US PARTNERSHIP ON MOBILITY FROM POVERTY

History of Place-Based Interventions

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November 2017

Beginning with the settlement houses of the late 19th century, practitioners and policymakers have worked to tackle the challenges of poverty in place through an evolving set of strategies. Since then, federal, state, and local governments; philanthropy; charitable organizations; and research institutions have played important—often complementary—roles in designing, funding, and evaluating interventions.[1]

Origins: Settlement Houses

The first notable attempts to address poverty in urban neighborhoods were the settlement houses founded in major cities in the late 19th century to help immigrants adjust to their new surroundings. Spearheaded most famously by Jane Addams and the Chicago Hull House, settlement houses provided services to community members and advocated for urban reforms.

Although the settlement houses helped ease the way for European arrivals, the response to the Great Migration of African American people from the South to the big cities of the North and West was far less welcoming. For much of the 20th century, black people were largely excluded from desirable city and suburban neighborhoods, and the neighborhoods to which they were consigned were largely neglected by public- and private-sector institutions. With few exceptions, the settlement houses either avoided or exited these black neighborhoods, withering away in many cities around the country.

Early Federal Efforts to Tackle Urban Distress

After World War II, the federal government responded to inner-city distress with the deservedly criticized Urban Renewal program, which, along with the construction of the interstate highway system, leveled high-poverty neighborhoods that were populated predominantly by people of color. Cities with federal Urban Renewal funding used their eminent domain powers to condemn and raze dilapidated housing and other properties and then sold the newly vacant land to private interests for redevelopment in accordance with city plans. Residents and owners in the targeted neighborhoods had little or no input in these plans, and relocation assistance for displaced families and businesses was virtually nonexistent. Some residents were moved to newly constructed public housing (also funded by the federal government), but many of these new developments were built in isolated or undesirable areas, and their scale contributed to the emergence of new neighborhoods of concentrated poverty and distress.

In the 1960s, the civil rights movement, combined with a more responsive political environment, generated a backlash against Urban Renewal policies. A new generation of advocates founded organizations that advanced principles of neighborhood empowerment, arguing that the renewal and redevelopment efforts of the time, though sometimes purporting to help people in low-income neighborhoods, were actually paternalistic, unfair, and counterproductive. Their more empowering, collaborative, and bottom-up approach to the problems of distressed neighborhoods came to the attention of Kennedy administration officials who were planning what would eventually become the War on Poverty. In particular, the Ford Foundation's influential Gray Areas initiative was a model for the federal Community Action Program in the Office of Economic Opportunity and, later, the Model Cities program in the newly created US Department of Housing and Urban Development (HUD).[2]

The initial governance of the local Community Action Agencies that were created and funded by the federal program was based on the "maximum feasible participation" principle. Consumers and beneficiaries of neighborhood investment activities held control, a significant deviation from standard Urban Renewal practices. Unfortunately, maximum feasible participation collided almost immediately with the perspectives and priorities of big-city mayors, who ultimately regained control and blocked efforts by Community Action Agencies to refocus city planning and investment efforts.

The weakness of the Community Action Program led the Johnson administration to try a different approach: the Model Cities program. Model Cities established the ambitious goal of creating a new agency in participating cities that would deliver a multidimensional system of services in low-income neighborhoods to make up for the poor performance of traditional public agencies. Model Cities proved a disappointment. Underresourced from the outset, the program's limited funds were stretched across more than 150 recipient cities instead of the roughly three dozen that had been initially envisioned, and expected contributions from other federal agencies never materialized.

Bottom-Up Rather Than Top-Down: The Community Development Era

An enduring innovation from the 1960s was the community development corporation (CDC), a nonprofit entity incorporated to acquire and redevelop land, manage properties, and deliver services in low-income communities. Community development corporations typically serve a clearly defined neighborhood and include residents and businesses on their governing boards. They implicitly operated on the assumption that a neighborhood could be revitalized within the "four corners" of its boundaries. Outside funds and other assistance would be necessary, but the principal idea was to build and rehabilitate housing, provide community amenities, and expand jobs within the neighborhood through the creation and expansion of locally owned businesses and by attracting branches or facilities of larger, outside companies.

Community development corporations have made important contributions to the well-being of inner-city neighborhoods, in particular by increasing the availability of decent, affordable housing. But with the benefit of hindsight, it has also become evident that the basic theory of change underpinning the CDC model was too narrow to sustain operations in some cases or to effect change in others. By focusing on housing, CDCs relied heavily on developer fees to support their work, which did not generate a sufficiently diversified or robust funding base. And CDCs' work *within* neighborhoods gave insufficient attention to how neighborhoods operate and evolve within a larger market context, sometimes overlooking opportunities to help residents find jobs in the regional economy (e.g., by providing transit and work placement assistance) or to support those seeking access to opportunities by moving out of the neighborhood. Also missing was an emphasis on improving educational outcomes for children in the neighborhood.

Today, of the approximately 4,600 CDCs in the United States,[3] most are small and focus on low-income housing development. Some do modest economic development of small stores and the like. The strongest and most entrepreneurial, however, have become multidimensional, working on such matters as improving access to quality health care, child care, and even public education.

From Community Development to Community Building: More Comprehensive Thinking

By the early 1990s, proponents of neighborhood-based interventions recognized that many CDCs lacked essential capacities. Some high-profile CDC failures called attention to the limitations of an approach that focused on retail and housing development in communities battling gang violence, declining school quality, and job losses. A new generation of place-based initiatives, all funded by philanthropy, began testing the concept of "community building," linking housing and physical redevelopment with the delivery of needed services and supports, and explicitly engaging community residents and grassroots organizations in planning and implementation. Proponents argued that place-based initiatives must be community driven to be sustainable and that the transformation of distressed neighborhoods was as much about relationships (and power) as about real estate or public services. From 1993 to 2005, this approach was explored, refined, and advanced by the National Community Building Network, which gave practitioners and thought leaders in the field—including many emerging leaders of color—opportunities to share and build upon lessons learned on the ground.[4]

Although comprehensive community initiatives have produced concrete outcomes for individuals and families, they have not achieved the larger goal of neighborhood transformation. This may stem, in part, from a lack of opportunities for robust partnerships with the public sector, but it also reflects the challenges in the work itself. Moreover, efforts to strengthen the leadership capacities of neighborhood residents and institutions have not demonstrably led to improved outcomes for families or communities, although many anecdotal examples support the view that this capacity building is worthwhile.[5]

Renewed Attention from the Federal Government: Income Mixing and Market Forces

At the end of his term, President George H. W. Bush initiated the first federal attempt at revitalizing distressed neighborhoods since the 1970s. The HOPE VI program, which evolved to become a signature initiative of the Clinton administration, focused on severely distressed public housing, which had become a major source of crime and blight in some city neighborhoods. The original idea behind HOPE VI was simply to demolish the distressed properties and replace them with better-quality housing for the same low-income residents. But under the leadership of HUD secretary Henry Cisneros, the ambitions of the program expanded dramatically. Cisneros saw the redevelopment of failed public housing developments as an opportunity to transform whole neighborhoods by building high-quality, mixed-income housing and improving community amenities to attract more affluent residents along with low-income families.[6]

Like the proponents of comprehensive community change, Cisneros aspired to catalyze the transformation of distressed urban neighborhoods. But the HOPE VI vision put greater emphasis on income mixing and the activation of private-market forces than on community building and resident empowerment. Proponents of income mixing argue that the presence of middle- and upper-income residents—as tenants, homeowners, voters, and customers—is essential to attracting and sustaining high-quality, responsive services and investments from public- and private-sector institutions. They also argue that middle- and upper-income residents strengthen a community's social networks, norms, and collective efficacy.[7]

Redevelopment of distressed public housing under HOPE VI improved both physical and socioeconomic conditions in many communities. These successes support the theory that mixed-income housing can contribute to healthier communities, with lower crime rates, better schools, superior access to healthy food and other goods, and better public services.[8] A handful of cities have since used their own resources to create local programs that extend the HOPE VI model to other public housing neighborhoods.[9]

The primary criticism of HOPE VI is that—like Urban Renewal—it displaced low-income residents, mostly people of color, and failed to replace as many affordable housing units as it demolished. Most HOPE VI projects provided fewer subsidized housing units on the original site than were there previously, and only a few built replacement units in other neighborhoods. Instead, most projects provided housing vouchers to the original public housing residents, who relocated (with subsidies) to privately owned rentals elsewhere in the city. Although many relocated families were satisfied with their new housing circumstances, some were frustrated by their inability to return to the redeveloped neighborhood. Further, in high-cost cities with tight rental markets, voucher recipients were often unable to find decent housing in neighborhoods of their choice. And, in many HOPE VI sites, the most vulnerable of the original residents (people and families facing health and other difficult life challenges) were simply shuffled to other public housing projects.

Similar concerns about the risks of displacement from neighborhood revitalization led the Annie E. Casey Foundation to articulate the “responsible redevelopment” principle, building on PolicyLink’s Equitable Development framework from the early 2000s.[10] This idea affirms the value of reigniting market forces in long-disinvested neighborhoods, but insists that the interests of the original, low-income residents and businesses be protected from the outset so they can benefit from the redevelopment of their communities. In effect, responsible redevelopment reflects a merger of the community-building principles espoused by comprehensive community initiatives with the income-mixing aspirations of HOPE VI.

The Obama administration absorbed and synthesized many of the lessons from the history of place-based work, including the concept of responsible redevelopment. It launched two important new programs: Choice Neighborhoods (led by HUD) and the Promise Neighborhoods initiative (led by the US Department of Education).

Like HOPE VI, the Choice Neighborhoods program is centered on the redevelopment of distressed subsidized housing projects and aspires to create vibrant mixed-income neighborhoods with high-quality public- and private-sector amenities. But the Choice program places greater emphasis on preserving affordable housing options for low-income families and on improving essential nonhousing assets, such as public schools, parks, and community services. The expectation is that the revitalized neighborhood will attract more middle- and upper-income residents without displacing low-income families who rely upon subsidized housing.

The Promise Neighborhoods initiative was inspired by the accomplishments of the Harlem Children's Zone, which focuses on the well-being of a neighborhood's children from "cradle to career" rather than on physical redevelopment or income mixing. Led by Geoffrey Canada, the Harlem Children's Zone has systematically expanded and improved the services and supports for children in the neighborhood. It has built an impressive continuum from prenatal services to safe after-school activities to college counseling.

The Obama administration sought to align targeted investments like Choice and Promise with other, preexisting federal programs focused on public safety and health care delivery. Its first effort, the Neighborhood Revitalization Initiative, did not provide any new resources, but targeted and coordinated available streams of federal dollars. It provided a continuum of support, from capacity-building assistance for cities interested in place-based tools but not fully equipped to employ them; to planning grants for neighborhoods meeting the criteria for the Choice and Promise programs; to large implementation grants to expand efforts in communities around the country.

Beginning in 2013, the Obama administration articulated a broad effort to create "Ladders of Opportunity" to the middle class. A centerpiece of this effort was the designation of up to 20 Promise Zones, each of which identifies the outcomes it will pursue, develops a strategy supporting those outcomes, and realigns resources accordingly. Although not a grantmaking initiative, the Promise Zones effort emphasizes the effective "braiding of funding streams" from ten federal agencies to ensure that federal programs and resources support efforts to turn around some of the highest-poverty communities in the country. The federal government partners with each Promise Zone, providing access to technical assistance resources and expertise it needs to achieve its goals.[11]

Conclusion

Today, some of the most innovative "place-focused" interventions—in both philanthropy and government—are no longer focusing solely on conditions *within* distressed communities, but on the larger systems and policies that create and sustain those conditions. This emerging approach recognizes the importance of place and focuses on the particular challenges of distressed neighborhoods, but it is less constrained by narrowly defined neighborhood boundaries, more attuned to region-wide prospects, and aimed at improving both quality of life and access to opportunities for families. Proponents not only work *horizontally*, by integrating efforts across policy domains within a neighborhood, but *vertically*, by activating city, state, and even federal policy levers and resources.[12]

Notes

1. This summary is drawn from Margery Austin Turner et al., *Tackling Persistent Poverty in Distressed Urban Neighborhoods: History, Principles, and Strategies for Philanthropic Investment* (Washington, DC: Urban Institute, 2014), https://www.urban.org/research/publication/tackling-persistent-poverty-distressed-urban-neighborhoods. For more extensive histories, see also Maria Martinez-Cosio and Mirle Rabinowitz Bussell, *Catalysts for Change: 21st Century Philanthropy and Community Development* (New York: Routledge, 2013); Karen Mossberger, "From Gray Areas to New Communities: Lessons and Issues from Comprehensive US Neighborhood Initiatives" (working paper, Great Cities Institute, University of Illinois at Chicago, 2010), https://greatcities.uic.edu/2010/02/01/from-gray-areas-to-new-communities-lessons-and-issues-from-comprehensive-u-s-neighborhood-initiatives/; and Alexander von Hoffman, "The Past, Present, and Future of Community Development in the United States," in *Investing in What Works for America's Communities: Essays on People, Place, and Purpose*, ed. Nancy O. Andrews et al. (San Francisco: Federal Reserve Bank of San Francisco and Low Income Investment Fund, 2012), 10–54, http://whatworksforamerica.org/pdf/whatworks_fullbook.pdf.
2. Mossberger, "Gray Areas"; and Martinez-Cosio and Bussell, *Catalysts for Change*.
3. Mossberger, "Gray Areas."
4. Leila Feister, *Building a Community of Community Builders: The National Community Building Network 1993–2005* (Oakland, CA: Urban Strategies Council, 2007).
5. For more on comprehensive community initiatives, see Anne C. Kubisch et al., "Community Change Initiatives from 1990-2010: Accomplishments and Implications for Future Work," *Community Investments* 22, no. 1 (Spring 2010): 8–12, http://www.frbsf.org/community-development/files/A_Kubisch.pdf; and Anne C. Kubisch et al., *Voices from the Field III: Lessons and Challenges from Two Decades of Community Change Efforts* (Washington, DC: Aspen Institute, 2010), https://assets.aspeninstitute.org/content/uploads/files/content/images/rcc/VoicesfromtheFieldIII.pdf.
6. For more on the origins and achievements of HOPE VI, see Susan J. Popkin et al., *A Decade of HOPE VI: Research Findings and Policy Challenges* (Washington, DC: Urban Institute, 2004), https://www.urban.org/research/publication/decade-hope-vi.
7. For a more extensive discussion of the evidence on income mixing at different geographic scales, see Laura Tach, Rolf Pendall, and Alexandra Derian, *Income Mixing across Scales: Rationale, Trends, Policies, Practice, and Research for More Inclusive Neighborhoods and Metropolitan Areas* (Washington, DC: Urban Institute, 2014), https://www.urban.org/research/publication/income-mixing-across-scales-rationale-trends-policies-practice-and-research-more-inclusive-neighborhoods-and-metropolitan-areas.
8. Henry G. Cisneros and Lora Engdahl, eds., *From Despair to Hope: HOPE VI and the New Promise of Public Housing in America's Cities* (Washington, DC: Brookings Institution Press, 2009).
9. The Clinton administration also established the Empowerment Zones program, a reboot of Model Cities that focused on job creation in inner-city locations. Empowerment Zones achieved only spotty success and have not received much attention or follow-up. Clinton's community development financial institutions, however, have proven more durable and play a useful role providing credit and technical sophistication to fuel investment in underserved communities.
10. Judith Bell, Carl Oshiro, and Harry Snyder, *Advocating for Equitable Development: A PolicyLink Manual* (Oakland, CA: PolicyLink, 2004), http://www.policylink.org/sites/default/files/AdvocatingForED_final.pdf.
11. A similar federal initiative, called Strong Cities, Strong Communities, works at the city level, helping local government agencies use federal funding streams more effectively to tackle critical local priorities.
12. The California Endowment's Building Healthy Communities strategy exemplifies this approach, pursuing investments that build local capacity in 14 communities while drawing upon community-level insights and advocacy to advance statewide policy reforms that can support and sustain community change; see Hallie

Preskill et al., *The California Endowment, Strategic Review: Building Healthy Communities* (Washington, DC: FSG, 2013).

Acknowledgments

This report was prepared for the US Partnership on Mobility from Poverty with funding from the Bill & Melinda Gates Foundation. We are grateful to them and to all our funders.

The views expressed are those of the author and should not be attributed to organizations represented by the 24 members of the Partnership or to the Urban Institute, its trustees, or its funders.

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With funding from the Bill & Melinda Gates Foundation, the Urban Institute is supporting the US Partnership on Mobility from Poverty. Led by chair David Ellwood and executive director Nisha Patel, the Partnership consists of 24 leading voices representing academia, practice, the faith community, philanthropy, and the private sector.

The Partnership's definition of mobility has three core principles: economic success, power and autonomy, and being valued in community. Our collective ambition is that all people achieve a reasonable standard of living with the dignity that comes from having power over their lives and being engaged in and valued by their community.