



Model for change

Washington studies Durham community lender



Tim Bazemore
Photo by Chris Dorst

The Center for Community Self-Help in Durham, which has been advising the Clinton administration on ways to expand community lending, attributes its success to a combination of support from state government and foundations.

By BARBARA SOLOW

Tim Bazemore had a message he wanted Washington to hear: Community-based lending can help save small business. Bazemore, who is the founder and general manager of Workers Owned Sewing Co. in Windsor, was part of a delegation of North Carolinians invited to the nation's capital this summer to help bolster plans for community economic development. The Clinton administration wants to provide close to \$400 million in

matching grants to a network of community development banks, micro-loan programs and credit unions across the country.

The Center for Community Self-Help in Durham - which provided \$50,000 in loans to Bazemore's company - is one of four community lenders the government sees as a model for the national initiative.

At a ceremony on the South Lawn of the White House in July, Bazemore described how he and his co-workers failed to get help from local banks and town leaders in trying to save their company from bankruptcy.

"Part of my story was relating how they wouldn't do anything for us and Self-Help did," he says. "The message I really wanted the President to get was that we need more organizations like Self-Help."

Since it was founded nearly 15 years ago, Workers' Owned Sewing has grown from five to nearly 60 full-time employees. Last year, the com-

pany reported sales of more than \$2 million.

The track record of other businesses that have received loans from Self-Help's Credit Union is just as impressive.

The loss rate for more than \$20 million in commercial loans the nonprofit has awarded in the past decade is a meager 1 percent. Of those loans, 47 percent were made to minority-owned businesses and 38 percent to businesses owned by women.

Kate McKee, associate director of Self-Help, believes an "unusual constellation" of forces has made North Carolina a leader in community lending.

Among the most powerful has been the investment by private foundations in community development efforts, she says.

Mary Mountcastle, a board member of the Mary Reynolds Babcock Foundation - which made a grant to

Self-Help in 1982 - agrees that foundations have played a key role.

"The fact that there is a fair amount of philanthropic capital here in North Carolina has a lot to do with" the success of community lenders, she says. "The investments in communities made through foundations planted the seeds."

When the Babcock Foundation was considering the proposal from Self-Help, "there was a great deal of skepticism," she says. "People thought these were a bunch of wild-eye, naive radicals."

What impressed the foundation's board members was that the organization was able to move beyond its origins as a rural, worker-ownership program to become the country's only statewide community lender, she added.

Another key factor in the North Carolina community development

Look for **LENDERS**, page 6

Changing of guard N.C. Equity looks to future

The statewide advocate for women and girls is assessing itself and doing some long-range planning. It's set to issue reports on the worth of women, on women's health and on women of color.

By TODD COHEN

N.C. Equity, a statewide group that is an advocate for women and girls, is looking to build on its strengths.

Brenda Summers, formerly president of the State Capitol Law Firm Group and the National Resource Center for State Laws and Regulations, was named this summer as executive director of the organization.

She succeeds Sandy Babb, who resigned to become executive director of Gov. Jim Hunt's new Commission on Workforce Preparedness.

Summers says N.C. Equity's board has held a retreat to begin the process of evaluating the organization and its programs and charting

Look for **EQUITY**, page 7

Professional organization aims to boost charity

A year after it began delivering services, the state's trade group for nonprofits is serving more than 500 member organizations. The Center's goal is to make nonprofits more effective as they work to improve life in North Carolina.

By KATHERINE NOBLE

When Jane Kendall set out to examine the challenges of managing nonprofits, she didn't expect to hear such a universal cry for help: "Too much to do. Too few resources."

She also didn't expect to be part of the solution.

Three years later, she has a leading role.

Kendall is founder and president of the N.C. Center for Nonprofits, a not-for-profit organization that strives to "enhance the well-being of all people and communities in North Carolina by strengthening the capacity of the not-for-profit sector."

The Center served more than 4,000 nonprofits in its first 12 months, with services ranging from answering a telephone inquiry to hosting fundraising workshops.

And with almost 600 dues-paying members - nearly double the number Kendall expected to have after a year of operation - the organization's

future seems solid. The Center served about 3,000 non-member nonprofits in its first year.

"Our goal isn't to become a huge organization," Kendall says, "but to create a sustainable organization."

Sitting in her office off Six Forks Road in North Raleigh recently, stacks of paper covering her desk and overflowing onto the floor, Kendall reflects on the Center's birth, its role in building the nonprofit sector and its often underexposed identity.

In 1987, Kendall, then executive director of the nonprofit National Society for Internships and Experiential Education in Raleigh, began a three-year Kellogg Foundation fellowship to explore the problem of nonprofit leaders having too much to do and too few resources.

"I called it the 'nonprofit CEO' dilemma," Kendall says.

Her fellowship proposal hinted where the three years would take her.

"I did say (in the proposal) that



The N.C. Center for Nonprofits staff includes, from left, Phyllis Matthews, Leslie Takahashi, Jane Kendall and Trisha Lester.

Photo by Chris Dorst

RESOURCES

maybe we need to look at new innovative structures to deal with this problem," she says.

But for the most part, she set out to learn, interviewing hundreds of nonprofit leaders throughout the United States and internationally.

The fellowship "helped me see the breadth of the need and the commonality of the problem," Kendall says. "Most nonprofits have very ambitious missions. They are almost by nature

unattainable.

"There's often a personal sense of 'Why can't I do all this?'" It's a feeling that often leads to frustration and burnout.

"Each nonprofit thought they were the only one that feels this way," she says. "I was really struck by how lonely a lot of the leaders were, and how isolated they were."

Kendall herself had felt that way. Now she knew other leaders in the nonprofit world did, too.

Midway through the fellowship

Look for **CENTER**, page 6

BRIEFLY

Retreat for nonprofit leaders

Bill Bondurant and Philip Blumenthal are among the speakers at a three-day retreat for nonprofit leaders, "Re-Visioning the Non-Profit Organization," Sept. 6-9 at Wildacres Retreat in Little Switzerland. For information, call Marilyn Hartman, Duke University, (919) 684-3255.

Volunteer management seminar

How to manage volunteers is the topic of a seminar Oct. 1 at the Pack Place Education, Arts and Science Center in Asheville. Tom Connelly, Jr., director of major gifts for Western Carolina University, will speak. Fee, \$40. Susan Larson, Duke University, (919) 334-5677.

Shaw winds up campaign

Shaw University completed its \$25 million "Wings for the Future" capital campaign recently. University President Talbert Shaw says the school will have a new emphasis on ethics and human values. The money will endow scholarships, faculty fellowships and fund renovations, landscaping and operations.

Nominations requested

Charlotte's Arts & Science Council is seeking nominations for the Vanguard Personal Commitment Award and the Vanguard Corporate Commitment Award, to honor significant leaders and financial supporters of the Council. Nominations are due Sept. 13. For nominations, call (704) 372-9667.

New wing at McDonald House

The James Franklin Batten Wing, named for a Duke University Medical Center patient who recently died of cancer, opened this summer at the Ronald McDonald House in Durham. Funding was from the Cannon Foundation in Concord and Burroughs Wellcome Co. in Research Triangle Park.

Free Software for nonprofits

Lotus Software is giving away software to North Carolina nonprofits. Programs include Lotus 1-2-3 for DOS, Macintosh, Windows, OS/2, Unix and VMS. The Environmental Federation of North Carolina is distributing the software for Lotus. To apply, call Keith Burwell, (919) 687-4840.