FUTURE ECONOMY

CASE STUDY

VERDE AND LIVING CULLY: A VENTURE IN PLACEMAKING

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EXECUTIVE SUMMARY

This case study profiles Verde, an innovative nonprofit organization based in the highly diverse, low-income Cully neighborhood of Portland, Oregon. Verde's mission is to pursue environmental wealth through social enterprise, outreach, and advocacy. It fulfills its mission through operating three social enterprises, developing Living Cully, a neighborhood-wide coalition to fight displacement of low-income residents and residents of color due to gentrification, and advocating for preferential hiring and contracting policies for low-income people and people of color, across public and private sectors.

Over its history, Verde has created 21 full-time, living wage jobs directly, through the operation of three social enterprises: landscaping, nursery, and energy efficient building. Its landscaping business focuses specifically on habitat restoration and green infrastructure, including the building of parks and restoration of natural areas within the neighborhood. In addition, Verde opens up opportunities for ongoing education and workforce training to the Crew Members who work at its social enterprises. Verde also creates job opportunities indirectly by advocating for preferential hiring and contracting policies for low-income people and people of color throughout Portland, with a focus on the Cully neighborhood.

Living Cully represents a holistic approach to placemaking in underserved communities; it calls itself an Ecodistrict focused on social equity, and operates under the slogan, "sustainability as an anti-poverty strategy." The Cully neighborhood has historically suffered from underinvestment, lack of access to environmental amenities and infrastructure, and high levels of local pollution. The work of Verde and its partners in the Living Cully coalition counteracts this history through an integrated series of investments in the neighborhood. Verde and its partners in Living Cully work to build environmental amenities in the Cully neighborhood, including parkland, open space, community gardens, natural areas, and energy-efficient affordable housing. Living Cully works through Signature Projects that include the 25-acre Cully Park, 133-unit Clara Vista affordable housing, and 100-unit Cully Weatherization 2.0. Verde serves as the backbone organization of Living Cully, devoting organizational resources to coordinating, fundraising, and data collection for the coalition.

The activities of Verde and its partners have increased income, improved livelihood opportunities, and enhanced access to environmental amenities of low-income people and people of color in the Cully neighborhood. Importantly, these activities are occurring against the backdrop of gentrification in Cully, a result of rising property prices in the City of Portland in general. The Living Cully coalition has developed a coherent strategy for fighting the displacement of low-income residents and residents of color due to gentrification. This strategy includes building, rehabilitating, and preserving a large number of affordable housing units; increasing the rate of local business development and job creation; and assisting low-income families in achieving economic self-sufficiency through job creation, job training, and a variety of incentive programs. It is too early to tell whether the Living Cully strategy will be sufficient to prevent large-scale displacement from the Cully neighborhood. However, the achievements to date of Verde and its partners in Living Cully are still sufficient to brand it as a successful venture in placemaking.

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About E3 Network's Future Economy Initiative

In communities across the US, new economic institutions are emerging to challenge business-as-usual. These bold innovations respond to rising inequality, environmental degradation, and economic decline. They may forge the foundation for a more resilient and equitable economy of the future. Despite their potential significance, there is a general lack of awareness of these innovations and their impacts and there has been little systematic economic analysis of these innovations and their contribution to a potential future economy.

The Future Economy Initiative[1] is bringing rigorous economic analysis to these emerging innovations. Our goals are to document and study their social, economic, and environmental impacts and identify factors that contribute to their emergence, success, and limitations. We assembled a team of researchers to design a framework for analyzing future economy innovations and awarded grants to teams of researchers across the country to apply the framework to varied case studies. This case study report is one of seven presenting results of those efforts. We encourage you to explore the other completed case studies and to apply the framework in your own research and share your findings.

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[1] The Future Economy Initiative is a program of Economics for Equity and the Environment Network (E3 Network), a national network of economists developing new and better arguments for protecting people and the planet. Through applied research and public engagement, we seek to improve decision making and further understanding of the relationship between economy and ecology. More information available online at: http://www.e3network.org/future-economy-initiative.html.

1. INTRODUCTION

How can urban neighborhoods revitalize themselves without displacing their most vulnerable residents? How can low-income and minority communities claim their share of environmental amenities? How can organizations, including nonprofits, social enterprises, public agencies, and firms, support the process of placemaking by creating livelihood opportunities within their neighborhoods? The work of Verde, a hybrid-nonprofit organization in Portland, Oregon, offers some clues to these questions.

Verde's work focuses on the highly-diverse and low-income Cully neighborhood in Portland, OR, which has suffered from high poverty, high unemployment, and lack of basic neighborhood amenities such as street connectivity, parkland, and open space. Approaching the neighborhood from a systems perspective, Verde addresses all of these issues simultaneously through its mission, which is "(to) build environmental wealth through social enterprise, outreach and advocacy."[2] To attain its mission, Verde has partnered with a group of related non-profit organizations to respond to three interrelated needs of the Cully neighborhood: lack of neighborhood amenities, lack of job opportunities, and the threat of displacement due to gentrification.

Verde's roots, as an environmentally focused organization based in Portland's Latino (predominantly Mexican and Central American) immigrant community, are reflected in its name, the Spanish word for "green." Yet Verde is an inclusive organization working across all of Cully's communities, which include members of diverse Native American tribes, long-standing Caucasian (White) and African American (Black) residents, and recent immigrants from East Africa.

Verde's structure, on the surface, is fairly traditional: a 501c3 nonprofit organization with executive director, board of directors/advisors, and core technical staff. However, Verde's way of mobilizing community assets, creating jobs both directly and indirectly, engaging partner organizations, and advocating for policy changes, is innovative: it is a whole-systems approach to placemaking in underserved communities.

Verde's innovative character rests on its unique abilities to layer private business revenue with philanthropic and public funding, skillfully convene and orchestrate diverse coalitions of partners to advance a common goal, and articulate clear strategies for policy and market development. For instance, Verde is one of a very few organizations in the United States that uses social enterprise techniques to advance an environmental justice mission. Further, it is one of the few organizations that works under a coalition-based organizing strategy that not only increases a low-income community's access to key environmental resources, but creates local, living wage jobs within that community, under the rubric of the Living Cully Ecodistrict.

The central features of Verde's innovation, which will be analyzed throughout this case study, can be summarized as follows:

- Verde's work in community organizing consists of *three* major roles in community development simultaneously: advocate, convener, and implementer.
- Implementation is realized by the creation of three for-profit *social enterprises* in response to community needs.
- Verde partners extensively with other neighborhood organizations to create an inclusive, place-based coalition housed in a formal structure, the Living Cully Ecodistrict.
- Verde is a rare example of a grass-roots, triple-bottom-line organization. The underlying approach to all of Verde's efforts is a simple but powerful and unifying belief: "Sustainability as an anti-poverty strategy."

This case study proceeds as follows. The remainder of Section 1 offers a narrative profile of Verde, including an overview of its history, its basic structure, and its three functions of social enterprise, outreach and advocacy. Section 2 evaluates the impact of Verde and its partner organizations in the

[2] http://www.verdenw.org

Living Cully Ecodistrict, in terms of their joint ability to build livelihoods, foster equitable economic development, and increase access to environmental amenities in a low-income, underserved neighborhood of Portland. Section 3 examines the organizational, policy, and social contexts in which Verde and its partners operate, and evaluates the organization in terms of its resilience, scalability, and replicability. Section 4 concludes.

1.1. History and Emergence

Verde was founded in 2005 by Alan Hipólito, a community advocate trained as an attorney, and graduate of Lewis and Clark law school. In 2000, Hipólito began working in the Cully neighborhood of NE Portland with long-time affordable housing developer Hacienda CDC[3]. Cully is a highly-diverse, low-income district in Northeast Portland; standing on the site of a longstanding native (Chinook) village called Neerchokikoo, it was an unincorporated area of Multnomah County from first European settlement until its annexation to the City of Portland in 1985. Most of Cully's development occurred between 1910 and 1960. Its character from the outset has had strong rural elements: large lots, unpaved and meandering streets, and low density. The neighborhood is Northeast Portland's largest by land area and population; it encompasses 2,008 acres (over three square miles), and its population as of the 2010 US Census is 13,322. The majority of the neighborhood is zoned for single-family dwellings; only two areas, along the western boundary at N.E. 42nd Ave. and the central artery, Cully Blvd., are zoned for commercial activity. The northern edge of the neighborhood, between N.E. Portland Highway and Columbia Blvd., is an industrial area.

Cully's unique combination of rural features, sparse commercial development, and relatively low household incomes have made it relatively deficient in the commercial and recreational opportunities that characterize the rapidly developing inner neighborhoods of Portland. Portland's inner neighborhoods are, in general, highly rich in amenities such as parkland, open space, bike lanes and neighborhood services. Cully, by contrast, suffers from poor walkability, scarce access to transit, relative lack of open space, and an abundance of brownfields – contaminated, post-industrial land. The Cully district also includes the most racially/ethnically diverse Census tract in Oregon by some measures (Cusack 2011). However, Cully has long enjoyed a relatively high percentage of homeownership in comparison to the city average (56% vs. 54%), and an active neighborhood association whose support for the initiatives of Living Cully, and the low-income communities of color that are primary stakeholders in these initiatives, has grown as the profile of the neighborhood has increased (Rich Gunderson, pers. comm., 9/16/14). These factors have led to a fertile environment for Verde to do its work.

Under Hipólito's direction, Verde began in 2005 as a spin-off business from Cully-based nonprofit community development organization Hacienda CDC. The Cully neighborhood has long suffered from lack of decent affordable housing for low-income communities, particularly communities of color, including immigrants. Hacienda is Cully's largest affordable housing developer, as well as Oregon's largest Latino-led, Latino-serving organization. Since 1992, Cully's affordable housing needs have been addressed by Hacienda, which to date has built a housing community of 2,000 residents, 60% of whom are Latino. Though known primarily as an affordable housing developer, Hacienda takes a holistic approach to community development through a diverse array of programs and services. It works to increase quality of life for low-income Latinos and other underserved groups through providing affordable housing, along with complementary services that include education, family support, homeownership counseling, workforce development, and microenterprise. Though Hacienda's primary focus is on Latino immigrant communities, its mission is inclusive and seeks to engage all low-income community members who stand to benefit from its programs and services.

Verde's split from Hacienda allowed it to pursue a separate mission and strategy, providing additional services that would complement and strengthen Hacienda's mission, but could not be efficiently pursued by Hacienda itself. For instance, the first contracts pursued by Verde's flagship social enterprise, Verde Landscape, were for landscape maintenance on Hacienda's residential properties. The majority of

[3] http://www.haciendacdc.org/

Verde's social enterprise recruitment and community outreach activities take place in and around Hacienda developments (Virtue Ventures 2013). Subsequently, Verde's additional social enterprise activities have worked in symbiosis with other neighborhood nonprofits: for instance, its nursery business operated at the headquarters of Native American Youth and Family Center (NAYA) from 2009-2012; its activities have included workshops for youth participants in NAYA and Hacienda programs.

1.2. Social Enterprise: Job Creation to Meet Local Needs

The crucial innovative feature of Verde is its ability to work on several interrelated fronts at once that include both direct entrepreneurship and a variety of forms of community organizing. Verde's relatively simple internal structure allows it to act as an effective hybrid of revenue-making social enterprise and grant-funded nonprofit. This hybrid of community advocacy, outreach, and entrepreneurship is relatively rare among nonprofits: a close comparison would be Sustainable South Bronx, which, like Verde, works on a place-based strategy to create environmental justice and green job training in a single low-income district of New York City.[4]

Verde creates jobs directly, through investing in and developing three interrelated social enterprises:

(1) A successful landscape business (Verde Landscape);
(2) A small-scale nursery that provides material for the landscape business (Verde Nursery); and,
(3) An energy business currently under incubation (Verde Energy).

Verde's social enterprises were founded and developed based on careful assessments of community capacity and local and regional needs. They serve the community both directly, by creating jobs and providing low-cost services to homeowners and affordable housing developers, and indirectly, by bringing in revenue from contracts with municipal agencies, nonprofits, institutions and the private sector that are then spent within the community, giving rise to multiplier effects.

Verde's social enterprises operate under business names (DBAs) as divisions of the nonprofit. This structure allows the parent nonprofit to solicit resources that can benefit the component enterprises, including grants, in-kind contributions of resources such as equipment or workforce training, and cash donations. These additional resources act as subsidies to cover the variety of programs that Verde offers the employees of its social enterprises (called Crew Members). Programs include on-the-job training (OJT), professional licenses and certifications, English as a second language (ESL), general educational development (GED) test preparations for high school equivalency, individual development accounts (IDA) for personal financial planning, and others (Verde 2013b; Virtue Ventures 2013). Verde employs a Training Liaison to develop and implement individualized learning plans (ILPs) for each Crew Member. Crew Member positions are designed to be temporary, 3.5 years in length: the enterprise then seeks to place "graduating" Crew Members at competitive private sector firms, or assist them in starting independent small businesses. Recently, Verde has placed Crew Members at private sector landscaping and nonprofit positions (Verde 2014c). Verde provides training to its Crew Members free of charge, and covers all fees associated with exams and certifications. The details of job creation, increased wages and benefits, and long-run impacts of training programs and related services can be found in Sections 2.1.3 and 2.2.1.

Complementing its social enterprises, the Verde organization engages in extensive outreach and policy advocacy around improvements in environmental amenities and neighborhood services, and policies to increase the provision of family-wage jobs and affordable housing to low-income communities and communities of color. The work of the coalition of nonprofits on the district-level strategy called Living Cully: A Cully Ecodistrict, offers an introduction and context for Verde's outreach and advocacy work. Living Cully will be discussed in the next section.

[4] http://www.ssbx.org/

1.3. Outreach: An Ecodistrict Strategy to Fight Displacement

1.3.1. Living Cully: A Different Kind of Ecodistrict

A prime example of Verde's innovative character lies in its adaptation of a relatively new neighborhood planning concept, the Ecodistrict, as a neighborhood organizing strategy, which takes the name of Living Cully: A Cully Ecodistrict. Ecodistricts are neighborhoods committed to accelerating sustainability that integrate building and infrastructure projects with community and individual action. Yet the Ecodistrict concept, as currently applied, has tended to focus predominantly on technical innovations: district energy systems, smart grids, or integrated stormwater management facilities (such as green streets), for instance. Verde and its partners' use of the term focuses instead on increasing the access of low-income communities, and communities of color, to environmental assets. In short, Living Cully is unique among Ecodistricts in its focus on equity and its participatory approach to organizing. In defining itself as an Ecodistrict, Living Cully makes use of the concept developed by a Portland-based nonprofit organization called EcoDistricts[5] (formerly the Portland Sustainability Institute), which has developed a formal protocol[6] to guide planners in developing neighborhoods. Living Cully, however, has chosen not to use the framework in order to set its own priorities, focusing on implementing its vision of "sustainability as an anti-poverty strategy" (De Falco et al, 2013). The Living Cully coalition complements Verde's social enterprise efforts by directly addressing the issue of human well-being in the Cully district through a collaborative, participatory neighborhood organizing process.

Verde's adaptation of the Ecodistrict concept evolved out of the coalition-based organizing of a network of nonprofits in Cully. This original group of coalition-builders included Verde, Hacienda (discussed above in Section 1.1); and the Native American Youth and Family Center (NAYA), a wraparound services organization for Native families. In 2010, under Verde's leadership these three organizations united to form Living Cully. In 2013, Habitat for Humanity became the fourth organization to join the Living Cully coalition, focusing on rehabilitating and developing energy efficient, single-family housing, land acquisitions, and developing a shared vision for neighborhood revitalization. Through its Memorandum of Understanding (Living Cully 2014) and ongoing coordinating work, the Living Cully coalition has defined and articulated a unified strategy for improving neighborhood assets while opposing the displacement of low-income residents, and residents of color, from the neighborhood.

While Verde is only one of four key nonprofit organizations that comprise Living Cully, it plays the role of the *backbone organization*, as defined explicitly by the Memorandum of Understanding that serves as the coalition's statement of purpose (Living Cully 2014). Though all of the above-named organizations have provided important strategic resources to the Ecodistrict organizing effort, Verde's outreach work has spearheaded the effort and given it direction. Verde also provides coordination, financial management, data management, and business services to Living Cully. In turn, Living Cully projects provide business opportunities for Verde's social enterprises, and thereby job opportunities for low-income residents of Cully, predominantly recent Latino immigrants and people of color. Verde also coordinates the anti-displacement and neighborhood walkability projects of Living Cully. In the broadest terms, Living Cully provides opportunities for Verde to enhance its mission of building neighborhood environmental wealth.

A recent announcement issued by Verde, upon receiving a $1.25 million allocation from Portland Parks and Recreation (PPR) for the building of Cully Park, serves as an illustration of Living Cully's ability to unite disparate, though related issues and diverse populations into a single, internally coherent strategy for place-based investment. The announcement reads as follows (emphasis added):

> In Living Cully, ***we reinterpret sustainability as an anti-poverty strategy***, a means to address community disparities in education, income, health, housing and natural resources by concentrating environmental investments at the neighborhood scale. This award speaks to the power of the Living Cully model: ***the community set the agenda***; Verde and its Living Cully Partners aligned systems and pursued resources in response to the community's voice; and the

[5] http://ecodistricts.org/

[6] The Ecodistrict protocol is summarized here: http://ecodistricts.org/wp-content/uploads/2013/03/EcoDistricts_Protocol_Executive_Summary_ISSUE_6.242.pdf

resulting investment makes a real difference in the lives of Cully's low-income people and people of color. (Verde 2014)

1.3.2. "A Concentrated Series of Investments": Living Cully Signature Projects

De Falco et al. (2013) describe Living Cully as "a concentrated series of investments in the Cully neighborhood." These investments, dubbed Signature Projects, focus on increased access to parkland and open space, development and rehabilitation of affordable housing, workforce training, youth engagement, and single-family home weatherization.

All of the Living Cully Signature Projects are selected and designed specifically to oppose and counteract the involuntary displacement of low-income residents and residents of color. In 2013, the Living Cully partners requested a study, implemented by a group of Portland State University planning students, to identify strategies to prevent the displacement of low-income Cully residents. The study (Bañuelos et al. 2013a), based on extensive conversations with Cully residents, neighborhood leaders, nonprofit organizers, local business people and City officials, identified 36 separate recommended actions, grouped into three priority areas:

(1) Preserve housing affordability
(2) Retain existing neighborhood businesses
(3) Help families achieve economic self-sufficiency

Each Living Cully Signature Project addresses one of these three priority areas. For example, the Clara Vista affordable housing rehabilitation project expands the supply of affordable multi-family housing (priority area 1), and improves the quality of the existing housing stock. The Cully Park project, in addition to providing a significant neighborhood amenity, focuses on hiring local contractors to provide planning, design, landscaping, and construction (priority area 2), and paying living wages to local workers (priority area 3). The Cully Weatherization 2.0 project helps families stay in their homes by providing energy efficiency upgrades free or at very low cost (priority areas 1 and 3). These projects will be discussed in more detail in Sections 2.4.1 and 2.4.3 below.

1.4. Advocacy: Making Environmental Policy Inclusive

As noted above in Section 1.2, the blending of three strategies — business development, community outreach/organizing and policy advocacy — is at the core of Verde's innovative nature. Verde combines functions of business development, community organizing, and strategic planning to develop a vision for neighborhood development that places the relationship between people and environmental assets at the center. This coordinated set of activities advances the core guiding principle of "sustainability as an anti-poverty strategy" (see section 1.3 above).

Verde's advocacy work is integral to the success of its strategy. The organization's ability to create jobs directly is limited by its capacity to raise revenue through contracting; its ability to influence the neighborhood through outreach extends to the neighborhood's borders. Verde's advocacy work allows it to reach outside the neighborhood to the municipal, county, regional, and state levels, to promote the mission of making environmental policies more inclusive of low-income communities and communities of color. The organization is thus able to generate an impact beyond what it would accomplish working with social enterprises and other neighborhood-based organizations alone.

An example of Verde's advocacy in action is its contribution to the board of Clean Energy Works Oregon (CEWO), a nonprofit partner based in Portland. CEWO works to implement energy efficiency solutions for homeowners at low cost. Verde has worked to increase participation of low-income people and people of color in CEWO's programs, including the application of High Road contracting and hiring standards for all CEWO projects. The High Road approach ensures inclusion of and economic equity for historically underrepresented communities and economically disadvantaged populations (CEWO 2012). The approach includes application of a project contracting tool, originally called the Community Workforce Agreement, which consists of a series of benchmark standards on contracting, hiring, and wages. These standards are discussed further below in Section 2.2.2.

2. EVALUATION

The innovative approach described in Section 1 of this case study has provided Verde and its partners with a strategy and framework for action in improving the lives of Cully residents. But what impacts have these investments had to date? And what impact are they projected to have into the future? This section describes the impacts of Verde's social enterprises, along with selected Living Cully Signature Projects, using quantitative data collected from Verde and Living Cully. Numerically speaking, these impacts are relatively small when considered on the level of an entire city; on a neighborhood level, however, they are significant.

2.1. Building Local Livelihoods and Opportunities

2.1.1. Needs

As stated above in Section 1, Verde's mission is to build environmental wealth; this wealth meets community needs in the Cully neighborhood in three major ways. First, Verde's social enterprise and outreach functions provide all neighborhood residents with much-needed environmental amenities, of which Cully Park is the prime example. Second, Verde's social enterprise work meets the neighborhood's needs for local, living wage jobs that provide pathways towards skilled professional careers. These jobs, discussed further in Sections 2.1.2, 2.1.3, and 2.2.1, allow Crew Members to build both financial wealth and human capital. Third, through its outreach and advocacy functions, Verde and its partners in Living Cully meet community members' needs for a voice in municipal and regional decision-making, and a pathway for direct, meaningful participation in community development.

This fine-grained, grassroots community organizing process has the additional effect of increasing neighborhood safety, improving residents' access to information, and empowering residents to advocate for themselves. For instance, in 2013 Verde undertook a GIS analysis of pedestrian safety in and around the Cully Park site, as part of its Living Cully Walks initiative, a project designed to connect low-income residents and residents of color to existing and new parks and open spaces, while identifying barriers to access (Kocsis 2013; Verde 2014).The analysis discovered a cluster of vehicle-pedestrian crashes in close proximity to the west entrance of the park site, at the corner of NE 72nd Ave. and NE Killingsworth St. The report has been used by Verde to make recommendations for expansion and closer placement of traffic calming devices, as well as expansion and rehabilitation of sidewalks. The Living Cully Walks initiative has also engaged in extensive outreach and community participation, discussed further below in Section 3.4.

2.1.2. Work and Employment

Verde's social enterprise, outreach, and advocacy functions work together to provide Cully neighborhood residents with stable, living wage work and employment. The nonprofit itself employs 9 core staff members, including the social enterprise Program Managers and the Living Cully Coordinator. Verde is in the process of hiring one more full-time staff member, a communications coordinator for Living Cully. The Verde social enterprises also employ their own staff. The Landscape social enterprise currently employs 6 full-time, year-round Crew Members, who receive living wages, full benefits and opportunities for training and education at no cost. In addition to the Crew Members, as of 2012 the landscape also employs seasonal staff at 6 full-time equivalent (FTE) positions. Verde pays seasonal workers living wages but does not enroll them in benefits or training programs. Verde Nursery, the organization's second functioning social enterprise, employs one full-time Program Manager but no year-round Crew Members. The third social enterprise, Verde Energy, is currently being reformulated as licensed general contractor Verde Builds. When Verde Energy was in operation, it employed 6 full-time, year-round Crew Members.

Yet social enterprise is only one way in which Verde creates employment for low-income residents of Cully. The organization also works to ensure that publicly funded development projects occurring within the Cully neighborhood hire businesses and residents from within the neighborhood as much as possible (see Section 2.1.3). The Cully Weatherization 2.0 project, discussed in Section 2.4.3 below, and the Cully Park project, discussed throughout Section 2, also work to create local jobs by ensuring local hiring of contractors and workers wherever possible. Through its advocacy, Verde also works to implement High Road standards for all development projects within Cully; these standards, discussed below in Section

2.2.2, ensure living wages for all workers, as well as targeted hiring and contracting to underserved populations. The Cully Weatherization 2.0 project is expected to create 10 FTE, living wage jobs and weatherize 100 homes owned and occupied by low-income families.

2.1.3. Income and Livelihood

The work opportunities generated by the careful orchestration of Verde's social enterprise, outreach and advocacy functions have provided neighborhood residents with increased household incomes and improved livelihoods. For instance, Verde Landscape pays entry-level workers $12/hour, rising to $14/hr the second year and $15/hour the third year. These wages exceed the living wage threshold for a single adult in Multnomah County ($9.42/hr); the entry level wage for Verde Landscape Crew members is 24% higher than the single-adult living wage. The third-year wage for Verde Landscape Crew members is close to (1.1% lower than, or $374 less than) the living wage threshold for two adults ($15.18/hr). If the Crew Member has a family with children, then his/her spouse need only make $6,892/yr to cover the expenses of a single child, and $9,894/yr to cover the expenses of two children. (MIT 2014)

Further, Verde Landscape's wage schedule represents significant increases over the wages that Crew Members had been receiving at their previous jobs. According to data from Verde (2014g), the average wage received by Crew Members at their previous jobs was $9.93, with no benefits. The hourly value of benefits for first-year workers was $2.22, and for second- and third-year workers it was $2.62. Table 1 (below) summarizes the differences between Verde's wage schedule and the average wages previously received by Crew Members. For instance, in Year 2, Verde Landscape Crew Members made an average of 50% more, including the value of benefits, than they had at their previous jobs. Assuming 2080 paid work hours per person per year, this hourly wage increase translates to an additional $13,915 /year per person.

Table 1. Verde Landscape: Comparison of Current to Previously Earned Wages

	Average Previous Wage	Verde Year 1	Verde Year 2	Verde Year 3
Wages ($/hr)	$9.93	$12.00	$14.00	$15.00
Benefits ($/hr)	$0.00	$2.22	$2.62	$2.62
Total ($/hr)	$9.93	$14.22	$16.62	$17.62
Difference ($/hr)		$4.29	$6.69	$7.69
Difference ($/yr)[7]		$8,923	$13,915	$15,995
Difference (%)		**43%**	**67%**	**76%**

Source: Current Study, Verde (2014g)

Verde's outreach and advocacy efforts have also contributed to increasing incomes and providing livelihood for its Crew Members, as well as other low-income neighborhood residents. Specifically, Verde's outreach has allowed low-income neighborhood residents to claim a share of the revenues of ongoing neighborhood development projects as part of the Living Cully coalition. For instance, during the construction phase of the Cully Park project, to date 9.5% of wages ($4,141) have been paid to workers living within the 97218 ZIP code, which encompasses the Cully neighborhood (as well as Portland International Airport). Upon completion, Verde's aims for the project are to increase this percentage to 20% (Living Cully 2014b).

2.1.4. Opportunities

Verde's programs have created opportunities for public participation, education, training, and community engagement in a variety of ways. While Verde's social enterprises have created an *intensive* set of opportunities for the professional and personal development of its Crew Members, its outreach activities

[7] Assumes 2080 paid work hours/person/year.

have created *extensive* opportunities for broad-based public participation at levels of time commitment that are within reach of community members.

The intensive opportunities generated by Verde's social enterprises for their Crew Members go beyond work-related trainings to include general education, financial literacy, and entrepreneurship readiness. For instance, an Individual Learning Plan (ILP) for a Verde crew member may consist of general trainings such as English as a Second Language (ESL), computer skills, CPR/First Aid, and Financial Capabilities. The plan may also include professional landscaping certifications such as Irrigation Installation, Equipment Maintenance, Rain Garden Installation, and the Landscape Maintenance Technician certification from Oregon Landscape Contractors Association (OLCA). Finally, the plan may include the setup of checking, savings, and Individual Development Accounts (IDA) for the purpose of asset building.

Verde's outreach activities have generated substantial opportunities for public participation within the neighborhood, strengthening social cohesion and providing residents with an increased sense of belonging. For instance, the building of Cully Park, one of Living Cully's Signature Projects, has occurred with extensive public participation in park design; the official title of the project, *Let Us Build Cully Park!*, reflects the orientation towards public input. The park design process was specifically structured to be participatory, cross-generational, and inclusive: a total of 116 youth and 170 adults participated in design workshops facilitated by highly skilled professionals. Professional contracting for the design phase of the Cully Park project channeled $133,137 in revenue to targeted (minority- and women-owned) businesses, 41% of the total design spending (Verde 2014).

The Cully community garden (0.6 acres), located at the southeastern corner of Cully Park, offers neighborhood residents an opportunity to engage in home food-growing, as well as meet and interact with their neighbors. Community gardens offer a large set of social and environmental co-benefits, including food production and food security, educational opportunities, aesthetics, biodiversity and stormwater absorption and filtration (Lovell 2010). The Cully Park tribal gathering garden, to be located within Cully Park, in addition to offering the co-benefits mentioned above, will also provide the neighborhood's Native American tribal communities the opportunity to tend and harvest culturally appropriate plant material; details of this garden are discussed in Section 2.4.2 below.

2.1.5. Public Sector Impact

The role of the public sector, as both a partner and a constraint on implementing Verde and Living Cully's neighborhood vision, is best understood in the context of the neighborhood's history. As Section 1.1 above explains, Cully is a historically underserved, underinvested neighborhood, which has suffered neglect as the inner Portland neighborhoods have become rich in amenities. Yet, through a combination of skillful social advocacy and entrepreneurial drive, Verde and its partners in Living Cully have been able to attract a diverse array of public sector resources.

As an illustration of Cully's relative underinvestment, the Coalition for a Livable Future's Regional Equity Atlas (2014) derived an index of proximity to parks, natural areas, greenspaces, water access points, and recreational facilities. Measured across 374 neighborhoods in the three-county Portland Metropolitan Area, Cully's level of access to these amenities ranked 278th, similar to other underserved neighborhoods in East Portland such as Sumner (279th), Parkrose Heights (280th), and Argay (298th).

The City of Portland's role in Cully's development has increased over the course of the late 2000s and early 2010s. In response to demonstrated need, the City of Portland has begun generating an increasing volume of funding and support resources to Cully; for instance, in 2013 the Portland Parks and Recreation contributed $1.25 million to the development of Cully Park, funded by System Development Charges. The public sector has played two additional crucial roles in the process of neighborhood organizing in Cully: technical assistance in park and open space development, and assistance in affordable housing development. Importantly, these supportive roles were spurred by the advocacy efforts of Verde and its Living Cully partners, as well as the Cully Association of Neighbors.

These initiatives are subject to significant policy constraints. Most importantly, Oregon is one of only two states in the United States that bans local governments from inclusionary zoning policies; local

governments, including Portland, have limited tools to require developers to build affordable housing units (see Section 3 below). Given that ban, the achievements of Hacienda in particular, in building durable, affordable multi-family housing, are all the more impressive.

2.2. Equity: Building Amenities, Avoiding Displacement

The Cully neighborhood's relative lack of amenities is a case of environmental injustice: Portland, like many cities in the country, suffers from a green divide along lines of class and race. Since the 1970s, Portland has become a national model for a livable city, with walkable neighborhoods, abundant parkland and access to trails, natural areas, and robust pedestrian and bicycling infrastructure. Yet over the course of this development, low-income communities and communities of color have largely been left behind. Such communities, displaced from inner neighborhoods and concentrated in East Portland, have lacked access to healthy food, walkable streets, open space and parkland, clean air and water.

Recently, the Cully neighborhood has begun to see an influx of middle-class, predominantly White/Caucasian people, seeking affordable real estate with large lots on which to engage in homesteading or urban agriculture. As a result, gentrification has begun to occur in Cully. Gentrification is a market-driven process by which middle- and upper-income socioeconomic groups displace lower-income groups from a neighborhood or district through bidding up the value of residential and commercial property. It is generally understood to have a racial dimension, in which middle- and upper-income groups tend to be white, and lower-income groups tend to be communities of color. Bates (2013) defines gentrification as follows, following Freeman (2005): "Gentrified neighborhoods are defined… as those with a greater than average increase in educational attainment and house prices from a starting point of below average incomes and housing stock, and a change in racial demography due to white homebuyers." Gentrification processes can be distinguished from revitalization of neighborhoods; while revitalization can involve an increase in class and racial diversity, gentrification implies homogenization over time, as lower-income socioeconomic groups, and communities of color, are displaced involuntarily.[8] Gentrification, in this sense, leads to the fragmentation of low-income communities, which can have significant negative consequences on physical and mental health, access to services, accessibility to jobs, educational outcomes for children, and neighborhood residents' sense of belonging (Bates 2013).

Evidence from public sector documentation indicates that Portland policymakers are aware of the negative impacts of gentrification, though the city's response to the issue has been slow. Specifically, the Portland Plan (City of Portland 2014) identifies harms from gentrification and declares a guiding principle of equitable development for the city, recognizing its historical failures to promote socially equitable housing policies (Bates 2013). In August 2012, the Portland City Council adopted Resolution 36953, which called for a coordinated effort by city bureaus to study and prevent displacement in Cully. (Banuelos et al. 2013a)

Despite the stated intentions of the Portland City Council, low-income residents in Cully remain vulnerable to displacement as neighborhood property values rise; of the three Census tracts in Cully, Bates (2013) finds one to be in early stages, and two in the middle stages of gentrification. In this context, renters are disproportionately susceptible to displacement. Banuelos et al. (2013b) found that renters in Cully were more likely to be severely cost-burdened from housing than renters in Portland as a whole: 42% of Cully renters spend more than 50% of their income on housing, compared to 27% of Portlanders as a whole. Of all residents (renters and homeowners), large families (5 or more persons) were significantly more likely than small families to spend more than 50% of their income on housing (29% vs. 15%). Severe cost burdens from housing are a leading indicator of future displacement, as families seeking to reduce their housing costs will be likely to seek more affordable options in other neighborhoods, including outlying suburbs.

Recent planning efforts initiated at the city level, while addressing the lack of amenities in Cully, have not incorporated policy tools to stem displacement, nor have they addressed the neighborhood residents'

[8] This discourse is complicated by the fact that "gentrification" is sometimes used as a synonym for "revitalization." In this usage, the vision for the future Cully promoted by Verde and its partner organizations can be expressed as "gentrification without displacement." However, it is simpler to speak of "revitalization" as the goal rather than distinguish between variants of gentrification.

complementary needs for employment and income. For example, the 2011 Cully Boulevard Green Street Project, initiated by the Portland Bureau of Transportation (PBOT), incorporated street improvements in Cully Boulevard that included wider sidewalks, bike lanes and cycle tracks, planting strips, curb cuts and traffic signals. However, these plans did not incorporate local hiring agreements, nor did they take steps to increase housing affordability in proximity to the boulevard. Verde's Living Cully Coordinator Tony De Falco noted in regard to the Cully Green Street project: "We worked hard to get local hiring and job opportunities, and out of the $5.6 million contract, we got $50,000. That's not a win for us. (The street improvements) are great – but if you do a project like this enough times in a neighborhood like this, property values will increase without corresponding benefits to the community." (pers.comm, December 2012) The disappointing experience of the Cully Green Street was one factor that inspired the Living Cully coalition to become more proactive in pursuing its vision of Cully Park, discussed below in Section 2.4.

The work of Verde and its partners in Cully provide an example of the incorporation of equity into institutions of economic development. Behind the scenes, Verde and its partners have engaged in consistent and careful efforts to build equity into public sector contracting agreements, expand workforce training opportunities for disadvantaged people, maximize the inclusiveness of the neighborhood planning process, and expand dramatically disadvantaged peoples' access to environmental assets and amenities at the household, neighborhood, and district level. The following sections provide some basic indicators of the achievements of Verde and its partners in Living Cully to date, and makes some projections of the likely impact of the current portfolio of intended and proposed projects.

2.2.1. Income

As stated above in Section 2.1.3, Verde pays its full-time workers (called Crew Members) an entry-level wage of $12/hour, rising to $14 after one year and $15/hour after two years. The entry level wage is nearly the median hourly wage for the most comparable BLS occupation category, 37-3011: Landscaping and Groundskeeping Workers ($12.30), and the second- and third-year wages exceed the mean wage for that category of $13.80 (BLS 2014). These wages are significantly higher than the next most comparable occupational category, 45-2092: Farmworkers and Laborers, Crop, Nursery and Greenhouse, for which median and mean are $9.30 and $10.31, respectively. Crew Members also receive full medical, dental, vision, and prescription coverage; Verde also offers up to $225/month towards dependents' health insurance premiums. BLS (2014) reports that 69% of workers in the broad industry category of "Construction, extraction, farming, fishing and forestry" have access to medical insurance, with 54% of industry workers taking up the insurance. However, among workers in the lowest quartile (25 percent) of the wage distribution, only 34% have access and 20% have taken up the insurance.

Verde's provision of a competitive wage, full benefits, and on-the-job training, is significantly superior to the alternatives its Crew Members face. Leaving aside health benefits, dependent care benefits, and training opportunities, Verde's social enterprises offers their Crew Members a highly competitive wage. Table 1 below compares the Verde average annual salary, assuming year-round full-time employment (2080 hours), to the average annual salaries of Latino males in the Portland-Vancouver metropolitan statistical area (MSA) with education levels at or below high school diploma, at varying age ranges. Data on average wages by age and ethnicity/race comes from the Integrated Public Use Microdata series (iPUMS), maintained at the University of Minnesota. Wage/salary measurements were last taken in 2011; data are converted to 2013 USD.

According to the iPUMS data, Verde Crew Members in their first year earn more income than the average across their comparison group within greater Portland, for two of the three age ranges; the exception is the group of workers between 45 and 54 years of age, for which Verde Crew Members earn 10.5% less. This difference, however, does not take into account the added value of fully funded individual health benefits, subsidized premiums for dependent health care, and free trainings and professional certifications. Once the full dollar value of these additional benefits are taken into account for both Verde and the comparison groups, it is likely that the Verde Crew Member's entry level wage exceeds those of all comparison groups. By the third year of employment, Verde workers are earning considerably more (11.8% - 38.3%) than the average across their comparison group based on wages alone.

Table 2. Verde Salaries vs. Comparison Group, Portland MSA

Age Range	Metro Average (2013 USD)	Verde Average (1st Year)	Verde Average (3rd Year)	Difference Verde 1st Year	Difference Verde 3rd Year
25-44	$23,904.80	$24,960	$31,200	4.4%	30.5%
45-54	$27,904.32	"	"	-10.5%	11.8%
55-64	$22,556.35	"	"	10.7%	38.3%

Source: iPUMS (2014), current study.

2.2.2. Broad-Based Benefits through High Road Standards

Verde's advocacy work has ensured benefits for disadvantaged community members by inserting equity language into project agreements for Living Cully Signature Projects. The Cully Weatherization 2.0 project, which incorporates High Road labor and contracting standards, offers a prime example. The High Road standards, discussed briefly above in Section 1.4, consist of a series of benchmark indicators for contracting, hiring, and wages. They are as follows:

- 30% of all project hours will be worked by historically disadvantaged minorities
- 20% of all project dollars will be contracted to minority-owned and/or women-owned businesses
- 80% of all workers hired will be "local" (hired from within a 50-mile radius)
- Wages paid will be no less than 180% of Oregon state minimum wage, with all workers either covered by full benefits or paid an additional $2.50/hour

The High Road standards aim to affect significantly the profile of hiring and contracting for development projects in Cully. In Multnomah County as a whole, in the last measured year, only 3.0% of firms were owned by African Americans and 3.0% of firms were owned by people of Hispanic/Latino descent. Women-owned firms made up 31.6% of total firms (US Census Bureau 2014).

Evidence from occupation average wages indicates that High Road is a moderately effective way of promoting wage fairness. The minimum High Road wage is either $16.38 per hour with benefits, or $18.88 per hour without. The Oregon state minimum wage is $9.10/hour. However, the largest groups of workers on key Living Cully Signature Projects will be in a few occupational categories, of which we examine two: 37-3011: Landscaping and Groundskeeping Workers, and 47-2016: Construction Laborers. As stated above, median and mean wages for category 37-3011 in the Portland metropolitan area are $12.30 and $13.80 respectively; median and mean wages for category 47-2016 are $18.29 and $18.92 respectively (BLS 2014). High Road minimum wages are thus 17% higher than mean wages for 37-3011 and 14% lower than mean wages for construction laborers. However, High Road minimum wages that include the wage premium in lieu of benefits are virtually identical to (0.002% lower than) mean wages for construction laborers.

Though the Cully Wx 2.0 project is not yet in operation, we can infer the likely distribution of project hours, wages and benefit from previous projects conducted by CEWO. The most recent CEWO High Road Dashboard (CEWO 2014) indicates that average wages for CEWO construction workers were $20.99/hour, 10.4% higher than average wages for construction workers in the Portland metropolitan area. 80% of all prime contractors and 42.86% of all subcontractors provided health insurance to their employees. 46.9% of all project labor hours were performed by people of color, including 39% by Hispanics/Latinos; 9.9% of all project labor hours were performed by women. 36.5% of all project dollars were contracted to minority-owned, women-owned, and emerging small businesses (MWESB). Of the 397 workers hired by CEWO, 21 were formerly incarcerated.

The Cully Wx 2.0 project aims to retrofit, weatherize, and/or upgrade 100 homes. As general rules of thumb, one FTE worker will be hired for each additional 10 houses weatherized, per year; average dollar value of CEWO weatherizations is $10,000 per house (Kelly Haines, pers. comm., 9/16/14) Thus, Cully

Wx 2.0 will hire an expected 10 FTE on a total project size of $1 million. Based on the High Road percentages given above, and assuming an equivalence of 2080 labor hours per person, per year, the project will hire a total of 4 Latinos, 4.7 (or 5) people of color total, and one woman. It will contract $365,000 to MWESB; it will pay $205,198 in wages to people of color, including $174,637 to Latinos, and $43,659 to women.

2.2.3. Access to Environmental Amenities

As discussed above in Section 1.1, the Cully neighborhood has historically suffered from lack of access to basic neighborhood amenities and services, including environmental benefits such as parkland, open space, and proximity to habitat. While 49% of residents of the greater Portland region live within ¼ mile of an urban park, in Cully this proximity is enjoyed by only 24% of residents; in Cully, each acre of parkland serves 2,780 residents, compared to a regional average of 780 residents/acre. And while 64% of residents of greater Portland live within ¼ mile of bird, fish, or other wildlife habitat, for Cully that figure is only 5% (Verde 2014e). In short, Cully residents are on the wrong side of the Green Divide (Brooks 2014).

For this reason, many of the key equity variables pursued by the Living Cully coalition members involve *access.* The Living Cully Performance Indicators, developed by PolicyLink and agreed upon by Verde, Hacienda, NAYA, and Habitat, provide additional measurements of increased access to environmental assets for Living Cully residents. These indicators include measurements of increased access to parks, open space and riverfront; bike paths; culturally relevant plant material; and healthy recreational activities (e.g. walking trails). Verde and its partners in Living Cully have been working since 2013 to document these indicators.

The transformation of the Cully Park site from a waste landfill into a neighborhood park is the prime example of increased access to environmental amenities. From the 1950s through 1980, the site was operated as a sand and gravel mine; once depleted of raw material, the site became a special waste landfill that accepted construction, industrial and non-putrescible, though toxic, municipal waste. This landfill is currently capped with a 30-mm lining and approximately two feet of soil and grass. It produces methane, which is collected on-site and burned in a small facility near the site's entrance. The building of Thomas Cully Park will dramatically increase the degree of access of Cully residents to parkland and open space; park access in Cully will improve from 2,780 residents/acre to *454 residents/acre*, 42% better than the regional average (Verde 2013). Cully will immediately transition from a park-poor to a park-rich neighborhood; it will have taken a major step across the Green Divide.

2.3. Empowerment and Social Relations

The Verde/Living Cully neighborhood development strategy consists of a large number of interrelated elements: workforce training, social enterprise, affordable housing, park and open space development, advocacy, and community outreach and coordination. Each organization that comprises Living Cully specializes in specific services and opportunities for different segments of the population. The four key partners in Living Cully are Verde, Hacienda, NAYA, and Habitat for Humanity. As discussed above, Verde focuses on social enterprise development, policy advocacy, and neighborhood outreach and coordination. NAYA exists to serve the large local Native population, as well as workforce training, microenterprise business services, youth programs, and long-range visioning and community needs assessment. Hacienda also serves a specific community – Latinos – while focusing on green affordable, multi-family housing and microenterprise development. Habitat is an affordable housing developer, focused on single-family housing and weatherization.

This diverse set of activities, on the surface, might appear to be unmanageably complex. In practice, the organizations of Living Cully work in tandem through the Memorandum of Understanding and Living Cully Signature Projects, discussed above in Section 1.3. Each organization leads one or more of the Living Cully Signature Projects. For instance, Verde is the lead organization on the Cully Park project, titled "Let Us Build Cully Park!" Verde is responsible for coordinating all planning, site inspection and monitoring, funding/investment, professional contracting and volunteer hours relating to the building of Cully Park. Hacienda CDC is the lead organization on the Rebuilding Clara Vista project, a $28 million investment in a new organizational office, rehabilitation of 25 units of affordable housing, and rebuilding of 133 units of

affordable housing. NAYA is the lead organization on Cully Weatherization 2.0. This clear division of roles and responsibilities within a coordinated effort ensures that each organization is able to focus on what it does best, while allowing for the projects to complement one another.

The Living Cully Ecodistrict acts as a tool of empowerment by offering the neighborhood a collective identity or social brand that residents, funders, public agencies, and partners can all rally behind. The accompanying slogan "sustainability as an anti-poverty strategy", while open to multiple interpretations, offers a unifying concept that is intuitively simple and graspable: social equity, environmental preservation, and economic development are complementary goals that can be pursued and achieved simultaneously. The common language and agenda of Living Cully assists in organizing the community to advocate for its own needs.

Verde's community outreach activities, both on its own and as part of Living Cully, work across lines of socioeconomic class, ethnicity and race. As Rich Gunderson, a longstanding member of the Cully Association of Neighbors, states:

> Verde has done a great job involving NAYA, Hacienda and (neighborhood) minority groups, like the Somalians; Living Cully is better equipped to do the things they've done through Verde, in going for grants and fundraising; in the 13 years I've been in the neighborhood, the neighborhood, LC, Verde, Hacienda has accomplished is amazing. The Portland City Council knows Cully. (*pers. comm.*, 9/16/14)

At the same time, Verde's process of engaging neighbors in participatory organizing is subject to clearly defined limits. Verde actively seeks input from Cully residents on issues such as pedestrian safety, neighborhood amenities, and housing, focusing on low-income people and people of color; Verde staff then makes resource allocation and investment decisions based on that input. Cully residents are provided with opportunities to participate at many, but not all, stages of Verde's projects and initiatives. Verde remains a 501c3 nonprofit organization with a Board of Directors, management, and technical staff; it is not, in that sense, an organization governed collectively by the low-income residents of the Cully neighborhood.

This pattern of well-defined, bounded community participation extends to Verde's social enterprises. Currently, all of Verde's social enterprises are divisions of the parent nonprofit and governed by the nonprofit's management and directors. This approach is distinct from a cooperative-based model of social enterprise, in which workers jointly start, own and govern businesses. Though Verde does not oppose cooperative development, cooperatives are not within its current area of expertise. Rather, Verde's model is designed for workers to acquire technical training, basic education, and experience necessary to attain either living-wage employment at private or public sector firms, or self-employment on a microenterprise model.

2.4. Environment: Bridging the Green Divide

2.4.1. Restoring Nature, Restoring Ecosystem Services

Verde and its partners in Living Cully have built a concern for habitat and ecosystem services into their projects. For example, the plan for building Cully Park, a former brownfield site, includes restoration of 90,000 square feet (about 2 acres) of deciduous riparian habitat on a former brownfield bordering the Columbia Slough. This riparian restoration is occurring in the context of the conversion of a total of 25 acres of brownfield to parkland and open space. In addition, the work of Verde and its partners incorporates green infrastructure into project plans: Cully Park will incorporate 1,000-2,000 square feet of stormwater management facilities, which are expected to treat an additional 10 million gallons of stormwater per year (Verde 2013).

These restoration activities will restore and increase the provision of ecosystem services: the services that natural systems provide to human communities. These services are expressed in many forms, some of which can be measured in dollar-valued terms. While there are currently no primary studies measuring or predicting the impact of Cully Park (or any of the other Living Cully Signature Projects) on the provision of ecosystem services, there are a variety of existing studies from other regions that can be used to form

a ballpark estimate. For instance, the Trust for Public Land (2009), in their study of the economic value of city parks, identifies seven major sources of ecosystem service-related value for city parks: property value, tourism, direct use, health, community cohesion, clean water, and clean air.

Proximity to parks has been shown to increase the value of residential property; in the case of Cully, anti-displacement efforts must work to ensure that surrounding low-income communities are able to remain in the neighborhood to reap the benefits of this proximity. The Trust for Public Land (2009) study estimates, conservatively, that proximity (within 500') of a city park of more than one acre adds 5% to the assessed value of the surrounding property. Bolitzer and Netusil (2000) study the impact of parkland and open space on property values in Portland; they find that a home located within 1,500 feet of any open space sells for $2,105 more than a home located farther away; further, each additional acre of open space adds an average of $28.33 to the home sale price. By these measures, the values of homes located within 1,500 feet of the 25-acre Thomas Cully Park are predicted to rise by an average of $2,813 once the park is built.

The Cully Park Master Plan, developed by Portland Parks and Recreation, acknowledges the importance of the redevelopment of the Cully Park site as a model. The plan states:

> When Cully Park is developed, it will embody the city's commitment to restoring a landscape that was altered beyond recognition. Where it once served as a repository for refuse, the park will instead provide opportunities for people to grow and thrive. It will also demonstrate how a damaged site can be recreated to represent a model of environmental stewardship. Creating Cully Park will undoubtedly demonstrate what all great parks can do - to bring people together, to restore damaged landscapes, and to strengthen communities. (Portland Parks and Recreation 2008)

This statement suggests that in building Cully Park, the agendas and values of Living Cully and Portland Parks and Recreation (PPR) are broadly in alignment. Further, the active role the Living Cully partners have played in advocating, planning for, and implementing the park's development suggests that the partners have, in part, shaped PPR's agenda and influenced its values.

2.4.2. Restoring Interrupted Relationships: The Inter-Tribal Gathering Gardens

Two Living Cully Signature Projects, the Inter-Tribal Gathering Garden (at Thomas Cully Park) and the Whitaker Ponds restoration, offer the possibility of expanding and deepening the process of ecological restoration by re-introducing Native American cultural elements into the neighborhood's land use practices, adapted for a modern context. As noted above in Section 1.1., the Cully district sits on the site of a historic Chinook village called Neerchokikoo. This village was a gathering place for multiple regional tribes, who made use of a tended landscape to harvest a diverse set of resources for food, medicine and fiber. The *eco-cultural restoration* projects pursued by NAYA seek not only to restore the landscape, but to restore humans' relationships with that landscape, which have been interrupted since European settlement.

At Cully Park, the Inter-Tribal Gathering Garden will consist of a ceremonial area at the center, a multi-use space for gatherings, and a garden space with a diverse mix of wild, native-growing edible, medicinal and fibrous plants with traditional uses. The site will be designed using permaculture principles, in collaboration between an architectural design firm and a core steering committee that includes representatives from NAYA, Verde, Portland Youth and Elders Council (another inter-tribal Native nonprofit), and Portland Parks and Recreation. The process also mobilizes a wide range of stakeholders that includes a variety of local Native and non-Native municipal and regional organizations including tribal governments, Native community based organizations, nonprofits, public agencies, and educational institutions. As Cary Watters, Community Engagement Manager at NAYA, notes, "It will be a gathering space in dual meaning: where people gather, and where people gather to gather plants: a non-traditional way of doing things that's based on wisdom since time immemorial" (*pers. comm.,* 10/29/14).

2.4.3. Building Community Capacity: Weatherization and Green Infrastructure

Living Cully's Signature projects aim specifically to empower Cully residents to make informed, educated decisions with the financial and material support of the coalition of nonprofits, public agencies, and social

enterprises. For example, in Cully Weatherization 2.0, the homeowner will make decisions under the counsel of the project coordinator and weatherization contractor, with full knowledge of the available resources, costs and benefits involved. As Kelly Haines, Community Relations Manager for Clean Energy Works Oregon, describes:

> The coordinator will interview the homeowner; the contractor will inspect the house. From that, they will develop a report and scope of work for homeowner. The coordinator figures out what resources the homeowner is eligible for, and the homeowner gets to make the final decision. Here is the work that needs to be done; here are the available resources; what do you want to do? It will be powerful for them to have that knowledge of their house and figure out what needs to be done. (Kelly Haines, *pers. comm.,* 9/16/14).

As the above quote makes clear, the purpose of Cully Weatherization 2.0 is not only to provide financial assistance for low-income homeowners to weatherize their homes, but also empower them to make informed decisions.

Green infrastructure projects are another way that Verde's work builds community capacity, while enhancing environmental amenities and increasing provision of ecosystem services in Cully. For example, Northeast 72nd Ave, which borders Cully Park, is one of Cully's many forgotten streets— an 860-ft crumbling asphalt street with no curbs, storm sewer, or sumps; the street's shoulder collects and ponds stormwater, creating muddy pot holes. Verde Landscape has installed bioswales along this street using native plants that create habitat for birds and wildlife. These swales slow and filter stormwater, capturing contaminants which can be removed and appropriately disposed, and do so in a visible way that supports community education about stormwater management and watershed health. The project is a pilot for alternative street design standards currently being developed by the City of Portland, specific to the Cully neighborhood. Verde's work on this pilot project allows it to train the first workers and contractors to construct this adapted green infrastructure in Cully.

3. RESILIENCE, SCALABILITY, AND REPLICABILITY

3.1. The Organizational Context

Verde's strong partnerships with other nonprofits and community organizations are integral to developing its place-based, neighborhood organizing strategy. Verde benefits from a robust, extensive network of over 50 partners that span public, private, philanthropic, and nonprofit sectors (Verde 2014). Its partners include municipal agencies (e.g. City of Portland Bureau of Environmental Services), construction firms (e.g. Colas Construction), watershed councils (e.g. Columbia Slough), neighborhood organizations (e.g. Cully Association of Neighbors), nonprofits promoting racial diversity and inclusion (e.g. Center for Diversity and the Environment), community development corporations (CDC), and beyond.

Each partner plays a different role in supporting Verde's mission. For instance, the core group of nonprofit partners that comprise the Living Cully coalition represent the inner circle of Verde's community development effort: Hacienda CDC, NAYA, and Habitat for Humanity. The Cully Association of Neighbors, while not formally part of the Living Cully coalition, provides important support from longstanding neighborhood residents and homeowners, as well as a venue for Living Cully outreach and organizing. The Cully Boulevard Alliance, one of the two Neighborhood Prosperity Initiatives (NPI) located in the Cully neighborhood, supports the work of Verde and Living Cully through organizing local small businesses, providing complementary technical assistance, and hosting meetings.

In addition to the core group of Cully community developers, a host of related nonprofits, educators, training providers and business services providers in Greater Portland and beyond work closely in partnership with Verde in the provision of complementary services. For instance, Clean Energy Works Oregon (CEWO) is the lead project sponsor on the Cully Weatherization 2.0 project described in Section 2.4.3 above, a Living Cully Signature Project for which NAYA provides neighborhood leadership (CEWO 2014). Verde's role in CEWO is as a board member and policy advocate: Verde has helped CEWO adopt high-road standards for hiring and contracting, including a Community Workforce Agreement that ensures a minimum percentage of hires from low-income communities and communities of color.

Organizational relationships extend beyond sponsorship and training. For each program, enterprise or Signature Project, Verde or its core partners in Living Cully cultivate an inclusive group of public, private and nonprofit organizations to offer assistance and advice. For instance, participants in the Cully Weatherization 2.0 partners include Portland Housing Bureau; Portland Development Commission; Energy Trust of Oregon, a statewide energy efficiency nonprofit; Worksystems Inc., a training provider and job placement agency; Multnomah County Low Income Weatherization and Health Department; and Habitat for Humanity. Over and above this partner network, the project's steering committee includes Metropolitan Alliance for the Common Good, a membership-based social justice organization; Cambia Health Solutions; and Community Energy Project.

In addition, a wider circle of nonprofits, institutions, and private firms have provided Verde with specific support services that feed into Verde's larger mission, vision and strategy. For example, in 2013 Virtue Ventures conducted a program evaluation of Verde's three social enterprises, in order to track enterprise progress and performance. PolicyLink has developed a series of impact indicators for Verde to use in its future funding proposals and reports. Ecotrust has provided Verde with GIS support, business analysis (SWOT), and market research for analyzing prospective business opportunities. Verde Landscape shares warehouse space with Blossom Earthworks, a private landscape design firm focusing on ecological landscaping; founder and CEO Todd Blossom serves as an advisor to Verde Landscape. Verde's social enterprises maintain ongoing relationships with providers of certifications, job training and education, including Mt. Hood Community College, which provides Crew Members with GED preparation services. Finally, Verde's outreach and advocacy work benefits from long-term relationships with academic researchers at Portland State University (PSU), who have developed and advised extensive research projects on topics such as gentrification and housing affordability (e.g. Bañuelos et al. 2013).

3.2. The Policy Context: Braiding Resources, Building Relationships

Verde and its Living Cully partners work within a complex policy environment in which their constituencies face a shifting landscape of opportunities and threats embedded in often-arcane details of public procurement, contracting and funding arrangements. In the face of this complexity, Verde has undertaken careful research to maximize their own benefits from the existing policies, as well as targeted advocacy work to alter that environment to increase its scope for funding and contracting opportunities. This section gives two examples of programs that demonstrate both the benefits and the constraints that Verde and Living Cully face, resulting from complex and overlapping policies at the federal, state, county and local jurisdictional levels.

3.2.1. Cully Weatherization 2.0

Cully Weatherization 2.0, a Living Cully Signature Project, is specifically designed to make homeownership affordable for low-income and minority residents in Cully. As Kelly Haines, equity strategies manager at Clean Energy Works Oregon (CEWO), notes, "We could be an intervention ahead of a homeowner … with 10 years of deferred maintenance selling their home for cash" (*pers. comm.*, 9/16/14). Whereas most residential weatherization programs are based on loan financing, such a model may not work for low-income homeowners; Cully Weatherization 2.0 works to make retrofits free of charge.

The Cully Weatherization 2.0 project is a prime example of the ways in which the Living Cully coalition both benefits and is constrained by existing policy incentives and programs developed by other, allied nonprofits and the public sector. For example, Clean Energy Works Oregon (CEWO), the lead nonprofit partner on the Cully Weatherization 2.0 (CW2) project, has developed a series of High Road standards for all of its projects, discussed above in Section 2.2.3. To recap briefly, these standards include minimums for contracting with businesses owned by historically disadvantaged groups (racial/ethnic minorities and women), minimum for project hours worked by individuals from historically disadvantaged groups, minimum wages paid of 180% of the Oregon state minimum wage, and others.

A large part of the work of the Living Cully coalition consists of navigating the complex landscape of policies, harmonizing or "braiding" resources from a fragmented and overlapping matrix of city, county, regional (Metro), private sector and philanthropic actors, each facing somewhat different incentives and

constraints. For example, participation of the Multnomah County Low Income Weatherization Program (LIWP) has promised to benefit significantly the Cully Weatherization 2.0 project, a Signature Project of Living Cully. However, the LIWP, a taxpayer- and ratepayer-funded program, is "the most proscribed and rule-bound program in the county," according to Multnomah County Health Department Mary Li (Mary Li, CEWO stakeholder meeting, 9/22). For instance, LIWP selects contractors through a set of admittedly "Byzantine" criteria (ibid) that do not map neatly onto the High Road standards set by CEWO. A homeowner aiming to benefit from the LIWP funding thus cannot make use of the six contractors approved by CEWO under its High Road standards.

The two programs may be able to work in tandem. CEWO, as the lead agency under CW2, can direct homeowners to LIWP whose needs match the resources of that program more closely. For instance, LIWP can cover multi-family dwellings, which CEWO is not equipped to do. However, to effectively harmonize or "braid" CEWO and LIWP will require careful attention to the details of the individual programs. Specifically, LIWP's criteria restrict the types of weatherization activities that it can conduct: each dollar invested in weatherization must give rise to at least one dollar of energy efficiency savings. This savings-investment ratio (SIR) is the key to the program's perceived effectiveness; however, it necessarily sacrifices some of the workforce development and wage goals that CEWO has made explicit in CW2. During the period of increased federal funding under the ARRA (Obama stimulus), LIWP was required to pay "Davis-Bacon" prevailing wages; however, with the sunsetting of the stimulus money, wage certification requirements have been dropped. This example serves to demonstrate the complexity of developing a place-based development strategy in an environment with a diverse set of institutional actors facing differing and often conflicting policies and incentives.

3.2.2. The Neighborhood Prosperity Initiatives (NPI)

The Neighborhood Prosperity Initiatives (NPI), a program of the Portland Development Commission (PDC), represent a citywide attempt to build thriving business districts in historically underserved neighborhoods. NPIs are community-driven development areas, governed by volunteer boards made up of the residents of the area. In an NPI, a portion of the tax base generated by the businesses located in that community is designated to stay within that community for development projects. The purpose of an NPI is to generate economic development projects that serve existing residents: the improvement projects themselves are chosen through a participatory process at the neighborhood level, while the PDC provides matching grants. On the other hand, the volume of funds available to NPIs typically is not large. As one NPI manager said, "In our peak years, you're talking about $125,000" (Michael De Marco, *pers. comm.,* 10/8/14).

Cully is the only neighborhood in Portland with two NPIs: Our 42nd Ave, which runs north-south along the 42nd Avenue commercial corridor, from Mason St. to NE Portland Highway, and Cully Boulevard Alliance, which runs northeast-southwest along Cully Blvd, and its extension NE 57th Ave, from Klickitat Street to NE Portland Highway. In general, the NPIs and the Living Cully coalition share a common vision for the neighborhood. As Michael De Marco, manager of Our 42nd Ave, has said, "Ideally, as economic development occurs in our community, it's not just for, but also by the folks in our community" (Michael De Marco, *pers. comm.,* 10/8/14).

The NPIs, though not formally partners in Living Cully, contribute to the economic development context for Verde and its partners' work, and engage in similar and complementary neighborhood services and activities. For instance, Our 42nd Ave engages in workforce development in its area, placing job seekers with training providers to acquire marketable skills; it also encourages local employers to hire local residents by posting jobs through the NPI, which passes on the word through local schools, cafes and other meeting places. Similarly, the Cully Boulevard Alliance has worked with local businesses to promote local hiring, as well as engaging in storefront improvements and supporting community events, including those related to Cully Park and other projects of Living Cully.

3.3. The Social Context: Strong Working Relationships

The Living Cully partners benefit from strong, ongoing working relationships across organizations. In the words of Nathan Teske, Community and Economic Development Director of Hacienda CDC: "(Living Cully) is like a family-run business with four owners. It's much more intimate than most partnerships

between nonprofits … it almost feels as if we're working for the same organization" (*pers. comm.,* 10/28/14). Reasons for the level of collaboration present in Living Cully include shared history, close physical proximity, and an ongoing commitment to a common vision. The initial vision of Verde as a complementary service provider for Hacienda; the longstanding working relationship between the directors of each organization; and each organization's long-term commitment to the Cully neighborhood: all contribute to the creation of the familial, close-knit organizational culture noted by Teske above.

These organizational relationships are occurring within a neighborhood characterized by a rare combination of high diversity, and high levels of community involvement. Rich Gunderson, Parks Chair of the Cully Association of Neighbors (CAN), notes that attending other neighborhood association meetings on behalf of Portland Parks and Recreation, "there'd be 15-20 people and they'd be there for maybe one issue. At a Cully meeting, with no issue, there'd be 60-100 people. It's amazing, the amount of concern" (Rich Gunderson, *pers. comm.*, 9/16/14). Though historically the CAN has had relatively little success in involving communities of color and immigrants, as Gunderson notes, "Verde has done a great job involving minority groups; Living Cully seems to be broader as far as diversity is concerned" (ibid).

3.4. Scalability and Replicability

3.4.1. Scope, Not Scale

The Verde/Living Cully vision thrives on scope, not scale. Living Cully's Signature Projects generate interrelated sets of economic and social activities that restore the environment, build neighborhood community capacity, create living-wage jobs, and increase the supply of high-quality affordable housing. These projects work together as part of a holistic vision of placemaking. Scaling up a single activity, while perhaps desirable in some cases, is not the key to this model. Rather, the Living Cully model rests on careful coordination among a set of interrelated activities that enhance low-income people's access to environmental amenities, social connections, and economic opportunities. Further, each activity may benefit from the presence of the others. For instance, Verde Landscape benefits from the supply of native plants generated by Verde Nursery; Hacienda's Clara Vista housing rehabilitation benefits from the local presence of Verde's landscaping firm.

The "scope-ability" of Verde and Living Cully can be understood through the diverse array of business ideas, proposals, and plans that constantly circulate throughout the coalition. For instance, an independent firm, Columbia Biogas, currently has proposed to install an anaerobic biodigester on a currently vacant industrial site in the Cully neighborhood. The $50 million facility will be able to use methane from the Cully Park landfill as a source of energy, along with food waste from local businesses. The project, when fully in operation, will create 20 full-time permanent jobs; Verde and its partners in Living Cully have reached an agreement with the firm that at least 10 of these jobs will be hired from the neighborhood, trained by local workforce development partners.

The proposed Columbia Biogas project may be able to stimulate additional business creation by Verde, over and above the jobs created directly by the facility. For instance, the by-products of the biodigester will be clean water, carbon dioxide, heat, and fertilizer. Verde is currently exploring the possibility of using all four of these by-products as inputs to a new social enterprise, an aquaculture facility adjacent to the biodigester, which will raise and process warm-water fish such as tilapia to meet local restaurant demand. This aquaculture facility will create additional local jobs, while increasing the supply of locally raised warm-water fish. Currently, a group of students at Portland State University are working on a market study to determine the feasibility of this idea.

3.4.2. Replicability at the Neighborhood Level

The strategy that Verde and its partners have developed for building neighborhood assets addresses itself specifically to replicability. Under the Living Cully agreement, all partner organizations are required to engage in activities designed to replicate the model. The Memorandum of Understanding states: "Each organization will participate in the design and implementation of replication activities that extend Living Cully's anti-poverty sustainability model to other low-income communities."(Living Cully 2013) The strong network of nonprofits, active neighborhood association and current working relationships with public sector agencies has made Cully a testing ground for future innovations to address poverty and

environmental injustice elsewhere in Portland, as well as other municipalities. In the case of Cully Weatherization 2.0, the lead nonprofit, Clean Energy Works Oregon, has specifically stated its intention to replicate the model in other Portland neighborhoods if it proves successful in Cully.

Verde's approach to outreach and organization of the building of Cully Park has provided a replicable model for other parks in Portland. The transfer of park development rights from the city to a community development organization is at the core of this approach. In this model, the community organization takes on the role of park developer, maximizing the total community impact of both the process of park development and its eventual outcome. The organization raises funds for park development through a variety of channels, including public sector, philanthropic grants, and private donations. It engages the neighborhood residents in participatory design charrettes, including neighborhood youth through engagement with schools. And finally, it commits to contracting with firms owned and staffed by minorities; engages with contractors to commit to hiring workers from the neighborhood at living wages; and organizes trainings to ensure that local workers have the capacity to perform the necessary work of building the park.

This community-led approach to park development is currently being attempted through partnerships between the City of Portland and community organizations in East Portland, already working together on Beech and Gateway parks. The key to successful replicability, however, is the strength and fund-raising capacity of the community organization, underpinned by strong partnerships with public agencies and private firms, and strong relationships within the neighborhood. Replicating the model successfully in other neighborhoods depends on the strength of the nonprofits acting in Verde's capacity as neighborhood advocate, convener, and implementer.

3.4.3. Collaborations Old and New

Verde plays a key role in new neighborhood collaborations, including the Living Cully Ecodistrict. Verde sits at the center of a coalition that includes Habitat, Hacienda, and NAYA. Verde also works with and through neighborhood partners, including the Cully Association of Neighbors. Yet Verde and its partners also work to preserve, as well as build upon, the existing neighborhood assets of Cully. Neighborhood stabilization in the face of gentrification pressure is a linchpin of Verde's work, as discussed above in Section 2.2. The task of preserving the existing social assets of the neighborhood – families, social networks, relationships of reciprocity, organizations – is a primary objective of the Living Cully coalition.

Living Cully's equity-focused Ecodistrict approach aims to develop a new way of doing business that supplants business-as-usual. It aims to depart from the low-wage, low-bid contracts that often dominate public procurement, not to mention the highly competitive private sector, by instituting High Road labor and contracting standards that give preferential treatment to workers and firms located in the neighborhood, and owned and staffed by historically disadvantaged minorities. Further, Living Cully aims to depart from the industrial model of economic development by developing a workforce trained in ecological restoration, community-led home weatherization, urban forestry, green infrastructure, renewable energy, energy-efficient organic aquaculture, and other key, emerging and complementary "green" economic sectors. Finally, Living Cully aims to transform radically the historical pattern of market-driven neighborhood economic development that characterizes Portland as well as many other U.S. cities. Historically, as an urban neighborhood becomes desirable and develops a rich set of amenities, services and attractions, the original residents of that neighborhood find themselves unable to remain in that neighborhood to enjoy its transformation due to increased rental prices and property values, as well as the displacement of culturally specific goods and services. By working to keep such services in the Cully neighborhood, along with a steadily increasing supply of high-quality affordable housing and living wage jobs, Verde and its partners in Living Cully aim for revitalization without displacement, as explained above in Section 2.2.

Like any economic development project, the work of Verde and Living Cully may entail unintended consequences. For instance, the installation of neighborhood amenities such as the park, green streets, and community gardens, may lead to increased property values, thereby displacing the very residents Verde and its partners aim to support. Also, the extensive public participation that characterizes Verde and its Living Cully partners' projects, such as Living Cully Walks, may be more accessible to some

groups in the community than others. For instance, 90% of the attendees over the first year of Living Cully Walks' programs were Latino. Over time, Living Cully Walks may come to be associated with the Latino population specifically, rather than the entire Cully neighborhood, which encompasses African American, East African, Asian American, Native American and other minority groups. Due to the high level of organization, rigorous data collection, and community responsiveness that characterizes Verde and its partners, it is likely that the Living Cully coalition will be able to detect these unintended consequences should they occur, and develop plans of action to counteract them.

3.5. Vulnerabilities

Verde's innovative approach to community development has three significant, though not insurmountable, vulnerabilities. They are:

(1) Vulnerabilities of target populations to displacement
(2) Dependence of social enterprises on municipal and other public sector procurement
(3) Difficulties in finding job placement for local workers, including job sourcing for local development projects and living wage job transition for Crew Members in Verde's social enterprises

3.5.1. Addressing Displacement

The first vulnerability, displacement, has been discussed above in Sections 1.3 and 2.2, and it is being addressed with the three-pronged strategy outlined in Section 1.3.2. The Living Cully coalition has adopted a workplan, entitled Not in Cully, to increase the provision and quality of affordable housing and accessibility of homeownership. The workplan consists of projects, programs and policies. Projects include direct construction, rehabilitation or preservation of units by one of the Living Cully partners or an allied business firm. Over the next five years, Not in Cully projects aim to either construct, preserve, or rehabilitate 217 market-shielded owner-occupied units, and 318 rental units. These include an additional 80 accessory dwelling units (ADUs), sometimes called "in-law apartments" or "granny flats": apartments attached to, or in the basement of, single-family houses. They also include 30 new owner-occupied mobile home units, 50 new units of senior housing for rent, and 50 new units constructed on Cully Boulevard after rezoning. On the demand side of the market, Not in Cully has set the goal of weatherizing 300 households over the next five years, building upon the plans made by Cully Weatherization 2.0.

Should these goals all be accomplished, they will probably still not be enough to stem the tide of gentrification spurred by city-wide increases in property values, compounded by improved amenities within Cully. The 535 total low-income households that Living Cully aims to construct, preserve, or rehabilitate over the next five years amounts to just over 11% of the current total of 4,663 households in Cully (Banuelos 2013). Counting the additional 300 households Living Cully aims to weatherize, the total proportion of market-shielded units rises to just under 18%. Though the workplan, if successful, will make a noticeable difference, it will not stem gentrification if the other 72-89% of units are allowed to remain at market rate. Living Cully will attempt to make up some of the difference through homeownership counseling, tenants' rights organizing, tax exemptions and deferrals, and other outreach and advocacy strategies. Working with a local land trust, Proud Ground, the coalition will attempt to shield 10% of total owner-occupied housing in Cully (260 units) under a community land trust model. Yet it is not clear how many units the coalition will ultimately be able to protect. Notes longtime Cully resident Rich Gunderson:

> I haven't heard of a plan for stopping gentrification that I think really works. Homeowners in Cully, take senior citizens, if their house value goes up and they realize it's time to sell, they will try to get top dollar for their houses. We'll be able to keep some diversity, but not to the level we have now. (*pers. comm.,* 9/16/14)

3.5.2. Diversifying Social Income

Addressing the second vulnerability will require Verde's social enterprises to diversity their sources of income, particularly towards increased contracting from private sector sources. This diversification of income is currently taking place. A recent SWOT (Strength/Weakness/Opportunity/Threat) analysis conducted on Verde Landscape social enterprise identified increased private sector demand for green infrastructure in nearby Clark County, in response to tightened stormwater regulations for municipalities throughout the State of Washington (Enelow 2014). The analysis further identified opportunities to seek

contracts for habitat restoration and ecological landscaping on multi-family properties or developments governed by homeowners' associations (HOAs). Verde has responded to these findings by increasing its outreach to private businesses in these two areas.

3.5.3. Increasing Job Placement

The third and final significant vulnerability of the Verde/Living Cully institutional network is the difficulty it faces in matching local, qualified workers to either locally generated jobs from development projects, or full-time permanent, living-wage jobs outside the neighborhood. Within the neighborhood, many of the jobs required by Living Cully Signature Projects are unavailable to Cully's residents due to their high degree of specialization. For instance, the Cully Weatherization 2.0 project discussed above in Section 3.2.1, requires highly specialized workers to engage in home weatherization activities that include insulation, HVAC, electrical, plumbing, roofing, door and window, and other specialized forms of construction and maintenance. These jobs can be filled by local workforce training and hiring; however, the resources to hire and train local workers for these highly specialized jobs may not always be available on the timescale of the projects. Kelly Haines of CEWO notes, "My experience is that it takes some assembling of different partners to connect a job seeker to a (weatherization) job. It's not a fun job, but it pays well; it's been a foot in the door for people into construction – but not a career necessarily" (pers. Comm., 9/16/14).

Verde's social enterprises have also experienced some difficulties in placing social enterprise Crew Members in living wage, private sector jobs upon completion of the 3.5-year program. For instance, the analysis conducted by Virtue Ventures (2013) of the Verde Landscape social enterprise found that the *mean* duration of employment of Verde Landscape Crew Members was 1,225 days – 3.4 years. The maximum duration was 2,151 days, or 5.9 years, nearly 2.5 years longer than the intended length of the program. However, this difficulty may be lessening; two Crew Members were recently placed into external positions, one at a private sector firm and the other at a nonprofit (Verde 2014c).

4. CONCLUSION

The work of Verde and Living Cully, in many ways, exemplifies a possible future economy focused on neighborhoods. To date, this work has occurred at a small scale, by design. Through its social enterprises and Community Workforce Agreements, Verde has created tens of direct, permanent living-wage jobs, primarily hired within the neighborhood. Taken together, all of the existing Living Cully Signature Projects will create hundreds of direct, indirect and induced temporary, living-wage jobs measured in full-time person-years, primarily (though not entirely) hired from outside the neighborhood. These Signature Projects are creating substantial improvements in the environmental amenities available to Cully residents, as well as expanding the supply of affordable and energy-efficient housing. Projects such as Columbia Biogas, and the related proposed aquaculture project, offer the possibility of creating tens of additional direct local jobs in the future. There is no single intervention that creates, at scale, the number of local jobs necessary to transform the neighborhood; nor does there exist a single intervention that will be sufficient to stem the tide of gentrification. Likewise, there is no single metric that captures the benefits of Verde and Living Cully's whole-systems approach to placemaking. The accrual of well-designed projects and well-targeted investments that meet local needs, coordinated through a coalition of committed partners with high organizational capacity and a shared vision of neighborhood revitalization, is the key to the success story currently unfolding in Cully. The ability of Verde and its partners to avoid the eventual displacement of vulnerable, low-income residents is not guaranteed. However, the accomplishments to date of Verde and its partner in Living Cully demonstrate the promise and the possibility that a low-income neighborhood, initially poor in amenities and services, can be revitalized for the benefit of all its residents.

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Appendix A. Demographic Profile of the Cully Neighborhood



