

# **FROM GRAY AREAS TO NEW COMMUNITIES: LESSONS AND ISSUES FROM COMPREHENSIVE U.S. NEIGHBORHOOD INITIATIVES**

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This working paper is part of a cross-national project on Regenerating Urban Neighborhoods (RUN), and is intended to frame the ongoing research of the Chicago team within the broader national and historical context.

*More than any other social reform strategy, neighborhood initiative has struggled to fuse the visionary with the actual and translate the result into action. That in part is why neighborhood initiative seems so new each time, even though it follows well-worn paths and faces longstanding obstacles.*

*Robert Halpern, 1995, 233*

Neighborhood anti-poverty initiatives have been present since the urbanization of American society at the close of the 19<sup>th</sup> century. More than 100 years ago, Jane Addams and other progressive era reformers established settlement houses in Chicago and other large cities in the midst of immigrant neighborhoods. These reformers crafted a neighborhood-centered, comprehensive approach to the fight against poverty, campaigning for better conditions and providing education and social services to residents (O'Connor 1999). Chicago is currently the home of the largest comprehensive community-building initiative in the United States – the New Communities Program (NCP) (MacArthur 2009). The effort encompasses 16 low-income neighborhoods, with a variety of multi-issue plans that have been constructed independently in each community through a grass-roots planning process. The New Communities Program represents recent trends in neighborhood initiatives in the United States, including the significance of foundations and the nonprofit sector. It is also emblematic of recurring themes in urban anti-poverty efforts of the last half-century: 1) a “comprehensive” approach that involves multiple policy areas and 2) a focus on the neighborhood as the site for addressing poverty.

This paper examines the issues embedded in both the comprehensive aspirations and neighborhood focus through a brief history of major initiatives, and the lessons and needs for the future suggested by that history. In addition to the literature review on previous programs in the U.S., some material is included from interviews on comprehensive neighborhood revitalization efforts in Chicago, especially the NCP. So far, twenty-one interviews have been conducted, and research will be completed in 2010.<sup>1</sup> This working paper is also part of a cross-national project comparing neighborhood regeneration in ten countries in North America and Europe, and it builds on a paper presented at a conference on neighborhood initiatives in Britain. Therefore, it highlights issues introduced by the institutional context for U.S. neighborhood revitalization efforts.

## **LEARNING FROM NEIGHBORHOOD EXPERIENCE**

In his history of neighborhood revitalization in the U.S., Halpern (1995, 4) observes that ideas have been repetitive rather than evolutionary. Similarly, O'Connor laments “short-lived programs, many administered by agencies since disappeared, that seem continually to replicate, rather than learn from, what has been tried in the past” (O'Connor 1999, 77-78).

Why have neighborhood approaches been so persistent, and why has progress been so elusive? Is there anything to be learned, and more fundamentally, to be gained through pursuing a neighborhood approach? Halpern suggests that a neighborhood emphasis resonates with “potent myths” (Morone 1990, 83) about community in American political culture. Neighborhood initiatives embody normative concepts of self-help, participation, and citizenship, but may not be effective sites for policy change.

Implicit in the neighborhood focus are also assumptions about poverty and urban development, with some basis in theory and research. Theories of urban policy, such as spatial mismatch and

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<sup>1</sup> John Betancur and Douglas Gills, both associate professors of Urban Planning at UIC are co-PIs on this project, and material is drawn from our collective interviews and papers from the Regenerating Urban Neighborhoods research.

concentrated poverty, suggest that place-based strategies make a difference for individual opportunity (Kain 1992; Kasarda 1990; Jargowsky 1997; Massey and Denton 1993; Wilson 1987).

Neighborhood policy also evokes the potential for grass-roots participation and representation. There are strong place-based assumptions in many theories of democratic participation – concepts such as social capital or deliberative democracy tend to emphasize face-to-face interaction as a basis for building the relationships that are required for discussion, consensus-building, and mobilization for problem-solving (Putnam 2000; Pateman 1970; Briggs 2008). Accordingly, low-income neighborhoods are sources for both problems and potential solutions.

A recurring theme at the scale of the neighborhood is the ability to take a coordinated and comprehensive approach in the battle against poverty, and this paper examines efforts that embrace a multi-faceted approach to poverty alleviation over the past half-century. At the neighborhood level, multiple inequalities are interwoven in daily life, through limited educational opportunities, isolation from job markets, physical blight, crime, and other social ills. Problems are interdependent, producing complex interactions. Such dilemmas have been called “metaproblems” that are ill-defined and that straddle existing institutional arrangements (Trist 1983; Selsky and Parker 2005). Metaproblems require policy integration, defined as “management of cross-cutting issues in policy-making that transcend the boundaries of established policy fields, and which do not correspond to the institutional responsibilities of individual departments” (Stead and Meijers 2004, 2). Scholars suggest that such “issues are too extensive and too many-sided to be coped with by any single organization, however large,” requiring collaboration (Trist 1983, 270). The need for this collaboration has been framed at various times in terms of bringing together different departments or bureaucratic agencies within city governments; working across the public, private and nonprofit sectors; and forging networks across community-based organizations within neighborhoods. The renewed focus on comprehensive neighborhood initiatives in the 1990s echoed arguments from earlier eras (Glickman and Servon 1998). Yet, comprehensive policy remains difficult to achieve, especially within an environment where the segregation of poor neighborhoods isolates them both physically and socially from resources in the larger community and region, and where funding for social programs is inconsistent at best.

The history of neighborhood initiatives in the U.S. is not solely about government policy, for foundations and nonprofit organizations have played an important role. At times this has been in collaboration with the public sector, and at other times in lieu of public sector involvement. This raises questions about policies needed to address spatially-concentrated poverty, including responsibilities and relationships between state and civil society.

### **NEIGHBORHOOD PROGRAMS IN THE 1960s**

U.S. cities experienced rapid change in the era following World War II. The expansion of the suburbs paralleled the decline of traditional downtowns, and federal grants for urban renewal were intended to eliminate blight and foster redevelopment. Yet, policies to revitalize cities often created new infrastructure at the expense of the poor. Residents of low-income neighborhoods experienced dislocation as a result of “slum clearance” in urban renewal, and highway building programs also bisected or obliterated poor urban neighborhoods. Public housing construction during the 1950s and 1960s was disproportionately located in communities with high minority populations, reinforcing patterns of racial and class segregation. Thus public policies, along with the departure of jobs and more affluent residents, shaped the concentration of poverty in central city neighborhoods. Because American cities are largely dependent on own-source revenues, the erosion of the local tax base affected services in many cities. By the late 1950’s and early 1960’s, the consequences of increased

urban poverty were becoming apparent, leading to new policy experiments to halt the processes of decline and reverse their social costs.

### *The Gray Areas Program*

The Ford Foundation defined as a focus of concern “gray areas” of decline located between renovated downtowns and new suburban communities, although, unlike the federal urban renewal programs, they addressed social needs rather than physical revitalization. In 1961, the foundation selected 6 cities for a pilot program to address the environment for youth in these distressed neighborhoods. Foundation officials were influenced by a study by Cloward and Ohlin (1960) that argued that gangs and youth crime were the result of frustrations caused by unequal opportunity structures in poor communities. The Gray Areas program sought institutional reform and better coordination of services to increase opportunities for youth. A local nonprofit was created in each city to coordinate activities across existing organizations. Participating cities established programs for pre-school education, recreation, youth employment, and community use of schools (Wright 2001, 25-27).

By the end of the 10-year funding period, Gray Areas neighborhoods had leveraged ten times the Ford Foundation investment through federal grants and other contributions. Yet, it was less clear that they had successfully reformed local institutions through greater collaboration. Conflicts between groups arose in a number of cities, and some schools and existing social service providers viewed program priorities as imposed from the outside. Historical accounts have described efforts as collections of programs with little integration (Halpern 1995, 98). The foundation reportedly learned three lessons from the experience: the importance of leadership in the neighborhoods, the need to evaluate and learn from separate components of the program, and the need to avoid overregulation of grantees (Wright 2001, 27).

### *Community Action Program*

The Gray Areas project was intended as a demonstration that would influence federal policy, and it became a model for the Community Action Program (CAP) initiated in 1964 after Lyndon Johnson announced that the federal government would wage a War on Poverty. Coordination of neighborhood services and bureaucratic reform were critical elements of both programs, emulated in CAP even as the difficulty of coordination was becoming apparent in the Gray Areas neighborhoods (Halpern 1995, 100). As in the Gray Areas program, CAP involved the creation of a new coordinating body, the Community Action Agency. Approximately 40 percent of CAP funding supported local priorities, and 60 percent funded federal programs such as Head Start for pre-school children and Job Corps.

A defining feature in the federal CAP program was the requirement for “maximum feasible participation” of community residents. Translating this into practice created a number of problems, as the goals of participation were unclear. Were residents to be educated, consulted, employed by programs, or to be decision makers? Program architects likely envisioned participation as promoting the self-esteem of residents and increasing the cultural sensitivity of local institutions (Halpern 1995, 109). But, in the era of the civil rights movement, the mobilization and participation of residents led to struggles over governance, including confrontations with city officials. After pressure from urban mayors, Congress placed control of the program more firmly under the auspices of local governments.

According to Halpern, the CAP program had a “modest positive influence” (1995, 115) because it designated resources for poor neighborhoods and launched innovations such as legal services, the Head Start early childhood education program, and tenant organizations. Despite the conflicts over participation, there were lasting effects from resident involvement. One legacy was the emergence of

new community organizations and minority leaders who gained experience in CAP (Halpern 1995, 115-16). The program also set a precedent for public hearings and other forms of participation in subsequent federal programs. At the same time, however, CAP did little to create jobs or to alter the poverty of target neighborhoods (O'Connor 1999).

### *Model Cities*

The Model Cities program was another product of the War on Poverty, designed to be implemented by local governments after the initial experience with CAP. Whereas previous programs cut across multiple social services, Model Cities combined bricks-and-mortar redevelopment with social programs and economic development. Coinciding with the establishment of a new Department of Housing and Urban Development, Model Cities was viewed by supporters as the foundation for a national urban policy (O'Connor 1999). Enabling legislation known as the Demonstration Cities and Metropolitan Redevelopment Act was passed in 1966; but after a year of deliberations, the legislation that was passed was significantly weakened. Provisions for low-income housing were diminished, and the number of demonstration communities was expanded to 75 without a proportional increase in funding. By the second year, the number of cities had reached 150. The original idea was to provide substantial resources for experimentation in selected cities, but the spreading of funds over more places (and more Congressional districts) undermined this intent.

In the process of applying for Model Cities designation, local governments were required to target specified neighborhoods, and to devise a comprehensive strategic plan for revitalization, working with residents, community organizations, businesses, and local social service agencies. Once selected, cities received a grant for further planning and implementation, and became eligible for up to 5 years of renewable funding. Recipients were also required to form a City Demonstration Agency to include residents in carrying out the plan. Although the original intent was to evaluate each of the cities individually, little evaluation was actually carried out. One critique has been that the lack of targeting greatly diminished the program's chances of effectiveness. Still, Model Cities set a precedent for later programs with a more comprehensive and coordinated approach than CAP and the Gray Areas initiatives (Wright 2001, 31-32).

Collectively, the Gray Areas and War on Poverty programs introduced innovations such as early childhood education and multi-service centers, and furthered the idea of comprehensive planning to address neighborhood distress. Residents established their right to democratic participation in neighborhood policy, even though at times that participation had only symbolic effects. The programs also demonstrated the limitations of an internally-focused neighborhood approach (Rohe 2009). On their own, such initiatives could not stop racial discrimination, the restructuring of the economy and the relocation of jobs to the suburban periphery. As a result, their accomplishments were modest (Rohe 2009; O'Connor 1999; Halpern 1995, 101). More conservative administrations soon shifted resources and attention away from federally-supported neighborhood programs.

### **THE 1970s AND 1980s: DEVOLUTION, PRIVATIZATION, AND COMMUNITY DEVELOPMENT**

Devolution from the federal to the local level was soon followed by decreased federal funding and lower levels of government investment in poor neighborhoods. At the federal level, the Model Cities program and other policies benefitting low and moderate-income communities were folded into the Community Development Block Grant in 1974. Local governments now had more discretion on how to spend the funds, and this autonomy resulted in less targeting of poor neighborhoods in favor of more funding for economic development. More extensive changes followed in the 1980s. The Reagan

administration argued that aid for high-poverty areas interfered with market forces, encouraging individuals to remain in areas with fewer jobs, and that place-based assistance was detrimental to national economic growth. The federal government did promote state adoption of tax incentives for enterprise zones, but programs were intended primarily for economic development rather than social policy (Mossberger 2000). Added to cuts in social programs more generally, federal funding for poor communities diminished considerably during the 1980s (O'Connor 1999, 110, 112; Coulton 1998).

### *Community Development Corporations*

At the same time that federal funding for comprehensive neighborhood initiatives was on the decline, one of the innovations of the 1960s survived and even flourished. Community development corporations (CDCs) were funded during the late 1960s by the federal Special Impact Program as vehicles for neighborhood-based economic development. These organizations originated in the black separatist movement of the 1960s as a strategy for economic self-reliance. Accordingly, the first wave of CDCs focused on economic development projects in particular, although they undertook some housing rehabilitation and occasionally delivered social services. The CDC movement spread more broadly with support from federal funding, as well as from the Ford Foundation in the late 1960s. Organizations became less confrontational and more professionalized, operating under business models and working with lenders to attract capital into poor communities. By the late 1970s, evaluation research indicated that CDCs were employing innovative approaches to housing and improving minority access to capital. Yet, unfavorable conditions for investment in poor neighborhoods meant that they required substantial outside support and tax incentives. Over time, housing became a primary activity of CDCs. Nonprofit providers were able to take advantage of low land prices and step into areas neglected by for-profit developers (see Halpern 1995, chapter 4 and O'Connor 1999, 105-07 for a more detailed history).

Numerically, CDCs have grown from 2000 in the early 1990s to over 4600 today (Vidal 1992; Rohe 2009). Their growth and professionalization have been aided by the development of national intermediary organizations that provide training and technical assistance and help CDCs to access capital. The Local Initiatives Support Corporation (LISC) and the Enterprise Foundation are national intermediaries developed through foundation support that assist CDCs. Federal grants for affordable housing also provide some resources.

Recent research has found that some CDCs have substantially increased property values in their neighborhoods (Galster et al. 2005). Debates have arisen over the role of CDCs as developers and landlords, and whether they can still play an advocacy and organizing role as well (Stoecker 1997). While there are still many different types of community-based organizations in the United States, it is clear that a shift has occurred away from confrontational advocacy to the self-help orientation of CDCs and service delivery (Coulton 1998). Today there is a community development network established in cities across the country.

### **COMPREHENSIVE COMMUNITY INITIATIVES**

Diminished federal funding for distressed neighborhoods during the 1970s and 1980s meant that activities were sustained largely through smaller scale nonprofit and foundation efforts, and that new ideas emerged from this milieu. By the late 1980s and early 1990s, comprehensive approaches began to attract more interest among CDCs and funders, as it became clear to activists that affordable

housing alone was insufficient to regenerate distressed areas.<sup>2</sup> Reviewing the literature on concentrated poverty, spatial mismatch, and social capital, Coulton (1998) suggests that social science research had established stronger theoretical linkages between place effects and individual poverty, weakening the people versus place debates of the early 1980s. Evaluations of Chicago's Gatreaux project, which moved inner-city public housing residents to the suburbs, showed that outcomes such as employment and school achievement were significantly improved in comparison with families who were relocated to other inner-city neighborhoods. There have been several policy responses to these well-known evaluations, including strategies for dispersing public housing residents through vouchers and scatter-site housing, the replacement of public housing with mixed-income communities (in Chicago as well as other cities), and renewed interest in comprehensive initiatives within inner city neighborhoods.

Community development corporations provided the institutional foundation for these more comprehensive nonprofit efforts, which challenged the CDCs to take on new tasks such as social services, day care centers, and workforce development. Although this broader approach to community development was a return to the roots of CDCs in the estimation of some observers (Stone 1996, cf. Glickman and Servon 1998), the shift toward comprehensive programs demanded new capacities. In order to navigate this unfamiliar territory, some CDCs created partnerships with other nonprofits (Coulton 1998). This broader approach became known as Comprehensive Community Initiatives (CCIs) and prominent examples include the Comprehensive Community Revitalization Program formed in the South Bronx in 1993 from a partnership of 6 area CDCs, and the Sandtown-Winchester partnership in Baltimore, which involved the city and the Enterprise Foundation, among others (Wright 2001, 39-40).

Comprehensive community initiatives are based on "community building" to achieve neighborhood change in distressed areas (Kubisch et al. 1997, 6). These comprehensive initiatives define neighborhood change as increased capacity, improved access to services, and better quality of life within the community. Change is envisioned as occurring at the individual, family, and neighborhood levels, as well as in the broader city and regional context (Kubisch et al. 1997). While there is a recognition of the need for larger systemic change and linkages, the emphasis is on generating strategies from within the neighborhood and on building individual and organizational capacity as well as social capital.

One key difference in comparison with past comprehensive initiatives is an asset-oriented approach, identifying the strengths and potential of communities rather than their deficits. Planning processes involve visioning and the listing of assets. Consistent with the emphasis on community-building, there is also greater attention to how participation might occur and to training and assistance to facilitate participation, in comparison with the federal programs of the 1960s. Building social capital among residents and fostering collaboration among organizations is another goal, a method of achieving sustainability of efforts. According to Coulton (1998), CCI programs are resident-driven, comprehensive, collaborative, asset-oriented, and sustainable. Two examples of comprehensive neighborhood programs are discussed below: the federal Empowerment Zones and Enterprise Communities, a 10-year program that began in the mid-90s, and Chicago's current New Communities Program, which evolved from a pilot program in the late 1990s.

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<sup>2</sup> Personal interviews with Chicago participants in the CDC movement and comprehensive community initiatives (2008).

## *Empowerment Zones and Enterprise Communities*

Although CCIs developed within the nonprofit sector, the single most visible attempt to implement the approach has been in the federal Empowerment Zone and Enterprise Community (EZ/EC) program initiated during the Clinton administration. Following the Los Angeles riots of 1992, the newly-elected Clinton administration secured Congressional approval for a program that addressed neighborhood revitalization by combining tax incentives for business and Title XX Social Services Block Grant money for human services, housing, and economic development. Cities submitted applications for targeted areas that met specified indicators of distress. They competed for funding based on strategic plans developed collaboratively by government, community organizations, local businesses and other partners. Community participation was an important criterion for eligibility. Applicants were also required to show support and leveraging of additional funds and commitments from partners such as state governments, foundations, banks, and the private sector.

The federal government selected recipients through a two-tiered structure, with Empowerment Zones receiving substantially more Social Services Block Grant money than Enterprise Communities. Six urban EZs were awarded \$100 million, 3 rural zones received \$40 million, and two supplemental urban zones received \$125 million and \$90 million respectively (without the benefit of tax incentives in the supplemental EZs). Additionally, 95 urban and rural Enterprise Communities (ECs) were awarded \$3 million each along with tax incentives. While there were subsequent rounds of funding, none provided the level of assistance available to the Empowerment Zone communities in the first round.

Past policies and ideas influenced program design. One key agency official who had been part of Model Cities promoted a comprehensive approach during formulation. The program combined the tax incentives and federal waivers from the initial federal enterprise zone proposals, and emulated Model Cities in prioritizing the zones for a variety of federal programs. Additionally, respondents said that the two-tier structure was intended to cope with Congressional incentives to spread resources widely while concentrating them in at least a few places, avoiding the fate of Model Cities (Mossberger 1999). The requirements for community participation echoed CAP and Model Cities (O'Connor 1999). But, on the whole the EZ/EC drew from the more contemporary CCI model (which in turn reflected past experience) and fused these ideas with the enterprise zones. Local economic development was an important feature as well as social programs. The Vice President and his staff met with community development organizations when crafting the EZ/EC program criteria and they were influenced by trends in the field.<sup>3</sup> The perceived early success of Baltimore's Sandtown-Winchester scheme provided a model for aspects of the federal program. Cities competing for EZ designation were also encouraged to apply for a federal grant assisting CDCs. In these various ways, the comprehensive community initiative model influenced the Empowerment Zones and Enterprise Communities.

The summative evaluation of the EZ/EC program concluded that while the zones had experienced some improvements in poverty, unemployment and economic growth in 3 of the cities, these changes were not greater than those in matched comparison areas (U.S. GAO 2006). Other studies have found that controlling for differences in segregation and concentrated poverty, that the Empowerment Zones experienced significantly larger improvements in poverty rates and educational attainment than other eligible tracts (Gilbert 2006). Still, it is difficult to conclusively attribute

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<sup>3</sup> Personal interviews conducted by the author. Participants in the formulation of the federal program were interviewed in summer 1998. The 11 respondents interviewed included White House staff, Congressional aides, agency officials, staff for the Community Empowerment Board, and interest group representatives. See also Mossberger (1999).



differences to zone programs when other factors, such as gentrification, reportedly affected some neighborhoods. The GAO study had insufficient data on the use of tax incentives or leverage of additional funds. All of the zones featured some community participation in planning, but there were often conflicts over governance during implementation, including power struggles between community organizations and aldermen in Chicago (U.S. GAO 2006).

### *New Communities Program*

Since 2002, Chicago has been the site of the nation's largest comprehensive initiative. Because of its later development, the NCP has had the advantage of learning from other programs, and incorporating some of these lessons in its design. The New Communities Program (NCP) is sponsored by the MacArthur Foundation and is administered by the Local Initiatives Support Corporation (LISC), a national intermediary organization that has provided technical assistance and training for Community Development Corporations. The program has the support of the mayor and works collaboratively with city departments and area aldermen, although it is a private initiative. The NCP covers 16 of Chicago's 77 official community areas, and provides \$47 million of direct investment over a 10-year period, with \$150 million leveraged overall. Respondents have described the process as a "bottom up/top down approach," with communities determining the plans and priorities, and resources provided through LISC. While neither the foundation nor LISC set any goals for the initiatives, they supplied professional planners to facilitate planning and journalists to record and report on the process. These "scribes" documented the stories and ideas through websites, newsletters, photos, and videos. LISC offers technical support and works with lead agencies to solve problems during planning and implementation.

In each of the community areas, the NCP has designated a lead agency to coordinate efforts and to form a collaborative network of community organizations to implement the plans. With a few exceptions, these are existing organizations, and the NCP model has emphasized establishing "small victories" early on. Examples have included mobilizing parents around issues at area schools. The lead agency is responsible for organizing residents in the participatory planning process, and for administering funding to a variety of groups in the neighborhood in order to carry out the "Quality of Life Plans." In some communities, there were existing plans that were incorporated into the NCP, in an effort to be as inclusive as possible. The plan operates as an organizing tool, and no project is included unless there is a responsible organization behind it. The plans prioritize multiple issues, with some variation across communities. Collectively, the plans include affordable housing, services for immigrants, reincorporation of ex-offenders, education, employment, local business development, health, public safety, youth programs, recreation, arts and culture, urban agriculture, leadership development, civic engagement, and more.

The program is being evaluated by MDRC, and it received national attention in a White House press conference in Fall 2009 (MacArthur 2009). National conferences have disseminated the NCP model, which is being replicated in some other cities. A mid-term evaluation was generally positive about the planning process and the capacity of the lead agencies (Dewar and Bennett 2006), although the 18 month planning period took longer than originally anticipated (Auspos et al. 2008). According to respondents, questions to be addressed in the future will be how well the services are integrated rather than simply co-located in the neighborhoods in order to effectively address problems, and how well interorganizational networks develop in order to provide sustainability.

## LEARNING FROM COMPREHENSIVE COMMUNITY INITIATIVES

Evaluations of the comprehensive community initiatives (CCIs) launched during the 1990s have led to some conclusions about strengths and weaknesses of the approach, although there has also been substantial attention to the difficulties of conducting rigorous evaluation in complex, multi-faceted initiatives (see Auspos and Kubsich 2004 for a recent summary). Findings from early CCIs often echo conclusions about the modest accomplishments of the programs of the 1960s and structural barriers for poor communities. Still, despite the difficulties for program evaluation and for comprehensive initiatives, there has been a continued effort to learn and to develop new strategies. Foundations have sponsored individual evaluations of many programs, and there is a collective effort to compare experiences and to adjust strategies that is evident through programs such as the Aspen Institute's Roundtable for Community Change and the Living Cities initiative. Intermediaries such as the Enterprise Institute and the Local Initiatives Support Corporation work with community development corporations and other groups, and help to diffuse lessons, practices and models across cities.

Because neighborhood initiatives are not amenable to evaluation techniques such as randomized trials, it has been difficult to establish with certainty "what works" in comprehensive neighborhood programs, or to explain why or how some strategies are successful. Establishing counterfactuals, or comparison communities, is usually problematic because neighborhoods may differ significantly on a variety of factors (Rossi 1999; Hollister and Hill 1996). Differences between programs and communities limit the generalizability of many findings, and outcomes of interest include phenomena such as capacity and social capital that are difficult to measure. Much of the evaluation research on comprehensive community initiatives has addressed implementation, although some, such as the EZ/EC evaluation, have addressed outcomes as well. The most rigorous evaluations combine quantitative and qualitative methods and multiple measures, but because of the difficulty of using experimental methods with random assignment of treatment and control groups, causation is uncertain (Auspos and Kubisch 2004).

There are additional challenges for evaluating comprehensive efforts in comparison with single programs. Assessments of neighborhood interventions must cope with "multilayered vertical complexity," and they must do so "generally in an environment that lacks a strong foundation in theory, past research, or current resources for understanding well how changes in individuals affect the community, or vice versa" (Wright 2001, 42). The complexity involves changes that are intended at the individual, organizational, and community level, across public and private sectors, and across programs and projects. Still, program evaluations highlight some issues for comprehensive initiatives, especially practices that are clearly problematic.

Collaboration is a key determinant for implementation; cities that are more successful have better collaboration (Wright 2001). Insider/outsider tensions affect a variety of partner relationships – including those between funders and residents, staff and residents, homeowners and renters, and newcomers and veterans in changing neighborhoods (Kubisch et al. 1997).

Additionally, how collaboration takes shape is important, as well as whether the comprehensive approach is coherent. A common challenge for comprehensive initiatives is whether activities are well-integrated and therefore addressing interdependent problems, or just a collection of separate programs. Many evaluations of early CCIs pointed to the persistence of categorical or functional approaches (Chaskin et al. 1997; Wright 2001).

One aspiration for evaluation has been to clarify the assumptions and “theory of change” that guide individual initiatives. As the goal of developing bottom-up planning processes produces substantial variation between initiatives, making explicit hypotheses about complex linkages between activities and testing those assumptions has been seen as a promising direction for evaluation and for practice (Weiss 1996). Identifying the theory of change well has been difficult in many communities. While there are ways in which this can be improved with facilitation (Auspos and Kubisch 2004), it points to the more general difficulty of understanding how to connect different needs and how to bring about change in comprehensive initiatives.

Resident participation and empowerment varies greatly in programs. In some cases, funders have set the agenda with little regard for input from residents (Fraser, Kick and Williams 2002), and at other times foundation pressure for demonstrating measurable outcomes has undermined the processes necessary for involving residents and building community capacity (Brown and Fiester 2007). The larger issue behind such program failures has been unwillingness or neglect in sharing power with the residents and community, as well as tensions between accountability and local empowerment (Brown and Fiester 2007; Kubisch et al 1997). Even when funder and community relationships are good, resident involvement can be difficult to maintain. Community mobilization can diminish with a lack of concrete achievements, and some evaluations suggest that it is important to seize opportunities for small successes, solving specific problems along the way to comprehensive planning (Kubisch et al. 1997).

Accomplishing meaningful change in the face of complex, interrelated problems is a long-term proposition. The grant periods for comprehensive programs are often too short to build relationships and capacity – to engage in the community building that is supposed to be a hallmark of this approach (Chaskin et al. 1997; Brown and Fiester 2007). Chaskin et al. (1997) recommend that flexible funding and long-term relationships with grantees are needed. This demands that foundations examine their current practice. It has also led to a search for other strategies and alliances that might sustain neighborhood programs over the long term.

One way of fostering these long-term relationships is through more reliance on “embedded” philanthropy through community foundations or small local foundations that are locally based (Karlstrom et al. 2007). Over the years, major national foundations such as Mott, Ford, and MacArthur have encouraged the growth of community foundations and their partnerships with community development corporations (Lowe 2004).

A second way to mobilize resources is through partnerships with major local institutions. After disappointing results with the Sandtown-Winchester project in Baltimore, the Annie E. Casey Foundation has promoted discussion and research on the role that “anchor” institutions such as universities or hospitals play in neighborhood change (Webber and Karlstrom 2009; Brophy and Godsil 2009 on anchor institutions; see Stoker and Stone 2008 for a history of Baltimore revitalization projects). This “Eds and Meds” strategy also has a goal of fostering long-term relationships that can support neighborhood efforts.

Recent comprehensive initiatives have explored the need to build civic capacity, defined by one assessment as “the ability of key actors in the community development system to influence or shape policy, practice, and resources in ways that allow them to increase the scale, scope, and effectiveness of their activities” (Auspos et al. 2008). Work by the Aspen Institute (Saegert 2004; Auspos 2008) has borrowed the concept of civic capacity from research on urban school reform and neighborhood problem solving (Stone et al. 2001; Briggs 2008). A recent report examined the role of civic capacity in 9

of the 23 sites participating in the Living Cities collaborative, including 4 pilot cities where foundations have made longer-term commitments to “host” neighborhood revitalization initiatives (Chicago is one of the pilot cities, with MacArthur acting as host).<sup>4</sup> The report cited close cooperation with the mayor’s office and city administration as an example of bridging capacity and participatory planning processes in the NCP as an example of internal capacity-building through information and strategic visioning. In general, promoting civic capacity represents a broadening of the earlier focus stressing internal social capital and self-help strategies in comprehensive initiatives, to include more advocacy aimed at city councils and state legislatures, and citywide coalition-building as well (Auspos et al. 2008).

It is evident from this research that there has been some learning from experience and refinement of approaches to comprehensive community building, despite problems in evaluating such initiatives. Later examples of the comprehensive community building model have benefitted from experience, as was clear in interviews with New Communities Program participants in Chicago. The 10-year grant period is longer than most. The NCP model emphasizes participatory planning and resident mobilization and has structured this by using scribes and stories to document community ideas and to encourage participation. Respondents mentioned the need for early victories, and this in fact, appears in program materials as part of the NCP model (New Communities Program 2005). As intermediary, LISC has managed relationships between the NCP program and city departments. Additionally, the presence of the NCP in 16 different neighborhoods provides a basis for broader coalitions, although it certainly doesn’t embrace all of the low-income communities in Chicago.

Still, there are a number of challenges confronting comprehensive community initiatives in the United States. The final section reviews accomplishments, needs, and the role of public and private sectors in comprehensive neighborhood regeneration.

## **CONCLUSION: LESSONS AND DILEMMAS**

A frequent theme haunting historical accounts of neighborhood interventions is that issues repeat themselves and the questions remain the same. There have been disappointing results in the past for comprehensive community initiatives such as Model Cities and the Empowerment Zones, and little conclusive evidence on outcomes for other comprehensive programs. Past efforts have produced programs such as Head Start and legal aid, established norms for citizen participation, encouraged the development of minority leadership, and created new types of organizations such as community development corporations (Rohe 2009; Wright 2001; O’Connor 1999; Halpern 1995). Yet, the fundamental problems of urban poverty were far from resolved. Has any progress been made?

Certainly some lessons have been learned since the earlier efforts. There is more known about participation, capacity-building, and collaboration, and there are networks of community-based organizations and funders to diffuse that information. Hurdles exist for producing more conclusive and more generalizable data on outcomes, and in practice neighborhood initiatives vary greatly. But, it would be too simplistic to say that old problems and solutions have simply been repackaged over time.

Current neighborhood initiatives are different, representing more than a recycling of old ideas. Past solutions for coordination and resident participation now mingle with concepts such as social capital, asset-based planning, and public-private partnerships. Market-driven solutions and partnerships

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<sup>4</sup> Living Cities, a partnership of financial institutions, public organizations and 22 of the largest foundations, has supported community development programs since 1991, and currently has programs in 23 U.S. Cities. The Living Cities collaboration includes the Enterprise Foundation and the Local Initiatives Support Corporation (LISC), which provide support and build capacity for community organizations.

play a greater role today than in the 1960s, reflecting the rise of cross-sectoral governance in many policy areas. Foundations and nonprofits play a greater role. Over the past few decades, cuts in federal funding have led to a retrenchment in many social programs at the state and local level, and greater attention to local economic development in cities. Comprehensive community initiatives have absorbed new ideas to adapt and mobilize resources in the current policy environment, with greater emphasis on community-based service delivery and entrepreneurialism than in the 1960's.

More persistent, however, is the problem of achieving change at a sufficient scale. Neighborhood efforts are unable to address racism and structural inequities in markets for labor, housing and capital (Wright 2001, 42; O'Connor 1999; Chaskin 1999). For this reason, one Chicago respondent asked whether the neighborhood is the right scale for attacking the problems of poverty. Perhaps a more precise question is – for which aspects of poverty is neighborhood the appropriate scale? The inward-looking strategies that have characterized recent neighborhood initiatives in the U.S. are best able to provide self-help services, modest improvements in the environment, and capacity-building for residents and organizations. These are valuable improvements that can make a difference in the life of the community. To advance beyond these incremental gains, however, more external support is needed.

In a cross-national review of neighborhood regeneration, Carmon (1997) concludes that there is a need to join the comprehensive approach of the 1960s to public-private partnerships that will bring multiple resources to the table. This emphasizes market-led investment, but with a role for non-market actors to provide affordable housing and to insure mixed income development rather than displacement. Carmon raises the concern, however, that greater income disparities in the U.S., with greater poverty, make regeneration strategies such as mixed income development more problematic than in many other developed countries. The smaller role of government may also make regeneration more difficult, even in the context of public-private partnerships.

Comprehensive neighborhood policy has largely shifted from government to the voluntary sector. Foundations and nonprofits have promoted continued experimentation and have provided support for institutions in poor communities. But, public policies cannot *depend* on foundations or nonprofits alone to accomplish broad changes. Foundations fund programs for a few years or support limited trials and rely upon others to implement them. Longer funding periods can help, and relationships with local funders and major local institutions are unquestionably important. Broadening the participation of locally-embedded institutions promises more stable collaboration and resources. But, dependence on the nonprofit sector for resources and visibility has meant that neighborhood programs are of necessity limited. Additionally, reliance on foundations and nonprofits raises questions about public accountability for policy, for these are private institutions, responsible to their boards rather than the public at large. Resident participation and collaboration with the public sector can still provide mechanisms for public accountability, but the potential for viable partnerships is weakened with the retreat of public institutions in the U.S. from neighborhood policy.

To truly address the problem of scale, public resources are also needed, at all levels. Metaproblems often require macro solutions (and government authority) as well as micro-level efforts to coordinate resources. For example, the epidemic of foreclosures began first in poor neighborhoods vulnerable to predatory lending and they continue to be the hardest-hit. Counseling programs and community organizing on the issue show the critical need for neighborhood-based solutions. But, to be most effective in halting the spread of foreclosures, communities need the weight of local, state and federal governments to provide relief through legislation, enforcement and financial assistance.

Progress toward solving other problems affecting poor communities, such as the lack of health care for the uninsured, is likely to be marginal without a larger societal effort.

As states and cities spend money from the federal stimulus package, they have an opportunity to invest in low-income neighborhoods, and to address foreclosures, unemployment, and other social problems in places where they have taken a heavy toll. They also have a responsibility to use their own resources to deliver programs equitably, as poor communities often suffer from inadequate services and public institutions.

But, state and local finances vary greatly in the best of times, and the federal government has greater capacity for redistribution to assist low-income neighborhoods. The Obama administration has indicated an interest in metropolitan policy, which could address areas of concentrated poverty in central cities and poor suburbs, and connect low-income neighborhoods to regional resources. There are advantages to this approach in terms of surmounting the problem of scale, as economic development and job creation require more linkages to regional markets beyond neighborhood boundaries. Alliances for such a policy are likely to be broader than in the past, with the involvement of foundations and nonprofits, and the promotion of economic development. External support from a broad coalition of actors will be needed if low-income regeneration efforts are to move beyond the cycle of demonstration projects to accomplish meaningful change.

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