Translation Paper Number Thirteen

Community Development and Smart Growth:
Stopping Sprawl at its Source

Funders' Network
For Smart Growth and Livable Communities

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Stopping Sprawl at its Source

This paper was jointly commissioned by the Funders' Network for Smart Growth and Livable Communities and the Local Initiatives Support Corporation (LISC).** The collaborating author on this paper was Tony Proscio[1]. This is the thirteenth in a series of translation papers published by the Funders' Network to translate the impact of sprawl and urban disinvestment upon issues of importance to our communities and environment and to suggest opportunities for progress that would be created by smarter growth policies and practices. Other issues addressed in the series of translation papers include the arts, health, biodiversity, children and families, education, aging, transportation, agriculture, civic engagement, parks and open space, workforce development, and social equity.*

Abstract

The tenets of smart growth have more in common with those of community development than adherents of either movement appreciate. Seen through narrow lenses, the two fields appear to involve different economic and social dynamics, taking place in different locations: rampant, helter-skelter development in suburbia, vs. concentrated poverty and underinvestment in inner cities. But this article begins with the argument that those two dynamics are related, and in fact are best addressed in tandem, not separately. It describes some reasons why the community development and smart growth movements have tended to diverge, and how they might come together around a more effective, common vision.

The bulk of this paper describes examples of community development projects that have taken shape in explicitly "smart" deliberations with regional authorities and planners. None of these examples arose as a result of some intentional good-government exercise aimed at aligning the theories of urban and suburban development. On the contrary, all arose because they solved a concrete local problem that had regional implications, and because neighborhood and metropolitan leaders were wise enough to recognize those implications and come up with common solutions.

**The Funders' Network works to strengthen and expand funders' abilities to support organizations working to build more livable communities through smarter growth policies and practices. For more information, visit www.fundersnetwork.org.*

***LISC is a national nonprofit intermediary that works with CDCs and their governmental and private sector partners to revitalize distressed communities. Through its 38 local offices and a national rural program, LISC has provided to CDCs over $4 billion in project financing and grants, as well as business expertise, enabling those groups to address all aspects of building stronger, better communities. For more information, visit www.liscnet.org.*

The paper argues, in essence, that the intersection of community development and smart growth is today more a matter of practical reality than of well-developed theory. And even the reality is mostly sporadic, scattered, and poorly understood. For the two fields to come together in an effective alliance that is genuinely widespread and nationally significant, the episodes of successful collaboration need to be more carefully studied and replicated. The ideas behind them need more interdisciplinary attention from scholars and policy experts. And the combined topic generally needs more leadership, communication, and advocacy than it has received so far. The paper ends with suggestions on how funders can accelerate progress in all these areas, to the benefit of both movements.

Introduction

The national movements that we now associate with community development and smart growth got their start in different decades, addressed different problems (at least at first), and mobilized different groups of supporters when they were launched. They grew up, for a time, seeming mostly unconnected — except for an almost coincidental proximity in the same metropolitan regions, with community developers operating mostly at the core and the anti-sprawl forces concentrated mainly at the city limits and beyond.

Community development began as a reaction to scarcity and market contraction. It arose as an aftershock of the massive federal urban programs of the 1950s and '60s, of which city dwellers were often the targets but too rarely the beneficiaries. It grew as inner-city markets failed and investment fled, leaving neighborhoods with only a fraction of the population and capital needed to sustain them. Community development therefore began as what historian David Rusk calls an "inside game."[2] Its first goals were akin to disaster recovery — to organize and revivify communities that had been partially demolished, nearly depopulated, and economically devastated, and in consequence had grown defensive and weary. The first challenge for community development was to stanch a hemorrhage of residents, capital, and political will. And for that reason it started small and local, focusing inward on the rebuilding of its own back yard.

Smart growth, by contrast, started as a reaction to abundance and rapid expansion. It grew up among rural and suburban dwellers, regional and state planners, and environmentalists — people who, in Rusk's phrase, had long since learned to play the "outside" game of regional, state, and federal coalition-building.[3] Its galvanizing forces were in some ways the mirror image of those in the inner city. Smart growth concerns had to do not with feelings of powerlessness and disfranchisement, but with a desire to knit together constituencies with related bases of power. Its goals necessarily comprehended multiple interests spread across a wide territory. While community developers were organizing and building their own blocks, smart growth advocates were reaching out to disparate jurisdictions, terrains, and demographic groups. On the surface, the two strategies thus looked radically different, and seemed headed in different directions.

But those differences, which were never much more than tactical, are by now decades old, sometimes blurred beyond recognition, and increasingly counterproductive. More and more (though sometimes without anyone realizing it), the banners of smart growth and community development fly over the same armies, fighting the same battles for the same ends. As often happens even in more literal battles, their commanders aren't always communicating with one another, and the evel of trust and mutual respect may vary from battalion to battalion. Yet few would argue that such divisions are wise or helpful.

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A Harmony of Purpose

Sprawl, the underlying cause of most non-smart growth, is a result of many forces, including some market preferences for things that are uniquely suburban and rural: big lots, natural amenities, small juridictions, economic or ethnic homogeneity. A purely urban policy — Rusk's "inside game" — has little answer to these phenomena, since cities can't manufacture those assets in sufficient quantity to cater to so great a demand.

But the ill effects of sprawl are not solely a side-effect of changing market preferences. Some of the worst aspects of sprawl — including much of the harm it does to the environment and to the effective delivery of public services — come from the wasteful, hasty depopulation of older places that could have held their residents' loyalty, but instead were left to crumble. Scatter-shot development of new locales, poorly connected with other parts of the social and economic landscape, is not the result of a deliberate consumer choice for inefficient growth. It happened partly because of the speed of population movements, outpacing the ability of governments to recognize or prepare for them. Some of that rush, in turn, was an outgrowth of desperate population *flight* — away from more efficient but poorly maintained neighborhoods, and into alternatives that were not always carefully planned or well coordinated with other aspects of regional development.

Preserving or rebuilding older, core communities is therefore one essential strategy for bringing reason and order to the development of whole metropolitan areas. Redevelopment of these areas isn't the sole answer to sprawl, but it is an indispensable part of the answer. Virtually every sprawling metropolitan area in the United States has centers of outward flight at or near its core — population centrifuges that disperse residents outward as if by irresistible force. So long as such communities continue to lose the confidence of their residents, the ruin will spread, with each successive wave of deterioration and depopulation sending more residents to seek a safe haven far away.

That principle is where the interests of community development and smart growth meet. Community developers, at their best, preserve and rebuild older homes, strengthen businesses and business districts, promote employment, improve security, restore parks and public spaces, and work with governments to raise the quality of public services and infrastructure. By restoring amenities and the quality of life, and by pursuing mixed-income communities, they regain or hold onto population and investment, and thus help calm the ripples of disinvestment, decay, and flight. Arguably, any realistic approach to smart growth (in fact, the very thing that makes it "smart") starts with the assumption that neighborhoods at the core of metropolitan areas need to maintain or increase their population levels if the whole region isn't just going to sprawl into eternity.

Leaders of the smart growth movement, even if they have not always recognized community development as a natural ally, have increasingly embraced the aims of community development as necessary. For example, in a recent report by Grow Smart Rhode Island, the statewide leadership group for regional planning, the first of four "policy directions" recommended for the state's future is this:

> *Let's commit as a state to actively promote reuse of the vacant lots and empty buildings in Rhode Island's urban centers and to turn tax losses into tax revenues. To do so, we need to beef up our existing incentives and assistance for brownfields redevelopment and streamline building rehab codes to promote more reuse of existing homes and buildings.*[4]

Meanwhile, community developers are increasingly recognizing a stake in the deliberations of regional and smart growth forces far beyond their neighborhood boundaries. Not all of them have yet arrived at that recognition (we'll say more about the reasons for that momentarily), but particularly among the older and more accomplished community development groups, it has become fairly common to see strategic planning that incorporates initiatives in regional transportation, economic development, and community renewal. Community developers more and more seek to be at a common table with regional planners, state and suburban governments, and other smart-growth players, looking for ways to improve regional housing, commercial development, and job markets. Many more community development organizations

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are now branching into, or being created in, suburban communities. The reason for this confluence of interests is not that either side has received some sudden bolt of enlightenment about modern metropolitan theory. Like most productive coalitions, it has come about because each side has been pursuing its fundamental interests and mission, and grown both wiser and more ambitious in the process. To see in more detail how community developers have arrived at the smart growth table, we start by considering some recent experience in three areas: transportation, business development, and the "new urbanism." At the end, we wiil knit these experiences into a larger picture that suggests how the movements can be brought even closer together.

Where Community Development and Smart Growth Are Meeting

1. Connecting neighborhoods with regional transportation

As their name implies, community development organizations combine a developer's sense of opportunity with the community's sense of its own potential, needs, and assets. This eye for spotting local opportunity can often be just as useful in designing "smart" transportation and growth efforts as is the more abstract expertise of the professional planner.

Consider the case of the planned Franklin Avenue transit stop in Minneapolis — where transportation planners had proposed to locate a large maintenance facility, in keeping with what they regarded as the mainly industrial (and unsightly) character of the neighborhood. Neighbors, understandably, saw the area and its possibilities differently. Without disputing that the system needed a maintenance yard, the community development group called Seward Redesign invited residents to a public forum to suggest ways of meeting both the system's needs and those of the neighborhood. What the residents saw — and transit engineers initially did not — was the possibilty of using the new transit station and associated commercial development to unite two residential communities that had been separated by an elevated highway and by the derelict site on which the maintenance facility was to be built.

They imagined creating commercial facilities, parking, and "buffering" developments around and above the maintenance yard. Orienting the development toward Franklin Avenue, just at the spot where the elevated highway divides the two neighborhoods, would bring pedestrians, motorists, and transit users together from both sides of the highway. And it would restore a feeling of productive use to what would otherwise be just another forbidding industrial area. With some explaining and negotiation, the vision found a receptive audience with the region's Metropolitan Council, which awarded Seward Redesign a planning grant

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to put flesh on the idea. The community organization then approached potential partners, including health care and educational institutions, as possible developers and tenants at the site. The project is still in development — but it is a profoundly different undertaking today from what it would have been without the influence of Seward Redesign and its constituents.

A similar story took shape around the underused "El" station in the Chicago neighborhood of West Garfield Park. When the city proposed to shut down the Chicago Transit Authority's Green Line, the plan would have left only a westbound commuter line traveling the same route. The commuter line, however, would not serve West Garfield Park or many of the other neglected city neighborhoods along the way. In response, a community organization with roots in the local Baptist church began trading ideas with other Green Line neighborhoods, with Chicago development and transit officials, and with inner-ring suburban governments. Not only did they find a far more attentive audience for their ideas than they might have seen ten or 20 years before, but they found themselves pursuing a classic "outside game," all in the name of rescuing one neighborhood's link to transportation and jobs.

Today, a 23,000-square-foot Transit Center is in development at Lake and Pulaski, along with an enclave of 50 new three-bedroom houses a block away. Though these projects are being carried out by the community group, called Bethel New Life, Inc., and a private joint-venture partner, roughly half the residential land came from the Chicago Housing Authority (the rest was acquired privately). Down-payment assistance comes from a city bond program, government grants and tax benefits are subsidizing portions of the development budget, and most of all, the site's locational appeal comes from the Transit Authority's newly renovated station in West Garfield Park, part of a $300 million modernization of the Green Line. One neighborhood's effort to rescue its transit station ended up strengthening a whole corridor of city and suburban neighborhoods, and the transportation that unites them.

The case of the Fruitvale Transit Village in Oakland, California, may by now be the most famous example of local and regional needs leading to a single, smart solution. In Fruitvale, transportation planners had originally imagined a new transit station as mostly a giant park-and-ride zone, and their main vision for it was to build a parking garage. This was, at first, a good example of the kind of growth that isn't "smart." Viewing the transit line as mainly a way of getting *out* of the neighborhood (presumably to get to jobs in the suburbs or downtown), planners seemed to be paying more attention to their riders' destination than to their origins. It was good for the suburban periphery and for the central business district. But it effectively treated the underused middle — the struggling residential area around the Fruitvale station — as irrelevant. Then a community development corporation (CDC) weighed in. The Unity Council, buttressed by years of organizing and working with local merchants and residents, offered the regional transit officials a different vision of the proposed station: one that would actually boost ridership, besides making a community asset out of something that would otherwise have been a development albatross. The unfolding Transit Village — with new stores and restaurants, renovation and strengthening of current businesses, a cluster of new housing, and open space — now seems like such an obviously good idea that people may eventually forget that it didn't happen automatically. *Someone* needed to conceive it, sell it to transit officials, and then help develop and market the vision. That someone needed to know the neighborhood's strengths well enough to imagine how they could be enlarged and built on. As often happens, the someone was a community development organization.

Three things make this example significant far beyond Oakland. First, it represents a story not mainly about confrontation between community developers and a regional agency, but real collaboration. (Yes, the regional authorities needed some persuading at first, but so do most government bureaucracies. This was not a fundamentally rancorous negotiation.) The premise was mutually appealing: The more lively and attractive the Transit Village becomes, the more likely it is that people will use the transit system.

Second, the plans for the Transit Village treat the inner-city neighborhood as a business opportunity, both for the transit system and for merchants, and not merely as a point of departure for other, more desirable locales. Not incidentally, the project also creates a superior *housing* opportunity for the housing-strapped San Francisco Bay Area. The improved transit station and the new amenities around it make the neighborhood more desirable to residents, who are also likely customers of the Transit Village businesses.

Third, the development also incorporates a neighborhood project that aims at strengthening current businesses and improving commercial real estate. That program operates alongside the development of new stores and housing at the transit site. The whole package — existing businesses, plus new ones, plus housing, parking, and mass transit — illustrates the web of interrelated interests that can make community development indistinguishable from smart metropolitan planning, at least where underdeveloped urban neighborhoods and regional transportation plans converge.

2. Salvaging commercial and industrial space, and the jobs that go with it

It is axiomatic that where jobs go, population follows. Consequently, for those seeking to discourage outward sprawl and redirect population pressures inward, a crucial goal is to attract employers and business investment toward more central neighborhoods. That is the same goal that community development organizations are pursuing in many of the same neighborhoods, in the hope of boosting employment and opportunity for their residents — or even, more basically, of salvaging industrial areas that have fallen into vacancy and disrepair.

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So if the motives of regionalists and community developers are slightly different — growth management for the one, income opportunity and real-estate preservation for the other — their targets and interests are quite often identical. A good illustration is the development of the Brush Creek Corridor in Kansas City, Missouri. Kansas City had authorized a Tax-Increment Financing (TIF) District to spur development eastward along Brush Creek, on the inner side of a symbolic dividing line at Troost Avenue, which historically separated the poorer, mostly African American east and the more affluent western neighborhoods. It is the point from which, in the immediate postwar years, white flight, development, and westward sprawl took off. The TIF was meant to help nudge investment and growth back eastward, across the divider.

Turn now to Community Builders of Kansas City, a community development corporation whose interest is not primarily in altering development patterns across the metropolitan area, but in creating opportunity for residents of the Mount Cleveland and Sheraton Estates neighborhoods, which lie east of Troost Avenue. Community Builders was organized with help from the Swope Parkway Health Center, a major clinic and family development center that anchors the eastern neighborhoods' fragile commercial corridor along Brush Creek. Community Builders recognized in the mid-1990s that, except for the Swope Parkway Health Center, the corridor's economic strengths lay almost entirely to the west. The community group's challenge was therefore to draw some of that development potential eastward — starting with a derelict parcel that for years had contained a scrap yard and a cluster of abandoned houses.

At that parcel, the two visions met: smarter development patterns for the region, productive land use and more jobs for the neighborhood. Neither the regionalists nor the community developers initially sought each other out as partners, but both recognized the opportunity for partnership when they saw it.

With the financial sweetener of TIF-generated financing, Community Builders set out to create an attractive, safe environment with new housing, a large, refurbished park, and, on the scrap-yard site, a commercial development with a signature corporate tenant — eventually a central service facility for H&R Block. Safety was a crucial consideration, given that the run-down condition of the site had made it a breeding-ground of vandalism and petty crime. So after its initial work to develop the $20 million Health Center, Community Builders spent several years developing new housing and a child care facility, to upgrade the appearance of the area, boost street traffic, and attract stable residents. The group formed a special security initiative with the Kansas City police to ensure that residents, both new and old, felt safe. Soon the houses were beginning to rise in value (they would climb nearly 40 percent in five years). Crime was sharply down, and applicants were queuing up for a chance to live in the neighborhood. Then came H&R Block, and the commercial parcel had its signature tenant. The meaning of all these steps depends in part on the side of the smart growth table from which you view them. Seen one way, all of them are essential to the broad, regional push for more eastward development. Seen the other way, they are pure "inside game:" new jobs, new development, and safer streets for a single neighborhood.

To show how thoroughly those two viewpoints have converged, Community Builders is now a key member of Brush Creek Partners — a nonprofit civic association made up of businesses, churches, schools and neighborhood groups from both sides of Troost. The Partners group now takes an active interest in promoting the Community Builders' eastward development program. But as *The Kansas City Star* put it, "They aren't pushing to improve neighborhoods east of Troost Avenue just out of altruism. … They want healthy surroundings to mesh with hundreds of millions of dollars invested west of Troost." Suddenly, through the power of successful investment and some creative coalition-building, the two sides of the Troost Avenue race barrier find themselves marching in the same direction. And the direction is east.

As a meeting-ground for regional and neighborhood visions, few places can be as compelling (or, by some lights, as intimidating) as the brownfields of Allegheny West, a neighborhood just north of center-city Philadelphia. In Allegheny West, the local community development organization has zeroed in on 15 industrial hulks as prime locations for new commercial and industrial development. Many of the sites have environmental histories that will require mitigation, and nearly all of them present an uninviting picture to a casual shopper for industrial real estate. Not so long ago, regionalists might have seen these sites as a perfect example of the hopelessness of central neighborhoods, and a reason to turn their attention outward. Community developers might have sought simply to have the remaining buildings leveled in the hope of putting some housing, or maybe a park, on the cleared land.

But in Allegheny West, as in many older urban neighborhoods, two important things have happened to change those attitudes in recent years. First, the environmental consequences of the "live and let die" approach — the presumption that old urban parcels outlive their economic worth and must eventually be written off — have become dismally clear: a hemorrhage of concrete and asphalt into the surrounding countryside, as businesses abandon established industrial areas for new territory farther and farther away

Recent theories clustered under the heading of "new urbanism" and "livable communities" — entailing mixed-use planning and development, more open architecture and public spaces, traffic calming, and environments that invite walking and provide plenty of access for pedestrians — are perfectly aligned with the purposes of both community development and smart growth.

from the urban core. Alarmed over this loss of greenspace, states such as Pennsylvania have passed increasingly favorable laws and regulations to lure investors back to the abandoned industrial zones, often known as brownfields. In 2002, the federal government followed suit.

Second, the employment consequences have been devastating for the residents of the abandoned older neighborhoods. Disproportionately unemployed and poor, many are unable either to relocate to the remote locations where the jobs have gone, or even, in many cases, to commute there. For community developers, it is no longer enough simply to beautify the empty factories and industrial property. Success now depends on replacing not just the architecture, but the employment potential of those properties.

Chastened by these lessons, leaders from both the community and the region now sit on a working committee, convened by the community-based Allegheny West Foundation, to tackle the 15 targeted brownfield parcels. The committee consists of local business associations, the city's Department of Commerce, the state Environmental Council, staff members from the Pennsylvania Senate and the City Council, and residents and business people from the neighborhood. Two years into the effort, the committee has performed environmental assessments on 12 of the 15 sites, identified new uses and even some tenants for several of them, and conveyed two properties to new owners. The committee shepherds each of the sites through the remediation and rehab process, to preserve momentum and to ensure that the end uses measure up to their potential.

The point is not simply that these properties now have a team of organized, dedicated advocates for development (though that is, by itself, important news in Allegheny West). The more far-reaching point is that this team is a state-local collaboration; includes representatives of government, business, and residents as well as community developers; and pursues an agenda of considerable importance to the whole Philadelphia region, not merely to one neighborhood. That is, to many eyes, the future of regionalism in southeastern Pennsylvania, economically, socially, and environmentally.

3. The regional value of mixed-use development and the 'new urbanism'

Recent theories clustered under the heading of "new urbanism" and "livable communities" — entailing mixed-use planning and development, more open architecture and public spaces, traffic calming, and environments that invite walking and provide plenty of access for pedestrians — are perfectly aligned with the purposes of both community development and smart growth. If both are concerned with creating stable residential markets and "communities of choice," retarding flight and encouraging inward development, then both have much to gain from the tenets of the "new urbanism."

Here's one example:
The development of Winchester Greens in Greater Richmond, Virginia, combines clusters of genteel townhomes, some for families and others for the elderly (with single-family houses next in production), a child care center, and open play fields and recreation space integrated into the design. Shopping is nearby, and more retail space is being developed in tandem with the new housing. The village atmosphere of Winchester Greens blends sound economics, energy efficiency, and good architecture, making an area that is inviting for pedestrians and children at play, where elderly and younger residents intermingle, and shops cater to a steady clientele of neighbors and walk-ins.

As such, it's a good exhibit of the principles of the "new urbanism." Although it's a community development project, it's located not in Richmond, but in a suburb, the aging bedroom community of Chesterfield County. But apart from the suburban locale, what makes it significant to the wider region? The answer is the development's underlying purpose: not just to brighten a distressed or neglected piece of real estate, but to help redirect development and transportation patterns inward, away from Richmond's ever-receding sprawl line.

Positioned on a major commuting corridor, the 80-acre development is aimed at attracting residents, merchants, and (most important) transportation to a central place that blends the advantages of city and suburb. Winchester Greens merges suburban quiet, space, and security with urban-style advantages like a mixed population, easy pedestrian shopping, affordable rental apartments and home-ownership possibilities, and (for the first time) good transportation connections to the city and the hinterland. Until the new development, the closest public transportation to the site had been some two miles away. Some of the new transportation was the result of true smart growth negotiations among the project's community developers, the metropolitan Chamber of Commerce, state legislators, and the Greater Richmond Transportation Company.

Winchester Greens proves several points at once: that balanced, attractive design can make a community out of a stretch of neglected real estate; that such communities can attract both investment and municipal services that would otherwise flow elsewhere; and that all of this can be — in fact, needs to be — a common endeavor of smart regional planners and equally smart community developers.

To slow or reverse the march of population and capital into undeveloped areas, states will need to re-examine the way they use housing subsidies, building codes, infrastructure planning, and land-use policy in older urban areas. They will have to do so in ways that don't alienate suburbs — where the preponderance of local wealth and political power usu ally lies — and yet that boost in-fill development within existing urban

and metropolitan boundaries. There is some encouraging, if still early, evidence that states are asking intelligent questions along these lines, and could come up with creative solutions. Where that is happening, effective community development organizations are likely to be crucial in making those solutions work.

An example of sophisticated state policy for encouraging inward development is in New Jersey, where the state created an unusual sub-section of its building code specifically for rehabilitation of older structures. The Rehabilitation Code eliminates some high-cost requirements that were designed for new construction and that apply poorly (sometimes destructively) to older buildings. It takes much of the guesswork and need for variances out of the approval process for rehabs. One state official estimated that the new code routinely reduces costs in rehabilitation by one-quarter, and has sometimes shaved up to 40 percent. It cost the state nothing to make these changes (apart from years of hard work and delicate negotiations), yet it represents a substantial fiscal stimulus for development in older city neighborhoods — and, not incidentally, in aging suburbs.

In the first year the new code was in place, the pace of new rehabilitation projects in New Jersey surged from a two percent increase the prior year to as much as an 84 percent increase in Jersey City, 59 percent in Newark, and 20 percent in Trenton. The effectiveness of the new code has drawn the attention of other states, particularly Maryland and Delaware, which have written new rehab codes of their own.

One illustration of what the New Jersey code can do comes from the aging industrial city of Elizabeth — in fact, from that city's poorest and most deteriorated neighborhood, called Elizabethport. There, in 1997, a community development organization called PROCEED (the Puerto Rican Organization for Community Education and Economic Development) used the code to renovate an abandoned warehouse and clothing store. The building is now a modern child-care center for 60 children, with an accompanying outdoor playground and 10,000 square feet of office space for social service organizations. The total cost of $1.2 million was substantially lower than it would have been two or three years earlier, under the old code. At the much-higher price, the project wouldn't have been feasible. The warehouse rehabilitation has since sparked other economic development projects in the neighborhood, including the expansion of existing businesses and the opening of several new restaurants. Several of the new and expanded enterprises were made possible by the flexibility of the new code.

Improving the already-developed core of sprawling metropolitan areas will be essential for slowing their outward expansion. But it is not yet a process that comes naturally to the free, unguided market most of the time. States that are serious about preserving greenspace, limiting traffic congestion, and salvaging their historic population centers thus need to move, as New Jersey and Maryland have done, toward a system of incentives, rewards, and leadership in behalf of older, more central neighborhoods. That is happening, and increasingly the advocates of smart growth and regionalism are providing some of the impetus to nudge states in that direction.

As that trend progresses, regionalists are increasingly discovering what they can gain from community development. At the same time, community development organizations and their supporters should likewise be discovering the benefits of jumping on the regional bandwagon. That is happening, but it has proven to be more of a challenge than one might think. The next section discusses some of the reasons why this is so, and what could be done to accelerate the process of learning, interaction, and collaboration.

Impediments to a Smart Growth–Community Development Alliance

The argument thus far, and some of the examples attached to it, might seem to make the prospect of a neighborhood-regional alliance seem almost obvious — a matter of time, perhaps, but surely inevitable. Yet in reality, there is not yet a broad consensus in either camp about the merits of such an alliance or the opportunities that it might bring. The examples we have cited are not yet typical, although all of them were undertaken in the course of normal business, not mainly for the sake of proving a point or pioneering some power realignment. Leaders in these cases really did see a natural harmony between the "inside" and "outside" game. But they are not yet typical of every place.

Most of the cause of this persistent separation arises from the contrasting histories we described at the beginning of this paper. The differences in those histories have been reinforced over time by different styles of operation, contrasting philosophical orthodoxies — and, it must be acknowledged, mutual stereotypes. Some metropolitan theorists, including some very prominent ones, continue to think and write about community develoment as if it were some leftover tool of a defunct urban socialism, as if little had changed, either tactically or ideologically, since the 1960s. And a few leaders of community development, perhaps bruised by past rebuffs from state and suburban power centers, have gone some lengths to distance themselves from what some still regard as antithetical, hostile outside interests.

It is certainly true that a few community organizations, including a few longstanding and accomplished ones, cling to the idea that all neighborhood development must be of a single kind, to serve a single clientele — that all housing must be subsidized for the very poor, or that all businesses must be small and indigenous, or that all new job creation must be concentrated in the neighborhoods where unemployed people live. Those positions, whatever their merits, are unlikely to leave much room for collaboration with adherents of smart growth, among whom mixed communities and diverse local economies are bedrock principles.

The actual agenda of smart growth lends itself to both regional equity and diversity — values that require some vision, but no particular class perspective, to embrace and defend.

But those bedrock principles are by now also in the mainstream of most community development thinking nationwide. Today, the phrases "mixed-income" and "mixed-use communities" are bywords of neighborhood redevelopment as much as of regional planning, though the idea is still held back by a lack of adequate policy and tax tools. Not all community development advocates have been expert at making the "mixed" message clear, but the point is eloquently made in the actual work that community developers have been doing for the past ten to 20 years. The caricature of community development as a plan for concentrating the poor in "gilded ghettoes" is an impressively durable myth, but a myth all the same.

Similarly, there are surely some suburban and regional leaders whose hope is to confine poverty to the inner cities and to preserve the economic homogeneity of outlying areas. Likewise there are leaders in inner cities and inner suburbs who view the infill development agenda of smart growth only as a Trojan horse bringing with it gentrification and displacement. But the image of a monolithic suburban elite fixated on containing the poor is likewise a crude stereotype, held primarily by urban residents who have had too little opportunity to interact with their surrounding neighbors. (Some, to be sure, have been actively discouraged from such interaction by demagogues of both the urban and suburban camps.) If such divisive elements exist among metropolitan leaders, they tend not to be well represented in smart growth circles, which offer little comfort or opportunity for anyone bent on exclusion and enforced homogeneity. The actual agenda of smart growth lends itself to both regional equity and diversity — values that require some vision, but no particular class perspective, to embrace and defend.

The truth is that both community development and smart growth trace their origins to some degree of political divisiveness and class resentments, a difficult but inescapable heritage that lingers, albeit in shadow form, to this day. Where those resentments persist, one might argue, they tend to reduce the effectiveness of whatever side continues to cling to them. But the mere fact that biases and stereotypes are counterproductive has rarely been enough to make them disappear. A stronger remedy usually comes from the growth of wiser leadership, dedicated to building alliances rather than stoking distrust, and from the rallying of wider and wider support to that leadership. Such voices are now being heard on both sides, but not everywhere, and not yet loudly enough to command the national attention of their respective camps.

Two other factors have served to slow what might otherwise have been a natural joining of forces. The first involves resources: Community development organizations tend to be thinly staffed. The best of them — with sizable real estate holdings and with programs and partnerships spanning multiple disciplines — already demand more than an average commitment of time and energy from the people who work for them. Devoting time to travel to regional or statewide meetings, spending hours networking with unfamiliar groups and leaders, and learning unfamiliar issues and systems — these things are not just time-consuming, but they represent a big wager on an uncertain and sometimes distant payoff. A community development staff whose calendar is already overfull may not easily see the virtue in that gamble; but even if they do, some may simply have no hours to devote to it, however eager they might be.

The same is true of smart growth coalitions, whose members tend to be fully occupied in other work, and may have responsibility for regional growth only among dozens of other responsibilities that fill their daily schedule. Particularly if they have had little luck in reaching out to neighborhood groups in the past (or, perhaps, if they have merely assumed their luck would be bad), finding time for an uncertain courtship on the far horizon of their region may seem too much of a stretch. On either side of the dividing line, it seems, the barriers can seem just high enough to overwhelm the small resources available to overcome them. The result is an opportunity for mutual reinforcement that many can see but few can seize.

The final obstacle is so basic it is often overlooked: There is a fundamental structural difference between the way smart growth and community development forces are organized. The former have regional and statewide concerns as their mandate, and they exist primarily in the form of organized coalitions of disparate jurisdictions and local interests. Their members, to some degree, set their parochial concerns aside (or try to do so) when they convene in these regional bodies. That is their explicit mandate. Community developers, by contrast, exist *because* of their parochial interests; they have few forums in which they are called to represent something larger than the needs and plans of their particular community, and those forums tend to be more for mutual support and information exchange than for taking common action on some unified agenda.

Community development intermediaries have increasingly trained their focus on state and regional trade groups as part of both their program and policy strategies. For example, in southwestern Pennsylvania, the San Francisco Bay Area, Milwaukee, or Seattle, the Local Initiatives Support Corporation (LISC) is designing programs around explicitly regional or statewide strategies, in which the field office supports the revitalization of neighborhoods in wide geographic areas. In other cases, including Ohio, California, and Florida, LISC's programs have deliberately sought to promote statewide coalitions from multiple sectors, including neighborhoods and municipalities, businesses, regional bodies, state policymakers, and philanthropic or civic leadership.

Community development intermediaries have increasingly trained their focus on state and regional trade groups as part of both their program and policy strategies.

Community development coalitions have in some cases grown stronger and more ambitious in recent years — an encouraging trend, but one that still has plenty of room to grow. The two qualities that are most likely to make these groups more effective participants in the smart growth field are, first, leadership with real stature in regional or statewide policy circles, and second, staff with enough expertise to analyze, propose, and negotiate policies with depth and sophistication. None of that comes inexpensively — which helps explain why it's still developing.

Four General Approaches for Funders

(1) Leadership and vision
(2) Funding instruments of collaboration
(3) Supporting research and development on ways of blending the two agendas
(4) Attracting attention and discussion to those areas where the alliance is working

Opportunities for Funders: Accelerating the Smart Growth–Community Development Alliance

The impediments we have just described — historical separation, structural differences, and a still-emerging network of state and regional community development coalitions — are all areas in which funders' leadership and strategic grantmaking could be crucial. We offer here four general approaches by which funders could encourage more collaboration and guide the two sides toward a clearer vision of their joint opportunities: (1) Leadership and vision; (2) Funding instruments of collaboration; (3) Supporting research and development on ways of blending the two agendas; and (4) Attracting attention and discussion to those areas where the alliance is working.

1. Leadership

Funders, it must be said, have themselves been affected by some of the barriers and historical divisions we referred to earlier. Among some funders, no less than among some leaders in the field, the needs of neighborhoods and of regions have sometimes been treated as an either/or choice. Just as there are some community developers and some smart growth advocates who see one another as political and intellectual adversaries, a few funders have starkly chosen one path over the other as the best, or most effective, or simply "right" avenue for neighborhood or regional well-being. Regardless of which choice they make, the very act of seeing the two sides as alternative rather than complementary goals contributes to a pattern of division that serves neither side well.

To be sure, most funders have taken a more nuanced and constructive view of the matter, even if they have weighted their grantmaking more heavily in one direction or the other. For those who see past the superficial divisions and false choices, there is an opportunity for leadership both within philanthropy and at the front lines of neighborhood and regional development. It may be helpful, for starters, for alert grantmakers to note when their colleagues or grantees seem to be clinging to old dichotomies, and simply to draw attention and discussion to those instances. Even within a single foundation, there may be separate programs or grantmaking strategies for community development and smart growth — partitions that could be breached by bringing colleagues together for discussion and to consider grants that span the two objectives. Often, several divisions might benefit from such discussions, as when a foundation has separate programs in social equity, urban or metropolitan affairs, organizing, workforce development, and the environment.

In the field, funders sometimes have more ability to summon unfamiliar parties to a common table than any of those parties would have had on their own. In field visits, in conferences and exploratory meetings, and in supporting research or policy initiatives, funders have an ability to draw each side's attention to the opportunities presented by the other side. While a coercive approach would surely be counterproductive, funders can readily create low-pressure opportunities for the two sides to get acquainted and exchange perspectives — an essential first step toward any broader collaboration.

In any case, philanthropy's "bully pulpit" is a still-underused resource for spreading the message that the two sides can and should be working more closely together. Quite apart from any funding decisions, grantmakers could provide a leadership nudge, and a well-articulated vision of neighborhood-regional alliances, both of which are still sorely lacking in many places.

2. Funding instruments of collaboration

Most grantmakers could not — and would not want to — personally take the lead in the whole, slow bridge-building exercise that a lasting alliance would demand in each metropolitan area. To support that more painstaking kind of work, funders might prefer to rely on national and regional intermediaries and on effective state or regional networks and coalitions where they exist. Funding staff and programs specifically dedicated to building and refining partnerships between communty developers and smart growth champions would be a way of signaling that such partnerships are important to the future of both movements. Either on their own or through intermediaries, funders can support replicable projects that combine both constituencies, and encouraging other communities to study and replicate those demonstrations.

But apart from supporting particular programs or initiatives, grants for the growth of effective state and regional community development networks in general would be a useful way of overcoming the structural obstacles we described earlier. In some states (fewer and fewer, as time goes on) there is almost no effective vehicle through which community development groups can act collectively, or form broad-based alliances with other constituencies. Helping to start or solidify broadly based trade groups in those instances could make an important long-term difference. But in most places, the state and regional coalitions already exist and are doing work of real importance to their members. The issue in these more numerous places is not whether a state or regional group would be

helpful, but what it would be helpful *for* — and specifically, how much of its time and effort should be devoted to the opportunities created by smart growth.

Among those cases, funders, intermediaries, and community development groups need to think together about where they might find the greatest opportunities for constructive bridge-building. That entail sasking some fairly basic tactical questions: What kinds of capacity, in which states, aimed at which issues, would make the most difference in building community development effectively into the smart growth discussion? Where are state or regional discussions forming the most quickly, or showing the most promise? Where do community development actors have the most to offer?

Most public policy on urban and metropolitan development tends to focus on the problems of low-income neighborhoods or on sprawl and smart growth, but hardly ever on both topics together.

These questions naturally produce different answers in different places. Answering them wisely in each setting is a challenge that community developers, funders, government, and potential smart growth allies need to tackle together. Little of that will happen without some fiscal stimulus. Even in the cases with the highest potential, there will be a need for some statewide or regional officials on both sides of the fence who can dedicate a portion of their time to working out a common agenda and devising ways of bringing their colleagues into more frequent contact.

Finally, the same can be said for support to individual community development organizations. The number of community developers already at work on issues of regional transportation, economic development, and mixed-use neighborhoods is rising. Some at the leading edge of the curve — including those we cited earlier — are already forming the kinds of alliances with regional leaders that should, in time, become the norm. Funders have an opportunity either to support further work among these pioneers or to fund the next generation of community developers who are just now looking outward for regional partners. Either way, intermediaries can be helpful in spotting opportunity and in delivering technical assistance. But some support also needs to be aimed specifically at the communities and organizations where the case is now being proven.

3. Supporting research and development on ways of blending the two agendas

Most public policy on urban and metropolitan development tends to focus on the problems of low-income neighborhoods or on sprawl and smart growth, but hardly ever on both topics together. Think tanks and university centers, with only the occasional exception, have likewise tended to stick to their disciplinary niches, specializing in one pursuit or the other. As a result, policy ideas that might bridge the two fields have languished for lack of research, demonstrations, and refinement. Funders could bring both capital and attention to this problem by supporting research and experimentation on concrete practices that combine regional and neighborhood planning and development. New techniques and policy ideas such as tools for mixed-income housing, manuals on incorporating green design with community development, research on the best methods of transit-oriented community development (and their cost-effectiveness) have all been broached here and there, but all need far more thought and examination. Before a strong public constituency can form around the intersection of these two fields, ideas about how they work together need to become more concrete, more thoroughly tested, and more widely understood.

4. Stimulating attention and discussion

For all the rumblings of activity described in this paper, the connection between smart growth and community development remains a boutique topic, appreciated by a few adepts and trail-blazers, but not enshrined in any set of trade groups, intellectual forums, or deliberative organizations. There is, for example, no Journal of Smart Growth and Community Development. Very few organizations embrace both goals. Whenever the combined topic comes up at national and regional conferences, or in public policy circles, the response usually reflects more enthusiasm than information or experience.

Worst of all, the community development and smart growth leaders who now work creatively together have little sense that they are part of any national trend. Most of the community developers profiled in this report were aware of only a limited number of other instances of similar collaboration. The volume of actual work continues to grow dramatically, although its volume surprises not only the occasional observer, but community and smart growth practitioners themselves.

Whatever funders may choose to do directly in supporting smart growth–community development partnerships, there is an important indirect task to be addressed as well: Work in this area needs to be better publicized, discussed, understood, and replicated. Conferences, publications, and opportunities for discussion are far too scarce. The mutual misperceptions and stereotypes we discussed earlier might unravel a good deal faster if the channels for communication between the two sides were wider.

There is, of course, a danger in focusing any funding portfolio too intensely on conferences and studies, which can sometimes be the last refuge of an unimaginative grant program. But in this case, information is at least half the battle. Trust is built partly on understanding, and understanding feeds on facts. A funders' agenda for community development and smart growth surely begins with support for actual collaboration, for projects of local and regional significance, and for the people and organizations that do this work. But in this case, those people and organizations also urgently need to share what they have accomplished, to learn what others have done, and to seed a national discussion that, for the most part, has yet to begin.

Whatever funders may choose to do directly in supporting smart growth–community development partnerships, there is an important indirect task to be addressed as well: Work in this area needs to be better publicized, discussed, understood, and replicated.

Sources for Cited Examples

Allegheny West Foundation
Ronald Hinton
Executive Director
2801 W. Hunting Park Avenue
Philadelphia, PA 19129
(215) 225-1019
www.alleghenywest
foundation.org

Bethel New Life, Inc.
Mary Nelson
Executive Director
4950 West Thomas
Chicago, IL 60651
(773) 473-7870
www.bethelnewlife.org

Better Housing Coalition
T.K. Somanath
Executive Director
100 West Franklin Street
Richmond, VA 23220
(804) 644-0546
www.betterhousingcoalition.org

Community Builders of Kansas City
Chuck Gatson
Executive Director
3801 Blue Parkway
Kansas City, MO 64130
(816) 922-7660

Local Initiatives Support Corporation
Julia Seward
Director of State Policy
1825 K Street, NW, Suite 1100
Washington, DC 20006
(202) 739-9266
www.liscweb.org

Puerto Rican Organization for Community Education and Economic Development (PROCEED)
Teresa Sato-Vega
Executive Director
1126 Dickinson Street
Elizabeth, NJ 07201
(908) 351-7727
www.PROCCEDINC@aol.com

Seward Redesign
Brian Miller
Executive Director
2323 East Franklin
Minneapolis, MN 55406
(612) 338-8729
www.sewardredesign.org

The Unity Council
Arabella Martinez
Executive Director
1900 Fruitvale Avenue, Suite 2A
Oakland, CA 94601
(510) 535-6900
www.unitycouncil.org

Endnotes

1. Tony Proscio is a writer and consultant to foundations and nonprofit organizations. He is co-author, with Paul S. Grogan, of *Comeback Cities: A Blueprint for Urban Neighborhood Revival* (Westview Press, 2000).
2. See David Rusk, *Inside Game/Outside Game: Winning Strategies for Saving Urban America*, Washington: The Brookings Institution, 2001.
3. Not all rural communities, it must be said, were so adept or so enfranchised. Rural constituencies in some areas enjoyed political influence out of proportion to their numbers, and in some of these places wealth was growing as well. These tended to be the rural areas whose residents and leaders were in the vanguard of the anti-sprawl movement. But in many other parts of rural America, growth has been nonexistent and population and wealth have been falling. There, quite often, community development was the more influential movement, until the two ideas began to converge in more recent years.
4. "The Costs of Suburban Sprawl and Urban Decay in Rhode Island: Executive Summary," by H.C. Planning Consultants, Inc., and Planmetrics, LLP, for Grow Smart Rhode Island, December 1999, p. iv.

Funders' Network
for Smart Growth and Livable Communities

Hooper Brooks, Chair
L. Benjamin Starrett, Executive Director

Strengthening funders' abilities to support organizations working to build more livable communities through smarter growth policies and practices.

1500 San Remo Avenue, Suite 177
Coral Gables, Florida 33146
Phone: 305-667-6350
Fax: 305-667-6355
Email: ben@fundersnetwork.org
www.fundersnetwork.org