

Case Study

Eureka Development Corporation

Eureka Development Corporation is a newly certified CHDO located in Lakemont, a midsized city with about 100,000 people, located in Vroom County. It serves a neighborhood located immediately contiguous to downtown Lakemont.

Vroom County has a population of about 170,000. There are two cities in the county, Lakemont with 100,000 and one smaller city, Hilltop, with about 30,000 people about 40 miles east of Lakemont. Lakemont is also located about one hour from Swingville, a major metropolitan area with about 500,000 people.

Eureka has been around since 2001. It was founded Jane Murray who had a background in social services and a desire to serve low income people, in particular single women with children. For the first 4 years Eureka ran several programs that served youth, provided social services for families, and transitional housing for people who had been evicted from existing homes. The Youth Program won an award for Most Innovative in 2005. In 2006, Eureka partnered with the local public housing authority to rehab 10 homes, 5 of which were sold as market rate and the other 5 remain as rental units for low income people. Eureka also has a six unit apartment building that it rents to single mothers who have been displaced. The property was donated to them by a prominent real estate developer in the area.

Eureka CDC also refers clients to weatherization services offered by a regional development group that is located in Swingville, about one hour from Lakemont. The founding director had always wanted to get a contract specifically for the Eureka neighborhood, or even the county, but never had the time to write a proposal when the bid was announced.

Jane Murray has been working with the County's Community Action Agency, Utopia to co-develop a tax credit project with 50 units that are in two separate neighborhoods. This would be a scattered site single family project. Utopia has never done real estate development. The Director of Utopia is a close friend of a board member of Eureka.

There has never been a formal strategic plan. The CDC has focused its activities on the desires and interests of the founding director. Programming has developed based on her ability to obtain funding. The CDC has offices in a house in the neighborhood and rents space from a church for the youth program.

Funding comes from block grants (30%), social service grants (20%), small grants from 3 local foundations (25%), a small amount of rental income (10%) and some private donations and proceeds from an annual fund raising event (15%).

Staff

Executive Director: Alex Wheeler, age 40 He started at beginning of 2008, and took over from the founding director. Alex came from a small nonprofit in Hilltop, and prior to that, had worked in Swingville as the Housing Project manager for a multi-neighborhood CDC.

Property Manager/Social Service Coordinator: Jean Humphrey, age 52, a social worker who is a friend of the founding director, Jane Murray. Jean has 10 years experience as a social worker with families and children and has learned the property management over the past 5 years being employed at Eureka.

Youth Program Coordinator: Dan Nesbitt, age 26 Dan ran several youth programs while in college as part of a church based program. After graduating, he worked for the local YMCA in their youth program. Dan has worked at Eureka for 2 years.

Part time Housing Coordinator Dean DeLuca, age 27 Dean is a friend of Dan's from college. He is going to school part time to get a masters degree in urban planning. He has limited experience in real estate development, but understands the process and funding sources. He worked as an intern in the real estate department of a small local bank. Dean has worked at Eureka for about 1 year.

Administrative Assistant/Community Organizer Monica McMahon, age 35 Monica has a background in community organizing, having worked in a large city for several years as a community organizer for a church-based CDC. She has been with the organization for about 3 years. Monica's job is about 30% community activities and 70% administrative.

Board of Directors

15 slots with 3 vacancies

Members consist of:

Banker from local community bank	Real estate attorney
Social Worker	Accountant who runs her own business
Neighborhood health center manager	Minister who is the former director's brother in law and is pastor of the church that houses the youth program
Architect with an office in neighborhood	Resident 1: Single mom who is studying to get her associate's degree
Banker from large national bank	Resident 2: Retired automotive worker
Artist who has a gallery on the edge of the neighborhood.	Resident 3: Retired high school teacher

Other details...

Largest employer in the City is an automotive related parts supplier.

Regional hospital runs a neighborhood health center in the Eureka target area.

The City would like Eureka to expand into another contiguous neighborhood where the existing CDC, Blue Hills, has struggled with performance and maintaining funding. The City has indicated a merger would be the best avenue. The ED of Blue Hills has been on medical leave, having suffered a stroke in August. It's not clear if she will return. They have 3 tax credit projects in operation, one senior apartment and two scattered site single family projects.

About 8 board members would like Eureka to apply for a foreclosure prevention program. One of the bank representatives would like Eureka to pursue more tax credit housing because they have seen it work in other areas.