How to Measure Success

by Courtney Dufries

Success (sukses) n. 1. a favorable outcome, doing what was desired or attempted, the attainment of wealth or fame or position

It may be impossible to accurately capture the full effects of community development lending and investment activity because it is impossible to quantify pride, self-esteem, quality, and other intangible benefits. Simply put, community development work is much more than just finances. For an effort to be considered fully successful, consideration must also be given to education, health care, social work, land-use planning, environmental issues, neighborhood organizing, criminal justice, athletics, and the arts, to name just a few of the many disciplines that should be involved.

However, it is desirable to at least gauge some of the economic impact of community development activities because the impact is frequently phenomenal. Finding the right measure is challenging. Experts will monitor increases in the number of building permits, changes in zoning requests, reductions in crimes reported, unemployment rate changes, tax receipts collected, changes in median incomes, reductions in public benefit payments, reductions in food stamps distributed, and many other measures just to gauge some of the benefits from their work. Each measure tells a different part of the story, and many are appropriate because no one measure can capture the whole story.

One way to measure the overall impact is through the multiplier effect. This issue of Partners features an article on measuring economic impact and another on the economic multiplier effect. The first article, Measuring Economic Impact, explains the concepts behind the types of impact, and the second article, The Multiplier Effect at Chattanooga Neighborhood Enterprises, presents a study from Dr. Marilyn Helms at the University of Tennessee about the $50 million impact just one nonprofit organization made in 1997.

As presented in the study, the multiplier effect shows how $21.5 million in expenditures in fiscal year 1994 actually had a total indirect impact of $35.1 million. Further, the study reports dramatic increases in employment as 36 full time staff members helped create or sustain an additional 294

Continued on next page
indirect jobs, and real estate taxes increased from $39 thousand paid by the nonprofit in 1993, to approximately $1.2 million paid by over 1,900 homeowners the next year.

As part of the nation’s central bank, you would expect the Federal Reserve Bank of Atlanta to place considerable emphasis on economics and finance, and we do. However, financial measurements alone will not tell the whole story because community development work not only changes landscapes, but equally important, it changes public perceptions. And one of the most exciting examples of changing both landscapes and perceptions is at East Lake Meadows, a public housing community being transformed into a mixed-income community on a golf course in Atlanta. Golf and public housing in the same place may seem strange, but with strong foundation and corporate support, the first phase of this exciting redevelopment has already broken ground and has begun to change the way people, both rich and poor, view public housing. But rather than take our word for it, we present another view with a reprint of an article we entitled Public Housing Transformed that free lance author John Steinbreder wrote on this unusual development.

Finally, we recognize that measuring community development success with financial tools alone is not appropriate. To be successful, it must also evoke an emotional reaction, a good feeling that inspires as well as encourages. And one of the best ways to promote this inspiration is through the arts. For example, murals on commercial buildings help capture the history and pride of a community; artist loft developments attract public interest, support, and a sense of community; and neighborhood based community theatre programs provide publicity and fundraising opportunities for development work. The arts are an integral part of many community development activities.

That is why we are proud to announce an exciting new partnership with the Coca-Cola Foundation to promote the arts through this newsletter. Dedicated to promoting education and the arts, and frequently working through school-based arts programs, the Coca-Cola Foundation provides support to artists around the world in an effort to promote cultural understanding. We will begin featuring some of these artists and their schools in this newsletter. We hope it evokes the same sense of community with you that it has with us. And we gratefully acknowledge and appreciate the generosity of the Coca-Cola Foundation for sharing this art with us all.

The Business of Art at the Coca-Cola Foundation

The Coca-Cola Foundation has contributed to a wide array of institutions and programs including early childhood education; elementary and secondary schools; public and private colleges and universities; teacher training; arts education and international understanding. The results are being seen today and will be seen tomorrow in the lives and hopes of boys and girls, young men and women of all colors, in many countries, pursuing many different careers.

One of the outstanding arts organizations that The Coca-Cola Foundation supports through its Coca-Cola Scholars program is The Atlanta College of Art. The excellent work of some of its Coca-Cola Scholars is a valuable enhancement to our Spring 1998 newsletter.

Partners in Community and Economic Development

The Coca-Cola Foundation, the philanthropic arm of The Coca-Cola Company, made a $50 million commitment to advance excellence in education in the 1990s. By 1996, it amended that goal for an increased commitment to $100 million by the year 2000.

Waiting Series #1 (detail) by Jena Jones, senior sculpture student and Coca-Cola Scholar, The Atlanta College of Art © 1997

The Coca-Cola Foundation is driven by the belief that the demands of a fast-approaching new century will require new educational strategies and partnerships. Quality education will be essential for individual success and the Foundation recognizes that serious pursuit of learning takes place in many kinds of classrooms and laboratories, in all countries around the world. To advance quality education, the Foundation focuses on - among other priorities - arts education to support school-based arts programs, which it believes are fundamental to a complete education and cultural understanding.

The Foundation is committed to helping individuals to improve the quality of their lives - to help them dream their own particular dreams and to encourage them to ask the simple questions: "Why?" or "How?" or "Why not?".
Measuring Economic Impact

by Marie Easley

Q. When is a dollar worth more than a dollar? A. When it is re-spent successively in the local economy.

There are several ways to define economic impact. For example, if two local businesses buy ten dollar items from one another, one could say the total value of that exchange is $20. Another might argue that it's a wash; the economic impact is nothing because a net gain to the local economy has not occurred. Most experts agree, however, that some gain has been realized since the $20 stayed in the local economy instead of going elsewhere. Furthermore, because sales taxes are paid on the purchases, a portion of the taxes will go back into the community in the form of public services such as road construction and fire and police protection.

That $20 will probably be spent again. The sales revenues may be used to compensate the companies' employees. When these employees receive their checks, they will spend some of their earnings at the local grocery or department store, or maybe they'll go to the movies.

Because tracing the number of times each dollar of spending cycles through the local economy would be an impossible task, economists use the "economic multiplier" concept to symbolize the continual, but diminishing, number of times each dollar spent cycles through the economy. The ability of a local economy to capture a high percentage of successive spending largely depends on its size and the diversity of its economy.

This multiplier, which represents the number of times this original $20 is spent within the community, is used to measure the economic impact.

Three types of economic impact are often measured:

Direct impact - Often called final impact, direct impact is measured by using per capita numbers supplied by management of a project or event, and would include financial information directly related to the project.

Indirect impact - Economic activity indirectly felt by businesses, such as meals bought in local restaurants during an event, is measured as indirect impact.

Induced impact - When surrounding businesses purchase additional products and services and hire more employees to meet the demand brought on by direct and indirect impact, and these employees then make their own purchases and stimulate the economy further, the result is measured as induced impact.

The economic multiplier concept quantifies the full economic effect of an organization's expenditures. The value of the multiplier depends on the percentage of income spent and re-spent, and the proportion of spending that flows outside the community - in effect, "exported" to another community.

An aggregate economic multiplier of 2.75, for example, would mean that, for each $1.00 spent on a project or event, $2.75 is generated. Subtracting the original $1.00 (direct impact) leaves $1.75 of additional spending on items and services (indirect and induced impact).

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Etching is by Sonya Thomas, senior printmaking student and Coca-Cola Scholar, The Atlanta College of Art © 1998

Spring 1998

Federal Reserve Bank of Atlanta
A meaningful measure of economic impact requires an accurate multiplier. In the following article detailing the multiplier effect resulting from the work of Chattanooga Neighborhood Enterprises (CNE), researchers at the University of Tennessee at Chattanooga used a multiplier of 1.65. Based on other community and regional economic impact studies that have applied multipliers from as small as 1.35 to as large as 4.0, as well as similar economic studies in the Chattanooga area that have used the 1.65 multiplier, according to Federal Reserve Bank of Atlanta Economist, Mark Rogers, the multiplier is considered reasonable for a metropolitan economy the size of Chattanooga.

Understanding the Economic Impact of Building One House in the Chattanooga Community

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**Developer**

- Architect
- Civil Engineer
- Structural Engineer
- Appraiser
- Construction Lender

**Contractors & Suppliers**

- Landscaping
- Block Layer
- Concrete Foundation
- Soil Treatment
- Site Preparation
- Permits
- Roofing Company
- Septic Drain
- Underwriter
- Window Company
- Title Insurance
- Lawyer
- Appliance Dealer
- Cleaning Crew
- Door Installer
- Window Installer
- Cabinet Company
- Insulation Company
- Drywall Company
- Floor Company
- Driveway Installer
- Interior Plaster
- Exterior Plaster
- Plumbing Company
- Electrical Company
- HVAC Company
- Cable Company
- Mortgage Lender
- Pest Control Company
- Painter
Multiplier Effect

at
Chattanooga Neighborhood Enterprises, Inc.

This article was adapted from a study conducted by Professor Marilyn Helms at the University of Tennessee. Updated information was provided by the University of Tennessee. The article was provided for reprint by Chattanooga Neighborhood Enterprises, Inc.

At Chattanooga Neighborhood Enterprises (CNE), when a loan is made to a customer, the customer then hires a contractor who will use the money to pay his employees, to purchase materials from other businesses, and to build his company’s capital. The contractor’s employees then spend their salaries; the vendors and suppliers selling to the contractor spend their earnings; and the contractor’s capital permits his expansion, resulting in the initial loan dollars being “re-spent” in subsequent purchases.

The 1.65 multiplier used in the CNE study applies to all spending - CNE loans, employee spending, and capital projects.

According to the “Statistical Abstract of the United States, 1992” households in the U.S. allocated 91 percent of personal income to personal outlays.*

The study assumes that consumption behavior in households in the Chattanooga area mirrors the nation. Consequently, the study assumes that $9,100 of each $10,000 in household income is spent; of that $9,100 that becomes income to other individuals, $8,281 - or 91% of $9,100 - is spent, etc.

The pattern continues through subsequent purchases. The CNE employee payroll is subject to this allocation.

Because of re-spending, the multiplier exceeds one; however, many of the goods and services purchased in the area, although retailed in Chattanooga, are produced outside the area. Referred to here as “imports”, only the portion of the price that remains with the local business and its personnel is available for re-spending. The “exported” income gets re-spent, but because it is spent outside the Chattanooga area, the importing reduces the multiplier’s value. CNE’s administrative expenses are first subjected to the 91% allocation as well.

The table on the next page outlines CNE’s activity expenditures in the Chattanooga area, its actual spending - the expenditures reduced to equal 91 percent of total CNE payroll and administrative expenses, and then this spending amount is subjected to the multiplier.

The table provides an overview of the relationships among the expenditure sources. The total economic impact of CNE on the Chattanooga

*Personal outlays = \[ \frac{\text{Personal Income} - (\text{Personal Savings} + \text{Contributions for Social Insurance})}{\text{Personal Income}} \]
Multiplier
Continued from previous page

area economy equals CNE's total expenditures times the multiplier of 1.65, or $35,123,055.

The Employment Multiplier

The salaries paid to the 36 individuals at CNE represent the direct employment impact of CNE. In order to assess the total employment impact, the effect of CNE's expenditures on local employment must be considered. This is calculated by using an employment multiplier.

The employment multiplier relates organizational expenditures to jobs. Because of the focus of this impact study, local data is relied upon to calculate the employment multiplier.

employment for 1992 of 2,285,000 persons. These current figures were available from the January 1994 Economic Report to the Governor published by the Center for Business and Economic Research by the University of Tennessee at Knoxville. Thus, the average output per worker is $46,968.49.

If the indirect economic impact of CNE presented previously (or $35,123,055 minus initial spending of $21,286,700 equals $13,836,355) is divided by this state average output per worker, the result, 294, is an estimate of the number of additional Chattanooga jobs attributed to CNE expenditures.

Thus, CNE generates total local employment for 294 full time workers. This number includes the 36 full time CNE jobs plus the 258 indirect jobs (294 less 36) created through CNE's economic presence in the area. This job creation total excludes part time or temporary employment periodically used at CNE.

CNE's activities generate business and purchases. A portion of the employment created among a wide variety of organizations and institutions, from local banks to local building supply retailers, is illustrated on page 4.

Real Estate Tax Growth and Preservation

In addition to the multiplied effects on spending and employment, CNE generates real estate taxes for the city as a result of their own home purchases and from the home purchase assistance they provide their customers. As shown in Table 2 on the next page, the annualized tax revenue due to the presence of CNE and their efforts is $1,286,190 made up of CNE and

Summary of the Annual Impact of CNE Payroll, Purchases, and Projects on the Chattanooga Area
July 1, 1993 to June 30, 1994

<table>
<thead>
<tr>
<th>Activity</th>
<th>Payroll</th>
<th>Administrative Expenses &amp; Services</th>
<th>CNE Programs</th>
<th>TOTAL IMPACT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenditure</td>
<td>$1,070,000</td>
<td>1,300,000</td>
<td>19,130,000</td>
<td>$21,500,000</td>
</tr>
<tr>
<td>Actual Spending</td>
<td>$973,700</td>
<td>1,183,000</td>
<td>19,130,000</td>
<td>$21,268,700</td>
</tr>
<tr>
<td>Total Local Impact</td>
<td>$1,606,605</td>
<td>1,951,950</td>
<td>31,564,500</td>
<td>$35,123,055</td>
</tr>
</tbody>
</table>

Multiplier Effect FY 1998 (projected)
Based on Updated Payroll and GNP Numbers Provided by the University of Tennessee, Chattanooga

<table>
<thead>
<tr>
<th>Activity</th>
<th>Payroll</th>
<th>Administrative Expenses &amp; Services</th>
<th>CNE Programs</th>
<th>TOTAL IMPACT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenditure 98</td>
<td>$1,372,374</td>
<td>1,273,165</td>
<td>28,126,461</td>
<td>$30,772,000</td>
</tr>
<tr>
<td>Adjusted 98</td>
<td>$1,248,860</td>
<td>1,158,580</td>
<td>28,126,461</td>
<td>$30,533,901</td>
</tr>
<tr>
<td>Impact 1998</td>
<td>$2,060,620</td>
<td>1,911,657</td>
<td>46,408,660</td>
<td>$50,380,937</td>
</tr>
</tbody>
</table>

Specifically, the employment multiplier is calculated by dividing Tennessee's gross state product of $107,323 million by Tennessee's GNP.

Par tners in Community and Economic Development
Multiplier  
*Continued from previous page*

related entity purchases, home purchase customers, and homeowner rehabilitation (which preserves homes and, consequently, taxes).

The CNE amount of $39,000 in taxes was taken directly from CNE’s accounts payable records for real estate taxes paid in fiscal year 1993. For the 746 purchase customers assisted thought March 31, 1994, an average home sales value of $52,000 and an effective combined city and Hamilton county tax rate of $1.52 per one hundred thousand dollars of home value was used to compute the home purchase customer annual real estate taxes of $589,638.

For the 1,236 homeowner rehabilitation customers, the $657,552 in annual real estate taxes generated was based on the effective tax rate applied to the average home value of $35,000.

For comparison, Table 3 shows the annuity investment a city would need to earn that same $1.2 million in annual revenues—over $25 million at 5%.

While the rehabilitation customers were paying taxes before CNE’s rehabilitation assistance, many of the emergency repairs saved these homes from immediate or future disrepair. The improvements increased the home values, preserved the housing units, and saved the city the expense involved in condemning and demolishing these properties, while simultaneously losing valuable tax dollars.

<table>
<thead>
<tr>
<th>Annual Real Estate Taxes Increased and/or Preserved by CNE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Annual Real Estate Taxes Paid in 1993</strong></td>
</tr>
<tr>
<td><strong>Home Purchase Customers</strong></td>
</tr>
<tr>
<td>746 customers with an average home value of $52,000 and an effective city and county combined tax rate of $1.52 per hundred dollars in home value</td>
</tr>
<tr>
<td><strong>Homeowner Rehabilitation Customers</strong></td>
</tr>
<tr>
<td>1,236 customers with an average home value of $35,000 and an effective city and county combined tax rate of $1.52 per hundred dollars in home value</td>
</tr>
<tr>
<td><strong>Annual Tax Revenue</strong></td>
</tr>
</tbody>
</table>

Table 2

<table>
<thead>
<tr>
<th>Annuity Investment Required to Generate Equal Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Yield Required to Generate</strong></td>
</tr>
<tr>
<td>$1,286,190</td>
</tr>
<tr>
<td>3.0%</td>
</tr>
<tr>
<td>5.0%</td>
</tr>
<tr>
<td>10.0%</td>
</tr>
</tbody>
</table>

Table 3

<table>
<thead>
<tr>
<th>Customers Assisted</th>
</tr>
</thead>
<tbody>
<tr>
<td>CNE products are designed to serve three customer categories: those at less than 50% of the median income, those from between 50 to 80% of median income, and those from 80 to 115% of median income. The Chattanooga area median income in 1994 was $33,500 as established by HUD. African-American households represent the majority of households served and female headed households are also the most frequently served by CNE. Generally, the rehabilitation customers are older than the purchase customer and the majority of rehabilitation customers are at or below the 50% median income.</td>
</tr>
</tbody>
</table>

Summary

CNE provides jobs and training for its 36 employees, of which 11 represent African-Americans and 22 are women. Of the eight senior managers or Department Heads at CNE, three are African-American (38%) and three are women (38%).

CNE employees contribute to Chattanooga’s credit base through their bank and other local investment activities. Combining the CNE 1993-94 payroll of $1,070,000 with the U.S. personal savings rate of 5.2% during the same period, the 36 CNE employees annually deposit approximately $55,640, into local financial institutions.

In addition to the quantitative benefits, CNE assists in community outreach activities, volunteer consulting activities, and supports national homeownership programs and agencies. CNE develops the human capital of their customers and has assisted in reversing the area’s low income housing shortage.
For many years, the streets of Atlanta's East Lake neighborhood had a sinister feel to them. Storefronts were boarded up, and burned-out cars rusted in vacant lots. Lawns weren't mowed, and many of the homes that had not been abandoned had bars on their windows and doors. Crack houses abounded, and one of the most notorious sat next to a day-care center. Gunfire broke out so frequently at the East Lake Meadows public housing project that locals dubbed it "Little Vietnam." Someone painted a giant skull and crossbones on one of the buildings there, summing up the fear and hopelessness many residents felt. Appropriately, another bit of graffiti nearby read, "Dead End."

But things in that part of town don't seem so desperate any more. A local real estate developer named Tom Cousins is almost single-handedly changing the face and attitude of East Lake by spearheading a unique renewal project with a pair of golf courses at its center. It's an improbable position for a country club sport, but the concept appears to be working. It is bringing new money into the neighborhood. It is creating jobs. It is providing young people with productive things to do when school is not in session. And it is giving residents a shot at a better life. "It's still golf, but in a way most people have never seen before," Cousins says. "It's golf with a purpose."

Golf started to have a purpose in Atlanta in 1993 when Cousins, 66, bought the historic East Lake Golf Club, just a 3-wood away from the housing project and only three miles from the city's center, and set out to restore it to its former splendor. Founded in 1904, East Lake had been the home club of Bobby Jones, winner of 13 major golf championships and arguably the greatest ever to play the game. In those years, it was a cozy country retreat for the city's well-to-do, including Cousins' family. But, like the neighborhood around it, the club fell on hard times during the 1960s and was on the verge of closing down when Cousins stepped in. A developer and an avid golfer, he initially planned to create a shrine to the great Bobby Jones, and he poured some $25 million into the project, revamping the elegant Tudor clubhouse and the classic Donald Ross designed course.

It became apparent to Cousins that a renewed East Lake could be a catalyst for improving the entire area as well, especially the housing project. Working with the Atlanta Housing Authority and the East Lake Meadows Residents Association, he helped create a development plan that is razing "Little Vietnam" and replacing it with a mixed-income community of 500 housing units, half to be set aside for public housing and the remainder for middle-income families who will pay market rates. The 174-acre site will also include an 18-hole public golf course, a junior golf academy with driving range, a tennis academy with driving range and a 50,000-plus-square-foot YMCA.

Cousins closed down the original golf club in April 1994 and 16

Continued on next page
months later reopened an elegant update, a tribute to its most famous member. The first phase of work on the housing development, which consists of 182 units, the golf academy building and the driving range, was still under construction in the fall of 1997, and nine holes of the public golf course are scheduled to open this summer.

The entire project isn’t slated for completion until 2000, but already it is having a positive effect on the neighborhood. Most of the crack houses have been torn down, and middle class families are starting to move back into the area, many of them into homes surrounding the golf course. Some 85 children from the housing project are enrolled in summer and after-school programs through the East Lake Junior Golf Academy, and instead of spending their off-hours milling around street corners, they are learning how to chip and putt and getting instruction in a variety of academic disciplines as well.

The club has also employed some 300 young men and women as caddies.

“It has been a remarkable undertaking,” says Ronald W. Allen, the former chairman, president and chief executive officer of Delta Air Lines. “Every time I go out there, I marvel at all the good that is being done.” Adds Eva Davis, a feisty, 62-year-old great-grandmother who has headed the residents association since 1971, “I think this is one of the most beautiful things that could happen to poor people out here.”

It has been a while since anything good happened to that area of Atlanta. “East Lake was one of the worst spots imaginable,” Cousins says. “Crime was rampant, and violence was a way of life. Of the 650 units at the public housing complex, only 14 of them had male heads of household. And the average age of a grandmother there was 32 years old.”

Cousins had been looking for such a place to put some of the money he had made over the years as a commercial real estate developer in Atlanta. He had started the CF Foundation in 1987 - the initials stand for Cousins Family - and through it had given away piles of cash to many different causes.

“It operated pretty much as any other public charitable foundation,” says the foundation’s executive director, Greg Giornelli. “But there was a sense of frustration that by handing out grants to a number of different entities, we weren’t really doing anything that made us feel like we were making a difference at the end of the day. So the board decided to direct all its resources into one big project.” When Cousins decided to buy the floundering East Lake Golf Club for $4.5 million and took a serious look at the area around it, he realized the CF Foundation had its cause.

Cousins spared no expense in redoing the golf course. A nine-hole track had originally been built on that site by Scottish architect Tom Bendelow. In 1913, though, the great Donald Ross tore that up and put in a completely new 18 holes, which Bobby Jones later said made East Lake “one of my favorite courses anywhere in the world.” The club hosted the prestigious Rider Cup matches in 1963, but not before George Cobb had performed what one periodical described as a “clumsy modernization of the layout” in preparation for that event. Cousins wanted to bring back as much of Ross’ original design as possible, and shortly after he bought the club, he brought in the renowned golf course architect Rees Jones to handle the task.

“We didn’t have any plans or maps of Ross’ work,” Cousins says, “but thanks to some old aerial photographs and the memories of a few former members, we were able to get a good sense of what it was like before.” Rees Jones did a first-rate job, and Cousins is making sure that the restored masterpiece is kept in tiptop shape.

The PGA Tour likes the revamped layout so much that it is holding this year’s season-ending TOUR Championship at East Lake. And in 2001, the club will host the U. S. Amateur Championship.

While Rees Jones was taking care of the golf course, the foundation was redoing the two-story clubhouse. “We wanted to do a historical restoration of that building and create a museum of Bobby Jones’ life,” says Giornelli. Now the 40,000-square-foot building is beautifully appointed with overstuffed chairs and couches as well as period tables, bookcases and bureaus. Artifacts from Jones’ playing career are displayed

Continued on next page.
throughout the clubhouse, including his old double locker, dozens of photographs and replicas of the trophies from all four of his Grand Slam victories in 1930. There is even a Bobby Jones room, plus another room that pays tribute to some of East Lake’s other golf greats, like Charlie Yates, who won the 1938 British Amateur Championship and currently serves as club president, and Alexa Stirling, the three-time U. S. Women’s Amateur champion who grew up across the street from the club.

Cousins has done the East Lake Golf Club renovation on his own, but for the new housing development and public golf course, he is working in partnership with the Atlanta Housing Authority and the residents association. The costs of the entire project total an estimated $93 million, with $15 million of that amount coming out of a U. S. Department of Housing and Urban Development grant and about $30 million from private financing. The remainder will come from philanthropic sources, including the CF Foundation, and whatever money the club garners in membership fees and operating profits.

It hasn’t always been easy for Cousins, the city’s housing authority and the tenants’ association to work together. With incessant conflict during the planning stages, many times it seemed the triumvirate would break up. After years of broken promises, the poor, African-American residents of East Lake Meadows greatly mistrusted any project proposed by city housing authorities. And they weren’t too sure about the motives, or sanity, of a rich white man who was talking about building golf courses in their midst.

“I was skeptical at first, but not any more,” says Eva Davis. “I know now that the golf is going to help. If they were just going to rebuild these units with no excitement around them, it would be more of the same nonsense. The golf courses are what makes this project unique. It will draw the market-rate residents here, the middle-class people, and that will straighten out this public housing situation. It will make it a happier place to live, a beautiful place to live. We won’t just be with poor people. We’ll be living around people we otherwise would have never known. And we’ll be living in an area that has a chance to do better, a chance to grow.”

Tom Cousins gets just as excited about the future of East Lake as he walks outside the clubhouse and looks down on the practice green, where a handful of third-graders enrolled in the golf academy are putting. He mentions that when people from his foundation first started working at East Lake, they often heard gunshots in the distance. But that hasn’t happened in a while.

The neighborhood seems to be coming back slowly, and Cousins is happy to say that friends who once thought his altruistic notions were crazy aren’t laughing at him any more. “But we still have so much to do,” he declares.

Like what?

“A chain-link fence surrounds this entire course,” he says. “And our work here won’t be done until we have torn it down.” They’re not there yet. But they are getting closer.

John Steinbreder is the author of Golf Courses of the U.S. Open (Taylor Publishing) and is a regular Sky contributor.

Financing East Lake Meadows
Phase I Housing

182 units of housing
50% reserved for public housing residents
50% reserved for market rate residents

Sources of Funding
$7.4 million first mortgage loan from Urban Residential Finance Authority
$5.8 million second mortgage from the Atlanta Housing Authority
(such funds designated only towards the construction of the public housing units)
$2.395 million derived from the sale of low income housing tax credits

Partners in Community and Economic Development

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Federal Reserve Bank of St. Louis
The Atlanta College of Art

One of the many Outstanding Organizations Supported by The Coca-Cola Foundation

"It might have happened in eighth grade, or maybe it was fourth grade, or it could have been the day when you got your first box of crayons and first pair of blunt scissors: but years ago, you recognized what separates you from others. You see art, where others see only function. You see process, where others see only finished products. Yours is the perception of an artist or designer. You race to keep up with your ideas and reach for all the possibilities for exploration and learning." - Ellen L. Meyer, President, The Atlanta College of Art

Founded in 1928 and situated in the heart of Atlanta, The Atlanta College of Art is the oldest college of art and design in the South. As the only art and design college in the nation to share a campus with three cultural organizations - the High Museum of Art, the Alliance Theatre and the Atlanta Symphony Orchestra, ACA is alive with the beauty and energy of the performing arts.

The Atlanta College of Art provides educational opportunities for career-minded students with a talent and passion for making art. Accredited by the National Association of Schools of Art and Design and by the Commission of Colleges of the Southern Association of Colleges and Schools, the College offers a diverse course of study leading to the Bachelor of Fine Arts degree.

Its excellence has been recognized by the Coca-Cola Foundation, which supports the College’s endeavors by funding scholarships to deserving students. Scholarships are awarded to the students based on both merit and need. We appreciate the opportunity to enhance our Partners publication by featuring the work of some of the Coca-Cola Scholars.

Founding Sponsors of East Lake Golf Club

Founding sponsors of East Lake Golf Club contribute $200,000 of their memberships fees to The Golf Academy

<table>
<thead>
<tr>
<th>ALLTELL</th>
<th>The Coca-Cola Company</th>
<th>IBM</th>
<th>Price Waterhouse</th>
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<tbody>
<tr>
<td>American Express</td>
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<td>Invemed Associates</td>
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<td>John Deere Company</td>
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<td>Kelso &amp; Co.</td>
<td>Shaw Industries</td>
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<td>Norfolk Southern</td>
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*In the process of joining
Information provided on upcoming events of other organizations should be viewed as strictly informational and not as an endorsement of their activities.

### May

- **May 4-6** Columbus, OH: Introduction to Economic Development. Sponsor: National Council for Urban Economic Development. Contact: (202) 223-4735 or FAX (202) 223-4745
- **May 21** Boston, MA: "Making it in the Mainstream" a conference on inner-city business partnerships. Sponsor: Federal Reserve Bank of Boston. Contact: (617) 973-3227

### June

- **June 9** Boston, MA: Managing Growth for Emerging CDFIs. Sponsor: National Community Capital Association. Contact: (215) 923-4754 or FAX (215) 923-4755
- **June 10** Boston, MA: Human Resources Management for Growing CDFIs. Sponsor: National Community Capital Association. Contact: (215) 923-4754 or FAX (215) 923-4755

### July

- **July 14-17** Scottsbluff, North Platte and Grand Island, NE: Community Development Workshop. Cosponsors: Federal Reserve Bank of Kansas City, Small Business Administration, Nebraska Department of Economy and the Federal Home Loan Bank in Topeka. NOTE: This workshop will be repeated July 21-23 in Norfolk, Omaha and Nebraska City, Nebraska. Contact: Dwight Johnson, SBA (402) 221-7206
- **July 20** Chicago, IL: Marketing for CDFIs. Sponsor: National Community Capital Association. Contact: (215) 923-4754 or FAX (215) 923-4755

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