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Limitations of community development partnerships: Cleveland Ohio and Neighborhood Progress Inc.

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This article examines efforts in the US near the end of the 20th century at establishing community development partnerships (CDPs) that aggregate resources from private, philanthropic, public and non-profit institutions to build capacity and revitalize neighborhoods through community development corporations (CDCs). In order to assess CDP impact on CDCs, capacity is divided into five components: resource, organizational, networking, programmatic and political. Subsequently, the article provides a case study of one CDP located in a US city significantly impacted by globalization and economic restructuring, Cleveland, Ohio's Neighborhood Progress Inc. (NPI). It describes the inability of NPI to build the capacity of CDCs comprehensively, although expanding CDC capacity to enhance physical development was a success. The case of NPI illustrates to planners and other community development experts the CDP approach to building CDC capacity. CDPs must define capacity building beyond the ability of CDCs to perform physical development strongly catering to private-sector interests. A concentration on physical development curtails engaging in other programmatic activities, such as community organizing and social development that would move CDCs or similar grassroots organizations towards greater control of comprehensive revitalization efforts in neighborhoods affected by globalization and economic restructuring.

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Introduction

Albeit, while much has been written about the influence of globalization on the transformation of cities of higher rank, very little is known about other tier cities and their civic response to this phenomenon at the neighborhood level. Cities, including those such as Hong Kong, London, New York and Tokyo, serving as the headquarters or the location of specialized services of major international finance and transnational corporations receive significant scholarly attention as they have evolved into similar spaces with regard to labor, income, consumption, and new patterns of social inequality (Sassen, 2000). In turn,

many other cities, whose ports and industrial centers played key roles in the building of their respective nations prior to the rise of globalization, appear to be placed on the periphery of scholarly attention. Moreover, these places, which include rust-belt cities in the United States (US), experienced massive deindustrialization, economic restructuring, decline and social inequity.

Within the US context that gives primacy to market intervention, communities, like the cities in which they are located, exist as spaces for investment and the degree of commodification is determined by their position in a global economy (Bartelt, 1997). Residents of communities with low exchange value have seen many of the social inequities resulting from globalization, as well as forces to confront it, materialize within their boundaries. Moreover, austere government policies have made a challenging time for community development.

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A number of strategies have been pursued to overcome the decrease in government support while simultaneously enhancing the efforts of community development corporations (CDCs) and other interested parties to successfully carryout revitalization activities in some of the most distressed and oppressed neighborhoods in the US. National intermediaries, such as Neighborhood Reinvestment Corporation, Local Initiative Support Corporation and Enterprise Foundation were established in 1978, 1979 and 1982, respectively, to garner financial support and to provide technical assistance to CDCs (Rasey, 1993; Pierce and Steinbach, 1987; Stoutland, 1999). During the 1990s, the National Community Development Initiative, a consortium of major corporations; the US Department of Housing and Urban Development; and national foundations channeled over \$150 million to CDCs in 23 of the largest cities in the nation to increase housing production, improve management structures, diversify funding and strengthen community and citywide ties (Walker and Weinheimer, 1998). Another important strategy, primarily facilitated by the Ford Foundation, to support the work of CDCs was the formation of local community development partnerships (CDPs).

CDPs attract resources from a variety of sources, primarily at the local level, including community foundations, government, the private-sector and local affiliates of national intermediaries. Subsequently, they strategically distribute these resources to selected CDCs as operating support and technical assistance. The Ford Foundation initiated CDPs in the early 1980s under the premise that local foundations were more efficient in galvanizing local community development than national foundations. It believed that the eventual success of the CDP would result in the replacement of support from national philanthropic organizations, like themselves, by sources at the local level. It also believed that CDPs would enhance the concentration of resources and solidify consensus around community development goals and objectives determined by members of the partnership. Ultimately, CDP assistance played a significant role in increasing CDC financial resources intended to expand CDC capacities for resource, organizational, programmatic, networking and political activities (Glickman and Servon, 1998; Hoereth, 1998; Lowe, 1998; Mueller, 1998; Shatkin 1998). However, some components of CDC capacity, geared more towards enhancing physical improvements than social development, often receive more resources than others.

This article examines CDPs by focusing on Neighborhood Progress Inc. (NPI) located in the rust-belt city of Cleveland, Ohio, US. After an explanation of the methods utilized to conduct the research, the article continues with a discussion of the approach most cities have taken to revitalize and to remain competitive within the context of globalization that often results in the continued marginalization of urban issues and neighborhoods in the US. Then it moves on to present the conditions in Cleveland, Ohio, that gave rise to NPI and illuminates the ability of this third-sector entity to maintain the primacy of the market while attempting to manage some of the social inequities prohibiting community development. An assessment of NPI influence on CDC capacity follows next. The article

closes discussing some possible implications resulting from instituting the CDP model to enhance the work of CDCs and other grassroots organizations tackling the challenges of globalization and of revitalization in communities.

Methods

Because CDP interactions with CDCs are relatively unexplored within the context of globalization and economic restructuring, an explanatory case study approach was used to investigate and better understand the process, development and relational structures that underpin CDPs (Odell, 2001; Yin, 1994). Our main unit of analysis, NPI, is the CDP. As a consequence, the case study solely describes and highlights NPI processes, efforts and influence.

Data collection consisted of structured person-to-person interviews and secondary sources. In selecting respondents, this researcher sought to capture the experiences and sentiments of key players in the Cleveland community development industry. Over 30 individuals were interviewed including NPI board members and staffers, CDC executive directors, and others in the public, private and non-profit sectors acutely familiar with community development in the city. Interviews captured the perspectives of respondents on questions about NPI history, structure and affect on the resource, organizational, programmatic, network and political capacities of Cleveland CDCs; plus, subsequent discourse analysis enabled identification and understanding of common themes (Gill, 2000). Moreover, this analysis was augmented with secondary data such as NPI reports, historical records documenting the character and activity of the local CDC industry, and other relevant literature pertaining to the deindustrialization and the restructuring of the Cleveland economy. Taken together, verbal and written materials add breadth to case-study assessment about NPI efforts within the context of globalization and community revitalization.

Revitalization within the context of globalization

Many cities seek to respond to the demands of the global marketplace, pursuing revitalization activities that benefit the middle and upper classes. The conventional wisdom, often resulting from the interplay of local economic desires and urban politics, suggests redevelopment attracting middle and upper classes will generate larger revenues, a stronger tax base, and a greater sense of community vibrancy that will maintain and enhance the quality of life in the city (Peterman, 1981; Mollenkoph, 1983; Ross and Levine, 2001). However; with the primary focus on these classes, most pronounced through downtown commercial growth, sports amenities and gentrification where middle-income households take up residents in central city neighborhoods and, in the process, often displace lower-income persons, it remains unclear whether or how any benefits of redevelopment actually reach those at the margins in US cities—primarily blacks, Hispanics and the poor (Judd and Ready, 1986; Grantz and Mintz, 1998; Mollenkoph and Castells, 1991; Keating, 1996; Turner and Rosentraub, 2002; Freeman, 2006).

Overall, gentrification remains unsuccessful in halting the exodus of citizens from the city to the suburbs. As both gentrification and emigration contribute to racial polarization in the metropolitan region, it is the city that continues to experience significant residential loss and great difficulty in meeting the needs of all its citizens (Berube and Forman, 2002; Newman and Thornley, 2005). Unemployment, poverty, inadequate education, and racial discrimination, intrinsically linked, arrest the development of community residents as productive citizens (Thomas, 1986). Meanwhile, issues of equity, justice, and sustainability remain as cities revitalize within the context of globalization.

Cities must cater to the demands of the global economy and address the social needs of their citizens, especially those that exist at the margins. The urban centers uniquely positioned to capture the benefits of globalization more so than others remain in place, resulting in very few positional changes among cities prominent within the hierarchy of the global economy. Regardless of city position within the hierarchy, some scholars concur globalization has spurred more numerous and more diverse actors, across public, private and nonprofit sectors, to form collaborations; many institutionalized as nonprofit entities, that manage competing ideas and interests (Hudson, 1995; Clark and Gaile, 1997; Stone, 1989).

Collaborations play an important role in supporting CDCs as globalization fostered no national policy for community revitalization because of perceived conflict with the overarching goal of national economic competitiveness (President's Commission on a National Agenda for the Eighties, 1980). Coupled with a political ideology calling for fiscal austerity, federal contributions declined significantly (O'Conner 1999). CDCs, heavily dependent on federal government subsidies in fulfilling their work in neighborhoods, experienced formidable challenges in building and sustaining capacity (Vidal, 1992; Goetz, 1993; Rich, 1993; Robinson, 1995; Weir, 1999). Thus, the level and type of local support for CDCs is a critical issue. Moreover, with most cities' emphasis on downtown over neighborhoods, a primary question collaborations must address is, "For whose benefit do we revitalize the city?"

Downtown redevelopment emphasizes commercial growth that advances private interests while neighborhood revitalization focuses on housing, public services and other amenities that improve the quality of life in the geographic areas where people live. Private-sector leaders and other proponents of downtown redevelopment often demand massive local public investments at the expense of neighborhood revitalization. Some collaborations place private-sector leaders of great influence at the helm of neighborhood revitalization efforts, minimizing and transforming the role of community based organizations, such as CDCs, in the process.

Conditions in Cleveland: the consequence of economic and social restructuring

The worsening of socio-economic conditions provided impetus for what is today a rich history of community development activity in Cleveland that gave rise to CDCs

in the late 1960s. The economy of the four-county Cleveland Primary Metropolitan Statistical Area (PMSA) was largely a reflection of the national economy's decline in manufacturing employment. Manufacturing, which accounted for 30.3% of the PMSA's total employment in 1979, plummeted to 19.9% in 1993; and the City of Cleveland, particularly hard hit, experienced a 30% decline in total employment (Hill, 1995). Over the same period, Cleveland lost 16 white and four black residents per day (Miggins, 1995). Thus, job loss was accompanied by population shift from city to suburb.

As shown in *Table 1*, between 1950 and 1990, the City's population declined, by 45%, from 914,808 to 505,616. The most dramatic loss occurred during the decade of the 1970s when Cleveland experienced a 23.6% drop in population—one of the largest population declines in US urban history (Warf and Holly, 1997). These changing demographics resulted in the City of Cleveland becoming mostly inhabited by African Americans, Hispanics, other people of color, and the poor. Depicted in *Table 2*, Cleveland's rate of population decline slowed to slightly more than one in 10 individuals leaving the city between 1980 and 1990. A large decrease in the number of black and white residents coincided with a substantial increase in other segments of the population, including Hispanics, Asian and Pacific Islanders. In addition, while in 1970, 7.2% of the city's population lived in poverty, two decades later, among the 50 largest cities in the US, Cleveland ranked fourth in the percentage of its population below the poverty line at 28.7% (Glickman et al., 1996).

City-council-controlled and corporate-sector-supported urban renewal activities attempted to reverse population and economic decline through redevelopment of several predominately African-American neighborhoods on Cleveland's east side for institutional and commercial uses (Keating et al., 1995). The approach used involved large-scale displacement of residents, resulting in overcrowding, and the summer of 1966 Hough civil disorders (Bartimole, 1995). The Hough Area Development Corporation established in 1968, as a response to neighborhood distress and urban rebellion, was the first CDC in Cleveland and one of the first in the nation. The Famicos Foundation was established one year later, in 1969, also in Hough. During the 1970s, several additional CDCs were formed and began serving other east-side neighborhoods as well as the city's predominately white west side. While west-side CDCs did not originate in challenges stemming directly from urban renewal, their emergence, like most Cleveland east-side CDCs, reflected community organizing for social justice and neighborhood reinvestment over downtown redevelopment.

Urban renewal and downtown redevelopment failed to curtail job loss and the out-migration of the middle class to the suburbs, as increases in poverty and the number of poverty-concentrated neighborhoods continued. In 1974, the Cleveland Planning Commission attempted to address socio-economic woes by enacting equity planning to expand the level of public resources allocated to the city's poor and working class residents (Krumholz and Forster, 1990). However, through the 1980s, Cleveland continued giving priority to downtown redevelopment over neighborhood revitalization. For example, the city

Table 1 Population of Cleveland statistical metropolitan area

Year	Cleveland	Cleveland percent change	Suburbs	Suburban percent change	Metropolitan area	Metropolitan percent change
1950	914,808		550,703		1,465,511	
1960	876,050	-4.2	920,545	67.2	1,909,483	30.3
1970	750,903	-14.3	1,313,291	42.7	2,064,194	8.1
1980	573,882	-23.6	1,324,943	00.9	1,898,825	-8.0
1990	505,616	-11.9	1,596,632	20.5	2,102,248	10.7

Source: US Bureau of the Census, Characteristics of the Population, 1960, 1970 and 1980.
US Bureau of the Census, General Characteristics of the Population, 1990.

Table 2 Cleveland population and demographic characteristics

Race	1970 Population	1980 Population	1990 Population	2000 Population	Percent change 1970-1980	Percent change 1980-1990	Percent change 1990-2000
Black	287,841	251,347	235,053	243,939	-12.7	-6.5	3.8
White	458,084	307,264	250,727	198,510	-32.9	-18.4	-20.8
Hispanic ^a		17,738	23,179	34,720		30.7	49.8
API		3384	4889	6622		44.4	35.4
Native American		1094	1531	1458		40.0	-4.8
Two or more races ^b		N/A	N/A	10,701		N/A	N/A
Some other race	4978	10,733	13,420	17,173	115.6	25.0	28.0
Total Population	750,903	573,822	505,616	478,403	-23.6	-11.9	-5.4
Med. HH income	\$8,166	\$12,277	\$17,822	N/A			
% Poverty	7.2	22.1	28.7	N/A			

Source: US Bureau of the Census, County and City Data Book 1983 and 1994.

US Bureau of the Census, 2000 Redistricting Data (Public Law 94-171) Summary File (Med. HH Income and % Poverty data not available).

^aHispanic can be of any race and is not included in the total population.

^b“Two or more races” is a new category depicted in 2000 census data.

eventually supported the development of the \$350 million City Tower commercial complex, which called for the municipality to cover a substantial portion of the infrastructure and capital improvements and offered 20-year tax abatements while the proposal failed to show a net increase in tax revenues for the city treasury or permanent jobs for city residents that would enhance neighborhood revitalization (Krumholz 1995). Also, a primary source of redevelopment funding was federal subsidies through Urban Redevelopment Action Grants (UDAGs) and Community Development Block Grants (CDBG). Of the 40 UDAGs Cleveland received between 1981 and 1987, 16 went to downtown redevelopment projects, amounting to approximately 70% of total funding, while neighborhoods received only four UDAGs for housing development (Keating et al., 1995). During the same period, Cleveland experienced a 35% decrease in CDBG allocation, tremendously impacting the capacity of CDCs to carry out financial and staffing operations, projects and organizing for neighborhood revitalization (Keating et al., 1995).

Origins and role of NPI

The formation of NPI can be directly linked to CDC grassroots efforts in the late-1970s and early-1980s against neighborhood blight and disinvestment. Some respondents have suggested that the CDCs violated a major rule: “biting the hand that feeds you”, since their efforts often targeted funders. These activities provoked a crisis in the

spring of 1982 when CDCs, supported by Chicago-based National People’s Action, mounted a major protest at the Hunting Valley Hunt Club, against a primary corporate funder—Standard Oil of Ohio (Sohio) subsequently acquired by British Petroleum. CDCs were protesting the high energy costs levied against the poor, given Sohio’s record profits earned the previous year (Yin, 1998).

Subsequent to the protest, local funding for community organizing was greatly reduced because of this demonstration, while resources for the physical development of neighborhoods continued to be available. Seeking a way to achieve greater impact on physical development, conversations began in the mid-1980s that would eventually lead to the birth of NPI. Representatives from the City of Cleveland, the Gund and Cleveland Foundations, and Sohio were participants in these discussions regarding how to sustain development activity at the neighborhood level. The initial result of these discussions was the creation of Cleveland Neighborhood Partnership Program (CNPP) in 1987.

Discussions continued among city, foundation and Sohio representatives and evolved to the possibility of Cleveland being chosen as the location for one of the Ford Foundation-sponsored CDPs. These discussions were also used to bring the business community, via Cleveland Tomorrow, into the dialogue regarding sustainable development at the neighborhood level. Cleveland Tomorrow, a coalition of the top 50 corporations in Cleveland, became an active participant in the conversations. Moreover, Cleveland Tomorrow recommended an organization

that would conduct research and analysis as well as continue to offer operating and administrative support through CNPP. The recommendation was accepted and, subsequently, NPI was created in 1989.

By the late 1990s, NPI had evolved into a service delivery organization as well as a financial intermediary. It successfully weaned itself from Ford Foundation support by galvanizing over \$30 million in local foundation and corporate giving and leveraging over \$180 million (Lowe, 1998). In addition to aggregating foundation and private-sector funds, NPI (2000) provided the following subsidiaries and programs:

- Brownfield Redevelopment Initiative (Brownfield Initiative) provided technical and financial assistance to Cleveland CDCs and local businesses for projects requiring environmental assessment and remediation.
- Cleveland Neighborhood Partnership Program (CNPP) contributed multi-year core operating support to designated CDCs.
- New Village Corporation (NVC) furnished real-estate development services as a facilitating partner with CDCs and private developers.
- Quantum Leap offered training and technical assistance around human capital and organizational development issues to the entire CDC industry, and
- Village Capital Corporation (VCC), a wholly-controlled NPI subsidiary, provided project gap financing for targeted physical investment.

NPI's organizational structure and mode of operation encouraged a relatively high level of local involvement and attempted to make neighborhood revitalization a civic priority. NPI, as a self-administered organization, maintained an independent Board of Directors representative of the major sectors of the city – corporate, city administration, foundation, national intermediary, and neighborhood. Each subsidiary of NPI, except for the Brownsfield Redevelopment Initiative, maintained its own board with at least one member serving on the NPI board of directors. Moreover, NPI board members representing the corporate sector chaired or co-chaired subcommittees. This occurred in order to ensure that subcommittee efforts maintained a high level of visibility and importance.

NPI provided operating support to CDCs that were the most actively engaged in physical development in the City. Project financing was available to any CDC with an economically viable, targeted and comprehensive project. Development partnerships – joint ventures established with CDCs – occurred solely in neighborhoods prime for real property development. Other NPI services, such as organizational development and human resource training, were available to all Cleveland CDCs. However, priority required each NPI program and subsidiary pursue an approach to determining which CDCs to assist that was consistent with NPI's overall strategy of targeted investment for market rate physical development.

In general, CDC engagement in market rate activities was rare. The majority of the nation's CDCs only pursued opportunities for affordable housing construction or rehabilitation (National Congress for Community Economic Development, 1995). Alternatively, approximately 45%

of NPI's production activity was market-rate. NPI believed that its actions, conducted primarily through CNPP, NVC and VCC, resulted in the transformation of several CDC target areas to the point where there was a return of market activity. Yet, CDC capacity seemed to expand very little to tackle social inequities, as the ability to produce market-rate housing increased and private-sector leaders continued to be significantly involved in the partnership.

Influence of NPI on CDC capacity

Cleveland community development policy-makers and practitioners defined capacity as an ability to get things done over a period of time and provide meaningful change at the community level. Capacity, however, may be divided into five components: resource, organizational, networking, programmatic and political, in order to capture the breadth and depth of impact CDP efforts have on CDCs (Glickman and Servon, 1998). This section describes NPI and CDC capacity building activities according to these components.

Resource capacity

NPI's focus on targeted physical development meant that CDCs resources were largely restricted in their possible uses. The preponderance of local corporate and foundation giving for community development, aggregated by NPI, supported CDCs with the most established records and promising potential for physical production.

NPI-assisted CDCs experienced enhanced resource capacity in a number of ways. CNPP core operating support significantly expanded operating resources beyond CDBG funding by supplying 20–30% of the annual operating budget of CDCs. Further, CDCs receiving support from NPI appeared to become legitimized and sanctioned to obtain a greater amount of resources for physical development. For example, CDC affiliation with NPI facilitated a greater willingness on the part of banks to provide substantial project capital to CDCs. When there was insufficient bank capital available, VCC provided gap financing in the form of grants, loans and long-term subordinated debt, leveraging \$10 for every \$1 invested for the continuation of CDC projects.

CDC resource capacity was also constrained by the strong role of NPI. CDCs experienced great difficulty securing local non-public funding, because most corporations and philanthropic organizations restrict their giving for community development to NPI. Even NPI-assisted CDCs experienced critical financial problems, maintaining minuscule amounts of budgetary assets from fund-raising activities. Most CDCs sponsored only one annual fund-raising event, if any, and very few CDC boards carried out continuous fund-raising activities. Moreover, very few CDCs, being non-membership-based, received financial support from their communities in the form of dues.

NPI recognized that while its success in aggregating non-public funding for targeted investment provided some Cleveland CDCs greater freedom to concentrate on physical development, it also diminished their ability to do fund-raising and, subsequently, contributed to

organizational instability. Confronted by the potential loss of investment returns due to possible CDC disintegration, NPI established Quantum Leap. A major component of Quantum Leap's curriculum was fund-raising.

Organizational capacity

Ineffective fiscal management presented a significant challenge to Cleveland CDC organizational capacity. Since the mid-1980s, a concentration on physical development left numerous CDCs lacking skills and expertise in raising and managing resources. Many CDC boards assumed no responsibility for fund-raising. CDC staff experienced great difficulty in finding the time to develop an expertise in preparing grant proposals that would foster a diversified funding mix. Most local funding was directly tied to physical development projects, which prevented CDCs from dealing effectively with broad, multi-functional neighborhood needs. Moreover, the funding restrictions limited the CDCs' ability to build unrestricted reserves.

Prior to the late 1990s, NPI had not engaged in organizational development focusing on CDC sustainability. Funding restrictions related to CNPP mandates, however, were credited with attracting, retaining and training staff capable of expanding CDC organizational capacity for physical development. Those CDCs considered the CNPP board to be the strongest organizationally – exhibiting visionary leadership, competent staff and active board participation – also tended to be CNPP grantees.

Quantum Leap began in January 1997, to meet the clear need for further organizational development, and the CDC industry believed the program to be the answer to many daunting challenges. Over half of the city's CDCs were Quantum Leap members, and CNPP grantees were required to participate in the program. Additionally, staff from the city's Department of Community Development, other community development support organizations, and members of the corporate sector that assisted CDCs voluntarily chose to participate in Quantum Leap.

Networking capacity

Many Cleveland CDCs participated in networks involving other nonprofits as well as maintaining links with public- and private-sector entities located within and outside their communities. Some CDCs utilized these networks to provide a more comprehensive community development approach. However, while NPI provided programmatic support to the Cleveland Neighborhood Development Corporation, an umbrella organization of Cleveland CDCs, it made no direct attempts to build the network capacity of CDCs.

Common knowledge existed within the community development industry that NPI assisted the most active CDCs engaged in physical development in Cleveland. Consequently, banks were likely to offer additional funding to those CDCs. Also, two of the four quarterly NPI board meetings occurred at the offices of an assisted CDC, allowing board members to view, first hand, the impact of targeted investment, as well as to interact with CDC staffs and boards. NPI held high hopes that the relatively new Quantum Leap would serve as a vehicle for

CDCs to network through staff participation in its workshops and training programs.

Programmatic capacity

Cleveland CDCs exhibited more success in building programmatic capacity than in any other capacity component. The transformation of CDCs from advocacy to production organizations and expansion from housing rehabilitation into market rate housing and commercial development in distressed environments is notable. Substantial resources dedicated to staff training and retention were reasons for CDC success in physical production. A few CDCs continued to do community organizing, primarily around physical development and safety issues. However, many CDC executive directors expressed the need for more CDCs to become reengaged in community organizing in order to maintain community roots, while also acknowledging increased levels of CDC production and efficiency.

NPI played a substantial role in building CDC programmatic capacity to carry out physical production by providing support for staff training, technical assistance, and financing for targeted investment. Strategic planning required by the CNPP process helped CDCs pursue development goals in a more comprehensive and targeted way. Also, NPI fostered heightened levels of professionalism and business acumen in responding to revitalization efforts, which help to facilitate an expanded programmatic capacity for physical development.

For most of its existence, NPI stayed away from community organizing, perceiving it to hinder market rate development. And, it still did not fund community organizing as the 1990s came to a close. Memories of 1982 CDC protest against Sohio at the Hunting Valley Hunt Club are quite vivid among members of the Cleveland CDC industry and many stakeholders remain reluctant to fund and sustain support for community organizing that could be confrontational. However, NPI board members and staff acknowledge the creative tension and empowerment that often derives from community organizing and its importance to community development.

Political capacity

Cleveland CDCs once maintained strong political capacity with high levels of community participation advocating for anti-redlining practices, improved municipal services, and other neighborhood concerns. As CDCs moved from community organizing to physical development, political capacity declined to where existing levels were described as weak and underdeveloped. The dearth of CDC involvement in political issues was attributed to a lack of funding for community organizing.

Those CDCs engaged in community organizing relied primarily on funding from limited fund-raising and development or property management fees. The Cleveland and Gund Foundations allocated some funding for community organizing, but restricted this support to crime and safety issues. Alternatively, NPI provided no assistance for community organizing, viewing it as too political and potentially driving away funders. As a result, it made no

significant contribution towards building political capacity among Cleveland CDCs.

Conclusion: CDPs, CDCs and the grassroots considered

What can the CDP experience in one US rust-belt city, Cleveland, Ohio, illuminate about community development within the context of globalization? This experience suggests CDPs do very little along the lines of building CDC capacity to directly address social inequities affecting individuals existing at the margins. Although CDPs bring together a number of different actors from the public, private and non-profit sector, concentrate resources and build consensus around the pursuit of key goals for neighborhood revitalization, the ability of such collaborations to build CDC capacity is more complex than a simple inquiry suggests. Deconstructing capacity into resource, organizational, networking, programmatic and political components more appropriately brings into focus how CDC capacity may be expanded by collaborations where private-sector leaders maintain primary influence. In so doing, the case of NPI suggests CDPs do not prioritize support for the early missions of CDCs that seek to include and empower those at the margins. Alternatively, CDPs primarily work with CDCs in an effort to facilitate and to prepare communities for capital investment, following a rather traditional approach of reliance on the market for housing that promotes the return of the middle class, larger tax base, improved education and better employment opportunities. And, yet, most benefits making way to long-term residents are secondary or implied, as their neighborhoods continue to bear the brunt of persistent decline in population and other resources, in spite of efforts to revitalize the metropolis by focusing on business and upper-class interests.

For certain, Cleveland maintains a rich history of involvement in community development. With almost four decades of intense effort, Cleveland CDCs continue to carry out their role as the primary instrument facilitating neighborhood revitalization. NPI's contribution of aggregating funding and promoting community development as a civic responsibility served to catalyze deeper penetration of CDCs into market-rate physical development of neighborhoods. Moreover, NPI's market-rate development approach complemented the city administration's aims of promoting economic integration through increasing the presence in Cleveland of middle-class residents.

NPI managed to develop local support to replace Ford Foundation resources. It was no small accomplishment that NPI worked in partnership with national intermediary affiliates and aggregated local foundation and corporate giving for community development efforts. However, if CDPs intend to also provide CDCs a centralized organization through which they can expand capacity to sustain themselves, build relationships, and advocate on behalf of neighborhood needs and desires, based on the case of NPI, much work is needed.

The experience of NPI suggests CDPs, easily dominated by private-sector interests, restrict the capacity of CDCs

to engage in democracy-building activities that could achieve neighborhood demands in a comprehensive manner while expanding other capacities, in particular the programmatic, to accomplish physical development with increased emphasis on market-rate activities. However, as the Cleveland example shows, CDCs arose out of a grassroots movement to tackle neighborhood blight and disinvestment. The existing lack of funding for organizing arrests the development of CDCs to counter the multifaceted nature of marginalization, disinvestment and oppression neighborhoods often experience in the process of globalization.

CDPs should make community organizing that builds democracy a priority by enhancing CDC political capacity for three reasons. First, community organizing around the desires of neighborhood residents could persuade policy makers and planners; thereby, influencing economic developers, such action may foster the formulation of alternative plans to resist or to mitigate the negative affects of globalization. Second, alternative plans could also be proactive in defining and reflecting sensitivity to the type of neighborhood revitalization residents want. Third, enhancing political capacity to carry out community organizing would not only put residents in charge of defining and advocating their desires while holding policy makers, planners and developers accountable, but it would also cultivate leadership that influences policy development both in and beyond the borders of the neighborhood. Even a few public officials and some private-sector leaders noted valuable experience and training received from involvement in community organizing campaigns during the early days of CDC existence in Cleveland.

Indeed, CDPs may further legitimize a select number of CDCs, but not much may occur in the way of building CDC capacity to fulfill community development objectives of greater control and empowerment. CDCs may more than likely have difficulty expanding resource, organizational, networking and political capacity because of the central control maintained by the CDP. CDP central control heightens the potential for reducing its accountability to communities and diminishes CDC autonomy as a result of top-down strategies implemented for neighborhood revitalization. Other tier cities working to combat the negative forces of globalization while seeking to enhance their competitive advantage should be made aware of these tradeoffs when considering adopting this US model of partnership.

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