SECTION 4 RECIPIENT SPOTLIGHT

Eastern Market Corporation

Impact Summary
Transforming unproductive land into a new commercial district is expected to result in more than $60 million of new investment and over 800 jobs.

Section 4 Outcomes
Approximately 600 publicly-owned vacant, blighted parcels will be transferred to Eastern Market to create a 200-acre Food Innovation Zone.

How Section 4 Funds Were Used
Staffing to accomplish site assembly and property acquisition, as well as advancing other elements of the Food Innovation Zone plan.

Expansion of Historic Food Market Creates Employment and Economic Opportunities

Section 4 Funds Help to Ready Area for Investment and Development

Detroit is still struggling to recover after a “lost decade” of decline and job loss. One-third of residents hold only a high school diploma, and the area has a tremendous need for entry-level employment opportunities.

One organization, Eastern Market Corporation (EMC), has been providing a hub of economic development and jobs through the historic public Eastern Market. EMC has built an infrastructure around the market’s 24-acre property, which serves as a sale point for wholesale growers and a food access point for low-income families. The Detroit Future City Strategic Framework has identified this cluster of food-related businesses as key building block for a stronger local economy.

To deliver on that potential, EMC is creating an “Eastern Market Food Innovation Zone” along a neighboring 200-acre corridor in a high-vacancy neighborhood. The zone will include food processing facilities and food distribution companies, making it a vibrant employment center that can help put Detroit’s low-skilled labor force back to work.

With a 2016 Section 4 grant and support from Enterprise, EMC increased its staff capacity and moved forward in its site assembly process. EMC also set plans to construct roads, utilities, and storm water management facilities, setting the stage to build a model light-industrial neighborhood on the planned site.

Section 4 Capacity Building

The Section 4 Capacity Building for Community Development and Affordable Housing program strengthens low-income urban and rural communities by providing flexible support to nonprofit organizations to develop affordable housing, finance small businesses, revitalize commercial corridors, and address community needs.

HUD Section 4 is the only federal program that exclusively focuses on increasing the effectiveness of local community development organizations.

Through direct financial assistance, training, and guidance, Section 4 helps these organizations to maximize their impact in communities and to provide essential, sustainable services to vulnerable families and individuals.

Contact: Petra Montague
pmontague@enterprisecommunity.org

2016 Section 4 Grant
$45,000

Private Funds Match
$135,000

Technical Assistance from Enterprise
Advising, relationship management, financial modeling and plan review.

Blighted buildings make way for new economic hub

www.enterprisecommunity.org

Knowledge, Impact & Strategy | Enterprise Community Partners, Inc.

www.enterprisecommunity.org
Section 4 Funds Set the Stage for Economic Growth

With Section 4 funding, EMC added the staff capacity to address the time-consuming steps of title clearing, acquiring properties in tax foreclosure, trading properties, developing joint venture organizational structures, and acquiring development rights for perpetual greenways and open space. This work sets the stage to transfer of ownership of approximately 600 publicly-owned parcels to EMC for land banking, and evaluation of another 600 privately-owned parcels to be purchased by a private development partner.

Section 4 funding allowed EMC to hire a Grants and Financial Manager and promote an existing staff person to Community Development Director. These new positions helped secure funding and establish partnerships that will make the project more community-driven, equitable, and innovative. For example, EMC collaborated across multiple Detroit city departments to develop funding applications for a plan that will increase the availability of affordable housing, improve neighborhood services, provide workforce development and employment for new residents, and improve infrastructure in the Eastern Market District and Brush Park neighborhood.

Impact of Section 4 Support

Eastern Market represents the heart of food production and distribution in the City of Detroit and has enormous potential to grow the local economy. Section 4 funding supported organizational growth to move forward an ambitious plan to revitalize the area as a mixed, light-industrial neighborhood and economic hub.

Housing Security

By transferring ownership of 600 parcels of lots and eliminating blight, EMC is adding to the changing nature of Eastern Market, the neighborhood anchored by one of the largest historic public market districts in the nation.

New affordable housing and jobs planned for the area will revitalize the neighborhood and help low-income families remain financially secure and stably housed.

Economic Impact

Food sector jobs are especially attractive for Detroit because they include a high percentage of entry-level positions needed to reduce high rates of unemployment in the city.

Strengthening Eastern Market as a regional food hub can generate thousands of new jobs beyond the 800 – 1,000 already identified. Also, more than $60 million of new investment is projected from transforming unproductive land into a new urban commercial district.

Eastern Market Corporation’s Section 4 Funds served Congressional District 13, where:

- **33%** of people live in poverty
- **56%** of renters pay more than 30% of their income on rent
- **19%** of civilians are unemployed

From the American Community Survey 2015 data

Enterprise: A Trusted Advisor

Enterprise was instrumental in assisting EMC to strengthen their funding applications, as well as providing technical assistance. Enterprise advised on plans for affordable housing development, reviewed renderings for site development plans, helped manage relationships with city officials, assisted in financial modeling for a 60-unit development, and recommended an affordable housing developer that would be a mentor to EMC on their first development project.

Contact: Kylee Mitchell, kmitchell@enterprisecommunity.org

---

**From the American Community Survey 2015 data**