

SpotLight #5: Two Louisiana Community Foundations Promote Smart Growth, Economic Development, and Urban Revitalization

Abstract

The Greater New Orleans Foundation and the Baton Rouge Area Foundation are community foundations leading the field in promoting smarter growth patterns and more livable communities in the state of Louisiana. The Greater New Orleans Foundation promotes smart growth and regionalism as linchpins of its work, linked to its focus on both economic development and quality of life issues. The foundation's participation in the MetroVision Partnership's *Top 10 By 2010* project; support of statewide environmental research as it relates to economic development; and involvement in other regional collaborative efforts illustrate their comprehensive approach.

The Baton Rouge Area Foundation is taking a "demonstration project" approach to smart growth, focusing on a major downtown revitalization effort known as *Plan Baton Rouge*. The *Plan* embodies such smart growth principles as pedestrian friendly development and creating a 24-hour community with more residential development and a mix of uses and incomes. In the three years since the *Plan's* creation, downtown Baton Rouge has attracted in excess of \$500 million in new construction projects completed, planned, or underway. As these two community foundations forge broad coalitions and lead by example, they are building a strong framework for promoting smarter growth and investment patterns in the state of Louisiana.

* * *

Greater New Orleans Foundation – Economic Development and Quality of Life Issues Drive Regional Approach

The Greater New Orleans Foundation was founded in 1983 to serve the ten-parish greater New Orleans region. It currently has assets of approximately \$95 million and its grantmaking in 2000 totaled \$5.5 million. Its mission is to improve the quality of life for all citizens of the New Orleans region, now and for future generations. It does so by:

- Demonstrating strategic grantmaking that invests in leaders and systemic change;
- Building permanent endowments for the community's changing issues and opportunities; and
- Connecting philanthropists with issues and opportunities in their community and in the region.

The foundation promotes smart growth and regionalism as linchpins of its work, linked to its focus on both economic development and quality of life issues.

Foundation staff do not run programs, but rather add value to existing organizations and processes by participating on Boards of Directors, providing staff support, convening stakeholders, and providing funding. Several initiatives are underway that contribute to building regional leadership, social capacity, economic development potential – and improving the overall quality of life.

MetroVision Regional Economic Development Partnership – Top 10 by 2010. The Greater New Orleans Foundation is a major funder of *Top 10 by 2010*, an initiative of a regional organization focused on economic development known as the *MetroVision Partnership*. *Top 10 by 2010* is a comprehensive, citizen-based initiative to make the New Orleans Region one of the nation’s top 10 communities in which to live and work by the year 2010. The project has engaged Alan Atkisson of Atkisson and Associates to conduct a regional quality of life data baseline project. GNOF President and CEO Ben Johnson sits on the *Top 10 by 2010* Steering Committee. This project has completed its last public meeting and will soon issue a report identifying indicators that measure progress in improving quality of life and identifying next steps needed to measure and analyze the data annually.

The *MetroVision Partnership* promotes a clusters approach to regional economic development, studying and building on the region’s assets and competitive strengths and understanding how to add value by connecting industries within economic sectors that are not traditionally connected. Another important element of the clusters approach to regionalism is embodied in the New Orleans Regional Leadership Institute, of which Mr. Johnson is Chairman of the Board of Directors. This Institute was created to build social capacity regionally and to identify and build on the region’s social and economic assets.

ERCLA and the J. Bennett Johnston Science Foundation. Environmental protection is a key component of the foundation’s work relating to regional economic development and quality of life. This link is important everywhere, but especially so in Louisiana, because of the region’s reliance on the petrochemical industry. Business leaders and environmentalists alike agree that bringing good jobs to the region is tied to preserving and improving quality of life for residents, and that this cannot be achieved without taking steps to protect the area’s natural resources.

An example of the Greater New Orleans Foundation’s work in this area is its funding of two statewide environmental organizations. The Environmental Research Consortium of Louisiana (ERCLA) is a consortium of research scientists working to promote collaboration to solve Louisiana’s major environmental problems, and to better inform public and state decision makers about issues, problems and solutions related to the environment. ERCLA holds an environmental State of the State conference each year to take stock of progress toward these goals.

ERCLA has been included in the formation and environmental activities of the J. Bennett Johnston Science Foundation (JSF). Former U.S. Senator J. Bennett Johnston recently offered his remaining campaign funds as seed money for a scientific research foundation. The initial mandate of the JSF will be to build a \$10

million endowment to be used for providing grants for environmental research in Louisiana, particularly as related to economic development. The Greater New Orleans Foundation has providing operating dollars for both ERCLA and JSF, and has provided \$100,000 in additional funds to JSF to make grants to collect environmental data that also has implications for economic development. GNOF has also issued a \$1 million challenge grant toward the JSF endowment.

Adding Value. An overarching theme for the Greater New Orleans Foundation is adding value to existing processes and organizations. It does this by “connecting the dots,” and forming or enhancing partnerships, where this serves to leverage funds or enhance the outcomes. It has partnered with such private national funders as the Annie E. Casey Foundation on its Jobs Initiative and on leadership development, and with the Ford Foundation on its Rural Initiative and on improving accessibility to affordable housing. Such partnerships allow the foundation to leverage additional resources toward its objectives and provide the ability and platform to build capacity at the local level for making such efforts sustainable. Each of the foundation’s activities in the long run contributes to its work to enhance the region’s overall quality of life – social, economic, and environmental.

* * *

Baton Rouge Area Foundation – Urban Revitalization Plan Taking Off in Downtown Baton Rouge

A “Magnet” Approach to Smart Growth. Founded in 1964 and with an endowment now exceeding \$230 million, the Baton Rouge Area Foundation awards grants in the areas of: Arts & Humanities, Community Development, Education, Environment, Human Services, Medical Health, Religion and Scholarships, typically in the eight-parish greater Baton Rouge area. Its smart growth activities have grown primarily out of its interests in community development and environmental protection, and have centered on an ambitious downtown redevelopment and revitalization effort known as *Plan Baton Rouge*.

Rather than funding organizations to push for a more regulatory approach to growth management, the BRAF is pursuing a “magnet” approach, adopting the theory that by focusing resources on creating a healthy and vibrant urban area as a model, the principles of smarter growth patterns may begin to have appeal and application throughout the parish and region. These principles include pedestrian friendly development, and creating a 24-hour community with more residential development and a mix of uses and incomes. The initial success of *Plan Baton Rouge* has already generated some spill-over effect; nearby Louisiana State University and Southern University (the nation’s largest historically Black university) have been inspired to create new master plans, incorporating functional and geographic linkages to the downtown and embodying some of the principles of new urbanism and smarter growth patterns.

Plan Baton Rouge – Success in the Making. In conjunction with a decision by the State of Louisiana to consolidate its government offices in downtown Baton Rouge, the Baton Rouge Area Foundation and state and local governments agreed to share equally the cost of a \$450,000 downtown master plan. The resulting 1998 *Plan Baton Rouge*, developed through a charrette process led by Duany Plater-Zyberk and Co., integrated concepts of new urbanism to dramatically reshape the state’s consolidation as well as the city’s approach to urban design, transportation and zoning regulations. Subsequent to its initial investment in creating the *Plan*, the Baton Rouge Area Foundation has provided an additional \$150,000 annually to follow-up, maintain, and monitor the *Plan*’s implementation.

One theory of the *Plan* was that the public and philanthropic sector investment in creating a vision would entice private investment, and this has happened; the downtown Baton Rouge area now has in excess of \$500 million in new construction projects completed, planned, or underway (\$400 million in state building construction). The initial plan contained 104 projects; this has expanded to 111. According to the *Plan*’s January 2002 Progress Report, 80% of the projects have been completed (or have been combined with other projects or otherwise reconfigured). In the last year the effort has begun to attract sustained private investment in downtown residential development; a developer has purchased a parcel on the Mississippi River and plans 128 new luxury condominiums there.

Arts Block. An example of the type of projects being undertaken is the city’s new Arts Block. This project grew out of the identification by Andres Duany during the charrette process of a vacant 4-story building across from the old state capitol building on the river as an ideal site for a community cultural center. That idea grew into a \$43 million project, with the building, known as the “Auto Hotel” because of its long history of uses, becoming the centerpiece of a block-long arts and cultural center.

With investment coming approximately equally from the public and private sectors, the completed project will include a 300-seat performing arts theater, a community cultural arts center, a Louisiana State University computer design studio and space for classes, a large plaza, lobby, restaurants and retail, and the LSU Museum of Art. The latter was originally slated to be developed in a suburban location but, because of the excitement generated by *Plan Baton Rouge*, the university wanted it to become part of the downtown arts center. The Arts Block is situated on the main street of downtown, one block from the river, and will connect with the renovated train station.

Making the Affordable Housing Connection. According to *Plan Baton Rouge* Director Elizabeth “Boo” Thomas, gentrification and displacement have not been large issues in the implementation of the plan. There were few available housing units in the two historic downtown neighborhoods; therefore, there were few low-income residents that would be affected by rising property values. Ms. Thomas has identified this issue as one that increasingly will need to be addressed, however, as rising property values generated by the *Plan*’s success are making it increasingly difficult to build affordable housing within the downtown district. Currently the *Plan* is

focusing on building affordable housing in an area just to the south of the district; an unsuccessful attempt to secure a U.S. HUD Hope VI grant for this project has generated discussions with the local LISC and other housing organizations.

* * *

Next Steps – Bringing Smarter Growth and Investment Patterns to the State of Louisiana. Louisiana is a strong property rights state. Even with the new focus on downtown revitalization, sustainable economic development, and regionalism being promoted by these two influential community foundations, bringing smart growth principles to the suburban and rural areas of the state is the next challenge.

Particularly in the case of *Plan Baton Rouge*, the State has been a strong partner. Strong public sector partners at the city-parish level are also going to be crucial in injecting regulatory tools and integrating smart growth with other public policy priorities, such as affordable housing and job creation. This is happening as the BRAF works closely with the new Mayor of Baton Rouge, who has visited Chattanooga, Tennessee, to observe smart growth principles in practice and has subsequently appointed a Smart Growth Task Force.

The Greater New Orleans Foundation’s pervasive regional approach to integrating economic development, environmental protection, and the building of social capital is helping urban, suburban, and rural areas to understand and work toward their common interests. By defining quality of life broadly and regionally, and staying focused on the high standard of improving the quality of life of the region as a whole, GNOF is helping to advance a smart growth agenda throughout the region and state. A strong framework is being created as these two community foundations forge broad coalitions and lead by example.

Resources. More information about these community foundations and projects is available by contacting Ben Johnson, benj@gnof.org, or Sally Hays, sallyh@gnof.org, Greater New Orleans Foundation, (504) 598-4663; and Hans Dekker, hdekker@braf.org, Baton Rouge Area Foundation, 225-387-6126 (outside Baton Rouge, call toll free at 1-877-387-6126) or Elizabeth “Boo” Thomas, planbr@bellsouth.net, Plan Baton Rouge, 225-267-6300.

This SpotLight was written for the Funders’ Network by Phyllis Mofson, Ph.D.