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**Pittsburgh Partnership for Neighborhood Development
releases East End Growth Fund Report**

“Model of Market Transformation” crafted by community groups, lenders, government

Pittsburgh – May 27, 2009 – Next Thursday, June 4th, The Pittsburgh Partnership for Neighborhood Development (PPND) will release its report “The East End Growth Fund: A Model of Market Transformation.”

The East End Growth Fund (EEGF) was created by leveraging resources from the Local Initiatives Support Corporation (LISC), a national source of capital for community development, with \$4 million in grants from local foundations and corporations. PPND is LISC’s local affiliate.

In the east end of Pittsburgh, the neighborhoods of Bloomfield-Garfield, Friendship, and East Liberty have attracted private investment, affordable and market-rate housing, and new jobs as a result of a farsighted partnership among foundations and community development corporations (CDCs) that began in 2001.

Cities across the country have launched pre-development funds. EEGF, Pittsburgh’s pilot, is inclusive in both its sources of funding and the investments it made.

Project grants and recoverable loans paid for important fundamentals: design guidelines for commercial development, residential strategies, site assembly, master plans for transit-oriented development, cooperative projects with churches and libraries, and staffing and training to strengthen CDCs.

“The East End Growth Fund has proved to be an ideal model to a perennial problem in community development: the necessity of early funding that sets the foundation for sustainable private investment and development,” says Ellen Kight, President, PPND.

The EEGF advisory board met regularly to recommend and approve disbursements and to allow community groups, lenders and government agencies to discuss problems and solutions candidly. The participants were united by the belief that encouraging well-designed projects with strong community support would encourage smaller businesses and residential developers.

Over five years, the East End Growth Fund transformed the East Liberty market and achieved three major goals:

- It helped implement East Liberty’s community plan, envisioned by the neighborhood in 1999.
- It helped three CDCs -- Bloomfield Garfield Corporation, Friendship Development Associates, and East Liberty Development, Inc. – to share in the value of commercial development and use the return on their investment to grow their capacity.
- It encouraged small businesses to locate and grow in the community, with financial assistance and advice.

The Growth Fund also stepped in to support a variety of housing initiatives, from affordable replacement housing in the heart of East Liberty to for-sale homes and mixed-use senior housing.

By 2006, the strategic investments of the Growth Fund had leveraged \$66.9 million in development, as calculated by LISC. Two major commercial developments -- Eastside I and II -- along Centre Avenue in East Liberty, have attracted national retailers and a third has drawn state investment for transit-oriented development. Several dozen small businesses, including restaurants and art-related spaces, have opened. Townhomes and apartments have replaced the high-rise subsidized housing towers, dubbed "Towers of Poverty" by one planner. New grid street patterns have encouraged pedestrian and local auto traffic, and neighborhood fringes are combining with other nearby development.

"A combination of good planning, good timing and patient capital has affected a transformation in the East End. After a decade of cooperative community building and investment, momentum continues to build," says Anne-Marie Lubenau of the Community Design Center of Pittsburgh "The stage is set for the next chapter in the neighborhood's 200-year history."

A downloadable copy of the East End Growth Fund Report is available at www.ppnd.org. For additional information, contact Pittsburgh Partnership for Neighborhood Development, 412471-3727.

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About PPND. . .

Over the past 25 years, PPND has been working in Pittsburgh's communities by providing investments that help to make our neighborhoods cleaner, safer and stronger. With our partners we've proven that these places can gain the strength to support Pittsburgh's prosperity.

Corporations, governments and philanthropies want to deploy funds where there is both need and promise. That's where we come in. PPND works as an intermediary, allocating financial support to local communities by:

- *Raising Funds*
- *Making Strategic Grants and Loans*
- *Developing Local Leadership*
- *Providing Market Data for Smarter Decisions*
- *Connecting the neighborhoods to award winning ideas in community development*

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