caused primarily by capital flight in the manufacturing sector, has been a reality for more than three decades. The elimination of public sector jobs and decline in the manufacturing sector will intensify the problems that have plagued post-industrial communities. According to Census data, the nation's three poorest cities are located in the Rust Belt region along the Great Lakes. About 30% of residents living in Detroit, Cleveland and Buffalo earn income below the poverty threshold.²



PUSH leader Terry Richard facilitates a community planning meeting.

Given the absence of a coherent national strategy for addressing the economic crisis, community-driven models of sustainable economic development are sorely needed. Green **Development Zones-**variants of which are taking root in other post-industrial communities including Buffalo, Kansas City, Springfield, MA3, the South Bronx⁴ and the Northwest Bronx⁵—are showing early promise as a strategy for generating sustainable development and achieving community control of resources in very lowincome neighborhoods.

Buffalo's Green Development Zone (GDZ) was founded by People United for Sustainable Housing (PUSH Buffalo) in 2008. It is a place-based initiative anchored in a 25-block section of the city's West Side, one of the most impoverished neighborhoods in the nation, with a per capita income of approximately \$9,000. The West Side is exceptionally diverse in racial and ethnic terms. For much of the post-WWII period, the neighborhood was populated primarily by Italian-Americans, Puerto Ricans and Native Americans. Over the last 15 years, significant

Logan, John and Molotch, Harvey, *Urban Fortunes: The Political Economy of Place*, University of California Press, 1987.

U.S. Census Bureau, 2009 American Community Survey showing poverty rate of 36.4% for Detroit, 35.0% for Cleveland, and 28.8% for Buffalo

³ For the Alliance to Develop Power in Springfield MA, see http://www.a-dp.org/.

⁴ For Sustainable South Bronx, see http://www.ssbx.org/.

⁵ For the Northwest Bronx Community & Clergy Coalition, http://www.northwestbronx.org/.

numbers of African-Americans, Burmese, Somalis, and Sudanese have also come to call the West Side home.



PUSH members at an action highlighting the need for investment in housing weatherization.

PUSH's GDZ combines green affordable housing construction, community-based renewable energy projects, housing weatherization, green jobs training and urban agriculture toward the goal of creating pathways to employment for neighborhood residents while improving housing conditions and reducing the neighborhood's carbon footprint. All told, the core constituencies in the Zone have generated more than \$6 million in direct community-controlled investment over the last three years.

This paper argues that, by substituting community-based organizations, local contractors, and progressive labor unions for the

regional corporate elites that anchor typical urban growth machines, Green Development Zone's can serve to expand employment in a range of green jobs sectors while producing high-quality affordable housing; reducing housing vacancy; insulating homes and upgrading their heating systems; eliminating health hazards such as mold, asbestos and lead; increasing access to healthy food and cleaning-up neighborhood brownfields.

While the term "growth machine", as developed by Logon and Molotch, evokes the impersonal and socially destructive forces of corporate materialism and elite control, a "Community Growth Machine," builds an alternative materialist inertia by setting in motion a more virtuous cycle of organized low-income constituencies, investment and opportunity. Buffalo's GDZ, leverages the power of community organizing to win commitments of public and private capital for needed improvements to the physical infrastructure of low-income neighborhoods.

Whereas neoliberal elites envision a world of increasingly privatized infrastructure and reduced public investments, the GDZ model holds the promise of leveraging public sector investment to generate community-controlled capital by building a powerful alliance of community-based organizations, local contractors and labor unions, working in concert with other stakeholders.

Organizing victories build momentum and generate capital for further investment, and networks of contractors and other allies—like labor unions eager to get a foothold in emerging green jobs sectors—solidify over time, becoming vested parties in the Community Growth Machine. Elected officials join the Community Growth Machine due to leverage exercised by community-based organizations and their own branding interests in affiliating with job-producing initiatives that positively impact community infrastructure.



A PUSH member issues a "violation" to state housing authorities for neglecting one of 1,499 vacant properties under state control in Buffalo.

By gaining control over public and private capital for "triple bottom line projects" that create economic growth, equity and environmental sustainability, a Community Growth Machine can help build the foundation for a new community economy. Capturing wealth produced by infrastructure and housing rehabilitation investments in GDZs as well as work performed outside of GDZs by closely affiliated contractors, anchor community organizations can reinvest profits to meet local needs and promote social entrepreneurial ventures, including mission-oriented small businesses and co-operatives.

Green Development Zones should be seen as an extension of the local economies movement, which is aimed at gaining greater community control over the movement of capital by fostering networks of community-rooted entrepreneurs that serve community needs. A fully-realized Green Development Zone would include a network of affiliated, community-controlled entities carrying out a range of revenue-generating activities, including affordable housing development, weatherization, solar and geothermal installation, sustainable landscaping and food production.

THE ORIGIN OF PUSH'S GREEN DEVELOPMENT ZONE

PUSH began in 2005 as a community-based organization dedicated to building a base of resident leaders capable of leading public campaigns to address the lack of jobs and rapidly declining neighborhood conditions, including widespread housing abandonment. PUSH's founders, two experienced organizers living in the neighborhood and five other community residents, went door-to-door to build a base of members, who were then trained in community organizing and principles of leadership.

In its emergent phase, PUSH adopted a hybridized model of community action and community-led development that emphasized (1) organizing and leadership development; (2) issue-based campaigns and collective power building; (3) community control of resources won through campaigns and advocacy work; (4) green affordable housing development; (5) local training and hiring; (6) cooperative models of capital accumulation and redistribution; and (7) community planning.

Over time, PUSH formulated the GDZ conceptual model in order to meld these activities more intentionally and to facilitate convergence across the organization's programs in ways that would allow them to go to scale.

After an extensive survey of residents, PUSH launched an initial campaign around housing abandonment and absentee ownership of property. Research by organizers showed 1,499 vacant lots and houses in Buffalo were under the control of the state's Housing Finance Agency, which had abdicated its mission of creating affordable housing and was instead speculating with the parcels through a complex Bear Stearns bonding deal similar to the ones that brought down the global economy in 2008.⁶

After a direct-action campaign in which PUSH leaders boarded up hundreds of the state-controlled vacant homes with large stenciled portraits of then-Governor Pataki, and protested in the Governor's Buffalo office, PUSH entered into productive dialogue with members of incoming Governor Spitzer's administration.⁷ The outcome of negotiation with state officials was the creation of the Block-by-Block program, funded initially with \$2.1 million for housing renovation in low-income neighborhoods that demonstrated the potential for housing vacancy reduction.⁸ State officials also agreed to relinquish control of the 1,499 vacant lots and houses, some of which have been transferred to PUSH for development.

Meanwhile, PUSH began renovating vacant property to create high-quality, green, affordable housing. PUSH renovated six units of formerly vacant property in two vacant Victorian-era buildings, employing and training 10 out-of-work neighborhood residents in the process. In renting the apartments, PUSH created a Housing Cooperative which engages tenants in the organizing work and community events sponsored by PUSH and provides tenants with a monthly equity payment of \$75 per month to promote savings and self-sufficiency.

In 2007, PUSH held a neighborhood planning congress to create a more comprehensive plan. Several hundred residents participated in this process. In consultation with two planning professionals--architects Kevin Connors and Charles Gordon---PUSH established boundaries for its development area and articulated a set of values and objectives to guide its development.

CONCEPTUAL UNDERPINNING OF THE GDZ

In addition to the ideas generated by the planning Congress, the GDZ was inspired by the aims and achievements of the Green Jobs⁹ and Sustainable Communities¹⁰ movements. The Green Jobs movement, as conceived by Van Jones, has proven its worth as an effective framework for combating poverty holistically by integrating organizing, environmental justice and job creation. Several initiatives spearheaded by Jones and the organization he founded, Green for All, are demonstrating the practical impact by scaling-up job creation in the green-building and retrofit sector.¹¹

The Sustainable Communities movement, which was popularized by the Local Initiatives Support Corporation (LISC) and adopted, in a different form, by the Obama administration, offers a valuable rubric for synthesizing and integrating categories of community investment and improvement that have often been treated as silos. For example, a Sustainable Community

- ⁶ "Probe urged of bond sale for derelict properties," *Buffalo News*, May 19, 2006
- ⁷ "PUSH puts famous face on eyesores," *Buffalo News*, July 13, 2006.
- ⁸ "State action will help fund needed demolitions," *Buffalo News*," September 11, 2007.
- ⁹ Van Jones, The Green Collar Economy, HarperOne, 2008.
- ¹⁰ For an overview of the LISC model, see http://www.lisc.org/sustainable/.
- See for example energy retrofit programs in Portland (www.greenforall.org/portland) and Seattle (www.greenforall.org/seattle)



PUSH members pose after a monthly meeting at the headquarters.

initiative sponsored by LISC in Chicago has produced thousands of units of affordable housing in six different Chicago neighborhoods while launching complementary public health and education initiatives¹².

The GDZ also integrates lessons and methodologies from seminal community organizing traditions, including Depression-era neighborhood organizing around housing evictions and unemployment;¹³ and the post-war Alinksy-influenced organizations that have left their most lasting legacy in Chicago.¹⁴

By combining the power-building and mobilization strategies of the community organizing tradition with holistic and community-led development practice, the GDZ embraces the tangibility and concreteness of place-based initiatives while generating networks of power at the grassroots level necessary for longer-term systemic change.

OBJECTIVES OF THE GDZ

As refined over five years of meetings with PUSH staff, board and community leaders and through reflection on PUSH's early community development activities, the objectives of the GDZ are:

- Utilize Participatory Democratic Planning Processes- Create a democratic forum for articulating a sustainable development plan for the neighborhood, including renovation of vacant structures for affordable housing, capital improvements to existing structures and improvements to all aspects of the neighborhoods infrastructure, including streetscapes, parks, recreational facilities and energy systems.
- Develop Grassroots Leaders and Gain Community Control Over Resources Develop strong networks of neighborhood leaders to run winning campaigns that strengthen

www.newcommunities.org

¹³ Piven, Frances Fox and Cloward, Richard. Poor People's Movements, Vintage, 1978.

¹⁴ Horwitt, Sanford. *Let Them Call Me a Rebel*, Vintage, 1992.

- community control over public resources—such as Federal HOME and CDBG fundsand challenge banking and utility corporations--heavily regulated companies which extract profits from low-income neighborhoods--to increase reinvestment activities.
- Leverage Community Assets Build on the community's assets, many of which are seen as evidence of signs of the American urban catastrophe: The density of the GDZ neighborhood means it has a relatively small environmental footprint. The low value of land and housing in the West Side means that redevelopment can be accomplished relatively affordably. Abandoned land and vacant lots allow opportunities for a new mix of uses that can further the Zone's environmental agenda.
- *Promote Triple Bottom Line Benefits*-—Promote principles of sustainability— environment, equity, economy—throughout the community planning process and in trainings with neighborhood leaders.
- Implement an Integrated Sustainable Development Plan--Combine public and private
 investments in green affordable housing, community-based renewable energy
 production, green jobs training, energy-efficient building retrofitting, urban agriculture
 and green neighborhood infrastructure to create a world-class and replicable model of
 sustainable community development, with improved environmental and social outcomes.
- Increase Local Training and Hiring in the Green Jobs Sector--Create pathways to
 employment for neighborhood residents in every GDZ development sector, providing
 tangible benefits to residents while increasing identification with the aims of the GDZ.
- Build a Community-Labor Alliance--Strengthen ties with labor unions working to organize in emerging, green jobs sectors like weatherization and hazard abatement.
- Create Mechanisms for Capturing and Allocating Community Capital—Pool the capital
 gained in specific green-economy sectors in the GDZ, especially green affordable
 housing development, weatherization and urban agriculture, for use in additional social
 enterprises and small business creation in the broader West Side. These and other
 forms of community control enabled by the GDZ can form the basis of a new community
 economy.
- Elevate Community-based Solutions in Public Policy Realm--Further leverage networks of community leaders to run public campaigns for systemic policy reforms at the state and Federal levels that would assist other communities in replicating the GDZ model.

ESTABLISHING GDZ BOUNDARIES

Buffalo has long been plagued by "scatter-shot" development, in which private developers, using federal dollars, assemble buildable parcels of vacant land and construct heavily-subsidized affordable housing, without regard to a community-generated plan or the architectural and planning characteristics of the neighborhood. Approximately 1,500 units of housing were constructed in subsidized developments in the 1980s and early 1990s. The impact of many of such developments has been to draw working-class homeowners from older, declining neighborhoods to new, poorly planned developments, exacerbating the housing vacancy problems of their original neighborhoods.¹⁵

This version of musical chairs is one factor in Buffalo's epidemic of housing vacancy and abandonment. Buffalo's 15,000 vacant structures rank it second only to St. Louis in the rate of housing vacancy.

¹⁵ "The Housing Shuffle", *Buffalo News*, September 21, 2010.



Two of more than 15,000 vacant properties in Buffalo.

Vacancy rates vary widely from one Buffalo neighborhood to the next-from less than 5% (a natural rate of vacancy) in wealthy parts of the Delaware and Elmwood Village neighborhoods to more than 80% in sections of the East Side such as Broadway-Fillmore. Previous attempts at housing renovation in neighborhoods with more than 30% vacancy suggest that houses in such contexts do not hold their market value. Owners often "milk" these properties, deferring maintenance until the house is beyond repair and eventually abandoning them, or burning them down and collecting insurance claims.

In order to stem the tide of vacancy, and stave off the wholesale abandonment of the neighborhood, PUSH concluded it was imperative to focus capital investment on a block-by-block basis in a relatively small district, rather than scattering investment across a large area..

Buffalo's GDZ should be seen in the context of the particular constraints and opportunities presented by shrinking, post-industrial cities in the Northeast and Midwest. Depopulation has caused market collapse and attenuation in urban neighborhoods throughout postindustrial America. The devaluation of land and property has enabled PUSH to gain control of substantial property in a concentrated district, which would be an impossibility in most urban markets on the East and West coasts.

Proximity to the low-vacancy, primarily middle-class district of Elmwood Village was another factor in the decision to locate the GDZ along Richmond Avenue. There is a gentrification risk in locating affordable development near a middle-class district, even in a city like Buffalo where such pressures have been relatively weak. But such proximity also limits the chance that the district will be abandoned faster than PUSH's development and organizing activities can stabilize it, a dynamic that has befallen other community-based neighborhood revitalization

¹⁶ US Postal Service Tracking Data, 2006-2009.

efforts. In collapsed real estate markets, the threat of neighborhood disintegration--where oncedense districts lose population rapidly and the landscape comes to resemble an urban prairie due to mass demolition--is very real and has already affected substantial portions of Buffalo and other post-industrial cities.

Finally, the physical contours and flow created by Buffalo's overlapping 19th Century street plans, the Ellicott Plan of 1804 and the Olmsted Plan of 1873, helped to shape PUSH's GDZ boundaries. The GDZ's main spine, Massachusetts Avenue, begins at the eastern edge of the GDZ as one of the radial streets emanating from the Olmsted-designed traffic circle on Richmond Avenue. The northern GDZ boundary, West Ferry Street, is the terminus of the diagonal street grid that establishes the flow of vehicular and pedestrian traffic for the mid West Side. This natural boundary enhances the sense of place and reinforces the social networks on the streets that fall within the GDZ.

THE GDZ LANDBANK

PUSH's strategy has been to thread the needle between gentrification and disintegration in the GDZ by creating a landbank to gain control of large amounts of property in the Zone and watching for any early indicators of gentrification, such as rising land values. The landbank manages vacant structures in the GDZ to ensure that they are properly secured and do not suffer further deterioration while awaiting rehabilitation for affordable housing.

In political terms, PUSH views the GDZ landbank as a tool for stabilizing neighborhoods and preventing gentrification by gaining community control of property and transitioning it to development as affordable housing, typically with 30-year covenants guaranteeing affordability. The landbank concept has been developed most effectively by government entities in regions grappling with mass abandonment. The most comprehensive model to date is the Genesee County Landbank in Michigan. The Buffalo GDZ landbank is an micro adaptation of this model with special emphasis on ensuring affordability over time.

ACHIEVEMENTS IN THE GDZ TO DATE

Green Affordable Housing

PUSH's first step toward realizing the objectives of the GDZ was the successful, direct-action campaign to gain community control over derelict vacant housing owned by the State of New York. Although no property was transferred directly to PUSH as a result of the community mobilization, the State agreed to create a funding stream for the rehabilitation of vacant housing in neighborhoods whose characteristics resemble the West Side, with vacancy rates between 15 and 30% and a demonstrated need for high-quality affordable housing. Through a partnership with non-profit developer Homefront, the GDZ benefitted from this funding stream with a \$1.3 million renovation of six vacant homes on 19th Street. Three homes have been completed and sold to first-time, low-income homebuyers, and three renovations are still in process.

As PUSH mobilized hundreds of neighborhood leaders to challenge the state's housing agency, it was also building its first six units of green, affordable rental housing. These projects were



Members of the PUSH Housing Co-op at a summer BBQ outside a renovated building.

an opportunity for PUSH to gain a trial by fire in project management, on-the-job construction training, and the retrofitting of Victorian homes with advanced energyefficiency technology. With a variety of partners--ranging from community-based job training organizations to labor unions--PUSH completed six units of high-quality housing--including green features such as super-insulation, ondemand water systems and radiant-floor heat.

Since completion in 2007, the six units of housing have filled with tenants, organized under the banner of the PUSH Housing Cooperative, who have emerged as leaders in PUSH"s community organizing campaigns. The innovative savings built into the tenant rental agreement with PUSH, which provides a rebate to tenants who participate in the life of PUSH and who are current in their rent, has enabled several tenants to save substantial sums during their tenancy. By providing superior apartments at below-market rents, giving tenants a role in the organization and promoting tenant savings, PUSH has reduced turnover and vacancy to near zero over the last three years.

To gain control of additional parcels needed for development, PUSH, through its landbanks, acquired 45 parcels of property in the GDZ with funding from the Neighborhood Stabilization Program and philanthropic sources.



PUSH green construction trainees outside the NetZero project at 10 Winter Street.

Nine of these parcels have been packaged into successful applications to New York State for renovation as energy-efficient, affordable housing. Fourteen units of housing in four buildings are currently under construction. Upon completion these will be added to the PUSH Housing Cooperative. Graduates of PUSH's paid green construction training program have priority for jobs with contractors bringing on additional workers to complete these projects. A minimum of two neighborhood residents are employed full-time at all phases of the construction on these projects.

Those land-banked parcels not under construction are managed by two PUSH staff. Fifteen of the twenty vacant lots in the land bank have been used to pilot rain gardens and food gardens. Vacant structures are being prepared for renovation and are maintained as safe and secure during the pre-development phase.

PUSH's affordable housing development provides tangible evidence of the efficacy of community organizing and advances the objective of community control over resources. With each project groundbreaking, PUSH's neighborhood leaders have celebrated their role in creating a developmental direction for the neighborhood and seeing it realized. The developmental activities have also enabled PUSH to strengthen relationships with contractors, design professionals and elected officials which are crucial to PUSH's over-arching goal of creating a new community economy.

Creating Quality Green Jobs Through Green and Healthy Homes Initiatives

PUSH controls less than 5% of the property in the GDZ and a far lower percentage of undercapitalized and often unsafe properties across the West Side, many with lead, mold, and asbestos hazards.

Following a Green and Healthy Homes (GHHI) model pioneered in Baltimore, ¹⁷ PUSH has engaged its grassroots leaders in efforts to create broader access to energy efficiency upgrades such as housing insulation and high-efficiency furnaces and programs that eliminate homebased health hazards. In keeping with the vision of the Green Jobs movement, PUSH sees



Elected officials join PUSH in calling for increased investment in weatherization programs by the gas utility.

the expansion of such work as creating viable career pathways for unemployed residents of the GDZ.

The objectives of the GHHI, which include improved energy efficiency, community-health outcomes, and expanded green job opportunities, correspond with the aspirations of the GDZ.

As a starting point, PUSH organizers canvassed the GDZ to generate applications for Federal stimulus funds earmarked for weatherization. In a matter of two weeks, PUSH submitted more than 400 applications on behalf of residents. Weatherization projects, including insulation and window

replacement, are now in process at these residences. All told, this intervention will generate approximately \$2 million in investment and will substantially reduce carbon emissions in the GDZ.

PUSH's central achievement in scaling up Green and Healthy Homes is Green Jobs/Green NY, an innovative law drafted by the Center for Working Families in NYC.¹⁸ PUSH and its grassroots leaders have been the CWF's lead partner in advocating for the legislation and piloting its community-based implementation.

¹⁷ http://www.greenandhealthyhomes.org/

http://www.cwfny.org/issues/green-jobs/

Green Jobs/Green NY is the most expansive and ambitious energy-efficiency residential retrofitting program in the nation. When fully implemented, it is projected to create 35,000 jobs statewide and enable green upgrades in 1 million homes. Modeled in part on a municipal program in Portland, Oregon, 19 Green Jobs/Green NY mandates a central role for community-based organizations in "aggregating" retrofit projects, which gives organizations like PUSH leverage with contractors to determine the labor conditions under which work is performed, including the percentage of workers hired from low-income neighborhoods.



Members march in support of PUSH's Green Jobs and Housing Platform.

The program also includes an innovative public-private finance mechanism that enables participants to finance the green upgrades over a ten-year period on their utility bills. Such "on-bill" loans to homeowners will draw from a revolving pool of private capital seeded by large financial institutions and supported by credit enhancements from the State of New York. The architects of the Green Jobs/Green NY program, including PUSH, recognized the political value of including financial institutions as central program stakeholders. Once Green/Jobs/Green NY

proves its capacity to scale-up investment in housing weatherization, PUSH expects financial institutions to become a major force in the program, much as they did under the Low Income Housing Tax Credit program, the nation's major vehicle for low income housing construction.

PUSH has created a network of ten community-based contractors to implement Green Jobs/ Green NY in the broader Buffalo region. Participating contractors have agreed to abide by a set of high-road labor standards, including local hiring goals, in performing program work. PUSH and the contractor network have established a goal of 500 green residential retrofits over the next two years.

Labor unions, in particular the Laborers International Union (LIUNA), are core partners in the Green Jobs/Green NY network. Through an innovative partnership with PUSH and community-based contractors, LIUNA is committing training resources and working toward a collaborative agreement to maintain high road labor standards on project sites. LIUNA, PUSH and the Center for Working Families have worked jointly to build relationships with High Road contractors eager to expand their weatherization and abatement work. Through this innovative joint effort, several contractors have voluntarily agreed to sign memorandums of understanding with LIUNA that would cover newly hired workers performing work under GJ/GNY-funded projects.

¹⁹ See Clean Energy Works Portland, http://www.cleanenergyworksportland.org/

PUSH continues to organize for expansion and integration of other GHHI funding streams, such as the Federal WAP program and HUD grants for lead abatement, to create a coherent stream of resources and pathways to employment based on the Baltimore model.

Urban Agriculture

PUSH was not the first nonprofit to lead sustainability efforts on the West Side. Since 2001, the Massachusetts Avenue Project (MAP) has promoted food security and food justice by managing an urban farm, developing sustainable fish production systems, and supporting community gardens. This regional food system initiative focuses on localizing food system components — including food production, food processing, waste management, food transportation, and sale of food — toward the end of developing infrastructure and an environment that will employ local people. In Buffalo, MAP, through its Growing Green program, is simultaneously creating models for sustainable urban food production; advocating for structural changes to increase local job creation; and providing nutritional education and on-the-job training to youth in the areas of urban agriculture and aquaponics sales, outreach, and farming science.

PUSH has partnered with MAP in recent years to expand food production in the GDZ. Several PUSH-owned lots are managed by MAP's farm personnel.

A Green Jobs Training Pipeline

PUSH's housing construction and GHHI work require a stream of well-trained neighborhood residents, especially as GHHI work expands with the implementation of Green Jobs/Green NY. In partnership with the Outsource Center, a Buffalo construction training organization, PUSH trains low-income residents in three ten-week training programs per year. A total of approximately 20 residents are trained per year. Successful trainees work on PUSH's construction projects in the GDZ, enter union apprenticeship programs or work with contractors on GHHI projects. At any given time, one PUSH-owned house in the GDZ is dedicated as a training house.



PUSH's recently completed training house was a NetZero renovation project that is now among the greenest houses anywhere in urban America. Trainees were engaged in every aspect of the experimental project, which includes a geo-thermal heating system, two solar systems for hot water and electricity and an advanced building envelope, with super insulation.

Using state and federal funding streams, several other Buffalo institutions have ramped up their green job training offerings, typically by implementing the Building

Performance Institute curriculum. PUSH has formed productive partnerships with the Outsource Center, Erie Community College, BOCES and Environmental Education Associates to provide enhanced training opportunities for neighborhood residents seeking pathways to employment in the green jobs sector.

REPLICATING AND EXPANDING THE GDZ THROUGH COMMUNITY ORGANIZING

PUSH holds leadership trainings and planning meetings on a weekly basis. General events, including seasonal parties, film screenings and fundraisers, are open to all members. Leaders also plan public campaigns to promote corporate accountability in the realm of sustainable urban development and to embed the model and objectives of the GDZ in legislation and public programs.

Public Policy Reform and Legislation

Outside of Green Jobs/Green NY, PUSH's cardinal achievement in the public policy realm is the Sustainable Neighborhoods Program (SNP), created by PUSH in partnership with New York State's housing agencies and championed by Governor David Paterson in his final year in office. The program sets criteria which mirror GDZ objectives. Applicants are required to provide a community-generated neighborhood revitalization plan which demonstrates a coherent and multi-faceted approach to sustainable development, with an emphasis on renovating existing vacant structures. SNP was funded with an additional \$2 million allocation in 2010.²⁰ These funds will support affordable housing renovation in the GDZ as well as neighborhood projects throughout the state.

PUSH's and its partners' three legislative victories--the Block-by-Block program Green Jobs/ Green NY and the Sustainable Neighborhoods Initiative--have placed New York at the forefront of sustainable community development policy.

PUSH, through its affiliation with National Peoples Action (NPA), is now advocating for similar policy creation at the Federal level through regular meetings with HUD officials. HUD's Sustainable Communities is designed to incentivize regional co-operation on transportation and planning matters but does little to promote community-based sustainable development. Through continued advocacy and organizing, PUSH, under the NPA umbrella, will continue to press for a Federal program that can assist community-based developers in realizing sustainable development plans for their neighborhoods.

Holding Banks and Utilities Accountable

PUSH's organizing is not limited to the public sector. Regulated companies in the finance and energy sectors have legal obligations to demonstrate compliance with stipulated reinvestment and conservation goals. Banks are bound by the Community Reinvestment Act and other state and Federal statutes to meet a variety of reinvestment and lending goals. Similarly, public utilities, through their state regulators, are typically bound by statutory and administrative regulations to meet energy conservation goals. These regulations often stipulate that utilities have added duties when it comes to investing in conservation programs targeting low-income customers and neighborhoods.

In partnership with Green for All and National Peoples Action, PUSH has launched a campaign urging banks to invest in the green job training components of the GDZ. PUSH and its partners have convened two forums with bank regulators (Federal Reserve, the OCC and the FDIC)

[&]quot;Governor Paterson Announces That Sustainable Neighborhoods Program is Moving Forward," Office of Governor David Paterson. http://www.dhcr.state.ny.us/PressRoom/news100210.htm



PUSH members at a banking reform march on Wall Street.

and a set of seven banks with large market shares in New York State. At these forums, PUSH presented proposals for increasing investment in Green Jobs for Buffalo, the job-training component of the GDZ. Negotiations with banks and their regulators continue on the allocation of CRA-qualified bank investments to green job training programs.

PUSH has also launched a public campaign, using direct action mobilization as a central tactic, to reform the conservation practices of National Fuel, Buffalo's gas utility, and its regulator, the Public Service Commission (PSC). National Fuel is mandated by the PSC to run a Conservation Incentive Program to improve energy efficiency in its service area. The program is funded through a surcharge on customers' bills that amounts to \$10 million a year.²¹ PUSH has critiqued the CIP program budget for being overly focused on advertising expenditures that promote the company's brand and a rebate program that is inaccessible to low-income customers.

PUSH has helped to organize a regional coalition around utility accountability issues. The overarching objective is to increase and streamline corporate investments so that they promote a rational and integrated system of housing weatherization and hazard abatement, following the Green and Healthy Homes model pioneered in Baltimore. This model offers the best hope for creating clear pathways to employment for unemployed residents and to ensuring that homes receive comprehensive upgrades to improve energy efficiency and health outcomes.

In November 2011, the coalition won a major victory when the Public Service Commission allocated \$20 million in additional funds for the residential retrofit program serving low-income households.

²¹ "Protestors put heat on National Fuel," *Buffalo News*, February 17, 2011.

The Neighborhood as Green Development Laboratory

Experimentation with renewable energy systems, urban agriculture and green construction is another core component of the GDZ. The NetZero house renovation project at 10 Winter Street stands as a model of cutting-edge, super-efficient building techniques.



Installing the geo-thermal system at the NetZero house in the GDZ.

The house produces as much energy as it uses through a combination of a 4.5 KW solar array for electrical generation, a geothermal heating system embedded in the adjacent vacant lot, a solar hot water system, super insulation of the home's "thermal envelope," and a "Cool" metal roof with a reflective finish to passively cool the home during the hottest summer months. In addition, the roof is 100% recyclable.

Twenty vacant lots owned by PUSH in the GDZ have been transformed into exemplars of

sustainable landscaping. They have been repurposed as pocket farms producing hundreds of pounds of squash and beans, rain gardens diverting rainwater from antiquated combined sewer systems, pollinator lots that promote the regional bee population and community gardens accessible to neighborhood residents and school children.

PUSH has synthesized community organizing and neighborhood infrastructure planning by working to improve the main park space in the GDZ neighborhoods. After a two-year campaign in which residents generated a plan for the Mass Ave Park that includes sustainable design elements such as native plantings and rain gardens, the city agreed to fund the construction of the park in 2011.

BUILDING A COMMUNITY GROWTH MACHINE

The concentration of sustainable development projects in the GDZ and PUSH's successful organizing campaigns to generate public investment for replicating and scale-up components of the GDZ have laid the groundwork for a growth complex of non-profit community-based organizations and their neighborhood leaders, green construction and weatherization contractors, materials suppliers and their organized employees. The Community Growth Machine harnesses the power and material momentum of an industrial complex but, given that its anchor institution is a member-led community organization, applies it to meet the infrastructure and employment needs of low-income neighborhoods. To date, the GDZ has garnered approximately \$6 million in direct investment. Programs and initiatives generated by community organizing in the GDZ, primarily Green Jobs/Green NY, are projected to yield more than \$20 million in annual investment in the Buffalo region.

Successful completion of PUSH's organizing efforts directed at financial institutions and utility companies would further increase investment capital for regional Green and Healthy Homes initiatives.



Elected officials join PUSH members to celebrate groundbreaking on a \$1.8 million green housing project.



Contractors and labor unions join PUSH trainees for a project groundbreaking.

To build power for the Community Growth Machine, stakeholders must act strategically and in concert to win resources for additional triple-bottom-line investments. Aligning the interests of PUSH's grassroots community leaders, residents employed on GDZ-related projects, contractors and materials suppliers is a fragile process requiring careful coordination.

To date, monthly meetings on implementation of the Green Jobs/ Green NY program--convened by PUSH and attended by construction, weatherization and hazard abatement contractors, job training entities and workers in green jobs sectors--have proven to be a fruitful forum for uniting around a common vision of growth in the GHHI sector. Stakeholders have identified prospective roles in an expanded and streamlined GHHI network, anchored by the Green Jobs/ Green NY program, and have worked in concert to influence policymakers and elected officials to drive the program implementation process.

The PUSH/LIUNA community-labor alliance works to ensure that emerging jobs in weatherization and hazard abatement adhere to "high road" labor standards could prove to be the most powerful component of the Community

Growth Machine. LIUNA and PUSH have a shared self-interest in securing resources to expand sustainable development while creating career pathways.

Expanding access to public and private capital for green affordable housing renovation, weatherization, hazard abatement, sustainable landscaping and urban agriculture is essential for the growth of the Community Growth Machine. PUSH has achieved early success in mobilizing community leaders to expand the base of public capital available for GDZ investments.

The public--private hybrid model of finance, in which financial institutions contribute to a revolving loan fund for residential retrofits, provides significant political-economic capital in expanding energy-efficiency projects.

THE PROSPECTS FOR LARGE-SCALE CAPITAL PROJECTS IN THE GDZ

The implementation of the Green Jobs/Green NY program provides the first opportunity to mobilize the community and contractor networks forged in the GDZ for large-scale infrastructural improvements. The aggregation of hundreds of residential weatherization and heating system projects is projected to generate significant growth for 10 community-based contractors and to create about 200 jobs in the Buffalo region over three years. PUSH will play a central role in aggregating projects and identifying candidates for employment from among the green construction trainees in the GDZ.

To meet the critical need for quality employment needs in Buffalo's low-income neighborhoods, the GDZ must generate far more than 200 green jobs. Thus, to realize the promise of a sustainable community, the GDZ must ultimately advance large-scale green investments, both in the boundaries of the GDZ and in the broader region through coordination with contractors committed to hiring low-income trainees from GDZ training programs.

In addition to residential building retrofitting, several sustainable development sectors offer promise for job creation in the GDZ. There are approximately 20 small brownfields in proximity to the GDZ. Many of these sites were former gas stations and have soil contaminated with toxins. Although to date no training in the GDZ has prepared workers for brownfield remediation, a precedent has been set for community-based training and placement for brownfield clean-up on Buffalo's East Side. 22Through the state's Brownfield Opportunity Area program, the GDZ could incorporate comprehensive brownfield clean-up and development as an additional focus.

Community-based district heating and power generation is another prospective GDZ sector. PUSH's installation of a geo-thermal system at its NetZero house proved the viability of horizontal geothermal installation on vacant urban land. PUSH is currently planning the final phase of the revitalization of a 1.5 acre park at the core of the GDZ, which could include a large-scale geothermal system to provide heat for approximately 30 houses if properly retrofitted.

Finally, with more than 10 miles of waterfront along the Niagara River and Scajacuada Creek, watershed restoration is an emerging sustainability sector that offers the prospect of employment for West Side residents. Buffalo Niagara Riverkeeper, located on the West Side, has led planning efforts for river and creek bed dredging and shoreline remediation.

COMMUNITY GROWTH MACHINE STAKEHOLDERS

The Community Growth Machine transforms the impersonal and exploitative materialism of the urban growth machine--as elucidated by Logan and Molotch—into a community-rooted force

²² "Environmental Cleanup Activities Completed at 858 East Ferry," NYS Department of Environmental Conservation.

for control of developmental resources. Anchored by a community-based organization with a mobilized membership, the Community Growth Machine provides a democratic mechanism for planning to meet the physical and social needs of very low-income communities and creating social wealth in the process of realizing that vision.

With an array of partners all with their own material interests, the Community Growth Machine has characteristics that mirror those of other industrial complexes: inertial energy that propels itself forward and a thirst for growth. The negative face of materialism is softened, and in some cases transformed, by three features of the Community Growth Machine: (1) the ongoing democratic participation by community-based leaders in steering the Community Growth Machine and establishing the slate of infrastructure projects in GDZs; (2) the positive social and environmental impacts of the widgets produced by Community Growth Machines. The core products of the Community Growth Machine--insulated houses with energy efficient furnaces in dense, pedestrian-friendly neighborhoods-- are far preferable in social and environmental terms to the McMansions on the periphery and stadiums and convention centers at the core produced by typical Urban Growth Machines and; (3) the ability of anchor community-based organizations to enforce High Road labor standards—living wages with benefits—on projects generated by the Community Growth Machine.

CORE GDZ STAKEHOLDERS

Community-Based Organizations

Community organizations with well-developed base-building and leadership development systems are critical drivers of the Community Growth Machine. Action-oriented, independent CBOs fill the following functions, which are essential building-blocks of growth:

- Building an organized constituency to win commitments of public and private capital
 from government entities. In the case of PUSH, a commitment to direct action forms
 of protest, including mass mobilization with strategic communication, has proven to
 be an essential source of power. As with PUSH and Green Jobs/Green NY, agencies
 and legislatures are responsive to demands for sustainability investments made by
 grassroots constituencies when they are presented coherently and in concert with other
 growth machine actors.
- Visioning, prioritizing and sequencing GDZ projects through adherence to democratic planning principles so that they maximize employment, affordable housing and environmental outcomes.
- Organizing associations of small community-based contractors to carry-out GDZ developments in the weatherization and construction sectors.
- Creating a training pipeline from among grassroots members who are prepared for work with contractors on GDZ weatherization and green construction projects.

Community-Based Contractors

Community-based contractors enter the GDZ realm due to their self-interest in winning contracts for GDZ capital projects. Lead CBO's can channel contractors' short-term self-interest into longer-term vested party status in the Community Growth Machine. In return for providing a vehicle and additional capital for growth in GDZ core sectors, lead CBO's can win commitments from contractors to hire and train unemployed GDZ residents for projects in the GDZ and beyond.

By adding the voice of business, contractors can become key allies in advocating for additional capital for GDZ projects and for public policies like Green Jobs/Green NY and the NYS Sustainable Neighborhoods Program that advance efforts to scale-up residential retrofit and green construction efforts.

Labor Unions

In the case of the PUSH Green Development Zone, building trades unions agreed to partner on training projects such as the NetZero house to provide their own apprentices with residential work experience and, more altruistically, to enhance residents' training experiences and provide exposure to the apprenticeship opportunities.

As the PUSH GDZ enters its next phase, building trades unions, in particular LIUNA, have been working closely with PUSH to advocate for implementation of Green Jobs/Green NY. Unions have a clear self-interest in organizing building retrofit workers as the promises of New York's path-breaking program are realized.

PUSH anticipates that trades unions will remain key allies in advocating for future affordable housing rehabilitation projects. With shared material interests and a forum for joint planning and action, the Community Growth Machine provides an opening for deeper community-labor collaboration than is typically seen in alliances built solely on solidarity.

Clarification of roles and setting out procedures to uphold core GDZ values such as union apprenticeship set-asides for GDZ residents and pathways for career advancement must be navigated carefully. Some amount of inter-alliance conflict over the dividends of GDZ projects should be expected.

SECONDARY GDZ STAKEHOLDERS

Public Sector Agencies

In the case of Buffalo's GDZ, the New York State Department of Housing and Community Renewal was among the first supporters, providing both funding and intellectual support. The Buffalo GDZ has depended on the state for much of its housing rehabilitation capital. The State of New York formally adopted the principles of the GDZ in creating the statewide Sustainable Neighborhoods program. The GDZ, then, should not be seen as a "third way", neo-libertarian model of community-led development but rather as a restructuring of power relations between housing officials and grassroots leaders.

Charitable Foundations

Locally, foundations have supported the GDZ in an effort to identify replicable models for addressing Buffalo's housing and neighborhood crisis. National foundations have become engaged around the potential for the GDZ to support the scaling-up of the building retrofit sector.

National Networks and Intermediaries (NPA, Green for All, LISC)

National nonprofit associations, especially National Peoples Action, Green for All and LISC, active in both community organizing and development, have been key strategic allies in lifting up the GDZ model.

Materials Suppliers and Design Professionals

Several materials suppliers, including window manufacturers and renewable energy technology companies, have used GDZ projects to demonstrate the efficacy of their products. In addition to sales, green materials suppliers benefit from publicity generated by GDZ projects

Financial Institutions

With the Green Jobs/Green NY public-private finance structure conceived by the Center for Working Families, banks and other financial institutions now have a stake in the scaling-up of the building retrofit sector both in the GDZ and statewide. Assuming the expected return on investment, finance is now tied through interest-bearing loans to residential infrastructure improvements.

OTHER GDZS AND PARALLEL INITIATIVES

Alliance to Develop Power, Springfield, MA

Through grassroots mobilization and community control of resources, ADP has built a system of co-operative enterprises that include more than 800 units of housing, a maintenance and small construction company, a housing weatherization company, a worker's center and a food co-operative. Like PUSH Buffalo, ADP is an affiliate of National Peoples Action and has been a national leader on issues ranging from the preservation of public housing, immigration reform, and financial regulatory reform.

ADP has developed educational programs that increase financial literacy, promote labor rights, and provide context for the organization's direct action campaigns. The organization's work is grounded in a set of co-operatively developed community principles that emphasize economic justice and broad-based political mobilization.

Northwest Bronx Community and Clergy Coalition, Bronx, NY

The Northwest Bronx Community and Clergy Coalition (NWBCCC), also an NPA affiliate, engages relational organizing through community institutions and leads issue campaigns that recruit and train individual and institutional members and win concrete victories that improve material conditions for community members and alter the relations of power. NWBCCC has long had a green jobs focus through its Weatherization Assistance Program, which performs insulation, window replacement and other energy efficiency improvements on hundreds of homes each year. The Coalition is now expanding its sustainable development activities through a Bronx-wide Green Jobs Initiative focused on a Bronx Green Workforce Development Roundtable to ensure Bronx organizations are providing local residents with access and support to green job training, placement, on healthy alternatives and community awareness of the benefits of energy and health alternatives like weatherization, urban farms, food coops, and community gardens.

Sustainable South Bronx, Bronx, NY

Founded by Mejora Carter, Sustainable South Bronx has transformed sections of the neighborhood into laboratories for urban agriculture, sustainable landscaping, renewable energy technologies and green construction. The South Bronx Greenway, a project conceived by the organization, is under construction and will transform an underutilized corridor into a sustainably landscaped, multi-use public space around the Hunts Point and Port Morris waterfront.

California Environmental Justice Alliance

The California Environmental Justice Alliance (CEJA) is a coalition of base-building organizations which promote community health through organizing and mobilization. CEJA members have long been leaders in the Environmental Justice movement and lead campaigns against environmental polluters that disproportionately affect communities of color and low-income neighborhoods. In 2010, CEJA produced an extensive report laying out a vision of Green Zones. CEJA began the Green Zone initiative to "support community-based visions for environmental justice and sustainable, community-based development." and envisions Green Zones as a Federal designation that would promote integrated sustainable development in low-income neighborhoods while improving community health.

THE GDZ AS NODE OF A NEW COMMUNITY ECONOMY

The GDZ suggests a model for generating community-controlled capital that can be reinvested in projects that generate positive social outcomes in housing conditions, health and environmental quality. Prospective sources of capital flowing from the GDZ include:

- (1) Rents captured from high-quality affordable housing units constructed with little or no debt through public support.
- (2) Pooled profits made by community-based contractors on construction and weatherization projects in the GDZ and beyond.
- (3) The sale of food and native plantings grown on vacant land in the GDZ.
- (4) Member dues paid by workers and community members in the GDZ.

The exemplar of a fully-realized set of such interconnected cooperative enterprises is the muchstudied Mondragon Corporation, which employs more than 80,000 workers in the Basque region of Spain in a network of more than 250 co-operatives operating in a wide spectrum of industries.

Following the Mondragon model, GDZ profits could fuel the creation of distinct, community-controlled corporate entities in green sectors such as construction, weatherization, hazard abatement, renewable energy system installation, brown fields clean-up and urban agriculture. With democratic review processes established by anchor CBOs, GDZ profits could also be allocated to seed interconnected networks of social enterprises and co-operatives in other niches, such as food retail, childcare and entertainment.

To support these enterprises, the GDZ model might ultimately necessitate the creation of a community-controlled financial institution organized either as a credit union or a credit services bureau. Such an entity which would be charged with housing the capital generated by the network of GDZ enterprises and creating a transparent, democratic method of allocating capital to new projects and recapitalizing existing entities.