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Money woes come at Boyle and Homeboy high points

Father Gregory Boyle's latest book got good reviews and his Homeboy Industries, which aims at getting people out of gangs, has a taker for mass-producing a product. But the revenue just isn't there.

By Hector Becerra, Los Angeles Times

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This should be a triumphant moment for Father Gregory Boyle.

The founder of Homeboy Industries just published a memoir that has been well reviewed, and focused more attention on his decades of work using jobs to get young people out of gangs.

A major supermarket wants to mass-produce Homegirl Cafe's salsa, and the priest dreams that it could become Homeboy Industries' version of Newman's Own salad dressing. The cafe is even in the running to expand into a new wing at LAX, Boyle said.

But on Friday, he was struggling to keep Homeboy Industries alive.

The day before, Boyle had announced that Homeboy was laying off 300 employees, including all senior staff and administrators, and that he had stopped collecting a paycheck.

"If you look at the trajectory of Homeboy, it's unbelievable. And that's the irony," the 55-year-old Boyle said Friday. "This place has never been healthier in terms of its vision. And we have no money."

For all the accolades Homeboy Industries has garnered for its work taking gang members off the streets and training them for jobs, generating the revenue to pay for its services has proved increasingly difficult.

The organization actually receives little funding these days from local government, which instead is focusing more on gang intervention programs that focus on reducing violence among current gang members, he said.

The recession has hurt Homeboy in several ways. The private donations that typically help balance the budget are down. And there are fewer jobs for graduates of Homeboy's various programs.

"A lot of good workers lost their jobs," Boyle said. "So when there's an opening for something, who are they going to pick, one of my guys who's tattooed and is a felon, or somebody with a good work history?"

Boyle said L.A.'s dramatic drop in crime — and gang violence — may have in its own way contributed to Homeboy's financial problems. With less gang violence, he said, helping reformed gang members feels less urgent to some donors.

Boyle started his work when L.A.'s gang mayhem was at its worst. In the early 1990s, slayings totaled more than 2,000 in the county, twice as many as in recent years. In 1992, L.A. alone had 1,092 killings; two years ago, that number dropped to 382 homicides.

At first, Boyle delved into some of the most dangerous neighborhoods on the city's Eastside, gaining a reputation as a charismatic but forceful priest with a knack for moving gang members, even if police officers thought he just protected them. In the early days, he even attended some gang parties.

But years ago, concerned about giving gangs too much respect, he changed his approach. Rather than dealing directly with gang activities, Boyle began to focus on gang members trying to leave the life. Homeboy specializes in job training and mental health counseling, as well as tattoo removal and job placement.

This shift, however, has hurt Homeboy's ability to get local government anti-gang funds. Local officials in recent years have been more interested in on-the-ground gang intervention programs that attempt to defuse dangerous gang feuds.

"I don't believe in that approach. I used to do it. I'll never do it again," Boyle said. "License to operate means you will be given permission by the gang to work in a neighborhood. Pick a reason why that's a dumb approach."

In recent years, Homeboy has expanded significantly, symbolized by the new headquarters near Chinatown that has become a local landmark. When the recession hit two years ago, the demand for training and counseling also increased. But at the same time, revenue declined, and Homeboy has struggled to keep its finances afloat. It's now serving 12,000 current and former gang members a year but has a \$5-million deficit.

Boyle said that even if someone comes forward to rescue Homeboy Industries, he knows he may have to make some changes in the way his group does business. The organization's own board members and funders have told him for years that Homeboy's budget is not sustainable. It could mean even fewer employees.

The priest said that he's open to change, even if it means thinking more like a businessman.

"I guess so. The board wants me to make changes," Boyle said. "But right now, we need bridge money to get around this corner."

Outside his office, as TV crews and callers with surefire ways to get out of this mess vied for Boyle's attention, Brian Moon, a tattooed 22-year-old from Koreatown, said that he may have lost his paycheck, but not his faith in the group, or the priest.

"There's nowhere else but up," he said. "I'm not worried."

Asked if he was as optimistic, Boyle smiled.

"I'm always more hopeful than I am optimistic," he said.

"Hope comes from the soul; optimism comes from observable evidence. And this place is soaked with hope."