



U.S. Department of Housing
and Urban Development
Office of Policy Development
and Research



Cityscape

**A Journal of Policy
Development and Research**

A Collection of Essays

**Henry G. Cisneros
Secretary of Housing and
Urban Development**

**Special Issue
December 1996**

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Cityscape: A Journal of Policy Development and Research strives to share HUD-funded and other research on housing and urban policy issues with scholars, government officials, and others involved in setting policy and determining the direction of future research.

Cityscape focuses on innovative ideas, policies, and programs that show promise in revitalizing cities and regions, renewing their infrastructure, and creating economic opportunities. A typical issue consists of articles that examine various aspects of a theme of particular interest to our audience. The *Notes* section highlights HUD research-in-progress on current policy and program issues.

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From the Editor

When the U.S. Department of Housing and Urban Development was created in the midst of the “urban crisis” of the 1960s, it was intended in part to give America’s cities a voice at the highest level of government. Over the past 30 years, no Secretary has performed this role with greater energy or skill than Henry G. Cisneros. He has been a tireless advocate and an able steward of the Nation’s commitment to create stronger communities, offering a clear vision and bold strategies for addressing our cities’ most urgent challenges. He has been instrumental in forging a growing consensus for policies that are transforming public housing, unlocking the door to homeownership for millions of families, and bringing new opportunities for economic growth to distressed communities.

However, Secretary Cisneros has always recognized that his voice must also carry far beyond HUD and national political forums, because the choices that will guide the future of America’s communities transcend the relatively narrow boundaries of Federal influence. These choices are made every day in thousands of cities and towns by the residents and the institutions that serve them. To engage the American people in a new discussion of the critical issues confronting our cities—and to explore and expand the range of strategies for resolving them—the Secretary began the series of essays now collected in this special issue of *Cityscape*.

In many ways, these essays are personal reflections on things Secretary Cisneros has seen and heard during the past 4 years as he visited dozens of places where some of the most important attributes of stable families and stable communities—jobs, fathers, hope—are most scarce. Avoiding simple scapegoats and easy answers, the Secretary offers unflinching analyses of the complex problems such communities face, as well as a thoughtful search for practical solutions. His search often challenges us to consider important ideas that are on the cutting edge of thought about urban issues. Some essays highlight the promise of innovative concepts such as defensible space (“Defensible Space: Deterring Crime and Building Community”) and comparative advantage (“Urban Entrepreneurialism and National Economic Growth”); others take a fresh look at innovations in metropolitan governance (“Regionalism: The New Geography of Opportunity”) which, though currently dismissed by many as politically unpalatable, will likely prove critical to the future vitality of fragmented and economically isolated urban areas.

One of the dominant themes of Secretary Cisneros’ essays is that every community can thrive—nurturing its children, supporting its values, providing opportunities for everyone—if it mobilizes all of its resources in the effort. As their titles suggest, the essays constitute a partial inventory of these resources. “Universities and the Urban Challenge,” “Community Colleges and Urban Development,” and “Higher Ground: Faith Communities and Community Building” discuss ways in which local institutions, traditionally regarded as inward-looking, can become engaged in community renewal. “Fathers and Families: Changing the Rules” is a deeply felt reflection on the indispensable role that fathers play in the lives of their children and, by extension, in the future of their communities.

“Urban Land and the Urban Prospect” considers the tremendous economic potential of our cities’ most basic and often despised physical resource: their vacant land. “Preserving Everybody’s History” points out the personal, social, and economic value of reclaiming an equally important but less tangible community resource: its unique history and culture.

These essays reveal the essence of Henry Cisneros—his love for his family and his San Antonio roots, his probing mind and keen vision, his commitment to our cities’ potential and our Nation’s future. It has been a privilege to work with him.



Michael A. Stegman
Assistant Secretary for Policy
Development and Research

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The University and the Urban Challenge

Why Should Universities Care About Cities?

Our Nation's cities are an important focus of life in America.¹ As major centers for commercial activity, cities house the leading banks, communications networks, and international trading companies. They are home to the basic infrastructure of trade and commerce—our roads, bridges, seaports, and airports. The central cities are megacenters for the arts, education, and scientific discovery. All of these amenities bring together people of diverse races, backgrounds, and religious persuasions.

Many American cities, however, are in steep and steady decline, for reasons both contemporary and historic. Current economic pressures on cities arise from global competition and technological innovation, which are fundamentally restructuring the U.S. economy. Having suffered through more than 20 years of job losses and fiscal stress, our cities can no longer generate robust economic opportunities and create good jobs for those with less than a college education. Businesses have fled to the suburbs or overseas, leaving behind “brownfields”—empty buildings on contaminated lots that no one wants to develop. These communities can no longer sustain themselves. Sadly, this fundamental fact of life will not change with an upswing in the business cycle.

The American city—historic gateway to social and economic mobility—has become home to many of the most disadvantaged people in America. Labor force detachment, lack of education, welfare dependency, drug abuse, teenage pregnancy, high infant mortality, and an increase in violent crime reflect a cityscape in which upward mobility and economic independence are virtually unknown. We are in danger of becoming two nations: one with highly skilled, well-paid workers and professionals and the other with a low-skilled, low- or even no-wage, permanent underclass. This spatial isolation of people by income and race in our metropolitan areas has become America's Achilles' heel and is spawning Third World conditions in our very midst.

Our Nation's institutions of higher education are crucial to the fight to save our cities. Colleges and universities must join the effort to rebuild their communities,

Figure 1

The Challenge of Changing Demographics

Future urban campuses are likely to make the diversity of today's urban campuses pale in comparison. With a shrinking pool of traditional Caucasian college-age Americans and an influx of older people returning to school, colleges and universities are faced with educating a population of students different from any they have educated before.

Demographic trends across the Nation illustrate the changes that America's colleges and universities can expect in the near future. By the year 2000, for example, California's white and Hispanic communities will be about equal, each with nearly 42 percent of the State's population. San Francisco will be 65 percent minority. Los Angeles County, with about 8 million people, will be 60 percent Hispanic-, Asian-, and African-American.

Although all institutions of higher education will feel the impact of this new population mix, urban campuses will experience it most intensely.

Source: Elliott, 1994.

not just for moral reasons but also out of enlightened self-interest. The long-term futures of both the city and the university in this country are so intertwined that one cannot—or perhaps will not—survive without the other. Universities cannot afford to become islands of affluence, self-importance, and horticultural beauty in seas of squalor, violence, and despair (Boyer, 1994).

Urban problems press heavily on higher education institutions: Neighborhood crime, poverty, and economic stagnation in these distressed communities threaten everyday campus life. Among America's colleges and universities, reports of robberies and aggravated assaults edged up slightly in 1993, while arrests for drug and weapons violations rose sharply (*The Chronicle of Higher Education*, February 3, 1995). Students do not want to study in such blighted neighborhoods, and faculties do not want to teach there. But, like other great anchoring institutions, colleges and universities cannot wall off their surroundings; nor can they just pick up and move.²

Rising crime is only one reason why colleges and universities should care about the economic and social well-being of their surrounding communities. Institutions of higher learning—both public and private—also must consider their commitment to societal welfare relative to the amount of public support they receive in funding and tax payments. From 1991 to 1992, Federal, State, and local governments spent \$64.4 billion on higher education (U.S. Department of Education, 1994). Taxpayers have every right to expect these schools to contribute—in their own ways—to solving society's problems, including its urban problems. Harvard University's former president Derek Bok asks how faculties at such institutions could “possibly expect to go on receiving such support from the Nation's taxpayers without making efforts to respond to society's needs?” (Bok, 1990.)

The notion here is similar to that underlying one of America's more indigenous ideas in higher education: the land-grant college. The Nation invested its available capital—land—to spread education, learning, research, and invention across the country during critical years of development. Today, the Nation faces new challenges and again needs the resources of higher education. As Ernest Boyer has written:

Higher education has more intellectual talent than any other institution in our culture. Today, colleges and universities surely must respond to the challenges that confront our children, our schools and our cities just as the land grant colleges responded to the needs of agriculture and industry a century ago (Boyer, op. cit.).

Universities should care about cities for academic, even curricular, reasons. From 1982 to 1992, the percentage of nonwhite students attending colleges and universities across the Nation grew by 5.6 percent (*The Chronicle of Higher Education Almanac*, 1994). Given the increasing diversity of college campuses (see figure 1), these institutions must become more responsive to the needs and interests of a broader segment of the population.

The city also provides a wonderful setting for learning about how society works and how to improve it. By providing an opportunity for students to serve and learn, the city allows them to put their ideas and ideals into practice in a real-world context where their actions can make a real difference. Robert Coles describes how Harvard students worked summers with inner-city children in Boston public housing projects and concludes:

Our colleges and universities could be of great help to students engaged in community service if they tried more consistently and diligently to help students connect their experiences in such work with their academic courses. Students need more opportunity for moral and social reflection on the problems that they have seen at first hand, and such intellectual work would surely strengthen both their academic lives and their lives as volunteers. Students need the chance to directly connect books to experience, ideas and introspection to continuing activity—through discussion groups in which the thought and ideas that are so suggestively conveyed in fiction and in essays are brought to bear on the particular individuals who inhabit a world of hardship and pain (Coles, 1994).

Sheldon Hackney, chairman of the National Endowment for the Humanities and a former president of the University of Pennsylvania, sees an even stronger role for service-learning. He has noted that “the problem of the city is the strategic problem of our time. As such, it is a problem most likely to advance the university's primary mission of advancing and transmitting knowledge” (Hackney, 1995).

Service learning is growing as a teaching mechanism in both undergraduate and professional schools. Hundreds of schools link community service to a course or independent study, enabling students to link theory to practice. In a partnership between Arizona State University and the Arizona Department of Youth Treatment and Rehabilitation, students serve as mentors to delinquent youth on parole. At Rutgers University, where service learning has been part of the curriculum for

more than 7 years, students are working with AIDS organizations in New York City and Philadelphia to develop outreach material and to educate communities about the HIV virus.

Because of their concern for physical security, sense of responsibility as publicly supported institutions, and programs for service learning, many universities are already closely linked to, and have much to gain from, their communities. They have, in their own self-interest and the interest of society at large, much to offer in return.

Universities Contain Enormous Potential for City Revitalization

American colleges and universities possess a wealth of intellectual and economic resources that they can bring to bear on the problems of our cities. As centers of research and scholarship, institutions of higher learning can focus their academic energies to address some of the urban problems that lie just beyond their gates. As major economic entities, universities can create job opportunities for local residents, provide contracts for local businesses, invest in low-income housing, and provide other forms of economic support to their surrounding communities.

Until fairly recently, colleges and universities might have represented affluence and aloofness in surroundings of poverty and despair. The traditional German university was devoted to specialized scholarship, and it was through the production of specialized inquiry and studies that the university provided service. Cardinal Newman, founder of Dublin University more than a century ago, epitomized this view when he called the university that “high protecting power of all knowledge and science” and referred to “useful” knowledge as “trash” (Kerr, 1963).

A contrary view comes from John Dewey, who emphasized that school and society are one. He believed that the real advances in knowledge occur by means of a focus on the central problems of society. Today higher education, as the core component of the Nation’s schooling system, is particularly intertwined with what Dewey called the “dilemmas” and the “perplexities” of our time (Hackney, *op. cit.*).

This view is now widely, if not universally, accepted in American academic circles. Charles E. Hathaway, chancellor of the University of Arkansas at Little Rock, and his coauthors concede that the university must guard its existence as an independent institution if it is to achieve its primary functions:

The university must not stand apart from its society and its immediate environment but must be an integral part of that society. The university best serves itself and society by assuming an active leadership role, as opposed to its traditional stance of somewhat passive responsiveness (Hathaway et al., 1990).

In the broadest sense, the American university system functions to preserve, disseminate, and advance knowledge for the improvement of society. Community colleges and research universities, of course, accomplish these functions differently. Nonetheless, there is general agreement that the American university is

designed to encompass the broad range of human knowledge and is dedicated to the preservation and advancement of that knowledge to help make the world a more civil and decent place.

American higher education institutions accomplish this mission in several ways. They are centers for the training and certification of professionals—nurses, teachers, doctors, lawyers, social workers, technicians, engineers and, increasingly, businesswomen and businessmen. Many professional schools provide direct services to the community. In fiscal year (FY) 1990, for example, the University of Pennsylvania Medical Center rendered \$9.1 million of uncompensated care for the indigent (University of Pennsylvania, 1990). Another example is Wayne State University, which provides through its medical school and hospital \$30 million worth of medical care each year: \$15 million to uninsured patients and \$15 million to underinsured patients in Detroit. Although they comprise only 20 percent of the Nation's acute-care beds, academic medical centers account for 50 percent of total charity medical care given in this country (Association of Academic Health Centers, 1994).

Another way of advancing knowledge is through the campus's function as a forum for the discussion of ideas. Higher education institutions are neutral institutions that do not belong to any special-interest constituency. They deal in a universal good—knowledge—that should be the property of all members of society. The interest higher education institutions serve, therefore, is a general interest. As such, they have been, and are, central grounds for brokering and debating ideas through conferences, meetings, seminars, and publications.

As centers of technology transfer in their regions, universities are also rapidly becoming *the* institutions with the resources to provide a stream of know-how and human capital to their respective regions that can serve as the fuel for innovation, entrepreneurship, and regional synergy (Goldstein and Luger, 1992). In FY 1993, inventions developed at 117 of the Nation's leading research universities produced some \$242 million in royalties and a total of 1,307 new patents, often directly benefitting local companies (Blumenstyk, 1994). For example, faculty at the University of Pennsylvania have made approximately 90 invention disclosures per year during 1993–95, resulting in many collaborative research and license agreements with Pennsylvania businesses.

Higher education institutions and their high-technology departments have set up or become involved with local or regional entrepreneurial activities, many with international research and marketing operations (Goldstein et al., 1994). Reflecting a maturation of the technology transfer process, a 1992 survey of U.S. research and doctorate-granting universities indicated that more than one-half sponsored technical assistance centers, about 13 percent had small business assistance centers, and 11 percent currently make equity investments in new technology-based businesses (Goldstein and Luger, op. cit.).

The economic spinoffs from higher education institutions to their locales are immense. The role of the Stanford Industrial Park in the development of Silicon Valley in California and the roles of the Massachusetts Institute of Technology and Harvard University in the creation of the Route 128 corridor around Boston

have become part of American lore. Of perhaps equal significance is the effect of the Research Triangle Park on the development of the Raleigh-Durham area of North Carolina, now a world-renowned center of research and development. Another example is University City Science Center's development as Philadelphia's urban research park, comprising 28 member institutions, including universities, academic medical centers, and hospitals. On a smaller scale, regional and city planning faculty from the University of Oklahoma's Center for Business and Economic Development provide research, technical assistance, education, and training for local communities.

Colleges and Universities Are Important Economic Entities

Many institutions of higher education have become potent generators of jobs and taxes in their communities. They are growing in importance as centers of local and regional economic development and stability.

Colleges and universities are major employers. In Philadelphia the three largest private employers are the University of Pennsylvania, Temple University, and Thomas Jefferson University. The University of Pennsylvania alone has approximately 20,000 employees and, through its activities, supports another 24,000 spinoff jobs in Pennsylvania (University of Pennsylvania, *op. cit.*). The indirect employment effect of the University of North Carolina at Chapel Hill is equally impressive. The university, with about 9,500 employees, is responsible for the indirect creation of an additional 12,600 jobs in North Carolina (Goldstein and Luger, *op. cit.*).

Purchasing figures are equally impressive. In FY 1990 the University of Pennsylvania spent more than \$936 million for compensation and the purchase of goods and services, as well as an additional \$42 million for construction projects, and contributed an estimated \$2.5 billion to Pennsylvania's economy (University of Pennsylvania, *op. cit.*). Throughout the State of Connecticut, including the New Haven region, Yale University's purchases exceeded \$170 million in 1991–92. To illustrate the magnitude of university purchasing power, while the Federal Government placed orders with 11,000 vendors from 1992 to 1993, George Washington University in Washington, D.C., dealt with more than 24,000 vendors during this same period (Dolan, 1994).

The purchasing power of student bodies is significant. A visit to most urban campuses will find hotels and inns, computer stores and bookstores, clothing and music shops, restaurants, and entertainment establishments serving student needs and tastes. Demand for these goods and services does not come just from students. Yale University, for example, in 1991–92 attracted to New Haven more than 550,000 visitors who spent an estimated \$38.5 million (Office of the Secretary, Yale University, 1993).

Although they are largely tax-exempt institutions, universities still make substantial contributions to local tax coffers. In 1992–93, Yale University paid \$4.6 million to the city in taxes on noneducational property and motor vehicles and in fire, sewer, landfill, and other fees (Farrish, 1994). The George Washington University generated \$13.7 million in local property, retail sales, hotel, parking, and personal property tax revenues in 1992–93 (Dolan, *op. cit.*). And because the University

of Pennsylvania is the largest employer in Philadelphia, its employees pay more to the city in total wage taxes than their counterparts at any other institution or business operating in the city (University of Pennsylvania, *op. cit.*).

Institutions of higher learning, then, bring formidable intellectual and economic resources to their communities. It is encouraging to report that many institutions are now disregarding Cardinal Newman's advice, tearing down the wall that separates campus from community, and devoting intellectual and other resources to community building.

Helping Create Communities of Opportunity

For decades many colleges and universities have been inner-directed, formulating their aims on the bedrock of their own religious commitments, traditions, faculty desires, and ambitions for growth, largely ignoring the world outside. In recent years, however, many institutions of higher education are deciding that they prefer to live together with their community rather than live apart from it. As George Keller has observed, "Colleges are switching from a self-assertion model of their existence to a biological mode of continual adaptation to their powerful changing social environment" (Keller, 1983).

Some institutions emphasize their role as developer. As part of its \$50-million investment commitment to New Haven, Yale University, for example, is using carefully targeted investments to stimulate renovation of an apartment building and a shopping area, redevelop a four-block commercial center, and renovate four storefronts—all in downtown New Haven (Farrish, *op. cit.*). In Brooklyn, Polytechnic University's Metrotech is a 16-acre university-corporate park developed over the course of 18 years. It includes a \$42-million library that contains the New York State Center for Advanced Technology and Telecommunications and four new commercial buildings with 2.9 million square feet of office space. Plans call for more commercial building and for bringing 16,000 jobs to the area (Rothstein, 1992). And in Greeley, Colorado, the University of Northern Colorado is working with the city to develop private housing solutions to problems of affordable housing for low-income families (The American Association of State Colleges and Universities and the National Association of State Universities and Land-Grant Colleges, unpublished study).

Faced with declining enrollments since 1988 and the need for a more cohesive campus, Marquette University in Milwaukee, Wisconsin, formed two nonprofit community development corporations—one for residential property and the other for commercial property. Working with local healthcare providers and major employers, Marquette has launched the Campus Circle Project, which acquires real property for community revitalization. With \$50 million in funding, the project aims to upgrade its real estate, reduce crime, keep housing affordable, and retain the community's ethnic and economic diversity.

Other schools stress their role as service providers. Under the leadership of President William Greiner, the State University of New York at Buffalo has actively launched efforts to use its academic strengths to improve the city. Nurses are trained in a clinic for the homeless; law students work on a service program for

victims of domestic violence; sociologists and planners learn their fields in a Center for Applied Public Affairs Studies that seeks to stimulate urban economic redevelopment. Teachers, social workers, psychologists, and environmental engineers all work in community settings. Elsewhere, the University of Wisconsin is collaborating with three community organizations in Milwaukee to enhance delivery of high-priority health and social services. The University of Louisville has developed a partnership of local universities, businesses, government (including the public school system), and community-based organizations to lift residents of two distressed neighborhoods out of poverty and into self-sufficiency.

Work with public schools is another focal point of university engagement with local communities. In one widely publicized case, Boston University entered into a 10-year contract to operate the Chelsea, Massachusetts, school system, which has the highest dropout and student arrest rates in the State (Nicklen, 1994). In another case the University of Pennsylvania developed a coalition, the West Philadelphia Improvement Corporation (WEPIC), to work with public schools. WEPIC is a year-round program involving more than 2,000 children and community members in education and cultural activities, recreation, job training, and community improvement and service. WEPIC intends ultimately to develop schools that are open 24 hours a day, function as the core of the community, and serve as the educational and service-delivery hub for students, their families, and other local residents.

Other institutions are using their economic leverage to stimulate community-building efforts. Yale, for example, offers \$2,000 a year for 10 years to any university employee who buys a house in the city. Similarly, the University of Pennsylvania has long encouraged redevelopment in its neighborhood by guaranteeing mortgages for faculty members who move into west Philadelphia.

These examples only begin to suggest the remarkable array of approaches that farsighted colleges and universities are taking in helping to revitalize their local neighborhoods and communities. Almost universally, their efforts involve partnerships with community-based organizations (which the Department of Housing and Urban Development (HUD) sees as a wellspring of local initiative), governments, foundations, and businesses. HUD recognizes and applauds these pioneering efforts and seeks to build on them.

HUD's Role: Encouraging Involvement

With these efforts pointing the way, HUD established the Office of University Partnerships in July 1994. This program is based on the proposition that the Federal Government and institutions of higher learning can work together to revitalize distressed communities.

The seeds of the university partnership concept were planted in the founding days of HUD when in 1965 President Lyndon Johnson said:

This new Office will provide a focal point for thought and innovation and imagination about the problems of our cities. It will cooperate with other Federal agencies, including those responsible for programs providing

essential education, health, employment, and social services. And it will work to strengthen the constructive relationships between Nation, State, and city—the creative federalism—which is essential to progress.³

Until I came to HUD, the concept of partnerships—especially those involving universities—had not developed significantly at the Department. HUD had several grant programs to help universities participate in local housing and urban development activities, but these programs were low-profile and low-priority. More importantly, the Department had no vision for what the role of universities in community building should be, or for how HUD could nurture this role. As a result activities involving universities were generally sporadic, unfocused, and short-lived. We at HUD know that Washington cannot pay for everything, should not regulate everything, and must not mandate everything. The Department's role is to marshal resources from all sectors of society and bring them to bear on these high-priority problems. HUD should catalyze, facilitate, mediate—and get out of the way and let people of goodwill and strong faith in communities do their jobs. HUD should support their efforts and become a reliable partner in community building.

We have created the Office of University Partnerships to help universities realize and accomplish their urban mission. The goals of the Office are to recognize, reward, and build upon successful examples of universities' activities in local revitalization projects; create the next generation of urban scholars and encourage them to focus their work on housing and community development policy and applied research; and create partnerships with other Federal agencies—such as the U.S. Department of Education, the National Science Foundation, the National Endowment for the Humanities, and the Corporation for National Service—to support innovative university teaching, research, and service partnerships.

Grant Programs

The four grant programs under the aegis of the new office provide financial and intellectual resources to universities to enable them to institutionalize community-building activities. They attempt to connect practitioners and academics in mutually beneficial partnerships for urban revitalization.

Community Outreach Partnership Centers. The Community Outreach Partnership Centers (COPC) program is a 5-year demonstration designed to facilitate partnerships between universities and communities to solve urban problems. These centers will undertake multidisciplinary research, technical assistance, and outreach activities in cooperation with community groups and local governments. The program provides the “glue” for comprehensive community building, funding the kinds of staff and activities that universities could not otherwise afford. By providing seed money for the activities, HUD hopes that schools will institutionalize the functions as a vehicle for implementing the Department's urban mission.

In October 1994 HUD announced 14 inaugural COPC awards totaling \$7.5 million. The awards enable a variety of institutions to carry out activities across a broad spectrum. The University of Illinois at Chicago, for example, is working in

its adopted neighborhoods of Pilsen and the Near West Side to nurture affordable housing, economic development, and community education. Among other activities, the university-neighborhood team is rehabilitating abandoned housing units and constructing new ones. The team is also establishing an affordable housing consortium to exchange housing information and expertise between the university and community development corporations.

The University of California at Los Angeles' partnership is addressing inequitable housing and employment conditions in three predominantly Hispanic- and African-American communities in Los Angeles—Vernon Central, Pico Union, and the Alameda Corridor. University researchers have identified 24 projects in housing, economic development, neighborhood revitalization, planning, community organizing, and education to benefit these neighborhoods. In a combination of research and outreach activities, this center is developing a plan to expand the supply of affordable housing; increase private lending; address environmental health issues, including lead-based paint abatement; and develop a building materials recycling program.

Duquesne University in Pittsburgh is focusing on the Hill District and East Liberty—two nearby, distressed minority neighborhoods that have been the focus of significant investment by the city. Duquesne's Graduate Center for Social and Public Policy is collaborating with the Pittsburgh Mediation Center and Goodwill Industries to target gang members and youth at risk of recruitment into gangs. The program provides education and job opportunities for these youth.

Historically Black Colleges and Universities. HUD's Historically Black Colleges and Universities (HBCU) program makes important grants available to HBCU participants that help them address local housing, economic development, and neighborhood revitalization needs. The HBCU grants fund such activities as low- and moderate-income housing rehabilitation, development of a community center to offer adult basic education, General Equivalency Diploma preparation and job counseling, resident management and crime-prevention training for public housing residents, and technical assistance in the development of business plans. Other public and private funds frequently supplement HBCU grant money.⁴

Joint Community Development Program. HUD's Joint Community Development (JCD) program will provide \$12 million in FY 1995 to fund Centers for Community Revitalization among three to four institutions of higher learning. These centers will undertake a multiphased, multiyear agenda to produce large-scale community-building activities similar to those eligible under the Community Development Block Grant program. By working in conjunction with neighborhoods and localities, colleges and universities receiving JCD grants will support the long-term community-building efforts in these jurisdictions.

Doctoral Dissertation Research Grants. The Doctoral Dissertation Research Grants program encourages doctoral candidates to engage in housing and urban development policy research. The program's \$15,000 grants also produce research that can influence local and national policymaking processes. Currently funded doctoral candidates will look at subjects such as access to credit for poor urban women; the effect of the physical environment, resident involvement, and

crime on creating a neighborhood in a revitalized housing project; and the impact of bank mergers on residential mortgage lending. HUD is investing \$225,000 in 15 doctoral dissertation research grants in FY 1995.

Community Development Work Study. The Community Development Work Study program attracts disadvantaged and minority undergraduate and graduate students to community and economic development professions. Minorities and disadvantaged communities are sorely underrepresented among community development professionals, and this program seeks to fill the gap. The program also offers a way for the university to give human capital back to the community. The program, with annual funding of \$3 million, assists about 120 students a year.

Access to HUD's Resources

Although HUD's university-related grant programs, which total more than \$25 million, provide a significant boost to institutions engaged in the revitalization of their communities, the real potential for university partnerships lies in the \$25 billion of HUD's housing and community development programs, which provide a solid foundation for colleges and universities that want to help their communities. For example:

- The Hampton University Development Corporation, a partnership between the university and residents of nearby Phoebus, Virginia, has received \$1 million in HUD funds for a construction trades training program for neighborhood youth and a \$500,000 grant for various efforts to foster economic development and promote affordable housing.
- At Yale University students are working with the New Haven Public Housing Authority to develop a much-needed laundry facility in the Elm Haven district. The program is part of the HOPE VI initiative, which supports a full range of activities to transform distressed public housing developments into viable communities.
- Marquette University, with the support of a \$650,000 anticrime demonstration grant from HUD, is working with the Campus Circle Partnership, the Milwaukee Police Department, and community-based organizations to reduce crime in the Avenues West neighborhood.

These and other HUD programs offer institutions of higher learning a valuable starting point to help fight crime, restore commercial viability, and empower public housing residents in their communities. The Office of University Partnerships will offer colleges and universities an easier pathway to other HUD programs and to programs throughout the Federal Government.

A Force for Good

HUD's vision of universities working as a force for positive change in their communities stems from Dewey's notion that school and society are one, and our Office of University Partnerships is working to maximize the application of such functional knowledge. As former mayor of Atlanta Andrew Young advocated:

In establishing interactions with the metropolitan environment, we must think creatively of how we might utilize the entire student body of the university as an urban-based experiment station. The challenge for the metropolitan university is to transform itself by empowering the entire campus to utilize the metropolitan area as a living laboratory (Hathaway et al., 1990).

Now more than ever, universities are essential to helping the Department achieve its mission of creating communities of opportunity. Violence, unemployment, poverty, poor housing, and pollution surround some of our most distinguished colleges and universities. Urban America is under siege, and institutions of higher learning must lend their considerable resources to fight the good fight. Whatever the initial motivation—fear of crime, responsibilities as publicly supported entities, or opportunities for service learning—our Nation’s colleges and universities must commit themselves to this critical effort.

It is time to join together to help our society achieve its promise as a fair, decent, and just society. I agree with President Greiner, who said:

If every research-intensive university in this country commits itself to changing a small portion of events in its own community; if every urban and metropolitan research university in this country commits itself to addressing needs in its own city—then, in the total of all of our acts on behalf of our neighbors and our mutual future, we will be a massive and unparalleled force for the good of our people and our country (Greiner, 1995).

The American institution of higher learning may, in the final years of this century, be entering one of its most challenging and productive eras. Among its tasks will be that of helping to reshape the city to become once again the driving force in the economic, social, and cultural life of this Nation. HUD stands ready to facilitate this task and invites every American college and university to join in this worthwhile effort.

Notes

1. This essay was first published in January 1995. The Department wishes to acknowledge the contributions of Ira Harkavy, director of the Center for Community Partnerships, University of Pennsylvania; and Joseph Foote, Joseph Foote Associates, for making this essay possible.
2. Examples of university flight from distressed communities include Pepperdine University, which in 1972 left south central Los Angeles for Malibu, California; and Marquette University’s former medical school, which moved to a Milwaukee, Wisconsin, suburb in the 1960s. Joseph N. Boyce, “Campus Movement: Marquette University Leads Urban Revival of Blighted Environs,” *The Wall Street Journal*, February 1, 1994, p. A1.
3. Lyndon B. Johnson, State of the Union Address, January 4, 1965.

4. The Historically Black Colleges and Universities program is administratively not part of the Office of University Partnerships; it is administered through HUD's Office of Community Planning and Development.

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Defensible Space: Detering Crime and Building Community

The concentrated physical and social problems of poor neighborhoods have been on our public conscience for more than a century.¹ The burgeoning economies of the industrial North were creating great wealth a century ago, but they were also creating appalling slums as thousands of poor job seekers packed into the inadequate housing of our major cities. From the beginning, high rates of crime and juvenile delinquency were among the slums' most characteristic afflictions (DeForest and Veiller, 1903).

Through 1960, government programs directed toward the problems of slum areas focused predominantly on physical solutions—providing more and better housing in particular. But since then, this approach by itself has been recognized as myopic. New research made it clear that housing quality and overcrowding were not in themselves the critical underlying causes of crime and other social pathologies of poor neighborhoods.² Those who thought good housing alone would be enough to fix these problems were berated as “environmental determinists.” For a time, in important policy circles, strategies stressing physical change simply became unfashionable.

Today the pendulum seems to be swinging back to an increasing recognition that, in the right places, physical design does have a role to play in crime reduction. The design approaches capturing the interest of criminologists now, however, are quite different from the massive urban renewal schemes of the past. These design approaches are known collectively as *defensible space*. They rely on a bundle of relatively inexpensive techniques, such as appropriately placed fencing, that define spaces in a manner that discourages criminal activity for both individual buildings and whole neighborhoods.

The concept of defensible space is not yet well known. My purpose here is to introduce it to a broader audience of both local and national policymakers and to offer some ideas about its potential.

Defensible Space—Its Importance

Why is defensible space important? Crime persists as our Nation's dominant fear—if we listen to opinion polls—despite the massive recent growth in prison populations. Too many Americans are losing hope that the problem of crime in our streets will, or can, be addressed effectively. Anything that offers a chance of reducing it deserves attention. Defensible space techniques have had some impressive successes, dramatically reducing criminal activity in some projects and neighborhoods.

Even its advocates, however, do not claim that defensible space is a cure-all. It is most effective when used in conjunction with other programs (such as community policing and effective resident organization) if it is to have lasting effects on projects and neighborhoods. Any effective solution to America's crime problem as a whole will depend on a much broader assault on the structural flaws in our society that motivate high crime rates.

Nonetheless, the practical successes of defensible space initiatives, the fact that they can be implemented quickly and require very little public funding, and the surge of new research and experimentation they have generated³ make defensible space an approach well worth our consideration.

My own view is that we should be assessing these techniques broadly. Beyond their immediate impacts on crime reduction, they have the promise of making important contributions to longer term, multifaceted strategies aimed at halting the spread of decay in America's cities.

In the remainder of this essay, I outline the basic principles of defensible space; show how defensible space has worked in some public housing projects (now often the sites of lawlessness so blatant and devastating as to make the environments of late 19th-century slums seem benign); discuss the application of defensible space at the neighborhood level and its possible role as a catalyst for broader community improvement; and consider steps that might be taken to help realize the broader potential of defensible space, including research to better understand its limitations and linkages as well as programs to spread its application.

Defensible Space—Principles

The early development of the defensible space approach, and a surprising amount of the application so far, is attributable to one person: architect Oscar Newman. Although he acknowledges thematic debts to the writings of Jane Jacobs,⁴ Newman says that a strong personal motivator for these ideas was his exposure to the infamous Pruitt-Igoe public housing project in St. Louis (since demolished). The public spaces of the project were filthy and crime-ridden, but the apartment interiors, in sharp contrast, were well maintained. The problem seemed to have more to do with the characteristics of the public spaces than of the people who lived there. Since Newman's formulation of the basic approach to defensible space in the early 1970s (Newman, 1972),⁵ he has applied it in many locations and explored its applicability in considerable detail (Newman and Franck, 1980).⁶

Newman's fundamental assumption is that most criminals behave with some rationality, selecting for their crimes locations they believe will offer high rewards but very low risk of getting caught.⁷ To deter crime, then, spaces should convey to would-be intruders a strong sense that if they enter they are very likely to be observed, to be identified as intruders, and to have difficulty escaping.

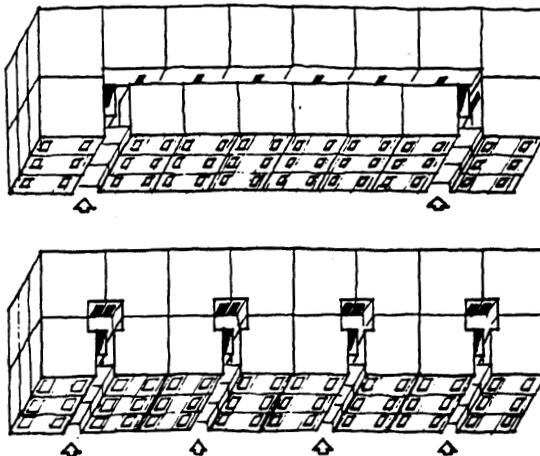
Outside spaces become more defensible if they are clearly demarcated (by fences, shrubbery, and so forth) for use by one household or a small number of households, and if they are easily observable by residents, neighbors, and passers-by. It is hard to tell who is, and who is not, an intruder if too many people are entitled to use an outdoor space and no one feels responsible for its legitimate use. Defensibility is also helped by good lighting around possible means of entrance; removal of visual barriers such as high, solid fences and shrubs that create hiding places; and windows with good views of the space in question.

Single-family homes, row houses, and duplexes are most defensible, by definition, because building entrances and outside spaces are used and controlled by only one household; that is, they are "private." To capitalize on the inherent advantages of these housing types, designers should:

- Avoid setting the front of the building too far back from the street, to keep the building observable to neighbors.
- Provide fences or other barriers to demarcate and prevent easy access to and through back yards.

Figure 1

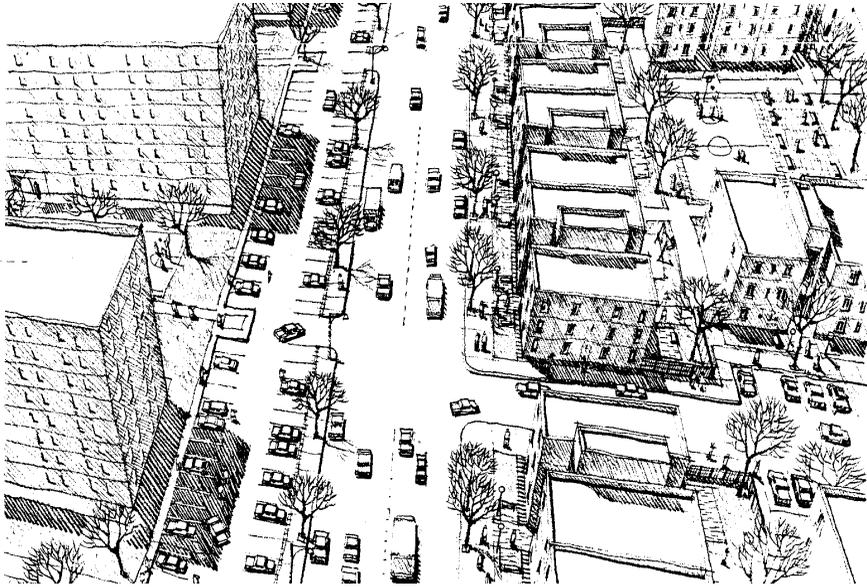
A 48-unit building (top) with common stairs and long corridors that are tempting to intruders, and the same building (bottom) made safer by allowing access to only 12 units per entrance.



Source: Oscar Newman, *Design Guidelines for Creating Defensible Space*.
Reprinted by permission.

Figure 2

Newman's sketch of alternative ways to develop a four-block area. The project on the left is turned in on itself, away from the public street.



Source: Oscar Newman, *Community of Interest*. Reprinted by permission.

- Provide good outside lighting around entrances and avoid visual barriers that create hiding places easily accessible from public streets.

Two- to four-story apartment buildings are more of a challenge because entrances, interior circulation areas, and some outside spaces must be used by more than one household; that is, they are “public.” A priority for designers of public apartment buildings is to minimize the number of apartments served by each entrance. In the 48-unit building at the top of figure 1, the common stairs and corridors are accessible to 48 families, and the long corridors are tempting to intruders—offering escape routes and a fairly low probability that anyone will report them if they are observed. The building at the bottom of figure 1 has the same number of apartments, but there are only 12 units per entrance (4 per landing) and escape is not as easy. Also important in these cases is that outside spaces be divided up and allocated to individual families insofar as possible. Where this cannot be done, it may be possible to define areas for use by a limited number of families—for example, by providing a clearly marked play area for children immediately adjacent to (and observable from the windows of) a small number of apartments.

Highrise apartments with large outside open spaces are hardest to make defensible. Elevator economics encourages one central interior public space serving a great many units. Moreover, a highrise project typically has a large outside “no-man’s land”—a public space where intruders can mingle without notice and find easy avenues of escape. Clearly, highrise projects can be made more defensible,

but the means (guards and reception desks) are usually unaffordable even for moderate-income families, let alone the poor.

Newman's sketch of three alternative ways to develop a four-block area (figure 2) illustrates these points. The first alternative consists of single-family row houses. A high percentage of the land area in each block is private, thus defensible. The second consists of walkup apartments. The inner portions of the blocks are at least semiprivate, with limited points of access and observable spaces. Spaces are not divided up and assigned to individual households, so the risks for an intruder in these spaces are clearly less serious than in the back yard of a single-family house. The third alternative is a set of highrise apartment blocks. All of the exterior space is public, and the elements of natural household-based control are lacking altogether.

The limited evidence available suggests that design can influence crime rates. In New York City Housing Authority projects in 1969, for example, felony rates (crimes per 1,000 families) affecting low-income, female-headed households averaged 90 in buildings with 12 to 30 stories, 78 in buildings with 6 to 7 stories, and only 41 in walkups with 3 to 4 stories. Crimes occurring in interior public spaces accounted for 37 percent of the total in highrise structures, but only 5 percent in the walkups.

Residential neighborhoods appear more or less vulnerable to crime depending on their location, their internal layout, the mix of housing types within them, and the actions and attitudes of their residents. The technique most prominently discussed to make such large spaces more defensible is that of changing street patterns. Blocking off some streets and alleys and installing fencing makes it harder to drive into the area or to make a quick getaway.

At the neighborhood level, resident attitudes and behaviors also seem to affect the defensibility of space. Physical change may be less effective in deterring crime when residents are fearful and apathetic than when they are hopeful, determined, and organized.⁸

Applications in Public Housing

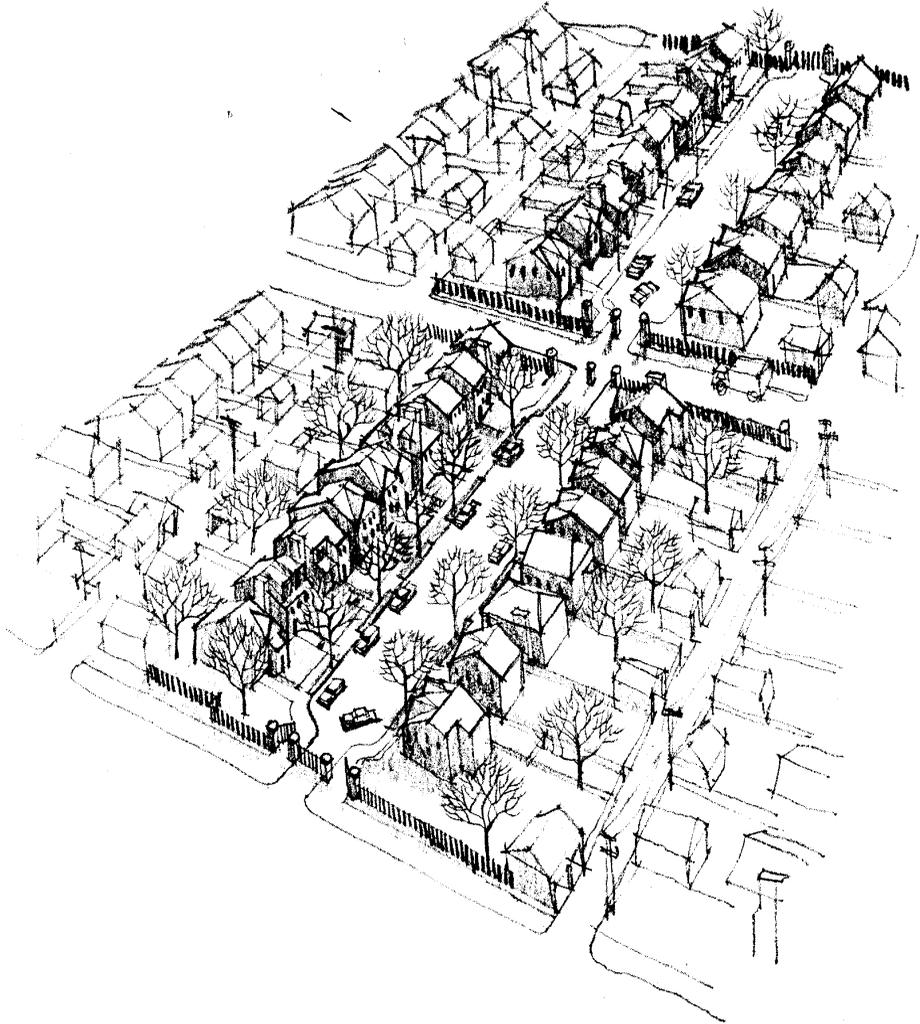
Most Americans' image of public housing is of a large concentration of run-down highrise buildings in a major city—crime-ridden and inhabited by the poorest of the poor. The principles of defensible space help to explain why crime rates in such projects are both so high and so hard to bring under control.

There are, indeed, many such projects, but this single image of public housing is something of a media distortion. In 1989 one- and two-story structures (many were scattered-site, single-family units) accounted for almost one-third of the 1.4 million public housing units nationwide. Buildings with three to six stories accounted for almost another quarter (Casey, 1989).

Defensible space techniques have had considerable success in several smaller scale developments, and they have made at least some dent in the crime problems of certain highrise developments. I believe this approach can be highly cost-effective and should be applied much more widely. But in moving forward it is

Figure 3

Aerial view of a typical set of private closed streets in St. Louis, Missouri. Street closures by residents have reduced crime and stabilized communities.



important to learn from cases where defensible space approaches have been misapplied. The danger is not only that they may fail to cut crime in the projects themselves, but that they may shift it to a nearby location.

The Experiment at Clason Point Gardens

Clason Point is a development on the border of the South Bronx in New York City, composed almost entirely of three- to six-unit blocks of two-story row houses. When these buildings were constructed, all of the space around them was

left public, giving tenants no sense of personal responsibility for any area outside their own units. The project was plagued with problems, and crime was high on the list. In one of the earliest attempts to apply the defensible space concept in public housing, Oscar Newman redesigned the grounds of the Clason Point project. Newman's plan focused on four simple measures:

- Handsome 6-foot iron fences were installed to enclose the areas immediately behind each row-house block. Provision of fencing, shrubs, or other materials to further subdivide these spaces into individual back yards was left to the tenants.
- Paths and low curbs were used to delineate individual front yards for each unit in the formerly public space in front of each block, similar to the treatment in figure 3.
- The amorphous building facades were resurfaced in varying colors and textures, so that each unit became visually distinct from the one next door.
- Ample street lighting, along with seating and other appropriate “street furniture,” was provided along the paths and in other spaces that remained public. These changes, completed in 1972, converted 80 percent of the previously public grounds into spaces clearly demarcated for private use and control.

The results were all that the designer had hoped. Within a year, almost all of the residents had planted grass seed (provided by the housing authority) in their new front and back yards. Many had also added fencing and shrubbery to define their own spaces more clearly and had begun to sweep the public paths in front of their units regularly. With so much less land to take care of, the grounds maintenance crew's workload declined substantially, and half the crew was transferred to another project. Crime decreased as well. The overall crime rate dropped by more than 50 percent, from 83 to 38 incidents per 1,000 residents per year, and the burglary rate declined by more than 25 percent. The percentage of tenants feeling that they had a right to question strangers on the project grounds jumped from 27 to 50 percent.

The New Wave of Interest

Despite the success of Clason Point Gardens, the next 20 years saw comparatively few defensible space improvements in public housing. Newman and others applied similar techniques effectively in other projects, but for a number of reasons (fiscal stringency being prominent among them), the approach never caught on.

In the 1990s, however, many of the older big-city projects have become environments of such sheer terror that local housing authorities are willing to try almost any technique, including defensible space, to alleviate the nightmare. New phenomena from the preceding decade—the crack cocaine epidemic, the widened availability of inexpensive guns, the rise of youth gangs—have aggravated the problem of crime in public housing beyond imagination. The stories are now well known: residents who have become prisoners in their own apartments, cringing behind darkened windows and hoping to avoid the next spray of random gunfire; maintenance crews that are withdrawn because of harassment by gang members who have assumed de facto control of project access.

The redevelopment of the Outhwaite Homes project in Cleveland, Ohio, where Congressman Louis Stokes grew up, now underway, also uses the principles of defensible space. It entails:

- Adding terraces and stoops outside the apartments to make it easier for tenants to sit outdoors, where they can both see and be seen.
- Delineating areas within the development with iron fencing and by providing paved pathways, gates, and landscaping to make interior courtyard areas more attractive, thereby eliminating visual barriers that have made it hard for tenants and police to see what is happening.
- Establishing proprietary spaces farther away from the buildings, including plots for gardening.
- Converting many existing single-occupant units to multibedroom family apartments to encourage additional working families to move in (Litt, 1994).

Renaissance Homes, also in Cleveland, is eliminating long interior hallways on the ground floor by adding hall space to abutting apartments and is providing outside entrances for each apartment.

Potomac Gardens, in Washington, D.C., tried a less ambitious approach. Managers simply installed 8-foot perimeter fences around the buildings in conjunction with a focused initiative to evict known drug dealers. The number of drug-related arrests in the complex plunged from 150 in 1991 (the year before the defensible space improvements) to only 7 in 1992 (Kovaleski, 1994). But in the case of Potomac Gardens, the results may be less impressive than they seem. Crime rates in the nearby Hopkins Project increased markedly after the fences went in at Potomac Gardens. A good case has been made that much of the drug trade from Potomac Gardens simply moved over to Hopkins.

Another danger is that the criminal element may not leave. A perimeter fence around a project could actually make matters worse for residents when drug dealers and gangs control the internal turf, because the fence only consolidates that control. As Oscar Newman has always emphasized, fences should break up and allocate spaces internally, not wall off a development from its surrounding environment. The latter can sometimes help, but only in the right circumstances.

We must recognize that defensible space applications are not all winners. Success is likely only when techniques are mixed to fit the circumstances of the project at hand.

Street Patterns and “Broken Windows”

Thus far I have talked mostly about single owners (public housing authorities or private parties), who are able to make definitive decisions about physical improvements and security measures. How do defensible space techniques work in a residential neighborhood where there are many owners, where power to change the physical environment is more diffuse, and where outcomes may have a less uniform impact on the physical space and on the reactions of criminals?

Two conclusions stand out from the research available on this topic. First, the physical characteristics and appearance of a neighborhood do matter when those who would break the law select the location for their crimes. Second, neighborhood characteristics signal how strongly residents are likely to respond when they identify criminal activity in their midst.

Physical Location

In Atlanta, Georgia, and Richmond, Virginia,⁹ neighborhoods that are harder to drive through (narrow streets, one-way streets, few straight thoroughfares) have significantly less crime than those that are more permeable. In St. Louis, Missouri, private streets have much lower levels of criminal activity than adjacent blocks with similar housing types (Newman, 1980). The safer streets were actually deeded to residents' associations, which closed off one end to prohibit through traffic and installed decorative entry portals at the other end. In Washington, D.C., the percentage of lots zoned for commercial use in a neighborhood is significantly related to the risk of robbery (Harrell and Gouvis, 1994). In a 50-block area in Baltimore, Maryland, physical deterioration of streetfronts is linked to higher crime rates (controlling for social class and block layout) (Perkins et al., 1992). In Los Angeles, increasing crime rates followed building abandonment, conversions from owner to rental occupancy, and land-use changes (Schuerman and Kobrin, 1986).

Resident Response

James Q. Wilson and George Kelling developed the “broken windows” thesis to explain the signaling function of neighborhood characteristics (Wilson and Kelling, 1982).¹⁰ This thesis suggests that the following sequence of events can be expected in deteriorating neighborhoods. Evidence of decay (accumulated trash, broken windows, deteriorated building exteriors) remains in the neighborhood for a reasonably long period of time. People who live and work in the area feel more vulnerable and begin to withdraw. They become less willing to intervene to maintain public order (for example, to attempt to break up groups of rowdy teens loitering on street corners) or to address physical signs of deterioration. Sensing this, teens and other possible offenders become bolder and intensify their harassment and vandalism. Residents become yet more fearful and withdraw further from community involvement and upkeep. This atmosphere then attracts offenders from outside the area, who sense that it has become a more vulnerable and less risky site for crime (Taylor et al., 1985).¹¹

Defensible Space at the Neighborhood Scale

An important question regarding defensible space is whether the sequence of neglect described above can work in reverse. There is little doubt that visible evidence of decay can start the downward spiral captured by the “broken windows” hypothesis. On the other hand, can physical improvements to a neighborhood lessen residents' fear, increase their involvement, and, in turn, actually reduce crime? There is encouraging evidence that they can.

Figure 4

An entry portal to the mini-neighborhood created through street closures.



Source: Oscar Newman, *Improving the Viability of Two Dayton Communities: Five Oaks and Dunbar Manor*.
Reprinted by permission.

Figure 5

Decorative iron gates hung on brick piers used to block other entrances to the mini-neighborhood.



Source: Oscar Newman, *Improving the Viability of Two Dayton Communities: Five Oaks and Dunbar Manor*.
Reprinted by permission.

The Five Oaks Story

The Five Oaks neighborhood of Dayton, Ohio, is probably the most impressive example of the creation of neighborhood defensible space (Newman, 1992). Five Oaks is a one-half-square-mile area accommodating some 2,000 households, located about a mile away from Dayton's central business district. Historically, its street pattern permitted considerable through traffic, and it has always been something of a gateway between the downtown and prosperous residential communities to the north.

In the 1960s Five Oaks was predominantly a community of white, middle-income homeowners. By 1990 more than one-half of its residents were minorities and more than one-half were renters. Property values had declined substantially, and crime had increased.¹² Many of the original homeowners who wanted to move were unable to find buyers at an acceptable price. So they converted their properties to rentals—and sometimes to illegal multifamily rentals.

Still the area, with its large, well-built homes, retained a sufficiently middle-class character to be regarded as relatively safe. Ironically, this perception made it an ideal location for drug dealers and prostitutes serving a higher income clientele who usually made their purchases from their cars.¹³ This vehicular trade came to dominate the street scene and created a threatening atmosphere for residents. Gunshots sounded in the afternoon; radio “boom-boxes” played and tires screeched throughout the night. Fearful residents withdrew into their homes, and the potential for further flight and accompanying physical deterioration increased.

In late 1991 Dayton's police department retained Oscar Newman to make recommendations for Five Oaks. After Newman had made an initial reconnaissance and discussed possible solutions, the city manager asked him to work with resident groups and representatives of a number of city departments on a plan for implementation.

The plan had four elements. The first and foremost was a series of steps to close streets to through traffic in a very special way. The planning team divided the area into 10 mini-neighborhoods, each with 3 to 6 streets and relatively similar housing characteristics. From a bordering arterial street, one opening was selected as the entry portal into each mini-neighborhood (figure 4); portals were to be identified by attractive brick pillars. All other entrances into the mini-neighborhoods were to be blocked off by iron gates hung on brick piers (figure 5). These gates could be unlocked to provide access to emergency and maintenance vehicles. Internal streets would become cul-de-sacs, but openings at the sides of the gates would permit free access to pedestrians.

The basic point, of course, as with all defensible space applications, was to increase the risk for criminals entering the area. They could still drive through the portals, but it would not be so easy to leave. If suspicious behavior was observed and the police were called, there was a good chance that a police unit would be there before the offender could depart.

Demarcating mini-neighborhoods, however, was intended to benefit residents in more ways than one. As Newman puts it, “Smallness is essential to identity.”

Without the heavy traffic of the past, internal streets could be “taken back” and used for play by children and for other forms of interaction among neighbors. The scheme should encourage proprietary feelings by residents—recognition that they share a common destiny and the sense that neighborhood improvements might, at last, have a “payoff.”

The second element of the plan was a city-sponsored program to encourage resident homeownership by supporting modest rehabilitation and downpayments for first-time homebuyers. The third element focused on improved code enforcement procedures, including stronger, quicker, and more certain penalties for absentee owners whose buildings had code violations. The final element involved closer working relationships between the community and the police.

The recommendations regarding street closings and creation of mini-neighborhoods, which required a total of 35 gates and 26 alley closings, were implemented in the fall of 1992. The total cost of installation, \$693,000 including planning costs and insurance, was paid for from the proceeds of a city bond issue. The effect was dramatic and immediate. Between 1992 and 1993, nonviolent crime in Five Oaks fell by 24 percent and violent crime by 50 percent. Internal traffic declined by two-thirds and accidents by 40 percent. The average price of a single-family home in the area increased during the same period by 15 percent.

Other elements of the plan are currently being implemented. Once the gates went in, police strike forces raided “crack” houses and dens of prostitution operating in the area. Police officers are now working with code enforcement staff on focused applications of the city’s nuisance ordinances, which permit the seizure of properties being used for activities that have been determined to be public nuisances. Programs offering low-interest loans for building rehabilitation (for both landlords and owner-occupants) have been set up in cooperation with local banks.

The Five Oaks environment has clearly changed for the better. Most residents note reductions in traffic and noise, and more than one-third say that resident involvement has increased and that they know their neighbors better (Dayton Office of Management and Budget, 1994).

Perhaps most encouraging of all is that action in Five Oaks seems to be having a benign spillover effect: Crime rates are also declining in adjacent neighborhoods. Traders in drugs and prostitution may be confused about the exact borders of the street closings. They are clearly impressed by the forcefulness of the actions taken.

It is too early to be sure that Five Oaks has turned around for good, but the results certainly look promising so far.

Exploring the Potential

Five Oaks may be the most comprehensive application of defensible space approaches thus far, but changes to street patterns have also worked elsewhere. The year after the community of Miami Shores in southern Florida (Ycaza, 1992) finished installing a system of street barricades, burglaries were down by 23 percent, and robberies and car thefts had decreased as well. A drug-infested area of

Bridgeport, Connecticut, and a neighborhood in North Philadelphia have seen similar reductions in crime following street closings (Taylor et al., forthcoming).

What lessons can we draw from these experiences? What steps should we take? My own view is that, with correct application, the defensible space approach is a potentially powerful addition to our kit of tools for improving the living environment of lower income Americans. Further, I think we now know enough to promote its broader use and to learn by doing.

This approach has been criticized sharply by some who regard it as being linked to the increasing popularity of gated communities in distant suburbs—a symbol of exclusion and the growing sense of “fortress America.” Legitimate though these underlying concerns may be, they are not relevant, in my judgment, to the use of defensible space in the low- and moderate-income communities I am addressing here.

Five Oaks, for example, is a successfully integrated neighborhood in which more than 70 percent of the residents note racial diversity as a positive feature of their community. Neither the plan nor the reality of Five Oaks’ defensible space excluded anyone but criminals, and the community is *not* closed off. There are no barriers to pedestrians and no high, solid walls. If the plan continues to improve housing conditions and community stability, the many current vacancies in the area will help fill the city’s need for more affordable housing in a safe and decent living environment.

Although it seems wrong to me to apply the lowest possible cost criterion to housing improvements for poor residents, it is fortunate indeed that these techniques are inexpensive, given the generally constrained fiscal environment. Cheap wire-mesh fences create a “fortress” impression, connoting a community that considers itself under siege. Open ironwork fences with attractive landscaping signal a stable and pleasant place to live. The difference in cost between the two alternatives is modest in relation to the potential benefits.

The all-important lesson to be learned once again from designs for defensible space is how vital perceptions are—not only to criminals but also to residents. The way we feel about the place where we live governs our motivation to take care of it or to neglect it. In this sense, defensible space is no more than an expression of something that has always been a key principle of distinguished urban design: All urban spaces should be clearly articulated, providing strong visual clues as to their functions and ownership.

Potential for Urban Neighborhoods

When neighborhoods are the focus, we need to consider not only *how* defensible space techniques should be applied, but also *where* they should be applied. Since they have not yet been tried in a variety of urban settings, we have little experience to guide us on the second question. The right mix of techniques will probably help in most neighborhoods where crime is a threat, but the payoff will almost certainly be higher in some places than others.

The most devastated sections of our older cities—areas where a sense of community has all but vanished—are the least promising areas for reclamation in Oscar Newman’s opinion, and I agree with that judgment. Such areas will require strong medicine initially, with defensible space concepts offering useful guidelines during the rebuilding process.

Neighborhoods such as Five Oaks that are deteriorating but retain residents and other stakeholders who still have hope that traumatic decline can be prevented are the most promising candidates for the introduction of defensible space techniques. Many such neighborhoods lie at the edges of America’s cities. Some are among our Nation’s all-too-few integrated communities, while others are predominantly African-American or Hispanic. All differ from the core areas of intense criminal activity in that they house a higher percentage of traditional families and have higher rates of homeownership. In addition, because these neighborhoods are so near the core areas, their residents are often the most desperate to prevent the spread of crime.

Some might oppose the idea of spending public money to try to preserve neighborhoods such as these, arguing that funding should be devoted solely to core areas where the need is so much greater. That view misses an important point. Many neighborhoods that were clinging to the edge of stability a decade ago have since slid into chaos. If that trend continues, the magnitude of central-city problems and the cost of addressing them will grow to truly nightmarish proportions.

We should not devote vast public subsidies to keeping relatively stable neighborhoods afloat, but if we can fund modest public initiatives that leverage sizable reinvestment by the residents of those areas, we will have accomplished a great deal. That is the attraction of approaches such as defensible space: They are inexpensive, but they have the potential to have a substantial impact on the lives of residents.

As to *how* defensible space should be applied at the neighborhood level, I think the Five Oaks plan embodies several vital principles—principles we have been advocating strongly at HUD, particularly in our Empowerment Zone guidelines and our proposals for consolidating and simplifying the plans localities must submit as a basis for HUD funding.

Applying the first principle, residents of the area played a leading role in devising the strategy. Second, relevant city agencies participated in the planning process with neighborhood groups and were able to express their opinions on what would be workable while being exposed to the priorities and concerns of residents and other agencies. Third, the strategy was multifaceted, employing a variety of programmatic techniques.

Although all elements of the revitalization were probably essential, I would like to stress the importance of the contribution made by the defensible space approach. Many local programs over the past few decades have tried to preserve and upgrade marginal neighborhoods. In a number of them, the tools applied (for example, rehabilitating a fraction of the buildings in an area) were just not powerful enough to avert the forces of deterioration. What was missing was some sort of “big bang” that dramatically altered resident perceptions about the future of

their community: It should be something that could sharply and obviously reverse the “broken windows” sequence and motivate residents—collectively and individually—to reinvest, maintain, and take other actions to deal with the problems confronting them. It seems to me that defensible space applications, such as the gates and fences of Five Oaks, are just the sort of catalysts needed to make this happen. They are comparatively inexpensive and, if they have the desired effect of motivating private reinvestment, they may obviate the need for massive public funding for building rehabilitation.

Potential for Public Housing

Since I have been at HUD, we have not tried to hide the fact that many of our Nation’s public housing projects are in deep trouble. Rather, we have attempted to recognize and understand their problems and develop a forceful plan for addressing them. Our overall strategy calls for a major restructuring of current policies aimed at breaking down the role these projects are playing as highly concentrated “warehouses of the poor.” More immediately, the strategy calls for actions to alleviate the most severe threats to the daily lives of current residents, with drug and crime elimination as top priorities.

Our new Community Partnership Against Crime (COMPAC) initiative is the major focus of this effort. COMPAC will support a variety of activities, with particular emphasis on effective partnerships with local police departments, innovative police practices, and strong tenant involvement in all programs. Defensible space, including security fencing and other techniques, is very much a part of this mix.

We are engaged in an information campaign to make housing authority directors aware of the defensible space approach and how it can be applied in varying circumstances. We have even made it a requirement that housing authorities prepare a project-by-project assessment of security needs, including a defensible space analysis, as a precondition for receiving assistance under COMPAC.

This approach reflects conclusions I noted earlier. There can be no standard defensible space package for all public housing. The right mix of applications will depend on the physical and other characteristics of the project at hand, and the program must be based on a sensitive analysis of local needs and opportunities. For some public housing units, including those with the most serious internal crime and youth-gang problems, the time may not yet be right for defensible space applications. I think, however, that such applications can make a positive difference in most instances.

I am sure that a defensible space analysis is essential in all cases. There are many public housing developments where apartments and public spaces have been literally trashed by gang activity and the drug trade. It makes very little sense to spend substantial sums on physical repair and renovation in such housing if it is likely to be vandalized again within a few months. The problems related to criminal behavior must be fixed first, and they must be fixed permanently. I believe the defensible space approach will play an important role in these solutions.

As a final note, I would like to respond to the criticism that defensible space simply moves the problem around spatially. I would argue that shifting the problem spatially (in the sense of reducing the area where it is relatively easy to commit crimes) is itself a benefit. If all of a city's neighborhoods suffered under the "broken windows" thesis and were thus vulnerable, the police department's task would be virtually impossible. Using defensible space techniques, neighborhood by neighborhood, to raise the risk for criminals should lead to a decline in their activity.

Again let me emphasize that no one proposes defensible space, or any other single technique, as a cure-all. Multifaceted strategies are essential in every case. Nonetheless, the experience in hand strongly suggests that more aggressive applications of defensible space as a component of such strategies will help reduce crime in American cities.

Notes

1. This essay was first published in January 1995. The Department wishes to acknowledge the contributions of G. Thomas Kingsley, director, Center for Public Finance and Housing, The Urban Institute; and Oscar Newman, president, The Institute for Community Design Analysis, for making this essay possible.

Possibly the earliest official recognition of these problems at the Federal level was the initiation of a survey of slum conditions in several cities in 1892. See U.S. Bureau of Labor, *The Slums of Baltimore, Chicago, New York, and Philadelphia* (Washington, D.C.: Government Printing Office, 1894).

2. Two influential works in this literature were Daniel Wilner, et al., *Housing Environment and Family Life* (Baltimore, MD: Johns Hopkins University Press, 1962); and Leland Burns, *Housing: Symbol and Shelter* (Los Angeles: University of California, Graduate School of Business Administration, 1970).
3. One result is the establishment of a new professional organization, CPTED (Crime Prevention Through Environmental Design). For a good summary of recent research in this field, see Ralph Taylor and Adele Harrell, "Physical Environment, Crime and Crime-Related Problems: Implications for Prevention and Community Viability," *NIJ Research in Brief* (Washington, D.C.: National Institute of Justice). Forthcoming.
4. Jane Jacobs, *The Death and Life of the American City* (New York: Vintage, 1961). See also "Community on the City Streets," E.D. Baltzell, ed., *The Search for Community in Modern America* (New York: Harper and Row, 1968): pp. 74-93.
5. Oscar Newman, *Defensible Space* (New York: Macmillan, 1972). See also *Design Guidelines for Creating Defensible Space* (Washington, D.C.: U.S. Department of Justice, Law Enforcement Assistance Administration, 1975).

6. See Oscar Newman and Karen Franck, *Factors Influencing Crime and Instability in Urban Housing Developments* (Washington, D.C.: U.S. Government Printing Office, 1980). See also Newman and Franck, "The Effects of Building Size on Personal Crime and Fear of Crime," *Population and Environment*, No. 5 (1982): 203–220.
7. This assumption has since been the basis of formal research by others. For examples of this "rational offender" perspective, see R.V. Clarke, "Situational Crime Prevention: Its Theoretical Basis and Practical Scope," M. Tonry and N. Morris, eds., *Crime and Justice: An Annual Review of Research* (Chicago: The University of Chicago Press, 1983), vol. 4, pp. 225–256; R.V. Clarke, ed., *Situational Crime Prevention* (Albany: Harrow and Heston, 1992); R.V. Clarke and D.B. Cornish, "Modeling Offenders' Decisions: A Framework for Research and Policy," M. Tonry and N. Morris, eds., *Crime and Justice: An Annual Review of Research* (Chicago: University of Chicago Press, 1985), vol. 6; and G. Rengert and J. Wasilchick, *Suburban Burglary* (Springfield, IL: Charles C. Thomas, 1985). Rengert and Wasilchick's study showed that burglars "read" the environment around potential crime sites carefully before they act.
8. Ralph Taylor characterizes the recognition that territorial attitudes and behaviors of residents may affect the impact of physical design changes as "second generation" defensible space theory. This orientation has some applicability at the level of individual buildings as well, but its importance seems more pronounced at the neighborhood level. For discussions of its foundations, see Ralph B. Taylor, *Human Territorial Functioning* (Cambridge, England: Cambridge University Press, 1988); and Taylor, S.D. Gottfredson, and S.N. Brower, "The Defensibility of Defensible Space," T. Hirschi and M. Gottfredson, eds., *Understanding Crime* (Beverly Hills, CA: Sage, 1980).
9. The Atlanta study was reported by S.W. Greenberg, J.R. Williams, and W.R. Rohe, "Safety in Urban Neighborhoods: A Comparison of Physical Characteristics and Informal Territorial Control in High and Low Crime Neighborhoods," *Population and Environment* 5 (1982): 141–165. The work done in Richmond was reported by G.F. White, "Neighborhood Permeability and Burglary Rates," *Justice Quarterly* 7 (1990): 57–68.
10. James Q. Wilson and George Kelling, "Broken Windows," *Atlantic Monthly* 211 (1982): 29–38. See also James Q. Wilson, *Thinking About Crime* (New York: Basic Books, 1975); and Wes Skogan, *Disorder and Decline: Crime and the Spiral of Decay in American Cities* (New York: Free Press, 1990).
11. Ralph B. Taylor, S.A. Shumaker, and S.D. Gottfredson, "Neighborhood-Level Links Between Physical Features and Local Sentiments: Deterioration, Fear of Crime, and Confidence," *Journal of Architectural Planning and Research* 2 (1985): 261–275. See also Taylor and Shumaker, "Local Crime as a Natural Hazard: Implications for Understanding the Relationship Between Disorder and Fear of Crime," *American Journal of Community Psychology* 18 (1990): 619–642.

12. The number of “part one” crimes in Five Oaks (homicide, rape, robbery, aggravated assault, burglary, larceny, and motor vehicle theft) increased from 383 in 1983 to 536 in 1991.
13. Similar changes have occurred in fringe neighborhoods bordering the urban core in other cities. For an example in New York, see Jeffrey Fagan, “Drug Selling and Licit Income in Distressed Neighborhoods: The Economic Lives of Street-Level Drug Users and Dealers,” Adele V. Harrell and George Peterson, eds., *Drugs, Crime, and Social Isolation: Barriers to Urban Opportunity* (Washington, D.C.: The Urban Institute Press, 1992).
14. Cindy Ycaza, “Crime Rate Drops In Shores,” *Miami Herald*, May 17, 1992. A notable increase in the number of narcotics arrests between 1990 and 1991 was due, according to police, to an increase in undercover “busts” over that period.

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Regionalism: The New Geography of Opportunity

San Antonio: Mirror of Urban America

All of my life my home has been San Antonio, Texas, and always within a mile of the house where I grew up in Prospect Hill, a modest, working class neighborhood just 2 miles from the Alamo.¹ I have watched my neighborhood and the city that surrounds it change dramatically over several decades, a transformation that mirrors in many ways what has happened in urban neighborhoods across America for the past half-century.

Many of the original residents of Prospect Hill, built in the 1920s, were railroad workers of German descent. By the time I lived there though, Prospect Hill had become almost entirely Hispanic. Nearly every man on our block worked as an aircraft mechanic at nearby Kelly Air Force Base (Kelly AFB). Our neighborhood battle cry was “Viva Kelly!” At the height of the Vietnam War, 35,000 local workers were employed there, and when my high school class graduated it seemed as if the base would open the door to stable middle-class prosperity forever.

When my friends and I weren’t playing ball or going to dances at Central Catholic High School, we were in downtown San Antonio shopping at Joske’s and Frost Brothers department stores, watching movies at the Aztec, Empire, and Texas theaters, or just hanging around street corners with friends whose families had “moved up” to new tract-home subdivisions springing up on the north side inside Loop 410. Outside Loop 410 was wilderness, the beginning of the rolling Hill Country. My Cub Scout pack hiked and camped out all through those Bexar County hills.

To the eyes of a young boy, San Antonio seemed big, but in the 1950s it was a small, compact world with downtown as its center. At that time only 500,000 people lived in the entire area—80 percent within the city’s 70 square miles.²

Today my family resides in Washington, D.C., but on trips home to San Antonio my son and I often visit the area where I used to hike. But my son doesn’t really know that, because those hills are now the site of one of the largest regional shopping malls in southwest Texas. Loop 410—the edge of my childhood’s civilized

world—has been engulfed by endless subdivisions, malls and shopping strips, offices, and industrial parks. In fact, Loop 410 is now the “inner loop.” The “outer loop,” Route 1604, circles the area 7 miles farther out, and new developments spring up every day far beyond that boundary. The three-county region’s population has nearly tripled to 1.3 million, and the region’s so-called “urbanized area” covers 438 square miles.

My parents still live in the same house in Prospect Hill, but the neighborhood has changed. Few young families live there; they’re out in newer subdivisions that are closer to their jobs. Kelly AFB has shrunk to about 15,000 workers and faces an uncertain, post-Cold War future. The neighborhood’s average income is dropping, and many once-familiar neighborhood stores closed their doors years ago.

San Antonio’s downtown area has changed dramatically too. There are soaring new office towers, and the Alamo and the River Walk are the biggest tourist attractions in Texas. But downtown San Antonio is no longer the region’s retail center: the River Center Mall is only the fifth-largest shopping mall in the area, and San Antonio’s great old department stores and movie palaces have closed.

Suburban Growth/City Decline

The extraordinary growth that has transformed San Antonio’s metropolitan area occurred throughout America’s urban areas in the decades after World War II. Urban America has not grown upward but has sprawled outward across the countryside. Since 1950 the metropolitan population of the United States has almost doubled, but the population density of the country’s 522 central cities has been halved.

What happened to the city of San Antonio, however, stands in sharp contrast to the fate of many other American cities, including Detroit, Cleveland, and Hartford. Liberal annexation laws in Texas allowed San Antonio to expand and follow its sprawling suburban development. San Antonio is what David Rusk, former mayor of Albuquerque, New Mexico, has called an “elastic” city (Rusk, 1993). Through postwar annexations, San Antonio has increased its municipal territory nearly fivefold, adding over 260 square miles.

Like other elastic cities—for example, Charlotte, Columbus, Indianapolis, and Nashville—San Antonio incorporated new middle-class subdivisions, shopping centers, offices, and industrial parks within its expanding boundaries. Through expansion, the city remains home to more than 70 percent of the metropolitan area’s population and has maintained a strong middle class, a broad tax base, and a high municipal bond rating despite the independent, upper-middle-class suburban towns in its vicinity.

Yet with many aging, poorer neighborhoods in its older core area, today San Antonio would be one of the country’s poorest cities if it had not annexed new development. That kind of stagnation occurred in older, “inelastic” cities such as Detroit, Cleveland, and Hartford. Trapped within existing boundaries by incorporated suburbs and bad annexation laws, these cities were bled to support new suburbs. Middle-class families, stores and shops, factories, and offices relocated

outside city limits. New office towers rose downtown, but older city neighborhoods became dramatically poorer.

American Dream/American Nightmare

The suburbanization of America was underwritten by a well-intentioned Federal Government. Federally insured, low-cost mortgages helped millions of veterans and working-class families buy suburban homes. Federal highway funds built freeways that made it practical for Americans to travel great distances to work, shop, and play. Low Federal gasoline taxes, which gave Americans the world's cheapest gasoline, helped fuel the cars needed for suburban living.

The American public has enjoyed enormous social advances during the post-World War II decades. Nearly two-thirds of American families own their own homes—60 percent above the prewar level and one of the world's highest rates of homeownership. Some 262 million Americans own 190 million motor vehicles, providing a level of individual freedom of movement unmatched in history. In 1950 only one-third of all Americans had graduated from high school and just 6 percent were college graduates; today more than 80 percent are high school graduates and 22 percent have college degrees.

Other doors have opened as well. I was San Antonio's first Hispanic mayor—unthinkable only 30 years before the election. As late as 1970, there were only 1,500 African-Americans and 1,300 Hispanic elected officials in the country. Now there are 8,000 African-Americans and 4,600 Hispanics holding local, State, and Federal offices.³

Pursuing the American dream, however, has also created an American nightmare—high concentrations of poor minorities in poverty-impacted, revenue-strapped, physically decaying inner cities and older suburbs who are isolated from the opportunities generated in wealthier, vigorously growing outer communities of metropolitan areas.

My grandfather moved from Mexico to San Antonio 70 years ago. He came seeking a better job, better schools for his children, better health care—in short, a better life. America's cities were meccas of opportunity for millions streaming in from farms and foreign lands.

For those seeking opportunity today, the mecca must be the entire metropolitan area—the central city and especially its suburbs.⁴ Achieving the American dream for everyone requires opening up all of a metropolitan area's resources and opportunities to all of its residents. Only with diversity, balance, and stability everywhere can the decline of inner cities and aging suburbs be reversed.

Cities Without Walls

Annexation was San Antonio's strategy for sustaining growth. In the suburban era, annexation has been an effective countermeasure to suburbanization for about two-thirds of America's central cities. During the past 4 decades, central cities have annexed over 12,000 square miles and more than doubled in area.

Figure 1

Consolidation of Charlotte-Mecklenburg County, North Carolina

The regional development of Charlotte, North Carolina, has combined strong economic growth and steady racial progress. In the 1980s the gap between African-American and white family incomes narrowed in the Charlotte area while increasing nationally. Charlotte ranks third in housing integration among all major U.S. metropolitan areas with a large African-American population.

The critical factors in the Charlotte area's success have been North Carolina's annexation laws (the most liberal in the Nation since 1959), the court-ordered merger of the Charlotte-Mecklenburg County public schools in 1972, and the emergence of Charlotte as the Nation's third-largest banking center, due in part to the North Carolina Legislature's early permission for statewide branch banking.

Through annexation Charlotte has grown from 30 square miles to 204 square miles, tripled its population, and maintained average city incomes 22 percent above suburban levels. Within 10 to 15 years, however, Charlotte's annexations could end when the city's boundaries approach the agreed-upon spheres of influence of five smaller municipalities and the Mecklenburg County line.

To accelerate the unification process, Charlotte Mayor Richard Vinroot, the Charlotte City Council, and the Mecklenburg County Commission have initiated a formal process to consolidate the city and county. A citizens' commission appointed by both bodies is currently drafting a consolidation charter.

The city and county governments have already achieved a high degree of functional unification. They share a new government center and have a common planning commission and planning staff. Law enforcement agencies have been combined under city jurisdiction, with the exception of sheriff's court support functions. Parks and recreation activities have been merged under the county. Both governments are continuing to pursue other functional mergers.

Formal consolidation will probably be voted on by area residents in November 1995. The five smaller, independent municipalities can vote to opt out, which, given the precedents in Indianapolis, Jacksonville, and Nashville, they will likely do. In effect, the city-county consolidation represents Charlotte's final annexation and avoids a piecemeal takeover of Mecklenburg County in the next 10 to 15 years. A merged Charlotte-Mecklenburg County will then be able to turn its energies to forging better functional compacts with neighboring counties.

Source: Harrison and Weinberg, 1992.

Annexation, however, has been a tool used primarily by cities in the south and west, and more than 80 percent of all annexations have occurred in the Sunbelt. Annexations are increasingly rare around many midwestern cities, and in New England and the Middle Atlantic States annexations are all but impossible because of those areas' rigid political map.

A handful of cities have engaged in a form of "superannexation"—city-county consolidation. In the 1960s and 1970s, Nashville-Davidson County, Jacksonville-Duval County, Indianapolis-Marion County, Lexington-Fayette County, and Anchorage-Anchorage Borough were created through consolidation. All have fiscally sound, unified governments with strong credit ratings, and all are successful communities with rates of economic growth well above their competitors. Though none of these examples is without its flaws, in each case governmental unity seems to have fostered greater social mobility. Schools and neighborhoods are more integrated, public services and facilities are more equitably provided, and public officials serve a common constituency.

City-county consolidations are rare, however, and have often been rejected by Americans at the polls. Since World War II, only 20 consolidations have been approved, and more than 100 proposals have been voted down (U.S. Advisory Commission on Intergovernmental Relations, 1987). Though further consolidation movements are under way (see figure 1), it is likely that formal city-county unification will continue to be rare. Even in many southern and western States, annexation itself faces more and more political and administrative hurdles.

Things-Regionalism and People-Regionalism

How can the common problems of metropolitan regions be addressed when local governance is so fragmented? In recent decades the most common path to meeting regional needs has been the creation of "special districts." There are currently more than 33,000 special districts in the United States (U.S. Advisory Commission and Intergovernmental Relations, 1993), and they are now the most common form of local government in the country. More than 90 percent perform a single function. Thirty-six percent provide water and sewer services; 16 percent are fire districts; 6 percent provide postsecondary technical and vocational education and library services; 4 percent are health and hospital districts; and 4 percent perform transportation-related functions. About 11 percent are either State-chartered housing finance agencies or local public housing authorities whose activities are often limited to a single sponsoring jurisdiction.

Although special districts come into being for many reasons, including limitations on the taxing and service powers of local general governments, many are created because the territorial scope of existing city and county governments is too limited to address major regional problems effectively. Air pollution control and watershed protection are common examples. Another is transportation planning: The Federal Intermodal Surface Transportation Efficiency Act of 1991 requires regional transportation planning to be carried out by multijurisdictional agencies.

Most special districts are examples of what may be called *things-regionalism*. For the regional community, special districts build and operate larger public works

such as water and sewer facilities, flood control and irrigation systems, regional airports, major roads and highways, and mass transit systems. Some special districts' boards are directly elected by the districts' voters, although the majority of boards are appointed by the State or local governments that set them up.

Local officials often find it very difficult to make things-regionalism work, as it requires negotiating initial agreements and continually balancing interests among many local communities. But what so many metropolitan areas desperately need—*people-regionalism*—is even tougher to accomplish.

People-regionalism must address the heart of America's "urban problem"—the new face of poverty. Forty years ago, rural workers and the elderly constituted the greatest number of poor people in this country. Today, tremendous improvements in Social Security, Medicare, and Federal pension laws have largely eliminated poverty among senior citizens, and the constant industrialization of American agriculture and migration to urban areas have reduced the numbers of rural poor. The most extreme poverty in America is now found in geographically isolated, economically depressed, and racially segregated inner cities and older, declining suburbs. Inner cities have become warehouses of America's poorest citizens.

But our inner cities are not warehouses of *all* groups of urban Americans living in poverty. In the country's 320 metropolitan areas there are 10.8 million poor whites, 6.9 million poor African-Americans, and 4.8 million poor Hispanics. In a typical metropolitan area, however, three out of every four poor whites live in middle-class, mostly suburban neighborhoods. By contrast, three out of four poor African-Americans and two out of three poor Hispanics live in inner-city "poverty neighborhoods" where at least 20 percent of the residents are poor. And many poor minorities live in neighborhoods where the poverty rate exceeds a shocking 40 percent. Highly concentrated minority poverty is urban America's toughest challenge.

We're All in It Together

Why should suburban residents care about the decline of distressed central cities? Why must all communities, as I argue, assume a common responsibility for "inner-city problems"? Haven't many suburban residents fled rundown city neighborhoods with their growing violence and crime, failing schools, rising tax rates, and declining city services? Why should suburbanites get involved? The reasons are simple, but compelling.

Together we can solve the problem. Many Americans are dismayed by the seeming magnitude of urban poverty, but the problem's size is an illusion created by its concentration. Hartford, the capital of Connecticut, for example, has become one of America's most distressed cities. Between 1950 and 1990 the city's population dropped 21 percent, to 139,000. In 1989 city residents' average income was 53 percent of suburbanites' income, and more than 27 percent of city residents were poor. Crime rates have soared, and school failure rates were so high that last year the Hartford school board brought in a private management company to run the city's school system. Seen solely as "the city's problem," Hartford's social agony seems unsolvable.

Figure 2

Integrating the Hartford, Connecticut, Regional Housing Market

Among all States, Connecticut ranks ninth in housing segregation and first in average city-suburb income gap. For decades before the State's economic slump in the 1990s, Connecticut also had the highest housing costs east of California. To address these structural housing problems, the Connecticut General Assembly approved in the late 1980s a variety of State laws to promote more affordable housing.

Most notable is the Affordable Housing Appeals Act of 1989, which states that promoting affordable housing is Connecticut's highest priority and requires each of the 169 municipalities in the State with less than 10 percent assisted housing to change its zoning practices to permit a more diverse housing supply.

A developer whose plans to build affordable housing are rejected by a town council can appeal to a special State court in Hartford. In court, the burden of proof is on the town council, which must convince a special State judge that the town's reasons for rejecting the proposal should be deemed a higher priority than the State's requirement that communities take affirmative steps to make housing more affordable.

Other legislative action in 1988 spurred creation of the Hartford area's Capitol Region Fair Housing Compact on Affordable Housing. The compact, which was endorsed by the region's 26 towns, projected the creation of 5,000 to 6,400 units of affordable housing in the region over 5 years. A slump in housing construction, however, caused projections to fall short.

A soft suburban housing market has greatly benefitted Hartford's Special Mobility and Section 8 programs. Administered directly by the city's department of housing rather than the public housing authority, the programs contract directly with suburban landlords. By mid-1994, 400 former Hartford households—about 15 percent of the city's total Section 8 certificate and voucher holders—had moved to suburban locations. Those who moved were 52 percent African-American, 38 percent Hispanic, and 8 percent non-Hispanic white. The suburban neighborhoods to which they relocated were more than 80 percent white and had an average poverty level of 7 percent. By contrast, the city neighborhoods in which other Section 8 tenants continued to live were 75 percent minority and had a poverty rate 4 times that of suburban neighborhoods.

Sources: Westbrook, 1992; Wallis, 1994; Peterson and Williams, forthcoming.

Yet when viewed from a regional perspective, problems in the Hartford metropolitan area (population 1 million) are not so insurmountable: Out of every 100 residents, only 3 are poor and white, 2 are poor and Hispanic, and less than 2 are poor and African-American. Poor whites are scattered throughout the metropolitan area; only 12 percent live in Hartford, and only 13 percent live in poor neighborhoods. By contrast, 76 percent of poor Hispanics and 80 percent of poor African-Americans live in city neighborhoods, and nearly 9 out of 10 poor minorities live in neighborhoods of concentrated poverty.

The problem is not the region's overall level of poverty—only 7 out of every 100 area residents are poor—but the high concentration of minority poor in inner-city areas. Viewed in that light, greater Hartford is capable of absorbing poor minorities into the region's prosperous, middle-class society, just as it already integrates poor whites into that society. And, indeed, the State of Connecticut and public and private organizations in metropolitan Hartford have begun to make a broader range of housing available to poor minority households (see figure 2).

With minor variations, Hartford's poverty ratios apply to all U.S. metropolitan areas. In elastic cities' metropolitan areas, poor minorities are somewhat less concentrated in poor neighborhoods, but in inelastic urban areas, where suburban zoning practices often exclude low-income households, they are much more concentrated in poverty-impacted, inner-city neighborhoods.

For both types of metropolitan areas, however, the overall weight of poverty is much the same. America is not a Third World country where the poor are many and the middle class are few. In America, the middle class are many and the poor are few. What this country lacks is not the *capacity* to end the isolation of the minority poor; it lacks the *will*.

Everybody wins as regions become global competitors. Economic civil war has racked many American metropolitan areas. Sears Roebuck and Company abandoned its magnificent skyscraper in downtown Chicago for suburban Hoffman Estates. The city of Detroit paid \$230 million to subsidize General Motors' new Poletown plant, but then watched General Motors' top executives leave the GM "World Center" in Detroit for suburban Macomb County. Detroit's real competition, however, is not its suburbs but the regions of Baden-Wurttemberg in Germany and Kyushu in Japan. In the emerging global economy, communities must compete as whole economic regions, or what journalist-author Neal Peirce (1993) has called "citistates":

The inescapable oneness of each citistate covers a breathtaking range. Environmental protection, economic promotion, work force preparedness, health care, social services, advanced scientific research and development, philanthropy—success or failure on any one of these fronts ricochets among all the communities of a metropolitan region. No man, woman, family, or neighborhood is an island. (Peirce et al., 1993)

Peirce argued that a citistate divided against itself "will prove weak and ineffectual," and that "political boundaries do *not* seal off problems of pollution, solid waste disposal, transportation, schools, inadequate infrastructure."

More importantly, political borders do not seal off the problem of concentrated poverty. A growing number of economists and sociologists assert that cities and suburbs are highly interdependent parts of integrated regional economies that depend upon the health of each jurisdiction to be competitive.⁵ The higher a region's internal disparities by jurisdiction, by race, and by income group, the less its economy can be competitive. A recent national news magazine's cover story, "Inequality—How the Growing Gap between Rich and Poor in America Is Hurting the Economy," (Bernstein, 1994) noted:

Most economists agree ... that education and skills are key to economic growth. And there's a lot of evidence that skills suffer when the wealthy go it alone. For example, school districts that mix rich kids and poor kids have higher reading and math scores than those where each group attends different schools, according to a 1989 study of 475 California districts. Rich kids do score higher when they're all in one school. But with mixing, "low-achieving kids are pulled up more than the high end is dragged down, so the average is higher...."

The article concluded that:

Ever since slavery ended, the United States has at least partly lived up to the ideal that everyone should have an equal opportunity to prosper. Now, heightened inequality is undermining this concept. The United States will continue to suffer socially if the trend continues. And it's likely to suffer economically, too.

Doing the right thing costs less than continued neglect. Treating only the symptoms of poverty is costly, and trying to eliminate poverty by isolating the poor sacrifices the approach proven to be most effective: integration into mainstream society. Housing mobility programs that allow poor, minority households to resettle in middle-class, suburban areas result in higher employment rates, higher wages, and higher school attendance and graduation rates.⁶ By contrast, high-poverty, inner-city ghettos are destructive environments that generate high crime rates.⁷

The most effective antipoverty programs help move people to opportunity: Most poor families succeed in more opportunity-rich environments. And taken together, such programs are actually cheaper for society than current attempts to concentrate antipoverty programs in isolated areas. In Rochester, New York, for example, buying a home in a middle-class neighborhood typically costs \$80,000, and renting an apartment in the same area costs about \$5,000 a year. By contrast, a new jail costs \$125,000 per cell to build and about \$30,000 a year per prisoner to run. Prisons close doors, not open them. Saving lives is cheaper than wasting lives.

Sprawl has its price. For three centuries America grew as if there were no end to this continent's vast supply of land, water, and forests. By the 1970s we had begun to deal with the polluted air and water that resulted, but urban sprawl continues to accelerate. In the Minneapolis-St. Paul area, for example, urban land has expanded 25 percent for every 10-percent increase in population (Orfield, 1994). From 1970 to 1990, Chicago's metropolitan population grew only 4 percent, but

Figure 3

An Inner-City, Inner-Suburb Coalition in the Minnesota Legislature

“Well, the Twin Cities are different,” skeptics often scoff when I cite the area as a model of regional reform. And they’re right, the Twin Cities area *is* different—a high level of civic culture, a 27-year-old metropolitan council (the Met Council), and a 7-county, 189-municipality Fiscal Disparities Plan, the Nation’s most far-reaching regional revenue-sharing mechanism.

But what really distinguishes the Twin Cities area is that older, inner-ring, blue-collar suburbs are making common cause with the central cities. Primarily through the efforts of State Representative Myron Orfield of Minneapolis, legislators from communities such as Columbia Heights and Brooklyn Park now recognize that “inner-city” problems—poverty, crime, declining schools—are growing rapidly in their communities.

Both older suburbs and central cities have been hurt economically by disparity in regional growth, three-fourths of which has occurred in wealthy “Fertile Crescent” suburbs such as Bloomington, Edina, and Eden Prairie.

As a result legislators from the central cities, older suburbs, and Democrat-represented rural areas formed a powerful legislative coalition. In each of the past two sessions, the coalition passed a metrowide “fair share” housing bill that was twice vetoed by the State’s Independent-Republican governor; restricted the use of tax-increment financing to depressed communities; changed State tax laws to remove incentives to subdivide farmland; and placed three regional agencies controlling transportation planning, transit services, and sewer services under the Met Council. The coalition failed by a narrow margin to add high-end residential property to the 23-year-old tax-sharing plan, and its attempt to convert the Met Council from gubernatorial appointment to direct election was defeated by a single vote.

The movement toward regional cooperation in the Twin Cities area continues to broaden its base: more than 350 suburban churches have become members of a metropolitan alliance committed to “fair share” housing in the suburbs; two dozen older suburbs have embraced the proposal for a metrowide, unified tax base; and support from the press, civic and business groups, and religious leadership continues to grow.

In regional reform, the Twin Cities area is the school of America. The successful political coalitions built between central cities and older suburbs there are a model for metropolitan areas across the country. What is missing in America’s declining metropolitan areas is political leadership championing the common cause.

land used for housing increased 46 percent and land used for commercial development increased an extraordinary 74 percent (*The Economist*, 1994).

Such exaggerated sprawl is driven not only by the lure of greener pastures; it is also driven by abandonment of older, poverty-impacted neighborhoods. In many of Minneapolis' distressed neighborhoods, the housing vacancy rate has reached between 10 and 20 percent (Orfield, 1994). To restore their desirability as places to live, inner cities and older suburbs need balance and stability.

Suburbs can become “inner cities” too. During the past decade social distress—poverty, crime, school dropouts—has increased more in many old, inner suburbs than in many long-poor city neighborhoods. Inner-suburban social disintegration generally has not reached inner-city levels, but the downward trend in these neighborhoods is clear. Inner suburbs and inner cities both have a vital interest that every community in their region, including the most prosperous, do its “fair share.” People-regionalism means diversity, balance, and stability in every area of a region (see figure 3).

Forging Regional Bonds

For several centuries the world has been divided into nations, provinces and states, and local governmental jurisdictions. As we enter the 21st century, a new model is emerging, driven by global trends in technology, investment, and human skills. Our most vital relationships are increasingly shaped at the global, regional, and neighborhood levels.

To overcome concentrated urban poverty in this emerging world, access to social and economic opportunity must be opened at each level. For many regions, an important framework through which access can be achieved is unified governance—central cities that annex potential suburbs, consolidated city-county governments, fully empowered urban counties, and unified school districts. For other large, complex regions, formal local government unification is no longer possible. The challenge is not to foster regional *government* but rather regional *governance* in these key areas.

“Fair share” low- and moderate-income housing. Land use planning and zoning have been the exclusive responsibility of local governments, and many suburban areas have adopted *exclusionary zoning* to discourage construction of low- and moderate-income housing. This problem is aggravated by private-sector developers, who typically build for narrowly defined income groups. The result has been greater geographic segregation by income class. Some State legislatures, such as those in Connecticut or Massachusetts, have enacted laws requiring local municipalities to accept a “fair share” of affordable housing. Progressive communities such as Tallahassee and Tampa, Florida, have adopted similar policies. The Nation's oldest and most comprehensive example of local *inclusionary zoning* policies is Montgomery County, Maryland (see figure 4).

Metrowide housing choices for households warehoused in inner-city projects. Begun with the best intentions as temporary housing for wartime workers, the Nation's public housing programs now simply do not work for people or communities. Our cities' poorest neighborhoods nearly always contain large, HUD-assisted

Figure 4

Inclusionary Housing in Montgomery County, Maryland

Montgomery County, Maryland, may have the Nation's most comprehensive and balanced local housing program. A wealthy suburban county outside Washington, D.C., Montgomery County had 757,027 residents in 1990 and, standing alone, would be the Nation's 54th largest metropolitan area.

Under a State law passed in 1927, the Montgomery County government exercises almost total planning and zoning control throughout the county. Using these legislatively endowed powers over the decades, Montgomery County officials have implemented one of the Nation's most comprehensive growth management systems. The system addresses a wide range of local planning and zoning issues and includes a long-range "wedges and corridors" plan, an annual growth policy, an ordinance that links subdivision approval to the orderly construction of public facilities, and a program to preserve one-third of the county's land for agricultural purposes.

In 1972 the Montgomery County Council adopted the Moderately Priced Dwelling Unit (MPDU) policy, then the Nation's only mandatory inclusionary zoning ordinance. The MPDU policy requires new developments with 50 or more residential units to set aside 15 percent for low- and moderate-income tenants or buyers. To compensate developers for making units available below market price, the county gives them an "MPDU bonus," which permits the development of 22 percent more housing units than is normally allowed in each zone.

MPDUs are sold or rented to individuals. By county ordinance, however, up to 40 percent of MPDU units in any development may be purchased as "deep subsidy" rentals by the county's Housing Opportunities Commission (HOC) and nonprofit organizations.

By 1994, 8,842 moderate- and low-income housing units had been created through the MPDU policy. About two-thirds were sale units and one-third were rental units. Between 1988 and 1991, the average price for sale units was \$69,979—a bargain in a county where the median housing value was \$208,000 in 1990. Sixty percent of these units' buyers were minorities, with an average household income of \$26,497. The county's median family income at that time was \$62,000.

An important facet of the MPDU policy is the role HOC plays as the county's housing finance agency. Despite some limitations on funds, HOC has helped MPDU buyers with low-cost loans and has purchased 1,099 scattered-site units throughout the county, making it the largest source of rental units for public housing families. HOC also manages 555 elderly apartments in 4 complexes and 328 family or mixed family/elderly apartments in 7 complexes, and administers the county's federally funded Section 8 rental subsidy program, which helps over 3,100 local families find low-cost housing each year.

HOC programs are particularly important because they spread low- and moderate-income housing around the county. HOC-assisted housing totals 3.4 percent of the county's total housing stock, and in 16 of the county's 18 planning districts HOC-assisted units represent 2 to 7 percent of all housing.

The MPDU policy and HOC's programs have helped Montgomery County accommodate—even encourage—a remarkable social transformation. In 1970 the county looked like a classic American suburb: wealthy and 92 percent white. By 1990, however, Montgomery County looked much more like a “rainbow”: 12 percent African-American, 7 percent Hispanic, and 8 percent Asian. Montgomery County has gained a rich diversity of income groups while maintaining its preeminence as one of the country's 10 richest urban counties.

Source: Rusk, 1993.

public housing projects that provide shelter for many but opportunity for few. Over the past 2 decades, HUD's housing assistance programs have become more flexible and private housing-oriented, but HUD is now seeking congressional approval to completely transform these programs. Our goal is to give all public housing residents a genuine market choice to stay where they are or to move to private rental apartments throughout the region. To promote more economically diverse neighborhoods, HUD will no longer support housing that is exclusively occupied by the very poor. This approach will make Federal housing assistance a platform of opportunity for both poor households and communities. For maximum success, HUD must establish partnerships with local governments in metropolitan regions to assure diversity, balance, and stability everywhere.

Equal educational opportunities. American public education traditionally has been based on locally controlled school districts and neighborhood schools. Segregated housing patterns and great disparities in local tax bases, however, have created unequal educational opportunities for our Nation's children. In response, State legislatures have moved to equalize school funding, the Federal Government has allocated special funds to help the poorest schools, and State and Federal courts have promoted racial and economic integration. Racially integrated, mixed-income housing markets are the foundation of successful, racially and economically mixed classrooms.

Areawide growth management. To be global competitors, America's urban areas cannot afford the burden of either abandoned communities or abandoned people. Our current patterns of suburban growth have created both. As urban areas continue to develop, policies are needed to encourage both new “greenfields” development and older “brownfields” revitalization. In the past 20 years, nearly a dozen States have enacted growth management laws. One of the most effective, the Oregon Growth Management Act, gives the country's only directly elected regional government, the Portland Metro, the key local role in regional planning and growth management (see figure 5).

Areawide revenue-sharing arrangements. To achieve the goals of people-regionalism, moving money is much less important than moving people. It is true,

Figure 5

Portland Metro, a Directly Elected Regional Government

We, the people of the Portland area metropolitan services district, in order to establish an elected, visible and accountable regional government that is responsive to the citizens of the region and works cooperatively with our local governments; that undertakes, as its most important services, planning and policy making to preserve and enhance the quality of life and the environment for ourselves and future generations; and that provides regional services needed and desired by the citizens in an efficient and effective manner, do ordain this charter for the Portland area metropolitan services district, to be known as “Metro.”

With that as its preamble, Portland area voters adopted on November 3, 1992, a “home rule” charter for the Portland Metropolitan Services District. After nearly 70 years of experimentation, the charter was perhaps the boldest and most important step taken toward regional governance by voters in the Portland area, which now includes 3 counties and 24 municipalities.

In 1970 the Oregon State legislature authorized the creation of a Metropolitan Services District (MSD)—a flexible governmental “box” that could be assigned as many service responsibilities as voters or legislators in the Portland area wanted. Activated by local referendum, MSD’s first project, planning a regional solid-waste disposal system, was financed by a small regional tax on used auto tires. MSD added a second regional function—operating the Washington Park Zoo—with the city of Portland’s agreement and approval by area voters of an earmarked tax levy in 1976. In 1986 regional voters approved a \$65 million bond issue for the Oregon Convention Center, to be planned, constructed, and operated by MSD.

For its first 8 years MSD was governed by a seven-member, federated board of local elected officials—one each from Portland and the three counties and three representing other cities in each county. In 1977 the State legislature changed MSD’s governance, authorizing direct election of a 12-member board and a chief executive, local taxing powers by referendum, and regional planning responsibilities. Finally, in 1990, the legislature amended Oregon’s constitution to allow MSD to have its own home rule charter.

Most critical for the Portland area’s future is the responsibility given Metro in regional land-use planning and growth management. The area’s citizenry affirmed in the new charter that regional planning is Metro’s “primary function.” The charter charges Metro with developing a 50-year “Future Vision” and a “Regional Framework Plan” by December 1997, including revising the State-required Urban Growth Boundary. The charter also empowers Metro to adopt ordinances to require local comprehensive plans and zoning regulations that comply with the Regional Framework Plan, to adjudicate inconsistencies between regional and local plans, and to change inconsistent local land-use standards and procedures. After decades of patient development, the Portland Metro represents a powerful but flexible structure for addressing many of the region’s most critical problems.

Source: Rusk, 1993.

Figure 6

Revenue Sharing Through Regional Asset Districts

Who is the greatest patron of the Denver Zoo, the Denver Botanic Gardens, the Denver Museum of Natural History, the Denver Museum of Art, and the Denver Performing Arts Center? It is an organization with the jawbreaking title of the Scientific and Cultural Facilities District (SCFD).

The end of State subsidies in 1982, plus drastically reduced support from the city of Denver, created a financial crisis for Denver's civic facilities. Admission fees were rising, attendance was falling, and support from city residents was flagging, because most patrons of the struggling institutions were residents of Denver's suburbs and other areas of Colorado.

In 1988 voters in metropolitan Denver's six counties approved a referendum to create a special district—SCFD—that would levy a 0.1-percent sales tax to support these facilities. The tax currently produces \$14 million a year, and funds are distributed by a formula that had to be hammered out by institutions and local government bodies with little experience in working together.

Such has been SCFD's success that the model was used again recently to set up a regional tax district to build and operate a new stadium for the Colorado Rockies professional baseball team. Suburban fans saw the Denver-based ballpark as a regional asset and supported the tax district overwhelmingly at the polls.

Across the continent in Allegheny County, Pennsylvania, 130 fiercely independent suburban cities surround Pittsburgh, the area's central city—a seemingly inhospitable environment for regionalism. Yet, with the success of Denver's regional model before it, the Pennsylvania General Assembly overwhelmingly supported a proposal to create a regional asset district in Allegheny County. The District, approved by the Pennsylvania State legislature in December 1993, was subsequently activated by vote of the Allegheny County Commissioners.

Administered by an independent, seven-member board, half of the revenue from the District's 1-percent, countywide sales tax supports regional parks and libraries, as well as the Pittsburgh Zoo, Three Rivers Stadium, and other regional cultural facilities. The other half is divided among county and municipal governments, with at least two-thirds of that amount earmarked by the legislature to reduce local taxes such as property taxes. The region's major business organization, the Allegheny Conference on Community Development, called the creation of the District “a truly historic achievement for southwestern Pennsylvania” that represents “the most significant improvement in the structure of our government in 40 years.”

Sources: Wallis, 1994; *Regional Directions*, 1994.

however, as one neighborhood leader once told me, that “money isn’t everything, but it’s a nice piece of everything.” Many State governments provide aid to local governments, which helps equalize their tax revenues. County governments have also had a service-equalizing impact on local communities through their support of public health and social services. The special districts discussed previously play a similar role. Despite this history of cooperation across levels of government, few formal regional revenue-sharing arrangements exist. The State legislature-enacted Twin Cities Fiscal Disparities Plan for the 7-county, 189-municipality Minneapolis-St. Paul region is perhaps the most far-reaching. Elsewhere, Louisville-Jefferson County in Kentucky has created an income tax-sharing “Compact,” Rochester-Monroe County in New York has implemented the sales tax-sharing Morin-Ryan plan, and the Denver and Pittsburgh areas have created “regional asset districts” (see figure 6)—all models that other regions could follow.

Building Communities

Although people often travel significant distances to jobs, shopping centers, concert halls, movie houses, or ball parks, they are still part of a “community.” More than anywhere else, our poorest inner-city neighborhoods need community strengthening. What does “community” mean? We know what community is not. It is not streets darkened by the shadows of vacant buildings, deserted by people who fear sudden and vicious attack and know no one will help. It is not giant public housing projects where children die in the crossfire of rival gangs and security guards crouch around staircases to avoid Uzi-wielding drug sentries. Community is not a public housing project where decisions are made not by residents but by everyone else—planners, architects, city officials, Federal bureaucrats, housing authority managers.

So, what *is* “community”? A community first needs housing that is functional, sturdy, dignified, and attractive. But housing must be more than just shelter. It must be a stable place from which we can create opportunities for people: opportunities to go from homelessness to rental housing to homeownership; opportunities to go from joblessness, without education and training, to acquiring skills and self-sufficiency. Building community means helping neighborhood residents organize and develop partnerships with local government, nonprofit agencies, and business organizations.

For a quarter of a century, the Federal Government has helped build communities through community action programs, Model Cities, Community Development Block Grants, and Enterprise and Empowerment Zones. Government has helped build the capacity of neighborhood organizations, insisted that the preferences of neighborhood residents be considered in important programs, and rewarded those residents who work together.

Our efforts have had many successes. Neighborhood leaders have become school board members, city council members, mayors, legislators, and members of Congress. Neighborhood residents have secured jobs as community aides and risen through their competence and effort to professional roles. Homes have been renovated and new, low-cost housing built. Streets have been paved, sewers laid, sidewalks installed, and parks created.

Yet many inner-city neighborhoods and their residents are worse off today than they were decades ago, and it is clear that government's concept of "community development" has been too narrow. The forces of metropolitan development—and abandonment—have overwhelmed the achievements of many good community-based programs. If, as the old African adage says, it takes a whole village to raise a child, then it also takes a whole region to make a good community.

Civic Life and Civility: The Key to People-Regionalism

People-regionalism cannot be mandated by Washington. It must evolve from direct, constant, honest, and communitywide conversation and hard work in each metropolitan region. In his persuasive essay, "Bowling Alone," Harvard sociologist Robert D. Putnam (1995) comments on the decline of communal participation in America. He points out that though more Americans now go bowling than ever before, participation in bowling leagues has dropped 40 percent. Labor unions, parent-teacher associations, women's clubs, and fraternal organizations have all seen membership decline. Nonprofits find it harder to recruit volunteers. People find fewer friendships among neighbors. Fewer Americans take time to vote. This decline in "public capital," Putnam argues, has been accompanied by a decline in trust in our public institutions and in one another.

Pleading for a restoration of "the tolerant democratic spirit that can help us solve our problems," Vernon Jordan, former National Urban League president, recently said that "such civility is all the more important at a time when we are sailing in uncharted waters, when the world is changing faster than our ability to control change, when a confused and anxious people seek policies that take us forward without punishing those left behind."⁸

Commenting on Putnam's and Jordan's insights in a column earlier this year, *Washington Post* columnist David Broder (1995) called for "a strengthening of civic life and return of civility in our public discourse."

No problem in American life demands strengthened civic life and greater civility more than repairing the tattered social and political fabric of many of America's metropolitan areas. To compete and succeed, America's urban regions must act like true communities.

Charlotte, Hartford, Minneapolis-St. Paul, Portland, Denver, and Pittsburgh are all urban areas where business leaders, State and local officials, and citizen activists are forging new mechanisms to strengthen regional bonds. These pioneers of people-regionalism are new coalitions of diverse groups trying to heal old wounds and build new bridges. Their approaches may differ—city-county consolidation, metro housing strategies, empowered regional councils, tax sharing—but the goal is the same: A greater, more competitive regional community with greater opportunity for all.

Notes

1. This essay was first published in March 1995. The Department wishes to acknowledge the contribution of David Rusk, urban policy consultant, for making this essay possible.
2. Unless otherwise indicated, all data are from decennial census reports.
3. Annual counts of minority elected officials are made by the Joint Center for Political and Economic Studies and the National Association of Latino Elected Officials, both in Washington, D.C.
4. See Henry Cisneros, ed., *Interwoven Destinies: Cities and the Nation* (New York and London: W.W. Norton & Company, 1993).
5. See H. V. Savitch, "Ties that Bind: Central Cities, Suburbs, and the New Metropolitan Region," *Economic Development Quarterly*, November 1993; Richard Voith, "City and Suburban Growth: Substitutes or Complements?" *Business Review*, September/October 1992; and William R. Barnes and Larry C. Ledebur, *Local Economies: The U.S. Common Market of Local Economic Regions* (Washington, D.C: National League of Cities, August 1994).
6. See James E. Rosenbaum, "Black Pioneers—Do Their Moves to the Suburbs Increase Economic Opportunity for Mothers and Children?" in *Housing Policy Debate 2* (4); and Florence Wagman Roisman and Hilary Botein, "Housing Mobility and Life Opportunities," *Clearinghouse Review 27*.
7. Among many studies, see John P. Kasarda, "Inner-City Concentrated Poverty and Neighborhood Distress," *Housing Policy Debate 4*; and William Julius Wilson, *The Truly Disadvantaged: The Inner City, the Under Class, and Public Policy* (Chicago: University of Chicago Press, 1987).
8. Characterizations and quotations, including quotations from Vernon Jordan, are drawn from David S. Broder's column, "Civic Life and Civility," *Washington Post*, January 1, 1995.

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Urban Entrepreneurialism and National Economic Growth

While debate continues to rage about many aspects of our Nation's social policies, there is clear consensus on one point—that all of our hopes for the future rest on a healthy economy.¹ When America's economy fails to grow dynamically and fails to create more and better jobs along the way, there is little public programs can do to prevent increasing poverty and diminishing opportunities for our aspiring middle class.

Traditionally, when we think about strengthening our national economy, analysis and debate focus on action at the national level and how players in Washington ought to adjust national monetary, fiscal, and trade policies. In this essay, I argue that in today's highly competitive global market this perspective is insufficient.

I believe we must give more attention to creating economic dynamism at the local and regional levels. America's economy is made up of a diverse mix of local economies. One way we can think about this is that our gross national product (GNP) is the sum of regional GNPs. Some of these economies are doing well and some are struggling. Local policies and initiatives that are highly effective in some prove to be quite inappropriate for others.

There are limits to how local and regional economies can change themselves. Powerful national and international market forces have an extraordinary influence on their potential. But that influence does not mean that local and regional leaders must simply sit back and await their market-determined fate. To the contrary; what I find most exciting today is that local leaders in many regions have learned how they can turn market forces to their advantage and aggressively develop their economies using that knowledge. But first they must understand how those forces work.

We need to pay attention to these local experiments and the idea underlying them. They, as much as or possibly more than national policies, will determine whether our economy prospers and what we will achieve as a Nation.

America's Economy As a Common Market of Local Economic Regions

The U.S. economy is predominantly a metropolitan economy.² Today, 8 of 10 Americans live in metropolitan areas, and these areas account for 83 percent of our national income and nearly all the employment in advanced technical and service sectors. More than one-half of the U.S. population lives in metropolitan areas with populations of 1 million or more.

Metropolitan economies are strongly tied to the regions that surround them, in complex patterns of mutual interdependence. Having developed at different times and in different ways, these regions have very different characteristics. Vernon Henderson's work has pointed out the powerful benefits of industrial specialization that exist in different metropolitan settings. The heritage of these specializations has a long-lasting influence on a region's economic potential (Henderson, 1994).

This metropolitan-centered framework helps us understand the reality of economic activity in the United States today. We have become accustomed to thinking of our country as relatively homogeneous, with every region and community rising or falling depending on what happens nationally. But today's realities of regional specialization and market niches are forcing us to become more aware of and sensitive to our country's differences.

Some researchers have suggested that America's economy should now be seen as a common market of metropolitan-based local economic regions (Barnes and Ledebur, 1994). These regions are indeed strongly interdependent, but they also compete with one another and with the rest of the world. Policies that treat them as uniform risk being seriously distorted in their intended effects.

What Local/Regional Economic Development Ought To Be About

Over the past 15 years, a sea change has emerged in the philosophy and practice of local economic development. It is not too much of a caricature to say that throughout the 1970s the phrase did not mean much more than fragmented efforts by communities to entice new industries to locate in their area. America's cities were embroiled in a game of stealing seemingly attractive industries from one another with questionable subsidies and other techniques. This practice was a zero-sum game, yielding no net gain in national economic well-being.

As major structural change in our economy (losses in manufacturing employment and gains in services) began to accelerate late in that decade, local policy responses were typically reactive. The actions of local businesses, including lobbying Washington for help, were aimed mostly at preventing change and trying to restore the positive and relatively stable economic environment that had existed since the end of World War II.

Since that time, local approaches to economic development have changed dramatically. To be sure, some areas are working more aggressively than others, but local leaders now generally endorse three new themes.

The first recognizes that local economies need to adapt to external market forces that cannot be reversed and that there is a role for local public policy in facilitating that change effectively. Communities using this approach examine their region's heritage—its comparative advantages—in light of national and international market trends and then develop a strategic vision to guide realistic development. They emphasize retaining existing entrepreneurs and helping them to expand locally, rather than relying only on new firms from other regions to spur growth. But even here, their focus is on helping these entrepreneurs change and adapt to new market realities rather than on subsidizing the longevity of their old product mix.

A second theme understands that economic development must include a host of actions to enhance background conditions so that an area will be seen as a good place to do business. This means lowering operating costs, reducing unreasonable regulatory burdens, and, in particular, implementing human resource policies that create and maintain a highly skilled labor force.

Finally, a third theme recognizes the value of forming active public-private leadership coalitions to guide and promote local economic development and actively seeks inclusiveness and collaboration. Today the boards of metropolitan leadership groups are likely to include representatives of inner-city community development corporations and community foundations, as well as chief executive officers of large corporations and city officials.

Identifying and Building on Comparative Advantages

Adapting to change does not mean simply “going with the flow.” International market trends close some doors—it is not productive to try to recreate the industrial economy of old—but also create new opportunities. Communities must be proactive to take advantage of them. But depending on where and who you are, remaining competitive in the changing global economy may require dramatic restructuring.

Principles of the approach. This context puts more emphasis on analysis to better understand not only trends in global markets, but, more important, to better understand local comparative advantages in light of those trends and ways to build on them. Michael Porter describes these advantages as “essential attributes of a region that underpin the ability of firms based there to compete in a particular field ... competitiveness emerges out of unique local conditions, and occurs in businesses where a region can create areas of specialization (Porter, 1995).”

In most cases, finding these advantages means identifying and facilitating promising clusters of local economic activity—interrelated manufacturing and service subsectors that together exhibit competitive strength in meeting some growing segment of global market demand. Porter notes that “general business inputs, such as cheap labor, low cost real estate, or basic infrastructure, are no longer a stable advantage in modern competition because they are so widely available.” Clusters, on the other hand, “represent critical masses of skill, information, relationships, and infrastructure in a location relating to a particular field that become self-reinforcing. ... In successful clusters, there are often several competitors in each business who push each other to improve products and processes.”

All of this has special resonance for me. I lived through an experience that showed me quite vividly why local leaders must think and act this way. When I was mayor of San Antonio, we took a hard look at our metropolitan economy and found that its future prosperity was vulnerable. Although the region had a lot going for it, San Antonio was much too dependent on jobs provided directly and indirectly by local military bases. The region was forced to look for alternatives, and we found them in diverse sectors of its economy. For example, we discovered an emerging medical-biological sciences cluster and found ways to expedite its development. We looked outside our boundaries, recognized new development opportunities in the corridor linking San Antonio and Austin, and began to market them aggressively.

There are many other interesting examples of building on regional advantages from all parts of the country. Below, I review three of them in depth, because they illustrate themes of special importance. Other examples are then noted more briefly.

The Research Triangle: Something from nothing.³ At the midpoint of this century, North Carolina's industrial base relied on three key industries—tobacco, textiles, and furniture—and market prospects appeared bleak for all of them. The State had an unusually strong and creative group of leaders who were committed to erasing North Carolina's poverty and low level of education. They felt they had to modernize their industrial mix to do so and were aware that many of America's most promising industries depended on linkages to research capacity. In response, they sent missions to other cities to learn how such linkages operated and were developed.

North Carolina's leaders came upon the idea of developing a huge triangular research park, bounded roughly by the State's three major universities: the University of North Carolina in Chapel Hill, Duke University in Durham, and North Carolina State University in Raleigh. Their strategy was to find companies that wanted to expand their research into fields in which these universities had special strengths, particularly in chemistry, electronics, and pharmaceuticals. Governor Luther Hodges set up a committee to implement this strategy in 1955 and devoted considerable personal attention to supporting it.

The committee raised a mix of public and private funds for the venture, began to discreetly buy vacant land in the area, and sent teams of "academic salesmen" from the universities to visit relevant industries across the country in the hope of inducing them to set up new plants in the Triangle. In 1958 the institutional structure was clarified. There would be three related organizations: a foundation (owned by the universities, with profits reverting to them), a park (a profit-making subsidiary that would sell land to private for-profit companies), and a new nonprofit research institute.

The process of development was neither smooth nor automatic, almost falling apart at several points. Nonetheless, it slowly built into an internationally recognized success. Throughout the process, a group of public- and private-sector leaders strongly supported its development despite a number of changes in membership over the years. One of its most important members, Terry Sanford,

became Governor in 1960 and was responsible for a vast expansion of the technical training capacity of the State's community colleges.

Initially, the greatest commercial interest in the Triangle was in textile fiber research. The first company to locate in the park was Chemstrand, a subsidiary of Monsanto, in 1960. Development in leading high-technology sectors soon followed. A computer component manufacturer, Technitrol, set up shop in the park in 1965, and IBM located a sizable facility there a year later. In addition to private firms, the development also attracted several government research laboratories.

The Triangle had 16 facilities in 1970, and by 1980 the total had reached 32. By the early 1980s, the Research Triangle Institute had become one of the major nonprofit research institutions in the country, with 1,100 employees and strong links to the three surrounding universities. At that point the development supported 20,000 employees whose annual salaries totalled almost one-half billion dollars. Venture capitalists have since been attracted to the area's surrounding communities.

To be sure, the Triangle has not transformed the economy of North Carolina as a whole, but the State now has a strong professional class and attractive communities that are regarded as a powerful base for an even more promising future. The development has been a model for other States attempting to stimulate regional growth.

Probably the most important lesson of North Carolina's experience is the longstanding commitment of the State's public- and private-sector leaders to making the Triangle happen. They devised a structure of incentives at the outset that sustained a feeling of ownership among several overlapping leadership groups. Professors and administrators at the universities, for example, felt that the initiative's success was important to them personally. This commitment motivated ongoing cooperation between the region's public and private sectors. Business leaders and officials from the cities and universities had powerful incentives to overcome the natural conflicts that arise in ventures of this kind, and the feeling on the part of all players was that they had to be proactive in its support.

Metropolitan Cleveland: Recognizing the value of what you have. By the late 1970s, Cleveland—once one of the great success stories of America's industrialization—had become a city the Nation's humorists loved to deride. It lost manufacturing jobs at a rate of 1.4 percent per year between 1967 and 1977, and long-burning industrial pollutants on the surface of the Cuyahoga River became a symbol of the area's seeming inability to control its fate. The only ray of hope was a service sector that, in spite of the area's dramatic decline in manufacturing, continued to grow. Many community leaders argued, in effect, that the region should write off its aging manufacturing base and concentrate on becoming a predominantly service-oriented economy.

In 1980 the Cleveland Foundation sponsored a major study of the region's economy that dramatically altered this conventional wisdom (Gurwitz and Kingsley, 1982). The study found that although the aggregate losses in manufacturing were serious, they were concentrated in the area's two largest sectors: the production of steel and automotive parts. Looking at the data at too high a level

of generalization had masked the fact that a number of smaller manufacturing sectors had been doing quite well over this period; a number of them (accounting for 36 percent of the region's total 1977 manufacturing employment) had actually grown by 5 percent or more over the preceding decade.

The study further showed that Cleveland still had one of the most diversified manufacturing sectors in the country. It concluded that the scale economies and services that supported this sector were still at the center of the region's comparative advantage, and that dense and complex networks of customer-supplier relationships remained a major asset. Most important, the study found that a large share of the region's growing service sector existed primarily to support Cleveland's manufacturing base.

The policy directions suggested by this analysis did not imply trying to turn back the clock to reestablish the kinds or scale of production that once existed in Cleveland. Local leaders recognized that the manufacturing sector in Cleveland, like that in the rest of America, was restructuring. There would be fewer production workers, and more of the value of produced goods would be contributed by high-skill, manufacturing-related services. Building creatively on this production-service linkage would be the key.

Local leaders took steps to encourage the retention of production activities within the region, recognizing that the aggregate would probably continue to diminish (for example, by intervening in zoning trends that were threatening to eliminate space for industrial expansion). But these leaders also started to think creatively about how they could further enhance their strong comparative advantages in activities that provide high-level services to modern manufacturing, both within and outside the region. In addition, they recognized the need for continuing analysis of economic trends so they would be able to adapt more rapidly to changing market forces.⁴

Through this study and a host of other activities, Cleveland has regained confidence in itself. "Cleveland Tomorrow," a strong coalition of business leaders, has played a pivotal role in helping the area secure major new investment projects such as the Gateway Stadium/Arena, and has influenced broad policy issues to enhance the region's business climate. Other private and nonprofit groups have formed in the civic interest, including an organization that is spurring efforts to rebuild the area's decaying infrastructure.

Particularly important of late has been the entrepreneurial leadership of Cleveland's mayor, Michael White, in reaching out to strengthen city-suburban collaboration, devising creative new methods of assembling land for economic development, and more closely linking inner-city residents to corporate leaders in planning for the future.

Metropolitan New York: Putting it all together. My third example, the Competitive Region Initiative, is a new program spearheaded by the Regional Plan Association for the New York-Connecticut-New Jersey Tri-State Region. It is too early to judge the likelihood of its success, but the program is noteworthy because it wraps together and highlights many of the themes I introduced earlier.

First, the initiative is supported by a broad-based coalition of public- and private-sector leaders who have been interactively involved in all phases of planning to date. Second, research supporting the effort clearly recognizes the inevitability of change. It also recognizes that further losses in market share are to be expected in some sectors that have been notable regional strengths in the past (for example, in segments of advertising and consulting that are moving to other regions to be closer to clients, as well as in decentralizing components of manufacturing).

However, this research has identified several clusters of information-based services to global and national markets in which the region has been expanding rapidly: financial services, business services, information and media services, arts, culture and tourism, transportation and distribution, and biomedical services.

Even within these expanding clusters, future change will be required if they are to remain competitive. In financial services, for example, analysts believe that “expanding sectors, like securities, will have to gain share in order for the region to offset expected losses in other sectors, such as banking, insurance, and real estate (DRI/McGraw Hill and Regional Plan Association, 1994).” Action to facilitate promising clusters begins by researching their particular problems and needs and then designing programs that fit those needs. Examples include educating and retraining workers, improving transportation and communications services and institutional infrastructure, and removing unreasonable tax and regulatory barriers.

And it is happening in other ways in other places. There are many other emerging success stories along these lines in other parts of the country. All are stories of local leaders developing strategic economic visions for their areas that fit today’s market realities.

- A cluster of cities in tidewater Virginia, including Norfolk, Hampton, Virginia Beach, Portsmouth, and Chesapeake, are overcoming a history of bickering to jointly respond to the challenges created by defense cutbacks and other economic woes. Mayors and supervisors there are meeting monthly to answer the question posed by Norfolk Mayor Paul Fraim: “What is our sun—the one issue the cities can focus on as the key to their collective futures?” A core developmental theme appears to be finding ways to take better and broader advantage of the area’s impressive port facilities. Industrial leaders and university presidents are now being invited to the monthly sessions, and Fraim and Hampton Mayor James Eason are emphasizing the need to draw neighborhoods into the regional discussions (Peirce, 1995).
- Metropolitan Miami was losing ground as a tourist destination for northerntier Americans in the 1960s. For a time, many saw the rapid influx of immigrants from Cuba and other parts of Latin America as a liability (as evidenced by battles against bilingualism). But then, what had been seen as a problem began to be recognized as an opportunity: While its competitive position in relation to U.S. markets may have been diminishing, Miami was developing an outstanding capacity to become an international trade center. The strong cultural connections and entrepreneurial drive that immigrants brought with them were, in fact, remarkable assets for development.

Building on these assets has been an important strategy for Puerto Rican-born Maurice Ferre, Miami’s mayor from 1973 to 1985, and his Cuban-born

successor, Xavier Suarez. A 1977 international banking statute permitted foreign banks to open in Miami, and the greatest building boom in the city's history followed. The Greater Miami Chamber of Commerce and other civic organizations supported new institutional and physical infrastructure to facilitate international trade. They established the Miami Free Zone Corporation and the World Trade Center, for example, and substantially expanded and reoriented the Miami International Airport. Local firms in international trade and financial services burgeoned in the 1980s and trade connections have leveraged other industries, including international tourism, health technologies, and other indigenous manufacturing.⁵

- The Spartanburg-Greenville area in the upstate hill country of South Carolina has also transformed its economy through an international connection. Its centerpiece, however, is foreign-owned manufacturing rather than trade. A base in world-class manufacturing was laid in the 1950s when Roger Milliken relocated his textile company in Spartanburg. Milliken, already a leader in his industry and known for technical innovation and quality management, became a leader in his new community, pressing for improvements in education and other changes that would create a more attractive environment for new production firms. Richard Tukey, long the executive director of the Spartanburg Chamber of Commerce, recognized the potential and aggressively marketed the area to firms in Europe. The initial connection was in textiles, but the benefits spilled over. The more foreign firms set up plants locally, the more Tukey and others took steps to make the area even more hospitable to foreign managers. By 1994, 215 foreign companies were located in the area, including a major subsidiary of the French Michelin Groupe (now the region's largest employer) and the first BMW plant ever located outside of Germany. Moreover, because the area has become a more attractive place for manufacturing in general, many more U.S. firms have started operations there.⁶
- Metropolitan Boston used a different core foundation for economic development: knowledge. After a period of stagnation marked by declines in traditional manufacturing industries such as textiles and leather products that lasted through much of this century, the Boston area flourished in the 1980s with a boom in high-tech production around its fabled Route 128. By 1990, however, the region was again in trouble, as a number of its high-tech firms were either failing or suffering significant losses in market share. Yet by 1994 the area had once again bounced back, and in that year Massachusetts led all other industrial States in job creation.

In contrast to the large firms, such as computer hardware producers Digital Electronics and Wang, that characterized the boom of the 1980s, highly competitive small firms, including many software producers, characterize recent successes. Boston now appears to recognize that its niche rests more comfortably with the latter. With one of the Nation's most prestigious set of educational institutions, the area has always attracted "concept people." In today's market, dense networks of small enterprises that compete and collaborate at the same time seem to work best in knowledge-based economic activity. The area's leaders are now looking more aggressively for ways to support this phenomenon. One approach is establishing nurturing intermediaries such as the Massachusetts Software Council, which runs 27 meetings on international

opportunities, legal issues, and sales and marketing strategies each year for its 300 members (Kanter, 1995). Another priority is making the area's local governments more hospitable to business activity, which was often a problem in the past.

Making Your Area an Attractive Place To Do Business

Private entrepreneurs, not local governments, are the primary agents creating economic growth. But local governments and other public institutions play a large role in creating the context in which development occurs and in shaping the background conditions that are looked at as either attractions or detractions by prospective investors. John Kasarda notes that a 1992 survey "found that low lease rates were the most important factor influencing corporate site selection decisions, followed by an educated labor force, major highways, and low construction costs" (Kasarda, 1993). All of these factors are influenced by local public policy.

The new importance of human resource development. A factor of increasing importance to the attractiveness of local communities is the quality of their local workforce. Few would have thought, two decades ago, that an excellent education system would now be recognized as a primary tool in economic development. Economic growth in America will still require some low-skilled workers, but we can hardly be competitive on a global scale with large numbers of them. The basis for our competitiveness must be a well-educated workforce.

To accomplish that critical goal, America must improve the education of inner-city children. The educational achievement of public-school students in the inner cities is well below that of students in the suburbs. The 1992 National Assessment of Educational Progress, for example, reports that three-quarters of fourth graders in disadvantaged urban areas are reading below basic skill levels, compared with only 18 percent in more affluent school districts (Mullis et al., 1993). Mathematics and science results show similar disparities. Yet inner-city students represent a substantial segment of the future workforce—public school districts of central cities now educate almost one-third of all American youth.⁷

The economic costs of poverty and polarization. American poverty has become more concentrated in metropolitan central cities. In the largest 85 metropolitan areas, average per capita incomes in the cities and suburbs were nearly equal in 1973, but by 1989 the city average was 16 percent lower than that of the suburbs (Ledebur and Barnes, 1992). In 1970 the largest cities housed about equal proportions of the Nation's poor and nonpoor populations (23 percent and 22 percent respectively). By 1990 the share of all poor living in these cities had increased (to 24 percent), but their share of the nonpoor had declined dramatically (to 15 percent).⁸ Over these two decades, the number of people living in concentrated poverty areas (census tracts with poverty rates of 40 percent or more) grew from 3.8 million to 10.4 million (Mincy and Weiner, 1993).

The problems associated with concentrated urban poverty are evident to all Americans: higher rates of crime, drug use, and other health problems, coupled with increasing isolation from mainstream society that disrupts linkages to employment opportunities and perpetuates dependency.⁹

These conditions clearly increase the public costs borne by city residents. Janet Rothenberg Pack's recent study of local government budgets for America's large cities (populations above 300,000) showed that cities with high poverty levels have higher per capita expenditures for most municipal functions. The total public costs that must be covered by nonpoor taxpayers in high-poverty cities are substantially above those required of the nonpoor elsewhere.¹⁰

This situation has two obvious effects. First, it induces more nonpoor taxpayers to move out, thereby further eroding the tax base. Second, it puts enormous pressures on local governments to reduce expenditures, cutting services to the poor and nonpoor alike. Both factors portend a further downward spiral.

These conditions obviously undermine the attractiveness of the central city for existing businesses, let alone new business investment. Decaying physical and institutional infrastructure, rising crime rates, and the potential for more widespread social unrest associated with poverty make the city an increasingly expensive location. Yet the economic functions performed in central cities are often the cutting-edge functions of the metropolitan economy, and suburbs depend on them, both directly and indirectly.

Investors consider future risks as well as current costs when they assess alternative locations for investment. It is becoming difficult to attract highly skilled professionals to locate anywhere (even in supposedly attractive suburbs) in metropolitan areas where polarization is extreme.¹¹

Are policies to address these problems a part of economic development? New York's Regional Plan Association seems to think so. As a companion to its Competitive Region Initiative, it has launched an Equitable Region Initiative focused on actions to link disadvantaged communities and their residents to the activity clusters around which the region's economic expansion is to be based (DRI/McGraw Hill and Regional Plan Association, 1994). These actions may include improving education and training, employment information networks, and transportation services, as well as reducing crime/drug barriers and initiating better fair housing enforcement, strategic provision of affordable housing, and other activities that support the deconcentration of poverty over the longer term.

Comparative disadvantages of a high-cost environment. In many U.S. metropolitan areas, unreasonable regulations and other barriers have led to artificially high land and building prices that force businesses to pay more to build or lease space for factories and offices. Inefficient spatial patterns mean they have to pay more for infrastructure and other public services.¹² In some ways the most important effects occur indirectly, through what firms have to pay their employees. Where the general costs of living are higher (prices for housing, commuting, and public services), wages must also be higher if firms are to attract and retain a competent workforce. All of this implies that firms will have to increase the prices of the goods and services they provide, making them less competitive in the global marketplace.

This view of high-cost environments is not just theory. High-cost metropolitan areas in the United States are already suffering in competition with locations that offer a lower cost of living. Kasarda notes that "one of the interesting trends

during the [early 1990s] recession was the counter-cyclical employment *growth* in low-cost (and often smaller) markets, such as Houston, Las Vegas, Salt Lake City, Denver, and Indianapolis.” These changes are far from inconsequential. Charlotte, North Carolina, is now the third-most important commercial banking center in the United States, and Provo, Utah, boasts the second-largest concentration of computer software jobs in the United States (Labich, 1994).

That costs are higher in larger than smaller metropolitan areas is fully consistent with economic theory. Large urban concentrations are known to require more costly inputs per capita (for infrastructure, for example). But because their contexts provide such enormous efficiencies for so many economic activities (agglomeration economies), their yields are higher still. Workers in New York and Chicago earn higher wages per hour on average than those in small towns on average because, benefitting from the agglomeration economies, more value added is produced per hour they work. The whole urban system is more “productive.”

The question is, *how much* more costly should larger metropolitan areas be? I am quite sure that in many of America’s most important urban agglomerations, costs are higher than they need to be.

What can be done about it? There are no examples anywhere of local governments dramatically altering the overall cost structures in their areas in a short period of time. However, action can be taken at the margin.

One step is to review and revamp the local regulatory environment—labyrinthine and uncertain approval processes are among the most certain turnoffs to potential investors. Another is to examine local tax structures to be sure that, in comparison to other areas, local tax burdens are no higher than they need to be. A third is to mount proactive programs to more aggressively rehabilitate and market underutilized land in the central city.

Building Institutional Infrastructure: Public/Private Coalitions

It is encouraging that the types of thinking and initiative exhibited in the stories of North Carolina’s Research Triangle, Cleveland’s resurgence, and New York’s new economic development planning are spreading to regions throughout the country. Business leaders and other long-term stakeholders in many metropolitan-based regions—people who are totally opposed to “government planning”—are recognizing that sensible forms of public-private collaboration in regional economic entrepreneurialism pays off.

Allan Wallis has reviewed new developments in regional governance in a number of U.S. metropolitan areas. He sees:

- (1) significantly increased and direct involvement of the private and nonprofit sectors on a regional scale;
- (2) a new type of elected leadership that is more willing to negotiate and partner in efforts to build a metropolitan community;
- and (3) increasing use of facilitated decisionmaking processes to help establish

shared visions, resolve conflicts and develop consensus regarding regional interests (Wallis, 1994).

Wallis emphasizes that the new leadership coalitions and networks recognize that the geographic focus of their efforts has to be the metropolis as a whole, not just the central city or the suburbs independently, and believes that they represent impressive bridge building between groups that have often been at odds in the past (for example, business leaders, community development nonprofits, and government agencies).

For a number of these groups, regional economic development and job generation are priority themes. Business-led coalitions organized around regional economic themes include Cleveland Tomorrow, the Allegheny Conference on Community Development in metropolitan Pittsburgh, Greater Philadelphia First, the Greater Houston Partnership, the Trade Development Alliance of Greater Seattle, and the Economic Development Equity Fund in metropolitan Dayton.¹³

Former Albuquerque mayor David Rusk has also recognized a change in the attitudes of big-city politicians, including some African-American mayors who are “recognizing that go-it-alone strategies aren’t working and are looking towards regionalism.” Willie Herenton, Memphis’s first African-American mayor, has called for dissolving the city of Memphis and having Shelby County serve as a unified government for the area. Rusk also notes that Detroit’s mayor, Dennis Archer, “understands fully that the process of abandonment of his city has proceeded so far that, with 22 percent of the region’s population, he has only 7 percent of the region’s tax base to work with; he is reaching out to build alliances with Detroit’s suburbs—an action his predecessor disdained (Rusk, 1994).”

Even more important is building coalitions that break down racial hostility and other animosities that are so harmful to any area’s climate for development. Most of the initiatives cited above are reaching out for *inclusiveness* and involving representatives of disadvantaged inner-city communities in planning future development. Cleveland Tomorrow, for example, regularly partners with the Cleveland Roundtable, a forum that addresses interracial and ethnic tensions, and I have no doubt that Atlanta’s forceful “Too Busy to Hate” initiative in the 1970s set the stage for three decades of cooperation, which in turn was critical to that city’s successful bid for the 1996 Olympic Games.

The Federal Role

Not too long ago, there was considerable debate about whether America should have an “industrial policy.” Such a policy was never developed in any official way. The prospect of the Federal Government “picking winners” from our industrial mix and trying to develop policies to support them runs against the grain of our national traditions.

What is interesting from the standpoint of this essay, however, is that this debate was framed in terms of the Federal Government’s relationship to national industrial sectors, not to regional sectors. We may well be uneasy about the ability of Federal officials to understand enough about the realities of individual industries to offer them sensitive guidance or support. The local private-public

leadership coalitions that are forming to spur regional development, however, are much closer to the action, and they are carefully studying shifting market forces and their own comparative advantages within those forces. They are not taking public intervention to extremes.

But without an organized Federal effort to partner with these initiatives constructively, we may be missing a rare opportunity to support them—not only by emphasizing relief from Federal regulations, but also by serving as a catalyst to help them leverage their resources more effectively. This is what is so exciting about the Community Empowerment Board (CEB) that the President created in 1993 to support the bottom-up planning strategies in communities designated as Empowerment Zones and Enterprise Communities, encouraging and assisting other localities committed to comprehensive community revitalization. Consisting of the heads of 15 Federal agencies with critical domestic responsibilities and chaired by the Vice President, CEB is working to eliminate unnecessary regulatory or other Federal program requirements that inhibit local innovation. While we still have a long way to go, CEB has taken great strides toward making good on the Clinton administration's pledge to make the Federal Government a better partner with America's communities.

Notes

1. This essay was first published in September 1995. The Department wishes to acknowledge the contribution of G. Thomas Kingsley, director, Center for Public Finance and Housing, The Urban Institute, for making this essay possible.
2. There were 341 metropolitan areas in the United States in 1990. As defined by the Bureau of Census, metropolitan areas comprise, at a minimum, one county (town, in New England) containing a central city (or urbanized area) with least 50,000 people; but metropolitan areas can, and often do, also include adjacent counties if they have strong social and economic ties to the central county. As such, metropolitan areas incorporate almost all the urban population of the Nation, excluding only the relatively few who live in small towns.
3. This discussion is drawn generally from Ezra F. Vogel and Andrea Larson, "North Carolina's Research Triangle: State Modernization," in Ezra F. Vogel, *Comeback: Case by Case, Building the Resurgence of American Business* (New York: Simon and Schuster, 1990).
4. The study report itself maintained that any "one-shot" study was not a sufficient basis for policy and recommended ongoing monitoring of change in the region's economy. Local leaders supported this recommendation by establishing the Regional Economic Issues Program at Case Western University. See Diana Tittle, *Rebuilding Cleveland: The Cleveland Foundation and its Evolving Urban Strategy* (Columbus, OH: Ohio State University Press, 1992): pp. 266–267.
5. The story of Miami's recent economic gains is told more completely by Rosabeth Moss Kanter in *World Class: Thriving Locally in the Global Economy* (New York: Simon and Schuster, 1995).

6. Also see Rosabeth Moss Kanter, *op cit*.
7. In 1986 central city districts of large metropolitan areas (populations above 400,000) were educating 12 percent, and other central city districts were educating another 15 percent. Data as cited in Edward W. Hill, Harold L. Wolman, and Coit Cook Ford III, "Can Suburbs Survive without their Central Cities? Examining the Suburban Dependence Hypothesis." Paper presented to the U.S. Department of Housing and Urban Development, December 1994. Also see Robert Kominski and Andrea Adams, *School Enrollment—Social and Economic Characteristics of Students*, October 1993, Table 2 (Suitland, MD: U.S. Bureau of Census).
8. Janet Rothenberg Pack, "The Impacts of Concentrated Urban Poverty on City Government Expenditures." Paper presented to Wharton Conference on Urban Policy, University of Pennsylvania, December 1994. The study included all cities with 1990 populations of 300,000 or more.
9. There is now a vast selection of literature on these effects. See, in particular, William J. Wilson, *The Truly Disadvantaged: The Inner City, the Underclass, and Public Policy* (Chicago: University of Chicago Press, 1987), and Adele V. Harrell and George E. Peterson, Eds., *Crime, Drugs, and Social Isolation: Barriers to Urban Opportunity* (Washington, D.C.: The Urban Institute Press, 1992).
10. Pack calculates these relationships for various categories of cities, but the most compelling are for joint city-county governments (where a larger share of all poverty expenditures are included). In this group, per capita poverty expenditures (public outlays for welfare, hospitals, and other health programs) in low-poverty cities (poverty rates below 16 percent) averaged \$124—44 percent of the \$277 average for high-poverty cities. All other expenditures per capita totaled \$656 in the low-poverty cities but \$1,078 in the high-poverty cities. Excluding Federal and State aid, the totals work out to \$596 per nonpoor person in the low-poverty cities versus \$1,040 per nonpoor person in the high-poverty cities. See Janet Rothenberg Pack, *Poverty and Urban Public Expenditure*. Working paper for the Wharton Real Estate Center, University of Pennsylvania, Philadelphia, February 1994.
11. The *Economist* (November 2, 1991) notes, for example: "Nowhere is the separation of (city and suburb) so destructive ... as in Detroit.... Company head hunters, even in the distant suburbs, find it difficult to lure top-notch talent to a place with such a negative image."
12. The costs of extreme spatial dispersion, coupled with inner-city abandonment in many U.S. metropolitan areas, are substantial. For example, we have had to build (and still have to maintain) infrastructure networks (water supply, electricity, telephone lines, roads) that are much more extensive (as measured in length per capita) than those of our competitors in the global market. Excess costs associated with commuting are probably the most noteworthy. The United States spends between 15 and 18 percent of its GNP on transportation (compared with 9 percent in Japan). And American families spend between

15 and 23 percent of their annual income on transportation-related expenses (compared with 9 percent for Japanese families). Data from Elliot D. Sclar and Walter Hook, "The Importance of Cities to the National Economy," in Henry G. Cisneros, Ed., *Interwoven Destinies: Cities and the Nation* (New York: W.W. Norton, 1993).

13. Other accounts of the work of these coalitions and others are found in Neal R. Peirce, with Curtis Johnson and John Stuart Hall, *Citistates: How Urban America Can Prosper in a Competitive World* (Washington, D.C.: Seven Locks Press, 1993), and Joseph Stillman, *Making the Connection: Economic Development, Workforce Development, and Urban Poverty*, (New York: The Conservation Company, 1994). A useful assessment of recent efforts by private corporations to play a more direct role in urban problems has been provided by George E. Peterson and Dana R. Sunblad, *Corporations as Partners in Strengthening Urban Communities*. Urban Institute report. (New York: The Conference Board, Inc., 1994.)

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Higher Ground: Faith Communities and Community Building

We are caught in an inescapable network of mutuality, tied in a single garment of destiny.

—Dr. Martin Luther King, Jr.

Most Americans are now well aware of the devastating chain of circumstances that has undermined once robust inner-city communities over the past two decades.¹ The story has probably been documented most thoroughly by William Julius Wilson,² who discusses not only the disappearance of manufacturing jobs, which had offered the most promising career paths for many inner-city residents, but also the flip side of expanded opportunity. As the effects of fair housing laws enabled them to do so, middle-income African-Americans moved to the suburbs.

The youth left behind were deprived of role models, exposure to the world of work, and linkages to social institutions and friendship networks. Add the crack cocaine epidemic and the easy availability of firearms, and there is little wonder that gang violence and other scourges emerged.

But this essay is not about pessimism. Quite the contrary, it is about the remarkable hope being rekindled in communities across America. Faith communities are at the center of this good work. That is the topic I want to explore.

When I say faith communities, I mean churches, mosques, temples—religious institutions of all faiths. Religious institutions have a unique potential to contribute to community rebuilding.

I begin by explaining why I think this is true. I then examine some concrete examples of religious institutions taking advantage of this potential. Finally, I draw lessons that I believe should guide future faith community initiatives. My purpose is to celebrate the impressive accomplishments of religious institutions in our cities—accomplishments that far too few Americans have heard about—and to consider how those contributions can be sustained and enhanced.

A Unique Potential

Why do faith communities have such a special role to play in inner-city communities? It is because of four features that they alone combine. Other institutions may have two or three of these features, but not all of them. Let me illustrate them with an account of the circumstances of St. Peter Claver Catholic Church in the Sandtown-Winchester community in western Baltimore, Maryland.

Faith Communities Are Still There

Sandtown-Winchester in many ways typifies the devastation of hard-hit urban neighborhoods. A recent article described drug addicts loitering around the church, prostitutes soliciting in the square across the street, and boarded-up buildings looming nearby “like tombstones for times past” (Brady, 1995).

Thurgood Marshall grew up in this neighborhood, and Billie Holliday sang in its clubs. It is centered around what was once a thriving African-American business district. Most of the clubs and businesses of those days vanished long ago, but St. Peter Claver was there then, and it is still there now.

St. Peter Claver was dedicated in 1888, the year Peter Claver (a 17th-century Catalan Jesuit who dedicated his life to ministering to African slaves in the port of Cartagena in what is now Colombia) was canonized, and it is still thriving. Deborah Holly, president of the parish council, says that St. Peter Claver’s buildings are constantly in use. “We have a heritage of more than 100 years, and that means something in a community where some people can’t see past tomorrow. St. Peter Claver is a beacon of hope. With all the activity, the lights on at night, it is a sign that things still happen here.”

St. Peter Claver’s pastor, Rev. Robert Kearns, believes that the church’s buildings are symbols of hope: “Bricks and mortar are the cement that hold a community together.”

Community Is Central to the Mission of Charity

For Christians, the ministry of Jesus—meeting physical as well as spiritual needs—is the model that has always driven the church’s commitment to community. But there are parallels in other religions as well. One of the five pillars of Islam is *zakat*, the tradition of giving a portion of one’s assets to the poor. The tradition of charity in the Jewish faith is often thought of as *tzedakah*, although the strict translation of the term is “justice.”

This commitment is illustrated at St. Peter Claver in a number of ways. At the most basic level, there is charity—immediate help to those in need. Natalie Mercer, St. Peter Claver’s parish youth minister, says, “If they are hungry, we get them something to eat. If they need a place to stay, we try to find them a room.”

Commitment is exhibited by broader efforts such as the outreach orientation of the church school and the church’s active involvement in BUILD (Baltimoreans United in Leadership Development), a church-based civic action group that has

developed 300 new low-cost town houses in the area. Moreover, it is evident in the community orientation of ceremony:

The children of the neighborhood poured out of the alley street walk-ups on Palm Sunday as Kearns and the leaders of five other area churches marched with a drum and bugle corps, handing out palms to all in their path... (At Easter) joyous music will waft out of the wooden doors—not so much up to the heavens as around the neighborhood (*USA Today*, April 14, 1995).

Faith Communities Have Unique Resources

Inner-city religious institutions are seldom well-off financially, but they do have resources in their inherent strengths as institutions and in their linkages to the world outside—for example, in support provided by their denominations nationally. Perhaps most important, however, their leaders typically represent a rare source of organizational skill. They are people who think actively about the problems of their communities and have the ability to conceive of solutions, mobilize support, and provide follow-through.

Reverend Kearns at St. Peter Claver is a good example. He was a key force in the development of BUILD housing, and he is clearly a believer: “It works—I’d swear to that on a Bible. Homeowners have a stake in their community. Just look at the decks and the awnings. You might think you are in the suburbs.... The buds are coming out.... New life.” The pastor of another church in the coalition says of Kearns, “You can’t just stay in the pulpit. Father Kearns is a beautiful priest.... He works for the community, not just one church.”

Faith Communities Touch the Soul

There is little disagreement that the problems of inner-city neighborhoods go far beyond simple lack of material wealth. The youth of these areas need values and moral structure to hang onto. They need reasons to believe that there are things worth living for—the understanding of value in life itself over the long term. They need nurturing. Few institutions other than the faith community and the family can provide youth this kind of support.

Natalie Mercer says that although the church can’t always help financially, “we can always listen. Sometimes they need a friend to talk to, or shake hands with, or hug them. Sometimes what they need most is an embrace, a sign that you are not afraid of them, that they are human.” William Monroe, a property owner across the street from St. Peter Claver, believes the church is good for his business: “It lets people remember that even with all the violence, good things still happen here.”

Because it never left the neglected streets of western Baltimore, and because of its continuing devotion to the community, St. Peter Claver has a credibility and influence there that would be hard for any other institution to match, no matter how well intended.

What Faith Communities Are Accomplishing

While their commitment has always been a powerful force in American life, inner-city religious institutions have now fundamentally expanded the meaning and horizons of that commitment. C. Eric Lincoln notes that the African-American church has begun to “re-focus its attention on the critical needs of the whole individual and the whole community, rather than on just spiritual or religious needs.” (Lincoln, 1994.) John M. Perkins calls it a movement “beyond charity.” (Parkins, 1993.)

As mayor of San Antonio, I witnessed many indications that a new movement is underway along these lines. Since becoming Secretary of Housing and Urban Development in 1993, I have made a special effort to learn more about this movement and to give it support. In April 1994 I was privileged to meet with African-American church leaders at the Harvard Divinity School. That same year, I attended the Hampton University Ministers’ Conference, the largest conference of African-American clergy leadership in the country. I have also been able to sit with rabbis of many Jewish sects, priests and nuns of Catholicism, and imams and other leaders of the Islamic faith. In March 1995 I held a town meeting in New York City, attended by leaders of a broad variety of faith groups.

What I have learned is indeed impressive—both the breadth and intensity of the initiatives that have been mounted and their effectiveness. There has been no national census of church-based community outreach activities, but a study in Denver suggests that they are now widespread: 60 to 75 percent of the 80 African-American churches surveyed there provide at least one community service (Center for Policy Research, 1993). Of 333 identified programs, nearly half (148) were targeted to adults and families and commonly involved the distribution of food and clothing. The many programs for children (106) involved youth activities, tutoring services, scholarship assistance, drug and alcohol education, and before-school and after-school child care. Community development activities (59) included church-sponsored voter registration drives and candidate forums, as well as the operation of credit unions and housing development.

In the sections that follow, I want to note a sampling of the more expansive development efforts of religious institutions.

Housing

A large share of recent faith community initiatives have focused on improving housing and the community’s physical appearance. That is not surprising, because the need for new and rehabilitated housing—both as decent shelter and as a symbol of revitalization—is great, and systems to provide outside financial support are well established. New or renovated housing can improve the area immediately around the church, mosque, or temple and thereby help restock the congregation. Still, these ventures require religious institutions to learn to run a new business—a business that demands considerable professionalism. And many have done well at it.

- In Chicago, Illinois, Antioch Missionary Baptist Church has, with HUD assistance, rehabilitated and developed 177 apartments and 120 townhouses

in the Englewood community. It has also purchased parcels for future housing and business development.

- In Brooklyn, New York, Bridge Street African Methodist Episcopal Church joined with 10 local churches to redevelop a 40-block area in their community. The church collected \$1.3 million in tithes and offerings in 1992, with \$600,000 going to renovation and construction. The efforts included renovating 40 housing units and building 22 duplexes in partnership with the Enterprise Foundation and the New York Partnership.
- In Queens, New York, Allen African Methodist Episcopal Church, led by Rev. Floyd Flake, a member of Congress, has used a \$10.7 million HUD grant to build a 300-unit senior citizens housing project. It has also established a school and clinic and bought and rehabilitated more than 15 storefronts, bringing new businesses and jobs into that community.
- In Oakland, California, copastors J. Alfred Smith, Sr., and his son, J. Alfred Smith, Jr., led Allen Temple Baptist Church in sponsoring these projects: a 75-unit housing development for the elderly, 51 additional unrestricted units, a credit union with \$1 million in assets, a blood bank, and other initiatives vital to community service (McCarthy, 1995).
- In Indianapolis, Indiana, the Mid-North Church Council, working with the Mapleton-Fall Creek Neighborhood Association, established the Mapleton-Fall Creek Housing Development Corporation in 1985. With a grant from the Lilly Endowment, the corporation works with residents on housing rehabilitation. So far, more than 200 homes have been repaired, remodeled, or renovated. The council has also given special emphasis to job training in construction trades, personal counseling, and other social services. For low-income purchasers, one-on-one counseling sessions are required to help families learn how to improve their credit record and design a budget (Kriplin, 1995).
- In Philadelphia, Pennsylvania, a dozen churches, including Zion Baptist and White Rock Baptist, are working with the Association of Community Organizations for Reform Now (ACORN) grassroots organization to provide local low-income residents with homeownership loan counseling. Some of these churches are serving as sites for buyer seminars.

Community Building

Many religious institutions that have ventured into community building cut their teeth on housing projects, and they gained valuable management and development skills along the way. But most congregations recognize that the needs of the community are broader, and today's efforts are more likely to be characterized by a mix of activities that include new approaches to service provision, expanding access to credit and, above all, economic development.

Rev. Alicia Byrd, project director for the Leadership Development Program of the Congress of National Black Churches, notes:

. . . the one area that African-American pastors and laypeople were slow to develop was using the church as stimulus for communitywide economic

development.... That's because some church-goers worried that the speculation and investment required for revitalization efforts were 'worldly pursuits.' People in the black church now understand that money isn't a necessary evil. Rather, money is spiritual, especially when you can get it to work for you and make more resources for the community (Winston, 1995).

Interest in this movement has advanced far enough that Gregory J. Reed has written a useful guidebook on techniques that can be applied: *Economic Empowerment Through the Church* (Reed, 1994). Today, concrete examples abound.

- In Cleveland, Ohio, Cory United Methodist Church, under the leadership of Rev. Orlando Chaffee, has established a credit union with some \$1.7 million in assets and 1,100 members, providing financial services to neighborhoods bereft of banks. Chaffee stresses that credit unions can teach basic financial and organizational skills, as well as issue loans to avert crises or to start small businesses (Delloff, 1995).
- In Wiscasset, Maine, six churches have partnered with a community development corporation (Coastal Enterprises) to establish the Genesis Fund. The fund secures loans, grants, and donations from small congregations and religious denominations—funds that can then leverage private resources for community initiatives (Kriplin, *op. cit.*).
- In south central Los Angeles, First African Methodist Episcopal Church, working with a \$500,000 grant from the Walt Disney Company, has set up a program to make low-interest loans to minority entrepreneurs and finance the creation of jobs for community residents. The Atlantic Richfield Company also donated \$500,000 to the program.
- In east Austin, Texas, Ebenezer Baptist Church and four other African-American churches have partnered with the city's Economic Development Department to revitalize the dilapidated commercial corridor in their community. In 1988 they started the East Austin Development Corporation, which is creating a daycare center, commercial space, a senior center, and housing for the elderly. Church members' contributions of time and money have been the foundation for gaining outside financial support (Winston, *op. cit.*).
- In Mendenhall, Mississippi, the small congregation of the Mendenhall Bible Church has built a business complex in the community that contains a health clinic, law office, school, and recreational facilities.
- In Detroit, Michigan, Rev. Charles G. Adams of Hartford Memorial Baptist Church is immediate past president of the Progressive National Baptist Convention and a leading advocate of an expanded role for the church in economic development. The 8,000-member church in the city's northwest section has already transformed 10 blocks of once-blighted land into the site of commercial franchises that provide jobs and services. The church's next project is to turn another 15 acres into a shopping center (Winston, *op. cit.*).
- In Detroit, Michigan, St. Anne Catholic Church is working with the Hubbard/Richard community organization to develop a 120-unit residential property. The church, located in a concentrated Mexican-American community,

is also helping the neighborhood develop a welcome center to spur economic growth. The center will be situated at the foot of the Ambassador Bridge that connects the United States and Canada and will feature a Hispanic market and provide information to tourists.

- In Atlanta, Georgia, churches in the Vine City community, in partnership with other community leaders, formed a development coalition in the late 1980s that has secured 200 jobs for community residents at the new Georgia Dome stadium and attracted a commitment of \$1.5 million in housing construction funds.
- In Harlem, New York, Abyssinian Baptist Church is the central force behind the Abyssinian Development Corporation, which started with housing but is now involved in a wide range of community development activities. These include developing a Head Start Center, finishing renovations of the Renaissance Ballroom Complex (an arts facility with a theater, a catering hall, and possibly a restaurant), and partnering the development of the first supermarket in Harlem (Winston, *op. cit.*).
- In Waterbury, Connecticut, the Naugatuck Valley Project (NVP) is a non-profit consortium of 66 organizations, including churches and synagogues as well as labor unions and civic groups. The churches in NVP played the critical role in mobilizing and providing referrals for the consortium's Valley Care Cooperative, a service organization that provides healthcare assistance to low-income elderly people in their homes. Valley Care was patterned after a successful worker-owned home care agency in the South Bronx, New York (Kriplin, *op. cit.*).

Building Community Leadership

It has generally been understood that the number of local nonprofit housing developers in America's cities mushroomed in the 1980s. Christopher Walker, however, has made us aware that something even more impressive occurred during that decade: A number of intermediaries arose, providing urban community forums, networking, technical assistance, financial support, and representation (Walker et al., 1995). These support institutions began to transform what had been a highly fragmented array of small, nonprofit housing providers into something approaching a full-fledged "production sector" on a national scale. The institutions included national organizations such as the Local Initiatives Support Corporation (LISC) and the Enterprise Corporation, as well as new, metropolitan-scale institutions that facilitated the work of local nonprofits.

Something such as this is happening in community building as well. With respect to faith community involvement, one of the most impressive contributions has been the Lilly Endowment's Religious Institutions as Partners in Community Based Development program, which has provided financial support, information, and networking.³ At the same time, the Ford Foundation has supported church-based social justice initiatives (including community development), through the Congress of National Black Churches. The Pew Charitable Trust has made a large grant to World Vision, the evangelical agency, to foster housing ministries.⁴

Also important was the establishment in 1993 of the National Community Building Network (NCBN), a 22-city network of community-driven intermediaries.⁵ NCBN holds meetings, promotes interchange between its members, shares information on approaches and techniques, and serves as an advocate in national policy forums on issues relevant to community building. Religious institutions have played a prominent role in community initiatives in all of these cities, and their representatives are key players in the intermediaries that form NCBN.

Lessons and Prospects

Soon after I came to HUD, I established the Religious Organizations Initiative in the Special Actions Office, Office of the Secretary. The mission of this initiative is to provide extensive outreach to the faith community and to engage religious institutions as partners in forwarding the priorities we have established for HUD. My colleagues who oversee this initiative have talked with, and made themselves accessible to, hundreds of religious leaders across the country, visiting conferences and conventions, listening to questions and ideas, and exploring ways that HUD's programs can further their community-building efforts.⁶

I believe this initiative is paying off—not only by the concrete assistance we have been able to offer but also by simply providing a voice, a face, someone religious leaders feel they can reach out to in government. Government clearly benefits as well, because we have learned from their experiences.

In the remainder of this essay, I discuss two themes that are important to the future of this movement: The benefits of religious institution partnerships in community-building strategies and the value of leaders of faith communities reaching out to link inner-city neighborhoods to metropolitan opportunities. These themes reflect successful practices of actual community initiatives we have learned about, and I highlight them for consideration in others now being designed.

The Benefits of Faith Community Partnerships in Community Building

A fundamentally new approach to community building is now being applied in a few American cities, and I believe it is going to spread. This new approach has probably been articulated most clearly by John McKnight and John Kretzmann (McKnight and Kretzmann, 1993), who contrast it to traditional “needs-driven, dead end” thinking that results in long-term dependency. In that paradigm, city agencies and other outsiders assess a community's needs and problems and then use their existing programmatic tools to address those needs. Individual agencies regard community residents as “clients” and deliver services to them with little semblance of coordination.

The new approach can be most simply characterized by three features. First, it is driven from the bottom up: Communities organize themselves, establishing true partnerships across institutions and between institutions and residents, and play the commanding role in designing and implementing development strategies. Second, it is comprehensive: The community develops a strategy that cuts across and sets priorities among opportunities (for example, in social services, crime

prevention, education, job creation, and housing) traditionally separated under the old paradigm. Indeed, the fragmentation of these specialties is now seen as one of the causes of the disappointing performance of many urban improvement efforts of the 1980s. Finally, it is asset based rather than needs or problem based. The community identifies assets upon which it can build, ranging from the skills and entrepreneurial ideas of residents to manifestations of culture and the strengths of local associations and institutions, including churches.

These themes, which are increasingly influencing the policies of inner-city communities, represent a powerful change from the past. They are the foundation of the work of the NCBN. At HUD we strongly endorse them, and they are the basis of Vice President Gore's approach to community building with the Empowerment Zone/Enterprise Community program. HUD's efforts to simplify and consolidate the plans that local jurisdictions must prepare as a basis for funding also build on these themes.⁷

A good example is the Boston Persistent Poverty Project, sponsored by the Boston Foundation, which was oriented wholly around these themes (Boston Persistent Poverty Project, 1994). The project entailed a multiyear effort in which representatives of Boston neighborhoods examined their circumstances and potential through activities ranging from formal research to roundtables and focus groups. The resulting strategy has motivated comprehensive community building in several neighborhoods. One effort the strategy has expedited is the Dudley Street Neighborhood Initiative, which has organized a job bank; moved mountains of illegally dumped debris from vacant lots; taken steps to ensure regular street cleaning, begun a sizable housing development program; acquired a substantial amount of vacant land for prospective development; and established a local agency collaborative to develop greater accountability, cooperation, and an integrated approach among human-service providers.

Clearly, all of this is not new to the many religious institutions involved in community building. Indeed, in many of the church-based initiatives I noted earlier this approach has already been reflected, because church leadership helped to invent it. It is worth emphasizing here, however, for two reasons. First, it may help to give a better sense of direction to religious institutions that are now just beginning to consider how to expand activity in their communities, and it may offer guidance on midcourse corrections to initiatives already underway. Second, it highlights the benefits of partnering in community building—an approach that permits the faith community to play its special role most productively.

Community building is a big job; no single institution can manage all of it effectively. Religious institutions often express the concern that, as they take on more responsibility for their community's well-being, they will be stretched too thin and dragged into secular activities for which they are not well prepared. The new approach suggests that religious institutions should not try to do it all themselves. The role they are often best prepared to play is that of a catalyst, an agent that creates and stimulates leadership in other organizations.

Community builders already recognize the benefits of partnering with religious institutions. For example, Van Johnson, the city economic development officer

who worked with church groups in the east Austin, Texas, initiative cited earlier, states:

I would never again attempt to help people with economic revitalization unless it was under the umbrella of a church, and the church helped. It makes no sense, particularly in the black community, to leave the church out. The church is the most important institution we have. It holds most of the resources that our community needs (Winston, op. cit.).

Reaching Out to the Metropolitan Area

My final theme is the value of church leaders reaching out to link inner-city communities to metropolitan opportunities. The problems that beset these communities are largely the result of powerful national forces that are beyond their immediate control.

Community building should begin with an asset-based approach—making the best of what you have. But taking that approach does not mean a community must struggle in isolation or proceed without linkage to, or help from, the outside. There is a strong likelihood that more support from new sources will need to be mobilized in the future. If congressional cuts to social programs continue, traditional religious and secular charities will not be able to take up the slack (Goodstein, 1995).

The new approach to comprehensive community building does not eschew external help, but it does require some care in structuring the terms under which it is given. McKnight and Kretzmann argue that “the development approaches outlined here deserve help and support from interested individuals and organizations outside the community,” but they decry outsiders’ traditional approach of estimating a community’s needs and problems and then attempting to address them directly. They suggest instead that outsiders condition their support on the community, developing an asset-based strategy that it owns and believes in. Outside agencies can then provide support in a manner that gives the community considerable latitude in deciding how best that support will be applied. Instead of the old idea of citizen participation in government initiatives, they advocate sensitive and facilitative government participation in citizen initiatives (McKnight and Kretzmann, op. cit.).

If inner-city communities are helping themselves in these ways, the rest of the metropolis ought to be more willing to assist them. But community leaders must present their case effectively and serve as credible and visible spokespersons for their cause. There is need for more “voice,” not only in mobilizing resources but also in safeguarding the interests of these communities in metropolitan policy decisions. I believe that this is a role faith community leadership is ideally suited for, and that they should consider expanding their initiatives at this level as well as internally.

ABLE (Atlantans Building Leadership for Empowerment), a group formed by African-American and white religious leaders, may be worth watching in this regard. According to the *Atlanta Journal and Constitution*, ABLE aims to become a third force in Atlanta’s power structure:

ABLE has been working for three years, quietly and below the political radar, to build an organization of engaged citizens with power enough, in numbers and commitment alone, to sit at the table with business and government in negotiations for the community's destiny.... ABLE has already succeeded in bringing together people who rarely enter each other's homes in Atlanta. Such people have met in more than 2,000 meetings—one-on-one or in larger groups, in homes and churches, for research, or just getting to know each other (*Atlanta Journal and Constitution*, November 19, 1994).

Religious leaders play an important role by promoting positive metropolitan linkages externally, and they should also do so within their own communities. I am disturbed when people try to make strategic options appear to be in conflict, when in fact they can be made to blend with a reasonable sense of balance. "People policies" and "place policies" are not polar opposites. I know of no serious integrationist who really thinks it would be best to move all low-income households out to the suburbs, thereby obliterating the vital community assets and institutions that remain in the city. Alternatively, I know of no serious community builder who thinks it appropriate to build a wall around the community to deny residents permission to leave or to require local workers to accept jobs only from firms located within the community's boundaries.

Healthy communities prepare their young residents to take advantage of the best opportunities they can, wherever they may be located. Because these communities have sustained important internal assets, many residents will stay, but it is to be expected that some will leave. A sizable number of workers will commute every day to jobs outside the community, but with strong assets in their neighborhoods, they will spend much of their disposable income in locally owned businesses.

Healthy communities also attract "new blood" from outside—an important point that warrants more emphasis in community-building practice today. Policies resulting in gentrification have, for good reason, become anathema to community builders. But inner-city communities must attract middle-income families back into their neighborhoods and they must do it on their own terms and without displacement.

One example is instructive. A large group of middle-income professionals who have moved away from the Fairfax community in Cleveland, Ohio, return there every Sunday to attend church. These people still feel strong links to their old neighborhood. A few years ago, local churches and other neighborhood leaders decided to create an atmosphere that would bring these families back to the community. They did so by developing attractive middle-income housing and giving special attention to security issues. They then targeted an aggressive marketing campaign to former residents. This strategy has proved successful in attracting suburban residents to Fairfax, and I would think it would be worthy of consideration elsewhere.

I began this essay with a sobering assessment of conditions in our Nation's inner cities, but I also cautioned the reader to eschew pessimism. It is the work of the faith communities I have described that inspires much of my optimism about the future of our cities.

With the continued help of the varied and vital faith communities and their institutions, I believe that we will truly reach the higher ground, fulfilling the words of the Old Testament prophet Isaiah:

And they shall build the old wastes,
they shall raise up the former desolations,
and they shall repair the waste cities,
the desolations of many generations (Isaiah 61:4).

Notes

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2. William Julius Wilson, *The Truly Disadvantaged: The Inner City, the Underclass, and Public Policy* (Chicago: University of Chicago Press, 1987). For amplification, see Adele V. Harrell and George E. Peterson, eds., *Crime, Drugs, and Social Isolation: Barriers to Urban Opportunity* (Washington, D.C.: The Urban Institute Press, 1992).
3. Evaluations of this program have been conducted by David M. Sheie. See his *Religious Institutions as Partners in Community-based Development: Findings from Year One of the Lilly Endowment Program* (1991); and *Better Together? Religious Institutions as Partners in Community-based Development* (Minneapolis, MN: Rainbow Research Inc., 1994).
4. Discussed in Lilly Endowment, Inc., *Religious Institutions as Partners in Community Based Development*, Progressions: A Lilly Endowment Occasional Report (Indianapolis, IN: Lilly Endowment, Inc., February 1995).
5. The cities in the network include: Atlanta, Baltimore, Boston, Chicago, Cleveland, Denver, Detroit, Hartford, Kansas City, Little Rock, Los Angeles, Memphis, Miami, Milwaukee, New York, Oakland, Philadelphia, Phoenix, San Antonio, San Juan, Savannah, and Washington, D.C. The network can be accessed through its secretariat at the Urban Strategies Council, 672 13th Street, Suite 200, Oakland, CA 94612.
6. I am privileged that Dr. Suzan Johnson Cook and Anna Forbes Towns accepted my offer to serve as HUD-church liaisons. Dr. Cook, a White House Fellow assigned to the White House Domestic Policy Council, is senior pastor at Mariner's Temple Baptist Church in New York. She is also a former Harvard Divinity School professor and a New York Police chaplain. Ms. Towns, a lawyer who works in the HUD Office of Special Actions, has a rich background in the African-American church.

7. See the President's Community Enterprise Board, *Building Communities Together. Guidebook for Community-Based Strategic Planning for Empowerment Zones and Enterprise Communities* (Washington, D.C.: U.S. Department of Housing and Urban Development, January 1994); and American Institute of Architects, *Vision/Reality: The Consolidated Plan* (Washington, D.C.: U.S. Department of Housing and Urban Development, March 1994).

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Preserving Everybody's History

The 1950s and 1960s witnessed a wave of urban destruction in this country.¹ The wrecking ball was obliterating beautiful old buildings that had given character to our cities—structures that meant something to our Nation's history—only to have them replaced with cold monuments to modernism. Since then, attitudes have changed. Although the battle is far from won, the historic preservation movement can take credit for many successes. The public is clearly more skeptical of the value of “newness” for its own sake, and many cities can demonstrate evidence of popular support for preservation, but the movement itself has had to evolve. In this essay, I want to talk about two themes I think have been important in its evolution, themes that were not so evident when it first gained momentum in the 1960s.

The first theme is how historic preservation has learned to weave the old with the new in order to enhance urban dynamism. Many have misinterpreted preservation as an attempt to “freeze” the city. In fact, I think that some of the movement's greatest successes have used preservation as a cornerstone of local economic revitalization. Today many tough-minded developers are able to use history to increase their own profitability while generating new urban jobs.

My second theme is how the preservation movement has responded to concerns about elitism. More than 20 years ago, sociologist Herbert J. Gans charged that New York City's Landmarks Preservation Commission cared only about “the stately mansions of the rich and buildings designed by famous architects,” and pointed out that 105 of the Commission's 113 designated buildings had been designed by prominent architects for wealthy clients.² Gans argued that such a narrow focus had no relevance for New York's working people, the poor, or people of color. Modern historic preservation efforts are doing a great deal to broaden their view to include everyone's history.

Historic Preservation and Urban Dynamism

When I first became Mayor of San Antonio, my highest priority was economic development, not preservation. But I soon found myself negotiating in battles between developers and preservationists, and I had to learn quickly. My most memorable teachers were the members of the San Antonio Conservation Society and other outstanding civic leaders, such as architect O'Neil Ford, who made us

all more sensitive to the design benefits of natural materials, textures and colors, and, above all, *human scale*. I came to understand much more clearly that big investments in new highrise buildings that created canyons devoid of street life were not what our city's economy needed. The keys to the economic strengthening I had been working toward were good design, human scale, and historic preservation.

Acting on this understanding, we found ways to save valuable buildings and spur new investment at the same time. For example, when a bank wanted to demolish a grand old theater to build new offices, we worked out a plan that saved the theater's facade but allowed the bank to build a handsome new building behind it. Our work, however, went beyond saving individual buildings. Another initiative was a "Shades and Shadows" study that used a computer model to determine the appropriate heights for buildings along the banks of the San Antonio River, taking into account the angle of the sun at different times of the day and year. It was an effort to safeguard the essential character—greenery and foliage—of what is without a doubt the city's most precious urban design feature.

Keeping History Alive

The transformation of San Antonio's downtown around the river is one of the best examples of how history can be used to create urban dynamism. The loop of the river flowing through the central city had long been a cause of serious flooding. At one point it was slated to become a paved-over sewer. However, a creative Works Progress Administration project resulted in a remarkably different result. The project constructed a bypass channel with locks that could be opened to divert heavy waters when floods threatened. The result was that the river level in the loop could then be controlled. The river's banks were landscaped, and paths were added to create a beautiful linear park. In the loop, the river's banks were redeveloped to create the River Walk, an attractive and exciting string of stairways, arches, and landscaped open spaces one level below the surrounding street pattern—inviting places where people gather to escape the urban noise and the hot summer sun. The Hyatt Hotel lobby provides a direct link between the River Walk and the Alamo, just a few blocks away.

The structures along the River Walk are a mix of the old and the new, and each new structure was specifically designed to enhance and celebrate the old. The buildings are different from one another, but they retain visual and architectural themes that bring coherence and unity to the River Walk as a whole, and significantly, all of the buildings are actively in use. I think the result has made history come alive more successfully for people than a revitalization plan that focused only on "preserving" the old buildings would have.

Clearly, we can never afford to preserve all old structures as monuments and museum pieces, and it is doubtful that many people would come to see them if we did. But revitalization efforts based on compromise make sense economically. Rehabilitation generally offers a city more benefits than does new construction. Historic preservation is extremely labor intensive, and reusing existing buildings takes advantage of infrastructure systems and locational efficiencies that already exist. One study reported that \$1 million invested in rehabilitation creates five

to nine more construction jobs and keeps \$120,000 more of the value added in the community than would \$1 million if invested in new construction (Rypkema, 1994).

Such tangible benefits are important, but the economic gains from a redevelopment such as the River Walk go far beyond them. The River Walk has become San Antonio's defining characteristic, and it is the key to its success as a tourist center. People gather there, spend money, and support a sizable employment base that simply would not have existed otherwise. The late James Rouse—surely one of the greatest contributors of humanity to the American city in this century—described it succinctly. He once said that what made his projects successful was not architectural brilliance or uniqueness of design but the fact that they provide a magnet for people to come and see other people. The visual incorporation of history often provides the venues for gathering people.

It Works in Many Contexts

Rouse's Faneuil Hall Marketplace is another classic example. By 1956 the elegant buildings of this once-thriving produce market in the heart of Boston were deteriorated and partly deserted. The city had a plan in place to demolish them, but in the early 1970s Rouse offered an alternative concept: Renovate the buildings and turn the area into a vast shopping arcade. The result surpassed all expectations. Bernard Frieden and Lynne Sagalyn note:

For a public with a fresh interest in history, the market presented authentic 150-year-old buildings and cobbled paths rich with historic associations. For a generation that had discovered the sidewalk cafes and bustling piazzas of Europe, the market brought these pleasures home.³

Each of the three market buildings has three levels that together accommodate 160 stores in 220,000 square feet of store space, plus 30 to 40 bull market pushcarts. Food dominates the central building (40 food stores and 10 cafes and informal restaurants). Nine upscale restaurants operate in the North Market building, and the rest of the space is filled with shops offering an incredible variety of merchandise.

The project was fully open in 1978 and had 10 million visitors that year. By the mid-1980s the total was up to 16 million annually. Per-square-foot sales of around \$500 were very high compared with the typical U.S. retail experience, and an equitable arrangement allowed the city treasury to share in the profits with shop owners.

Today, many other cases show how historic preservation can be woven together with new investment to create a new urban dynamism with substantial financial benefits for all participants. Two cases, in which HUD support was critical, help illustrate the range:

Lowell, Massachusetts. In 1975, downtown Lowell was deteriorating. The city had taken over 15 historic buildings for nonpayment of taxes. Nine local banks then established the Lowell Development and Financial Corporation (LDFC) to provide low-interest loans to businesses to restore properties and expand

operations. The banks set up a revolving fund that provided up to 30 percent of a project's appraised completion value. LDFC also used paybacks from HUD's Urban Development Action Grant program to increase its loan operations. The character and location of the old buildings made the difference. Since then LDFC has assisted 85 projects in the area, and its \$3 million in seed loans has leveraged \$15 million in private investment. Jobs in the area have increased by nearly 1,200. Lowell's preservation efforts also extend to the renovation of old mills for use as computer company headquarters—creative reuse showing that front-line technology and historical settings can be quite compatible.

Richmond, Virginia. In the late 1970s, when Richmond was racially polarized nearly to the point of paralysis, the Richmond Renaissance—a public-private partnership with a half African-American and half-white board—was formed. Although its goal is to establish harmony in the city's neighborhoods, its most prominent initiative has been the Sixth Street Marketplace. Sixth Street had long been Richmond's racial dividing line between the central business district and African-American neighborhoods. The project was deliberately designed to bridge that line by its location and by its support for minority businesses, which eventually accounted for 38 percent of its tenants. The project required the renovation of three blocks of historic structures to create an enticing retail mall and included a strong program to encourage minority-owned business startups. Renaissance recruited pro bono financial, legal, and business counselors, and five banks established a \$1.25 million loan pool for higher risk cases. Public investment of \$14.3 million (including \$1.7 million of Community Development Block Grant funds) garnered \$9.7 million in private money for construction, stimulated an additional \$19.5 million in business investment in the area, and generated \$775,000 in new city tax revenues.

The Contributions of Main Street

The idea of history-sensitive renovation has expanded significantly, in part because of an initiative I have long admired: the National Trust for Historic Preservation's Main Street program. The Trust set up its National Main Street Center in 1980 to help cities and towns of all sizes that wanted to "give their aging downtown a prosperous new lease on life." The Main Street process encourages participating communities to rely primarily on local funding, foster historic preservation and good design, use a promotional strategy that involves festivals and coordinated retail events, and offer a wide range of business assistance.

I was most impressed when I learned recently that, since its start, the Main Street process has been initiated in 850 localities in virtually all parts of the country and that it has generated more than \$2.9 billion in physical improvements, yielding 20,389 new businesses and 64,402 net new jobs. Every dollar invested in the operation of a local Main Street program has leveraged a national average of \$22.10 of public and private investment in physical improvements (National Trust for Historic Preservation, 1995).

An assessment of downtown revitalization in the late 1980s, from a survey mailed to 354 cities followed by detailed case studies in 16, concluded that success depended on:

... traditional methods, such as historic districts, design review and zoning, as well as through more comprehensive strategies for revitalization, such as the Main Street approach. . . . The National Main Street Center's revitalization strategy draws clear links between preservation of downtown buildings and the creation of a marketable image for the business district. . . . There is strong evidence . . . that historic preservation, as used by the NMSC's revitalization strategy, contributes to successful downtown revitalization. . . . The program characteristics proved to have a strong, positive effect on success (National Trust for Historic Preservation and The Urban Institute, 1988).

Preservation's Broadening Content and Purposes

Main Street initiatives exhibit the beginnings of a shift in the approach to preservation. To be sure, they have taken advantage of buildings with substantial architectural merit as gauged by professional standards, but many of them have also found ways to celebrate—and thereby enhance—memory of the history of the working people who built our cities and towns and created our urban landscapes. I think the historic preservation movement needs to focus on making its goals relevant to today's working people and, in particular, to disadvantaged groups. Some good ideas are being put forward about how this might be accomplished.

The Power of Place, for Everybody

In an important new book, *The Power of Place: Urban Landscapes as Public History*, Dolores Hayden gives us a framework for understanding both the significance and the potential of a broader approach to preserving history (Hayden, 1995). The book provides a fascinating account of a program Hayden devised and managed that recognizes the histories of multi-ethnic working-class communities in Los Angeles. *The Power of Place* describes principles that I think should be applicable everywhere.

Hayden laments, as I do, that so little attention and resources have been devoted to ethnic history and women's history in the past. She recognizes that, more recently, some steps have been taken at the national level to begin to make amends. Examples include:

- Making a national civil rights museum out of the Lorraine Motel in Memphis, Tennessee, where Martin Luther King, Jr., was assassinated.
- The National Park Service's project to develop a Women's Rights National Historical Park at Seneca Falls, New York, the site of the first women's rights convention in 1848.
- The Black Heritage Trail, where National Park Service rangers guide visitors through the cobblestone streets of Beacon Hill in Boston, noting sites along the way that highlight the important role African Americans have played in the city's (and U.S.) history since the Revolutionary War.
- The first national conference on Preserving Women's History, held in Bryn Mawr, Pennsylvania, in 1994, coinciding with the publication of a guide to landmarks of women's history across the Nation, *Susan B. Anthony Slept Here* (Kazickas and Scherr, 1994).

However, recognition at the national level is only a first step. Hayden shows us why we still have a long way to go. There are histories in all of America's communities very much worth remembering:

The power of place—the power of ordinary urban landscapes to nurture citizens' public memory, to encompass shared time in the form of shared territory—remains untapped for most working people's neighborhoods in most American cities.... The sense of civic identity that shared history can convey is missing.... [I]t is possible to enhance social meaning in public places with modest expenditures for projects that are sensitive to all citizens, their diverse heritage, and developed with public processes that recognize both the cultural and the political importance of place.

As an example of what can be done at the citywide level, Hayden tells the story of the Brass Workers History Project in Waterbury, Connecticut. The team responsible included a labor historian, a video producer, a community organizer, and a union education director. In 1982 they published an illustrated history, *Brass Valley: The Story of Working People's Lives and Struggles in an American Industrial Region* (Brecher et al., 1982).⁴ One of the team members, Jeremy Brecher, said the book was “taken as a kind of collective family album in a community where almost everybody has a relative in the brass industry.... One family told me they spent Christmas together going through it.” The project led to a larger community process, including an ethnic music festival that is now a regular event. Project resources have also been used by local teachers to incorporate Waterbury's ethnic history and musical culture into the school curriculum. All of this surely has enriched the lives of today's citizens in Waterbury, but similar efforts can be important at the neighborhood level as well.

Hayden recognizes that participants in neighborhood work still need to overcome some professional biases. Although architects and other design professionals are now giving more recognition to vernacular buildings and spaces than they did in the past, they still tend to focus on physical form without expanding awareness of social and political meaning. Buildings and spaces where important events occurred or that symbolize community lifestyles of the past are given short shrift unless they also are seen as having aesthetic merit.

Conversely, social scientists have tended to give very little emphasis to the physical places where history is made. Hayden points out that historians have become increasingly interested in the historic struggles of racial and women's groups and that recognition of the importance of “social memory” in helping these groups move toward the future is growing. Many projects are now underway to develop oral histories in poor and working-class communities. But Hayden stresses that to reap significant rewards they also need to take advantage of “place memory,” which Edward Casey describes as “the stabilizing persistence of place as a container of experiences that contributes so powerfully to its intrinsic memorability” (Casey, 1987).⁵ That is, stories of your heritage are much more likely to come alive for you, and you will understand and retain their relevance, if you can actually see and experience with all of your senses the places where they unfolded.

Historic Preservation Reaching Out

The traditional preservation movement is beginning to reach out in these directions. To community groups, historic preservation has been most often associated with gentrification; that is, renovation that increases property values and draws in higher income groups that ultimately displace the current residents. Today, a number of established local historic preservation organizations are trying to erase that image. They are turning increasingly to initiatives in poor urban neighborhoods that both renovate historic structures in ways that will keep them affordable to existing residents and see preservation in the context of broader efforts to enhance the livability of older urban neighborhoods for those now residing there.

One of the seminal efforts in this regard is the work of the nonprofit Savannah Landmark Rehabilitation Project.⁶ Savannah, Georgia, has always been a stately city, but by the early 1950s its historic core was badly deteriorated. It comprised handsome, mainly brick buildings with a commercial district along the river and a residential district behind it, laid out in a compact and walkable grid organized around 20 graceful squares. What happened then is one of the legends of historic preservation. A group of prominent local women, often referred to as The Seven Ladies, set in motion the Historic Savannah Foundation, which began by saving individual outstanding townhouses, expanding to tackle groups of buildings and then whole areas. A decade later, the 2-1/2-square-mile area was the largest historic district on the National Register of Historic Places, and a significant share of the architecturally sound buildings had been renovated.

The next stage, however, represented a greater challenge and has become Savannah's second legend in preservation. In 1974 the Victorian District—162 acres of valuable old residential structures just south of the core, largely occupied by low-income African Americans—was also seriously deteriorated. Leopold Adler II, whose mother had been one of the original Seven, felt strongly that the area's architectural heritage had to be preserved, but he also felt that the preservation had to be done for and with the area's existing residents. He built an impressive and dedicated coalition that included bankers, ministers, city officials, and National Association for the Advancement of Colored People leaders and founded the Landmark Project, whose theme has been, "It is far better and cheaper to rehabilitate the sound housing stock that is in the inner cities than to build public housing projects that are antiseptic, impersonal, and give no sense of neighborhood." (Warner, 1988.)

By the early 1980s, 300 housing units had been renovated with Landmark assistance, and another 200 were in process. Rents were maintained at levels affordable to most existing residents, and the change was stimulating additional, nonsubsidized, private investment in the area. A large share of the credit is given to Lee Adler's zeal and tenacity. He kept development costs low; renovation costs not to exceed \$35,000 per unit was a target to which he generally adhered. He aggressively took advantage of every opportunity to secure and leverage resources. The Landmark Project secured support from a number of HUD programs, including the largest allocation of Section 8 Substantial Rehabilitation funding ever made for a scattered-site project. The Project also had the Victorian District listed on the National Register so investors could take advantage of tax credits;

accessed the National Trust for Historic Preservation's Revolving Loan Fund; obtained grants from the Ford Foundation and other philanthropic sources; and reaped the benefits of syndication. Importantly, Adler built solid relationships with residents and involved them in project decisionmaking.

Similar approaches to preservation without gentrification in low-income communities have been initiated in other cities. Some of the traditional historic preservation groups involved are Jubilee Baltimore, the Providence Preservation Society Revolving Fund, the Macon Heritage Foundation, Tampa Preservation, Inc., Hartford Landmarks Conservancy, and the Pittsburgh Historic Landmarks Foundation. Possibly even more important, a number of indigenous community-building groups in minority-populated districts have begun to use architectural history as a theme of their own renewal efforts. These include Landmarks Harlem, the Historic District Development Corporation (Sweet Auburn in Atlanta), the Farrish Street Foundation (Jackson, MS), the Marble Hill Association (Baltimore), the Black Archives, the History and Research Foundation (Overtown in Miami), the Aztec Economic Development and Preservation Corporation (Laredo, TX), and Southtown Main Street (San Antonio).

The National Trust for Historic Preservation has recently started a new program, Community Partners for Revitalization, to give this approach greater momentum (National Trust for Historic Preservation, 1994). The program was developed on the basis of onsite visits to 20 cities to determine the issues community leaders in key historic areas thought could be best addressed through a direct partnership with the Trust. The resulting design incorporates the following four components:

- **Public policy advocacy:** Work with institutions at the Federal, State, and local levels to raise awareness of the importance of history in community building and to press for assistance (including permitting more flexibility under the rules of existing programs) to support it in the field.
- **Real estate advisory services:** Provide technical assistance and training to communities on topics such as feasibility analysis, financial packaging, and real estate business planning; and work to build partnerships with banks to create mechanisms to leverage greater financial support.
- **Capital resources:** Access below-market-rate loan resources to support promising local programs.
- **Demonstration neighborhoods:** Establish broad-based partnerships with local community groups, preservation organizations, city governments, foundations, and State historic preservation offices to put all of these elements together to help demonstrate this new role for preservation in a limited number of mixed- and low-income neighborhoods.

At HUD we are doing what we can to support the Trust's Community Partners program and similar initiatives. The old rules of historic preservation were too restrictive to support this new form of "affordable preservation" that, in my view, warrants the highest priority today.

History, Culture, and Asset-Based Community Building

How relevant are these approaches to the devastating social problems that besiege many of our distressed inner-city neighborhoods? Probably much more so than many social program designers have thought. Some provocative recent research suggests that the most frequently used statistics (for example, poverty rate, family structure, race) are not enough to tell us how well a neighborhood will perform as an environment for nurturing children and youth.⁷ Other factors can also have an important influence. Not enough research has been done to show what factors should be included, but it seems clear that the strength of the neighborhood's social and cultural institutions and networks must be included.

I have no doubt that the benefits of culture in this regard will be affected by how the neighborhood views its history as expressed through *place*. This topic was central at the 1995 Michigan African-American Symposium: Building Our Communities, Preserving Our Heritage, convened by the Detroit Heritage and Community Development Forum. Symposium organizer Nancy Kotting-Williams could hardly have made the point more forcefully when she said:

This is not about fighting over whose heritage this is. We don't have time! Our kids are killing themselves over sources of identity. If kids grow up in a neglected, disrespected environment, they will assume that debilitating identity as their own. If they grow up in an environment where the structures in which we carry out our lives are valued, celebrated, and held in high esteem, the kids will claim this as a part of a positive identity, a reflection of who they are.⁸

This awareness resonates with an approach I pointed out as promising in the fifth essay in this series: *asset-based comprehensive community building*.⁹ As I noted there, the approach is designed to counter directly both the attitude and the reality of dependency. It has three main themes. First, it is driven from the bottom up as a move toward empowerment and self-sufficiency. Community residents organize themselves and play the commanding role in designing and implementing strategies for their own improvement. Second, it is comprehensive. The community develops a strategy that cuts across, and sets priorities among, traditionally separate functional specialties such as social services, crime prevention, education, job creation, and housing. Finally, and most relevant for us here, it is driven by assets rather than needs or problems. The community begins by identifying its own strengths and assets, and these become the basis around which strategies for improvement are built. Assets can range from the skills and entrepreneurial ideas of residents to the strengths of local associations and institutions. But they most certainly include the community's culture and its history.

I believe that more emphasis needs to be given to history, linked to culture, in asset-oriented strategies to strengthen older urban neighborhoods. Historic preservation, in the sense of preserving and renovating valuable structures in ways that help them remain affordable to current residents, is certainly an important component. But traditional preservation should be seen as one part of a program that brings out the history of the community more broadly in ways suggested by Dolores Hayden: heightening awareness of key political and social,

as well as architectural, themes, all in the context of place. Hayden also stressed the value of community public histories as giving “power to communities to define their own collective pasts.” Consistent with the tenets of the asset-based approach, the benefits will not be gained unless community residents do it for themselves—unless they *own* the process—but there is ample room for historic preservation professionals to provide guidance and assistance along the way.

The asset-based approach is closely related to recognizing the importance of indigenous arts and culture in reinvigorating the inner city. Various recent efforts are worth noting. With support from Citibank, Partners for Livable Communities has initiated a Culture Builds Communities program. It has developed a guidebook and is working in several cities to mobilize mainstream arts and cultural institutions and other citywide entities to provide assistance. Its guidebook states that “arts and culture need to be redefined, not as frills or luxuries, but as essential and useful agents for invigorating and restoring character to our communities.” (Booth, 1995.) The Rockefeller Foundation has recently funded The Urban Institute to conduct an 18-month project to assess how arts and cultural efforts strengthen communities.

Reflections on Community

In the communities that are the crucible of our Nation’s cities, the two themes with which I began this essay converge into one. Overtly using history as a bridge to the future—taking advantage of the past as a basis for developing the new—works to enhance life at neighborhood, city, and national levels. Not every neighborhood can develop its own River Walk or Faneuil Hall Marketplace, but each neighborhood that utilizes its own historical assets effectively can motivate participation and collaboration and a sense of unity and excitement that can contribute to both community spirit and reinvigoration of the neighborhood economy.

Could these efforts be divisive? The creation of strong historically based community identities will not lead to a homogeneous society. People can be loyal to their immediate communities and their broader societies at the same time. Many would argue that our Nation’s problems stem from the deterioration of social loyalty at all levels. Developing stronger habits of social linkage responsibility at the community level may be one of the best ways to strengthen such habits with respect to our society at large; that is, in ways that would actually reduce divisiveness.

Sociologist Suzanne Keller offers a fresh perspective on these issues. She reminds us of Ferdinand Tonnies’ two conceptions of society, which have been dominant in her discipline. One emphasized “human association rooted in traditions and emotional attachment” (people strongly bonded to community). The other was “larger, specialized, formalized, impersonal, and pluralistic.” At a time when many Americans were focused on the social limitations of small-town life and moving to cities in part to break free of them, it is probably not surprising that sociologists came to see Tonnies’ two constructs as opposing and sequential. We were moving away from community and toward a more efficient, if impersonal, modern society.

Keller points out, however, that Tonnies originally envisioned the two constructs as eternally *coexisting*. Both offered benefits, and both had a downside. The trick was to find the right blend of them. Keller believes the almost universal adoption of the sequential view has clearly had its costs and that we must now redress the balance: “In the late twentieth century ... [there is a] disenchantment with ... modernity.... Community is resurging as a force.” (Keller, 1995.)

Again, however, balance is the key. Columnist William Raspberry reminds us of the dangers of a sole focus on our immediate community, citing Bosnia as an example, and suggests our vision should be something “between assimilation and tribalism.” He notes Amitai Etzioni’s concept of America as a “Community of communities ... a mosaic [in which] various communities retain ... their cultural particularities, proud and knowledgeable about their specific traditions—while recognizing that they are integral parts of a more encompassing whole.” (Raspberry, 1995.)

This is the sense in which I see preserving history. As I grew up in San Antonio, retaining evidences of my Mexican-American heritage was very important in the development of my own sense of identity, but I have always regarded myself as an American first. That key features of those San Antonio *places* are being preserved continues to mean a great deal to me, even though I no longer live there. And I find that preservation and celebration of places that have been key in my country’s history are vital to my identity as well. I would feel a sense of deep and personal loss if I had to choose between these parts of me. Fortunately, I can gain great value from both.

Notes

1. The Department wishes to acknowledge the contributions of G. Thomas Kingsley, director, Center for Public Finance and Housing, The Urban Institute; and Dr. Suzan Johnson Cook, HUD-Church Liaison, Special Actions Office, U.S. Department of Housing and Urban Development, and senior pastor at Mariner’s Temple Baptist Church, New York, for making this essay possible.
2. This critique is discussed by Dolores Hayden in *The Power of Place: Urban Landscapes as Public History*, Cambridge: The MIT Press, 1995.
3. Frieden, Bernard J. and Lynne B. Sagalyn. 1989. *Downtown Inc.: How America Rebuilds Cities*. Cambridge: Massachusetts Institute of Technology Press. This stimulating book gives detailed accounts of several other successful initiatives that have relied largely on renovation with historical themes to create profitable shopping centers in central cities. It is noteworthy for laying bare the politics and economics of the development processes as well as for its descriptions of the physical designs employed.
4. See also, Brecher, Jeremy. 1984. “How I Learned to Quit Worrying and Love Community History: A ‘Pet Outsider’s’ Report on the Brass Workers History Project,” *Radical History Review*, pp. 187–201.

5. See also, Connerton, Paul. 1989. *How Societies Remember*. Cambridge and New York: Cambridge University Press.
6. The Savannah story summarized here is well documented in: Reiter, Beth Lattimore, Rita S. Jones, Leopold Adler II, and Catherine S. Adler. November 1983. *Preservation for People in Savannah*, Savannah GA: Savannah Landmark Rehabilitation Project; and in Warner, Chris. May/June 1988. "Lee Adler Finds a Way," *Historic Preservation*, pp. 64–66.
7. For example, Furstenberg, Frank F. Jr. 1993. "How Families Manage Risk and Opportunity in Dangerous Neighborhoods," in William J. Wilson, ed., *Sociology and the Public Agenda*. Newbury Park: Sage Publications; and Coulton, Claudia and Jill Korbin. June 1995. "Differential Effects of Structural Factors in the Community on Child-Maltreatment Rates in African-American and European-American Neighborhoods," paper presented to the Society for Research on Child Development. Cleveland: Center for Urban Poverty and Social Change, Case Western Reserve University.
8. Quoted by Jerry Herron in "Preserving Detroit: History Has a Future," *Detroit Metro Times*, October 18, 1995.
9. Cisneros, Henry G. 1996. *Higher Ground: Faith Communities and Community Building*. Washington, D.C.: U.S. Department of Housing and Urban Development. I noted in that essay that the asset-based approach has been articulated most clearly by John L. McKnight and John P. Kretzmann in *Building Communities from the Inside Out: A Path Toward Finding and Mobilizing Community Assets*, Evanston: Center for Urban Affairs and Policy Research, Northwestern University, 1993.

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Fathers and Families: Changing the Rules

Whenever we tear at the fabric of our lives, which another man has painfully and clumsily woven for himself and his children, whenever we do this, then the whole nation is degraded.

— Robert Kennedy

I am one of those very lucky people who grew up with a wonderful father.¹ He was completely dedicated to our family. He was strong and protective and, by example, he was a moral compass for my brothers and sister and me. He taught us a sense of responsibility to our family, our community, and our country.

I can still picture him—wiry and strong—dragging great, heavy rocks he brought in from the countryside so that he could build a fence to secure the yard of our home. I can still hear him patiently helping the older women who gathered once a week for citizenship classes in our living room, quizzing them about the number of stars on the flag and cheering them on when the going was tough. I can still remember the pride and unconditional love he showered on me and all of my siblings as we made our way through childhood.

Despite the wonderful skills of my mother, it is not hard to imagine the difficulties my siblings and I might have had growing up if we had not had both the example of my father and the stability he brought to our family. And yet many American children are being reared without such stability, without fathers. Many American women are having to shoulder the emotional and financial responsibilities of parenthood alone; many communities are finding themselves with fewer good male role models to hold up as ideals for their sons; and too many men are living their lives without ever experiencing the joys of fatherhood.

In 1960, 8 percent of American families were living without fathers. By 1993 that number had climbed to 23.3 percent (U.S. Congress). In 1993 more than 1 million American babies were born to unmarried mothers—that is 31 percent of all births and triple the percentage of births outside of marriage in 1970. More American children are growing up in single-parent households as well. According to the U.S. Bureau of the Census, the number of children living in single-parent families increased from 3.1 million to 6 million, nearly doubling between 1984 and 1994 (Zill, 1996).

Yet study after study demonstrates that American families do better and have fewer problems, both economically and emotionally, if the family unit is intact. The absence or presence of a father is the single most reliable statistical predictor of poverty in this country. Children, especially boys, who grow up without fathers, are more likely to have trouble with the law. They are more likely to drop out of school. They are more likely to join gangs.

And this is why a Secretary of Housing and Urban Development is writing about fatherhood: Because good fathers are not only important to each of us personally, they are important to the community and to society as well. Healthy, loving family units are crucial to the success of our urban areas and our Nation. Government has a responsibility to ensure that at the very least it is not contributing to the problem by imposing financial restrictions and other impediments that may be keeping some families from remaining intact.

This essay will lay out some of the evidence that has been collected to give us a snapshot of the current state of fatherhood in the United States. We will look at some of the best programs that have been established in select sites and examine whether these programs are replicable. And we will explore some of the ways government itself has been a hindrance to fatherhood. But first, a look at the importance of fathers in families—evidence that points to the great societal harm that comes from a Nation of increasingly fatherless children.

The Importance of Families in Rearing a Nation of Good Citizens

When children are reared by single mothers, their fathers are all too often not just absent from the children's home but are frequently completely absent from their children's lives as well. Only one in six children growing up without live-in fathers see their fathers at least once a week. That number drops to only 1 in 10 after 10 years (Ooms et al., 1995).

Why is this important? Because the absence—or presence—of a father in the household has a profound impact on the current and future experiences of his children. Fathers bring an important dimension to child rearing that, in its best form, complements and supports the role of the mother.

Children who live without fathers are more likely to grow up in poverty, are less likely to finish high school, are more likely to experience sustained periods of idleness, and are more likely to become teenage parents themselves.

- Seventy percent of all the juveniles in State reform institutions grew up in single- or no-parent situations (Beck et al., 1988).
- The poverty rate for single-parent, female-headed families with children is nearly six times higher than the poverty rate for married-couple families with children (U.S. Department of Health and Human Services, 1994).
- Fatherless children are at a greater risk of drug and alcohol abuse, mental illness, suicide, poor educational performance, teen pregnancy, and criminality (U.S. Department of Health and Human Services, 1993).

- Almost 75 percent of American children living in single-parent families will experience poverty before they reach 11 years. Only 20 percent of children in two-parent families will do the same (National Commission on Children, 1993).
- Children with divorced parents are more likely to drop out of school, engage in premarital sex, and become pregnant themselves outside of marriage (Furstenburg and Teitler, 1994).
- Fully 29.7 percent of children living with a never-married mother and 21.5 percent living with a divorced mother have repeated a grade in school. Only 11.6 percent of children living with both biological parents repeated a grade (Dawson, 1991).
- The United States is the world leader when it comes to fatherless families. In the early 1970s Sweden had the highest percentage of single-parent families—a distinction which America took over in 1986 (Burns, 1992).

Why are these statistics so stark? Why is the impact of the absence or the presence of the father so dramatic? There are many reasons. Some have been well-documented; others we have yet to uncover. But there are a few things we do know.

We do know it is difficult to rear children in the best of circumstances, and with one parent—often a very young one—shouldering all the responsibility, the chances for success decrease markedly. Often the single mother is unemployed and very poor. Or she is employed but earning low wages, which makes the family a little better off financially, but worse off in terms of time spent caring for the children and providing for other aspects of their well-being.

We do know that many fathers do not pay child support, even when ordered to do so by the courts. Teen fathers are even less likely than other absent fathers to provide child support. Even by the age of 27, only 30 percent of absent teen fathers paid child support, compared with 51 percent of those who fathered a child at age 20 or later.

We do know that 30 years ago there were many more examples of intact families and working fathers in the inner city than there are today. These role models are important for both boys and girls, as they determine the future course of their own lives. We know that economic prospects are lacking, particularly for young inner-city males, and that many of these young men may see paternity as another way of earning respect and a sense of belonging.

Yet few of the young men who father children outside of marriage tend to marry or live with the mothers of those children. About three-fourths of young fathers who live away from their children at birth never subsequently live with them (Lerman, 1993). This failure to connect with their children and to become responsible fathers reinforces the men's negative self-image and alienation—traits all too often passed on to their young.

Government's Responsibility

Historically, and to its credit, the U.S. Government has officially resisted interfering in family life, yet many laws inadvertently have done just that. There are two strong areas where government has unwittingly driven a wedge into families, especially those struggling against poverty: in public housing and in welfare. Within both of these poverty-related programs, unintentional impediments have been set up that have prevented families from remaining whole. The result has been a dramatic and often devastating destruction of entire families, particularly in low-income areas.

From the very beginning of this administration, President Clinton and Vice President Gore have made the health of the American family one of their greatest concerns. They have worked to undo the negative effects of government policies for families and to offer positive approaches. In June 1995 the President sent a memorandum on the subject of supporting the role of fathers in families to every cabinet officer. In it, he said:

I am firm in my belief that the future of our Republic depends on strong families and that committed fathers are essential to those families. I am also aware that strengthening fathers' involvement with their children cannot be accomplished by the Federal Government alone; the solutions lie in the hearts and consciences of individual fathers and the support of the families and communities in which they live. However, there are ways for a flexible, responsive Government to help support men in their roles as fathers.

The memorandum directed all executive departments and agencies to review every program, policy, and initiative that pertains to families to ensure that, where appropriate, they engage and include fathers.

HUD's Goal: Healthy Living Environments for American Families

The Clinton administration is working to change the rules that govern the poor, to encourage more self-sufficiency and more responsibility. This often means learning to provide for each other within the family unit. At the U.S. Department of Housing and Urban Development (HUD), we are working to discourage the destruction of the American family by creating policies and programs that are family-friendly and encouraging to fathers within families. We are working on both the Federal and local levels to change the rules and social climate around public housing so that they no longer penalize renters who work or fathers who try to return to their families.

Making Public Housing More Family-Friendly

Not long after I became Secretary of Housing and Urban Development, I made a trip to Atlanta to visit the public housing authority (PHA) there and to meet with community leaders and others. On a walk through one of the city's streets, I came upon what looked like a happy family taking a stroll. There was a mother and father, two small daughters, and a baby being held in its father's arms. I was so

taken with the beauty of the scene that I stopped and chatted with the couple, remarking about their children and actually holding the baby.

“I love my family very much,” the man told me in response to my compliments, “and I try to visit them as much as I can.” “What do you mean?” I asked him. “Well,” he said, “we were all living together in public housing here, but then recently I got a job—a good job—doing construction work. If I remain with my family, our rent will increase to a level we still can’t afford. And I’m not confident enough about the job yet to move my family out. So I’ve had to move. The best I can do is visit them a couple times a week and hope even that doesn’t get us into trouble.”

For fathers, who realize that *their physical absence is actually a financial benefit* to their children, the choice is horrible. But public housing rent rules of the past often discouraged work, lease policies destroyed family stability and created a climate of subterfuge and deception, and isolation from support systems resulted in multigenerational dependence. Fathers were left feeling inadequate and powerless. Mothers were overwhelmed with work and responsibility. The result was that families were torn apart.

At a recent roundtable discussion on fatherhood that I convened with experts from around the Nation—public housing administrators, academics, activists, program directors, and others—the feelings expressed about public housing were unanimous: Something must be done to change the current structure. Public housing administrators told stories of families being forced apart because of the dramatic escalation in rent when the father returned to live with his family. They told of the many fathers who violate the rules in order to live with their families and then face the consequences of living secretly and breaking the law.

One participant told a story of a mother in public housing whose son had just turned 18 and had found a low-paying job. Because of the way the rent is structured, the rent increase for the family would be more than the son’s take-home pay. The mother was faced with three options: She could ask her son to quit the job, lie to the public housing authority about her son and advise her son to do the same, or ask her son to leave home.

All too often, because of policies like these and a destructive social climate, single mothers have been required not only to shoulder all responsibility for their families, but to do so in an environment that is often nothing more than a giant vortex of human misery. Such an environment perpetually threatens to pull the family, and certainly the children, down in a hail of gunfire, or in a shot of crack cocaine, or in the insidious negative influences of a sidewalk corner lifestyle.

The women who survive in these environments are the heroines of some of the most inspiring and heart-wrenching real-life dramas I have ever encountered. They often work several jobs, they guide their children, they protect them from harm, and they provide leadership for resident activities.

But often they find that when they do work, their rent goes up so rapidly that they have less disposable income than if they did not work. They find that if they want

to go to school or to training programs, they need childcare, which too often is not available.

To shop for food and necessities, they must carry little children long distances on public transportation, because the only shops in their neighborhoods are liquor stores and check-cashing outlets. And they are in a constant desperate struggle to keep their sons and daughters away from the groups who control the very buildings in which they live.

Fathers struggle with the same set of circumstances, and too often they find little success in the job market. They are left to fend for themselves on the streets, where too many of them die, and to face the humiliation of not being able to support their families. Few Americans—even the most principled, self-assured, and self-reliant—could prosper if placed in the same financial, racial, and life circumstances as those families.

I came back from my trip to Atlanta with a strong desire to reform the atmosphere in public housing to make it more friendly to families. I worked to make three major changes that would ease the plight of some of these families and make it easier for fathers to stay within them:

- Removing the disincentive from work. I wanted to remove the penalty people in public housing pay for going to work. As laws were at that time, and in some places still are, residents of public housing had to pay a certain fixed percentage of their income in rent: usually 30 percent. That meant rent increased significantly when work began and increased continuously if the resident got a raise or promotion.
- Putting a ceiling on rents. With no ceiling on rents, a family could end up paying much more for public housing than they would have to pay in rent on the open market. It made no sense for working families to remain in public housing, and therefore those who were left were the poorest and most desperate of our population. Long ago we learned that public housing, or any environment, works best when there is a mix of incomes and socio-economic groups. In order to encourage working families to stay in public housing, ceilings had to be put on rents—ceilings no higher than the market would bear, but ceilings nonetheless.
- Encouraging a mix of incomes by repealing the Federal preference rules that mandate PHAs to house only the poorest Americans. Without changing the way PHAs selected their renters, there was no effective way to change the mix of people who lived in public housing. Until this year the poorest and most needy renters were always given preference over the working poor and the less desperate. While we would like to be able to serve everyone, it does the housing residents little good to live in an unsafe and undesirable environment—yet with only very poor residents, that is what the environment had become.

In response to the urging of HUD, Congress finally changed the mandates for public housing to address the issues I have just listed, and since then the climate

of public opinion within public housing circles has changed. For 2 years in a row, Congress has allowed PHAs both to put ceilings on rents and to rewrite rent rules so that working renters are not penalized. While some PHAs are still reluctant to rewrite their rules, afraid that congressional will on these matters might change again, it is clear that there can be no turning back. Especially in the post-welfare reform environment, we are obligated to ensure that work is encouraged rather than discouraged by arbitrary rent rules.

In addition to pressing Congress to act, HUD took some actions of its own. HUD published an Advance Notice of Proposed Rulemaking on the subject of strengthening the role of fathers in public housing families. We received comments from public housing entities across the Nation and determined from those comments that two subsequent steps would be effective: Making minimal additional regulatory changes in the proposed rule, and producing a “best practices” guidebook for PHAs.

HUD has agreed to develop such a book of materials for PHA managers who are planning fatherhood initiatives. The guide will be based on information gathered during site visits to PHA fatherhood programs, on information developed from the two roundtable discussions on fatherhood I have now convened, and on other useful information that becomes available. We hope the guide will be useful to PHAs that are thinking of implementing local programs to encourage more positive roles for fathers, both within their families and within the public housing community.

HUD is working in other ways to change policies and physical environments in cities and in PHAs to encourage intact families. Our work frequently starts with helping families help themselves, by providing them with opportunity.

Making Public Housing Safer and Providing Education and Job Training

We are creating better public housing—and better public housing *neighborhoods*—for all residents, but particularly for families, by tearing down the worst buildings. Prior to this administration, about 1,000 units of public housing were torn down each year. By the end of this year, we will have torn down an unprecedented 23,000 public housing units that just do not work. We are tearing down the tens of thousands of dilapidated, unsafe developments that have for far too long been the settings for our children’s urban nightmares.

In their place new signs of hope have been planted and are beginning to grow. Instead of the superblocks of developments such as Cabrini-Green, grids of traditional streets are being designed. Instead of mammoth apartment buildings, small-scale, townhouse-style housing is being constructed. Instead of acres devoted exclusively to housing, commercial activities are being encouraged. Instead of large, open pedestrian areas, small parks and squares, as well as civic buildings such as police and fire stations and daycare centers, are being sited. Instead of housing built, owned, and managed by public entities, partnerships with for-profit and nonprofit developers are being forged. Instead of housing built only for the poorest of our society, economically integrated communities are being created.

We are working to change the social dynamic. This goes to the heart of what ails so many of the people who live within these structures. Until now, the rules of public housing discouraged work, discouraged responsibility, and discouraged marriage.

We have changed admission policies so that PHAs can create preferences for working families. We have changed rent rules to reward people who work. We have begun connecting tenants to education and employment opportunities through innovative partnerships with universities, community colleges, and community-based organizations. This helps both mothers and fathers better prepare themselves for the future.

We have made it safer for families to live in public housing. We have begun to change the atmosphere around the housing units by creating stricter rules and conditions for residency. No longer are unsavory persons allowed to spoil the efforts of the hardworking majority of families struggling to lift their families out of poverty. The president has called for, and HUD has issued, a “one strike and you’re out” policy in public housing. Public housing agencies will have more power and resources to screen out those residents who have engaged in drug or criminal activity or who are making the environment otherwise unlivable for the rest of the tenants. These people will be evicted.

We are helping families become self-sufficient through education. HUD has worked to transform selected public housing developments into avenues for educational achievement and job advancement—what we call Campuses of Learners. This initiative is designed to provide residents with an opportunity to live in an environment centered around education and economic self-sufficiency. The residents of Campuses of Learners enter into an education program involving computer technology, job training, and comprehensive education and support services. Residents of public housing communities succeed in becoming self-reliant when they receive assistance in obtaining comprehensive training, education, and support services, and help finding gainful employment.

We are helping parents train for and find jobs. HUD implemented a demonstration program last fall called Jobs Plus, which is designed to encourage work and family unity through job training and employment programs. Changes in housing and welfare policies present urban PHAs and their residents with enormous challenges, both to increase the share of public housing residents who are employed and to retain those families that are already working.

HUD is working with Manpower Demonstration Research Corporation (MDRC) to design a demonstration to establish innovative and replicable strategies for accomplishing these goals. The Rockefeller Foundation has provided substantial funding during the design phase and has matched HUD’s \$5 million investment with its own \$5 million for implementation.

MDRC intends to work closely with four to six urban PHAs to develop tailored, locally based approaches to providing saturation-level employment opportunities and job access to a substantial proportion of working-age residents of at least one family development in each selected PHA.

Two of the Best Practices: Innovative Programs That Are Working

HUD has helped fund two major pilot programs that are being credited with starting a very positive trend across the country. Both the Hartford and Baltimore experiments use a combination of job opportunities and housing benefits to encourage the unification of families and the more active participation of fathers in their families. The programs reward these fathers for work and responsibility, qualities that were rarely nurtured or encouraged in the environments in which they were reared. Although these programs do not provide the ultimate answer for the problems faced by the urban poor, they are one answer that has been proven to work. The fathers are discovering that taking responsibility for their families is not only the right thing to do, it is often the most meaningful experience of their lives.

The Hartford Experience

My father taught us responsibility and providing for your family. If that meant working two jobs, then you did that.

— Victor Rush,
Director of Hartford Housing Authority's
Family Reunification Program

Ben Compton is the father of two children growing up in a public housing unit in Hartford, Connecticut. He was reared there himself. It is where he joined a gang, where he began to use and sell drugs, and where he lived before he was arrested and sent to prison.

Now Ben is reunited with his family and has a steady job removing hazardous material from abandoned housing units in Hartford. It is well-paying work, but there is a catch: Ben can keep the job only if he accepts responsibility for his family, supports and remains involved with his children, and stays off drugs.

Ben Compton is one of the growing number of men involved in a unique program that has become a model and an inspiration to many PHAs across the country. Just 6 months old, the program was developed by the executive director of the Hartford Housing Authority (HHA), John Wardlaw, who wanted to create a plan that would bring the men in public housing back to take care of their families. In Wardlaw's housing authority, 85 percent of the families are headed by women alone.

The Family Reunification Program used part of a \$20.8 million project redevelopment grant from HUD to demolish and rebuild some of HHA's public housing sites as it helped rebuild some of the families who lived in the housing project. Wardlaw worked with HUD to construct a program that would put that money to multiple uses. His idea was to ask fathers to claim paternity and take financial responsibility for their children and, in return, to guarantee the fathers employment by putting them to work on the construction project.

The program started with only five fathers recruited from the community. The five fathers were selected because they fulfilled important criteria: All had

children living in Hartford public housing but were themselves not on the lease of the apartment where their children lived, and all were willing to come home and to work immediately.

As the program required, the mothers of the children informed their welfare officers that the father had returned to live with them. The families were immediately removed from welfare. The fathers, as agreed, claimed paternity, but found that suddenly they were liable for back payment of child-support costs. Everyone was frustrated, and the situation, as Victor Rush tells it, was tense.

“Some of these guys were former gang members. They were tough, and they were angry. They told me they’d kill me if I didn’t get them out of this, and I believed them,” says Rush, director of the HHA Reunification Program, laughing in hindsight.

To solve their problem, the group met first with local HUD officials and then with the White House staffs of both President Clinton and Vice President Gore. Eventually an agreement was worked out under which the participating fathers paid child support arrearage at a small enough level (about \$5/month) that the fathers would not feel punished for claiming paternity. And the mothers were not penalized for welcoming the fathers back—they were allowed to keep their welfare medical benefits. Now that the plan is in place, the program is working well.

“These guys are different now from the gangs they used to hang out with,” says Rush. “Many of them have started coming to church, and two of the couples have married.”

Participating fathers are eligible for onsite construction jobs that pay up to \$22 an hour, with employment linked to positive family and personal behavior. To get involved with the project, however, they must sign a contract (see figure 1) that makes a number of demands upon its signers. Victor Rush is optimistic about the program’s chances for success:

We believe that a big part of the reason urban America is in the shape it’s in is because too many kids are being brought up in broken homes. We believe the only way we’re going to win this war on drugs as it relates to our children is to bring families back to a time when children were raised in two-parent households. We hope that by having fathers in their lives and seeing them get up in the morning to go to work, and seeing them come home in the evening, dirty from work, we will, by example, begin to break this vicious cycle.

Baltimore City Healthy Start

We just give them hope. We’re able to show these young men that they have something to look forward to other than hanging out on the street.

— Joe Jones,
Director, Baltimore City Healthy Start

Myron Turner is one of the many success stories of Baltimore City Healthy Start and its lead abatement action project. He was 19 and an active member of a gang, dealing in both drugs and weapons, when he first came looking for help at the

Figure 1

The Hartford Housing Authority Employment Program Contract requires the following behaviors by fathers:

1. Must act as role models in their communities.
 2. Cannot sell or consume drugs or associate with individuals or groups who sell or consume drugs.
 3. Must report additional income resulting from employment through this program to the city or State department of social services (if applicable) within 30 days of obtaining employment.
 4. Must be bona fide residents of the Hartford Housing Authority (HHA).
 5. Must pay rent on time.
 6. Must demonstrate positive behaviors and abstain from physical or mental abuse.
 7. Must achieve self-reliance with regard to home maintenance and repair.
 8. Must enroll in, and remain in, HHA's Family Investment Center Program and must seek out and participate in programs that will assist in achieving self-sufficiency and independence.
 9. Must test drug free at the time of employment. Participants are tested periodically for illegal drugs.
 10. Must uphold minimum attendance standards.
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urging of the mother of one of his babies. At the time he was described as a “menace to society.” After several years of counseling and job training and several highs and lows, he appears to have turned a corner. Once the leader of his gang, he is now a leader of his peer group. Once a top student of the streets, now he is in a general equivalency diploma (GED) program and is making good grades. He is doing excellent work and is living with his family. For the first time in his life, he has a vision for the future and reason to believe it will be positive. Recently he told a reporter, “I want to continue working. I want to get my GED, I want to get caught up with my child support. I want to pay off my probation costs. And I want to get legal custody of my oldest daughter.”

Here is how Healthy Start works: Counselors from the program go out into the community and aggressively recruit high-risk pregnant women. These women are given prenatal care and counseling, with the goal of giving birth to healthy babies. Those involved in the program know, however, that having a healthy birth is only the beginning of the struggle. They know that if they want to encourage a truly healthy family atmosphere, fathers will have to participate.

That is why they developed a Men's Services program. Its goal is to help fathers and/or other significant male supporters of Healthy Start's female clients maintain involvement with their children and families through the promotion of parenting skills and through peer and program support. Men are encouraged to provide financial support for their families and to attend prenatal appointments, pediatric appointments, family development sessions, therapeutic support groups, and education and employment readiness sessions.

Healthy Start's accompanying employment program, the Lead Abatement Action Project, began with a grant from HUD. The grant, to establish a lead abatement project in Baltimore's public housing, created an opportunity for Baltimore's housing authority to change more than the paint in its units: It allowed the families that live there to help themselves.

Nearly all of the fathers recruited by the program are unemployed or underemployed, and many are drug users. The program asks them to take responsibility for changing their lives, first by stopping their drug use and then by entering the program's counseling and job placement program. The plan has already enrolled 170 fathers, just short of the goal of 200.

The \$12 million HUD grant is paying for 1,000 houses to be lead abated and for hundreds of men in public housing to be gainfully employed. After a screening and physical exam, participating men are linked with contractors in the lead abatement project. The contractors are required to hire the participants as part of their contract and are required to provide continuous work even after the lead abatement project is completed. Although some of the contractors were wary about hiring and training some of these men, the men now have begun to work and everyone seems pleased with the result.

"Guys on the street are looking for a positive alternative and we give it to them," says Joe Jones of the \$8/hour jobs and health insurance that all workers receive.

Will Myron Turner stay on the straight path he appears to be on right now? Will Ben Compton be able to use his job and renewed ties with his family to keep himself away from the problems of his youth? Although we have no solid answers for these questions, we do know this: At least now they have a chance.

"These are men who have grown up without positive male role models," says Jones. "We tell them that the bottom line is they must not let people in their community act in such a way that harms their children. Peers must give positive peer pressure."

Can These Programs Be Replicated?

These programs are two of the most exciting and probably most successful in the country. But each depends on the charismatic leadership of an individual who inspires, cajoles, and models positive behavior among men on whom society has given up. Can these programs be replicated, even minimally, so that their successes can be taken to scale?

Joe Jones and Victor Rush, as well as many other experts, believe replication can be accomplished through hard work, the dedication of a committed staff, the priority placed on raising healthy children, and the acceptance of a range of rules. Such rules include:

- Changing welfare rules to encourage fathers to return.
- Working out a reasonable schedule for child-support arrearage payments.
- Ensuring that the at-risk males in the program are given case managers so that they work with people, not just with a program.
- Creating support groups that help the men with both the physical and the emotional challenges they face in their new roles.
- Providing training that works in the areas of good child rearing, relationship building, domestic violence amelioration, and other interpersonal skills.
- Creating a model of family unification without forcing incompatible parents to cohabit.

HUD is in the process of talking with Jones and Rush about developing a training institute so that they can teach other leaders how to accomplish these goals. Whether it will be in the form of a training institute or some other guidance, there is little doubt that the Hartford and Baltimore programs will influence PHAs nationwide.

Other programs already in place across the country have been working to reach out to fathers and urge them to take responsibility for their families. Some of these programs are:

- **Father to Father.** A national program organized by the Children, Youth and Family Consortium at the University of Minnesota. This collaborative effort on the part of more than 50 supporting organizations has helped organize mentoring programs, support and education groups for young fathers, a spiritual counseling center, and other activities and plans. Vice President Gore is the honorary chair of this consortium, which also is responsible for FatherNet, an electronic bulletin board dealing with the role of fathers in families.
- **The Fatherhood Project.** A national research and education program created by the Families and Work Institute that is examining the future of fatherhood and developing ways to support men's involvement in child rearing.
- **The Institute for Responsible Fatherhood and Family Revitalization.** A nationally recognized, Cleveland-based organization that seeks to change fathering behavior through nontraditional counseling and group work.

These organizations are just a few of those that have developed across the Nation in response to the visible and desperate need in our Nation's urban areas.

Services for Mothers

There has been some concern, understandably, that although these programs help young men find jobs and become independent, the programs themselves are closed to women. Both Jones and Rush have had the experience of women asking to be taken in and given jobs and training much the same as the men receive. After all, they reason, they are the ones who have stayed with their families and who have accepted the responsibilities of parenthood, so why should they receive fewer benefits than the men who left them? At the fatherhood roundtable convened in late summer 1996, practitioners in the field discussed this problem and came to a few conclusions.

Everyone agreed that a tremendous need exists for exclusively male programs to help these fathers. As Victor Rush said, it is exactly because the men are the ones who have left and who have abandoned their responsibilities that they are the ones these programs should reach out to, for the sake of the children. That said, the group also pointed out the tremendous need for more services directed at women—the single mothers I wrote about above—who are struggling in dire circumstances.

Ultimately, the successful return of the father to the home and/or his acceptance of his child-rearing responsibilities helps everyone in the family unit. In such a problem-filled atmosphere—one drenched with poverty, violence, a lack of positive role models, and inadequate employment opportunities—much needs to be done for both men and women. Children thrive when both parents are healthy and productive members of society.

Fostering Families That Are Both Intact and Positive Role Models

Not long ago, news accounts explored the devastating situation of street children in Buenos Aires. A reporter covering one of the stories interviewed a small group of homeless girls. The girls all agreed on one thing: They said the world would be a better place if there were no men in it. These girls had all grown up in families in which their own fathers abused them and beat their mothers. Now they were living on streets where they were in constant danger of being raped or beaten by runaway boys or grown men. To them, an absent father would have been a good thing.

I bring up this story to make a point. We are not trying to force families together at all costs. Some fathers do not belong with their families. Most children are better off in a broken home than in one torn by violence. Some fatherless families are successful, and often the family has little choice. In the majority of situations, however, under the right circumstances, fathers are an extremely important and valuable part of a family. The goal is for fathers to become involved with their families and to be *good fathers*. To participate in the care of their children. To be a source of financial and emotional support to their wives. To be leaders in their communities.

What is a good father? I do not pretend to know all the answers, but there are a few commonly agreed-upon components to good fathering. A good father is a

good provider. He is also a nurturer. He is a partner with his spouse. He is a teacher. He is a protector from harm. He is an authority figure. He is a moral guide. He is a good listener.

These are not new-age male qualities; they are age-old, respectable male qualities. They are qualities that challenge men, in the same way women are challenged, to truly *give* to their children, to guide them, and to prepare them for their lives to come. The rewards from this kind of behavior are enormous.

They are the arms of your child wrapped around your neck. The smile of pride, reserved only for you, when an accomplishment is reached. The personal knowledge that you have succeeded in one of the greatest challenges life has to offer.

To write this essay, I have given a lot of thought to my own experience as a father and to all the joys and heartaches that job includes. I believe that a man has the responsibility of fatherhood from the moment he participates in the conception of another human being. He will have an effect on that child's life, whether he is present and participating in the child's upbringing or he is absent and leaving a big void in that child's life.

The National Center on Fathers and Families (NCOFF) at the University of Pennsylvania has identified seven “core learnings” gleaned from the experiences of programs and agencies serving fathers. They are:

- Fathers care, even if that caring is not always shown in conventional ways.
- The presence of a father matters in terms of economic well-being, social support, and child development.
- Joblessness is a major impediment to family formation and father involvement.
- Existing approaches to public benefits, child-support enforcement, and paternity establishment create obstacles and disincentives to father involvement.
- A growing number of young fathers and mothers need additional support to develop the skills vital to sharing the responsibility for parenting.
- The transition from biological father to committed parent has significant developmental implications for young fathers.
- The behaviors of young parents, both fathers and mothers, are influenced significantly by intergenerational beliefs and practices within families of origin.

Many people think that we at HUD are concerned only with the brick and mortar aspects of building American communities. But we know, and I know, that there are no community foundations more necessary than a solid, secure family. We know that homes—even the most palatial—are good places in which to grow up only if there are loving families within them. We know that public housing cannot be turned around if the people who live there have no role models who give them hope for their future. We know that the delicate fabric of the family, so easily torn, is ultimately the strongest net on which our country can depend.

It is just that fabric that has made us a great Nation. It is that fabric that we should be able to wrap ourselves in as we battle the challenges and surprises that may threaten our strength in the future. There is no better investment, no better public policy, than that which supports our families. Let us hope we have realized this before it is too late.

Note

1. The Department wishes to acknowledge the contributions of Linda Burstyn, freelance writer, for making this essay possible.

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Urban Land and the Urban Prospect

In the aftermath of the urban riots of the 1960s, the Kerner Commission described the inner-city conditions that incubated the outbreaks of violence and arson, a list of urban ills that is depressingly familiar today: restricted economic opportunities, neglect of education for children, and belief among many that the judicial system was itself unjust.¹ However, one item in the list no longer pertains in most central cities in the 1990s—the influx of residents that 30 years ago taxed local urban services and the stock of decent and affordable housing. At the time of the Commission report, this trend already had reversed, but the signs would not be evident for some time. In the three decades since, inner cities lost population at unprecedented rates. During the same period, manufacturing establishments in inner cities have closed and large tracts of urban land in almost all major cities lie fallow where factories once flourished.

The consequences of this decline in urban residents and population are evident to even casual observers of the urban scene: The middle class that is so important to urban neighborhood health has moved away, leaving behind an increasingly isolated poverty population that despairs of participating in the broader structure of urban economic opportunity. Relatively high-wage but low-skill employment once offered in urban manufacturing also has migrated, further depriving inner-city residents of ready opportunities to earn a living wage. In this essay, I would like to explore the implications of these trends for the future of inner cities. It is important to reflect on features of the urban scene that are not often considered—picking up on some themes I outlined early in this essay series. Specifically, what do these trends portend for the future of urban regions? What problems and opportunities are presented by shifts in the use of urban land?

The Changing Geography of Opportunity

Since the late 1970s, researchers such as John Kasarda at the University of North Carolina have tracked the changing distribution of employment across metropolitan areas, finding an explosion in suburban job opportunities and relative stagnation in inner-city job creation. Further, the relatively low-skill, high-wage manufacturing jobs lost to low-income persons in inner cities, combined

with the low-wage, low-skill types of jobs gained, have increased the salience of geography in determining the life chances of the poor.

This fact alone compels our attention to the spatial development of our metropolitan areas, but researchers also have pointed to broader social consequences from this spatial redefinition of economic opportunity. First, the expansion of suburban residential, commercial, and industrial land use is gobbling up land at a dizzying rate. As I mentioned in an earlier essay, the metropolitan population of the United States has almost doubled since 1950, but the population density of the Nation's 522 inner cities has been halved.² My colleague in the President's Cabinet, Secretary of Agriculture Dan Glickman, recently warned of the loss of agricultural land to suburban expansion. This shift in land use means little now, but as world food demand explodes over the next two decades, we as a Nation may well regret its loss as agricultural land values—and food prices—rise steeply.

Second, continued suburban expansion means an erosion of metropolitanwide competitiveness. This was my principal thesis in an earlier essay. Anthony Downs has warned of the spatial inefficiencies produced by suburban sprawl and has argued that these inefficiencies jeopardize the health of regions. It does so directly and indirectly. Few inner cities can capture new suburban growth through annexation; neither, for that matter, can suburbs annex other suburbs or unincorporated areas of urban and suburban counties. Therefore new growth, according to the old low-density pattern, aggravates an already fragmented metropolitan polity. Each jurisdiction taxes and spends according to the capacities and demands of its residents: Because funding for services is raised locally, jurisdictions do best when incomes of residents are high and their consumption of services is low.

Downs points to the resulting "ferocious fiscal competition" among jurisdictions that aggravates existing social and fiscal disparities among local governments. Forced concentrations of poverty resulting from suburban resistance to housing for the poor devalue inner-city property. Because tax returns from this property are meager, essential services wither for lack of funding. Most damaging are the effects of fiscal fragmentation on educational quality. Had we designed such a system from the outset, we could not have done a better job to ensure an inferior education for inner-city children. At the same time, researchers believe that the best explanation for the increasing income inequalities is the ever closer link between education and income. Manufacturing jobs once paid decent wages to workers with only a high school diploma. These same workers would earn far less today. Because human capital has increased in value—it is the essential ingredient for regional competitiveness—our fragmented system of human capital formation is a recipe for the economic stagnation of urban regions where fiscal disparities are severe.

Third, suburban jurisdictions themselves face the threat of deterioration as inner-city problems migrate to inner-ring suburbs. The strain on county budgets from additional public safety, welfare, social support, and other services threatens the basic attraction of suburban life for many: Taxes can be kept low, because suburban and county governments need not pay for urban problems. However, continued extensive growth in outer-ring suburbs is both a product and a cause

of inner-ring suburban decay. Current residents and prospective in-migrants to inner-ring suburbs can find the outer-ring option attractive, thus fueling new subdivision development. In turn, new subdivision development pulls residents from inner-ring suburbs, dampening demand, devaluing property, and reducing the tax flows needed to support increased service burdens—a repetition of the inner-city fiscal dynamic.

Fourth and finally, suburban and exurban sprawl has reached a point where serious thinkers have begun to decry the degradation of the American landscape. Advocates of the “new urbanism,” a movement I strongly endorse, have pointed to the intangible but real spiritual loss that attends the isolation and exclusivity of the newest exurban cultures. Unlike the higher density developments of the urban and inner-suburban core, the “new suburbanism” has produced endless vistas of parking lots on commercial strips, behind which are hidden residential developments designed to maximize privacy and minimize casual interaction with neighbors.

In short, our prodigality with land contributes directly to inner-city and suburban disparities, indirectly helps reduce the competitiveness of urban regions, jeopardizes the social and fiscal health of inner-ring suburbs, and contributes to cultural patterns that can be unsatisfying.

What Our Strategy Should Be

Some have argued that the best way to correct the imbalance between strong demand for suburban land and weak demand for vacant urban land is to regulate growth. Montgomery County, Maryland, in the Washington, D.C. suburbs, is often held up as an example of a growth-control regime that is particularly effective. The county’s policies discourage the consumption of open space by placing strict controls on the potential uses of existing agricultural lands. Other States, most notably Oregon, have created growth management districts to retard consumption of open space. Examples abound of State watershed protection policies that restrict the types of growth that may occur in urban watersheds, or land purchase programs that take land out of residential and commercial markets. Where growth policies have worked well, they tend either to be justified by strong claims of defending public health and safety or to be politically supportable because underlying demand is strong. There are few, if any, examples of growth controls working well anywhere else.

I argue that it makes more sense to deal with slack demand for urban land head on. Without a reasonable economic alternative to continued suburban and exurban industrial, commercial, and residential demand for open space, developers will continue to site new subdivisions, shopping malls, and light industrial establishments outside inner cities, and rightly so. Therefore, for the remainder of this essay, I would like to discuss the prospects for inner-city economic revival from the standpoint of land use, focusing on the opportunities presented by the current crisis, the barriers that stand in the way of our taking advantage of those opportunities, and the recent initiatives that show us how to overcome these barriers.

What We Have To Build On

For the sake of discussion, consider some of the worst elements of the urban landscape. In older industrial areas of Louisville, along the old railroad yards and the river port, vast tracts of empty warehouses, mothballed industrial plants, and abandoned railroad rights of way are the dominant images of a de-industrialized economy. In residential neighborhoods of Detroit, boarded-up buildings and trashed vacant lots speak of the neglected promise of the children who grew up in the now-vacant houses. Along commercial corridors of Cleveland's east side, closed movie theaters that were the social life of vibrant neighborhoods sit idle next to taverns where 50-cent draft beers and lottery games are now the heart of Saturday night. What promise do these scenarios hold for regeneration?

I argue that the bottoming out of most American cities has already happened but it does not yet register, just as the Kerner Commission missed the reversal of population increases of the early 1960s. First, there is some evidence that the gradient of land prices from inner city to suburb has smoothed—suburban land is no longer the bargain that it once was. Second, in the rush to grab expanding suburban retail markets, developers and retailers have created a vacuum in inner-city retail services on which a few shrewd entrepreneurs are beginning to capitalize. Third, entrepreneurs are creating a small industry around the purchase, assembly, cleanup, and marketing of inner-city industrial properties that may well burgeon during the coming decade. Fourth, vacant residential and industrial properties have become opportunities for urban “greening” projects that have accelerated markedly in recent years. Last, and closest to the mission of my own agency, new residential construction in urban areas has demonstrated the effective demand among middle-income buyers for urban living in quality developments. I believe that these changes add up to the beginning of a redefinition of the role of urban places in American life.

We have all seen the rise of suburban nodes of commercial and residential activity that qualify as new centers of urban economic life. Reston, Virginia, and other edge cities now represent new commuting destinations for suburban residents, replacing the inner city. This “polynucleation” of urban economic geography means that land prices once driven almost entirely by proximity to inner cities now are influenced by proximity to newer employment nodes. The resulting escalation in suburban residential land prices means a relative cheapening of urban prices. Alone, this shift in the urban-suburban price differential may not mean much but, coupled with changing consumer tastes, the price effect may be enough to stimulate a new round of urban gentrification, similar to that which occurred on a relatively wide scale in the 1970s and on a more limited basis there after in certain urban neighborhoods.

The second broad trend I see is an improvement in inner-city commercial services as a result of the rediscovery of inner-city markets by retailers and investors. For example, the McDonald's Corporation has established an extremely strong competitive position in inner-city markets because of its firm knowledge of the market. A number of community development corporations have demonstrated the market potential for supermarket retailing through successful ventures in Bedford-Stuyvesant in Brooklyn, Kansas City, south central Los Angeles, Liberty City

in Miami, and Newark. Building on these successes, the Local Initiatives Support Corporation (LISC) in New York has embarked on a retail trade initiative to support more supermarket initiatives in inner cities. As of this writing, two initiatives are underway and eight more are in the pipeline for completion by the end of 1997. The clearest indication of the promise for inner-city retail trade is the amount of funds LISC has been able to raise from the private sector: \$24 million in equity capital has been contributed by the Prudential Insurance Corporation, GE Capital and other financial institutions, and the City of Philadelphia Board of Pensions. The hope, of course, is that leading investments that demonstrate the potential returns from neglected markets will leverage further investments in now-underutilized inner-city commercial properties.

The third trend is the reuse of industrial land, or brownfields. The problems of the reuse of industrial land are well known, particularly those linked to environmental degradation. While most of us know of the Superfund sites that are the most contaminated in the Nation and command Federal attention, tens of thousands of acres of less-contaminated properties lie idle. These properties exist in a kind of limbo: Owners (including some of the Nation's largest industrial companies) mothball properties to avoid triggering Federal mandates to clean up what may be a century or more of industrial pollution. Buyers avoid these properties because they fear entanglement with these same Federal laws. Over the last several years, however, some States have moved aggressively to ensure that voluntary cleanups to State-imposed standards will result in a clean bill of health from the State. Buyers and sellers need not fear liability for industrial contamination that they did not cause. As a result, venture capital firms, insurers, risk assessment firms, developers, and others have entered industrial land markets. Although deterrents to the reuse of industrial land remain, the competitive position of inner-city locations relative to exurban greenfields has improved in recent years and should continue to do so. To support these trends, Carole Browner, Administrator of the Environmental Protection Agency, and I recently committed our two agencies to a proposed \$900-million joint initiative to finance cleanup and redevelopment of contaminated sites. Together with the Clinton administration's proposed tax incentive for brownfield redevelopment, we believe this initiative will help accelerate growth in industrial land reuse.

The fourth trend I see is the return of vacant urban land to an old but newly innovative use: Urban greenways, the creation of new urban parks and substantial renovation of older parks and community gardening projects, have accelerated in recent years. Countless support organizations for local parks, the national Rails to Trails Conservancy, and the Trust for Public Land have worked to turn old railroad rights-of-way, riverfront warehouse and industrial properties, and other idle properties into parks, a refreshing change from the dominant pattern of municipal government cutbacks in parks and recreation. Greenways that connect inner-city and suburban parks not only increase recreational opportunities for inner-city residents but also connect urban wildlife habitats in ways that sustain biological diversity. The effort to create and sustain urban gardening and neighborhood park projects also represents a new opportunity to empower residents of poor neighborhoods to take control of public spaces. These efforts and others have found new funding support nationally, most prominently through the Lila Wallace-Readers' Digest Fund's Urban Parks Initiative. This initiative strives to create

new public-private partnerships to support neighborhood and regional parks and to promote community involvement in open space design, creation, and long-term support in cities as diverse as Austin, Texas, and Brooklyn, New York.

The fifth and final trend in urban land reuse that I see offering much promise is new residential construction of single-family and townhouse housing in inner cities. A forthcoming Urban Institute study of community development in 23 U.S. cities finds an almost universal shift in local community development priorities toward production of for-sale housing for low- and moderate-income buyers. Even in cities that local policymakers and analysts concluded were poor market prospects, housing sales have shown surprising strength. For example, in the Hough neighborhood of Cleveland, new single-family homes are selling for nearly \$100,000, only a slight discount below comparable homes in the suburbs. Similar experiences in Pittsburgh, Pennsylvania; Kansas City, Missouri; Buffalo, New York; and Detroit, Michigan, among others, show that local governments, with some initial capital subsidy, can jumpstart residential submarkets in American inner cities.

How Government Should Build on These Trends

Until now in this essay, I have almost completely avoided commenting on the role of government in promoting reuse of urban land. I wanted to establish that, on its own, the market has changed in ways that are advantageous for land recycling. Nobody seriously believes that government, acting alone, can spur revitalization in the absence of market demand. Nevertheless, it is clear that government has an important role to play by supporting market trends. For the remainder of this essay, I would like to comment first on the principles that should guide government action to promote better functioning of urban land markets, and second on some concrete examples of how government support has proven instrumental in helping make revitalization happen.

Over the years, researchers have produced a number of useful metaphors to highlight the circumstances under which government intervention in the economy is warranted, often under the general framework of “collective action” problems. The classic statement of a collective action problem is the Prisoner’s Dilemma. Imagine two perpetrators arrested for burglary and interrogated separately. If prisoner A confesses and prisoner B does not, prisoner B gets 10 years and prisoner A gets 1 year on a lesser charge. The reverse occurs if prisoner B confesses and prisoner A remains silent. If both confess, they each get 5 years. If neither confesses, both get off. Because prisoner A cannot trust prisoner B to remain silent, his rational course is to confess. At least if he confesses, he will get only 5 years. If he remains silent as B is confessing, he could get 10 years. Thus even though both are better off if they cooperatively remain silent, their inability to communicate with each other or trust in the observance of a prior agreement means that both wind up being worse off. Other variants of these collective action dilemmas have been devised; for example, Garrett Hardin’s “tragedy of the commons,” in which village shepherds collectively allow their sheep to overgraze on common lands and thus destroy them, because no single shepherd has an incentive to prevent his own sheep from grazing as much as possible. Both of these metaphors

have been used to highlight instances in which government, as the mechanism for inducing cooperation, acts to enhance community well-being.

The lesson for us is that government acts best when it does what the market cannot do alone: Create the conditions in which productive capital formation can occur. Government does this by establishing the appropriate legal framework, by creating the circumstances for private actors to take risks with the assurance that other actors will do likewise, and by ensuring that trustworthy information is available to all players in the economic game. I treat each of these in turn, discussing how they bear on some of the market changes I noted above.

Changes in the legal and regulatory framework. The government's role in establishing the appropriate legal and regulatory framework for economic enterprise is well established. Important to our discussion are the ways in which this framework has evolved to encourage reuse of urban land. Here State governments have proven active, particularly as concerns the effect of environmental contamination and regulation on urban renewal. Federal environmental statutes require that responsibility for cleanup of contaminated property be "joint and several." No matter what the responsibility of the property's current owners for creating contamination, they can be held liable for the full cost of cleanup. Owners can, in turn, sue previous owners for their share of the remediation cost, but the initial assessment, legal fees, cleanup, and other costs fall on the current property owners. Buyers of properties also worry about their potential liability for contamination discovered after the property is clean. Lenders that finance property purchase and redevelopment worry that their collateral may become worthless if future contamination is found. That is, the risks posed by environmental liability (above the costs of cleanup) may lead to a freezing of industrial land markets in some cities, especially where potential demand is not high.

In response, State governments have acted to create the assurances needed to ensure the better functioning of urban land markets. Through voluntary cleanup programs, owners of properties can bring their contaminated sites to the State, show how the sites will be cleaned, and—in return for completion of a State-approved plan for remediation—be given a "no-further-action" letter that holds sellers and buyers harmless against additional government demands for cleanup. Where these assurances have worked well, such as in Minnesota, they have gained wide market acceptance among developers and bankers, who accept State letters as releases of future liability. As a result, the risks of development on brownfield sites have been dramatically reduced.

Local regulatory policies can also create conditions for returning idle properties to productive use. The city of Cleveland's land banking program relies on aggressive enforcement of the tax foreclosure laws to assemble land. Where once the city gave property owners 5 years to pay delinquent taxes prior to foreclosure, the city now gives owners 2 weeks. Because most of these owners have disinvested over the years, the properties they hold yield returns too meager to justify—on the basis of profit and loss—payment of property taxes they owe. Therefore, substantial numbers of properties have been conveyed to the city. Some of these properties are simply turned over to existing homeowners as side yards, but others have been assembled by the city into developable parcels. Some of the new construction projects I alluded to earlier have been built on tax-delinquent land.

Government and market maker. Local government use of tax foreclosure authority to assemble land also illustrates my second dimension of government involvement: The public sector's role in overcoming collective action dilemmas in which no single investor will take an initial risk unless other investors do the same. Several of the examples cited above of favorable market trends relied on some form of government risk-reducing investment. To continue with the Cleveland example, few investors would agree to site new single-family units in poor neighborhoods unless they could avoid the time-consuming and expensive task of land assembly and unless they could be assured that city policy would support their initial investments with investments made by others. As we recall from urban renewal, the public sector's use of eminent domain—or its functional equivalent, land assembly through tax foreclosure—prevented large public-benefit projects from being thwarted by individual owners' desire to seek windfall gains from one of many needed parcels. Indeed, an owner's property gains value only because it is part of a larger project. Thus no owner gains unless some mechanism is available to prevent a few from holding hostage the entire effort. Further, the public sector's willingness to acquire and bank land for future development means that initial investors have some assurance that others will invest also, attracted by the prospect of discounted public land.

Other targeted area development policies have relied on a similar calculus. Some local governments in the past have tried to pursue neighborhood-focused revitalization by limiting the areas eligible for community development investment, selectively abating taxes for residential and commercial investment, and better organizing delivery of city services. The Minneapolis Neighborhood Revitalization program is a good example of how these tools have been combined through a formal neighborhood planning process. The intent is to create an assurance among residential and commercial investors, potential purchasers of property, and store owners seeking business locations that city policy is behind those who take the initial risks. Investors know that the continuing availability of city subsidies will be equally, if not more, attractive to those who come later, thereby protecting them against loss. Initiatives of the kind adopted in Minneapolis need not be highly formalized, however. The city of Philadelphia uses Community Development Block Grant (CDBG) funding to help community development corporations prepare neighborhood plans. The city expects that redevelopment projects submitted by these corporations will be consistent with those plans and that others will be motivated to invest because they believe in the future of an area as indicated by the plan.

Unfortunately, too few local governments pursue neighborhood revitalization with a clear understanding of the kinds of private-sector responses they can expect from their efforts. A generally positive Urban Institute study of the CDBG program noted that strategic approaches to community renewal were not a strong point of the program. To help promote better concentration of city resources on reclaimable neighborhoods, HUD has sponsored several new and promising initiatives. The Office of Community Planning and Development's (CPD's) Consolidated Plan regulations provide for local pursuit of neighborhood revitalization strategies intended to encourage targeted public and private investments in neighborhoods. Grantees may take advantage of relaxed documentary and regulatory requirements in neighborhoods where these strategies are pursued. CPD will also

take the lead on HUD's new Homeownership Zone program, an effort to help generate new residential and commercial investment in poor neighborhoods through concentrations of new residential construction, which research shows to have positive effects on investment in surrounding areas. These initiatives are intended to supplement, if possible, the President's Empowerment Zone/Enterprise Community program.

Third-wave industry networks. The third type of government intervention to overcome collective action problems is provision of information, understood in fairly broad terms. State and local governments have long provided information to prospective investors in the form of marketing materials, such as descriptions of public facilities, labor force characteristics, tourist attractions, and educational and cultural assets. In recent years, this traditional function has broadened considerably in ways that I believe are important to the future of urban land reuse. In particular, the emergence of new network support policies and programs holds the promise of relatively inexpensive but high-payoff techniques.

Several decades ago, most State and local governments pursued rather simplistic supply side policies in which public agencies simply subsidized large firms to locate in their jurisdictions—a policy most analysts believe had little long-term payoff in local economic growth. In recent years, public agencies turned to demand-side policies in the form of State support for venture capital investment, efforts to promote exports by State manufacturers and other businesses, and local initiatives to encourage, among other things, micro-enterprise development in low-income neighborhoods. These efforts were seen as more clearly responsive to the needs of both local governments in need of long-term development assets and businesses that could not take initial risks needed to launch new industries. Even these demand-side policies are evolving in new directions to third-wave approaches to economic development assistance that relies on government-arranged business services provided, usually at a discount, by private or quasipublic corporations. These can be thought of as network forms of assistance in which smaller firms in an industry are linked to one another to share productivity improvements, cooperate on research and development, provide markets for occupational training and community college graduates, and pursue other cooperative arrangements. No single firm has the incentive to act alone, but all firms acting together can yield substantial benefits—a classic collective action scenario.

One of the most successful of these third-wave approaches is the Cleveland Advanced Manufacturing Program (CAMP). CAMP supports innovation among Cleveland manufacturers by assisting companies with modernization projects; providing business management services; and arranging environmental, financial, and human resource assessments. It has recently initiated a major expansion of its Manufacturing Learning Center, which has gained national prominence for effective manufacturing skills training. CAMP's support comes from the Federal Government, the city of Cleveland, the Cleveland Foundation, and others. The CAMP concept has recently expanded in Cleveland, supported by outside funding. The Westside Industrial Retention and Expansion Network (WIRE-Net) is part of a Pew Foundation nine-city initiative called the Neighborhood Preservation Initiative. WIRE-Net supports projects to expand and retain area manufacturing concerns and develop the community workforce.

Initiatives in other cities have shown the effectiveness of city or nonprofit support for industrial job creation. The Chicago Area Network of Development Organizations (CANDO) has worked to ensure that industrial firms receive the support they need to continue operating productively in the city. One major success was CANDO's effort to preserve industrial loft space in the face of residential and commercial conversions.

The common thread that stitches together a number of these initiatives is the realization that government must pay attention to industry organization and the ways in which information and expertise are communicated within and across economic sectors. One premise of the Empowerment Zone/Enterprise Community program is that ongoing forms of cooperation among public and private sectors are critical to the economic future of low-income neighborhoods. The experience of this program is too new to gauge its effectiveness in this regard reliably. However, other forms of ongoing collaboration in decisionmaking have shown the promise of the concept. The Chicago Brownfields Task Force brought together representatives from community groups, the public sector, and business and industry to discuss the problems of local industrial site contamination. For the first time, a continuing exchange of views on the problems of doing business in older industrial areas highlighted for the city, and for the State of Illinois, the importance of government in establishing the framework for profitmaking on older industrial properties. One innovative Chicago initiative shows the role of government-sponsored information collection and dissemination: The city contracted for professional assessments of the level of contamination of industrial sites within the city limits to show that many sites needing only minimal cleanup were available to potential investors.

I believe that the Federal Government has a role to play in third-wave interventions. HUD researchers have recently identified 18 industry clusters that account for much of the dynamism of the U.S. economy. These clusters consist of manufacturers, suppliers, marketers, business consultants, legal firms, and others engaged in broad industry activities, such as entertainment, medical products, and industrial machinery. Metropolitan areas that do well tend to have highly developed networks of firms within clusters. Importantly, we find that in these successful cases, inner cities play critical roles in cluster formation and growth. Therefore, I have proposed a metropolitan regional strategy that invites metropolitan area leaders to identify local clusters with the most promise, devise a strategy for regional competitiveness, and solicit Federal help in shaping policies and programs to aid local efforts. My hope is that this approach opens a new, broad front to strengthen America's economic competitiveness and that of the Nation's cities as well.

Summary

These initiatives to introduce more certainty into the real estate and urban land development process for investors concentrate public efforts in ways that encourage private risk taking and use public resources to help link investors to one another in third-wave networks that add up to a new strategic approach with much promise. Taken together with signs of market-driven reuse of idle and underutilized properties—changes in the relative value of urban and suburban

land, return of inner-city retailing, reuse of urban industrial properties, greening of vacant urban land, and new residential construction—this evidence argues that we have seen the bottoming out of urban decline and an upswing in the urban prospect.

Very clearly, we are not yet there. Many local governments have a long way to go before they can claim to have established efficient, effective systems to encourage private investment in low-income neighborhoods. It may still take some time before private investors in the mainstream recognize the market potential for urban reinvestment. At the same time, other factors may help accelerate the positive trends I have noted here: Welfare reform and the new incentives to work could help increase incomes in inner-city neighborhoods. I have made the replacement of highrise public housing units a centerpiece of my tenure as Secretary of Housing and Urban Development, taking urban sites that are discouraging to area development and turning them into alternative communities of opportunity. This change in the use of urban land, I believe, serves not only the interests of the residents of these buildings but also the neighborhoods that surround them.

I think the urban prospect will ultimately rely very much on the new communities of interest across urban and suburban boundaries. New uses for urban land mean jobs and incomes for urban residents, new tax receipts for urban governments, and a quality of public investment in both cities and suburbs—for example, education—that will help prepare the needed human capital for continued metropolitan growth in the 21st century.

Notes

1. The Department wishes to acknowledge the contributions of Christopher Walker, The Urban Institute, for making this essay possible.
2. It is interesting to note that the two cities that defy those trends—New York and Los Angeles—have swelled through immigration, thus continuing to serve their traditional function as springboards of opportunity for the newly arrived.

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Community Colleges and Urban Development

In the search for solutions to persistent problems of poverty and corrosive joblessness in our urban centers, the potential of urban community colleges¹ as agents of social transformation and catalysts for economic revitalization has not yet been fully explored. Community colleges are hardly an untapped resource; there are about 1,200 of them. They are accessible, affordable institutions now working at the center of the best educational and training programs in this country to help youth, adult workers, and employers gain the technical skills and learning tools required for economic success. However, I believe that community colleges, especially in our large cities, can and must do still more. I welcome this opportunity to summarize a few ideas about how that might be accomplished. I argue here for appreciating more fully the massive impact of community colleges in America's cities and for bringing them to the front of economic and social strategies aimed at revitalizing our most depressed urban neighborhoods.

I am a strong advocate for community colleges. I learned early as mayor of San Antonio how important the community college was to my community and how critical it was that I support its growth and help strengthen its capacity. I have since had the opportunity to see the impact and learn of the challenges community colleges face in many other cities. There is, of course, wide diversity of direction, capacity, and impact among these institutions and, because of inadequate resources or lack of leadership, some community colleges are not measuring up to the challenges. Still, I am convinced that America's community colleges are among our most precious national assets. They are uniquely positioned to help all of us navigate the ebb and flow of economic changes and social transformations facing our communities.

Two central facts about community colleges engender my admiration and generate my concern that they receive help. First, of all postsecondary sectors, community colleges enroll by far the highest proportion of low-income youth, particularly from our urban centers; the highest proportion of legal immigrants seeking to develop their skills and expand their opportunities; and the highest proportion of minority groups who are underrepresented both at middle- and upper-income levels and in good jobs with career opportunities. Heading off the spread of poverty among these groups and reversing the growing disparity of wealth and income are among the most important tasks facing our Nation. Community colleges are one of the keys to meeting these challenges.

Second, community colleges are taking on the huge task of “reskilling” America’s work force by helping literally millions of working adults develop higher levels of basic and technical skills. Success in this unprecedented challenge is essential if America’s workers are to earn good wages and if their employers are to compete in demanding world markets.

Yet, although community colleges enroll about 43 percent of our Nation’s undergraduate students (about 30 percent of full-time students), they receive only about 19 percent of State funds for higher education and only about 10 percent of Federal higher education aid (Koltai, 1993). A quick look at urban America’s elementary and secondary school enrollments reveals large increases in children from poor families who lack preparedness in basic skills. The pressures on scarce community college resources will not abate. Community colleges will need more support.

This essay briefly traces the emergence of community colleges as major components of our national educational, economic, and social endowment. It reviews how the missions of these 2-year institutions have evolved over time and profiles some essential facts about community colleges now. Much of the argument put forward here holds for all community colleges; many community colleges serving smaller towns and rural communities can rightly claim successes and challenges similar to those in our large urban centers. But because of my work over the past several years, I have focused here on the special challenges and opportunities facing urban community colleges, those colleges that confront daily the daunting problems of America’s urban centers when work disappears. This essay suggests strategies through which businesses and governments can help these unique institutions play a more effective role in urban areas. It also outlines some ideas about how these colleges themselves can take measures that will deepen their impact on urban centers.

A Brief Profile of the Community College

Community colleges—2-year institutions primarily offering associate degrees as the highest degree conferred and as focused on job training and economic development as on formal education—are, in comparison to older 4-year colleges and universities, relatively new in the United States. The first ones were usually private institutions, many of which started as 4-year schools and were forced to drop the last 2 years because of resource constraints. The first public 2-year institutions were established early in this century in California, Texas, Michigan, and a few other States. The concept spread gradually, and by the 1930s most States had laid the foundation for statewide systems. Each State system of community colleges has evolved out of unique requirements; each college has been shaped by different educational philosophies, governance systems, and funding approaches. Therefore, each school is a product of its own community, and to measure them by the same yardstick is difficult.

Enrollment grew faster in these 2-year schools than in the 4-year institutions, especially in bigger cities and especially during the years of the Depression when additional schooling was an alternative to unemployment. But the massive enrollment of World War II veterans under the GI bill led to rapid growth of community

colleges throughout the Nation, and in the 1960s when record numbers of baby boomers—the children of those veterans—left high school looking for postsecondary education, community college enrollment soared again. Four-year colleges could not handle the large numbers of new students; it was easier and cheaper to build new 2-year schools and expand their enrollment. During the 1960s and 1970s, literally hundreds of new 2-year colleges were established to accommodate this flood of new students. Many were placed in urban areas in direct response to the growing problems of urban unemployment and poverty. Between 1970 and 1983, while 4-year college enrollment increased by 22 percent, community college enrollment increased by 113 percent. Steady enrollment gains continued into the mid-1980s when the demographic bulge began to abate, but community college enrollment is increasing again in the mid-1990s. It will increase rapidly as the children of the baby boomers graduate from high school; move into young adulthood; and seek affordable, accessible postsecondary study.

A Few Facts About Community Colleges in America

- There are about 1,100 public 2-year postsecondary institutions in the United States, serving about 6 million students in credit courses and 5 million students in noncredit programs.
- Public community colleges enroll more students than public 4-year institutions, but more than 60 percent of community college students are enrolled part time (fewer than 12 credit hours per semester).
- The average age of the community college student is 30 years. More than 50 percent of those enrolled as full-time students also work full time or part time. Of those who are part-time students, about 66 percent work.
- While community colleges enroll about one-third of all students in all postsecondary study (public and private, graduate and undergraduate), about one-half of all minorities enrolled in higher education institutions of any kind are in community colleges, up from 40 percent in 1980.
- Average annual tuition and fees for public community colleges are only about 40 percent of those of average public 4-year institutions. The total annual costs per full-time student are about one-third those of their 4-year counterparts.
- Only about 30 percent of community college students receive financial aid of any kind. Because they attend less costly institutions, because many are part-time students, and because most work part time or full time, community college students do not qualify for much of the aid available to those attending more expensive 4-year institutions.
- More than 45 percent of revenue comes from the State government; about 20 percent from student tuition and fees; and the balance from private contributions, the sale of training services to businesses, and Federal aid.
- About 65 percent of the faculty of community colleges are part time. Just 20 years ago, that number was about 40 percent.

A Diverse Mission

The mission of community colleges has undergone very important changes during these years. In the first few decades of this century, the schools were aimed chiefly at relieving the burden of the 4-year colleges and universities by providing the first 2 years of education to students who would then transfer to the 4-year schools to pursue their bachelor's degree. These schools were known as *junior colleges*, and they were viewed chiefly as a feeder system for their senior partners. In the decades of the 1930s and 1940s, the schools came to be recognized for a second mission—providing occupationally oriented, postsecondary programs for students not planning to pursue a 4-year degree. In the 1960s this vocational mission expanded as a changing economy began to place a stronger premium on postsecondary occupational and technical skills. At the same time, a small number of southern States began linking their colleges directly to economic development activities by establishing programs tailored to new and expanding industries.

Degrees began to reflect this duality of mission. Community colleges award 2-year associate degrees as their highest degree, but these degrees come in two broad categories. First there are associate in science or arts degrees that are awarded to students who see themselves as baccalaureate candidates and who are expected to transfer to a 4-year program. Sometimes these degrees suggest job readiness to employers, but most frequently they are organized around the requirements of 4-year institutions, not direct employment. Second, there are associate in applied sciences degrees, which most students see as terminal degrees. These credentials are intended for those entering the work force, not the university, and because many modules are not transferable to 4-year programs, this degree may not transfer as 2 full years.

Community colleges also offer certificate programs that generally require a year of study but sometimes less. They are designed very specifically to qualify a student for employment in a given field or to provide the basis of taking certification exams. Finally, large and growing numbers of community college students are not interested in an associate degree or a certificate of any kind. They have very specific and customized personal competencies in mind that might be achieved by just one or two courses, or they may be simply exploring possible employment paths and opportunities.

The last several years have witnessed still another major threshold in the evolving mission of urban community colleges. America's economy has undergone wrenching change as markets have become global and foreign competition has intensified. New information processing and communication technologies have altered jobs in very dramatic ways. Businesses have responded by decentralizing, downsizing, shedding layers of management, and increasing their expectations for worker skills and flexibility. This response has had two profound impacts on community colleges. First, they have taken on lead responsibility for producing the highly skilled and motivated "renaissance technicians" demanded by employers in all economic sectors (usually credentialed as associate in applied science degrees). This has significantly increased enrollments in sub-baccalaureate programs. The most recent congressionally mandated assessment of vocational

education indicates that while vocational enrollments on the secondary level are still shrinking, they are sharply up at the postsecondary level. Second, community colleges have become the chief institutions in this country for reskilling tens of millions of adults already in the work force. They are providing ever-increasing amounts of personally customized training, for much of which degrees of any sort have little relevancy.

Perhaps of even greater consequence is new evidence that these profound economic changes have begun to influence the education and learning behavior of adults. After years of being told repeatedly that employment security is vanishing and that they must take more personal responsibility for their employability, adult workers may be listening and taking action. According to the National Center for Education Statistics, the adult worker group aged 35 to 54, which will comprise about one-half of the work force by the year 2005, is the fastest growing consumer of continuing education. In 1995, nearly 50 percent of this group took some form of adult education—up from just 17 percent only 10 years ago—and almost one-half of the courses they took were directly job related. Most of these adult workers are going to community colleges to pursue their continuing education.²

These four major trends—the latest dramatic increase in the number of young people leaving high school for postsecondary education, the increased demand from private employers for more highly skilled professional technicians, the need for many companies to retrain virtually their entire work force, and the new willingness of adults to seek more learning on their own—represent huge tasks of enormous consequence for community colleges. There is nothing “junior” about these institutions any longer.

Unfortunately, the more traditional responsibilities did not go away when these new challenges emerged. Many people still measure urban community colleges by how well they channel youth into postsecondary study and prepare them for 4-year institutions. And their very rootedness in their cities means that residents and local public officials expect the urban community colleges to be involved in all aspects of the social, economic, and civic life of the community and to be a common, integrating force, often in very diverse and divisive communities. Most urban community college presidents would agree that their institutions play four principal roles today.

- Providing a lower cost and more accessible alternative to the 4-year institutions for the first 2 years of postsecondary education for students on their way to the baccalaureate and advanced degrees.
- Offering occupational-specific and technical training programs with terminal associate degrees and certification for students not intending to pursue 4-year degrees.
- Helping local employers train their incumbent workers and managers in the skills demanded by changing business environments.
- Providing a hub for human resource, economic, and community development in the region they serve. They support local residents who want to explore new economic opportunities, update their work-related skills, or

pursue avocational interests. They serve as a resource and information center for community and business services. They find and catalyze opportunities for collective action among area employers.

Resolving the Tension Between Academic and Vocational Missions

There is bound to be some tension among the different components of this mission. Indeed, there have long been different judgments about the relative importance of the academic role of community colleges as a point of entry and a stepping-stone to 4-year baccalaureate education and the more vocational role of providing employer-certified, short-term, job-readiness training and terminal degrees for 1- and 2-year technical programs. These two points of view about priorities are especially important to urban communities, where the diversity of the student population and local employers challenge the flexibility of the college.

For many years, the barriers to higher education were seen as distance, cost, and the inability to make a full-time commitment. But during the 1970s many 2-year institutions, especially those in urban communities, were urged to treat deficits of previous education as a barrier to access. This was then used, appropriately, to justify policies of nonrestrictive enrollment and remediation and vastly expanded, comprehensive curricula. Because urban community colleges have been asked to serve such a wide range of students in the cities, they have tended toward a very wide range of programs, especially those of a vocational nature for students who have little expectation of pursuing a baccalaureate. Many young students enroll to explore career alternatives and decide what they want to do next with their lives. Local businesses—many of which are small and have no formal hiring criteria—have even less concern for degrees and credits. They want experienced job entrants who can step right into a job and exercise good judgment and problemsolving skills, and they want to upgrade the skills of their incumbent workers.

However, some have criticized this as vocationalism and have seen it as a diversion from the mission of giving underserved students the best opportunity to transfer to a 4-year college. These critics argue that, especially in the 1970s, many urban community college leaders lost interest in the transfer function and swung the pendulum of institutional resources toward remedial education and terminal vocational and technical programs. Those who hold this particular view of the urban community college worry that the push toward wider accessibility is not necessarily an avenue to opportunity but rather another obstacle to the baccalaureate at a time when, for a growing number of positions of influence and leadership, a 4-year college degree is increasingly a prerequisite. All community colleges have been subjected to this criticism, but urban institutions have come under sharpest scrutiny.³

Measuring community colleges as though their highest goals were to help students acquire 4-year degrees no longer makes much sense. In fact, one of the more interesting developments in community colleges is enrollment among those who already have their baccalaureate but who now seek stronger occupational and technical skills. The certificates and associate degrees are rapidly gaining

credibility and value among businesses. A person with an associate degree, for example, has double the chance of becoming a manager or professional as someone with only a high school diploma (Grubb, 1996). In 1990 an engineering certificate (usually requiring 1 year to complete) was worth 20 percent more than a high school diploma, and an associate degree was worth 30 percent more. In fact, if work is the first goal, community college programs make a great deal of sense. Growing evidence suggests that mastering a demanding community college technical program significantly helps to penetrate the labor market quickly and successfully, and upward mobility will be enhanced by further work toward the baccalaureate when the individual has the income stream to pay tuition. At the same time, community colleges are able to serve both people who are not sure what they want to do and enroll in order to explore career opportunities and those already in the work force who want specific skills to enhance their careers.

The diversity of the urban community college mission needs to be understood as a source of strength, not weakness. Indeed, given the vast span of backgrounds among urban students, there needs to be many avenues for student success. It is wholly appropriate to challenge the colleges to better themselves in all aspects of their mission, but the way to do that is not to set one against the other. Rather, it is to find the synergies among them: to understand how, for example, the transfer objective is enhanced by the closer links to practical economic opportunity and how academic and vocational strategies can be used to reinforce each other. Taking on these different roles is the essence of community colleges; this is what sets them apart from other educational institutions and drives their flexibility. In many urban centers, the diversity of mission also undergirds the unique capacity of these special institutions to be an integrating force in otherwise fractured communities.

Good News and Bad News

Now for the good and the not-so-good news. The good news is that many community colleges are meeting these challenges with distinction. Some are stumbling, but many others are exemplars of agility, flexibility, technical competency, and organizational efficiency that any private sector firm would be proud to achieve and few public sector organizations see as within their reach. In this essay, a few examples of high-impact undertakings are highlighted; there are many more.

The bad news is that the challenges facing these institutions are growing daily. The colleges are under-appreciated and many are too inadequately funded to continue to shoulder the burdens. They need more public and private financing, freedom from cumbersome administrative procedures and regulatory constraints, tighter links to employers in their regions, closer ties to emerging technologies and organizational improvements in America's leading firms, better partnerships with other groups in their communities striving for economic and social change, and help learning from each partnership and building on complementary competencies.

The Special Challenges Facing Urban Community Colleges

Nowhere is this good news and bad news more apparent and nowhere is it more important than in America's large cities. This is an especially challenging time to be on the staff or faculty of an urban community college or system of colleges that serves predominantly poor and economically disadvantaged communities in an American city. Of course, it was never easy, but it is even harder now. Community colleges cannot have a significant impact on the economy in our big cities if they focus only on successfully educating and training the students who make it to their doors. Without the ability to connect to growth and opportunity in the regional economy, urban residents are unlikely to develop high aspirations for education and training. Without such aspirations they will not commit to the difficult road of work and study that most community college students must travel. Without some vitality in the urban economy, employers will not get involved in the design and delivery of the occupational and technical programs that offer a pathway out of poverty for the urban poor. These facts place urban community colleges squarely in the business of economic development at a time when it is widely recognized that many urban communities are being left behind in America's uneven economic growth and there is little consensus about how to revitalize economically depressed urban neighborhoods.

Although some might disagree about the catalytic role of government in re-energizing inner cities, the need for private sector-centered, market-driven strategies is apparent. And here the assets of community colleges seem especially important. First, they usually have tight linkages with the employment community in the regional economy. More than most community-based organizations, community colleges know who the employers are and how to engage with them. Second, they are flexible organizations. Certainly more than any other educational institutions, and frequently more than most other public sector entities, community colleges can change and reconfigure their programs quickly and relatively inexpensively. Third, they are institutions of respect, legitimacy, and endurance in depressed urban areas where few organizations can claim these attributes. Fourth, their skilled faculty and administrators and their capacity for acquiring new skills and specialized capabilities quickly and frequently through consultants and part-time faculty show that they are already active in economic development. Finally, these institutions have a vested interest in the economic vitality of urban communities. If urban community colleges operate within a growing or revitalizing area, they will be more successful at attracting students and acquiring more resources.

The Loss of Jobs and Economic Vitality in Inner Cities

The prospects and possibilities of the urban community college are set in sharp relief against a brief review of the challenges that face America's big cities. Between 1950 and 1990 the average big American city itself lost as much as half of its population. Although the metropolitan region as a whole grew slowly, most of that growth was probably in the outer suburbs, well outside the city. Even more dramatic than the population shift has been the shift in wealth, income, and economic opportunity. More affluent residents have moved out and left the very poor

behind. Per capita income in the suburbs is probably 40 to 50 percent higher than it is in the city. Unemployment in the average big city is likely to be twice or even three times as high as the rest of the region.

Three decades ago, most of the jobs in most metropolitan regions were in the hub city. But now just the reverse is true—most of the jobs and almost all of the net growth of new jobs are well outside the hub city. Many employers relocated with the growth of interstate highways; their jobs are scattered along the outer beltways that were designed to route traffic quickly around, rather than through, congested hub cities. Government urban renewal programs sometimes contributed to the destruction of functioning communities and thriving local economies. Public housing strategies have also resulted in concentrated poverty and distress. And governments at all levels have created huge administrative and bureaucratic barriers to business investment in inner cities (U.S. Department of Housing and Urban Development, 1995). For example, well-intentioned environmental safeguards aimed at controlling redevelopment on old industrial sites that may have been contaminated have had a devastating impact on the pattern of industrial investment. Redevelopment of brownfield sites is often too expensive compared with locations in subsidized greenfields on the outskirts of cities.

As a result of these factors, business development and job creation in many cities, especially in the older residential and industrial districts, have virtually ceased. The only new jobs have frequently been those directly serving the central business district, and productivity changes and technological advancements have reduced the jobs in those areas that can be filled by the poorly educated and inexperienced. In some cities the downtown services sector has generated some job increases, but such jobs are generally low-wage and poorly connected to better paying jobs that offer a dependable path out of poverty. Most of the good central-business-district jobs require high levels of educational preparation and are held by commuters who come into the city from more affluent outer suburbs with better educational systems. Almost all regional economic development is occurring on the expanding fringes of these metropolitan areas. Many older industrialized districts located closer to residential neighborhoods are now virtually deserted. The civil jurisdictions near the core of the region are losing population, employers, jobs, and the tax base that will support good schools and transportation systems. Most immediately and dramatically, they are losing their connections to the regional economy. Perhaps 30 to 40 percent of the households clustered close to the center of many metropolitan regions do not have automobiles, compared with only 5 to 10 percent for the rest of the region. Given the limited public transportation systems in many cities, this means that commuting from poorer neighborhoods at the urban core to the good jobs at the outer fringes can be very difficult.

These harsh changes have a racial dimension. African-Americans in the region are four times as likely as whites to live in the decaying core of metropolitan areas. The proportion of poor African-Americans living in central cities rose from 38 percent in 1959 to 80 percent in 1991 (Wilson, 1996). African-Americans and Hispanics are four times more likely to live in poverty, live in deficient housing, and be unemployed. Many live in unsafe neighborhoods; the crime rate in the hub

cities is three to four times higher than in the suburbs. Income for white persons is nearly twice as high as for people of color.

The Link Between Education and Urban Unemployment and Poverty

The strong economic rebound of the past few years has begun to make a difference in urban unemployment and poverty. However, a close look at the structure of employment in our major cities reveals dramatic evidence of the importance of postsecondary education and underscores the pivotal role of affordable, accessible community colleges. John Kasarda's recent study of economic restructuring in major American cities documents huge job losses in industries in which workers averaged less than a high school education. This finding was only partly offset by increases in those jobs where most workers had more than 13 years of education. Within inner cities, jobs for less-educated workers have declined dramatically; most of those that are available offer very low pay (Kasarda, 1995; U.S. Department of Housing and Urban Development, *op. cit.*).

The level and quality of education and training has always made a big difference in people's standards of living, but the current educational bias is huge and the economic consequence of poor skills is cruel. Good jobs are increasingly dependent on high skills; more than ever before, people with better education and higher skills do much better relative to unskilled workers. An overwhelming majority of recent efforts to explain this growing division in earnings and wealth has found that the relative differences in education and skill account for the largest share of that division. Some people do well and others do not, largely on the basis of their education and work skills (Murnane et al., 1995).

The problems endemic to public education in larger U.S. cities have been well documented and are depressingly familiar. With low levels of educational achievement and poor work skills, poor inner-city residents have access only to jobs that pay the minimum wage or slightly more. Moreover, those who hold low-wage jobs are increasingly detached by economic relationships, transportation systems, or social connections from the better paying jobs that might become available with enhanced experience and work skills.

It used to be that relatively inexperienced and unskilled individuals in big cities could start work at the lowest wage level with area employers, often urban manufacturers, with the expectation that they could gradually climb the rungs of a clearly defined job ladder toward higher paying jobs that came with more experience and skills. In fact, in the 1940s, 1950s, and even well into the 1960s, the chance to work for one of the firms offering these career ladders drove much of the migration to America's big cities. In today's economy, however, most firms have eliminated internal career ladders. Those few job ladders that remain have far fewer rungs, and they are more widely spaced. Moving up them requires a huge increment of skill and experience, often represented by credentials such as an associate degree.

If we had no community colleges today, the creation of flexible, affordable, and accessible institutions of learning and skills development that could reach out to

both businesses and poorly trained individuals in urban areas, integrate diverse cultural and economic pressures, and play an enormous role in stimulating inner-city business development would most assuredly be at the top of our list of national priorities. In fact, of course, these institutions are in place and at work. Community colleges are having a major impact on the problems of urban America. With more help, they could play an even more important role.

Hallmarks of Best Practices in Urban Community Colleges

Perhaps the best way to appreciate the potential of urban community colleges to help alleviate the problems of joblessness and economic stagnation in our big cities is to see what they do at their best, to review some of the best practices underway among them. Later in this essay I will balance this overview with an examination of some of the tough challenges they face.

Community College-Business Partnerships

Almost all business owners I have talked with in recent years have told me of serious problems they have encountered in recruiting high-skilled workers with the right technical qualifications and in finding entry-level workers with the foundation skills and work-related behaviors necessary for successful employment. To some extent this tight labor market results from smart economic policies that have promoted solid business growth and job creation. But it also reflects our inability up to now to tap the economic potential of all while leaving no one behind. We still have far too many unemployed and underemployed people in economically depressed urban neighborhoods; we must do a better job of pulling them into the economy.

Urban community colleges have the potential, especially in close partnership with employers, to meet this challenge. For example, in cooperation with employers the colleges can build training programs that link low-skilled jobs to higher skilled and higher wage ones, establishing pathways out of low-end jobs toward the higher wage opportunities that attract jobseekers trying to support families.

A good example of how these partnerships benefit the colleges, the corporations involved, and inner-city residents is the relationship between Johnson Controls and the Community College of Denver (CCD). In October 1995, they entered into a partnership under which Johnson Controls donated building systems control materials to CCD to build a new training facility at its downtown campus. This facility incorporates a state-of-the-art facility management and control system and an advanced controls laboratory. It now houses the Johnson Controls Institute. For 30 hours each week, Johnson Controls uses the facility to conduct customer and employee training. The lab also serves as a highly accessible sales demonstration center.

On its part, CCD is incorporating the Johnson Controls course curriculum into its environmental and refrigeration technologies program. It has created a certificate program in advanced control technologies and is awarding credit toward related associate degrees. Johnson Controls' customers and employees who take courses

from the Johnson Controls Institute receive credit for courses completed. CCD students have access to some of the most up-to-date environmental controls and management training facilities in the world. Because the program is located at the downtown campus, it is accessible to residents of inner-city neighborhoods who typically have limited access to high-technology, high-wage employers such as Johnson Controls. In Denver those residents now have an inside track toward employment with Johnson Controls and similar companies when they finish their course requirements.

Other corporations have partnered with community colleges to gain some measure of control and predictability over the skills of new workers and to gain access to training centers for upgrading the skills of current employees. For example, many of the large automobile and trucking companies, construction equipment manufacturers, and other major firms have created “schools” at particular community colleges to assure that new technicians have received specialized training and that existing workers can upgrade their skills.

A few years ago, several of America’s largest and most respected firms entered into a consortium to pool many of their supplier-focused training programs. The Consortium for Supplier Training (now consisting of Chrysler, Texas Instruments, Motorola, Xerox, Kodak, Texaco, SEMATECH, and Bayer) has entered into partnership arrangements with several community colleges around the country—such as Dallas County Community College—to deliver these training programs to suppliers located near the schools. This partnership has allowed the big firms to distribute supplier training much more widely than if they had used their own training resources. In addition, it gives the community colleges far tighter linkages and deeper familiarity with the strategic and technical issues deemed critical to these very successful firms. The partnership enhances the community colleges’ reputations and visibility as institutions of high-level training and allows their students to connect with potential employers and profit from the technologies and business strategies embedded in the training programs.

Firms in the services sector can also benefit from these community college partnerships. A new program at the Metropolitan Community College of Kansas City (MCKC) is aimed at the training of customer service representatives, one of the fastest growing service occupations in the Nation. These customer service representatives typically work out of call centers—large facilities in which the workers can handle hundreds of calls a day from around the country. Kansas City boasts 21 call centers, some of them very large employers, across its metropolitan area. To meet the needs of these centers and alleviate the high rate of unemployment in some urban neighborhoods, MCKC has started a call center training program to provide introductory training to entry-level workers and customized training to existing workers. The program has been funded by grants from several large companies, including AT&T, which provided the switching equipment. MCKC is confident that it can guarantee anyone who completes the training a job in one of the area’s call centers. In addition, the project will stimulate enhanced technical training for high-wage jobs in telecommunications technologies.

Portland (Oregon) Community College (PCC) has developed an especially creative partnership with Wacker Electronics to provide job training and employment to residents of a distressed area of the city. Wacker is a large micro-electronics manufacturer with about 1,500 employees located across the river from one of Portland's more distressed areas. Both the plant and the neighborhood are in a U.S. Department of Housing and Urban Development (HUD) Enterprise Zone. The manufacturer has had a serious problem recruiting and retaining employees and has suffered a huge and very expensive turnover rate among entry-level workers. Finding and keeping good employees during plans for a plant expansion has made new training strategies a top priority. As part of its Enterprise Zone location, Wacker is committed to hiring at least 50 percent of its new workers from the zone. In order to meet its training needs, Wacker and PCC developed a school- and job-based training program that concentrates on both industry-specific and general problem-solving skills. When a trainee commits to the program, he or she immediately becomes a Wacker employee. This means the student is paid during both the classroom and on-the-job training portions of the program prior to assuming full-time work. More than 500 individuals have begun the program and, to date, 400 have completed it and become full-time Wacker employees. The project began with an initial grant from the Oregon Department of Economic Development, but now Wacker funds the entire program. It seems to be a smart investment; the company estimates a 60-percent savings in training costs.

There are many other examples of these partnerships between businesses and community colleges. It is an obvious alliance with benefits for both. Industry needs a dependable source of training for current employees and new entrants with strong technical skills. Because the colleges are flexible institutions respected in the urban communities as a means to a good job and a pathway out of poverty, they are able to reach out to the underemployed in urban America in a way private firms alone cannot. Yet these partnerships in urban communities have not been tapped at anything resembling their potential. They have been very popular with community colleges already serving rapidly growing suburban areas where new business development and expansion are well underway. But fewer examples can be found of partnerships between major corporations and community colleges serving depressed inner-city neighborhoods with less business vitality.

In today's tight labor market, our urban centers are among the few places where potential workers still outnumber available jobs; in fact, our inner cities house hundreds of thousands of individuals who are still unemployed or underemployed. Enormous payoffs can be reaped from creative partnerships between companies willing to invest in the preparation of new workers and urban community colleges that have strong records of accomplishment in remediating basic skills and equipping students with technical and occupational proficiencies. Firms that have not examined the potential of these strategic alliances with urban community colleges are missing out on a very safe bet.

Work-Based Learning Opportunities

Work-study programs, internships, and cooperative job slots can make an enormous difference in the attractiveness and quality of education for those who need

income while working toward a degree. Imagine the positive signals that would emerge in a community where the area employers agreed to hire only those young people and adults who had, or were actively pursuing, a community college degree or certification. Imagine as well a community college system where jobs (most community college students have jobs) are directly tied to education and used to develop and reinforce educational competencies.

LaGuardia Community College in Queens, New York, requires all candidates for an associate degree to spend at least one semester in a cooperative job or internship with participating employers. For many of the students, these work-based learning experiences not only provide them with income and an opportunity to apply classroom learning and develop new skills, they often lead directly to a permanent job with the employer upon completion of the degree program. Employers, in turn, are able to recruit motivated new workers who are committed to further development of their skills.

The Community College of Philadelphia (CCP) has joined with the city's high schools, the Ogontz Avenue Revitalization Corporation, several other nonprofit organizations, and area manufacturers to create the Learning Enterprise Alliance (LEA). LEA consists of three educational centers working together in employer-driven education and training programs that help young people develop technical skills for specific industry clusters. Inspired by the highly regarded Project Focus Hope in Detroit, the program will begin with an effort to produce skilled workers for the precision manufacturing sector, where a critical shortage of skilled machinists threatens the competitiveness of several important employers. A 10-week Enterprise Prep School will bring students' basic mathematics, communication, and computer skills up to a basic level at which entry-level employment and further technical training become feasible. An Enterprise Technology Center will then help shape specific, industry-recognized technical competencies that will lead to career job opportunities. Graduates of these programs and other qualified workers can then move into the Enterprise University Center where they can pursue degree work at the associate, bachelor's, and master's levels.

Throughout LEA's three tiers, work assignments will form a critical element of the educational and training process. Community organizations assume the lead in recruiting students and providing support systems such as mentoring, counseling, financial aid, and daycare. CCP has the lead role both in designing the program of education and training and in ensuring that program participants receive the academic and industry competencies that will promote career mobility and progress toward high-wage jobs. As it builds toward success in precision manufacturing, the program will be expanded into other sectors of the regional economy.

Colleges Building Multi-Firm Cooperation

Community colleges also have the ability to knit together the discrete needs of small companies in pursuing joint solutions to common human resource problems. In Wisconsin, Madison Area Technical College has joined with other groups in the area to embark on an innovative program to create community career ladders—business- and community-recognized career transition steps for workers. These steps are governed by groups of related employers with

complementary occupational needs, facilitated by a system of credentialing for experience and skills, and supported by education and training institutions and public labor-market services. This strategy would create anew the job ladders that many larger employers once used and that provided a way for new, low-skilled job entrants to start near the bottom of the labor market and steadily work their way up to higher paying jobs that could support their families.

If successful, this strategy would enable a low-skilled worker in Madison to accept a low-wage job that represents not a dead end, but a start up the rungs of a career ladder supported by several firms. If these career ladders are supported by credentialing and training services, the firms at the first tier who employ people at lower wage jobs benefit from better recruitment opportunities, lower turnover, more committed employees, and help with training. Firms that can provide higher wage jobs in higher tiers would have both a system to guarantee the skills and job behaviors of their recruits and greater incentive to invest in developing the skills of these workers.

In today's decentralized, niche-oriented economy, many smaller, specialized firms cannot achieve appropriate economies of scale when training their workers. These small firms have been unsuccessful at finding similar firms and developing common solutions. Most firms, especially the smaller ones for which time is the most precious asset and associative skills are the most underdeveloped, have been unable to find opportunities for collective action. Community colleges can act as a catalyst for brokering joint training programs among regional firms with similar needs. Because they know and work with many of these firms individually, the colleges can pull them together to gain economies of scale and reduce the unit cost of training.

In San Francisco, City College (a 2-year institution) has joined forces with the garment contractors association, San Francisco fashion industries, and the needle trades union to establish Garment 2000—a consortium of apparel firms working together to modernize the industry. These firms have large numbers of employees from economically depressed communities throughout the San Francisco metropolitan area. They are under intense pressure to move rapidly to higher value and higher quality production through deploying new technologies, adopting advanced business strategies (such as “just-in-time” production systems), and building new relationships with retail outlets. Working with the firms, City College has developed a teaching factory to demonstrate new apparel technologies and business practices and to train workers and managers in their use. The college provides a central facility that has helped organize the firms to do together what they could not have done separately.

Sometimes community colleges form partnerships among themselves to work with business. In 1994 the Philadelphia Naval Base and Shipyards was faced with imminent closure, meaning the loss of 5,000 jobs held by long-term employees. No other big employers were ready to step into the gap, and a gigantic retraining effort was necessary to give the workers the chance for new jobs that they deserve. The community colleges of the region are trying to do just that. Community colleges in Philadelphia; Delaware County; and Camden, New Jersey, have entered into an alliance with Drexel University to create a central education and

training institution called Shipyard College. Backed by the city of Philadelphia, the National Science Foundation, the U.S. Department of Defense, and the Philadelphia Private Industry Council, the college provides a framework for a shared educational system: common registration, tuition, and accounting procedures; seamless transfer of credit among member colleges; articulation of courses on and off campus; shared resources and advisors; and very flexible, nontraditional class scheduling.

This strategy of working closely with area employers for customized training pays off in local support for the community colleges involved in such initiatives. Just a year ago, for example, Maricopa Community College, which serves the Phoenix metropolitan region, convinced county voters to approve a \$385 million bond issue for a capital expansion program that will increase the property taxes of the average homeowner by \$15 a year. The bond issue carried even in Sun City, the Nation's largest retirement community, and even though voters turned down bond proposals for new freeways and mass transit. According to many observers, the critical element was the overwhelming support from the business community, which successfully made the case for investments in technical education and job training to support the region's growth.

Community Colleges and Public Housing

Among the most exciting innovations in the past few years is HUD's Campus of Learners program—a special partnership between community colleges and public housing authorities. This program supports the reinvention of public housing, transforming it from a place where those too poor to afford independent housing are warehoused to a temporary community where families can live and learn while developing the skills for economic self-sufficiency. Each public housing complex can become a campus for learners, similar to the dormitories or family housing found on traditional college campuses. Families seeking to live in these communities would be subject to rigorous screening and high expectations for their commitment to work and learning. They would receive special help in developing work behaviors, skills, and educational competencies and would be expected to move on when they had attained their education and training objectives and found permanent housing.

This is not just a wishful vision of what public housing might be. In communities like Denver, Colorado, and Hartford, Connecticut, the vision is beginning to happen. The community college is at the core of this transformation. In Denver, for example, North Lincoln, a fully rehabilitated townhouse community operated by the Denver Public Housing Authority, is located just across the street from the downtown campus that CCD shares with other institutions of higher education. CCD offers residents of the North Lincoln Campus of Learners full access to a wide range of basic skills development, including general equivalency diploma (GED) programs, certified vocational training, and degree-oriented technical preparation and transfer programs. In family learning centers scattered throughout the residential campus, adults and their children have access to computer literacy programs and computer-supported training programs. Assessment, counseling, and tutoring services are available. Case managers and administrators in North Lincoln are treated as adjunct faculty at CCD.

At Charter Oak Terrace, Hartford's largest public housing community, each prospective resident is asked to join a family self-sufficiency program that establishes firm goals for training and education for each member of the family. Capital Community-Technical College, working in partnership with other area educational institutions, provides GED, basic skills, and job readiness training. Although the program has been underway for less than 1 year, several residents have already taken and passed certificate programs in such areas as lead and asbestos abatement and construction and have been placed in jobs.

Community Colleges and K–12 Education

Community colleges are rooted in the neighborhoods they serve. This means that they have special knowledge about these communities and have formed relationships with other institutions that serve them. For example, almost all community colleges are familiar with the local secondary public school systems. College presidents have regular meetings with superintendents of the K–12 systems and their high school principals and guidance counselors. In most of America's large cities this communication promises a far more seamless connection between high schools and community colleges with regard to career exploration and course offerings.

Some large urban community colleges actually operate high schools. In 1974 LaGuardia Community College created the first experimental high school within a community college, and its model has been widely replicated by other community colleges across the Nation. Known as *middle colleges*, these schools are as different as the colleges that house and administer them. But unlike most of the university-administered high schools that serve especially gifted students, these middle schools usually cater to the at-risk students who would seem among the least likely to be on a college campus. In some of the harshest inner-city neighborhoods of Chicago, New York, Boston, Dallas, Los Angeles, Memphis, Flint, Seattle, and several other cities, these middle colleges offer a second chance for youth who have not succeeded in conventional public high schools and provide a demonstration seedbed for educational innovation.

In east Los Angeles, the community college has developed special after-school and weekend programs for students from two high schools, two junior high schools, and an elementary school. The programs have had an impressive effect on the mathematics, science, and communication skills of the youth involved in the programs. Maricopa Community College, which serves the greater Phoenix metropolitan area, operates an alternative high school for youth who have already encountered the juvenile justice system, a vocational high school for youth with a special interest in technical careers, and a new charter high school that experiments with innovative approaches to public education. New articulation agreements in place with the traditional K–12 system mean that every high school student in Maricopa County will take at least one college-credit course before graduating.

Building Coalitions With Community Organizations

Community colleges also have developed strong partnerships with community-based organizations that pursue business development, housing development, and job development programs in severely distressed neighborhoods. The Community College of Allegheny County in Pittsburgh provides office space and facilities to an employment training and job placement program run by the Homewood-Brushton Revitalization and Development Corporation. The community organization in turn bolsters the efforts of the college to recruit students from nearby neighborhoods. In the West Oak Lane neighborhood of Philadelphia, CCP established satellite teaching programs at the Nia Center. Those programs help to anchor a multipurpose community center housed in what just a few years ago was a long-abandoned former school building, home only to junkies and crack dealers.

Urban Community Colleges Face Tough Challenges

The examples cited above are good stories of innovative practices and creative solutions to urban problems. Many urban community colleges, however, have important shortcomings and all face serious challenges. When I talk to the chancellors and presidents most respected by their peers, they offer remarkably similar diagnoses. Urban community colleges need:

- To acquire more money and new ideas about how to increase it.
- To gain flexibility by specializing and by learning to collaborate with other specialized institutions.
- To find better strategies and tools to measure success.
- To do a much better job in counseling their students.
- To become even more deeply involved with businesses and economic development strategies.
- To work together to develop stronger leadership and improve executive management.

Money

For some community college leaders, the best strategy to deal with these shortcomings and challenges is to acquire more money. And, in fact, most do need more public support. Although they are eligible recipients of both the vocational and higher education acts, no Federal legislation has ever been passed specifically for community colleges. Among the quick facts about community colleges summarized in the introduction to this essay is a reminder that while about 43 percent of undergraduates in the United States (about 30 percent of full-time students) are enrolled in community colleges, only about 19 percent of State funds and less than 10 percent of Federal funds for higher education go to community colleges. Students in urban community colleges are hardly homogenous in ability, cultural outlook, or aspirations. They are often uninformed about career choices and unsophisticated about course and program selections. Huge numbers of them are unprepared by their elementary and secondary education to do college-level work or to achieve the basic competencies expected by employers.

Remediation and counseling, integral parts of the community college's mission, are very costly.

Of course, community colleges are not supposed to be expensive, especially in comparison with research universities. If they become too expensive, high embedded costs will rob them of the flexibility that is the core of their competitive advantage. Still, their tasks are growing in scale and complexity, and an exploration of how—and how well—we finance them is necessary.

The mid- to late 1980s were a time of retrenchment for many community colleges, and State budget increases leveled off or, in some cases, actually declined. The relative economic prosperity of the past few years has loosened the purse strings only slightly. A few States, such as Missouri and North Carolina, have made sizable increases in their support for community colleges, but most community colleges will have to learn how to do more with less while retaining their historic responsibility for being accessible and affordable. This means diversifying their revenue sources by expanding business partnerships and aggressively exploring corporate and private philanthropy.

It does not seem either feasible or desirable to expect that most younger students will pay an increasing share of the cost to attend a community college. In fact, some States at the high end of the tuition cost spectrum may find it necessary actually to reduce their fees. Massachusetts, whose fees rank highest among all States for community colleges, is considering a second year of tuition reduction. Conversely, working adults seeking to return to college for new job-related skills may be able to pay a higher share of the cost of these courses than they have in the past. This raises the possibility of community colleges adopting a sliding scale for tuition and fees, charging less to lower income students than to those who can afford to pay more.

Specialization and Collaboration

In the private sector of the economy, tough international competition, increased demand for customized and high quality products, and the growth of segmented or niche markets and rapid advances in flexible technology, all coupled with the imperative to keep costs down (all trends that would resonate with community college presidents), have led many firms to pursue a business strategy that includes specialization and collaboration. These firms find they cannot be all things to all customers. They have to concentrate on improving their special core competencies and then, when a wider scope of product or service is required, they must learn to collaborate with other specializing firms. Firms that can combine their complementary competencies can do very well in today's demanding markets. Other organizations have learned from these lessons. Even government agencies are reinventing themselves through specialization and collaboration.

Unfortunately specialization and collaboration are strategies that most urban community colleges find difficult to pursue. They face limits to flexibility and disincentives to specialization, sometimes of their own making, but often imposed by State legislation or city regulations. Perversely, the absence of competition sometimes leads to a failure to cooperate. Some urban community colleges eschew

competition with schools in adjoining regions and enter into agreements to stay out of each other's territory. A consequence can be that there is little incentive to specialize, and therefore little reason to cooperate with other specializing institutions.

Many community colleges have defined areas of expertise and are unable to deliver programs outside that area. This means that these institutions are expected to meet all the needs from within their service area, but that they often do not see themselves as capable of specializing around a limited set of core competencies. They are frequently the only public postsecondary option for huge numbers of potential students and the only reasonably priced job-training source for small businesses. Unless the colleges are prepared to facilitate access to the specialized capability of other colleges for example, it is hard to inform a growing biotechnology cluster that the local community college has decided not to develop competencies in biotechnology training. It is even harder to tell students interested in a career in microelectronics, for example, that this discipline is absent from the core specialties of the community college.

Yet the college that seeks to be all things for all customers may find that it serves all of them poorly. The challenge facing community colleges and their governments is to figure out how specialization and collaboration can optimize their most important asset: their flexibility to respond with speed and agility to new problems and opportunities.

Measuring Success and Improving Retention

Most community colleges have done no better than their 4-year counterparts in developing hard data about student outcomes and successes. The real test of the community college impact is what happens to the earning power and employment opportunities of students who complete programs of various duration and intensity. Unfortunately, few schools have developed the capability to assess these outcomes. That fact makes it difficult for community colleges to argue for increased public funding. It makes it almost impossible for any particular school to claim that it does a better job in a particular program than any other school. The California legislature recently has required its community colleges to upgrade their student assessment effort by collecting and analyzing data that can document student success. The institutions must give higher priority to evaluation and impact analysis based on student success.

Combined with the issue of student success is the matter of student retention. In all community colleges, but especially in large urban ones, too many students leave before completing coherent programs of study. Just as at every other level of schooling, the students report that they leave because they do not see enough connection between their studies and their objectives. The tie between retention and context-based learning needs to be developed further; students need to have a clear view of employment at the end of their course of study and they need to see feasible and obtainable thresholds that assure them that they are on the right path. Anyone who has witnessed 40-year-old men and women taking biology and mathematics in preparation for a nursing program cannot fail to be impressed with the commitment with which these students work together to help each other when a clear goal is visible.

Counseling and Advising Students

Community colleges have failed to counsel and advise their students, which should be expected of institutions serving populations of low-income youth, underemployed adults, ethnic minorities, and immigrants. As noted above, many of these students have not had adequate preparation at the secondary level; many come from families with weak attachments to the world of work and underdeveloped connections to people and places where they might find good career advice. The 2-year colleges that reach out to these students must more effectively help them understand their career choices and make the education and employment decisions that will support those choices.

Community colleges should be encouraged to take the lead in their areas to develop communitywide clearinghouses for information about education, training, and jobs. The common term for this is the *one stop shop*, a single entry point for a business or individual who wants information about, or access to, education and training opportunities. But equally important, the college should serve as a clearinghouse for students to find jobs. Too many colleges have weak placement offices that devote more time to finding part-time work for students than finding full-time jobs for graduates. Compared with most universities or even with high schools, student counseling and placement services are quite weak in most community colleges. The students themselves at many community colleges acknowledge their need for more help to make decisions about courses, programs, careers, and jobs.

Economic Development

The potential of community colleges to provide aggressive leadership in urban economic development has not yet been fully explored. Most frequently, the role of the urban community college is seen as limited to the supply side of education and training strategies—helping prepare people for good jobs or for further postsecondary education at the baccalaureate level. However, strong evidence argues that community colleges can be powerful institutions for stimulating job growth by working on the demand side—helping entrepreneurs develop new business opportunities, helping existing businesses become competitive, serving as a hub for area firms to develop collective solutions to common problems, helping those businesses develop human resource policies that are more favorable toward less-advantaged local residents, and connecting urban dwellers to growth and vitality in the regional economy.

Two-year colleges that want to make a bigger difference in stimulating business growth and job demand in the urban economy have to become players in private sector-based collaboratives that pursue urban growth strategies. This means they need to work very hard across several dimensions to:

- Understand the structure and performance of the regional economy and the inner-city subeconomies.
- Identify key business clusters whose strengthened performance will drive the regional economy and improve conditions in the inner city.

- Help firms find ways to support collective action.
- Provide services to firms in these business clusters that will contribute to their business success, produce trusting relationships, and influence human resource strategies.

Leadership

When individuals most knowledgeable about urban community colleges are asked what single factor is most responsible for the fact that one college succeeds while another declines, they almost invariably respond that it is leadership. The personal qualities of the chancellor or president and the continuity and commitment of governing boards seem to be the most important attributes of this leadership. Over time, the quality of faculty and staff is directly related to the strength and consistency of community college leadership.

These are enormously responsible positions. Several urban community college chancellors run enterprises that educate more than 100,000 credit-seeking students annually and serve far more with noncredit programs on campus and in offices and factories. These large urban systems have several hundred faculty members and many employ more than 1,000 people. They have huge physical plants and millions of dollars worth of equipment and educational technology. The positions of chancellor and president demand managerial skills, strong vision, intellectual clout, and charismatic leadership.

Keep in mind that the administrative leadership and governance of community colleges is sharply different from that of 4-year colleges and universities. The formal authority of the community college rests in appointed or publicly elected boards that are seen almost as politicians and are held accountable to the individual needs of specific communities. In addition, community college leaders are less rooted in academic traditions and more likely to have skills similar to those of other urban administrators.

To their credit, community colleges have recognized the importance of leadership and responded with several professional development and leadership institutes. They have initiated special efforts to develop leadership skills in women and ethnic minorities, and it is paying off. The racial and gender diversities of community college chancellors, presidents, and high ranking staff are strikingly wider than those of similar officials in 4-year institutions and most other public organizations (to say nothing of private enterprise).

A national coalition of 2-year colleges serves the Nation's major urban centers. Twenty-one urban college systems have created Renewal and Change 2000 (RC 2000), a group that grew out of an Urban Colleges Commission created in 1994 by the American Association of Community Colleges. RC 2000 is a forum for presidents and chancellors to meet twice a year for discussion and joint consideration of the special challenges and opportunities that face major urban institutions.

Helping Community Colleges Convert Best Practices into Common Practice

What are the strategies that will help urban community colleges overcome these barriers to greater achievement? How can they convert the best practices programs and strategies of some colleges—many of which I have mentioned in this essay—into common practice in all the colleges? Although many colleges are making significant contributions to their local economies, too many innovative approaches are too new and small in scale to achieve their promise. What can we do to support and encourage improvement? Again, strong, knowledgeable administrators have reached a consensus.

Moving Shadow Colleges Out of the Shadows

At the same time that the status of the associate degree is rising among employers, demand for noncredit skill upgrading, technical consulting, and special services is increasing. If colleges are to respond quickly to industry, they cannot be hamstrung by bureaucratic red tape or administrative regulation. The most innovative noncredit programs are organized either at the periphery or just outside the traditional college, sometimes even as separate, nonprofit entities. These entities are sometimes called *shadow colleges* to signify their distinctive nature. Most community colleges have organized business and industry services programs outside the framework of the more traditional institutions.

These programs have grown up in the shadow of the formal institutions because many of the colleges themselves are subject to funding formulas, program and course approval procedures, labor agreements, and other requirements that deny the flexibility and agility necessary to respond quickly to the needs of firms and their employees. If, as I have argued here, flexibility is the most important asset of the community college, it is time to take a hard look at these restrictions.

Expand Technology Use

The growing applications of telecommunications and information processing technologies have already made major changes to the ways in which community colleges work. But compared to the technological changes that will occur during the next several years, these recent developments are still modest. To date, the major application of these technologies has been in distance learning, a subject of perhaps greater relevance to rural community colleges facing huge problems of geographic dispersion than to urban institutions whose market is more concentrated. But the newer applications of this technology are focusing around *asynchronous learning*.

Whereas traditional distance learning courses overcome physical distance by offering students classes away from campus, asynchronous learning overcomes both distance and time hurdles. It makes feasible the creation of a course structure that allows students in different locations to receive instruction at different times—so-called “anywhere, anytime” education. Combining interactive, computer-based hardware (such as CD-ROMs and Internet servers) with advanced

software, workers “attend” classes when and where their schedules allow. Electronic mail and news groups facilitate the creation of “classrooms” where students can communicate with each other and their instructors, eliminating the isolation and passivity usually associated with computer distance learning. Community colleges will need help to master this technology.

Target Clusters

Because community colleges are basic building blocks in local production systems, their curricula ought to reflect the needs of those systems. That means colleges ought to acknowledge and support regionally important clusters by ensuring a steady stream of skilled and motivated entry-level workers and providing skill upgrading and specialized technical services. Macomb and Wayne State community colleges in southeastern Michigan serve the automobile industry and have developed strong specialized competencies that reflect the special needs of that industry. Foothill-DeAnza Community College in Silicon Valley provides microelectronics engineers and specialized technological services that the computer industry needs. The Miami-Dade County community college system has encouraged its colleges to specialize around the needs of the several occupational clusters important to the regional economy. This is not to suggest that colleges should seek to serve only the dominant industries in their region. However, if they are not adept at anticipating and meeting the needs of those firms most important to the growth and vitality of their regional economy, they will not be able to develop the capacity to serve the needs of others.

Forge Alliances

Successful urban community colleges have formed a variety of alliances with other colleges, universities, and community organizations to rationalize and coordinate their programs and services for the students and businesses they serve. Milwaukee Area Technical College helped establish a teaching factory called Riverworks through formal working relationships with three community development centers and a group of businesses.

The community college is only one of a multitude of public and private providers of education and training. Many job-training programs offered by vocational centers, proprietary schools, and community-based organizations often duplicate or overlap community college programs. A recent General Accounting Office report identified 163 distinct Federal programs alone that support education and job training (U.S. General Accounting Office, 1995). This confuses those people seeking training and supports accusations of waste. Partnering with these other programs might mean relying on some of their special competencies while the college gradually evolves from being a vertically integrated producer of all education and training services to being a specialized broker of some services.

Balance Occupational and Academic Studies

To respond to the continuing criticism that occupational programs are too narrow in scope and neglect the full education of the student, community colleges ought to better integrate vocational studies with liberal arts. This can be done efficiently

and effectively by designing liberal arts courses within the context of a technical topic or by combining both technical and general courses into integrated curriculum clusters. For example, San Diego Community College uses clusters called City Blocks. One such cluster, on the history of technology in the workplace, combines history, English, and computer information science.

I noted earlier in this essay that community colleges have developed associate of arts or science degrees chiefly around the expectations of 4-year institutions and associate of applied science degrees and certificates chiefly around the expectations of employers. But many critics are beginning to question this fundamental division, wondering whether there is as much real difference here as some would suggest. Perhaps the skills needed to be successful in the kinds of careers for which community colleges are especially good are not that much different from those needed in careers that historically have required a bachelor's or advanced degree. In any case, few will deny that as the concept of lifelong learning takes further hold, the need to balance academic and vocational instruction gains importance. I believe this is especially significant for community colleges in America's big cities where many people depend on the affordability and accessibility of community colleges and where such wide diversity of needs and interests can be found.

Keep Taking Risks

One of the things I have learned from the administrators of urban community colleges is that no one program has everything right. Urban community colleges face huge challenges, and none of us knows the solutions to all of them. Some of the lessons beginning to emerge that might make a difference have evolved out of the willingness of some institutions to take risks. Community colleges must continue to be institutions that nurture risk takers. We cannot let a drive toward accountability reduce the willingness of urban community colleges to continue to experiment and take these risks.

Conclusion

I have argued here that urban community colleges hold the potential to help surmount the challenges of poverty and joblessness that sap the vitality and further economically depress neighborhoods in many of America's big cities. I have offered several examples of how, at their best, these flexible, affordable, and accessible 2-year colleges are making a huge difference by giving people the skills and the aspirations for economic success and by helping businesses improve their ability to compete. I have suggested a few strategies that might help more urban community colleges achieve the best practices of a few.

I think the Federal Government could do more to help, but the Federal role must be one that peripherally supports community colleges. Cabinet departments can rethink programs of education aid and job training—such as the public housing programs and Empowerment and Enterprise Zones at HUD—that might be failing to leverage the capacity of community colleges. Federal agencies can support demonstrations and pilot projects. President Clinton and other Federal officials

can continue to use their voices to sharpen public awareness and increase the visibility of community colleges.

In addition, President Clinton has proposed a series of important initiatives aimed at making postsecondary and continuing education more affordable for youth and adults. The Hope Scholarship Plan would provide a \$1,500 tax credit for students in their first 2 years of postsecondary education. In addition, the President has suggested that all taxpayers receive a deduction for the cost of college education up to \$10,000 and has recommended both an expansion of Federal aid for work-study programs and a major commitment to greater technological literacy for America's schoolchildren. If these proposals gain congressional support, they will have important beneficial impacts on community colleges.

Most of the responsibility for strengthening urban community colleges lies in the State capitols and the cities that fund and govern these institutions and with the business community whose access to skilled workers and technical support significantly depends on large, urban-based community colleges. I am especially intrigued by the possibilities for more and stronger partnerships between urban colleges and groups of employers. I believe in the power of employment to attract low-skilled people from economically depressed urban neighborhoods into education and training programs where they can begin to develop their economic potential. Urban community colleges represent our best hope for reaching that goal.

Notes

1. The Department wishes to acknowledge the contributions of Barry Bosworth and Stu Rosenfeld of Regional Technology Strategies, Inc., for making this essay possible.

The term *community college* is used here to represent all postsecondary institutions—including junior colleges, technical colleges, technical institutes, and technical branches of universities—that offer as their highest degrees sub-baccalaureate certificates and associate degrees.

2. The National Center for Education Statistics conducted the National Household Education Survey with an adult education component in 1991 and 1995 and plans to do so again in 1999. The 1995 survey interviewed nearly 20,000 people aged 16 and older about their participation in adult education. Information about the survey is available through the National University Continuing Education Association in Washington, D.C.
3. For a summary of this criticism, see Robert Pedersen's "Challenges Facing the Urban Community College: A Literature Review," in *A Handbook of Community Colleges in America* (Washington, D.C.: American Association of Community Colleges, 1992).

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Searching for Home: Mentally Ill Homeless People in America

God, if you look upon me
From your whitened dome,

Let this blue earth hold me
While searching, I come home.

—Aviva Schwager
Patient, The Bridge

On any given night in the United States, an estimated 600,000 people are homeless.¹ Of those, approximately 200,000 suffer from serious mental illness. Unfortunately, these are facts that no longer hold surprise for most Americans. We have grown accustomed to the sight of the wild eyed, dirt-covered man on the corner. We have become used to averting our gaze from the toothless old woman who mutters to herself at the bus stop and wears many layers of clothes even in warm weather. We are no longer as shocked as we were a decade ago at the sight of small children crouched beside their parents, panhandling on some of our busiest streets.

A Gallup poll reported last year that although most Americans feel compassion for homeless men and women they encounter on the street, many are puzzled, not knowing how to react to this growing problem that seemed to emerge out of nowhere. Some cities have dealt with their homeless populations by jailing individuals for sitting on the streets or sleeping in parks. Other cities, citing public health concerns, have bulldozed encampments and shantytowns built under city bridges. Unable to find a simple, inexpensive solution to the problem, many individuals and communities prefer to pretend that it does not exist. While there is no single solution for this problem, some responses have been more successful than others. When combined, these responses have, in the past 3 years, made a tremendous difference in the lives of homeless Americans.

Because homeless men and women are still so visible in our communities, few people realize that over the past 3 years the number of homeless people helped by the government has increased by more than 1,000 percent. Few seem to know that

a major shift in thinking about and creating programs to address homelessness has occurred on the national and local levels, resulting in unprecedented success in dealing with the problems faced by this population. Few people realize that this approach, which we call the *Continuum of Care*, has resulted in a major shift of national priorities away from emergency shelter services toward long-term solutions such as transitional and permanent housing, job training, and medical and mental health services.

In this essay I will describe the current situation faced by homeless people with serious mental illness and explore the origins of the problem of homelessness, recent efforts that are working, and what is needed to remedy what has become a serious national problem.

The Present: A Snapshot of Mentally Ill Homeless People in America

It is difficult to imagine a more dangerous or more distressing combination of problems to befall any one person than to be homeless and to suffer from a severe mental illness. Yet those who are homeless and mentally ill are often diagnosed with many accompanying disabilities—such as drug addiction, alcoholism, HIV/AIDS, diabetes, and tuberculosis. Mentally ill homeless people tend to be the sickest, the most ragged, and the most difficult people for society to accept. In addition, because rationality itself is compromised by mental illness, they are often the least able to help themselves, either economically or medically, and thus they slide more deeply into danger.

Who are mentally ill homeless persons, and how do they survive? They are among the poorest people in our Nation, earning or receiving in Supplemental Security Income (SSI) and other benefits an average annual income of \$4,200. While most would like to work, this population faces some of the highest barriers to employment. It is estimated that one-half of the mentally ill homeless people suffer from drug and alcohol abuse, and many use substances as a method of self-medication. An estimated 4 percent to 14 percent of adults in family shelters have been in a mental hospital.

Because mentally ill homeless men and women are vulnerable to attack, they are often victims of violent crime. Some of the crimes against them are examples of the worst behavior imaginable. But many mentally ill homeless also come into contact with the criminal justice system as offenders, arrested as they engage in such illegal activities as trespassing, petty theft, shoplifting, and prostitution—often crimes of survival under the most desperate of conditions, and a direct result of their mental illness.

While some individuals are a threat to others, the greatest threat many mentally ill homeless people pose is to themselves. More than once, I have had conversations with men and women in obvious misery and pleaded with them to get a broken leg set or to come in out of the cold, only to have my offers rejected. Unable to comprehend the origin of their pain, and always suspicious of offers of help, these people become vulnerable to freezing to death in winter, having limbs amputated, or dying prematurely from a range of illnesses.

Figure 1

Profile of the homeless persons reported to be using community mental health centers

- 75 percent are between 20 and 44 years old.
- 71 percent are male.
- 47 percent have no insurance. In addition, 33 percent receive Medicaid; 15 percent have either Medicare, veterans benefits, or other; 4.5 percent are self-pay clients; and 0.5 percent are privately insured.
- 32 percent live at shelters; 27 percent live on the streets; 17 percent live with family or friends; 10 percent live in transitional housing; 7 percent other; and 7 percent unknown.

Source: Brown, 1996; Ion and Cordray.

The median age of the homeless has decreased. The average homeless person today is in his or her early to mid-30s. Although 21 percent of homeless persons with mental illnesses at community mental health centers are self-referrals (see figure 1), the majority of homeless clients are referred to the centers by emergency shelters, hospital emergency rooms, police, State psychiatric hospitals, and the criminal justice system.

These individuals suffer from severe mental illnesses such as schizophrenia, mood disorders, severe depression, and personality disorders. Given consistent medical and psychosocial treatment along with stable housing, many of them could again function at a high level. But such stability and consistent care are impossible to achieve when one is homeless. Thus homelessness and mental illness become a vicious circle, one compounding the other in a vortex of suffering for the individual. Unfortunately, without mental health treatment and related support services, it is difficult for mentally ill homeless persons to gain access to, and remain in, permanent housing. Often they face stigma associated with their illness and discrimination by potential landlords or neighbors. All of these factors make individuals with serious mental illnesses extremely vulnerable to homelessness and difficult to help once they become homeless.²

History of the Problem: How Did We Get Here?

Contemporary homelessness came to the general public's attention in the late 1970s and early 1980s.³ Since the most visible members of the "new" homeless population were often disheveled and disoriented, and since it was common knowledge that State mental hospitals had been returning their chronic patients to the community, many people assumed that the rise in homelessness was a result of State deinstitutionalization policies. The true reasons for the rise in homelessness are far more complex. Deinstitutionalization and the inability of some community mental health programs to serve the most severely disabled did play a significant part in creating the problem, but other factors played important roles as well.

Deinstitutionalization

Until the late 1950s and early 1960s, most Americans suffering from serious mental illness were long-term residents of State mental hospitals, where all their care was administered under one roof. Then, because of changes in the technology of mental health treatment (in particular, the advent of psychotropic medications), the process of deinstitutionalization began. Along with the depopulation of State hospitals, stricter criteria were implemented for new admissions, and authority for the planning and provision of mental health services was decentralized from the State to local communities.⁴

Advocates of deinstitutionalization knew that the asylum was not the best place for the mentally ill. However, deinstitutionalization was intended to be only the first step in a careful shifting of money and responsibility to community mental health centers. What actually happened was the worst possible combination of events: Deinstitutionalization began, but funds for the planning and implementation that were supposed to create responsive community care were cut.

The population shift was sudden and dramatic. Nationally, the census of State mental hospitals was reduced from 560,000 in 1955 to 216,000 in 1974 and to 100,000 in 1989. Many formerly institutionalized patients either died, were eventually moved to nursing homes, or moved in with their families. Others were denied admission to State hospitals because of the stricter admission policies or were admitted for shorter stays. Upon release, they went home to live with their families; were placed in group homes or supervised apartments run by mental health centers; or resided in board-and-care homes, single-room occupancy (SRO) hotels, and other forms of marginal housing. Many mentally ill people were released from institutions without a safety net of assured treatment, supportive services, or appropriate housing.

Because mental health systems are run by States, the rate and timing of deinstitutionalization varied by State. In New York, for example, the depopulation of State hospitals was largely completed by 1978, before the rise in homelessness there became pronounced. In Illinois, the State hospital population dropped from 23,000 in 1971 to 10,000 in 1980.⁵

Patients who were deinstitutionalized or discharged from short-term hospitalization without adequate housing and supportive services were not the only persons to suffer from the lack of community-based resources. The National Institute of Mental Health (NIMH) funded 10 studies to determine the socioeconomic and mental health status and the service needs of homeless people. By 1989 this body of research had established that approximately one-third of the single adult homeless population had a serious mental illness and about one-half of this subgroup had a co-occurring substance-use disorder. NIMH also found that only about one-half of this group had ever been hospitalized for a psychiatric disorder. The lack of an accessible, comprehensive system of community care meant that many who in an earlier era would probably have been institutionalized fell through the social safety net and ended up on the streets.⁶

Federal Mental Health Legislation

In the mid-1960s, deinstitutionalization and efforts to promote alternatives to hospitalization were powerfully reinforced by Federal legislation. The Community Mental Health Centers Act of 1963 authorized Federal funding for the construction and operation of comprehensive community mental health centers (CMHCs) to provide outpatient, inpatient, emergency, consultation, and partial hospitalization services for the deinstitutionalized population.

However, fewer than one-half of the number of CMHCs originally proposed were funded, and little coordination developed between CMHCs and State hospitals. Additionally, CMHCs were frequently criticized for delivering insufficient care to discharged hospital patients. By 1977 the U.S. General Accounting Office had found fragmentation and lack of coordination among service providers to be the prime causes of inadequate care for people with serious mental illnesses.⁷

In 1980 Congress passed the Mental Health Systems Act—based on the Carter Commission’s National Plan for the Chronically Mentally Ill—to renew Federal commitment to community mental health systems. In 1981, however, the Act was repealed, which reversed the momentum of 17 years of Federal efforts to improve community-based systems. In its place, President Reagan signed a bill that cut Federal funds for mental health and created the Alcohol, Drug Abuse, and Mental Health Services Block Grant, to be administered by the States. With this change, the problems faced by mentally ill people grew much greater.

Medicaid and Other Fiscal Incentives

The creation of Medicaid in the mid-1960s further promoted the shift in the locus of care from State hospitals to community-based treatment programs, particularly nursing homes and general hospitals, because Medicaid does not reimburse for care in State hospitals. In addition, SSI and the Supplemental Security Disability Insurance (SSDI) program provided direct entitlements to mentally disabled individuals living in the community. SSI also subsidized the cost of living in special housing settings such as board-and-care homes and other types of community residential facilities.

The Supply and Cost of Housing for People With Serious Mental Illnesses

Despite the lack of program help, most deinstitutionalized mentally ill men and women avoided homelessness until the late 1970s. What caused this change? In the 1960s and early 1970s, housing was generally plentiful and affordable. However, the overall supply of low-cost rental units declined radically between the mid-1970s and mid-1980s. During this period, the Nation lost 780,000 units with rents less than \$250, mostly due to urban renewal, inflation, and gentrification. At the same time, Federal expenditures on public housing were cut by 80 percent between 1980 and 1987. For people with low incomes, the impact was severe.

The mentally ill population was especially hard-hit by the decline in the supply of SRO units in low-cost hotels. It was in this type of unit that many former State hospital patients lived. Between 1970 and 1982, more than one million SRO units were lost to urban renewal and gentrification. The number of people living in hotels and rooming houses who had no other permanent addresses dropped from 640,000 in 1960 to 204,000 in 1980, and to 137,000 in 1990.⁸

The number of low-rent SRO units in Atlanta decreased from approximately 2,000 to 233 between 1970 and 1983; Chicago lost 18,000 units between 1973 and 1984; in New York City, units declined from 127,000 to 14,000 between 1970 and 1980; Portland went from 4,128 to 1,782 units between 1970 and 1987; San Diego lost 1,247 units in 30 hotels between 1976 and 1984, and by 1990 had only about 3,500 units left; San Francisco lost 5,723 of its 32,214 units between 1975 and 1979; and Seattle lost some 15,000 units between 1960 and 1981.⁹ Not only was housing stock lost, but the cost of housing rose dramatically—often exceeding the SSI payments that are the bulk of income for many mentally ill Americans.

In 1984 the average annual income for a national sample of persons with serious mental illness was \$4,200.¹⁰ The monthly fair market rent (FMR) for a one-bedroom unit in Philadelphia was \$471, while the maximum monthly SSI benefit was \$418. This same situation—low SSI payments and high rents—was occurring across the Nation. In Minneapolis-St. Paul the FMR was \$455, while the monthly SSI benefit was \$461; in New York City the FMR was \$504, but the SSI was \$472; and in San Francisco the FMR was \$748, while the monthly SSI benefit was only \$630.¹¹ For people receiving SSI, finding a place to live became nearly impossible. In 1990, in at least 12 cities around the country, a person receiving SSI would have to spend his or her entire benefit to cover the cost of an average one-bedroom unit.

SSI Disability Reviews and Related Policies

To make matters worse, in the early 1980s under the Reagan administration the Social Security Administration instituted a policy of aggressively reviewing claims for disability benefits. As a result of these new Federal guidelines, an estimated 491,000 people were dropped from the disability rolls of Social Security, and persons with serious mental illnesses were disproportionately represented. Although benefits for more than 200,000 were reinstated following appeal, so many people became homeless as a result of this policy that a class action suit was filed on their behalf. When the case was won, back payments of SSI were placed in trust to develop permanent housing for many of the individuals who could be located. Unfortunately, many were already homeless and were never found.¹²

The Role of Housing in Mental Health Policy

Although State policies of deinstitutionalization contributed to homelessness among people with serious mental illnesses, few experts in the field have advocated a return to the asylum. Instead, experts agree that improving the accessibility and availability of housing and community mental health services was, and is, far more appropriate than advocating reinstitutionalization.

Prior to the emergence of homelessness among people with serious mental illness, the role of housing in State mental health policy was one of transition. It was expected that some of those who had been institutionalized for many years would need a period of adjustment before returning to the community, living in what were typically called halfway houses, group homes, or community residences. It was assumed that nearly everyone could eventually—after a period of 6 months to 2 years—make the transition to independent living.

But it was not until 1978, when Federal legislation established the NIMH Community Support Program (CSP), that housing was considered a part of the range of needs of persons with serious mental illness. This modestly funded demonstration program (\$3 million to \$4 million per year distributed across 19 States) was designed to test alternatives to long-term institutionalization for persons with serious mental illnesses. The CSP model recognized that mental health treatment was not enough for many of the people with serious mental illnesses and that a community support system should include a comprehensive array of services, such as client identification and outreach, case management, mental health treatment, income maintenance, rehabilitation, medical care, and housing. Philosophically, most States and communities have adopted the CSP model, but financial constraints have limited the capacity to establish all the components of a comprehensive service system or to serve everyone in need.¹³

During the past 10 years, the rise in homelessness among people with serious mental illnesses has prompted State mental health agencies to take a more active role in developing housing and collaborating with public housing agencies and private housing developers. In 1987 the National Association of State Mental Health Program Directors published a position paper on housing for persons with serious mental illnesses. Today more than one-half of the State mental health agencies in the United States have designated staff assigned to address housing and homelessness issues.

Solutions

Homelessness, especially among people with severe mental illness, is a problem for all of American society. Most importantly, it is a problem for those individuals experiencing severe mental illness. It is a problem for the majority of Americans who feel compassion but are frustrated with the slow pace of progress. It is a problem for parents, who no longer feel comfortable walking with their small children through neighborhood parks and for business owners, who see their customers turn away because of the ragged homeless person camped near the front door. It is a problem for those of us in the Federal Government who know that the health of our country is only as strong as the compassion shown to our poorest citizens. It is a problem faced increasingly by local governments, community organizations, and police forces—all of which have been the sometimes reluctant beneficiaries of decentralization policies that place the responsibility for coping with homelessness squarely on their shoulders.

The good news is that although homelessness among people with mental illness is a significant challenge for the country, increasingly it is a challenge we are finding ways to meet. In 1996 the U.S. Department of Housing and Urban Development

(HUD) spent 37 percent of its homeless assistance funds to serve the mentally ill homeless population. It is estimated that from 1993 to 1995 HUD's homeless assistance programs helped as many as 400,000 homeless people—many of them mentally ill—attain permanent housing and self-sufficiency. But because homeless persons with severe mental illnesses are often the most visible, the most difficult to reach, and the most difficult to ignore on our streets, it appears to the uninformed American that the problem continues unabated.

As with so many of society's problems, we do a disservice to this issue by looking for one ultimate solution. Through decades of trial and error, we have come to understand that although there is no one solution to the problem of homelessness, solutions can be crafted as a series of steps that, when taken together, provide real help.

Until the last few years, the social service delivery system for homeless persons was a loose association rather than a structured system. One of our greatest efforts has been to change the overall structure of the social service delivery system by integrating services for the homeless population. According to studies on the subject, programs with adequate integration should:

- Assertively address mental health, substance abuse, and other problems through active outreach and services.
- Closely monitor the need for services.
- Integrate mental health and substance abuse interventions.
- Involve a comprehensive set of services for developing living, interpersonal, vocational, and social skills.
- Ensure a stable residential situation with a continuum of housing options that are safe and free of illegal drugs and alcohol.
- Understand that chronic mental health and substance abuse problems need long-term treatment.
- Commit to the belief that improved quality of life is possible for an individual, regardless of the nature and severity of his or her problems.

In my years as Mayor of San Antonio and as Secretary of Housing and Urban Development, I have seen sensitive, well-conceived policies make a dramatic difference in the number of homeless persons on the street and the quality of life of those who remain homeless. Over the past 3 years, the Clinton administration has initiated an entirely new Federal approach to the problem of homelessness that functions by combining these solutions into a new approach, the *Continuum of Care*.

The Continuum of Care

In 1993 President Clinton directed the Interagency Council on the Homeless to develop a Federal plan to address homelessness. The Federal plan to break the cycle of homelessness—*Priority: Home!*—was developed, and the Clinton administration's Continuum of Care concept was put forth. This concept combines prevention, outreach, assessment, emergency shelter, and transitional and perma-

ment housing with necessary services such as job training, child care, substance abuse treatment, and mental health services.

HUD's implementation of the Continuum of Care is designed to encourage localities to develop a coordinated, comprehensive, long-term approach to homelessness. We have structured a comprehensive approach of program and service delivery for homeless individuals and families that builds partnerships among States, localities, not-for-profit organizations, and the Federal Government.

The Continuum of Care approach has one main goal: to help homeless individuals and families move to self-sufficiency (to the extent possible) and to permanent housing. It operates simultaneously on the individual level and the community level. For homeless individuals, the Continuum of Care ensures a variety of options ranging from outreach, assessment, and emergency and transitional services to temporary and permanent housing. At the community level, HUD encourages localities to design and implement a coordinated process through which various sectors act in concert to provide services and housing.

HUD has identified several components that are basic to its Continuum of Care approach. While not all will be needed by every homeless person, the following components must be in place in order for the continuum to be viable in a community:

- Outreach and assessment, to identify the needs of individuals or families and to link participants to appropriate facilities and services.
- Emergency shelter, to provide safe alternatives to the streets and referrals to service providers and housing opportunities.
- Transitional housing, with supportive services appropriate to the problems faced by individuals or families not prepared to live on their own. Such services may involve job training, job placement, substance abuse treatment, short-term mental health services, or training in independent living skills.
- Permanent housing, with or without supportive services.

A strong prevention strategy is also a key element of the Continuum of Care.

While the Continuum of Care is intended to be a system of services and housing to meet the needs of the entire homeless population of any community, it must include a component that specifically addresses the needs of mentally ill homeless persons. Since the Continuum of Care approach has been implemented, more homeless people are being helped by federally funded programs.

An independent study recently completed by the Barnard-Columbia Center for Urban Policy reports that the Continuum of Care is working. The study (with site visits to nine American cities) includes an analysis of the effectiveness of the Continuum of Care and reflects significant progress during the Clinton administration. The study found that:

- Significantly more persons appear to have been served as a result of HUD's new policies.

- HUD's homeless assistance funding has shifted from emergency measures to programs that provide transitional and permanent housing. Funding for transitional and permanent housing programs increased from \$331.2 million to \$931 million (a 181.1-percent increase), while emergency funding for shelter and services increased from \$72.4 million to \$156.8 million (a 116.5-percent increase).
- The Continuum of Care approach has resulted in significantly more assistance for homeless persons with disabilities (including those with severe mental illnesses, substance abuse problems, HIV/AIDS, and physical disabilities).

In addition, the study found that, due at least in part to the Continuum of Care process, the concept of community participation has expanded, bringing together a broad-based group of public and private stakeholders: business and civic leaders, service providers, local and State government representatives, elected officials, advocates, and people who are or have been homeless. In the past, those stakeholders did not have the incentive to plan together.

Community stakeholders have realized that they can accomplish together what no single group could accomplish alone, and they are building on existing strengths and resources to avoid duplication of efforts and create opportunities to move beyond long-standing concerns about preserving "turf." The Continuum of Care promotes a process of compromise and consensus-building in order to resolve problems and address differences of opinion and philosophy. Local autonomy is encouraged through sufficient flexibility for communities to identify particular local resources and needs and to implement policy and program priorities appropriate to the needs of local homeless populations.

There are two primary ways the Continuum of Care concept can work on behalf of persons with mental illness. First, various providers in a community come together to provide a highly coordinated range of services and housing for people with severe mental illness. Second, community organizations provide a full range of services and care under the auspices of one organization, in effect a multiservice program for mentally ill homeless persons within the larger Continuum of Care. Following are descriptions of two of the best examples of the Continuum of Care concept, The Bridge, Inc., in New York City and Christ House in Washington, D.C.

The Bridge

"One of the hallmarks of our program is that each person is treated as someone quite precious," says Murray Itzkowitz, executive director of The Bridge, Inc., a nonprofit, nonsectarian organization that was founded in 1954 in New York City. "Our philosophy is to look at the successes in our clients' lives. We incorporate people into a kind of family. It's a much more compassionate approach."

Serving more than 600 men and women a year, The Bridge provides a range of services to men and women with mental illnesses: temporary and permanent housing, mental health treatment, vocational training and job placement, health care, education, and opportunities to learn independent living skills. HUD has provided funding to The Bridge through its Supportive Housing program, which supports New York City's Continuum of Care system.

Organizations such as The Bridge offer total assistance to the client to help that person build a life and a support system that will be there during tough times. That means creating a second family at The Bridge, as well as helping to reunite primary families, many of which have been estranged for years or even decades.

At The Bridge, the Continuum of Care begins with the street outreach and intake process. When someone agrees to leave the streets, counselors devise a personalized treatment plan that will provide the care and services the individual needs to become stabilized and able to move toward increased functioning and self-sufficiency. “The continuum process can take a long time,” says Itzkowitz. “It usually takes years to see a person through to the point where they’re stabilized, able to communicate, and derive satisfaction in life. It’s expensive and it takes a long time. There is no way around it.”

With a staff of more than 160 mental health and allied professionals and paraprofessionals, these are the kinds of services The Bridge can offer:

Continuing day treatment. This program offers structured activities to help stabilize patients and prevent relapse.

Extensive outreach and programming for the homeless. From a lightly structured, low-commitment drop-in center for homeless people living in encampments and on the streets to more intensive case management and treatment services for mentally ill persons suffering with HIV and AIDS, The Bridge makes it easier for homeless individuals to receive help.

Housing. Two residences now under construction will add 51 beds for homeless mentally ill adults to the housing already offered by The Bridge. Existing housing includes an 8-bed residence for homeless encampment occupants and a 24-bed residence for psychiatrically and physically frail individuals. A 67-bed scattered-site apartment program, now in its 17th year, offers mentally ill and homeless adults the opportunity to move from supervised to independent graduate housing. Many homeless adults who start out in The Bridge’s supervised, single-site, transitional residences move to less-supervised, scattered-site permanent housing, and ultimately to graduate housing. By the late 1990s, The Bridge will help provide 313 mentally ill persons with permanent housing.

Health care. Few services are needed more sorely by the homeless than medical attention. The Bridge employs two full-time nurses and offers the onsite part-time services of a physician and nurse team.

Vocational training and job placement. Clients are trained in food services, building maintenance, mailroom and messenger service, clerical service, and as coatroom attendants. A full-time job placement service is also available.

Mental health clinic and intensive psychiatric rehabilitation treatments. Under these two programs, The Bridge provides individualized psychiatric services to its patients. According to Itzkowitz:

If it [weren’t] for Federal support, none of these things would be available. Housing is key. Once you stabilize housing, you can do rehabilitative work.

Without housing, it's a no-win situation. Whatever you gain in the day through therapy and other services, you lose at night on the streets.

The Bridge is an excellent example of a highly specialized continuum of services and housing for persons with mental illnesses. Project Return Foundation and BRC Human Services, located in New York City, also offer a continuum of services for homeless, mentally ill adults.

Christ House

Just Wondering

If I fell would you help me up?
If you had a cup of coffee, would you share a cup?

If I were hungry and had no place to stay,
would you lend a hand and help me on the way?

Would you help me get back on my feet
or just pass me by and leave me on the street?

If I were poor black white Hispanic or other,
would you be willing to treat me as a brother?

If all the things above were not about me but instead about you,
sometimes I wonder just what I would do.

—Former Christ House Patient

There are few places more disturbing to see homeless people without help and without hope than in our Nation's capital. Here, in the shadows of the White House and the Washington Monument, in the city where some of the most powerful people in the world meet, an estimated 8,000 people are homeless on any given night.

On a city street about 4 miles from the Lincoln Memorial, hope and care are visible every day and every night at an example of the Continuum of Care called Christ House. Serving homeless people with disabilities, including mental illness, Christ House is a place to heal.

"This is the place where people who don't have a home go to recover," says founder and medical director Dr. Janelle Goetcheus. It is also a place that the staff calls home—literally. Determined to create a homey, comfortable atmosphere for their clients, most of the staff of Christ House—doctors, nurses, program directors—live on the building's third floor with their families.

Often an early morning call starts things rolling. The call is usually from a hospital where a homeless man has just undergone surgery, received chemotherapy, or failed to receive treatment for his illness. "They ask us if we can take one of their patients, someone who otherwise would just be [released to] the streets in very bad condition," says Goetcheus. Patients are accepted only after a detailed screening determines that the ill person is well enough to be cared for by Christ House.

If the person is too ill to benefit from its services, Christ House works with the referring agency to locate appropriate care.

All Christ House patients are homeless. Christ House provides 24-hour nursing care, psychiatric care twice a week, three full-time social workers, job placement services, and 36 sick beds. The average stay is 1 month. In addition, Christ House has opened placement and transition housing for extended care. In January 1996, 37 apartments were made available to patients who could manage a less structured environment. Section 8 housing is also available. In 1995, Christ House established the Kairos House—a permanent home for 37 mentally ill people who need supportive services. Approximately two-thirds of Christ House patients are discharged to some form of alternative housing.

Christ House also operates a daily medical van that takes its services into the streets and to the shelters where homeless men and women congregate. Late in the night, lines of homeless people are often seen waiting their turn as Christ House nurses and doctors treat maladies ranging from colds to diabetes and AIDS. “Unfortunately,” says Dr. Goetcheus, “I see younger and younger people on the streets these days. Thirty-year-olds who have given up on life. With a poor education and a drug addiction, often just out of jail, often hooked on crack cocaine, they are some of the most needy.”

But without doubt, the biggest challenge for Christ House, as with similar treatment centers, is getting patients to overcome their distrust and walk through the door to ask for help. Most afternoons find several men standing in front of Christ House. At least one of them is a recruiter or counselor who talks to the homeless men nearby, trying to get them to trust him enough to come in for medical attention, a warm meal, and perhaps a shower and some help. “[F]ormer patients are our best recruiters,” says Dr. Goetcheus. “They know how to talk to the men, and they know what a big difference we can make.”

Successful HUD-Sponsored Programs

All of the programs mentioned above have received funding from one or more of HUD’s homeless assistance programs such as the Shelter Plus Care program, the Supportive Housing Program (SHP), and the Moderate Rehabilitation SRO program made possible by the McKinney Act. Together these programs comprise HUD’s Continuum of Care funding.

The Shelter Plus Care program provides rental assistance for persons with mental and physical disabilities and requires that organizations match the rental assistance, dollar for dollar, with supportive services.

SHP is far more flexible and can be used to fund transitional housing and supportive services for homeless individuals and families, as well as permanent housing for persons with disabilities. The growing use of SHP funds to establish and support “safe havens” for street-dwelling persons with severe mental illnesses is especially important. Safe havens provide safe residences for such persons when they are unwilling or unable, because of their illness, either to accept traditional mental health services or to adapt to highly structured transitional or permanent

housing arrangements. Safe havens do not require the client's participation in services, but it is hoped that residents will in time participate in mental health programs and move to more structured transitional or other supportive housing.

The Moderate Rehabilitation SRO program provides rental assistance in connection with the moderate rehabilitation of residential properties, helping to replace some of the low-cost, SRO housing units on which very low-income individuals, including those with mental illnesses, have relied in the past for permanent housing.

These programs have proven invaluable in helping homeless persons with mental illnesses make the difficult transition from streets and shelters to permanent housing with supportive services as needed. For example, in 1996 alone, HUD provided \$261,519,777 for 374 projects nationwide designed to help homeless mentally ill persons.

Conclusion

Services for homeless people who suffer from severe mental illnesses are vastly different today from what they were just a decade ago. While we still have a long way to go on the Federal and the local levels, our outreach is more aggressive, our funding has increased significantly, our outlook is more comprehensive, and our efforts are paying off. Today, many community mental health centers and residential programs perform intensive, aggressive outreach to homeless people, visiting shelters, soup kitchens, river banks, and churches to reach those who need their help the most. Outreach, however, is only the beginning.

While present trends in Federal housing policy emphasize devolution and decentralization for program design, implementation, and funding, State mental health and affordable housing agencies around the country are confronting new challenges that will have a major impact on their provision of housing and support services to persons with serious mental illnesses. The emergence of managed care, welfare reform, and the virtual elimination of new Section 8 rental subsidies present potential pitfalls as well as opportunities for improving the social safety net and creating permanent housing for homeless and at-risk individuals with serious mental illnesses.

The Federal Government needs to do a better job of connecting its efforts with State and local governments. We must practice what we preach when it comes to the Continuum of Care and reach out across agencies to work together in a comprehensive way that helps communities design approaches to address the needs of the homeless mentally ill population. With health, mental health, and social services from the U.S. Department of Health and Human Services (HHS) and State governments, housing assistance and supportive services from HUD, and help for veterans from the Department of Veterans Affairs, the Federal Government can do a better job of helping those with the greatest needs.

Earlier this year, HUD and HHS entered into a partnership to ensure housing and supportive services for homeless individuals with multiple diagnoses of mental illness, substance abuse, and HIV/AIDS. Using monies set aside for this hard-to-serve but critically ill population, the two departments funded nine model programs across the Nation that integrate housing and health services.

This type of Federal effort will help our communities respond better to the problems we face today. Together we can create a network of services that provides solutions for this troubled population, with some that provide less-intensive psychiatric treatment and others that provide the more extensive psychiatric services needed by a part of the homeless population. What we must also do, regardless of the level of psychiatric need, is help fund the community services such as housing, counseling, job services, and medical monitoring to help homeless people more adequately.

If, as a Nation, we choose to do little while hundreds of thousands of our men, women, and children live in abject poverty and misery, we will have failed to live up to our responsibility. Recently, when talking with a group of care providers, I was told about a man who had lived under a bridge in Washington, D.C. The man was covered with filth, ate out of garbage cans, and had no ability to communicate. A case worker described him as absolutely antisocial in his behavior and utterly resistant to care. However, with persistence, the man was finally persuaded to receive care at Christ House. Today he is a different person. He lives in one of the agency's less-structured residential apartments and is an inspiration to many with whom he comes in contact.

Without the outreach, medical attention, stability, counseling, and housing provided by Christ House, this man would be either dead or still living in inhuman conditions under one of our capital city's bridges. Those of us who are able—who drive on that bridge or walk the streets and pass homeless mentally ill persons such as this man—have a responsibility to provide not only the relatively easy charity of a bed to sleep in for a single night but also the truly charitable gift of a way to live with independence and dignity. As a Nation we are on the right path to help this situation, but we need to do more. In too many cities, appropriate housing and other help are not readily available for people living in the streets. This must change, and it must change soon.

I would like to see our Nation go a step further than we have already gone in meeting the needs of mentally ill homeless persons. Decentralization and devolution are realities. The challenge before us is to continue to foster an environment in which local community groups and governments are able to provide real support for individuals to make the shift from homelessness to stable housing. The Bridge and Christ House show us that community-based efforts work, with mental health professionals and a complete system of mental health and other services leading the way toward more humane and effective treatment of the American men and women who are homeless and mentally ill.

Notes

1. The Department wishes to acknowledge the contributions of Linda Burstyn, freelance writer, for making this essay possible.
2. From an unpublished paper prepared for HUD, "HUD's Response to Homelessness Among People Who Have Serious Mental Illnesses: Analysis and Next Steps" by Deborah L. Dennis and Deirdre Oakley, Albany, New York,

- September 1996. For further discussion of the factors making housing inaccessible to persons with mental illnesses, see Technical Assistance Collaborative (1995) and Carling (1994).
3. See Baumohl and Miller (1974); Segal, Baumohl, and Johnson (1977); Reich and Siegel (1978); Baxter and Hopper (1981); Lipton, Sabati, and Katz (1983); and Bassuk, Rubin, and Lauriat (1984) for a representative sample of publications that first heralded the rise in contemporary homelessness and suggested the links among homelessness, mental illness, and deinstitutionalization.
 4. See Bachrach (1976) and Bachrach and Lamb (1989). For background on the consequences of deinstitutionalization and inadequate community mental health care, see Segal and Baumohl (1980).
 5. For a review of deinstitutionalization in New York, see Surles (1988); for deinstitutionalization in Illinois, see Appleby and Desai (1985); and for a discussion of national trends, see Bachrach (1990).
 6. For a synthesis of the 10 NIMH study findings, see Tessler and Dennis (1992); for the APA Task Force on Homeless Mentally Ill synthesis of what was then known about homeless people with serious mental illnesses, see Lamb (1984).
 7. For a review of the development of CMHCs, the closing of State hospitals, and the decline of inpatient populations, see Federal Task Force on Homelessness and Severe Mental Illness (1992:15–16); U.S. General Accounting Office (1977); Brown (1985); Rochefort (1993); and Torrey (1988).
 8. See Interagency Council on the Homeless (1994) and Dolbeare and Alker (1990).
 9. For a review of the loss of SRO units and cuts in housing nationwide, see Interagency Council on the Homeless (1994) and Dolbeare and Alker (1990). For statistics on SROs lost in various urban areas around the country, see Hoch and Slton (1989) and Hoch (1991).
 10. See Mulkern and Manderscheid (1989). Only 25 percent were employed part time or full time, and fewer than 10 percent were employed outside sheltered work environments.
 11. For a discussion of rising housing costs and shrinking low-income housing supply, see Interagency Council on the Homeless (1994); Dolbeare and Alker (1990); Hartman (1986); and Wright and Rubin (1992).
 12. Goldman and Cattozi (1988) and the National Law Center on Homelessness and Poverty (1990).

13. The CSP program initiated by the NIMH in 1977 was designed as a pilot Federal-State partnership project to explore strategies for improving the delivery of community-based services to persons with serious mental illnesses. Early findings from this demonstration indicated that the type of housing affected use of services. That is, clients living in cooperative apartments and group homes were better adjusted to the community than those living with families, in institutional settings, or board-and-care homes. For a complete review of the CSP program, see Stroul (1988) and Carling (1984).

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Henry G. Cisneros

Secretary of Housing and Urban Development

As a member of the President's Cabinet, Secretary Cisneros has set and pursued six clear priorities for HUD in the 1990s: reducing the number of homeless in America by developing a continuum-of-care system; transforming public housing; creating a record homeownership rate in America by the year 2000; reviving economically distressed communities through Empowerment Zones; assuring fairness in the workings of housing markets; and transforming HUD into a "community-first" organization that focuses national efforts on preserving and improving America's communities.

In 1981 Mr. Cisneros became the first Hispanic mayor of a major U.S. city when he was elected Mayor of San Antonio, the Nation's 10th largest city. As a four-term mayor—from 1981 to 1989—he rebuilt the city's economic base, focused on its biomedical sector, attracted high-tech industries, increased tourism, and created jobs through massive infrastructure and downtown improvements. In 1985 Mr. Cisneros was elected president of the National League of Cities. He also has served as chair of the National Civic League, deputy chair of the Federal Reserve Bank of Dallas, and board member of the Rockefeller Foundation.

Mr. Cisneros received a B.A. and an M.A. in Urban Planning from Texas A&M, an M.A. in Public Administration from the John F. Kennedy School of Government at Harvard University, and a Doctorate in Public Administration from George Washington University.

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