
SUPPORTING THE COMMUNITY DEVELOPMENT MOVEMENT: THE ACHIEVEMENTS AND CHALLENGES OF INTERMEDIARY ORGANIZATIONS

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Community development corporations (CDCs) emerged in the 1960s as a way of revitalizing urban and rural neighborhoods and helping residents of those communities escape poverty through self-help and community action (Faux 1971; Halpern 1995; Pierce and Steinbach 1987). Many forces contributed to the rise of CDCs, including failed federal urban renewal policies put in place after World War II (Orlebeke 2000; Von Hoffman 2000). CDCs arose as part of the social activism of the 1960s (including the civil rights movement) that preceded the War on Poverty (Halpern 1995; O'Connor 2001). Since the 1960s, the CDC model has grown in importance as an antipoverty strategy (Grogan and Proscio 2000). CDCs became more effective in the 1980s with the emergence of national and local intermediaries that provide financial and technical assistance to community-based development organizations (Liou and Stroh 1998).¹ The unique community development infrastructure provides its component intermediary organizations a level of strength and effectiveness not often seen in the nonprofit world (Berger and Kasper 1993; Ferguson and Stoutland 1996).

This paper reviews the establishment and growth of the community development intermediary infrastructure, both nationally and locally, and examines the accomplishments and challenges of these intermediaries. It does not review all community development intermediaries, of which many exist;² rather, it examines the intermediaries that have achieved a high level of scale and impact nationally and locally. We aim to provide an overview of the history of intermediary growth and examine what intermediaries can do (and the challenges they face) as they continue to help the community development field develop its antipoverty and community-building strategy.

How does one assess the impact of intermediaries? The complex, long-term nature of community development depends on many factors not controlled by intermediaries, who fund projects rather than implement them in the field. In addition, factors outside the control of both intermediaries and CDCs (for example, macroeconomic growth, and federal government policies and programs) play an important role in community development outcomes.³ Moreover, community development outcomes

depend on specific local circumstances that do not conform easily to a uniform evaluative tool. Thus, rather than attempting an extremely complicated impact analysis, we take the less formal approach of reviewing the original tenets of the community development movement, and the effect of changes in the political and economic climate on the goals, structure, and activities of the field. We conclude by assessing intermediaries' achievements, as well as the challenges they now face. This type of analysis clearly is more limited than a full impact analysis, but it does enable us to make some general judgments on CDCs and intermediaries as a present and future force for community development.

THE BEGINNINGS OF THE COMMUNITY DEVELOPMENT MOVEMENT

Community development defies succinct definition; most observers have their own definition and preferred vehicle. Nevertheless, some level of formal definition helps analyze the role of intermediaries in the movement. This paper defines the field by examining the voices of those present at the creation. For several years, the Pratt Institute Center for Community and Environmental Development has interviewed community leaders directly involved in starting the CDC-based community development movement.

The oral histories agree that community development is a continuous process; a community will never achieve a state of finished development. Nevertheless, a community is considered "developed" when it embraces the following factors:

- The community has physical boundaries defined through custom, income, education, or cultural affiliation.
- The physically defined community has access to social, political, and economic resources in proportion to population relative to other similarly situated communities.
- A range of institutions (such as churches, community groups, associations, nonprofit and private-sector businesses) contributes to the governance and quality of life in the community.
- Engaged citizens openly participate in the social, cultural, and political offerings of the neighborhood.
- The community's social and political organization commands attention and results from the larger city, state, and national political structure.

- Community residents can exercise “bounded choice” (that is, choice exercised within the limits of income, education, and cultural affinity) in selecting where to reside in the physical boundaries of the community.

At the other extreme, the oral histories present the following factors that prevent a community from achieving a base level of development:

- Racial and ethnic bias exclude the community from public and private benefits in the larger society.
- Community assets and resources remain persistently underdeveloped.
- Low levels of social organization and political participation result in a lack of public goods (such as good schools, high-quality public services, and available resources for economic and infrastructure development).
- Social and economic function of a community remains absent within the broader city or regional contexts.

Around 1965, at the start of the community development movement, the profound nature of the emerging CDC model rested on the following three principles:

1. The centerpiece of neighborhood change is the community resident, not the outside agent servicing the perceived dysfunction of poor communities.
2. Poor communities need to break the isolation that left them without powerful allies and resources in mainstream society.
3. Underdeveloped communities need a representative organizational entity that simultaneously builds social organization within the community and acts as a force for change.

These three principles aided in developing a few scattered local social movements. With the assistance of private foundations, these smaller projects led to the birth of the first large-scale CDC, the Bedford Stuyvesant Restoration Corporation (Pierce and Steinbach 1987). The federal government quickly replicated and supported this promising privately supported experiment (Perry 1973).

By 1973, an estimated 200 CDCs existed (Perry 1973; Ford Foundation 1973). The federal government and its foundation partners, especially the Ford Foundation, reasoned that the limited prevailing financial and support infrastructure could not accommodate this growth. The community development field needed an infrastruc-

ture that could help CDCs sustain their efforts and grow to a scale in which projects changed the fortunes of economically ravaged communities (Liou and Stroh 1998).

Ford and other funders supported a range of options, including the Urban Coalition, the National Congress for Community Economic Development (NCCED), the Center for Community Change, the Urban League, and others, but none could promise a stable and effective means of supporting the expanding CDC field (Carlson and Martinez 1988). Into this environment, community development intermediaries—organizations that could provide both financial and technical support—were born, with Ford and others funding the first incarnations. Thus, the beginnings of a large-scale answer to CDC support came not from a preprogrammed decision by foundations or government, but from the social experiments that proliferated during this period.

NEIGHBORHOOD REINVESTMENT CORPORATION

The Neighborhood Reinvestment Corporation (NRC) traces its beginnings to the protest movements of the 1960s, when residents of the Central North Side neighborhood of Pittsburgh protested against the unwillingness of banks to make home loans in poor and minority neighborhoods (Seessel 2003). To address the problem of limited mortgage loans in low- and moderate-income neighborhoods, local savings and loan associations (S&Ls) partnered with the Sarah Mellon Scaife Foundation to assist first-time homebuyers and help existing homeowners make improvements to their property. Borrowers with good credit could borrow directly from S&Ls. Borrowers with credit problems, on the other hand, gained access to credit through the newly established Neighborhood Housing Services (NHS) organization, which pooled charitable funds and contributions from S&Ls. The high-risk loans increased neighborhood property values and therefore decreased the risks to the S&Ls. These basic elements remain today the basis of operation of approximately 225 local NeighborWorks (NW) organizations, including both faith-based and secular organizations (Seessel 2003).

The Pittsburgh experiment showed promising results. William Whiteside of the Federal Home Loan Bank Board (FHLBB), the primary S&L regulator, persuaded the FHLBB to replicate the program in other places. In 1974, the U.S. Department of Housing and Urban Development (HUD) and FHLBB came together to form the Urban Reinvestment Task Force, which aimed to establish “a demonstration program of neighborhood preservation” in a minimum of 40 cities by 1979. In due course, the Federal Reserve Board, Comptroller of the Currency, and Federal

Deposit Insurance Corporation joined the effort, effectively making the experiment part of the commercial banking system.

Whiteside was appointed head of the Urban Reinvestment Task Force. The Ford Foundation provided support to create a nonprofit replicating the NHS concept in five cities: Baltimore, Cincinnati, Washington, Oakland, and Dallas (Seessel 2003). These cities had the key components thought to have driven Pittsburgh's early success:

- A target area with fixed boundaries encompassing 1,000 to 5,000 mainly owner-occupied residences.
- A management board with at least 50 percent resident representation and financial support in administrative expenses from banks.
- Bank pledges to offer qualified local residents mortgage or home improvement loans.
- Increased enforcement of municipal code.
- An existing high-risk loan fund for risky borrowers.

The Urban Reinvestment Task Force worked closely with the selected cities and required the FHLBB district president, local leaders, foundations, mortgage lenders, and public officials to actively participate in the negotiation process. The process ensured that the local NHS controlled the project both in form and function.

In the first 5 years, the Task Force replicated the NHS concept in only 13 sites to ensure proper development of the strategy. Thereafter, the Task Force accelerated the rate of replication for several reasons. First, in 1978, Public Law 95-557 replaced the Task Force with the NRC, and the pressure to replicate increased. Second, 1974 saw the formation of the Neighborhood Housing Services of America (NHSA). NHSA established a secondary market to buy the high-risk loans offered through the NHS/NW revolving loan funds, making it easier to replicate the concept.

Over the years, the local NW programs have remained faithful to the program's five core elements: fixed boundaries, resident-majority boards of directors, bank commitments, enhanced code enforcement, and a high-risk loan fund. Local NW offices, however, have expanded the products and services they offer; in addition to their traditional home improvement and purchase loans, most also offer mutual housing, homeownership education and counseling, multifamily development, small business loans, and assistance with downpayment and closing costs. NRC's national office focuses largely on building capacity at the local level, since local offices shape much

of the work. The local offices choose projects, raise funds, coordinate community support, and select loan recipients, while the national office holds training programs, offers technical assistance and technical assistance grants, and performs periodic onsite evaluations of each member office.⁵

LOCAL INITIATIVES SUPPORT CORPORATION

The Local Initiatives Support Corporation (LISC) came into being after 1976 when federal funding for community development (which had been increasing for a decade) began to decrease substantially after a backlash against federal efforts that supported community development and individual mobility. The Nixon administration, elected in 1968, helped fuel a new federal view of cities and distressed communities by questioning the basis for government intervention in social problems (O'Connor 2001; Carlson and Martinez 1988). Nevertheless, funding for community development continued under the Nixon administration. Ironically, President Jimmy Carter, whose policies generally are associated with helping the poor, initiated significant cuts in expenditures slated for community development during the course of his administration (Carlson and Martinez 1988; Kaplan and Cuciti 1986). By the time Ronald Reagan was elected in 1980, a clear trend had developed. The Reagan administration aggressively cut the vestiges of community economic development programs (Stockman 1987).

In response to this devolution of federal support, the Ford Foundation initiated internal discussions about creating an independent means of financial support for the community development field (Ford Foundation 1979). In January 1979, the Ford Foundation's Division of National Affairs produced a discussion paper entitled "Communities and Neighborhoods: A Possible Private Sector Initiative for the 1980s" (Ford Foundation 1979). The paper proposed creating a center to provide financial and technical assistance to 50 to 100 "second-generation" CDCs. The paper noted that Ford alone could not provide the required financing for such an organization and suggested that the proposed center could generate additional funds through other foundations and private financial institutions. The paper also underscored that local CDCs themselves would need to work toward financial viability through fundraising with government, foundation, and financial institution sponsors. The paper noted the following:

Most important...the impact of the Center should extend far beyond local community organizations and foundations. By making community groups into partners of commercial developers, or into competent developers themselves,

the Center could indirectly make the expenditure of local public and private funds more rational and effective...these resources are essential to neighborhood revitalization, and community organizations that blend professional competence with a strong constituency can have an important impact on their use (Ford Foundation 1979, 12-13).

LISC planners established the following criteria used in funding decisions:

- Strong and sophisticated leadership, headed by an imaginative “public entrepreneur.”
- Staff with strong operational background.
- Solid base of community support and voluntary participation.
- Prior track record in managing social services and/or physical development programs, showing the commitment and ability to use internal financial controls.
- Appreciation of the complexity of neighborhood revitalization—the dynamics of the development process.
- Potential for local public and private sector backing and cooperation, with some demonstrated leveraging of key local funding sources.

LISC planners did not adopt the criterion that at least 50 percent of a CDC’s board members be community residents. This exclusion resulted in large part from the political furor in response to the federal Great Society policy of “maximum feasible” inclusion of the poor in federal programs that targeted them (O’Connor 2001). This proposed requirement created widespread disagreement and protracted local power struggles, which often led to battles that stymied actual community development. Thus, LISC’s founders deliberately viewed community participation as consultation, program participation, and employment rather than governance. From the outset, results, rather than process, guided the creation and operation of LISC.⁶

EARLY STRUCTURE AND STRATEGY

In October 1979, LISC was incorporated as a private, nonprofit corporation with an initial endowment of \$9.35 million. The Ford Foundation provided the largest share—a \$4.75 million, 3-year grant (Liou and Stroh 1998).

In June 1980, LISC announced the selection of 19 CDCs for its preliminary round of financial support (in the form of grants and loans) and technical assistance. Grants required a 100 percent match from local sources, and loans required the

participation of a local financial institution. Of the initial 19 first-round recipients, 9 operated in Chicago, Boston, New York, and Philadelphia—cities that have continued to serve as important hubs of LISC activity. Soon after announcing the first-round recipients, LISC established a small number of program areas on which to focus, all of which had existing private-sector resources and a group of promising CDCs engaged in activities. Thus, a fundamental tenet of LISC was working with promising CDCs with strong ties to the community.

By July 1986, LISC operated in 23 cities or metropolitan regions and had implemented 4 regional/state programs. By 2001, LISC operated 39 urban and 38 rural programs and was considered a dominant force in community-economic development.⁷ LISC estimates that it has assisted 1,700 CDCs. NCCED's 1997 census of CDCs found that 22 percent of the nation's estimated 3,600 CDCs, or about 800, reported receiving \$50,000 or more from LISC between 1994 and 1997 (NCCED 1998). According to its 2001 annual report, LISC and its affiliates have invested more than \$4 billion in community development projects, with this investment leveraging another \$7 billion in additional public and private investment. LISC's financial assistance has helped build 121,000 dwelling units and about 18 million square feet of commercial, retail, and community facility space.⁸

THE ENTERPRISE FOUNDATION

Unlike LISC and NRC, which surfaced after careful planning and experimentation, The Enterprise Foundation emerged from the vision of James Rouse, a successful developer of large-scale housing and retail developments, who had a strong interest in helping people and communities overcome poverty. In 1982, he founded and began raising capital for a nonprofit, The Enterprise Foundation, as a means for repairing inner cities by building “decent housing in decent neighborhoods for everyone.” By the end of its first year of operation, Enterprise was working with nonprofit housing developers in six cities. Today, Enterprise operates in 16 regional offices offering services to a network of approximately 2,200 nonprofit and government-sponsored organizations in 800 cities, towns, and Native American reservations. Any nonprofit organization, public housing authority, or Native American tribe with the mission of revitalizing local communities may join the Enterprise network without cost.

Enterprise's large network and broad range of services limit its ability to provide direct capacity-building assistance to its members. Instead, Enterprise extensively uses local partners and community development alliances to perform these critical

services. In an approach similar to the one LISC has used, Enterprise has established the Enterprise Social Investment Corporation (ESIC), an adjunct organization that sells low-income housing tax credits. This venture has been quite successful, raising more than \$3 billion from the private sector to fund new construction or to rehabilitate roughly 70,000 low-income rental units. Other major social venture subsidiaries and related organizations include the following:

- Enterprise Mortgage Investments, Inc., which provides long-term mortgages to developers of affordable multifamily housing.
- Enterprise Homes, Inc., which directly develops affordable homes for ownership and rental in the mid-Atlantic region.
- The Enterprise Loan Fund, which raises local funds from socially responsible investors to provide low-cost financing for nonprofit affordable housing developers.
- Enterprise Housing Financial Services, which provides financial products to nonprofits for acquiring, developing, and rehabilitating affordable housing for low- and moderate-income families.
- The National Center for Healthy Housing, which develops and promotes methods to protect children from residential environmental hazards such as lead paint.⁹

Enterprise offers a diverse menu of program services, including a community safety program, the Enterprise Women's Network, the Community Employment Alliance, and childcare services, thus funding a wide variety of activities. For example, in the 1990s Enterprise undertook a neighborhood transformation demonstration project in Baltimore's Sandtown-Winchester neighborhood. Enterprise brought together residents, nonprofits, private businesses, and municipal government officials to address a wide range of interrelated inner-city problems, including housing, health, schools, and job training. Significantly, a key partner in the Sandtown-Winchester project was BUILD, a coalition of churches supported by the Industrial Areas Foundation, a community-organizing group founded in 1940 by Saul Alinsky (Horwitt 1992). Enterprise has also worked on similar ventures with BUILD-type groups affiliated with the Industrial Areas Foundation in Prince George's County, Maryland; Washington, D.C.; and New York City. In 1998, Enterprise entered into a partnership with Habitat for Humanity to increase production of affordable housing in urban areas and "to enhance urban Habitat affiliates' involvement with other community development efforts."

ASSESSING THE IMPACT OF THE NATIONAL INTERMEDIARIES

The rise and success of community development intermediaries is unique in the nonprofit world, particularly in the community development field. These institutions, in particular, can aggregate capital from foundations and private capital markets because of the trust built and results generated over the past 20 years. They share a significant responsibility for supporting the organizational development of community-based development organizations that perform significant ground-level work, both financially and in terms of the technical assistance they provide.

For several reasons, the large, successful national intermediaries have focused primarily on community development through housing production (particularly rental housing production). First, the early experiences of the development field (including economic, workforce, and human capacity development) informed the decisions of intermediaries in the community development field. Many of the Great Society programs and President Nixon's own black capitalism stressed capital formation (Harrison 1974). Creating businesses in "ghetto" communities, it was thought, would generate jobs and lead to self-sustaining communities. As a result, many early CDCs created community businesses through franchising or direct support of individual businesses (Harrison 1974). Small businesses, however, naturally go through cycles (peaks and troughs, births and deaths) affected by entrepreneurial ability, market receptivity, and level of initial capitalization. In many cases, businesses created through these economic development programs started with great promise and subsequently died. These experiences affected leaders of the newly created community development field, many of whom internalized the belief that economic development held high risks (Miller 1994). Because community development leaders needed to maximize the return on their investments, they tended to focus on less risky projects (such as affordable housing rental units).

Second, federal government funding for community development in general, and economic development specifically, evaporated just as the national intermediaries came into being. Federal funding instead focused on affordable rental housing, which naturally became the focus of CDCs and intermediaries. This approach was not necessarily bad, as affordable housing is a necessary element of community development.

Third, the creation of a centralized funding system and the importance of intermediaries since the late 1970s have created pressure among CDCs to track successes

and progress. It is much easier for the field to track outcomes such as number of housing units built rather than more nebulous outcomes such as economic development attributable to their efforts. The evolution of the institutional and intermediary focus on housing development as a strategy is not a zero-sum game relative to human development and capacity-building strategies. Even without the development of NRC, LISC, and Enterprise, we could not count on private foundations and the public sector to provide sustained support for such activities.¹⁰

One cannot ignore, however, that the evolution of the national intermediaries and reliance on housing development are different operational realities from the original themes voiced by community development leaders. As a result, many of the same issues of community organization, racial and ethnic exclusion, and underdevelopment persist in poverty-stricken communities. Practitioners in the community development field need to provide instead an expanded look at continuing gaps in the community development dynamic.

REGIONAL AND LOCAL INTERMEDIARIES

Since the early 1980s, some cities and regions¹¹ have created their own intermediaries intended to improve the capabilities and accomplishments of targeted CDCs. These organizations generally are known as “community development partnerships” (CDPs). As with national intermediaries, they provide centralized distribution of funds and technical assistance to CDCs. One key difference between the regional/local intermediaries and their national counterparts, however, is that most local partnerships focus on the organizational development of CDCs, rather than specific projects. Local and regional intermediaries have “made deliberate efforts to increase the ability of neighborhood organizations to be more effective community developers.” Many local partnerships receive support from LISC or Enterprise, and some are even managed by local LISC or Enterprise offices.

CDPs, which essentially consolidate best practices (Ford Foundation 1987), typically are seen as a collective group of funders that function as a local intermediary for the purposes of assembling financial resources from a variety of resources, coordinating an array of support services to CDCs by providing core organizational support in return for organizational progress and impact, and serving as an information clearinghouse and advocate for the local community development movement. The CDP concept places a premium on the ability of local leaders to assess the capabilities of local nonprofits and provide CDCs with a more centralized mechanism to

build their relationship with funders. The main benefit of CDPs to CDCs is that CDCs can focus on cultivating just one relationship with local funders and focus more energy on the actual fieldwork (Ford Foundation 1987).

CDPs tailor their program strategies to local circumstances. Some programs stress housing development, while others strive for a broader neighborhood human development agenda. Some fund only the CDCs with the greatest potential to garner the attention and confidence of local funders and policymakers, while others direct resources toward building the capacity of new and emerging groups. Nevertheless, three core principles guide all CDPs:

- CDPs support partnerships built on the overlapping interests of local funders, thereby helping to shape a common local vision for the field.
- CDPs assume a coordinating, brokering, advocacy, and fundraising role on behalf of CDCs and other nonprofit developers.
- Municipal-level government usually gets involved in CDP decisionmaking, although the level of interest and resource commitment varies.¹²

Local and regional intermediaries complement their national counterparts, although the level of interaction varies. In some instances, the national organization manages the local funder partnership; in others, the national intermediaries are major funders of local intermediaries and serve on the partnership board. In some cases, the national intermediaries do not get involved because they do not operate in that state or community, and thus local CDPs serve the critical role as the only intermediary funder.

CONCLUSIONS

We conclude by reviewing the accomplishments and challenges of intermediaries in the community development field. The most critical role that intermediaries play is establishing gap funding to help CDCs piece together the separate federal, state, local, and private funds and tax advantages for community development projects. Intermediaries also raise private and public funds for community development, advocate for national community development policies, and publicize the accomplishments of CDCs.

A second important role of intermediaries is to help CDCs receive and manage federal funds. Although federal community development funding comes from many federal agencies,¹³ by far the most important source of financing for low-income housing in

the last decade or so has been the complicated low-income housing tax credit, which is overseen by the IRS and administered by state housing agencies. The program enables CDCs to raise equity capital for low-income rental housing and produces transaction revenues for the CDCs that can be used for any purpose. The program is technically complicated, however, and intermediaries have become experts at helping local CDCs receive funding.

A third important role of intermediaries is creating multilayered project financing structures that reduce the risk for private financial institutions to invest in community development and help meet their Community Reinvestment Act requirements. For example, NW network affiliates use high-risk loan funds to decrease lender risks for single-family housing. LISC and Enterprise take on the riskiest aspects of development ventures and help decrease the risk to conventional financial institutions through the use of seed money, loan guarantees, and subordinated debt. Intermediaries also have helped increase the level of efficiency in providing funding to CDCs. The number of CDCs has expanded rapidly, and foundations and corporate philanthropists have found it is easier to make one large grant or loan to a centralized intermediary that can divide and distribute the funds than it is to deal with a large number of individual CDCs. Funders clearly prefer the centralized distribution system that intermediaries provide; CDCs, on the other hand, hold varied beliefs on the merits of the centralized system. On the positive side, a centralized system increases the availability of specially made rental housing financing packages, which can reduce the time needed for project development. It also ensures that CDCs do not focus their energies on fundraising (Millennial Housing Commission 2002).

Despite these critical roles, national and local intermediaries face challenges in the years to come. By far the most critical challenge is that intermediaries have had limited success in combating the political and economic factors that drive poverty. Thus, the primary future challenge for intermediaries will be to move beyond the critical role of funding rental housing and tackle the more intractable problems of building wealth, workforce development, and community engagement.

Intermediaries and CDCs need to form meaningful partnerships with allied institutions that work directly in the field. For example, national and local intermediaries could increase their partnerships with community development financial institutions to broaden their scope beyond a focus on housing. In addition, partnerships with community colleges can help community residents establish leadership skills and become effective participants in the community development process.¹⁴

Fundamental changes in the field of community development clearly are necessary as we progress through the 21st century. Globalization and other changes in the

macroeconomy require that the field move beyond the current focus on housing and the initial focus on economic development, which may not work in the spatial context of metropolitan development (Rusk 1999). A new period of experimentation (and the risk of failure), research, and development will help the entire field—CDCs, local and regional intermediaries, national intermediaries, foundations, and governmental actors—understand the principles that will lead economically distressed communities into prosperity.

NOTES

¹ An intermediary is defined as an organization that assembles grant or finance capital from resource providers for distribution to community-based organizations. Intermediaries also provide organizational development assistance and technical assistance on economic development and housing projects. Intermediaries focus on a wide range of issues such as workforce development, community organizing, and economic development; this paper focuses on the three large national community development intermediaries and a set of regional intermediaries called community development support partnerships.

² We focus on three large, established intermediaries because community development encompasses so many different functional areas that adequate representation among small, issue-specific intermediaries becomes impossible. For example, community development financial institutions, training groups such as the Development Training Institute, and ethnic-based nonprofits such as the National Council of LaRaza and the Urban League all can be considered intermediaries but vary greatly in terms of programmatic focus and operational process.

³ The financial activities of CDCs and intermediaries are not a large factor in the national economy or even in any given local economy. CDCs appear effective in initiating a set of activities, such as housing development, that sometimes can fuel the neighborhood economy. The operative word here is “sometimes.” The probability of CDCs and intermediaries fueling the economy of a given neighborhood depends on many outside factors, such as administrative and political decisions to focus substantial public dollars on a coordinated set of housing and economic development projects. (Grogan and Proscio 2000).

⁴ For information on the CDC Oral History Project, see <http://www.picced.org/lowres/bldghope.htm>.

⁵ See <http://www.nw.org/network/home.asp>.

⁶ For a succinct presentation of LISC's evolving model and culture of results-based development, see the transcript of "Looking Toward the Twenty-First Century," an address by Mitchell Sviridoff (then president of LISC) to the Allegheny Conference on Community Development, October 28, 1985.

⁷ LISC has formed three additional organizations to increase community development resources. The National Equity Fund, Inc., based in Chicago and the largest of the three, sells low-income housing tax credits to raise capital for low-income rental housing. The Local Initiatives Managed Assets Corporation, based in New York City, creates a national secondary market for affordable housing and community and economic development loans. The Retail Initiative, also based in New York City, raises capital for investment in supermarket-anchored shopping centers.

⁸ See <http://www.liscnet.org/>.

⁹ See <http://www.enterprisefoundation.org/> for a description of the organization's work.

¹⁰ As noted, The Enterprise Foundation has pursued partnerships with community organizations and incorporated a number of social service activities in its operations.

¹¹ The first cities to form local intermediaries were Cleveland in 1983 and Denver in 1984. Soon after, similar initiatives sprang up in Washington, D.C., Philadelphia, Pittsburgh, Boston, and Miami, many with the help of the Ford Foundation. Today, some 20 to 25 such partnerships may be found across the country. (For more information, see the CDP network at <http://www.cdpn.org/>.)

¹² Local governments often find that the partnership structure provides political cover to make harsh decisions about support for CDCs with political connections and community-based development organizations that the government does not have the technical expertise to assist.

¹³ These federal agencies include the U.S. Department of Housing and Urban Development, which administers the community development block grants and HOME programs; the U.S. Department of Health and Human Services, which oversees community services grants; the U.S. Department of Agriculture, which provides funding for rural housing; and the U.S. Department of Labor, which provides work-force development funds, among other agencies.

¹⁴ See, for example, <http://www.cdfi.org/> for a description of the work of CDFIs.

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