



What is Community Economic Development?

CED is the *process* by which local people build organizations and partnerships that interconnect profitable business with other interests and values - for example, skills and education, health, housing, and the environment. In CED, a variety of people get involved, describing how the community should change. A lot more organizations look for ways to make their actions and investments reinforce the values and intentions of the whole community. Business becomes a means to accumulate wealth and to make the local way of life more creative, inclusive, and sustainable - now and 20 or 30 years from now.

At its most effective, CED is characterized by

- A multi-functional, comprehensive strategy of on-going activities, in contrast to individual economic development projects or other isolated attempts at community betterment.
- An integration or merging of economic and social goals to bring about more far-reaching community revitalization.
- A base of operating principles that empower the broad range of residents for the governance of development organizations and their community as a whole.
- A process guided by strategic planning and analysis, in contrast to opportunistic and unsystematic tactics.
- A businesslike financial management approach that builds both ownership of assets and a diverse range of financial and other partners and supporters.
- An organizational format that is nonprofit, independent, and non-governmental, even though for-profit or governmental entities are closely linked to its work.
- **A diverse, engaged set of stakeholders that act as a board of directors for an imbedded community development partnership (often sponsored by a local community foundation)**

Why Community Development

All communities develop at different paces based on access to resources, talent and timing and market forces. Underlying values of most, if not all communities is the constant search for security (individual and collective), a good quality of life and the development of strong families and children. Because some communities develop at different paces, the realization of these values can be thwarted by historic exclusion, a changing economy that renders the local economic base obsolete or social isolation that prevents the incorporation of new ideas and processes.

The modern community development movement started some forty years ago in response to the urban and rural poverty that produced trouble urban communities marked by racial strife and significant migration from rural communities to communities with more economic opportunity. In both instances, local institutional responses that encompass local solutions and initiative evolved and now base a coherent set of strategies now used here and abroad.

Community development, as a policy, says that stakeholders in the public, private and non-profit community should pursue policies and programs that strengthen the underlying values of security, quality of life, strong families and children.

As an actual process, community development is linked to a set of programs that rely on community economic development to further the underlying values of community.

Partnership for Community and Economic Development

No community can go it alone as it develops. For those communities not blessed with an economic base, access to innovative ideas and talent, partnership that encompass the private, public and philanthropic sector have proven effective in assisting these communities improve their social and economic standing.

Community development partnerships are public/private collaborations that support the work of community-based development organizations (CBDOs) in specific metropolitan or rural areas. Partnerships play a critical role in bringing many different opinions and players into the development conversation – from local decision-makers to national experts and resources. **These community stakeholders can include banks, businesses, government agencies, universities, private funders community groups and individual community or business leaders who want to make a positive change in their local communities, cities or region. In general, partnerships provide funding support, technical assistance and other benefits to local CBDOs.** As independent, locally based organizations, they not only enjoy the freedom to support innovative ideas and practices, but they also are uniquely able to respond to specific issues in the areas they serve and create tailor-made solutions.

Resources

The Neighborhood Partnership Fund of Oregon (<http://www.tnpf.org/>)

The Memphis Community development Partnership
(<http://www.mcdpinfo.org/pages/1/index.htm>)

Philadelphia Neighborhood Development Partnership (<http://www.pndc.net/>)

Atlanta Neighborhood Development Partnership (www.andp.org)

The North Carolina Community Development Initiative
(<http://www.ncinitiative.org/index.cfm>)