

## **Placing Economic Development: Creating a future for today's White Center**

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### **Executive Summary**

Through its concentrated interest on community and economic development in White Center, the White Center Community Development Association continues to have a significant impact on the lives of residents in the White Center area. Though the thrust of its programming has been on the economic development side, specifically on its ongoing “mainstreet revitalization” program on White Center’s primary commercial strip, WCCDA is not realizing its full potential in community development initiatives that are aimed at combating displacement and the negative aspects of gentrification. A significant tension exists between its community development mission and its economic development programming which may actually be promoting displacement of current residents and businesses.

We believe that this cognitive tension is a result of two phenomena: policy inheritance and a closed feedback loop among WCCDA’s leadership. The origin of the closed feedback loop problem can be traced to the foundation of the CDA, which was founded by large institutional and governmental actors who generated the CDA’s original governance structure: a series of “community leader” cohorts who keep the agency institutionally close to the large institutions who created it. This “community leader” model has inadvertently shut out opportunities for feedback from community members whose social networks don’t coincide with that of the “community leaders.” We believe that allowing more opportunities for a broader conception of the community to lead the organization will help expand the horizons of WCCDA, and make it a more effective agent of change.

Policy inheritance has been an ongoing practice of WCCDA who has remained close to its larger and more powerful institutional actors. From its inception, the CDA has absorbed programming from outside of the community along with its inherent policy tools and theoretical framework. The façade improvement program that was formerly accomplished by King County and the City of Seattle is illustrative of this process. However, by accepting the money, policy, and framework, the CDA deprives its leadership and members of the community from carefully considering the policy and its implications. We believe that an open and transparent needs assessment, followed by close scrutiny of each of WCCDA’s programs is called for, in order to ferret out the true community needs thereby allowing WCCDA to scuttle any of its programs that aren’t in keeping with the community’s goals.

Without resolving this inherent tension, we believe that the WCCDA will ultimately be unsuccessful in its goal to sustain an ethnically diverse and vibrant community. The community is in real danger of being remade by the market in such a way that is not driven by the needs and desires of the community, and in a manner that is ultimately contrary to WCCDA’s mission and vision.

## **Introduction**

White Center is an “inner-ring” suburb that has exhibited some distressed economic conditions over the last few decades. Because of its less expensive commercial and residential real estate, it has been attractive to immigrant and refugee communities who have created a vibrant and diverse community, though one that still suffers from a depressed economic foundation. The White Center Community Development Association (hereinafter WCCDA) was created to address the economic development needs of the community as a result of the collaborative efforts of a number of large institutional actors with an interest in White Center. Based on a generalized model of a community development association, the WCCDA was designed to encourage and facilitate economic development in the White Center community.

In this paper we present our analysis of the WCCDA, its institutional structure and its activities that pertain to its economic development objectives. As our guide in this analysis we are using the agency’s self-articulated mission—to build community, improve the quality of life for White Center residents through community-based economic redevelopment, affordable housing and advocacy (WCCDA, 2005)—and gauging the extent to which its structure and activities do or don’t support this mission. Our study is based on an historical analysis of WCCDA’s history and organizational, the development of their programming, and the role of the White Center Business District in the community. Using this historical and theoretical frame, we examine the activities of the WCCDA’s current economic development activities, their histories and outcomes as seen by WCCDA. Our analysis identifies three constraints inherent in the organizational structure of the WCCDA and its current approach to programming for community-based economic development. These constraints will be discussed followed by a series of recommendations that we argue will help the WCCDA perform more effectively in addressing the needs of its constituents and resolving some of the existing tensions between WCCDA’s mission and its programming.

## **Background**

Within contemporary local economic development initiatives, community development associations or community development corporations (hereafter, CDCs) are considered the primary vehicle of development efforts within distressed communities (Gittell and Wilder, 1999). CDCs are governmental regulated and state sanctioned non-for-profit organizations that are institutionally located between the “local community” and various other state and non-state institutions. According to the National Congress for Community Economic Development, housing initiatives are the most common activity of CDCs with almost 90% of CDCs participating in some form of housing initiatives. In addition to the production, maintenance and management of housing a lesser proportion of CDCs (18%) are involved in commercial and industrial development (NCCED, 1995 cited in Gittell and Wilder, 1999).

Since the emergence of CDCs in the 1960s, both the nature of CDCs and the regulatory environment in which they operate have changed. The first generation CDCs were truly grass-roots neighborhood-improvement movements that evolved out of political advocacy, civil rights, and religious movements of the 1960s (Gittell and Wilder, 1999). Since the establishment of the community development corporation model in the 1960’s the number of CDCs has risen dramatically across the country and the organizational nature of CDCs has diversified substantially. In addition, as the regulatory environment for urban policy has undergone processes of decentralization and devolution, CDCs have had to become much more

entrepreneurial and develop new strategies for funding. One of the primary strategies for increasing institutional viability has been to increase partnering strategies with local and state governments (Vidal, 1992). Over the four decades in which CDCs have been in operation, in general they have become more closely affiliated with governmental institutions (Gittell and Wilder, 1999).

There have been a number of very successful CDCs that have brought much needed services to disadvantaged communities. However, though CDCs are considered a primary vehicle for inner-city redevelopment efforts, they are not a panacea. Indeed, review and evaluations of CDCs has drawn attention to the inherent contradiction between the organizations' development activities and their commitment to ideologies of community empowerment and control (Gittell and Wilder, 1999). This contradiction is all the more difficult to overcome, as CDCs are often dependent on external resources which makes them susceptible to influence and control from outside of the neighborhood they are purportedly designed to serve (Stoecker, 1997). Furthermore, as CDCs have had to increase their professionalization and technical sophistication to remain viable, there has been a curtailment of citizen participation and community control (Warren, 2001, p.29 cited in Silverman, 2003)

## **Analytical Approach and Methodology**

In order to assess the WCCDA's strategy for addressing the problem of depressed economic activity in the White Center commercial business district we had a number of information needs. Our primary research methods included a historical and organizational analysis of the WCCDA, a brief survey to gain a sense of the role the White Center business district currently serves, and, since many of the current initiatives are directed at physical improvements, we conducted a geographic analysis of the owners of White Center commercial property.

### ***Historical and Organization Analysis***

Research on CDCs has demonstrated that the origin of an organization and the political logic behind its creation has a significant impact on the understanding of the problems that the organization is meant to address (Johnson, 2004). Thus, our first step in this analysis was an historical and organizational analysis of the WCCDA in which we drew on both archival research as well as personal communication with WCCDA representatives. Our archival analysis relied heavily on the *White Center Community Investment Plan* (see Petree, 2002) as well as the history of the WCCDA described on the organization's website. In addition to written resources, we conducted an interview with the WCCDA's Economic Development Manager to more accurately appraise WCCDA's conception of the problems facing White Center's commercial district, the relationship between the CDA and other economic development initiatives, and how the WCCDA understands its mandate. The results of this interview was used to develop a narrative of the development of the WCCDA and for general contextual information about the WCCDA for analytic purposes; its analysis is contained throughout this paper. A summary of the interview is attached as *Appendix A*.

### ***Survey Data Analysis***

In order to evaluate the WCCDA's efforts in improving the White Center business district we need a better understanding of who currently uses the White Center commercial district, why they use it, and the meanings they associated with it. Towards this end, we

conducted two small-scale surveys, one to passers-by and one to business owners. These surveys were fielded on a Saturday, and were conducted in English and Spanish. The sample was not representative and is likely biased towards entertainment, retail, and dining establishments (because they were more likely to be open on a Saturday). Furthermore, since we had greater luck in persuading those on foot to answer our questions our sample is likely biased towards those with less financial resources (those who were on foot and were not going to or coming from a vehicle) or towards those who live in close proximity to the commercial district.

These surveys yielded three insights into the current use of the White Center commercial district. First, the White Center commercial district is a resource that it utilized largely by residents of the immediate community around White Center. People who use the commercial district do so extremely regularly and have noticed improvements in the area, especially regarding crime and public safety issues. This suggest that efforts around public safety and security have increased current residents ability to use the neighborhood shopping district. The small percentage that were visiting White Center from outside of the immediate area were shopping in ethnic-based stores. Since the preponderance of respondents came from White Center, it is unclear whether the noticeable public safety improvements are changing shopping habits or attracting new customers to the area.

Secondly, business owners in the White Center commercial district are aware of the close businesses relationship between the enterprises located in the commercial district and residents of the surrounding community. Business owners' belief that high product or service quality was a significant attractor differed from customers' stated reasons for doing business in the commercial district, which was convenience or proximity to their homes.

Thirdly, business owners believe that their businesses are relatively stable, and don't anticipate the modest rise in rents that have occurred as significantly imperiling their future operation. This suggest that business owners are not feeling displacement pressure. Most business owners are satisfied with their location. More detailed results of the survey's are attached as *Appendix B*.

### ***Geospacial Data Analysis***

Our appraisal of WCCDA's programmatic and organizational structure and its likely effects on the White Center community relies, at least in part, on determining who will benefit from the economic development activities. For example, though WCCDA's storefront improvement grants benefit the business owner in the short run, it is the building owner who realizes the most long-term benefit from such infrastructure projects. Moreover, given the affordability in residential real estate in White Center relative to the remainder of the county there is a great possibility of increased interest in White Center in middle-class home buyers. Indeed, while White Center's real-estate appreciated by 6.9% between 2003 -2004, the county as a whole increased 9.8% over the same period, thus making White Center relatively more affordable.

Given the relative affordability of White Center and the amount of public investment into the residential real-estate market we can assume that the price demanded for commercial rents will rise and potentially displace some smaller, family-owned businesses who currently lease in the commercial district. Therefore, we felt it was imperative to study the commercial property ownership in White Center to determine whether the building owners are "local" as defined by the WCCDA. Furthermore, this in turn will indicate the extent to which economic benefits realized from increased commercial rents will accrue to residents of White Center.

These maps, attached as *Appendix C*, indicate that fewer than half (60 of 171 parcels, or approximately 35%) of the commercial property owners in White Center have a mailing address in White Center. From this analysis we can safely derive two characteristics of commercial property ownership in White Center: 1) most business owners in the commercial district don't own the building their business occupies; and 2) programs that cause an economic benefit to accrue to a building owner in the form of higher rents will often leave the community. The technical details and resulting images of the geospatial analysis are attached in *Appendix 3*.

## Discussion

### ***Development of the WCCDA***

The circumstances under which a community development organization is formed is a large determinant of the nature of the resulting institution. Furthermore, researchers has demonstrated that the conditions of its development are indicative of its later performance (Johnson, 2004).

The White Center CDA developed out of a community planning effort co-sponsored by the King County Office of Regional Policy and Planning and the Annie E Casey Foundation (AECF).<sup>1</sup> The community planning effort was instigated through the AECF's *Making Connections* program which offers financial assistance and technical support for community-capacity building efforts for 22 neighborhoods across the country (AECF, 2005). King County facilitated the community planning activities.

The initial community planning effort included the establishment of a 50 person council comprised of local area residents, each of whom had previous formal or informal leadership experience in the community. Recruitment for the White Center Resident Leadership Council was conducted by King County. Members of the community were nominated by government and human service professionals and then interviewed by County staff, who invited them to get involved in this "grass roots community organizing effort" (Petree, 2001, p. 17). In addition to community planning efforts, members of the resident council participated in a series of leadership training exercises designed and facilitated by King County with assistance from the Center for Ethical Leadership in Seattle (Petree, 2001, p.17).

The resident council deliberated for six months in early 2001 and focused on four topics: Economic Development, Housing, Community Center and School. The focus of the deliberations was determined by two pre-existing circumstances. Firstly, the discussion priorities of the White Center Leadership Council were drawn from the priorities stated in a 1994 community development plan produced by King County in collaboration with White Center residents. Secondly, focusing on these previously-stated priorities had the additional benefit of allowing the leadership council to collaborate or build on other large-scale development activities that were being enacted by the Highline School District and the King County Housing Authority. Over the course of the deliberations, King County brought in experts on each of the objective areas to inform the Council on different development strategies, models and "best practices" (Petree, 2001, p. 15).

The outcome of the council's discussions was the *White Center Community Development Investment Plan* which outlines seven projects directed at community development. Two of the

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<sup>1</sup> Information on the history of the WCCDA development from the WCCDA's website and the *White Center Community Development Investment Plan* prepared by Jennifer Petree at the King County Office of Regional Policy and Planning.

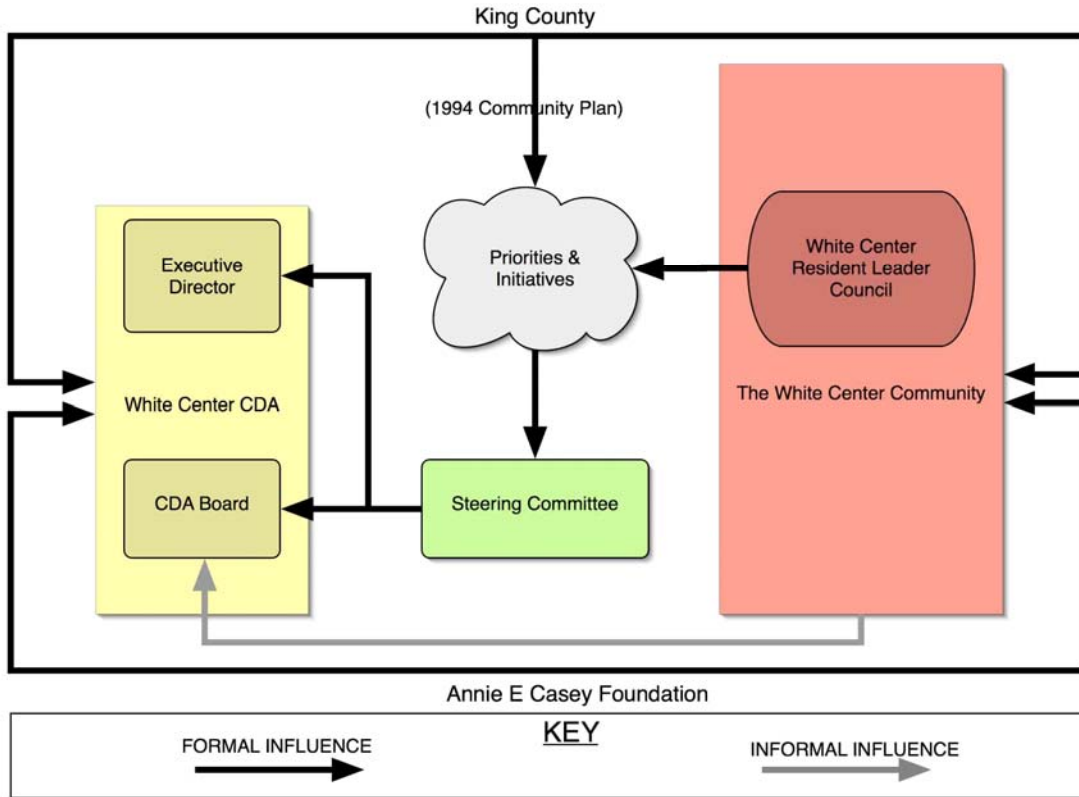
development priorities included the establishment of a Community Development Corporation (CDC) as well as a Mainstreet Revitalization Program. The CDC was intended to “have the capacity to plan, manage and execute critical economic development and affordable housing projects in the neighborhood that are chosen by the local community” and provide a “forum for neighborhood organizing and civic engagement in all types of community building projects” (Petree, 2001, p. 6).

The Mainstreet Revitalization objective grew out of the resident leadership council’s wish to redevelop White Center’s commercial center into a “vibrant, multicultural commercial center.” Specific items included improving the physical appearance of 16<sup>th</sup> Avenue SW in order to make it safer and more attractive to shoppers, business owners and investors. Another priority was to make White Center’s downtown a “destination” for both local residents as well as people from surrounding neighborhoods in West Seattle and south King County (Petree, 2001, p. 6).

The Economic Development subcommittee of the Resident Leadership Council developed the plan for the establishment of a White Center CDC, which began with the establishment of a steering committee of local residents and business owners who outlined the purpose of the CDC, and who detailed the skills and expertise needed in the Board of Directors and future organizational staff. The steering committee then recruited the original members of the WCCDA board and the executive director, who then underwent board training provided by Impact Capital. In the original plan, initial financial support was to be provided by the Annie E. Casey Foundation, Impact Capital, and local funds.

An organizational spokesperson said the agency’s mandate is derived directly from the residents and business owners of White Center through the “local” nature of the board. The current accountability structure relies on the board to keep the CDA accountable to the community by an informal mechanism of “neighborhood and community interaction” (personal communication). Thus, the feedback mechanism assumes that board members will have a “close association” with all White Center residents by virtue of living in the community, and that the propinquity of residential addresses will filter information from the community at large into the governing structure of the CDA.

## Framework of White Center CDA Development



In addition to the informal feedback mechanism for CDA accountability to the White Center Community, the board is designed to be representative of the community at large. In fact, the economic development director told us that “We’ve been very conscious of keeping a board that represents the community” (personal communication). Currently, the WCCDA board is comprised of both community and business leaders as well as a contingent that were chosen based on their technical expertise (Wysocki, personal communication). The WCCDA has recently established a policy on board development that stipulates that at least 50% of the board must be from White Center and that at least 50% must be people of color (personal communication). While the first WCCDA board was recruited by the steering committee established by the Economic Development Subcommittee of the White Center Residential Leadership Council, current board recruitment occurs through the social and professional networking of current board members.

### ***Current Initiatives and Programming***

According to its 2004 Annual Report, the WCCDA has three primary objectives: (1) Downtown Revitalization and economic Development, (2) Affordable Housing Preservation and Development, and (3) Community Building and Advocacy (WCCDA, 2005). For the purposes of this evaluation, we are concerned with the activities intended to further the first objective of Downtown Revitalization and Economic Development.

The WCCDA current has five initiatives directed at Economic Development. Each of these initiatives and the activities of the WCCDA are described below:

**Business Assistance Center:** The WCCDA markets and sponsors the Business Assistance Center. The services of the Business Assistance Center were developed and provided by the King County Office of Business Relations and Economic Development (BRED), in partnership with the Washington State Employment Security Department (ESD and Community capital Development (CCD). A representative of BRED is co-located at the WCCDA on a part-time basis to meet with entrepreneurs and business owners in the White Center area. The program provides businesses in the area and throughout King County with access to block grants and technical assistance in the form of market research. According to the WCCDA, the objectives of the Business Assistance Center are to improve business functionality and survivability in White Center (personal communication).

**Storefront Improvement Matching Grant Program:** The WCCDA manages a Façade Improvement Grant Program that is sponsored by the City of Seattle's Office of Economic Development. Under the City's Façade Improvement Program, small business owners and commercial property owners can apply for grants of up to \$10,000 for exterior improvements that will significantly enhance the exterior appearance of the building. Funds may not be used to improve the interior of a building and must be matched on a 1 to 1 matching basis by the grantee. Additionally, grant funds may pay for no more than 50% of the total cost of the project and can not be used to pay for labor costs (City of Seattle, 2005).

According to both the City of Seattle and a representative from the WCCDA, the Storefront Improvement Strategy is designed to increase investment in White Center by attracting positive attention to receiving business which, it is hoped, will then spur other businesses to undertake needed improvements. This process of influence was described as "a snowball effect", where by businesses that see their neighbors improving their storefronts are compelled to do so similarly. Additionally, the program is designed to combat a "broken window effect" in White Center. In this usage "the broken window effect" is not in reference to crime and social disorder, rather it is used to describe a process where by a business owner neglects his/her storefront because he sees his neighbors and competitors similarly unconcerned.

**University of Washington Business School Partnership:** The WCCDA recruits local business owners to take advantage of consultative services offered by students of University of Washington. These consultative services include business advice from students of the UW Business School. According to the WCCDA, this program had seen quite a bit of uptake previously, but is currently only including one White Center business due to capacity problems on the part of UW.

**Public Safety Initiatives:** The WCCDA constituted a working group of local businesses, residents, and property owners to work with the Seattle Police Department and King County Sheriff's Office to address issues of crime. The group meets once per month, and is open to the public. Since the program has been operation, crime in White Center has reduced substantially and numerous safety problems (such as poor public lighting) have also been corrected. In addition to the reducing crime thereby making the commercial district more appealing to shoppers on foot, the program has had the additional benefit of increasing the trust between

business owners and local law enforcement, yielding increased reporting and collaborative public safety measures.

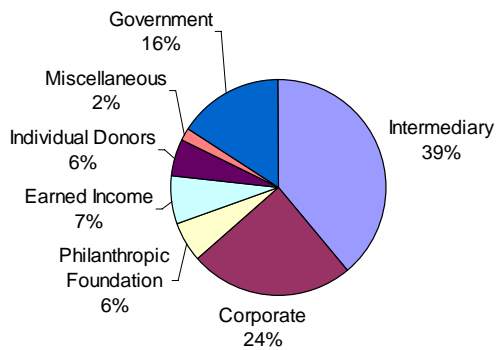
The impetus for the Public Safety initiatives of the WCCDA was drawn from the stated needs of White Center business owners. According to a WCCDA representative, business owners in White Center cited crime as the single greatest challenge to sustainability. Business owners in the area felt that crime depressed the number of customers who were willing to come to the main street area to do business, as well as adding additional expense of the cost of doing business in the area.

**Civic Improvement Projects:** The WCCDA administers a small-grant program (up to \$500) for community improvement measures that are sponsored by the Annie E. Casey Foundation. The purpose of the program is to foster community leadership amongst the current White Center community by facilitating community-improvement projects initiated and organized by community members (personal communication). To date, these improvements have been in the realm of infrastructure such as security gating or lighting, traffic circle improvements, or tree plantings. WCCDA has also attempted to extend the life of the grant-funded program by soliciting donations from project participants.

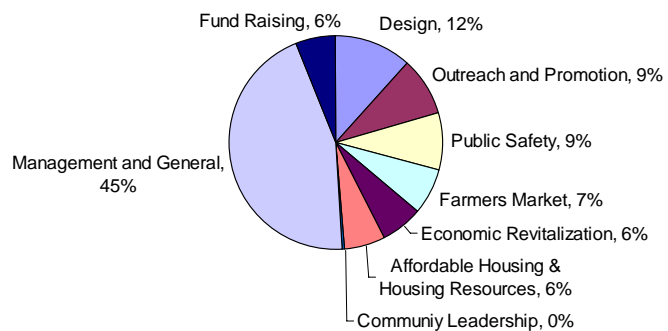
**Funding**

In 2004, the greatest source of revenue for the WCCDA was “intermediary” funding, which comprised 38.8% of their annual budget. Intermediary funding was followed by Corporate funding (24.4%), Government funding (15.9%), and then, Earned Income as 7.3% of the entire revenue stream. On the expense side of the balance sheet, a full 45.3% of the organizations expenses were absorbed in management and general expenses, followed by Design activities (11.7%), and Outreach and Promotion (8.85). In terms of the specific expenditures towards economic development initiatives, the 2004 annual report shows 6.5% of expenses listed as “Economic Revitalization” and 8.7% as “Public Safety”. The revenue and expense distributions are demonstrated below:

**Revenue**



**Expenses**



Source: 2004 Annual Report, White Center Community Development Association

## **Constraints & Critiques**

### ***Policy Inheritance***

Our analysis of the historical development of the WCCDA reveals the organization's extremely close relationship with King County, the City of Seattle, the University of Washington, and the Annie E. Casey Foundation. Indeed, the organization is intimately connected to these much larger and more powerful organizations from which it receives substantial grants and technical capacity. The development of the WCCDA was to a large degree shaped by the visions of the Annie E. Casey Foundation and King County. Furthermore, as evidenced in the discussion of its current programming, many of the key economic development strategies were developed outside of the organization and then adopted by the WCCDA.

WCCDA appears to behave as an agent of these larger organizations instead of as a partner, as is evidenced from its revenue stream. In its 2004 annual report, WCCDA noted that it received the largest portion of its revenues (38.8%) from "intermediary" sources, in this case Impact Capital, and 15.9% of its revenues from governmental sources for administration of programs. In the case of both revenue sources, the funds were allocated for specific programmatic activities that were formulated by entities that are extra-local to White Center. Indeed, according to a conversation with WCCDA's Executive Director, the bulk of the funding that was accorded to Impact Capital for granting to WCCDA originated with the Annie E Casey Foundation, who is using Impact Capital primarily as a conduit. In 2004, these two large, extra-local revenue sources made up over half of WCCDA's revenue (54.7%), and was almost exclusively restricted for use for certain discreet activities and programs.

The nature of the WCCDA's working relationship with its much larger partners is further illustrated in its programming goals. In interviews with WCCDA officials as well as in its 2004 annual report, WCCDA describes the contributory role of governmental or private foundation actors in all of its commercial district revitalization activities: the business assistance center is a product of a co-location between WCCDA and an agent of King County's Office of Business Relations and Economic Development (BRED) (Wysocki, personal communication); storefront and façade improvement is managed by the WCCDA but funded by King County and the City of Seattle (WCCDA 2004 Annual Report); civic improvement projects are funded by the Annie E Casey Foundation (Wysocki, personal communication); public safety initiatives are funded by King County and are a product of collaborative efforts between WCCDA and law enforcement officials from Seattle and King County; the UW business assistance center is administered and conducted through the university, with WCCDA acting as a local liaison only.

We found that the relative homogeneity of WCCDA's funding sources, the nature of its relationship to extra-local agencies and the process and location of program development are over-determined by King County and the Annie E. Casey Foundation and not the local community. Many of WCCDA's largest programs, such as the façade improvement initiative, were functions that were previously administered by large extra-local actors. In this example and in numerous others, the WCCDA has assumed responsibility for programs and their attendant policy goals from their prior administrators, placing the agency in the role of policy inheritors.

The WCCDA's unique institutional location gives it a valuable opportunity to translate local understandings of problems and concerns into the basis of program and policy outcomes. Indeed, we feel this is demonstrated by the WCCDA's public safety campaign. In contrast to other commercial district revitalization programs, the public safety program's activities were

specifically developed based on local business owners' understanding of a problem, an understanding that is derived by personal and direct experience of White Center. This has led to targeting neighborhood "hot spots" which become the focus of concerted efforts by local law enforcement and the public safety committee of the WCCDA. It's important to note the differences between this program and other activities of the WCCDA: whereas other programs, such as the façade improvement project, were inherited from and funded directly by King County, the public safety campaign was driven by WCCDA, and its policies and specific activities were developed in their totality through collaborative work with the business owners in the commercial district. This has likely resulted in policy that is more receptive to the needs of the community. The most common comment we heard in the course of our interview data collection was that public safety had improved substantially, and most respondents considered this the greatest improvement in the commercial district.

Policy inheritance itself isn't intrinsically negative; if the policies that are inherited from granting organizations are sound and local relevance is demonstrated, then the activities that occur as a result will be impactful and appropriate when they are properly executed. Regrettably however, an untoward effect of policy inheritance is framework inheritance. Using WCCDA's façade improvement project as an example: When an agency accepts grant money to perform certain activities (such as façade improvement), by accepting the grant money it accepts the policy goals that are accomplished through the activity (facades in White center are in need of money to improve their appearance), and they accept the framework that underpins the policy goal (there is a negative economic effect of having facades that are in need of updating or repair that is inhibiting the area from realizing its maximally efficient use.) Unfortunately, policy inheritance doesn't permit WCCDA from examining the assumptions and theoretical frame that underpin the policies that it is paid to implement, thus leaving the door open for policies that, because they received little public input, are unscrutinized at best, and counterproductive at worst.

### ***Closed Feedback Loop***

We found that a combination of WCCDA's organizational history and the informal nature of its accountability structure leaves the agency vulnerable to myopia with respect to its programming. From the organization's founding, it has been focused on a "community leader" approach to board development and perpetuation that can trace its lineage back to the original group of "community leaders" that were designated as such by King County for the White Center Residential Leadership Council. Indeed, because the reins of leadership have been handed down from cohort to cohort of subsequently self-designated community leaders, a process that ultimately culminated in the recruitment of a cadre of community leaders to compose the WCCDA's first board, the current board can trace its origins back to the original King County-designated cohort of "community leaders".

We believe that the WCCDA values having a board that is representative of the local community in terms of race and ethnicity and it has recently instigated a policy to ensure a diverse board. According to the criteria of ethnically diverse, the board only seems to be lacking in representation of the Latino proportion of the White Center community. According to Census 2000 data, approximately 12% of White Center's residents self-identified as Latino, a proportion that has likely increased, and there are a number of stores in the commercial district where Spanish is the sole language that is spoken. The lack of board representation of this substantially sized community is a weakness that was acknowledged by WCCDA officials during the question

and answer section following a presentation of these results. (Comment from Sarah Wysocki during class 12/5/05)

However, argue that in order to represent the community “board” diversity cannot be limited to the narrow definition of racial and ethnic diversity. The board perpetuation strategy currently employed leaves little room for community members whose social network does not coincide with that of the current board to be considered for leadership within the WCCDA. Additionally, this model imports a culturally and normatively specific definition of “leader” that may exclude other significant components of the broader White Center community.

Finally, according to WCCDA management, the manner in which the organization is accountable to members of the community is largely through the board of directors (see *Framework of White Center CDA Development* above). While this accountability mechanism is less than optimal in situations where the board is representative of the community, it becomes quite acute when there are doubts about the board’s ability to discern community needs. In the case of the WCCDA, the informal method of community accountability, coupled with little opportunity for outsiders to become leaders of the organization through the board, leaves the organization with a feedback loop that is essentially closed with little or no opportunity for input from community members who are outside the immediate social-sphere of the board. This closed feedback loop in turn leaves WCCDA vulnerable to myopia with respect to its programming; if there are no opportunities for broader community leadership or feedback, WCCDA is at risk of missing substantial aspects of the broader community’s needs.

### ***Inherent Tension Between Economic Development Programming and the Negative Aspects of Gentrification***

We found that there is an inherent tension that is built into the dual nature of WCCDA’s mission that remains unresolved by the agency. This tension can be described as arising from the conflict between economic development and community development. The crux of this conflict is an understanding of who benefits from the agency’s commercial redevelopment programs. As previous analysis indicated, the bulk of business parcel owners (approximately 65%) live outside White Center; based on our survey research, we believe that it likely that even among parcels owned by White Center residents, substantial leasing to non-owning lesser occurs. Consequently, programs that increase the value of the property will benefit the parcel owner substantially more than the business owner, assuming that the two are separate, because the long-run benefits of improved property will accrue to the land owner with a long-run stake. Public safety and neighborhood improvement projects will likely produce the same results, but to a lesser degree, because improved public safety and public infrastructure may increase the popularity of the retail space. Either way, in the case of direct improvements to the building, or in the case of general neighborhood improvements, the parcel owner is likely to capture an increase in economic rents. This will drive up the cost of leasing commercial space and eat into businesses profits, thereby forcing some to leave the neighborhood and fall victim to displacement. This process would be a negative consequence of turning White Center into a destination shipping district that is attractive to the wealthier residents of West Seattle, Burien, and beyond.

To its credit, WCCDA acknowledges this phenomenon, but seems unsure how to affect it, and seems equally ambivalent about its relationship with gentrification which it both decries as a problem while simultaneously acknowledging that “some gentrification is good” (Wysocki interview). In fairness to the WCCDA, we acknowledge that the organization does have projects

that are intended to improve the sustainability of businesses in White Center, however, such projects are still small in scale and their impact will not be as dramatic as large and expensive public projects such as infrastructure improvements, façade improvements, or a concerted public safety campaign.

Because of these tensions, we believe that there is an inherent internal tension between the WCCDA's economic development programs and its desire for greater cohesion and obviation of the negative aspects of gentrification. The programming, which favors land owners over members of the community creates a cognitive dissonance between WCCDA's stated missions that is never fully resolved, and may be a result of unexamined policies that have been inherited from King County and other extra-local authorizers.

## **Recommendations**

### ***Customization and Localization***

It is instructive that the most noticeable positive change in the commercial district that was regularly cited both by business owners as well as passers-by was public safety. WCCDA's public safety initiative is notable in that it is the only project among the five mainstreet revitalization projects run by WCCDA that is truly born of community needs and concerns. Though large intuitional actors such as local law enforcement agencies are still integral to the continued operation of the public safety initiatives, their role is cooperative rather than authorizing, and policy is steered on the local level rather than passed down from larger institutional "partners."

In the spirit of greater local community empowerment, we recommend that WCCDA critically evaluate each of its programs. Part of this process should be an extensive and dynamic assessment that brings in members of the community from as many diverse sources as possible, and using all available means to solicit their input. In this manner, WCCDA may more accurately divine the needs of the community, which would allow the WCCDA to customize its programming menu to more accurately suit community needs. An important aspect of this customization process is determining which if any of its current programming it can scuttle. While scuttling some programs could imperil restricted funding from large institutional donors, this process will lead to programming that is more consistent with WCCDA's mission and, ideally, not at odds with itself.

### ***More Purposeful and Inclusive Board and Accountability Structure***

With all subsequent searches that WCCDA conducts to recruit board members, the agency should place emphasis on reaching outside the social network of the current board and deep into the larger, diverse White Center community. This approach to board development will help avoid the "elite regime" problem of the current approach whereby new board members are recruited from the ranks of the current board's social network, thus forming a self-perpetuating governing regime of elites. To accomplish this goal, we recommend that WCCDA advertise heavily in the Latino community and continue its outreach to proprietors of latino-owned businesses. Also, as the new HOPE VI site is developed at Greenbridge, active recruitment of new and returning residents at the site could help bring a new infusion of intellectual and social capital to the leadership of WCCDA.

In addition to a more inclusive board recruitment process, we recommend that the WCCDA develop more transparent and public accountability structures whereby members of the

public can directly address and, when necessary, air concerns and grievances to the White Center board directly. Though there are many models for how this could be accomplished, regularly scheduled open board meetings could do much to make the organization's leadership more accountable to the community.

### ***Reconsider the Economic Development Model***

The inherent tension between economic development programming and potential displacement is a common problem amongst community development associations. There is a great degree of variability to the degree CDCs have been able to manage the tension successfully. Our discussions with members of the WCCDA reveal that the trend towards displacement is “extremely concerning” to them and that there is some significant ambivalence with regards to gentrification. On one hand, instigating processes that would displace current residents and business owners is contrary to the WCCDA's mission. However, on the other hand the WCCDA believes that economic development is depressed in White Center and that Mainstreet revitalization and technical business assistance will remedy the problem and improve the quality of life for White Center residents.

In order to most fully realize their mission of building community and improving the quality of life for White Center residents through community-based economic redevelopment, affordable housing and advocacy, we believe it is crucial for the White Center community to build an inclusive vision of the future their community and from this vision derive a plan for community social and economic development. This vision must be built on the direct and lived experience of White Center residents, their values and their visions. Thus, this final recommendation builds on the two previous ones—customization and localization of policy and a more inclusive board and accountability structure—and would serve to build a mandate for the WCCDA. This would not only increased the potential for successfully fulfilling its mission, but also create more local interest and support for the WCCDA because it would increase the relevance of its activities to those currently making their lives in White Center.

Implementing a feedback mechanism that better opens the circuit between the WCCDA and the community and creating a more inclusive vision of the future of White Center will not absolve the tension between the logic of capitalism that underwrites the economic development model and non-economic ambitions of the WCCDA. However, it does set the stage for allowing those who currently make their lives (either by living, working, or both) in White Center to define their own priorities and determine the optimal balance of gentrification's negative and positive aspects for themselves. Thus, rather than importing in a generalized model of economic development based on central business district redevelopment in disinvested areas, the WCCDA can facilitate dialogue to build a vision of development specific to White Center. This process would further the objective of defining the current problems in White Center based on the current communities values and allow the WCCDA to innovate strategies and practices in the service of its constituents.

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## **Appendix A: Interview with White Center CDA Economic Development Manager Sara Wysocki**

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Interview: John Rigg and Sara Wysocki  
Date: December 1<sup>st</sup>, 2005

### **Question 1:**

How do the efforts of the WCCDA fit in with King County's business development efforts (such as the SW targeted Community Capital Development program, which offers loans up to \$50,000 to small businesses, the free technical assistance services to small businesses in the neighborhood, and the County initiated appearance-enhancing efforts such as rezoning and sidewalk improvements). What niche does the WCCDA fill? How are the objectives of the WCCDA different than the objectives of other institutions with community revitalization goals?

### **Question 1 Analysis:**

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According to Ms. Wysocki, WCCDA works extremely closely with King County; in fact, a representative from the King County Office of Business Relations and Economic Development has staff who is located out of the CDA part of the time. Ms. Wysocki also mentioned that many of the CDA's initiatives have been directly funded by or have occurred as a direct result of the actions of King County. In that respect, WCCDA largely serves as an extender of King County policy, and still relies on the county's resources both in terms of funding and, occasionally, staffing.

Ms. Wysocki said that she considers WCCDA's niche as being economic development, and she doesn't view the CDA's objectives as different from other economic development agents in the community. Rather, she cited WCCDA's close working relationship with King County and with the Annie E Casey Foundation as evidence of their similarly aligned goals, interests, and strategies. What distinguishes WCCDA from the other agencies conducting economic development in the area is that the CDA has a community leadership component that is largely absent in the other agencies.

### **Question 2:**

Where does the WCCDA's mandate come from? Who does the CDA serve? How do you ascertain the priorities/needs of your constituents? What is the makeup of the WCCDA's board? How do you assure that it is representative of the community? In what ways is WCCDA accountable to the community?

## **Question 2 Analysis:**

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Ms. Wysocki firmly regards her agency's mandate as being derived directly from the residents and business owners of White Center, who she appropriately distinguishes from the property owners. The board of WCCDA is comprised of community and business leaders, some of whom own their property and many who don't, as well as a contingent of board members who are chosen for their technical expertise. In being composed primarily of local residents, the board is able to keep the CDA accountable for their activities. Because of their close affiliation with the communities, the community in turn keep the board accountable through neighborhood and community interaction. States Wysocki: "We've been very conscious of keeping a board that represents the community."

WCCDA is currently in the process of recruiting additional board members and, in fact, has formulated a policy on board development that stipulates that at least 50% of the board must be from White Center, and at least 50% must be people of color.

Though the CDA views its constituency largely as geographic – the residents and business owners specifically in White Center and Boulevard Park – she stated that the CDA's focus is also driven by ethnic communities, though it is concerned almost exclusively by geography, focusing on those ethnic communities which are concentrated in White Center.

## **Question 3:**

What are the specific problems that the five key initiatives are designed to address? What are the objectives of each of the current initiatives?

## **Question 3 Analysis:**

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### *Storefront Improvement*

This program is intended to combat the "broken window effect", where a business owner neglects his/her storefront because he sees his neighbors and competitors similarly unconcerned. Consequently, the program is intended to help store owners "spiff up" their frontages, including signage, windows, and displays. Ms. Wysocki said that this initiative has created a "snowball effect," whereby businesses that see their neighbors improving their storefronts are compelled to do similarly.

### *Business Assistance Center*

This program is largely a function of the King County Office of Business Relations and Economic Development, a representative of which is co-located on a part-time basis at the CDA. The program provides businesses in the area and throughout King County with access to block grants and technical assistance in the form of market research that will help them expand. According to Ms. Wysocki, it's goal is to improve business functionality and survivability in White Center.

### *UW Business School Partnership*

The UW Business School has teamed-up with the CDA to help provide struggling small business owners in White Center and throughout the metropolitan area with business advice. Functionally, the consulting occurs between UW MBA students and the small business owners themselves, though the CDA acts as a recruiter for the program. According to Ms. Wysocki this program has seen quite a bit of uptake previously, but is currently only including one White Center business due to capacity problems on the part of UW.

#### *Public Safety Initiatives*

Ms. Wysocki stated that businesses in White Center cited crime as the single greatest challenge to sustainability. Business owners in the area felt that crime depressed the number of customers who were willing to come to the mainstreet area to do business, as well as adding additional expense to the cost of business in the area. Consequently, the CDA has constituted a working group of local businesses, residents, and property owners to work with Seattle PD and King County Sherriff's office to address issues of crime. The group meets once per month, and is open to the public. Ms. Wysocki said that crime in White Center has reduced substantially as a result of this program, and numerous safety problems (such as poor public lighting) have also been corrected.

In addition to its primary mission of reducing crime, Ms Wysocki also mentioned that this program has had the additional benefit of increasing the trust between business owners and local law enforcement which has yielded increased reporting and collaborative public safety measures.

#### *Civic Improvement Projects*

This project, funded by a grant from the Annie E Kasey Foundation, endows small groups of community members with \$500 to take on a community improvement measure. These measures have generally been in the realm of infrastructure such as security gating or lighting, traffic circle improvements, or tree plantings. WCCDA encourages community members who participate to solicit donations to the fund so that it can be as self-sustaining as possible. Ms. Wysocki stated that the program's purpose is "fostering community leadership."

#### **Question 4:**

What outcome measures does WCCDA expect to see as a result of its Mainstreet Revitalization efforts? If revitalization occurs, does WCCDA expect to see an increase in the price demanded for commercial rent in the involved areas? If rents increase, is WCCDA concerned about displacement of existing small businesses?

#### **Question 4 Analysis:**

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According to Ms. Wysocki, the CDA is still in the initial stages of formulating outcome measures. Though it has some drafted, it has not moved to implementation yet.

Ms. Wysocki stated that White Center has already experienced substantial increases in rent in the area, though she would not directly attribute that increase to the actions of the CDA. This trend

is “extremely concerning” to the CDA, though Ms. Wysocki stated that it was the CDA’s position that “some gentrification is good.” She acknowledged that it is likely some businesses won’t survive in the near-term, however, and she suspects others will relocate to points south.

The CDA has pursued several tactics to attempt to address increased rents and commercial displacement:

- Through storefront improvement and encouragement that business owners attempt to expand their customer base (through putting signage in English, for example), the WCCDA is attempting to directly influence business survivability through improved economic position.
- The CDA has attempted to negotiate directly with land owners to keep their rents lower than they may ask otherwise, or subdivide the space into higher and lower rent parcels.
- In the short term, the CDA is attempting to recruit “investors with a heart” to obtain the retail space as it comes up for sale.
- The CDA is working with the Annie E Kasey Foundation to obtain grants with which owners who agree to rent controls may purchase space in White Center
- The CDA has considered purchasing some space themselves, though according to Ms. Wysocki, this would likely be used as an “incubator for non-profits.”

***Additional Thoughts:***

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- WCCDA is attempting to make White Center a “shopping destination”, where people enroute to Burien or other points south will stop and shop.
- “Our diversity is a real asset. The question is how to capitalize on it.”

## Appendix B: Interview Results

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### *Passers-by (N=17)*

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Q1. What brings you to the White Center commercial district today?

Food	1, 13, 12, 17	(4)
Groceries	7, 10, 13, 16, 17	(5)
Shopping	1, 5, 7, 8, 10, 11, 14	(7)
Passing through	3, 4, 7, 12	(4)
Commercial Services	7, 8, 11, 14	(4)
Visiting family	9, 15	(2)
Working	15	(1)

Q2. How often do you come to this shopping and eating area?

Everyday	1, 2, 9, 11, 15, 17	(6)
More than once a week	8, 6, 5, 12, 3, 13, 10, 14	(8)
Not much	4, 7	(2)
Rarely	16	(6)

Q3. Why do you \_\_\_\_\_ (insert activity) in this area?

Close to home	1, 2, 3, 4, 5, 6, 7, 9, 10, 11, 13, 14	(12)
Used to live in area	8	(1)
Familiarity	9, 14, 15	(3)
Patronizing local businesses	5	(1)
Good variety	8, 17	(2)
Everything is close	8	(1)
Cheap prices	6, 8, 16, 17	(4)
Relaxed atmosphere	8	(1)
Nice people	8, 13	(2)
Ethnic goods and services	12, 16	(2)
Product quality	17	(1)

Q5. Are you aware of any changes happening in the area

New sidewalks	1, 2, 3, 4, 10, 14	(6)
Construction	2, 7, 9, 15	(4)
Less graffiti	1	(1)
New Stores	1, 2, 8, 14, 16	(5)
Things getting better	1, 8, 14	(3)
No (just moved)	6, 10, 12	(3)
Better policing	9	(1)

More comfortable 9, 15 (2)  
New housing 16 (1)

Smoking ban putting people out of jobs

Don't know why money being spent on sidewalks 3, 4 (2)

Q6. What is your residential zip code?

98146  
98106  
98146  
98108  
98146  
98106  
98146  
98146  
98108  
98146  
98146  
98168  
98106  
98023  
98059  
98136

**Business Owners (N=10)**

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Q1. How long have you or your family owned this business?

13 years, worked for business for 27 years  
1 year  
15 years  
4 years  
1.5 years  
2 years  
2 years  
3 months  
12 years  
24 Years

Range = 3 months to 24 years

Q2. Do you have a sense of where you customers live? Do they live in White Center, or are they from outside the area?

local, used to be from all over but competition is constricting

White Center

most in WC, 5 % outside WC

95% local, with 5% from outside

pretty local

White Center, only 10-15% from outside, family referrals

Everywhere, majority in WC (60%)

about 50/50

50/50

no idea

6 felt that at least 90% of their business came from White Center

3 felt that there was a significant split of customers coming from outside of White Center

1 didn't know

Q3. Why do people choose to come to shop/do business at your store?

Close by 1

Services 1, 2, 4, 6, 8, 9, 10

Product 4, 6, 7

Value 5

Familiarity 3, 7

Q4. Do you rent or own the space that your business is located in?

8 rent

2 own

Q5. Do you like your businesses' location?

No 1 (high crime)

Yes 9

Area is on the up 2

Do you envision your business being located in the same space in five years' time?

Yes 10

Half the business owners said their rent had gone up recently, but in all cases it did not go up a prohibitive amount.

## Appendix C: Geospatial Data Analysis of White Center Commercial Property Owners

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### **Research Question:**

The WCCDA defines its constituency largely geographically, focusing exclusively on the residents and business owners in White Center and Boulevard Park (personal communication). In addition, a large part of the Economic Development strategies of the WCCDA are directed at making the physical spaces of the White Center Business District more attractive and inviting.

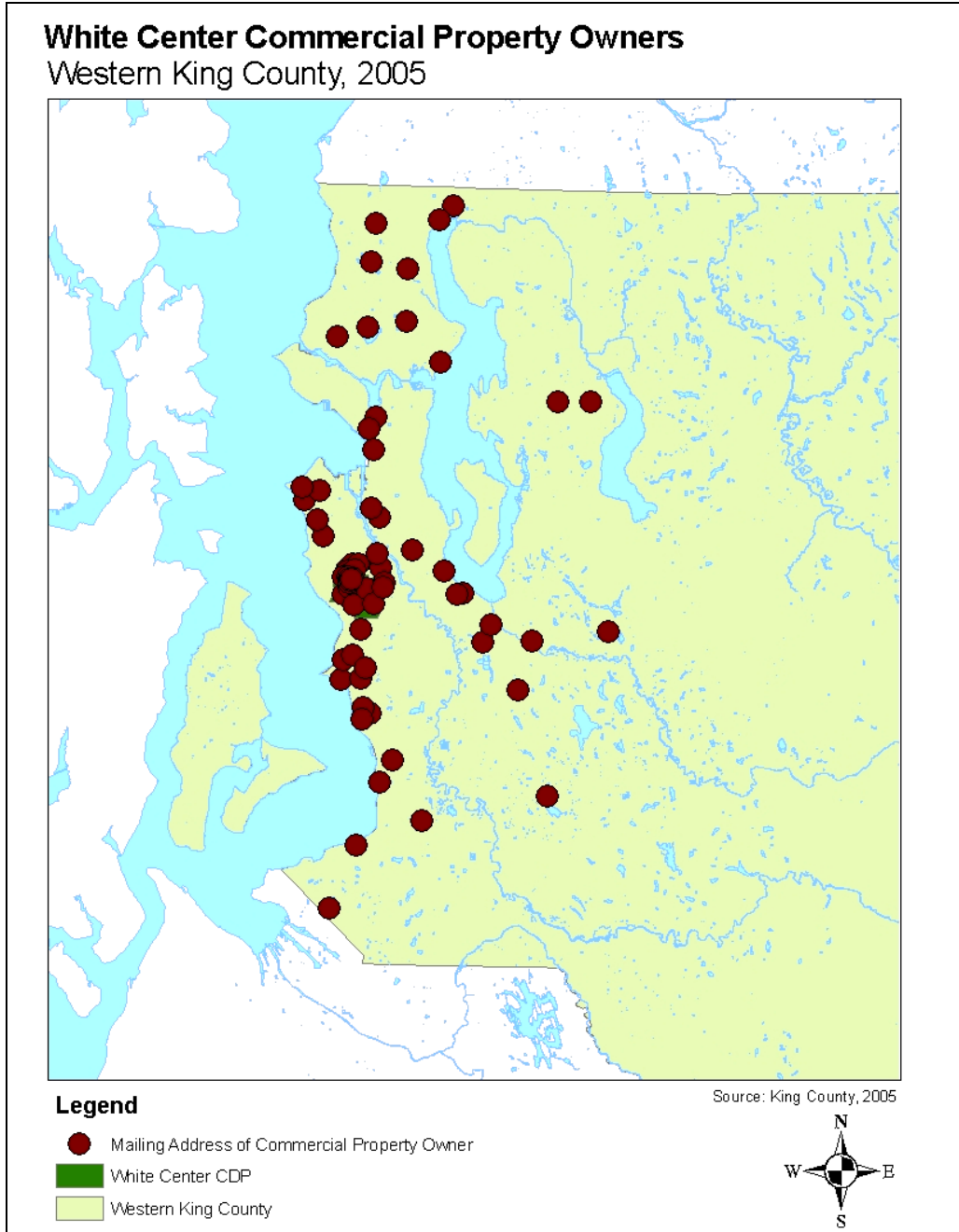
Where do those own commercial property in White Center live? To what degree is the commercial property in the White Center Business District owned by people from White Center?

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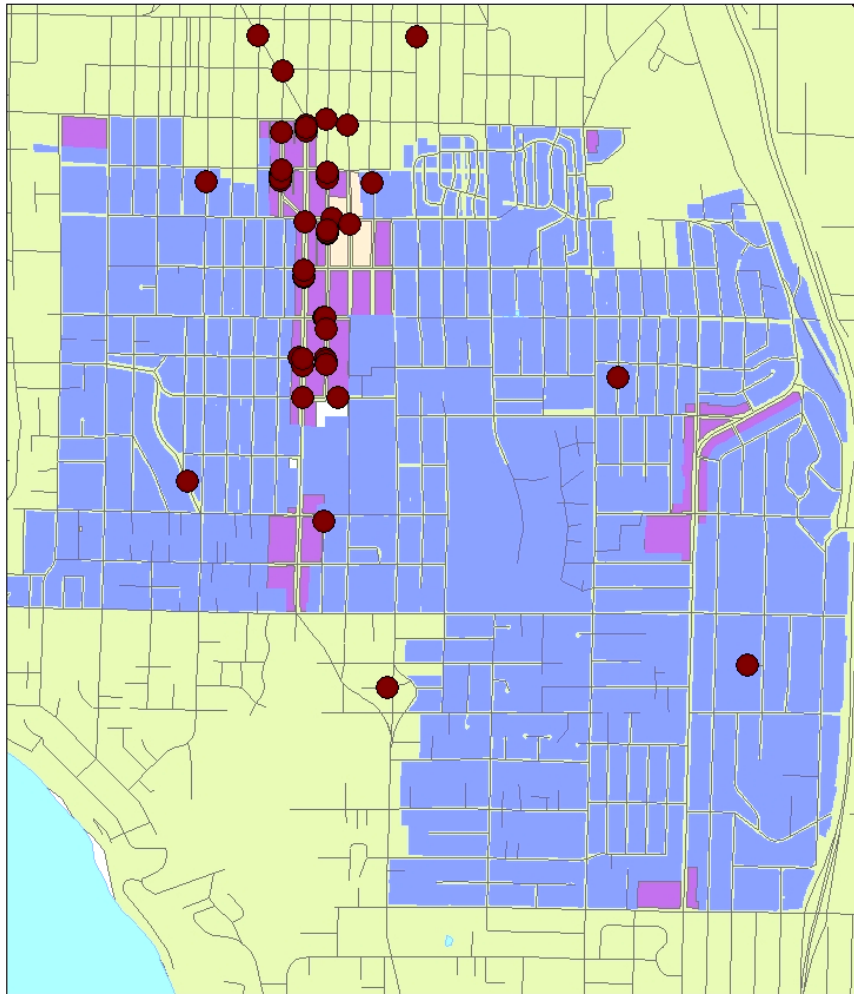
### **Data:**

- *Property parcels in White Center zoned for “neighborhood business”.* Using King County’s Parcel Viewer, we extracted the parcel identification number (PIN), the parcel address and taxpayer name for every parcel in White Center that was zoned as “neighborhood business”. This yielded a total of 171 commercial property parcels.
- *Mailing addresses of property owners.* Using the publicly accessible property report form the King County Parcel Viewer website, we then downloaded all the mailing addresses for the taxpayer listed for each of the parcels. We can expect that some property owners will not receive their tax bills for their commercial property at their residence, however we expect that in the aggregate the spatial distribution of tax addresses for each of the commercial property owners to be suggestive of the pattern of ownership.
- *Geographically referenced Street data.* While we could estimate the number of local commercial property owners based on the zip codes of the mailing addresses. However, as zip codes do not align perfectly with White Center’s borders we opted to geo-reference each of the tax bill mailing addresses. This required the use of a geo-referenced street database for King County which we downloaded from the Washington State Geospatial Data Archive from <http://wagda.lib.washington.edu>.
- *Geographically referenced outline of White Center CDA.* In order to determine which of the tax addresses actually fell within White Center, we needed a geographically referenced outline of White Center. Towards this end, we downloaded the U.S. Census produced map of the White Center CDA from the Washington State Geospatial Data Archive from <http://wagda.lib.washington.edu>.
- *Additional Geographically referenced data for visualization.* In order to produce a map that was readable to the broadest audience, we also included data layer for King county and water bodies in the Puget Sound. All additional data layers were obtained from the Washington State Geospatial Data Archive from <http://wagda.lib.washington.edu>.

**Analysis:**



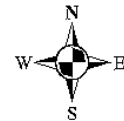
**White Center Commercial Property Owners**  
 White Center CDP, 2005



**Legend:**

- Streets
- White Center Commercial Property Owner
- Commercial property
- Residential Property
- King County

Source: King County, 2005



**Results:**

Out of the 171 commercial parcels in White Center, 60 had “local” tax mailing addresses, another 60 were located in King County but outside of White Center, and 33 were located out of King County completely.