



THE CHARLIE PROJECT
Coalition for the Future of Lutheran Urban Schools

A Special Initiative of Wheat Ridge Ministries

REPORT ON PHASE II

June 2010

Prepared by the Charlie Project Team

EXECUTIVE SUMMARY OF PHASE II

The task of trying to develop a model of sustainable, quality, urban Lutheran schools is as challenging as it is rewarding, as you'll read in this report. Phase II of the Charlie Project continues to progress well as we are reaching nearly all of our benchmarks, and staying on the timeline, while doing this on a budget significantly smaller than planned. The challenges, findings and benefits of this endeavor continue to surprise, delight and confound us almost daily.

To begin, we thank our Phase II partnering funders:

- The Christopher Family Foundation
- Mary Wiese Gundelach
- The Siebert Lutheran Foundation
- Thrivent Financial for Lutherans
- The Van Lunen Foundation

Without their support, this challenging and important work would not be possible. Not only have the funds been important, but these funders have provided advice, emotional support, needed connections and prayer. We sincerely thank them!

Challenges

Budget – The original Phase II budget was projected at \$559,000; we raised \$305,000. The reduced funding caused us to make significant changes in our intended approach with the following outcomes:

- Scaling back the number of cities where we invested in in-depth community development. We focused more quickly than planned on two cities, and held back on investing significantly in a pipeline.
- Hired fewer external experts which slowed our technical development process.
- Unable to hire local level extended staff, requiring our Charlie Team staff to do much of the local level detailed work.
- Delayed the forming of the National Charlie Board and governance structure.

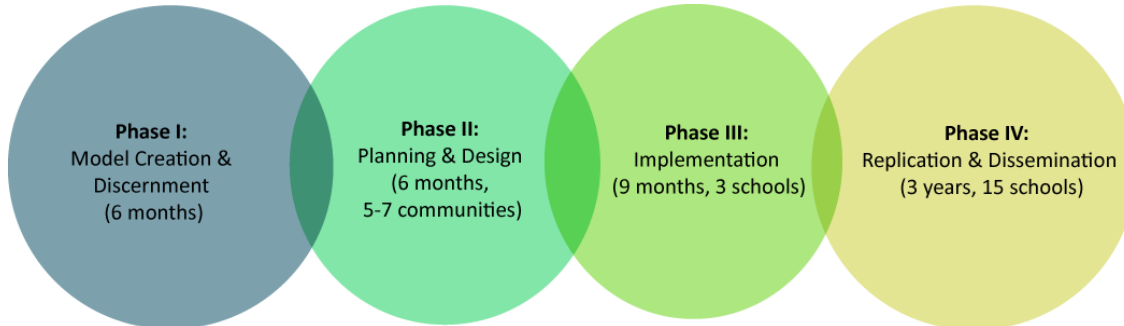
In spite of this, the Charlie Team was able to make significant progress with the available funding.

Economy – Wheat Ridge launched the Charlie Project in the fall of 2008, the beginning of the largest financial decline since the Great Depression. While we have been blessed to date with \$635,000 in total project funding, as well as significant funding for the Center for Urban Education Ministries, the

economic impact on our urban ministry partners has been extremely difficult and, in some cases, devastating.

Lutheran Landscape – The presence of strong Lutheran leadership in some major urban cities has almost completely disappeared. Lutheran schools have long since been closed. Many Lutheran urban congregations have closed or are “on life support.” Their light of hope is barely flickering in some places. Some have forgotten how to approach ministry from an “asset” point of view. The Lutheran leaders willing to tackle this issue are few and often work in an environment that is ideal for burnout.

Community Organizing – This takes time, particularly in places where this type of work is nearly dormant. The important task of building relationships with these community leaders does not always match with fund raising objectives and timelines.



As we finish Phase II, our intent is to insert a four month “bridge” before launching Phase III. Because of recent community Charlie Team discoveries, it is necessary to invest a brief period of time to gather our best leaders to reflect on our findings, and then use this information for reflection and honing the Phase III (Implementation) strategy.

We state this not to set the stage for giving up, but rather to make certain your perspective is clear on why this project is even more important than originally perceived or dreamed. And we want to be sure that those who continue to support and partner with Wheat Ridge Ministries’ Center for Urban Education Ministries and the Charlie Team know clearly what they are supporting.

We state plainly that this is very hard work ... but we’re already able to see successes, new relationships, rekindled hope, possibilities that didn’t previously exist that may well lead to a small cadre of flourishing urban schools led by dedicated Lutherans. We are seeing more clearly that the Charlie Project is not about “making Lutherans” but that we do this work “because we are Lutheran.” We are confident the long-range implications will enable the Center for Urban Education Ministries to share our findings broadly with Christian educators throughout the United States to assist a new movement in quality, urban, faith-based education. Indeed, this is already beginning to happen.

Process and progress

What follows is a series of Phase II activities (not intended to be all inclusive) that demonstrate the process of moving from Phase II (Planning and Design) to Phase III (Implementation). Phase II began with a series of phone conferences and in-person summits with Lutheran education and community leaders in numerous cities (Chicago, St. Louis, Los Angeles, Minneapolis, New York, Seattle and Baltimore). Due to a variety of circumstances, Los Angeles and Minneapolis showed the greatest promise of engaging in the process to discern if they were ready to pilot the Charlie Model. We expected to discover three communities ready to implement the pilot round of Charlie schools, with other cities requiring additional time for discernment. This has happened.¹

The Charlie brand is recognized as new, innovative, competitive and deeply committed to Lutheran education in urban centers across the country. We have built strong relationship with Christian educators (ELCA, LCMS, WELS, Catholic, ASCI) also engaged in this work with different models, yet have aligned values. Our Center for Urban Education Ministries is frequently contacted by urban educators across the country requesting information about our findings, asking how they can access this information and encouraging us to stay the course.

Marlene Lund, CUEM executive director, secured funding so that as of January 1, 2010, she is full-time with this effort. During Phase II she was asked to present workshops on the Charlie Project findings (e.g., Lutheran Educators Association, Principals Conference, New Orleans, February 2010).

We also intended that the national expression of Charlie would be designed with legal, financial and operational structures planned and beginning to operate. Due to funding challenges and our need to extend the timeline because of the relationship building with community organizations, the national design work is still in the conceptual stage. Some critical reflection and discernment is needed during the next few months to determine that the Phase II design concept is still the best option to seed a successful ministry of this nature.

In the next few months we intend to take careful stock of the important learning from Phase I and Phase II to hone our Phase III approach. This will enable our work to be more effective on two fronts: 1) Wheat Ridge Ministries' Center for Urban Education Ministries will have a clearer strategy for how to best seed these new urban ministries of health and hope, and 2) our engagement with those pursuing the Charlie Model in the Los Angeles and Minneapolis communities will lead to successful Charlie Model ministries.

¹ Assumption is made that the reader is familiar with the model. Earlier Charlie Project documents are available at www.wheatridge.org/cuem.



One of the Charlie Project's most profound and encouraging discoveries is that "the national Charlie effort is the collective" of these rich and important findings. We originally thought that a very "tight" school/ministry model would be the most effective; we have discovered that as the local entities have formed, the creativity on the local level has led to innovation we could not have imagined. It has also been found that the ministry models in Los Angeles and Minneapolis are quite different, and equally exciting, thus pushing the need for a "looser" school/ministry model.

The national connecting function of the Charlie Project will prove invaluable to local entities as leaders from Los Angeles and Minneapolis meet in the coming months. And the findings held by the collective will have continued value for the next cities that want to create positive change using our findings. These findings are becoming an important addition to the assets of the "big tent" players in Christian schools across the country.

APPROACH LEADING TO OUTCOMES

The Charlie Team engaged promising urban communities across the country to participate in a process of reflection, assessment and design of the Charlie Model. We facilitated a process for communities to assess their assets and the viability and implications of the Charlie Model, and the process which a community might follow towards implementation. We embarked on Phase II through a six-step process to engage these communities.

Validation of Communities – The first step identified the following seven communities to begin our work: Los Angeles, Chicago, New York City, Baltimore, St. Louis, Minneapolis and Seattle. Minneapolis and Los Angeles emerged as those that initially had the appetite to engage with the process. To gauge their readiness, we tested the following assumptions: 1) inner-city poor with families in need, 2) value for faith-based education, 3) a significant number of Lutheran congregations with an interest in and commitment to Lutheran education, and 4) a strong civic mentality and interest in positive change.

Community Stakeholder Engagement – The stakeholders include the Lutheran congregations, the local church leadership, the local Lutheran social service agencies, other social service agencies and non-profits, local elected officials, community leaders, parents, universities, volunteer associations, small businesses and, of course, local funders. These stakeholders are very important to the process because they bring knowledge and insight to the table and collectively are able to map the community's assets and assess the opportunities to implement the Charlie Model in their community. We have begun to identify emerging leaders in the community to serve as local hosts to provide cohesiveness, necessary grounding in local context and the permanent presence needed to ensure progress within the process.

Local Educational System Mapping – The process maps out the local educational system, with focus on the Lutheran schools and any gaps created by school closings. The map enables a collective understanding of the community's assets, needs, challenges and opportunities. The process reveals the specific dynamics of the local community and assesses the environment and appetite for change. It also examines expenses and possibilities for revenues.

Community Visioning Process – Building from the map, stakeholders engaged in a community visioning process. The result is an end-stage description, a vision not only for Lutheran education in the community but also community involvement and the interplay between the two. The vision captures the hopes and aspirations of the community. Part of the visioning process identifies key elements of the new system. This is a collective process so that all the stakeholders see their place in the new vision. The collective visioning process also builds support and ownership, aiding implementation.

Implementation Phase – The fifth step is to create an implementation plan based on the vision. The implementation plan is the road map to transform the community from current reality to the newly constructed vision. This step is where decisions are made and specifics are hammered out. Key points of change or levers in the system will be identified and used to plan for change. Stakeholder engagement is very important in this stage, as in all stages, because stakeholders are the ones to assess feasibility and identify opportunity. The implementation planning process hones in on specific assets (e.g., buildings for school starts or re-starts) and opportunities (e.g., engaging community service networks and university partners).

Broad Dissemination of Findings – The final step in the process is to present the findings broadly, not only to the whole community but also to other communities and national stakeholders. At this stage, the team will work to build support for the vision and the plan both within the local community and nationally. Sharing of findings across communities will strengthen the national work of the Charlie Project and lead to learning and improvement within the selected communities. This stage is ongoing, although not as developed as we had hoped by now.

KEY ACCOMPLISHMENTS OF PHASE II

Phase II has grounded the realities of implementation and allowed identification of key dynamics, risks and opportunities. Phase III will begin after a full assessment of what has been learned in the last year. The elements below provide a sampling of our accomplishments and lessons learned.

Community Development

- We conducted preliminary assessments in seven cities (Los Angeles, Chicago, Baltimore, Minneapolis, New York, Seattle and St. Louis) and focused in the end on Minneapolis and Los Angeles. We continue to have conversations in Chicago, New York and St. Louis.
- The selected communities and congregations feel a deep commitment to the Charlie vision and the hope it represents, and are in the process of making bold choices.
- We navigated and created initial pathways through the cultural and political systems in three communities. This work was both rich and challenging.
- Charlie tapped the communities' sense of vision. We have participated in or organized community meetings that surfaced deep longings for both hope and the need for tangible, organized options.
- Charlie's commitment to pan-Lutheran ministry has required continued attention and some changes in strategy and governance. This became most evident in Los Angeles.

Business and Property Development

- Early in this phase we shifted timing of how to implement the Charlie Model. Initial intentions were to begin with the school and then “build” the nonprofit enterprise. We believe it will work better to begin with enterprise to leverage the community connections and then move into the development of a school.
- The business model for enterprises and the school has evolved based on local assets and constraints.
- It was found that ideas for national partners and more “plug-and-play” approaches failed to capture local imagination and faced challenges because of local variables.
- We identified enterprises which meet community needs and also spring from the interests and capabilities of local residents. Examples include urgent care health center, day care center, bike shop, computer repair store.
- Through the creation of a financial model which integrates the enterprises and the schools into a sustainable model, we struggled with the variables at play, what risks various stakeholders would take and what assumptions we hold about sustainability in this model.

Leadership and Governance

- We adjusted the governance model to better integrate the leadership of local nonprofits and their relationships with networks of congregations. A cooperative model enables linking them together while maintaining the local autonomy needed for buy-in.
- The vision of Charlie has attracted a wide range of stakeholders, inside and outside of the church and school, with whom we have built strong relationships of trust with visionary leaders and their teams.
- The partners and relationships we have built have caused us to evolve the organizational design. We did not find the need to create a separate organization and will remain hosted within Wheat Ridge Ministries until the CUEM reaches milestones leading to its independent status.
- We have begun the process of establishing a national advisory board and will work on criteria and responsibilities for service on the board throughout the summer. Several individuals have already indicated their willingness to serve.

School Development

- Charlie has pushed at the boundaries between faith-based institutions and the charter school movement. Through that we have had to address how these lines affect implementation, governance and corporate structure.

- We surfaced a broad set of public school alternatives, including “district schools” which are authorized by a local district and operated by a team of public school teachers without the same constraints as other public schools.
- Charlie continues to initially focus on charter schools given the financial realities of the Los Angeles and Minneapolis communities.
- We are in conversation with various individuals and institutions that have expertise and ability to sponsor new charter schools.
- We continue to explore “wrap-around” services that might be provided to public charter schools through the local church. These services would provide religious instruction to those in the community before and/or after regular school hours.

THE CHARLIE TEAM

This work continues to be led by a dynamic team comprised of three organizations.

Wheat Ridge Ministries’ Center for Urban Education Ministries (CUEM) – Practitioner and Academic Engagement and Support

CUEM, a special initiative of Wheat Ridge Ministries, connects leaders of Lutheran congregations, schools and agencies with resources to help them provide effective educational opportunities for children, youth and families in urban environments. It seeds the development of new or renewed urban education ministries as an important way to nurture the health of body, mind and spirit in youth and adults living in urban areas. Through its service to congregations and agencies in urban settings and through the leaders of these ministries, including pastors, Lutheran school educators, directors of Christian education, and lay leaders, CUEM has developed strong, diverse relationships.

The Center’s core work will include:

- **Practitioner relationships:** Create and foster an open learning environment within the school community and maintain credibility in networks of educators.
- **Volunteer development:** Attract expert volunteer talent to reflect on the developments within the Center and provide critical and creative feedback.
- **Board management:** Leverage the CUEM Advisory Board and other advisory groups that may be developed. Keep them apprised of progress and challenges.
- **Content creation:** Participate in the design of the curriculum, community engagement and the application of Charlie in local communities.
- **Administrative support:** Handle accounting, travel and meeting support for team meetings, regional gatherings and promising practice trips; create and maintain a shared space for working documents; and respond to inquiries and other administrative activities.

Wheat Ridge Ministries – Development Strategy and Church Relations

Wheat Ridge Ministries is a charitable organization with roots in the Lutheran Church. It provides support for new church-related health and human care ministries. Recognizing Christian congregations as centers of ministry, Wheat Ridge Ministries is a resource for congregations establishing or supporting ministries that serve people in their neighborhoods and communities. Wheat Ridge Ministries is a recognized service organization of the Lutheran Church-Missouri Synod and an affiliated social ministry organization of the Evangelical Lutheran Church in America.

Wheat Ridge Ministries' core work will be to:

- **Direct strategy and execution of development efforts:** Maintain an overall picture of the institutional and individual funders committed to Lutheran education and urban areas. Expand the list.
- **Maintain communication with a set of funders and potential funders:** Establish and maintain regular communication with funders in order to understand how they would like to participate in the overall four-phase process.
- **Lead engagement with the broader church communities:** Map the landscape of church leaders who should be engaged in the project and lead the process to engage them.

Criterion Ventures, LLC – Project Management and Strategy

Criterion Ventures is a consulting firm that incubates and scales social ventures that achieve dramatic good for the world. Built of webs of relationships, Criterion brings the people, experience, connections and flexibility to the table to move initiatives forward. Criterion will play the central strategy, project management and organizing role, coordinating the various relationship, research and scenario threads that will drive the process to model creation.

Its core work can be thought of in five areas:

- **Strategic and process leadership:** Envision the outcomes needed and the process and activities that will create them. Direct the process and shift it as necessary.
- **Team and staffing management:** Convene and coordinate the Phase II team. Hire experts for additional subject matter expertise.
- **Stakeholder management:** Engage relevant players across all stakeholder groups.
- **Community organization:** Approach Charlie communities in a six-step process that creates broad engagement and deep commitments to launching Charlie in each community.
- **Document creation:** Synthesize ideas and best practices; direct the creation of documents that will provide clarity and guidance in Phases III and IV. Manage the creation and dissemination of printed materials.

Additional Experts Needed for Subject Matter Expertise

We have engaged additional experts in particular areas, many pro bono. These individuals will support activities around:

- Curriculum Development
- School Operations (e.g., property, facilities, meals, etc.)
- Technology (accountability systems, knowledge share platform, database for operations and program)
- Real Estate and Property Optimization
- Evaluation Planning

SAMPLING OF PHASE II ACTIVITIES AND FINDINGS

The following section is a partial listing of activities and findings that demonstrate the scope and depth of the Phase II accomplishments toward our stated outcomes.

Community Development

- Phase II provided reaffirmation of our initial premise that congregations living out their purpose are an expression of, as one pastor termed, “the beloved community,” where everyone is welcome. This theology of presence and the way congregations live out their mission is inspiring and transformational for communities and those serving and being served. This type of work is rooted in the Gospel.
- The desire to be rooted in that community is undeniable. Charlie is already a lightning rod to inspire others to build communities and not edifices. This is less about the programs and more about the faith of the people.
- The Charlie Model is an integrated model of urban ministry that uniquely weaves together many different facets. Churches and church bodies often see their ministries in separate divisions (youth, elder care, worship, etc.).
- Churches need to be more conscious of their role in the economy. They play a critical role, not only in the spiritual health but also in the economic health of the community.
- A series of “town meetings” held in Los Angeles and Minneapolis included multi-stakeholder groups to discuss their vision for their community. Information from these meetings has helped several of these regions discover properties to meet other ministry needs. While these may not lead to a Charlie Model, Lutheran ministries are benefitting from this important evaluative work.

- Local resource leaders (Harrison Neighborhood Association, Minneapolis school board chair, teacher’s union officials, charter school leaders) were engaged in an attempt to understand the political landscape.
- While working on grass roots efforts (particularly in the Harrison neighborhood), it was discovered that the local people will gauge the success of the initiative by how much benefit stays local.
- We worked with Faith In the City (Minneapolis) which had already begun a process of visioning within the Harrison community including how the members of FITC might assist in the Harrison development plan.
- In Los Angeles, significant community organizing efforts are being formed (e.g., The California Endowment) bringing networks of relationships and resources that can enhance the Charlie efforts.
- Charlie has introduced Front Porch to the Los Angeles stakeholders. This family of not-for-profit communities specializes in senior living, affordable housing and myriad services that will prove valuable.
- It appears there are other Los Angeles congregations interested in the Charlie Model if these sites don’t materialize.
- The urban Los Angeles area is about to be flooded with 20,000 ex-offenders with early release changes enacted. This will create extreme safety and health issues.

Business and Property Development

- Numerous property site visits conducted in New York, Minneapolis and Los Angeles. Evaluated real estate (zoning possibilities, etc.) to assess the potential for Charlie sites.
- Enterprised front end discussions – Met with Fairview Health Systems to understand what type of health services might be beneficial as part of the Minneapolis enterprise.
- Emerging Markets, an organization whose role is to bring banks and grocers to low income communities, was introduced to Charlie in Los Angeles. Their expertise and data around demographics and politics could assist the enterprise side of ministry.
- A Harvard University MBA intern has explored financial models to determine the investment needed to run this type of nonprofit enterprise. A model has been created and will be increasingly useful as we approach the launch of ministry sites.
- Currently exploring several promising enterprise models for Los Angeles.
- Charlie introduced Northside Economic Opportunity Network (NEON), an entrepreneurship training organization, to Redeemer Center for Life in Minneapolis, enhancing Redeemer’s ability to access resources for youth and adults.
- It was stressed that the “plug and play” is not likely to succeed because this is human/relational work. This is about relationships, bringing passion to the surface, leading to real partnerships and the restoration of hope and fulfillment of real human needs. It is organizations bound together by a common faith. This work is done not necessarily “to make

Lutherans” but precisely “because we are Lutheran.” These are people whose mission and commitment is to “stand in the breach.”

- Enterprise development is a time-consuming but critically important activity. A significant shift was needed to develop the enterprise before the school.
- Enterprises are not simply about creating money to support school. They: 1) generate traffic and relationships before the school opens, bringing people to the area to develop a sense of connection and trust, 2) allow opportunity for the students to learn about serving, 3) create potential capital to assist in development of the school (sharing of kitchens, storage, common space for school and community, etc.).
- Our thinking has shifted to a much more decentralized, cooperative model to work in individual communities. Risk will be measured at the national level.
- As we went into the communities, we found the model had to “look like them” rather than a very tight enterprise model. The modified model diminishes the risk, increases local ownership and is much more locally driven and customized.

Leadership and Governance

- Judicatories and para-church organizations were engaged in pan-Lutheran discussions, particularly in New York, Los Angeles, Minneapolis, Chicago and St. Louis. This is an important step in the relationship building process to promote Charlie and heighten the sense of partnership possibilities.
- Although there are no urban Lutheran schools in Los Angeles proper, the individuals engaged as ministry partners a year ago are passionate and dedicated to this process. The Charlie Project has become a mission focus of this pan-Lutheran group.
- In Los Angeles, ELCA Synod Bishop and LCMS District President are assisting in the process. They both feel, “We want this here and we aren’t even sure of the implications.” This is an indication of their hunger for Lutheran ministry where there hasn’t been a vibrant Lutheran presence for many years.
- In October, local leaders at a Los Angeles Town Meeting committed to the process before sites were identified. The process was extended due to a dozen sites requiring evaluation (zoning, need for enterprise, politics around congregations, etc.). Site visits have been conducted on all. Developing the criteria for site selection was difficult but two sites were selected – Messiah Lutheran Church (ELCA) and Grace Lutheran Church (LCMS). Both are committed to proceed in the Charlie discussions and both are part of a network of congregations – Nehemiah is the LCMS network and New City Parish is the ELCA network. We are working to build strong relationships with these organizations that could support Charlie.
- Difficult race issues are in full play in Los Angeles with “black-brown” conflicts and Charlie can play an important role in this region.
- The “Lutheran landscape” of Los Angeles is very different from Minneapolis. There is a strong Lutheran presence in Minneapolis, but there are vast areas in Los Angeles with no Lutheran

presence at all. People are excited that Charlie could show Los Angeles Lutherans as fellow Angelenos who care about their city.

- Outcome of hope! This project is bringing hope to people who have been struggling for decades – dying congregations, closing schools. This is an opportunity to bring hope to a place on the verge of hopelessness. Lutherans want to serve the city.
- Focus back on vocation, identify the brokenness, identify assets, look for new starts ... all for the purpose of finding hope in the city.
- A remarkable amount was accomplished – and not exactly as we had foreseen.
- We expect to have two additional cities ready to participate in the Charlie Project – numerous conversations are ongoing with several cities. We must balance our capacity issues with their desire. We must not “over-promise and under-deliver.”
- Worked to find aligned vision and ways to help communities discover assets so that their version of Charlie fits them and each site has the look and feel aligned with their core beliefs.
- Ownership on local level is what will spell success.
- People support local schools, not national models.
- We are establishing relationships with other national networks (Network of Networks, Schools That Can, Christo Rey, etc.) and are involved in a series of meetings that have helped to shape direction.

School Development

- Transformation of neighborhood is heavily reliant on quality education ... very much like at the time of Martin Luther. This effort is about ministry and relevance in the local community. Our premise is that churches can and should be at the center of this transformative work. It’s important to surface churches that believe and understand this and are willing to partner with Charlie. Future vibrant urban churches are those who embrace this vision and are willing to engage in this hard and rewarding work.
- Completed research and preliminary selections of curricula on what is working in urban settings.
- Conversations have been held with education professors, researchers and urban practitioners. We are discovering various non-traditional educational models that are working in urban schools.
- This led to having a curriculum framework tailored to begin the task of curriculum design for the Charlie schools. We have developed relationships with a cadre of interested educational experts to assist in this process.
- Charlie has engaged an architect to discern what kind of educational facility would be suitable for the vacant property at Redeemer Center for Life (Minneapolis) and what the associated costs would be.
- Part of the national role for Charlie is establishing an “intermediary” that will relieve local schools of the non-educational activities (human resource tasks, insurance, etc.). We are



currently in discussion with several national organizations that have a proven track record of managing the “back office” elements of schools.

- Concordia University, Irvine CA – Meetings revealed a strong desire to partner with the Charlie initiative.
- Both Augsburg College and Concordia University at St. Paul have experience in moving through the charter school process (“authorizers”).