



## **BOAZ & RUTH: BUILDING A MINI-MALL TO TRANSFORM A NEIGHBORHOOD AND SAVE LIVES**

***Submitted By Virginia Commonwealth University's Non-profit Enterprise Institute***

Founded in 2002, *Boaz & Ruth* is a young faith-based organization with a three-fold mission:

- 1) It provides job training for those needing a second chance, such as ex-offenders;
- 2) It is building a commercial enterprise base in a poor, disadvantaged neighborhood; and
- 3) It is building connections between racial and economic divisions in Richmond.

*Boaz & Ruth* opened a retail store in the Highland Park neighborhood of Richmond. The store sells donated home furnishings. For several decades, the location has been plagued by poor economic conditions, high crime rates, and a pervasive sense of hopelessness. Several murders, believed to be drug-related, have occurred within sight of the store. Bullet holes in the storefront window of *Boaz & Ruth* bear grim testimonial to the previ-

ously pathetic conditions that existed before the organization began the remarkable revival of this once attractive, flourishing neighborhood.

In addition to the resale store, *Boaz & Ruth* purchased other properties on the block and has undertaken to rebuild condemned properties and restore them as safe, affordable housing units. In the process, formerly unemployable men have learned job skills in carpentry, electrical, plumbing, and heating and air conditioning work and have moved on to permanent jobs. A *Boaz & Ruth* graduate was selected by the National Governors Association of Prisoner Reentry Academy to serve on the Financial Obligations, Financial & Community Resources, and Housing Subcommittee on Reentry. Another graduate has been invited by Initiatives of Change, an international network of reconciliation efforts, to share the vision of *Boaz & Ruth* at the Human Security conference in Caux, Switzerland.

Beyond the job training, the glue that holds the program together and provides a stable grounding for the participants is an extensive nine-month program to provide individual counseling in a



heavily faith-based setting. Reverend Lloyd Price, training director, leads the demanding schedule, giving each participant grounding in Christian faith, self-discipline, and a loving and supportive network of caring role models.

This model of successful life-saving work is the brainchild of an extraordinary woman, Martha Rollins. She has been a successful businesswoman in the antique business in Richmond as well as a leader in the effort to break down barriers between black and white communities in this beautiful and historic but often racially troubled city. An example of her dynamic and charismatic leadership occurred during an initial tour of the *Boaz & Ruth* complex by a group of Learning Circle-related team members. Martha Rollins described a furniture refinishing operation they planned. She took the group to a padlocked building behind the resale store and spoke of the work that was going to be done. When she opened the locked door and the group peered inside, hearts sank. It was little more than a storage area for all sorts of what looked like junk. Several members of the group felt as though they had been grossly misled, but as Martha continued to describe her vision and

tell the group where the woodworking equipment would go and what the income projections were, the entire picture changed. As she spoke, the group's mood was transformed from great disappointment at seeing the awful mess, to boisterous enthusiasm for the wonderful possibilities that existed for the proposed furniture refinishing business. It was a moving and dramatic example of how Martha Rollins' vision and leadership have pulled people and resources together to make *Boaz & Ruth* a success story.

As a participant in the Richmond Learning Circle, *Boaz & Ruth* focused on the conversion of a deserted building across the street from the *Boaz & Ruth* resale store. It is an abandoned city of Richmond firehouse built in the 1920s in the appealing Craftsman style. The building was no longer adequate for modern fire equipment and has been sitting empty for years, slowly deteriorating and adding to the visual and psychological decline of the area—a constant reminder to residents that even the city did not care about their neighborhood.



Reflecting her remarkable vision and sound business sense, Martha Rollins wrote a proposal to Alcoa Foundation, suggesting that the city-owned fire station be converted into a mini-mall. The concept was that the central bay, where fire engines once parked, would be a food court. In the offices and bedrooms surrounding the central bay would be a kitchen for the food court and stalls for entrepreneurial retail shops. The firehouse would be converted into a small business incubator for the neighborhood. Martha Rollins understands the need to create a critical mass of business activity to sustain and grow economic enterprise. Already, without the mini-mall, with just *Boaz & Ruth's* resale shop, other businesses in the neighborhood have begun to realize increased business and the positive effects from people feeling like they have taken back their neighborhood.

### A Model for Community Cooperation

The firehouse mini-mall project was selected by the Learning Circle team in Richmond and work began in May 2004. The National Center on Nonprofit Enterprise (NCNE), subcontracted by the Nonprofit Enterprise Institute (NEI), assessed whether *Boaz & Ruth* was a viable organization

with adequate stability and resources to launch a new social venture. NCNE is a national nonprofit organization founded in 1998 to help nonprofit organizations make wise economic decisions. Headquartered in Arlington, Virginia, USA, it works with academic and practitioner partners from around the country to provide technical assistance and research on nonprofit economic issues. For example, NCNE recently published *Effective Economic Decision-Making by Nonprofit Organizations*, Dennis R. Young, ed., New York: The Foundation Center, 2003.

The NCNE team working on *Boaz & Ruth's* firehouse mini-mall idea was led by Mr. Richard Brewster, NCNE's CEO, and Dr. Arthur Brooks, a professor of nonprofit management at the Maxwell School at Syracuse University. The NCNE team conducted interviews, performed site visits, reviewed financial data, examined assumptions, analyzed plans, and in August 2004 issued a comprehensive report giving its assessment of the firehouse mini-mall project. The results were positive. The report gave a boost to the board and staff at *Boaz & Ruth*, helping them see that this was a sound idea and, more importantly, that they had



the financial stability to invest in the mini-mall without risk to existing organizational operations.

At the completion of the NCNE report that endorsed the feasibility of the project, Dr. Russ Cargo from the Nonprofit Enterprise Institute engaged nonprofit management students from Virginia Commonwealth University (VCU) to assist with the development of business plans for the Learning Circle participants, including *Boaz & Ruth*. Dr. George Rimler from the VCU School of Business coached students in business planning and Dr. Cargo worked directly with the student teams. The students attended 7:00 AM planning meetings at *Boaz & Ruth* where board members, staff, program trainees, non-board planning committee members, city officials, and neighbors attended. The students had access to all of the internal documents needed and were generously and openly welcomed into the *Boaz & Ruth* family. The business plans were intended to help provide specific steps for the launch and financing of the mini-mall.

While the students were doing that work, Martha Rollins led the effort to work with the Richmond

City Council, which in November 2004 agreed to sell the city's firehouse to *Boaz & Ruth* for one dollar. Once that action was taken, the City Economic Development Office became involved to support the effort. An architect serving on the planning committee is currently drafting plans for the conversion of the firehouse, including the parking spaces needed to meet zoning requirements, and the occupational, health, and safety specifications required to meet today's standards.

At this point, the project is under full steam. The Learning Circle has had a major impact on *Boaz & Ruth*. The objective was to surround the organization with the expertise needed to accomplish its objective. The initial report prepared by NCNE was a practical step but also a significant morale boost for *Boaz & Ruth*. They knew with a high level of certainty that they could tackle their project. As the project moved forward, the collective activity not only contributed to the specific technical expertise needed by the organization, but, just as Martha Rollins hopes to see in the Highland Park neighborhood from additional businesses operating there, there was an increased level of engagement from all sectors of the city. Success breeds

of Alcoa Foundation, was to see how our grant provided each group with an action plan, be it for an actual business activity or for regrouping in order to assume such an activity in the future, and how these business development plans allowed the NGOs to become stronger and more confident organizations because of the external feedback. Often times NGOs are so focused on operating day-to-day they either don't have the time to, or often have an unexpressed fear of, putting together an actual business plan that will help make them self-sustaining. I believe our Greater Richmond Learning Circle eliminated these hurdles for these four nonprofits."

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success. The Learning Circle generated continuously broader engagement from city government, churches, funders, citizens, and even the VCU graduate students, several of whom volunteered to continue to serve on the planning team even after their course obligations were complete. Martha Rollins, the executive director, and the *Boaz & Ruth* board and staff deserve the greatest credit for their success. But, there is no question that the Learning Circle was an indispensable driver in making the firehouse mini-mall a reality through the technical expertise provided, the credibility created, and the engagement by a fresh cadre of talent that encouraged and supported the *Boaz & Ruth* team. As a result of Alcoa Foundation's investment, *Boaz & Ruth* is saving lives, changing a neighborhood, and creating a model of community-higher education-business cooperation for Richmond and beyond.

*The **Nonprofit Enterprise Institute** aims to provide training and education programs to help nonprofits be more effective operationally, help the public and nonprofit organizations understand their value to society and their strength as a sector, and create a more supportive policy environment in which nonprofit organizations can operate. Since it is the only organization of its kind in Virginia and because of its central location in Virginia's capital, the Nonprofit Enterprise Institute serves as a focal point, resource and support center for all Virginia nonprofits. Its main goal is to ensure a strong nonprofit sector.*