

FIFTH CITY SHOPPING CENTER

REPORT

March 1975 - June 1976

Submitted To:

The United Methodist Church
Commission on Religion and Race
100 Maryland Ave., N.E.
Washington, D.C. 20002

Submitted By:

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SUMMARY OF EVENTS

At the conclusion of construction of the Shopping Center in the fall of 1974 the task of securing the business operations for the center was intensified. This included capitalizing each individual business so that they might procure the equipment, stock and supplies, licenses, staff, etc. to open. The staff of the Ecumenical Institute worked with each individual owner in each step of this process.

A. Businesses were opened one by one in the following sequences;

1975	July 28	The Coin Operated Laundry
	October 24	The Grocery Store
	December 19	The Dry Cleaners
1976	January 12	The Currency Exchange
	March 26	The Sandwich Shop

B. The final closing of the Mortgage for the Shopping Center was made on November 28, 1975 by the National Boulevard Bank and the Fifth City Commercial Corporation. The mortgage was established for \$280,000 over thirty years at eight percent interest.

C. The Grand Opening of the Shopping Center was held March sixth with many distinguished guests from the city of Chicago in attendance. The address was given by Mr. Henry Gardner, the President of National Boulevard Bank, in which he indicated the critical need for the private sector to enable the development of private enterprise of this nature.

FISCAL OPERATIONS

The Fiscal Operations of the Shopping Center are uniquely designed to maintain individual and corporate responsibility for the total success of the Shopping Center.

- A. The Gross profits of each individual business are the first concern, since this alone is essential to the support of the mortgage, taxes, insurance and maintenance of the total operation. Through focusing on individual business management and marketing effectively the Ecumenical Institute has enabled a continuous growth in weekly gross income for each of the individual businesses. Listed below are examples of business growth.

Business	First Month	Current Month	Total Months	%Monthly Increase
1. Laundry	\$2,400	\$4,000	11	6%
2. Grocery	40,000	143,000	8	33.7%
3. Dry Cleaner	2,400	5,600	3	22.5%

- B. The management and maintenance of each individual business is the responsibility of the owner. The Ecumenical Institute has worked with them to insure that these systems for daily clearing, security, and individual customer attention are clearly established and that relations with vendors, utilities and those to whom they are individually indebted are conducted according to standard business procedures. The individual experience of each of the businessmen in the past has been helpful, but operating in the corporate responsibility of a shopping center has called for a new awareness for each of them. The Ecumenical Institute has also assisted in ascertaining their insurance needs and procuring adequate coverage for each individual business based on its unique liabilities and assets.
- C. The accounting and auditing systems have been set up for each business such that they maintain efficient inventory control, daily and weekly profit/loss statements, standard banking procedures and will have standard annual audits. The Ecumenical Institute has provided assistance in procuring the fiscal and legal advice and establishing systems for all accounting and auditing procedures.

CORPORATION TRAINING

As indicated above, the Fifth City Commercial Corporation is a legal entity incorporated as a not-for-profit corporation in the State of Illinois as a corporate conduit for collecting funds from individual businesses and paying for the mortgage, taxes, and insurance on the facility as a whole.

- A. Corporate management training of the corporation officers, who are comprised of the owners of the individual businesses, has been conducted by the Ecumenical Institute to insure the mortgage debt retirement, facility and space maintenance and up-keep, current property tax payments, corporate utilities and insurance payments. A Certified Property Manager is overseeing these fiscal operations for fiscal year 1976, and in cooperation with the Ecumenical Institute develops a monthly report that is received by the Commercial Corporation.
- B. Marketing Proficiency training has been enabled by the Ecumenical Institute through the development of a shopping center weekly advertisement flyer which goes to 30,000 homes each week. They have assisted in designing weekly advertisement campaigns, special sales, outdoor and indoor advertising signs and display of products to enhance the sale of products and services.
- C. The Fifth City Shopping Center was developed, not simply to put a few businessmen successfully on their own, but to alter a trend of business and commercial decay in the inner city, provide needed services to a community and enable all the businesses of the area to succeed. Training in community responsibility has been a highly important part of the training provided by the Ecumenical Institute since the outset of the Shopping Center's operations. This has been done through four primary vehicles:
 1. The Shopping Center functions as a node for promoting community events, programs and services through display of posters, distribution of flyers and owner/customer conversations
 2. The owners in the Shopping Center have sponsored the initiation and formation of a Business Association with other businesses across the community directed toward the improvement of those businesses' fiscal success and their provision of services in the community.

3. The Commercial Corporation has sponsored the development of a summertime open air common market for vendors in the area to provide them with a central location around the shopping center to promote their wares, home industries, etc.
4. The individual business owners provide, at cost, goods and services to community programs and events. They also serve as members of groups working on particular programs such as community security, housing and education

All of the above training has been augmented through quarterly meetings of the corporation.

OWNERSHIP AND DIRECTORSHIP

A. The business ownership is as follows

Grocery Store	Warren Pinkston Bertha Pinkston	Black Black
Laundry Dry Cleaners	Floyd Stanley Mary Stanley	Black Black
Currency Exchange Sandwich Shop	Richard Mundo	Italian

B. The officers of the Fifth City Commercial Corporation who direct the affairs of the Corporation are:

President	Floyd Stanley	Black
Vice President	Warren Pinkston	Black
Secretary	Bertha Pinkston	Black
Treasurer	Richard Mundo	Italian

C. The Directors of the Corporation and their terms of office are as follows:

Floyd Stanley	Life Member*
Bertha Pinkston	Life Member*
Warren Pinkston	Life Member*
Richard Mundo	Life Member*
Neil Vance	2 years (staff of the Ecumenical Institute)
George Walters	1 year (staff of the Ecumenical Institute)

* Life membership or as long as they own and operate a business in the Shopping Center.