

**THE ROLE OF THE LOCAL GOVERNMENT IN PROMOTING
SOCIAL AND ECONOMIC DEVELOPMENT**

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CHAPTER ONE

INTRODUCTION

1.1 Purpose

The purpose of this project is to examine a case study of one of Baltimore City's programs for promoting social and economic development, the Sandtown-Winchester Project.

The objective of this research is to explore the aims, methods and results of the economic development initiative conducted by the local authority to solve the social and economic problems of one of Baltimore's toughest neighborhoods. Racked by crime and joblessness, pocked with run down row houses, abandoned buildings and weed-filled lots, Sandtown-Winchester caught the attention of people who felt responsible for changing the situation.

The focus of this case study is on the partnership between the actors at the local level and on the civic participation of citizens from the neighborhood. Therefore, I will identify the main actors involved in the Sandtown-Winchester Project and will stress the role of the local government as a leader of the whole process.

The participation of the citizens plays an important role in successfully carrying out the plan of revitalization in the neighborhood. My research tries to seek the methods and the instruments that local government uses to make its citizens conscious of their needs and their power to influence the life of their community.

The intent of this project is to provide useful information and experience for me to carry home to share with the Mayor and my colleagues from the City Hall of Piatra Neamt.

Although the problems and conditions the local government of the City of Baltimore has to deal with are not quite the same in my city, I believe that the research will be beneficial for Piatra Neamt. We will try to apply to our local conditions the experience of the City of Baltimore in public- private partnership and in civic participation.

In Romania people do not participate in the decision making process because they do not know that this is a way to better influence their lives in their community. The public- private partnership does not really function. This may be because our local government does not know how to use its policy instruments in gathering the most important actors from the local level while using the local resources for promoting local economic and social development.

The objective of my project is not to find and to offer quick solutions to the problems of my city but to learn how to approach the urban problems, to be able to make a careful assessment of local strengths and weaknesses and to formulate clear and realistic objectives and strategies.

Another lesson to learn is how local government mobilizes every sector: public, private and citizens, to take part in improving the social and economic viability of the entire area.

1.2 Coverage and procedures of research

The project covers the analysis of the Sandtown Winchester project as a part of the Urban Renewal Program of Baltimore City. Local government, represented by the Mayor Kurt L. Schmoke, plays an important role among the partners, including Sandtown- Winchester residents and the Enterprise Foundation.

After a brief description of the action plan for the Sandtown- Winchester project, the main part of my paper will focus on analyzing the work of the local government to carry out the

plan by gathering together neighborhood residents, city agencies and Enterprise representatives, service providers and professional planners, to create a partnership and assume key responsibilities to launch the transformation process.

The procedures of the research include:

1. Direct survey of the social and economic phenomena from the Sandtown- Winchester neighborhood
2. Interviews with people from the organizations involved in the revitalization of the declining neighborhood such as:
 - The City Hall
 - The Enterprise Foundation
 - The Community Building in Partnership
 - Neighborhood organizations
 - The Neighborhood Development Center
 - The Sandtown Habitat for Humanity
 - The Community Law Center
 - The Metroventure Inc.
 - The Community Development Corporation
3. Gathering statistical and demographic data about the Sandtown Winchester neighborhood situation ,intermediate results concerning job creation, housing , education, health care, training.
4. Use of library resources,such as books, journals, newspapers, studies, etc.

1.3 Limitations of the project

There are some limitations for applying the model of economic development for the City of Baltimore to my city. This is because there are some salient differences between our two cities and our two countries such as :

- the type of government in U.S. is a federal one. That means that there is a national, a state and a local type of government ,in which there is a dispersal of power. In Romania there are only two levels of government: national and local and it is a more centralized system

- the history of public -private partnerships in Baltimore goes back more than thirty years and spans a variety of successful projects, ranging from economic - development efforts to housing rehabilitation. Piatra Neamt is just beginning this process

- there are a lot of citizens and community organizations in the City of Baltimore that put a strong pressure on the local authority concerning the way their problems could be solved. In Piatra Neamt there are no such organizations

- the elected leader of the community , the Mayor, has more influence, power and more political instruments to implement the process of the social and economic development in Baltimore than in Piatra Neamt

- the U.S. has a better welfare system to help population in need , while this system in Romania is almost nonexistent for the population qualified to receive help from the government

- the possibilities of financing the economic development projects are very different in these two cities. Baltimore can receive for its projects grants and bonds from many sources like: federal , state, local government as well as money and loans from non profit and for profit organizations. While in Piatra Neamt there are very few sources available for financing projects

outside of the national allocation.

1.4 Structure of the project

Chapter One- Introduction

Chapter Two- presents the description of local changes which local government in Romania, Piatra Neamt in particular , faces today.

Chapter Three- a parallel between the Sandtown Winchester neighborhood and Piatra Neamt ,regarding the social and economic situation.

Chapter Four- description of the action plan of the Sandtown- Winchester project with the focus on the partnership process , on how this mechanism functions, analyzing the relationships between the actors involved in the social and economic development project and the role of the local authority as a leader of this project.

Chapter Five- presents the role of the neighborhood residents in the process of revitalizing their neighborhood, the mechanism of civic participation project.

Chapter Six- the project concludes with suggestions and recommendations on how to start in Piatra Neamt the process of working in partnership, mobilizing local energies and the citizens of the community to promote economic and social development.

CHAPTER TWO

2.1 From the centralized system, to the local autonomy and decentralization

Beginning with the revolution of December 1989, a new era of political, social and economic changes began in Romania.

To destroy the old communist and totalitarian system was not enough. The euphoric moment of the victory for democracy was followed by the most difficult one : the reconstruction of the old system.

The fundamental questions were: What political system should replace the communist government? The nation decided on a democratic system. But, what kind of a democracy? How should we face today's problems? Can we find solutions to solve them?

To find answers to these questions is not easy. What we believe, is that the best alternative is to build a democratic society, based on market economy, decentralization and local autonomy in an open society which meets the needs and the expectations of its citizens.

Before the communist takeover in 1947, Romania's system of local government was made up of municipalities and judets. This structure was greatly influenced by the French system of local government. Under this system, municipalities and judets were administratively and financially independent of the central government , and governed by elected councils and officials. Local governments owned utility companies which provided local services, but these companies were financially independent from the local governments. Overall responsibilities of local governments were broad.

During communist rule, local governments became extensions of the central government. People's Councils at the municipal and judet levels governed, but they were tightly controlled by the central government and communist party structures. This all began to crumble after the events of 1989.

The process of transforming Romania into a democratic state , based on many parties, separation of powers and market economy, required a radical change in the structure of local communities.

The Constitution adopted in 1991, established the local administrative autonomy as the main element of governing. The Law of Local Public Administration no. 69/91, together with the Law of Local Election no. 70/91 created the framework for the local authorities to exert their local autonomy.

The law on Public Administration of 1991 established judets, municipalities and communes as forms of local self-government in Romania. The first level beneath the national government and the prefects is the judets or county. The judet is responsible for coordinating the budget process within each county and planning and delivering services of a multi-jurisdictional nature. Each judet also has a council which serves as the local public administration authority for the county.

Unfortunately, the administrative reform which began with those two laws ,developed much more slowly than expected. The reform was very slow concerning decentralization of the decision making process and the autonomy of using the local financial resources by the local authorities. At this moment the system of public administration faces a period of changes. There is a need to improve the legislative system with new laws. The state must give more decisional power to the local authorities,and create an adequate environment for citizens to participate in the

decision making process.

2.2 The local social-economic development in Romania

For a better understanding of the purpose of this project , it is necessary to define the concept of local social and economic development.

Local social and economic development represents a development process, within an area, which has the result of improving the standard of life of the community. In this process , the actors and the local institution try to utilize the local resources for maximum efficiency. The goal of this strategy is to create new jobs and to improve the overall climate in the area.

This concept is supposed to be materialized in a real partnership between public and private sector involved in the process of social and economic development. These actors should work in partnership with one another, mobilizing maximum resources and making a substantial impact in the local area.

The major objectives of local and social economic development are economic prosperity and social well-being. These objectives can be reached by creating a favorable environment for doing business, at the same time with promoting a positive attitude among the citizens concerning the problems for revitalizing their community.

Local social and economic development has a local foundation. It needs a local decision making process with not too much interference from the national politics. This is the reason why the system has to become decentralized and the local authorities have to receive more power to act at their level.

Local development should be based on local resources and on the activity of the business

community. For countries in transition to the market economy , privatization represents one of the main factors of economic progress. The more businesses there are in the area, the better local economy will do. So, the main task of the local authorities is to create a good environment for doing business in the area.

The actors involved in local social-economic development are:

1. Local authorities with local and central representation, who are responsible for the industrial activities, the environment, public works and transportation
2. The representative of the economic activities, such as developers, private enterprises, banks and trade unions
3. Educational institutions, such as: schools and universities
4. Nongovernmental organizations
5. Mass-media-with an important role in educating the community

In Romania, the willingness of the local authority to involve in the process of the local social and economic development becomes more the result of the strong pressure of the community , which considers- rightly or wrongly - that the local authority is partly responsible for the local economic situation. In response,local authorities have a number of policy instruments for carrying out their development programs and promoting social and economic development. They can use traditional measures, including provision of public services, transportation infrastructure, environmental measures.

After 1989, in Romania several laws were adopted , in order to create a legislative framework , which was necessary to support social and economic development.

Since this process is at the beginning in Romania, it is difficult to make an evaluation until five or ten years after these programs are implemented. Some positive results are evident

now, probably because some strong local leaders mobilized the local resources, and have initiated and supported the early efforts.

The main obstacles in implementing efficient local social and economic development policy are the insufficient decentralization of responsibilities and lack of financing the projects.

At this moment, the most probable solutions to promote local social and economic development are:

- establishing partnerships between different levels of administration and diversified participants;

- civic participation of the citizens who should become more aware of their role in the process of local economic development.

The present legislative system tries to reduce the interference of the central authority in the decision making process at the local level. The new Constitution and the Law no. 69 by itself can not create the legislative framework to exert an effective local autonomy. This is because there is much reference in the legislation to former precedent laws. However, when local decisions are reached based on Law no. 69, those decisions are subject to many other laws of the general government. Therefore, the local autonomy described by the Public Administration Law no. 69 does not accomplish its intent. This situation creates a legislative dependence which influences the decision making process from the local level.

2.3 Presentation of the city of Piatra Neamt: From the geographical setting and history to today's social and economic situation

Piatra Neamt, with a population of 130,000 inhabitants, is the capital of the Neamt county, is situated in the eastern limit of the Eastern Carpathian Mountains, and is located in the center of the county of Neamt, at an average height of 310 m(1017 ft) above sea level. The main residential areas are in the valleys, except for the two large industrial complexes which are situated outside the city. The most impressive natural element is the Pietricica mountain, a rocky massif dominating the surroundings and which gave the city its name.

The city territory stretches in a picturesque natural set-up, with a mild climate. The Bistrita river running across the locality is also an important natural element of the city and in the past it played an important role in its economy. The Bistrita river was utilized for transportation of raw lumber to cities located on distant rivers Siret and Danube.

When the hydroelectric system was completed, the economic role of the Bistrita river changed, a chain of hydroelectric power-stations appeared as an everlasting source of energy and gave a new value to the landscape.

Seated in a distinct geographical setting, with favorable relationships in the territory, Piatra Neamt was a permanent dwelling place as far back at the Stone Age. The most flourishing period in the Middle Age was under the reign of Stephan the Great, who built there a princely court, the heart of the future city. In the second half of the last century the city was named Piatra Neamt ;a paper factory was founded and the wood development industry began. The city's size increased especially during the post-war era and in 1967 the city was raised in rank to a municipality.

In the communist period, the city developed as an industrial city and it was during this period that many people migrated from the countryside to the city, because of the industrialization policy. The largest part of the working population was employed in several big plants in the city. The industries were principally chemical, machine construction and wood. The city's economy was controlled and supervised by the central communist government, as a part of the centrally planned economy.

The big administrative and political changes after 1989 had a strong impact on the social and economic situation of the city. The new democratic elected local authorities were confronted with a range of different circumstances, from sudden major plant closures that threatened to throw large numbers of people into the job market all at once, to the problems of long-term and seemingly irreversible economic decline. The local authorities are concerned with the high rate of unemployment in the area where traditional activities provide fewer and fewer jobs.

The exodus of the population in the period of industrialization from the rural areas to the city, was not anticipated in development of the urban infrastructure. That is why the city is faced today with a lack of housing, adequate water supply, electricity, telephones, transportation and other segments of infrastructure.

Thus local government has been burdened with responsibility for the aftermath of the collapse of the centrally planned economy.

Regarding the problem of citizen participation, there are several points to emphasize. The citizens from the city have the right to participate under our laws and regulations, in the political, economic and social life of our city. But there is no real tradition of public participation in the city or municipal policy making process.

There are two particularly inhibiting factors which have precluded citizens participation in Piatra Neamt.

First, the psychology of 50 years of former political systems which discouraged participation, creative thinking, and problem resolution. The city's task of reversing this thinking, and assisting a skeptical population to participate in their future is a difficult and long term process, which can be accomplished with good communication, education, consensus and the rebuilding of trust.

The second factor is the economic status of Romania and the City of Piatra Neamt, at this time. Without necessary funds to budget, and without local discretionary funds, it is impractical to expect that many of the citizens request and needs will be fulfilled.

CHAPTER THREE

3.1 Major changes in American society after the Civil War that led to today's problem.

Big changes in the economic and social life of U.S. cities began after the Civil War.

While industrialization drew southern and eastern Europeans to Baltimore, most rural southern black populations also arrived, pulled by the promise of jobs, but pushed by the racism and the decline of the cotton industry. The blacks who migrated to Baltimore in the 1880s and 1890s were different from the free population established there before the Civil War. The new arrivals were rural, unskilled and too poor to live in other than abject conditions. After their arrival, rigid housing patterns developed in Baltimore for the first time.

The new black Baltimoreans crowded into the first black ghetto, an area known as Pig Town. White immigrants and African-Americans who were better off moved as far away from Pig Town as possible. As the white population abandoned their new neighborhoods to affluent black population, and as poorer blacks crowded in after them, the black slums expanded.

When Baltimore was at the height of its industrialization, black and eastern European workers who lived close to their jobs crowded the city center. After the electric trolley was introduced in 1890, financiers and commercial interests created "downtown", a central business district to serve industry, shipping, finance and retail sales. Therefore, the population who lived there was forced to move away. While the Eastern European workers moved south and east, the black workers moved north and west. As a result, the part of the city known today as West Baltimore, began to turn black. Because of the persistence of the segregation rules, Sandtown remained predominantly white until World War II.

By 1910, nearly twenty-five thousand black people lived in West Baltimore, while only seventy- five hundred whites remained. The area had become a magnet for African-Americans all over the city. By 1930, most of city's black middle class lived there, and many prominent black families had established themselves there.

The new trend that appeared in the American city's life after World War II , the flight of whites to the suburbs, led to changes in the structure of the population. While many of the middle class population moved out to the suburbs, the lower class remained in the City. By 1978, two - thirds of the children in the city schools were black. Baltimore public schools were understaffed, under maintained and underfinanced. Baltimore had become two cities- a black inner city and a white outer city, the latter growing, the former decaying. While the suburban economy flourished, the inner-city economy was in a depression.

As Baltimore's local economy was integrated into the global economy, the city's large manufacturing firms lost business or moved their productive operations to Third World cities where labor was cheap. Also the port declined, because of the competition from other ports. Because of technology changes, the result was that many people lost their jobs, many of them moved out of the city to search for other opportunities. From a population of just less than a million people in the late 1940's, Baltimore lost a quarter of a million people in a single generation.

In 1990, the population of Baltimore City was less than 750,000. The majority of the remaining inner city population became poorer each year ,a fact that generated big problems that Baltimore faces today, unemployment, crime, drugs, health problems and vacant buildings.

3.2 Overviews of the circumstances that led to the necessity of starting the Sandtown-Winchester Project

Sandtown-Winchester is a 98% black neighborhood of Baltimore. Originally, local people say that the name of Sandtown was based upon the following stories: At the beginning of this century there was a great Baltimore fire, and 75% of the buildings downtown burned down. When the city was rebuilt, instead of using wood they used bricks and mortar. Trucks used to come through Sandtown full with sand for the place where they made bricks. As they traveled through the neighborhood, sand was all over the streets, so people named the neighborhood Sandtown. The other story is that the neighborhood has its name from the game named “horse shoes” that men used to play in the sand long ago.

Formerly a middle class neighborhood of African-Americans, from the late 1920's until the middle 1950's, Sandtown-Winchester had the privilege of having very famous native residents, such as Billie Holiday- a famous jazz singer, political leaders of the past Baltimore African-Americans, business leaders, doctors and many other prominent people. In those days the wealthy people lived with the poor because of the discrimination in the U.S. Starting with the Civil Rights Movement and the breaking of the barriers based upon discrimination, African-Americans began to move more freely within the American society. The result was that those who had the ability to move out of the inner city neighborhood began to move out, and Sandtown-Winchester from its glory days became a place , by the mid 1970's, as a very poor neighborhood. Many residents who lived there left their former homes. That was an opportunity for landlords to come and buy the houses and to transform them into apartment buildings for low income people.

By the 1970's Sandtown-Winchester had deteriorated in such a way that most of its negative indicators, such as crime, violence, teen-age pregnancy, infant mortality, were at the top of the city.

In 1988, after Mayor Schموke had been recently elected, the neighborhood had gone through a series of negative experiences, and was the leading neighborhood in the city concerning many social indicators. Another problem was the vacant buildings in the community. Of approximately 2000 buildings, almost 500 were vacant. Also , the three elementary schools in the neighborhood were rated as some of the worst elementary schools in the state of Maryland.

Despite all these negative things, there was still a strong element within the community who cared about the community , who continued to live there and called that place “home”. These people started to meet in order to discuss the improvement of conditions in the neighborhood. The Sandtown-Winchester Improvement Association was funded by the Block Grant dollars from the Department of Housing and Urban Development. It was in the year 1980 that the transformation of the Sandtown-Winchester neighborhood started.

At about this time, James Rouse, the developer of Columbia (Maryland), Baltimore- Inner Harbor, an international renown developer who had left the development field the year before, to begin the Enterprise Foundation, whose main objective was to supply housing for the poor of U.S., approached Mayor Schموke. Rouse had come to the conclusion that it was not enough to build houses for the poor. There was a need to attack all the systems that make a community dysfunctional, in order to make change work. So, in 1988 the President of the Enterprise Foundation approached the Mayor of Baltimore city to talk about his ideas. Originally, Jim Rouse wanted to start this very innovative project in East Baltimore where he had been doing some work previously. However, the Mayor when asked for a neighborhood of his

choice, recommended Sandtown-Winchester, based on several factors. One was that the West side of Baltimore, in which he had strong roots, came out very strongly in his first electoral bid for Mayor. Second, Sandtown had received in September 1988 notice from HUD that it would receive the largest Nehemiah allocation in the country. That meant that six square blocks in Sandtown would be torn down, and in its place 216 units, brand new townhouses would be developed for home ownership. When the Mayor came to a meeting to announce that fact, residents from the community asked him to think about solving the other problems that the community faced.

3.3 SWOT Analysis of the Sandtown-Winchester neighborhood. Strengths, Weaknesses, Opportunities and Threats. Parallel with Piatra Neamt

The Sandtown-Winchester neighborhood in Baltimore City is a 66 square block area just north and west of the downtown area. The boundaries of the area are Lafayette Street on the south, North Avenue on the north, Monroe Street on the west and Fremont/Pennsylvania Avenues on the east. Sandtown has 10,305 residents, 49.4 percent of whom are living below the poverty line. Half are unemployed, 45 percent receive public assistance, and 33 percent do not have affordable housing. Nearly 40 percent of all households in Sandtown have no earnings. Sixteen percent of births there are to mothers 17 or younger. Of the 5,000 structures in the neighborhood, 600 are vacant and 3,000 need rehabilitation.

Strengths:

The greatest strength of any community is its people. When the people lose interest and

care for their community there is little that can be done. Nevertheless, in Sandtown-Winchester is the opposite case. There are people who still care for the community, there are the Sandtown community groups, there are the churches very active in trying, over the years, to make good things for the community.

Another important strength is considered to be the local government's will to transform the neighborhood and the partnership among the actors involved in the social and economic project.

Weaknesses:

A weakness is considered to be the decline of population and its characteristics. The Sandtown population decreased at the same rate as the total population of Baltimore City which is declining:

- From 1980-1985, the city population declined 4%(from 786,755 to 755,500); the Sandtown population decreased 5%(from 12,854 to 12,185).

- The population of census tract #1501 decreased by 6%(from 4,021 to 3,760) from 1980- 1985; previously from 1970 to 1989 the population decreased by 22%in this census tract. The number of households in Sandtown is decreasing similarly to the city.

- From 1970-1980, the number of households decreased by 9% (from 4,790 to 4,342) in Sandtown (compared to a 12% decline for Baltimore City); after 1980, the trend stopped and the number of households in Sandtown has remained at the same level.

- 35% (960) of female-headed households have children (totaling 2,060) less than 18 years of age.

- This represents a 13% increase in the number of female-headed households from 1970-1980 and a 7% increase in the number of children in these families. This signifies larger families with children less than 18 years. (See table 1).

Other weaknesses of the Sandtown-Winchester neighborhood are the poor conditions related to health. These conditions are reflected in birth, disease and death data:

- more unmarried mothers are having children in Sandtown:

- 90% of total live births in 1986 in Sandtown were to unmarried mothers compared to 64% in the city. This represents a 26% increase from 1981-1986, compared to an 8% increase for the city.

- more young mothers are having babies:

- 11% (38) of the total Sandtown births were to mothers under 17 years of age compared to the city rate of 6% in 1986. This represents a 58% increase in teen parenting from 1981 to 1986, compared to no increase for the city.

- 31% (104) of the neighborhood's births in 1986 were to mothers up to age of 20 compared to the city rate of 22%.

- more babies are born to mothers who have less than a 10th grade education.

- 20% (66) of total live births in 1986 were to mothers below 10th grade

- this represents a 50% increase from 1981- 1986 compared to no 5-year change for the city.

- over half (52% or 173) of the total live births in 1986 were to mothers eligible for the Medical Assistance program.

A very low income situation also characterizes the neighborhood of Sandtown-Winchester. Most of the households earn less than \$ 15,000;

- The number of households with incomes of \$15,000 or more was six times greater in 1980 compared to 1970 (from 131 to 860).

- In 1980, the Sandtown median household income was \$6,953 (a 33% increase from 1970) compared to \$12,811 (a 45% increase) for the city.

More of the total population in Sandtown lived under the poverty level in 1980 compared to 1970. In 1980, 45% of the households were receiving public assistance income.

On the housing situation, we can say that this is also a weakness of the neighborhood, because from the total number of 4,534 housing units, 800 are vacant, 79% are in substandard condition and only 20% are owner-occupied homes.

Sandtown has three elementary schools, two middle schools, a trade school and Frederick Douglas High School nearby, once the only secondary school in Maryland that black children could attend. Today, the schools rank among Maryland's worst: 20% of Sandtown's students drop out each year.

In 1990, 570 Sandtown residents were admitted to drug treatment programs and 462 others were arrested for drug-related crimes. Sandtown ranks every year among the top five Baltimore neighborhoods in killings, assaults, armed robberies and burglaries.

Sandtown has no supermarkets, just convenience stores selling shoddy goods at high prices. Lower-priced stores with better merchandise are only five minutes away by car, but only 27 percent of households have access to a vehicle.

Opportunities:

The main opportunity for the Sandtown-Winchester neighborhood is the strategy that Community Building in Partnership has established for revitalizing the neighborhood. That organization is a part of the Task Force of the Sandtown-Winchester Project appointed by the Mayor. It was composed of community residents, city officials and representatives from BUILD, the Baltimore Urban League and the Enterprise Foundation. According to the Community Building in Partnership, the goal is:” To build a viable working community in which neighborhood residents are empowered to direct and sustain the physical, social and economic development of their community. All public and private support systems including housing, education, employment, health care and public safety, will be innovatively directed to help residents achieve self-sufficiency and maximize their potential in the renewal process. Ultimately, the renewal effort will create a quality of life in Sandtown-Winchester that is desirable and fulfilling to existing residents, and provide for community economic self-determination, while also being attractive to potential new residents.”

Threats:

The major threat is violent crime, but this fact is related to other issues. First we relate it to people living below the poverty level and secondly to the lack of jobs within the community. On the other hand, the drug market provides for many people in the community a way of living that helps the community to survive. Therefore, if the drug market is abolished, it will be necessary to replace it with the opportunity of jobs.

Another threat to the success of the Sandtown-Winchester project is the decline of community involvement during revitalization their area. This can be due to many experts from different organizations who are involved in the project who might not take into their consideration the opinions and recommendations of the people from the community.

To make a comparison between Piatra Neamt and Sandtown-Winchester is not easy. The main reason is that there wasn't done any economic project in Piatra Neamt, up to now. This is why we don't have statistical data that could support an evaluation of the realities in the economic and social life of the city.

Anyway, we can obtain some data from the Statistical Center of the city of Piatra Neamt.

In January 1995 the total population of the city was 126,323, of which 60,969 (48.3%) were males and 65,354 (51.7%) were females. The annual growth of the population between 1992-1994 was as follows:

	total	male	female
population	988	499	489
% growing	0.80	0.85	0.75

In the period 1992-1994 there was a decline in the rate of the natural growth of the population(the difference between the mortality and the births) from 3.0 in 1992 and 1993 to 1.8 in 1994. So, a threat for the city of Piatra Neamt is the decline of the population.

Of the total population, 124,498 are Romanians, 1,163 are Gypsies, 210 Hungarians, 148 Jews, 137 Russians , 75 Germans and 92 of other nationalities. Among all these nationalities that live in our city, the Gypsies represent the weakness for the society. This is because they are the least educated and the most jobless persons among the whole population. Sometimes they are responsible for much of the theft and violence in the city.

The total labor force of the city is 62,624 people that represent 50.8% of the population. Of this number, 31,580 (53.1%) are males and 31,044 (48.6 %) females. The following table shows the structure of the labor force in Piatra Neamt:

Employed	Male	Female
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Total	58,014	29,390	28,624
% from the labor force	92.6	93.1	92.2

Unemployed

Total	4,610	2,190	2,420
% from the labor force	7.4	6.9	7.8

As can be seen, the rate of unemployment is not as big as it is in Sandtown-Winchester, and this is because the problem of unemployment is quite recent in the social scene of Romanian cities. Yet, the trend is a continuous growth, and Neamt county is in fourth place in the country concerning the rate of unemployment.

I consider the poor infrastructure to be a weakness of the city, because it doesn't represent an attraction for developers and especially for foreign developers, to come and do business in the city.

The lack of civic participation and involvement of the people from the community in the process of local economic development represents another weakness that our city faces today. This is the difference between people from Sandtown who learned that they have to be the first ones concerned about their community, and the people from Piatra Neamt- too suspicious about their ability in changing bad things in the community life.

Another problem that our city faces is the lack of housing. There are no vacant houses in the city of Piatra Neamt. For a population of 126,323 there are only 40, 733 housing units. Therefore, they overcrowd many of the apartments.

What I consider to be strengths are the good system of education and the will of the local authority, which is a young and well-trained team, ready to work for the city and the people they were elected to represent.

CHAPTER 4

4.1 Developing a new approach to solving the urban problems of the Sandtown - Winchester area.

Since the early 1970's, Baltimore's urban renewal practice has been to renovate as many vacant houses as possible to provide standard housing for every family living in the area. Over the past several years, local government has spent millions of dollars to improve the physical conditions of devastated communities. Despite these efforts the situation of the city worsens every day. From 6,000 vacant houses a few years ago, now there are approximately 10,000 vacant houses and Baltimore's core problems remain - a troubled school system, inadequate public safety, poverty, etc. All these problems will continue to pull employment and taxpayers from the central city to the suburbs, further decreasing the city's revenue base.

One can wonder where the mistake was and the answer could be this one: To have a successful neighborhood transformation, there must be total economic and social development. Economic growth without social development aggravates rather than relieves the problems. The problem lies in implementing all of these services at the same time in a comprehensive housing strategy with a clear agenda.

As a result of the growing number of abandoned houses, increased crime, unemployment and declining population, the city has adopted a comprehensive attack on vacant houses and the implementation of public and private support systems to help neighborhood residents achieve self-sufficiency and create a sense of community. The primary focus of this new conception is a plan to pool together public and private resources to revitalize the declining neighborhood of

Sandtown-Winchester. If successful, the Sandtown-Winchester Project will prove that residents can rebuild their community from the inside out with innovative leadership and well-targeted financial and social actions.

Discussions in 1987 with then mayoral candidate Kurt Schmoke and Baltimoreans United In Leadership Development (BUILD) were held to contemplate their vision for transforming a community through a focus on housing development. Upon his election, Mayor Schmoke was approached by the Enterprise Foundation to discuss a proposal for redeveloping an entire community. At the same time, Sandtown residents organized to seek support from the mayor in their quest to improve their quality of life. Meanwhile, Mayor Schmoke visited Israel's city of Kiryat Sat, where its self-maintaining qualities impressed him. He returned to Baltimore and the city began working with the Enterprise Foundation and BUILD.

Sandtown-Winchester is a community with a very high percentage of its residents living in poverty. Information from the 1990 Census reported 49 percent of its residents living in poverty. Further examination of the data showed that 27 percent of the households had income of \$5,000 or less and 19 percent had income between \$5,000 and \$9,999. This is further complicated with 40 percent of the residents reporting no income. Poverty in Sandtown-Winchester has greatly affected the youth. Sixty eight percent of all children are living in poverty. Of these children less than nineteen years old, 83 percent are living in poverty in single-parent female-headed households.

Mayor Schmoke realized that a successful neighborhood revitalization effort has to approach all social and economic problems at once. He targeted Sandtown-Winchester for a complete transformation which would include housing development and renovation, family preservation, programs for youth and the elderly.

The neighborhood transformation project was based from the beginning on the partnership between the City, the Enterprise Foundation and the residents of the community. Later due to the expansion and the new necessities of the project, other groups and organizations were involved in the transformation plan. The Mayor insisted to James Rouse, the president of the Enterprise Foundation, that no matter what happened in this process, the community would be involved in every phase.

4.2 The Components of the Strategy for the Implementation Program.

The first thing that had to be done was to mobilize the community. A big meeting took place in Sandtown-Winchester in which the Mayor talked about the necessity of the commitment to partnership. Some work groups and committees were formed to discuss all the issues the community faced. One year later, in May 1990, another meeting took place at Gilmore Elementary School where residents presented to the Mayor and James Rouse the conclusion reached by the working groups and at that point the transformation process started.

The implementation process started with the initiative named Community Building in Partnership (CBP), which represented the task force that the Mayor appointed to guide the strategic planning. The Sandtown-Winchester Task Force was composed of community residents, city officials and representatives from BUILD, the Baltimore Urban League and the Enterprise Foundation.

Eight work groups were formed to look at the state of the community such as: education, family support, substance abuse, crime and safety, housing, physical development, employment

and economic development, and community pride and spirit. Residents showed the need for a comprehensive revitalization effort which would repair the very infrastructure of the community.

After analyzing the socioeconomic situation of the community, the next step in the Sandtown-Winchester strategy was to establish the goals of the program. Briefly, the goals were:

- a safe, crime-free, nurturing neighborhood for all families;
- decent, affordable housing for all residents;
- viable employment opportunities for all residents;
- responsive private and public education that effectively prepares and enables students and adults to reach their potential;
- access to health care and needed family and individual social services for all residents.
- strengthened community pride, culture and spirit;
- creation and maintenance of modern physical infrastructures, parks and recreation facilities across the neighborhood;
- establishment of convenient, reasonably priced retail goods and services accessible to all residents;
- promotion of financial independence of residents and economic development opportunities for the community; and
- empowerment of the residents to take charge of their futures.*

After identifying what should be done, the focus switched to how to do it. The effort is described as a three-pronged approach, to include community building, immediate project activities and program design. Community building activities are designed to encourage resident

participation, leadership development and ownership among residents. Immediate project activities focus on pressing needs and provide building blocks for future plans. Program design is the additional planning necessary to fulfill the total transformation.

Through the CBP effort, Sandtown-Winchester added a new community center that centralized a wide range of social service needs, including job training and preparation, resident advocacy, senior citizens programs and housing, and substance abuse and health referrals (see Tables 1 & 2 - the chart of CBP).

4.3 The actors of the Sandtown-Winchester Project

The main organizations that work on the Sandtown-Winchester project - the City , the Enterprise Foundation and the community - represent a perfect example of the public-private partnership.

CBP, Inc. is a nonprofit corporation chartered by Mayor Schmoke and the residents of Sandtown-Winchester and has two basic functions:

- 1) to work with existing community organizations, churches, businesses and public and private agencies to coordinate and restructure the delivery of programs and services; and
- 2) to directly develop and operate new programs or services as needed.

One of the main tasks of CBP is to nurture the assets and capacities of residents and existing neighborhood organizations to participate in the transformation process. Community building includes supporting community organizing, fostering and pulling together community

leaders, tapping the talents of volunteers, helping residents build new skills and undertaking effective communications throughout the neighborhood about transformation activities. Another thing necessary to mention is that CBP functions like an umbrella organization because of the several different organizations involved in the process which it coordinates.

The city is such a major player in the CBP initiative that the Mayor has appointed two of the executive directors and made recommendations for its board.

The Enterprise Foundation, Inc. was formed March 2, 1981 as a non-stock corporation. The foundation is tax-exempt and publicly supported. The foundation provides grants, loans and technical assistance to local neighborhood groups. Groups assisted by the Enterprise Foundation focus on helping the poor help themselves into decent, livable housing. As an organizing tool, the housing process is used to bring services to the poor that can improve their quality of life. Under the founding leadership of Jim and Patty Rouse, the Enterprise Foundation is a national nonprofit organization working with 320 neighborhood groups to produce affordable homes for low-income people in more than 100 locations across the country.

Jim Rouse by reputation and influence, was one of the most significant figures in Sandtown-Winchester, and the Enterprise Foundation plays an important role in funding and monitoring the whole project. In 1992 the partnership of the Enterprise Foundation and BUILD completed construction of 210 new townhouses and the rehabilitation of 17 others in Sandtown; as a result, 227 families became new homeowners. That was the first major housing venture within Sandtown - the Nehemiah and Gilmore Homes projects.

As a result of the development program's expansion, many different organizations became involved and new ones were created to fulfill the purpose of the project. One of them is the Neighborhood Development Center (NDC).

NDC, which is currently staffed by employees of Metroventures, USA, has the responsibility to coordinate development efforts. The current housing initiative will cost approximately \$55 million. Eight developers, coordinated by NDC, will construct or repair 600 homes to be sold for \$40,000 each. The differential between construction cost and sales price (approximately \$90,000 per unit) will be subsidized with government funds. This nonprofit organization was created to help the community achieve its goals of increasing home ownership to 50%, eliminating vacant houses and seeing that residents have access to a range of decent housing options - from good quality public housing and affordable housing - to special needs housing for diverse populations. NDC is assisting eleven developers in packaging their projects:

- Baldwin Development Corporation - a Sandtown-based, minority-owned development company specializing in the production of affordable for-sale housing;
- Baltimore Housing Partnership (BHP) - nonprofit housing developer specializing in the production of affordable rental and for-sale homes for low-income families;
- Banjo and Associates - a minority owned business enterprise;
- Build Enterprise Nehemiah Development (BEND) - a joint effort of Baltimoreans United In Leadership Development and the Enterprise Foundation;
- McCoy Laurens Hersch/LLC - a real estate development company that develops and manages affordable housing;
- Moorish American Development Associates Corporation - a Sandtown-based developer with experience in renovations of property;
- Housing Assistance Corporation - a nonprofit real estate development and management corporation specializing in providing housing-related services to low and moderate income families;

- Sandtown Habitat for Humanity - a nonprofit Christian home ownership program for low income families. Habitat rehabilitates housing in partnership with the homeowner using mostly volunteer labor and what is called “sweat-equity“, where the family who will own the house invests at least 300 hours of work in the construction or rehabilitation of the house;
- Sandtown-Winchester Community Development Corporation (SWCDC) - a non-profit housing developer and a subsidiary of the Sandtown-Winchester Improvement Association - a community organization with primary goals that include the development of housing opportunities for low and moderate-income people, the promotion of commercial and retail development and the creation of employment opportunities for the residents of Sandtown;
- Savannah Development Corporation - a woman-owned real estate development firm specializing in the development of low and moderate income housing;
- H & H Development - A Druid-Heights resident and a minority developer with extensive experience, specializing in rehabilitation.

4.4 Housing and Education - the highest priority programs in the Sandtown-Winchester Project.

The action plan developed by the Sandtown-Winchester partners comprises of programs concerning the following areas:

1. Physical Development with three subsections: residential development, recreation and land use infrastructure
2. Community and human services with eight subsections: health, sanitation, family

support services, education, youth services, community pride and spirit, substance abuse, public safety.

3. Community Economic Development with three subsections: business development, retail goods and services and employment and training

Because of the great number of vacancies, and of the bad living conditions from Sandtown-Winchester, the priority was considered to be the housing programs for providing affordable and quality housing and for increasing home ownership in the neighborhood.

I will focus on the housing program and especially on the Sandtown-Winchester 600 initiative, because that shows better the involvement of the local government, through the Department of Housing and Community Development.

The active participation of the City in the development of Sandtown-Winchester is not a new thing. The initial planning for the revitalization of the community began twenty years ago. Concerned by the rapid physical decline of their community, residents of Sandtown-Winchester approached the City for assistance. As a result, the Mayor assigned the Department of Housing and Community Development (DHCD) to help develop a revitalization strategy. Over the years DHCD acquired properties, awarded sites to developers and provided large financial subsidies. Yet, the number of vacant structures continued to rise in Sandtown-Winchester, increasing to more than 600 in 1990.

The planning process for housing initiated by CBP included the following:

1. Residential
 - Provide all residents with safe, affordable housing;
 - Achieve 50% home ownership in Sandtown-Winchester by the year 2000; and

- Improve vacant lots and eliminate vacantly deteriorated structures through planned re-use development or selected demolition.

2. Recreation

- Provide a broader range of recreational facilities;
- Make the physical environment more attractive and inviting; and
- Develop a large community recreational facility.

3. Economic Development

- Develop structures and create resources to promote business development and ownership by the community residents ;and
- Attract business development and employment opportunities.

Because of the above planning process, the physical redevelopment of the community, specifically the treatment of the 600 vacant structures, emerged as a major component of the initiative. Known as the "Sandtown-Winchester 600" initiative, the project called for the rehabilitation or demolition of 600 vacant and dilapidated properties.

Recognizing the need to involve the development community in the transformation effort, the Mayor organized a task force of for-profit and nonprofit developers, community residents and an inter- agency staff including members of the Housing Department, Planning Department and Law Department to help coordinate the enormous undertaking.

The Sandtown-Winchester 600 involves the acquisition, rehabilitation or selective demolition with some new construction of 850 properties. This \$60 million project is being funded through a combination of public, private and grant sources. Acquisition and site control proved to be the most challenging and time-consuming aspect of the initiative.

To help coordinate the acquisition and development process, the City hired Metroventure as a consultant to provide overall project management and coordination services, specifically with respect to acquisition, project financing and packaging. Metroventures helped create and staff a permanent community development entity- Neighborhood Development Center (NDC)- to carry on housing, open space and economic development coordination and management efforts in the neighborhood.

During the entire redevelopment process, the DHCD, together with the selected developers have worked with the Department of Housing and Urban Development (HUD) , the Maryland State Historic Preservation Office (SHPO) and the Advisory Council on Historic Preservation to identify and rehabilitate historically and architecturally valuable buildings throughout the Sandtown-Winchester community.

The transformation initiative, including the Sandtown-Winchester 600 project, resulted from many meetings and site visits between community leaders, city staff, non-profit organizations, real estate developers and city and state preservation officials. The chart of the development process details the structure of the overall project and all parties involved.

Financing the Project

The \$60 million Sandtown-Winchester 600 transformation effort is funded from a variety of public, private and non-profit grant sources. In addition to providing more than \$3 million in Community Development Bond and CDBG funds, the City is borrowing \$19 million from HUD to finance the renovation of more than 250 units in Sandtown. The State is providing \$10 million in Partnership Rental funds over five years to rehabilitate an additional 150 units.

Education

Providing quality educational programs could be the key to the success of the Sandtown-Winchester project. Without offering to children as well as adults better education, which will give them necessary skills for getting jobs, and without educating them to be real citizens with responsibilities for their community, all the other efforts will be useless. Schools must educate children in resisting drugs, preventing violence and avoiding unwanted teen pregnancy - behaviors that threaten their chances for success.

There are several programs undertaken by CBP to improve education in Sandtown-Winchester. These programs are oriented to meet the needs of all age groups. For preschool children there is the program called Home Instruction Program for Preschool Youngsters (HIPPY). This program is designed to help parents provide educational and enrichment activities that will help them prepare their preschool children with school readiness skills. These skills include eye-hand coordination, visual discrimination, auditory discrimination, spatial perceptions, tactile, cognitive and other activities to help develop critical thinking skills.

For the three elementary schools in Sandtown-Winchester, CBP developed a strategy that comprises four transformation components:

1) Instruction

One initiative under this component was the selection and implementation of a new curriculum/instructional model based on national best practices. This was implemented in the three schools of Sandtown-Winchester, starting in 1995. The first results will be seen at the end of the school year in 1996.

2) Readiness and support services

The initiatives consist of organizing the Children's Health Network to provide basic health services through school-based clinics to everyone under the age of 18.

3) Ownership and learning culture.

Those initiatives aim to develop a system of teacher incentives to encourage the retention of quality, effective teachers; renovate schools to fit new instructional modes; and increase efficiency.

4) Management of the whole educational program by the Educational Director of CBP.

Meanwhile, creating new positions in the organizational chart of schools such as business manager and Baltimore New Compact Schools Coordinator will hopefully improve this process.

Under the umbrella of CBP, Youthbuild is the organization that best provides educational programs for young people to meet the most desirable thing in Sandtown-Winchester - jobs.

The Youthbuild program prepares young people who have dropped out of school for careers in construction, by employing them as trainees in the actual rehabilitation of a vacant, usually city-owned building. During this time the young people alternate off-site weeks of academic and job skills training and counseling with on-site vocational education and construction experience. The people in this program are between ages 16 and 24. At the end of the program (usually after 14 months) they can take the GED (General Education Diploma) examination which is equivalent to finishing high school. All this period the program provides them with clothes and tools for work, and as a part of the academic work they make many educational trips (visits to museums, universities and to other cities). After completing the program Youthbuild helps them with either entering a college by giving them a \$4,000 scholarship or getting them a job in Sandtown-Winchester.

4.5 Strengths and weaknesses of the Sandtown-Winchester Project.

Although persons who are involved in the project are skeptical about the real functioning of the partnership in Sandtown-Winchester, I still think that compared to my country, this one really works. We know that after the implementation of a social and economic development program, the results don't come until several years after that. However, in the Sandtown-Winchester case I think that visible good things have been done.

First, the local authority decided to fight more effectively than in the past against the blight that threatens the inner city of Baltimore. This is reflected in the financial commitment made by the city and the effort to obtain Federal money in a highly competitive process.

Second, in the process of becoming more involved in revitalizing their community the residents of Sandtown-Winchester have been empowered with the responsibility of carrying out the project's goals. Although, sometimes, there are disputes about the subject of empowerment, there are some evidence that the residents have been empowered.

Third, many for-profit organizations are involved in the project, not only for profits, but also for the benefit of the city. Also the nonprofit organizations, like the Enterprise Foundation, which were created with the purpose of improving the social condition of citizens play a vital role in the process.

Summarizing the strengths of the project, the local government is the leader in promoting social and economic development because it is the initiator of the transformation project, chooses the best partners to work with and guides them and, moreover, is the strongest supporter of the entire program.

Some weaknesses were revealed as the project developed. Excessive bureaucracy is time and money-consuming and slows the completion of the project. Also, there is not enough money for social programs which will create more jobs for people in Sandtown-Winchester. Even though all the vacant houses will be replaced by new or renovated housing, the current residents still could not afford to buy or rent them. As families are forced to move for various reasons to some other part of the city, the problems of blight would move with them. In this way, the project will not achieve its goals.

CHAPTER FIVE

Citizen participation plays an important role in the development of full democracy and in promoting and supporting the social and economic development programs undertaken by the local government. In the U.S. the term of citizen participation has been associated historically with periodic voting and with many voluntary associations. Nowadays, there is the tendency of decentralizing the social programs and local control which implies more citizen participation. In the U.S. the demand for more citizen participation in government has come from government officials as well as from citizens. While many citizens have organized to influence and improve government, many officials have attempted to make government more accessible and responsive to citizens. For democratic government to work there must be a solid citizenry that is educated, organized and empowered.

A possible definition of citizen participation is given by Stuart Langton in his book *Citizen Participation in America*: “Citizen participation refers to purposeful activities in which citizens take part in relation to government.” He also describes four types of citizen participation, all of which we can observe in the Sandtown-Winchester community. Briefly, the four types are:

1. Citizen action - initiated and controlled by citizens for purposes that they determine;
2. Citizen involvement - initiated and controlled by government to gain and improve support for decisions, programs and services;
3. Electoral participation - initiated and controlled by government according to law in order to elect representatives and vote on pertinent issues;
4. Obligatory participation - involves the mandatory responsibilities that are the legal obligations of citizenship, like paying taxes, jury duty and military service.

Citizen organizations are important part of the process. The interests of citizens that are

supported by organizations are more likely to be satisfied than are those of unorganized citizens. These organizations have mainly two functions. One is to mobilize individual citizen attitudes and develop a common program. The other is to generate power to fulfill the program that is developed. In light of this I will now analyze the organizations active in the Sandtown-Winchester community.

5.1 Sandtown-Winchester neighborhood organizations

Neighborhood organizations are intrinsic to the citizen participation process. Neighborhoods are composed of residents, their social institutions (family, religious institutions, ethnic groups, associations), housing, business, and community services. Whether you begin with individual buildings, or a larger area, the neighborhood best knows their needs and priorities for revitalization. The strategy should be a collaborative effort by citizens, local institutions, community groups and government.

Within Sandtown-Winchester, there are a number of community service organizations and agencies; many have been established within the last ten years. The Lafayette Square Community Center (LSCC) was established as a settlement house in the 1930's. LSCC, a United Way agency, is primarily in the business of service delivery and not community organizing.

The Sandtown- Winchester Improvement Association (SWIA) dates back to the mid 1970's and was established for the purpose of organizing residents in order to improve the community's quality of life. At that time, their focus was housing, sanitation and social programs. Initially, SWIA was a volunteer effort. However, SWIA moved quickly to secure funding and hire a full time executive director, Mrs. Ella Johnson, who continues in this role

today. Some of SWIA's accomplishments include construction of cooperative housing; rehabilitation and the sale of vacant houses; and the development of a senior citizen's apartment building and a condominium community in the 900 block of North Fulton street. All these efforts have been in partnership with various city and federal funding sources.

New Song Ministry (NSM), a holistic Christian community ministry, is a relatively small, but innovative organization established in 1989. With less than 30 employees, New Song runs the Sandtown- Winchester Habitat for Humanity, New Song Academy(one middle school grade), a health center (staffed by volunteer medical professionals) after school and day care services, as well as EDEN, New Song's most recent initiative, focused on creating new living wage jobs and linking with existing employment opportunities. NSM is proud of its dedication to residents of Sandtown-Winchester. The majority of its staff, at all levels, including its founders lives in the Sandtown-Winchester community.

Healthy Start, a federally funded infant mortality initiative, established in 1993, recognized that it is necessary to include programming to address social, economic and health education issues, as well as prenatal and baby care. Healthy Start sends neighborhood health advocates (NHA) into the community to assess whether there are pregnant women and /or small children in each house and to encourage the mothers to participate in Healthy Start programs. Healthy Start also hires and trains residents, as NHAs and for clerical position.

Baltimore United in Leadership Development (BUILD) and its member churches in Sandtown- Winchester work actively in the Nehemiah homes project and also have been working to address crime and safety problems and education issues.

Community Building in Partnership (CBP) is the most visible community organization in Sandtown-Winchester. Its overall objective is to build a "viable, working community in which

neighborhood residents are empowered to direct and sustain the physical, social and economic development of their community.”

5.2 Empowering the citizens of Sandtown-Winchester

Concerned about their community, residents of Sandtown-Winchester approached the Mayor to help them solve problems their community faced. Together with representatives from the Enterprise Foundation, BUILD, and city government, they have worked to prepare the “Program to Transform the Sandtown-Winchester Neighborhood.” The successful implementation of the “Program” requires the involvement of everyone who lives and works in the neighborhood. If according to a traditional African proverb, “it takes a village to raise a child,” then it will take the work of everyone to transform Sandtown-Winchester.

Community Building in Partnership (CBP) began to work in 1990 when Mayor Schmoke appointed the Task Force to guide the planning process. Among other representatives, community residents took part in the eight work groups that were organized, and developed the visions and goals of the project. To carry out the goals, the Partnership undertook three approaches:

1. Community Building
2. Immediate Projects Activities
3. Program Design

Although I spoke about them in the other chapters of my project, I want to emphasize the Community Building approach as being the most important for the involvement of the residents

in the Sandtown-Winchester Project. Community Building means to nurture the assets and capacities of residents and existing organizations so they can fully participate in the transformation process.

Community building activities are designed to encourage resident participation, leadership development and a sense of ownership among residents. While immediate project activities and program design focus on the pressing needs and the additional planning necessary to fulfill the total transformation effort.

Darnell Ridgley was transferred by Mayor Schmoke from her job supervising the city's Community Development Block Grant Program, to staff the CBP project. At a meeting with CBP staff in the spring of 1991, she gave a relevant definition of what empowerment meant: "Empowerment means teaching people how to take care of themselves. People are ready to work hard and want to be recognized for what they do, but they also want limits. You have to know how to move from conceptual to concrete; otherwise you lose people...The key to successful social action is to insure that the process remains community- driven." Ridgley advised starting with the formal leadership and beginning a process that enables one to discover the informal leadership and recruit them as well. Personal contact was very important and it should be maintained.

In the case of Sandtown-Winchester, the principal strategy was to engage as many residents as possible as staff and volunteers in the activity. This ranged from organizing and running community events, learning how to garden and registering fellow residents to vote, to serving as outreach workers to pregnant women or as block captains in public safety initiatives.

CBP created a new type of organizer position known as a "community advocate." Initially, seven residents were hired as full time community advocates. Their job was to recruit

residents to participate in the program design process and involve them in the various project activities underway. The residents who were hired as community advocates brought a special skill to the transformation process typically not valued in the labor market: their knowledge of the neighborhood.

Some could reach out to young mothers. Others knew the streets and could relate to the long term unemployed and the drug culture. One advocate was a high school drop out who proved particularly valuable in encouraging young people to stay in school. All were unemployed. Some were struggling with drug problems or criminal records. Most lacked the self-confidence to take the necessary steps for their own advancement.

By knowing residents as neighbors, the advocates could tap the interests of individuals and connect them to something in the transformation process, for example, in gardening, volunteering in the schools or serving on an advisory committee to a housing program. This was the key to involving the community in a long term change process. As a result, many residents who typically did not get involved in community affairs somehow began to play a role in transforming their neighborhood.

Today there are nearly 100 residents serving in some type of community advocate position, from health care, youth services and family support to education and communications. The advocates are crucial to reaching out and involving the community in all aspects of the transformation process.

While an important way to tap indigenous capacity in the neighborhood, the community advocate role met some difficulties. Several advocates have had a hard time in separating their job as a paid advocate for the transformation process and their natural voice as a community resident. It's not always easy to express personal concerns or criticism about the direction of a

program or activity when it is your job to encourage other residents to support and participate in that program or activity.

Conversely, many program managers complained about being frustrated that some advocates take their advocacy role too far. Occasionally, advocates tend to vigorously represent the views of a small group of residents while failing to see and work to build support for the bigger picture. In other cases, residents complained that advocates sometimes promote their personal opinions too aggressively, failing to communicate the breadth of needed information or share diverse views.

5.3 Do the residents of Sandtown-Winchester feel empowered?

Empowerment means that residents assume leadership in the whole process of revitalization, starting from planning, implementation and evaluation. Although almost five hundred residents work as employees at CBP, only a few are in executive positions. This is why residents with whom I talked do not think that the partnership between citizens and the other partners involved in the Sandtown-Winchester process is really working.

They blame the partners, especially the Enterprise Foundation, for not keeping the promises they made at the beginning. For example, the Enterprise Foundation did not bring and raise the funds they were suppose to bring to this project. They were interested more in the housing part and gave little attention to the social problems like creating jobs and education. From the grandiose plan they all made together, only a few goals have been met.

Pat Costigan of the Enterprise Foundation, talking about things that bother the neighborhood residents, explains that making big plans at the beginning, knowing that not all of

them are possible to become realized, is a psychological stimulus for all involved in the process. “If you plan little you will realize less than that. But if you make big and enthusiastic plans then the effort of everyone would be greater and the results could be unexpected.”

Citizens from Sandtown were also disappointed with the City as a partner in this project. By the summer of 1991, Darnell Ridgley was no longer project manager for CBP. She had earlier proved very useful to the mayor in managing the Community Development Block Grants program and she went back to do that. At the same time, Barbara Bostick, the former warden of city jail, was assigned to take Ridgley’s place. The residents thought that was an unfortunate choice. They complained that Bostick seemed removed from the process and from the people and apparently more comfortable with technocrats and professionals from the Enterprise Foundation. At this moment the Chief Executive of CBP is Ronica Houston, and she just started her work a few months ago when she was appointed by the Mayor for this job.

From the citizens’ perspective, housing has been built, but the “social infrastructure” that was supposed to be the showpiece of the project is at a standstill.

Although many residents feel disappointed now after more than five years since the beginning of the transformation of their neighborhood, the “ Progress Report” from January 1995 of CBP shows that visible accomplishments were made. A few examples include:

- Publication of the “ Sandtown- Winchester Viewpoint”, a monthly neighborhood paper is entirely run by people from the neighborhood;
- Start-up of the Sandtown Family Assistance Network, in which residents accepting emergency food or clothing volunteer on community projects;

- Registration of nearly 1,700 new voters, the largest percentage increase of any community in Maryland;
- Planting of 12 community gardens;
- Prenatal services to every pregnant woman in the neighborhood through the Baltimore Project/ Healthy Start;
- Sponsorship of anti-drug rallies, marches and “gun turn-ins” by churches;
- Organization of a regular calendar of holiday and seasonal activities such as a Halloween Pumpkin Patch, Christmas Adopt-a- Family, Easter Egg Hunts and Community Arts Festivals;
- Initiation of new sports leagues and recreation activities in renovated parks and playgrounds formerly overrun by drug dealers and vandals; and
- Opening of the Sandtown- Winchester Community Center (SWCC) to serve as a human service hub to meet the full range of Sandtown families’ needs.

As a conclusion, my opinion is that the people of Sandtown have demonstrated critical thinking and are able to express their opinions, which means that they participate in the civic life of their community. A good thing to learn is that people from the community should be encouraged to dialog with the other partners involved in a process. In this way, they can correct things that were done wrong and make others even better.

5.4 Leadership/Power structure

Leadership and power issues within Sandtown-Winchester are complicated, in part because of the presence and influence of the Enterprise Foundation and other players involved in community organizing. Although Enterprise, along with the city, is the primary benefactor of CBP, Enterprise has significant ties to other community projects.

There also appears to be a recognition of the importance of NSM in the CBP initiative. Reverend Alan Tibbels chaired one of the planning groups which developed the CBP effort, and he is also an SWIA member. Mark Gornack, an NSM founder, has also been involved in the CBP planning process.

It is evident that James Rouse had a great influence in the whole process. It appears that he was able to get others to become affiliated with CBP. Mr. Lenny Jackson, of CBP, notes that the community residents by virtue of numbers have access to significant power, but lack resources to execute their power.

The city is such a major player in the CBP initiative that the Mayor has appointed two of the executive directors of CBP and made recommendations for its board. One of the major CBP employment pools and S-W Community Center services, Youthbuild, is funded by a grant from the City's Office of Employment Development.

CHAPTER SIX

Conclusion and recommendations

The Fellowship Program at the Institute for Policy Studies gave me the opportunity to learn new things about urban policy, through the courses I attended like “ Introduction to Urban Policy”, “Urban Analysis”, “Policy Tools” and “ Citizenship and Policy Professional”; through the many materials I read about this subject and especially through the Research Project I completed during 9 months.

The purpose of the project was to find the ways that local government uses to promote social and economic development. The example of the Sandtown-Winchester Project showed me that the most important thing for the successful implementation of an economic development program is the **partnership** between the parts involved, like the local government, the business community and the citizens. Of the same importance in developing an economic and social program is the **citizen participation** process. Without the willingness of residents to change things in their community and without their active participation in the process, nothing can be done.

The experience of the U.S. in both partnership and civic participation goes back many years, while Romania just started the process of democratization. The promotion of economic and social development can be done with high efficiency only at the local level. Therefore, in Romania changes need to be done to accelerate the process of democratization through the decentralization of the power and the increase of local government authority.

The political, economic and social reform process that began in Romania after the December 1989 Revolution has as one of its top priorities public administration reform, both central and local.

To develop a framework for the local authorities to promote economic and social development programs, the main action directions would be for the national level:

- to improve the existing provisions of Act 69/1991 on local public administration and of Act 70/ 1991 on local elections as well as to adopt new regulations to ensure in a more efficient way the application of the basic principles underlying public administration in administrative-territorial units;

- to increase local autonomy;

- to decentralize the public services and provide services according to local requirements;

- to support the organization of non- governmental bodies that represent local public administration authorities and to cooperate with them on the main issues concerning local communities;

- to improve the mechanism to finance the activity of the local public administration, to insure the financial autonomy; this implies the decentralization of the budgeting system and the adoption of a new Law on Local Public Finance. Dependence on the central budget makes it impossible for local authorities to encourage entrepreneurial investments and economic development;

- the participation of the citizens that suppose to improve the management of public administration through the development of new mechanisms of consulting and participating of the population.

In a more specific way, for the city of Piatra Neamt I propose that the local authority take the initiative in organizing, planning and implementing an economic development program. The first step should be to make a social and economic analysis of the city and define its strengths and weaknesses. An important thing represents the process of collecting information and performing a thorough assessment of the area. The principal indicators should be:

1. Physical characteristics

- natural environmental features;
- recent actual and planned changes;
- existing land use, residential, commercial, industrial, vacant;
- circulation of people- movement in and out of the neighborhood, traffic arterial, streets, collector streets;

2. Utilities

- storm and sanitary sewers, water lines, telephone & wiring for TV;

3. Housing

4. Demographics

- population characteristics- age, persons per household, occupation, education, disabled, employment, unemployment, ethnicity;

5. Economic base

- stores, offices, shopping strips, factories, small manufactures, streets vendors, tourism and industries

6. Education

- schools, high schools, vocational schools, centers for training and retraining of the work force;

7. Health

8. History

- significant events, buildings, historical and cultural events, uniqueness of the area.

Use of Information - Analysis and assessment for use in determining the strengths and weaknesses and making a strategic plan to attract new businesses, industries and services for the community.

Regarding the civic participation I propose for the local authority to develop a Citizen Participation Plan. The purpose of this plan will be to provide citizens with an adequate opportunity to participate in an advisory role in planning, implementing and assessing the city's programs.

The city should provide adequate information to the citizens by holding Public Hearings, making appropriate documents available and providing citizens the opportunity to comment on the program at all stages. The following concepts should be followed by the city:

1. The Plan should provide for and encourage citizen participation, with particular emphasis on citizens whose neighborhood, area or business is likely to be affected.
2. The Plan should provide assistance to citizens, neighborhoods and private interest groups who want to prepare proposals for presentation for the City.
3. The Plan should provide for Public Hearings to obtain citizens' views and to respond to proposals made by the City.
4. The City should provide a specific process for a timely written response to complaints and grievances.
5. The City should provide access and special services for people who are handicapped .

6. The City should provide access for the minority groups.

In other words, the keys to the plan are:

- Participation
- Access to information
- Access to meetings
- Assisting citizens
- Public Hearings
- Timely responses

The other important component of developing citizens' participation will be the establishment and functioning of citizens' volunteer organizations appointed by the local government and producing in cooperation with local government plans, programs, ordinances, regulations, physical improvements and information for the public.

Figure 1. - Economic Map of Neamt County

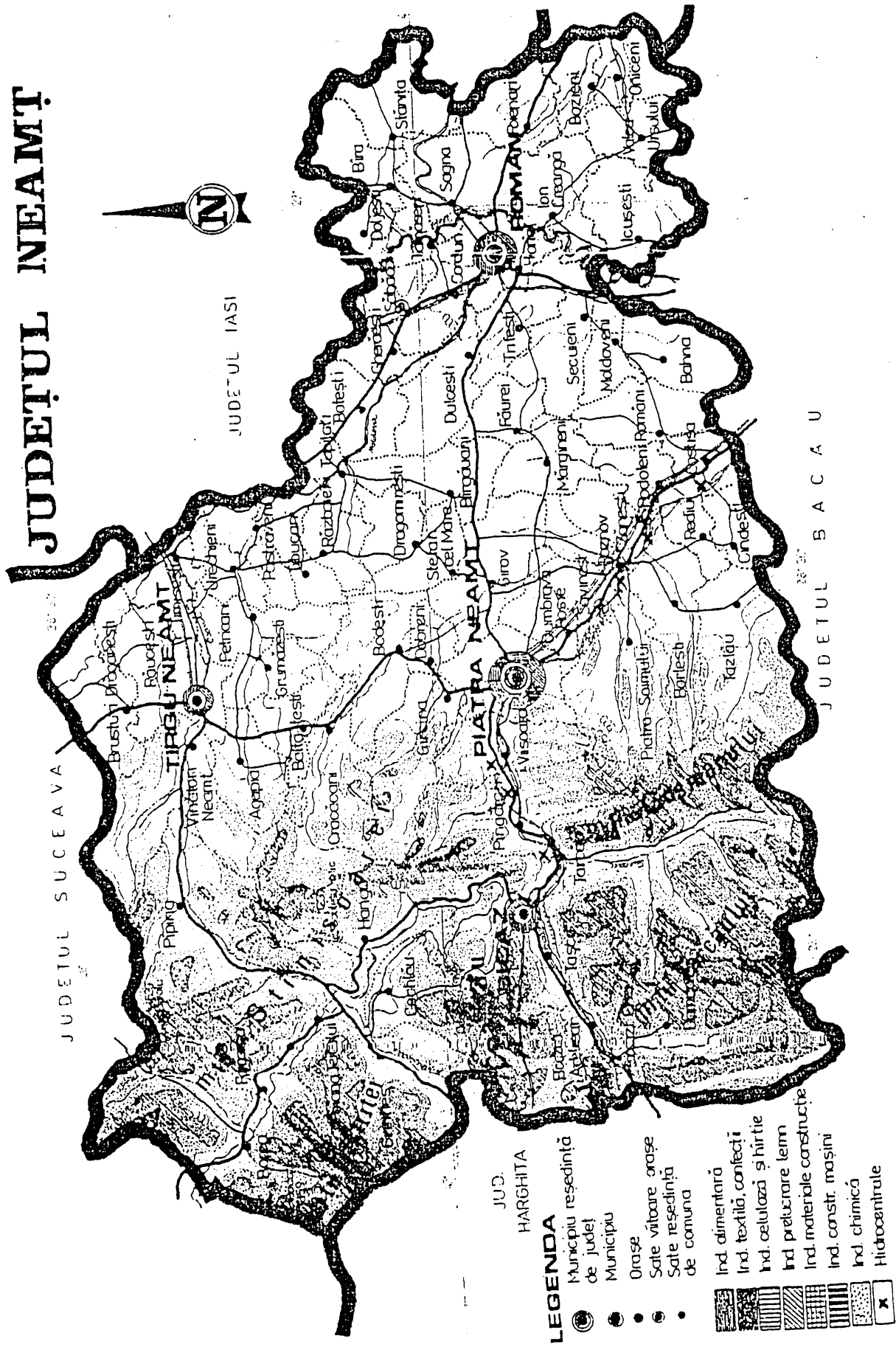
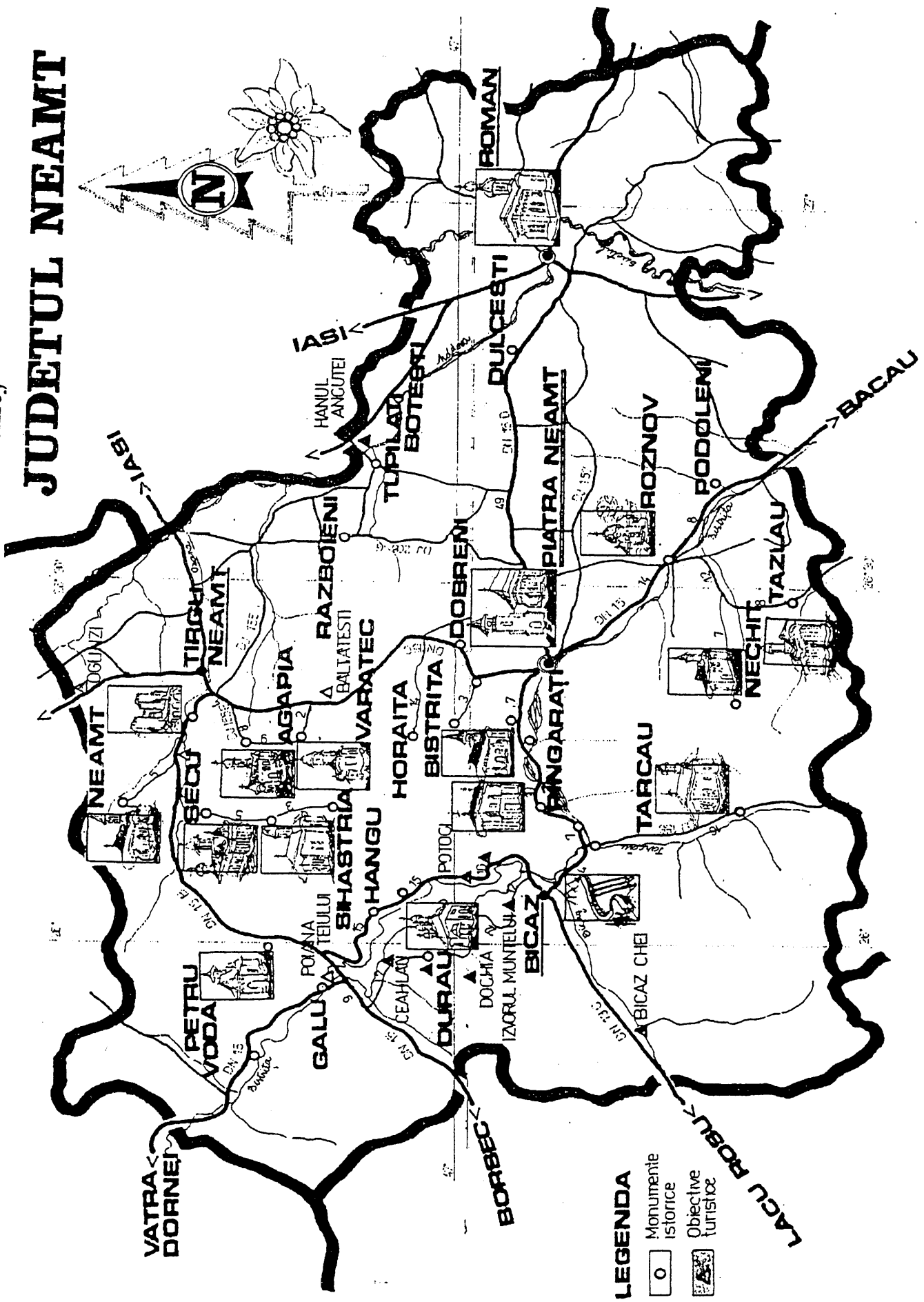
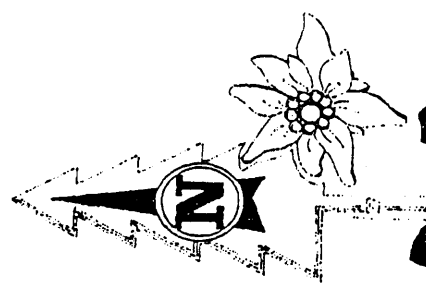


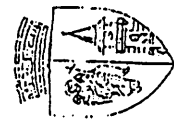
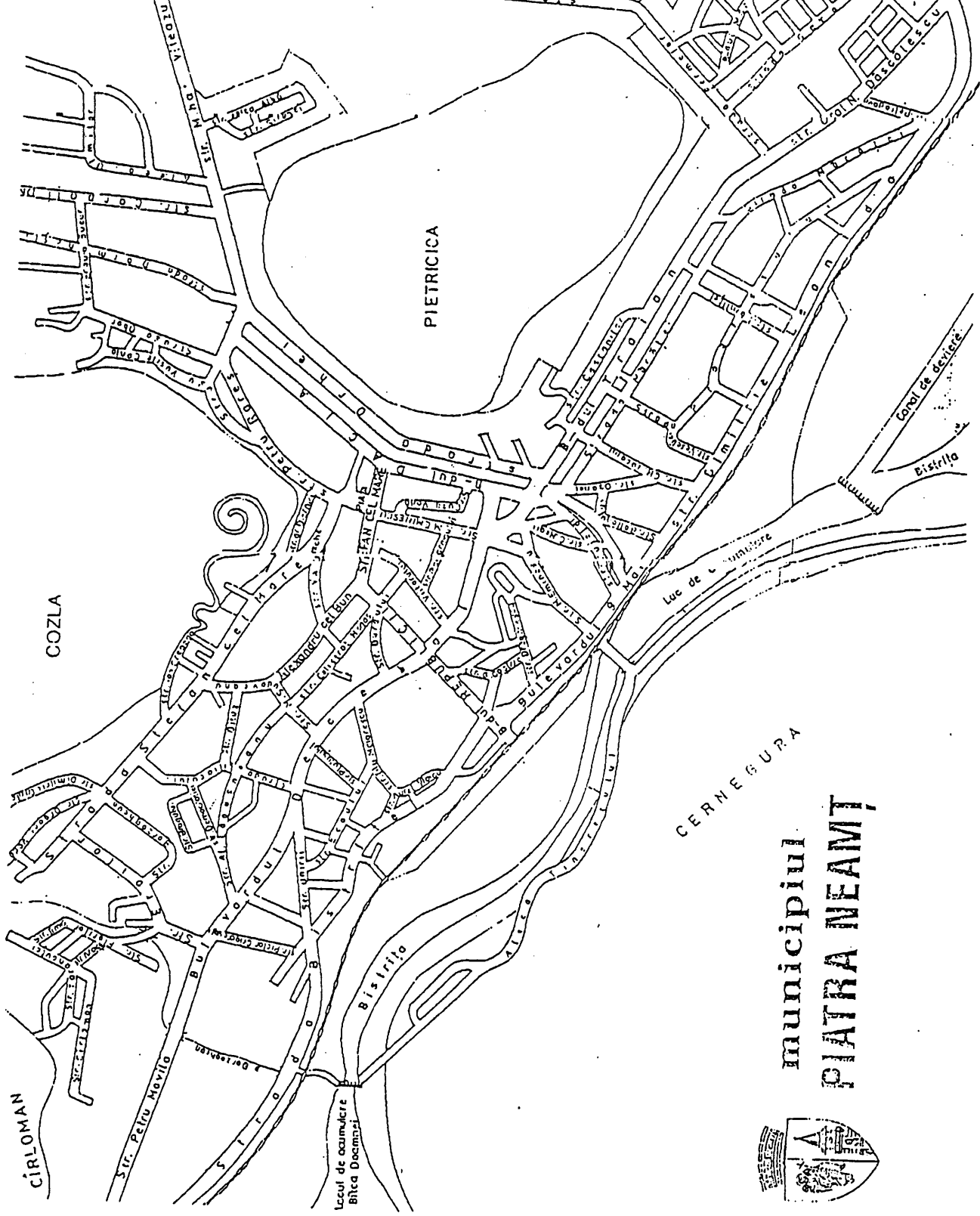
Figure 2. - Tourist Map of Neamt County

JUDETUL NEAMT



- LEGENDA**
- Monumente istorice
 - Obiective turistice

Figure 3. - Map of City of Piatra Neamt



municipiul
PIATRA NEAMȚ

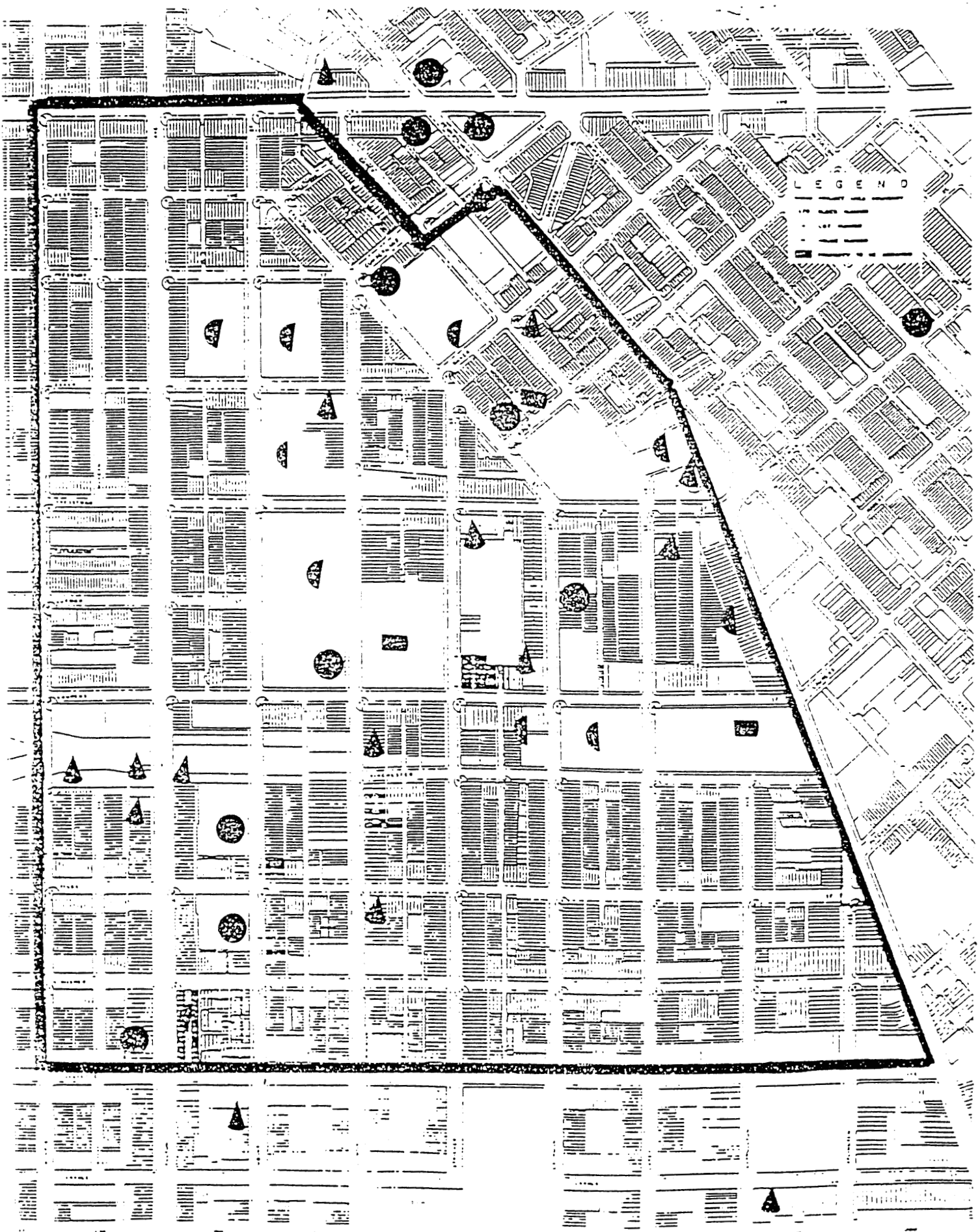


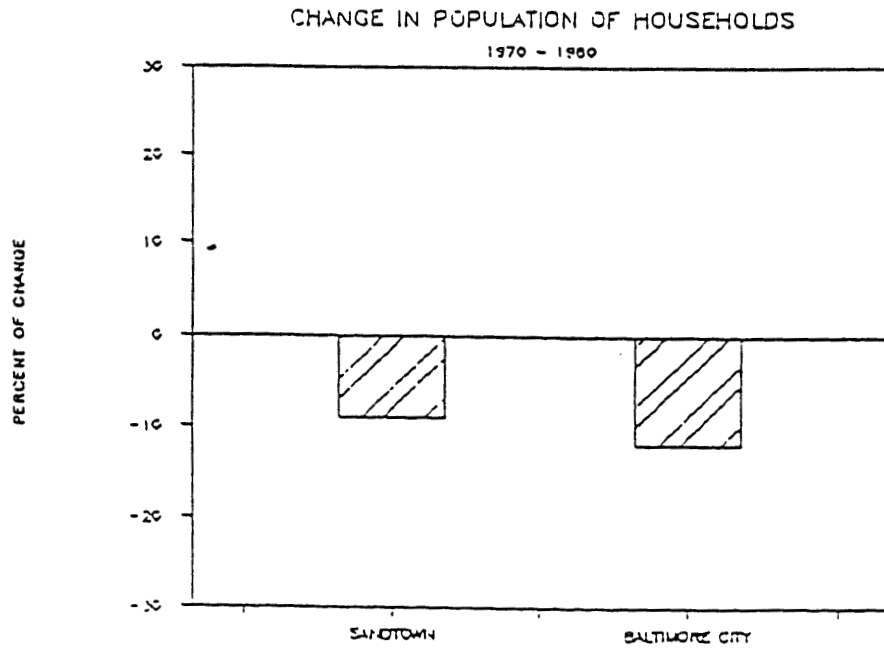
Table 1. - The social and economic profile of the Romanian counties

County	Population (valid 1993)	% from country population	Nr. of housing units (valid 1992)	Nr. of hospital beds	Nr. of unemployed (valid 1994)	Rate of unemploy- ment
Alba	410,258	1.80	137,460	3,267	18,628	8.60
Arad	484,872	2.13	177,375	4,120	22,333	9.70
Arges	679,613	2.99	239,038	4,373	36,040	10.20
Bacau	741,119	3.26	233,797	4,188	45,842	13.70
Bihor	635,894	2.79	224,145	5,916	27,894	8.10
Bistrita Nasaud	328,666	1.44	96,229	1,904	37,972	23.00
Botosani	463,250	2.04	156,043	3,929	41,567	18.60
Brasov	643,035	2.38	211,591	4,728	22,516	7.00
Braila	392,946	1.73	126,422	2,921	20,968	10.60
Buzau	516,298	2.27	178,862	3,364	42,878	16.00
Caras Severin	372,850	1.64	127,860	3,036	24,461	13.50
Calarasi	337,756	1.48	108,160	1974	13,212	8.40
Cluj	727,017	3.19	258,499	7,768	32,596	7.90
Constanta	754,345	3.28	226,662	5,112	38,762	10.30
Covasna	234,283	1.03	81,144	2,415	11,383	10.60
Dambovita	558,894	2.46	182,057	3,691	28,650	10.50
Dolj	759,605	3.34	256,014	5,516	60,726	15.70
Galati	641,301	2.82	201,210	4,176	32,689	10.30
Giurgiu	307,847	1.35	106,473	1,420	17,490	13.40
Gorj	395,806	1.74	138,486	3,266	9,894	4.60
Harghita	348,488	1.53	121,229	3,147	23,698	13.40

Table 1. - The social and economic profile of the Romanian counties (cont.)

County	Population (valid 1993)	% from country population	Nr. of housing units (valid 1992)	Nr. of hospital beds	Nr. of unemployed (valid 1994)	Rate of unemploy- ment
Hunedoara	548,375	2.41	190,274	5,470	23,414	8.30
Ialomita	305,195	1.34	97,260	1,334	15,562	10.90
Iasi	812,488	3.57	240,032	8,715	48,023	12.40
Maramures	541,534	2.38	171,815	4,481	26,333	10.00
Mehedinti	331,572	1.46	123,182	2,490	17,908	11.80
Mures	608,464	2.67	209,283	5,580	31,475	10.70
Neamt	583,252	2.56	186,692	3,660	59,231	19.80
Olt	523,160	2.30	173,473	3,131	31,774	12.80
Prahova	876,329	3.85	288,681	6,050	35,549	8.20
Satu Mare	400,041	1.76	130,333	2,273	18,702	9.30
Salaj	265,790	1.17	95,446	1,856	16,645	13.00
Sibiu	447,077	1.96	151,936	3,916	21,107	9.80
Suceava	706,409	3.10	217,433	4,422	43,309	12.40
Teleorman	480,524	2.11	163,452	3,279	22,945	10.10
Timis	688,890	3.03	248,552	7,765	27,514	7.80
Tulcea	265,538	1.17	88,882	1,879	24,236	18.70
Vaslui	464,176	2.04	148,170	3,557	62,070	28.10
Valcea	438,600	1.93	159,193	2,872	28,272	12.60
Vrancea	394,879	1.74	134,969	2,212	26,118	13.50
Bucuresti	2,343,824	10.30	849,189	23,993	72,551	5.70
Romania	22,755,260	100	7,659,003	179,169	1,262,937	11.10

Table 2. - Change in population of households and households headed by females



- o In 1980, 59% of the families (1,607 of 2,737) were headed by females compared to 33% (61,461) in the city.

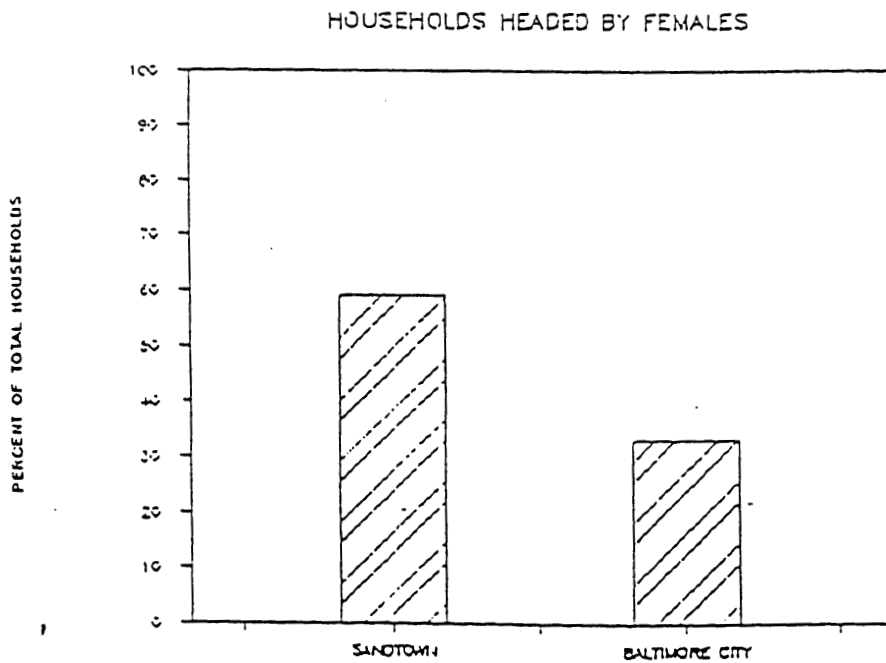


Table 3. - Organizational chart for Community Building in Partnership

COMMUNITY BUILDING IN PARTNERSHIP

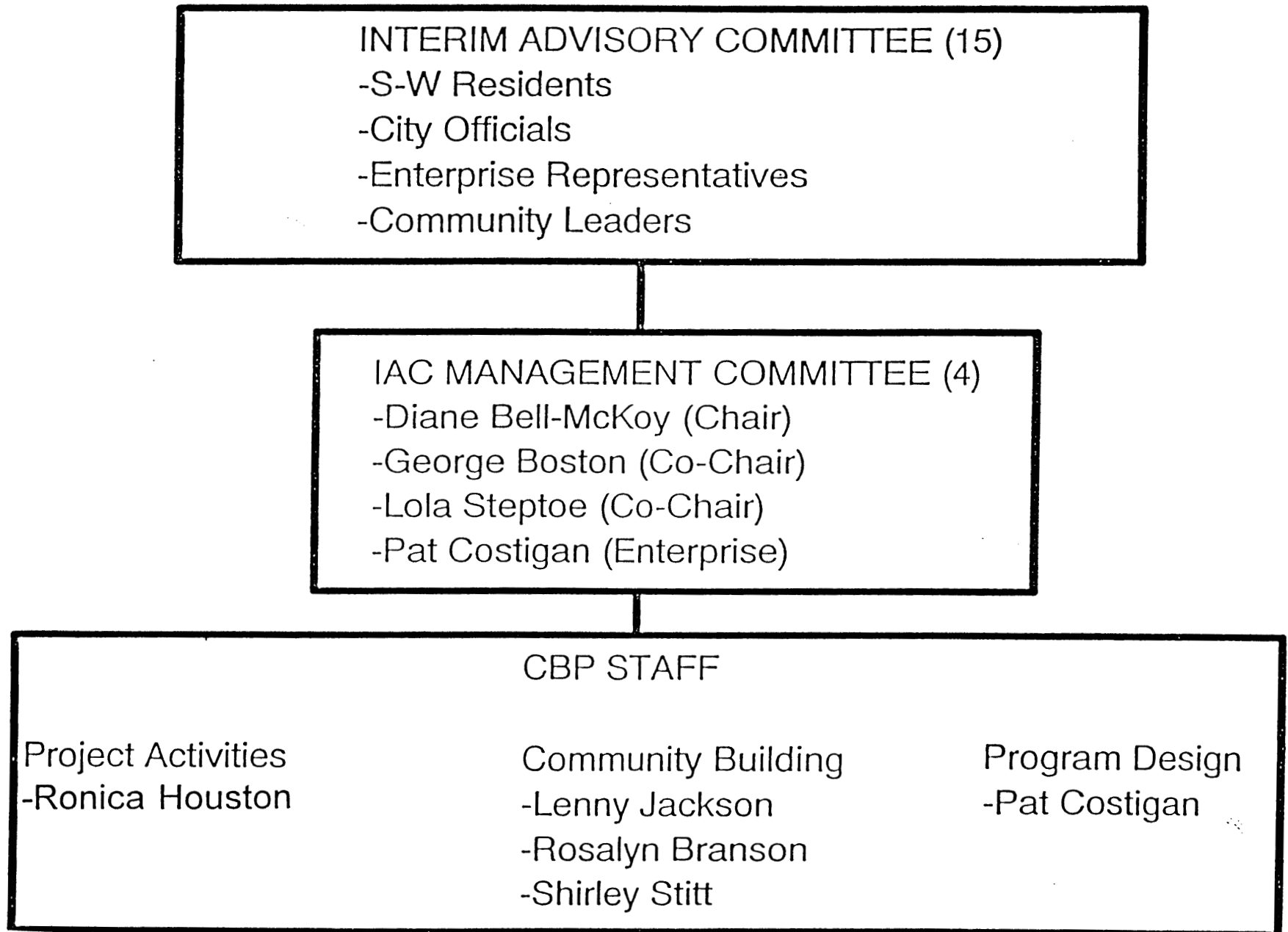
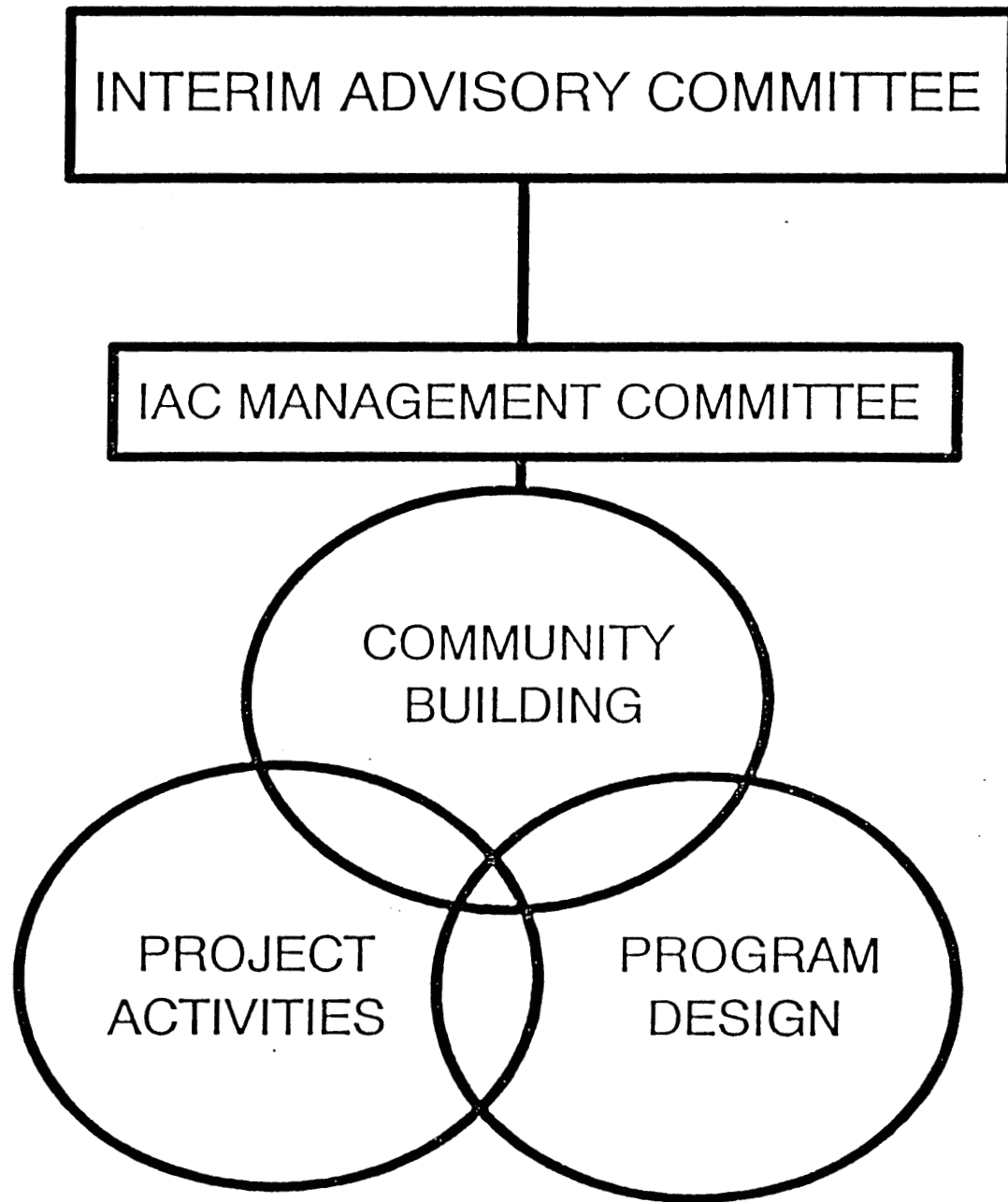


Table 4. - Three-pronged approach to implementing the Sandtown-Winchester program

COMMUNITY BUILDING IN PARTNERSHIP



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