The Promise of Comprehensive Community Development

TEN YEARS OF CHICAGO'S NEW COMMUNITIES PROGRAM

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Overview

From 2002 to 2012, the John D. and Catherine T. MacArthur Foundation provided $50 million to the Local Initiatives Support Corporation of Chicago (LISC Chicago), to implement the New Communities Program (NCP). NCP supported community organizations in 14 neighborhood areas to convene local partners to define a "quality-of-life plan" for each neighborhood. It then provided grants to carry out these plans, which addressed a variety of local challenges, including unemployment, struggling schools, and gang violence.

MacArthur's investment was informed by research that residents have better outcomes when they live in neighborhoods where individuals and organizations come together to respond to local challenges. For its part, LISC Chicago wanted to help local agencies learn to work together to resolve long-standing antagonisms when they existed and to facilitate implementation of diverse community improvement projects. This report describes the challenges that NCP faced, the extent to which it achieved its goals, and the implications for similar initiatives. As a model for recent federal policy, the NCP experience is particularly important to consider.

Key Findings

- Nearly 850 varied improvement projects — many with multiple components — and over $900 million in total funding (grants and loans) were reported among the 14 neighborhood areas over 10 years. MacArthur's investment was always intended to leverage additional resources. NCP succeeded in connecting many groups to citywide and national funders and also resulted in partnerships *across* neighborhoods. Neighborhoods with multi-issue, high-capacity lead agencies and strong local partners tended to leverage the most additional funds.

- NCP helped to improve collaborative partnerships among local agencies. In neighborhoods where trust and cooperation were better established among community groups at the beginning of NCP, interorganizational relationships deepened over the course of the initiative. But where there were histories of antagonism among community partners, relationships improved during the periods of planning and early implementation, although it proved difficult to sustain both trust and collaboration over time.

- It was rare for interorganizational relationships to promote collaborative, coordinated programming across the many projects supported by NCP, and it was rare for NCP networks to add value to the implementation of small, individual projects. In some significant cases, however, when guided by a high-capacity lead agency, these organizational partnerships could tap into new funding streams and promote strong collaborations.

Building on the NCP experience, MacArthur and LISC have launched a next-generation initiative, "Testing the Model" (TTM). Like the original NCP model, TTM attempts to deliver resources to neighborhoods, but these investments are explicitly aimed at achieving longer-term change by concentrating efforts on a single issue or domain. Future work will report on the implementation of TTM and how neighborhoods are changing in these targeted domains.

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Preface

Economic shocks like the Great Recession and natural disasters like Hurricane Sandy have had deep consequences for affected communities. But some neighborhoods struggle more with these negative events than others. That is, some places see neighbors and local organizations coming together to coordinate action to respond to problems, whereas collective action in other neighborhoods is rare, fragmented, or disjointed. Research suggests that neighborhoods with the ability to come together can respond better to shocks — be it a heat wave or gang violence — and can also support better outcomes for residents than their counterparts without this capacity. This research presents an important question for policymakers: Which policies and programs best support "resilience" and permit neighborhoods to respond to shocks of all sorts?

One of the largest investments in the country to promote the ability of local organizations to work together — to solve problems and take advantage of opportunities — was made by the MacArthur Foundation, to the Local Initiatives Support Corporation of Chicago (LISC Chicago) and its New Communities Program (NCP). With an investment of $50 million over 10 years, NCP supported community organizations in 14 neighborhoods to convene local partners to define a "quality-of-life plan" for each neighborhood. It then provided grants to carry out these plans, which addressed a variety of local challenges, including unemployment, struggling schools, and gang violence. LISC Chicago acted as a "managing intermediary," attracting additional resources to NCP neighborhoods; holding lead agencies accountable for making progress on plans; and brokering relationships within neighborhoods and between neighborhoods and city agencies, funders, and other powerful agencies. The 10-year period in which NCP operated was marked first by a period of housing inflation and then by the bursting of the housing bubble and the onset of the Great Recession. In other words, NCP was designed to support community resilience, and the recession, in fact, posed this test.

How funders, communities, and local practitioners responded to the volatility of a decade is of critical interest to the field. In many ways a template for the Obama administration's Neighborhood Revitalization Initiative, which emphasizes the coordination of comprehensive investments, NCP's challenges and successes provide a detailed sense of what it takes to implement this influential model for community improvement.

Gordon L. Berlin
President, MDRC

Acknowledgments

Executive Summary

The New Communities Program: Goals and Structure

In many low-income communities, gang violence, housing disinvestment, and limited economic mobility may magnify the effects of poverty for residents, making it even harder for children to succeed in school, grow up healthy, and achieve economic success. But in their ability to meet these challenges, not all low-income neighborhoods are alike. A growing body of evidence suggests that when neighbors and local organizations can come together to respond to problems, residents in these places have better educational and health outcomes than their counterparts in lower-capacity neighborhoods.[1] With this goal in mind, beginning in 2002, the John D. and Catherine T. MacArthur Foundation supported the New Communities Program (NCP) in Chicago, providing $50 million over 10 years to help promote the ability of local organizations to band together, respond to challenges, and implement new solutions to improve communities.

Developed by the Local Initiatives Support Corporation of Chicago (LISC Chicago) as a way of promoting comprehensive community development among local groups, NCP is one of the largest single-city efforts to help develop local capacity, partnerships, and resources. (Box ES.1 defines the key terms associated with these efforts.) Although NCP continues in Chicago, this report is focused on the first 10 years of MacArthur's support for the program. This fourth and final report on the first 10 years of NCP describes the guiding principles behind the initiative, the extent to which it achieved its goals, the challenges it faced, and the implications of these challenges and successes for similar initiatives. As a flagship example of a significant comprehensive community initiative (CCI) — and one that has served as a model for recent federal policy — the NCP experience offers important lessons for the next generation of place-based CCIs.

From the outset, NCP had three important goals:

1. **Building the capacity of individual community organizations to function as neighborhood-wide conveners or "intermediaries."** NCP operated under the theory that neighborhoods that came together to identify problems, propose solutions, and implement locally developed plans would be more resilient than others. As such, this intermediary, convening approach to com-

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[1]See Douglas S. Massey and Nancy A. Denton, *American Apartheid: Segregation and the Making of the Underclass* (Cambridge, MA: Harvard University Press, 1993); Robert J. Sampson, *Great American City: Chicago and the Enduring Neighborhood Effect* (Chicago: University of Chicago Press, 2012); and Katherine S. Newman and Rebekah Peeples Massengill, "The Texture of Hardship: Qualitative Sociology of Poverty, 1995-2005" (*Annual Review of Sociology* 32: 423-446 [2006]).

Box ES.1

Key Terms for the NCP Evaluation

Comprehensive community initiative (CCI): A program (such as NCP) distinguished by a comprehensive approach to community improvement. Some CCIs, like NCP, promote projects in varied domains of neighborhood work, while others use multiple approaches to target a single goal.

Community development corporation (CDC): A not-for-profit organization, usually serving a geographic location such as a neighborhood or a town. While CDCs can be involved in a variety of activities, they are often associated with building and renovating affordable housing and commercial real estate for low-income people through "bricks-and-mortar" development. NCP was designed in part to help CDCs enter into more varied areas of work.

Intermediary: An organization that supports relationships among groups, promotes their capacity, and helps steer investments to them. NCP relies heavily on intermediaries, with a "managing intermediary" in the form of the Local Initiatives Support Corporation of Chicago (LISC Chicago) taking a direct role in day-to-day operations of the initiative and 14 "local intermediaries" or "neighborhood intermediaries" (also known as "lead agencies," described next) overseeing the program's local implementation.

Lead agency: One of 14 organizations chosen by LISC and the MacArthur Foundation to manage NCP planning and plan implementation. Also referred to as "local intermediaries" or "neighborhood intermediaries," lead agencies were generally provided with two staff members, who first direct a community planning process and then help manage the plan's implementation. In contrast to other initiatives, NCP initially took the approach of designating a single lead agency to manage the initiative in each Chicago neighborhood. Lead agencies included CDCs, community organizing groups, and agencies newly formed to manage NCP.

Leverage: Additional funding from other sources that may follow an initial grant. Although it was a substantial investment for the MacArthur Foundation, NCP was designed to create opportunities for LISC, lead agencies, and partners to identify and obtain more funding.

Local Initiatives Support Corporation (LISC): LISC is a national community development intermediary (see above) founded in 1979 by Ford Foundation, initially to help promote the capacity of CDCs and support the financing of affordable housing. It has over 30 offices in urban areas around the country, and its Chicago office manages the NCP initiative.

NCP "platform": The idea that local relationships, capacity, and investments sparked through NCP can serve as a basis for future investments in the neighborhood. "Platform projects" were larger investments centered on education, broadband technology, and youth development that emerged over the course of the initiative in NCP areas.

munity development was seen to be more successful than various "go it alone" efforts that characterized previous community development efforts, which often led to fragmentation and disorganization.

2. **Building stronger partnerships and coordinating program implementation among neighborhood organizations, based on mutual trust.** Trust-building was considered to be a goal in itself and was also a step toward creating more strategic partnerships that connected isolated community improvement efforts to each other, thereby improving their targeting and coordination. NCP also hoped to help strengthen ties between neighborhood groups and powerful agencies outside the neighborhood.

3. **Leveraging external resources for varied improvement projects of quality and scale.** NCP stemmed from LISC's belief that community development corporations (CDCs) had focused too exclusively on building affordable housing and not on the variety of interconnected problems that befall neighborhoods. Accordingly, NCP attempted to help neighborhoods address different types of local challenges, including unemployment, struggling schools, and gang violence. While MacArthur's investment was substantial, it was spread over many different neighborhoods over a long period time, so grants were always intended to leverage additional resources by convincing other public and private funders that NCP neighborhoods represented good investments.

To enact these goals, NCP selected a local "lead agency" in each neighborhood area and paid for two full-time staff, technical support for planning, and an opportunity to participate in learning from peers and subject-area experts. Lead agencies varied in size and historic capacity. LISC Chicago acted as a "managing intermediary," attracting additional resources to NCP neighborhoods; holding lead agencies accountable for making progress on plans; and brokering relationships within neighborhoods and between neighborhoods and city agencies, funders, and other powerful agencies.

During the planning phase of NCP, each lead agency convened other community organizations to define its own "quality-of-life plan" for its neighborhood. The plan provided a template for varied projects to be accomplished over the course of several years. Projects spanned large public investments that did not currently exist (such as a new transportation stop on a commuter rail line) to small private ones that were already planned (such as murals and tree plantings). These plans were meant to be very inclusive of all groups' ideas and existing efforts, thereby building trust among local organizations. The plans did not, however, set standards for the implementation of individual projects or dictate how groups would interact

with each other in the future. During the implementation phase of NCP, LISC Chicago awarded loans from its own National Loan Pool and grants using MacArthur Foundation funding and other sources to support these projects. Over time, LISC was able to attract significant external resources into larger "platform projects" (Box ES.1) in youth development, middle school improvement, and access to technology, among other areas. These projects became an increasing emphasis of NCP implementation.

NCP Neighborhoods and the Great Recession

NCP operates in 14 Chicago areas, encompassing primarily African-American, primarily Latino and immigrant areas, and more racially and ethnically mixed locations. (See Figure ES.1.) It is important to note that the 10 years of NCP implementation included both a housing boom and the period known as "the Great Recession." That is, in 2006, during the height of NCP implementation, the housing market collapsed, bursting the speculative bubble that had been growing since the turn of the century and helping launch one of the worst financial crises in decades.

The most profound effect of the recession was seen in housing and lending indicators. Completed foreclosures exhibited a dramatic upswing, going from an annual average decline of 28.4 percent in the period 2003-2005 to an annual average increase of 24.5 percent in the years 2006-2009. Across Chicago, the volume of housing lending declined, with lower-income neighborhoods being particularly hard hit. Commercial lending declined overall, and job growth and employment also suffered. Although neighborhoods experienced stresses associated with the recession differently, the tumultuous period of NCP implementation put its underlying theory — working together, neighborhood organizations can respond effectively to shocks and take advantage of opportunities — to the test.

Key Findings

1. Building capacity: Lead agencies varied substantially as to whether they developed the convening or "intermediary" skills of the NCP model.

NCP rests on the premise that community improvement may best be achieved by mobilizing many local groups to take ownership of the program, supported by outside partners. But histories of conflict or fragmentation among local agencies can derail this collaboration. NCP charged a single agency in each neighborhood with coordinating and steering work by other groups over which it had no direct authority, asking it to overcome differences among them and to sustain engagement over a long period of time. These tasks are challenging by definition, especially because most organizations are skilled in providing services — not in acting as neighborhood-wide conveners and leaders.

The New Communities Program

Figure ES.1

The NCP Neighborhoods
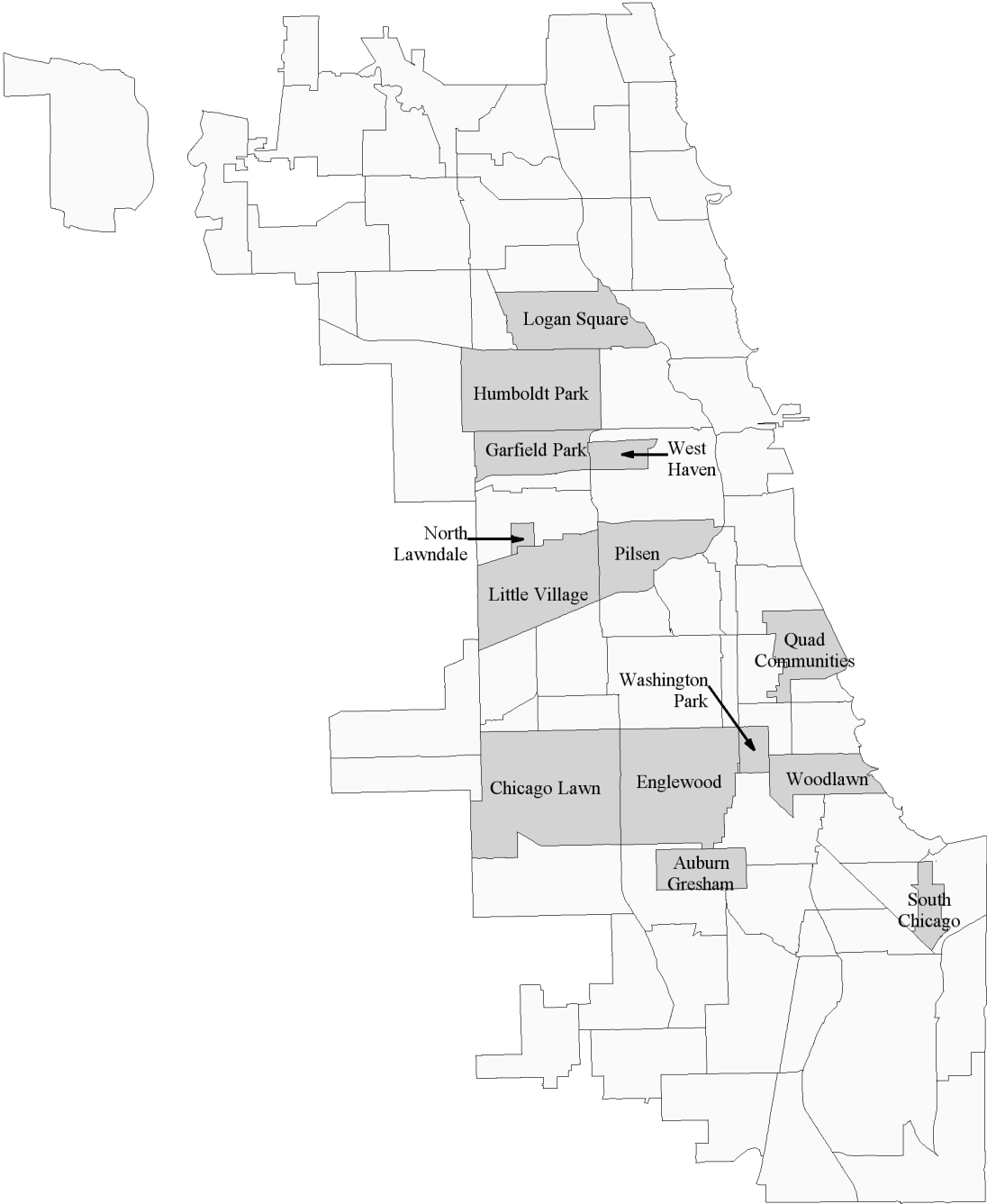
Logan Square

Humboldt Park

Garfield Park — West Haven

North Lawndale

Pilsen

Little Village

Quad Communities

Washington Park

Chicago Lawn

Englewood

Woodlawn

Auburn Gresham

South Chicago

NOTE: The map displays the Chicago municipal area within Cook County divided into the 80 neighbor-hoods defined for the NCP analysis. The 14 NCP neighborhoods are labeled and shaded.

- **Lead agencies that began NCP with a track record of bringing local groups together enhanced these skills over the course of the initiative.**

Within NCP, about one-quarter of lead agencies started NCP with a significant track record of convening other neighborhood organizations. However, these agencies uniformly *improved* those skills through NCP — a notable accomplishment, given the agencies' strong starting places. Some were community organizing groups that had brought local organizations and individuals together for some time. But other larger, generally high-capacity groups also improved their ability to act as conveners. For example, a large CDC in northwest Chicago which had been seen as an important partner in local collaborations (but not necessarily a leader of them) learned to staff and facilitate multiple task forces over the 10-year course of NCP and also learned to teach *other* groups how to accomplish this convening work.

- **Small-to-midsize CDCs that formed in the 1980s as well as new organizations that formed for the purpose of implementing NCP found it difficult to learn how to spark and sustain productive partnerships among neighborhood organizations over time.**

About one-quarter of NCP lead agencies were smaller CDCs that focused on building affordable housing, and all but one these groups found it difficult to make the transition to NCP's model of facilitating action by others. In many ways, it is not surprising that organizations that were "built" primarily to do something different from NCP found its model more challenging to implement. However, about another third of lead agencies were founded expressly for the purposes of implementing NCP, and these groups also faced difficult trade-offs between consolidating themselves as independent organizations that provided services and acting as conveners or intermediaries. Challenges that both types of agencies faced were compounded by the fact that they operated in neighborhoods where there were fewer partners to convene or where trust was low among organizations.

2. Forming relationships: NCP helped to improve collaborative partnerships among local agencies that started from a stronger foundation of trusting relationships.

NCP attempted to build relationships among community organizations and to connect these groups to actors outside the neighborhood, under the theory that neighborhoods with closer connections are better able to respond to crises and take advantage of opportunities.

- **In neighborhoods where trust and cooperation were better established among community groups at the beginning of NCP, interorganizational relationships deepened over the course of the initiative.**

In about a third of NCP neighborhoods, organizations had good working relationships before NCP. For example, in Humboldt Park, relations were already strong in the eastern, Puerto Rican part of the neighborhood, but trust continued to deepen among service, youth, and cultural organizations, resulting in new types of collaborations and new opportunities for funding outside NCP. Trust also deepened between the western, African-American side of the neighborhood and its eastern, Puerto Rican sections, with the result that new resources were delivered to that underserved portion of the neighborhood. Across the initiative, LISC Chicago helped broker relationships among lead agencies and between these groups, outside funders, and city government.

- **NCP helped connect many lead agencies to citywide and national funders, and it resulted in partnerships *across* neighborhoods.**

Participation in NCP over time helped enhance lead agencies' connections to each other from around the city, building community among them and resulting in programs being spread from group to group in connection with youth programming and teacher recruitment efforts.

- **Where there were greater histories of antagonism among community partners at the beginning of the initiative, NCP improved relationships during the planning period and through early implementation, but both trust and collaboration were often difficult to sustain.**

Although neighborhoods with histories of antagonism among community groups had planning "task forces" to explore different issues at the beginning of the initiative, they tended not to sustain active participation over the course of NCP. For example, in North Lawndale — a historically disinvested area on the West Side of Chicago — planning and early implementation helped form some partnerships, but these were difficult to sustain after the planning period ended.

- **It was rare for relationships to promote collaborative, coordinated programming across individual projects, but when guided by a high-capacity organization, innovative partnerships did develop.**

Across the many projects supported by NCP, it was rare for NCP networks to add value to the implementation of individual projects in concrete ways; in other words, while groups may have had greater awareness of each others' projects, this tended not to change the ways that smaller initiatives were implemented in relationship to each other. (Individual "platform" initiatives did, however, attempt to change practice, for example, in the ways that agencies approached workforce development.) In some significant cases, however, when guided by a high-capacity lead agency, these new relationships enabled agencies to tap into new funding streams and promote strong collaborations. For example, the lead agency in Chicago Lawn, the Southwest Organizing Project (SWOP), helped bring together churches, schools, and other

community organizations whose work was not related to housing but who quickly became more convinced that foreclosures represented a community crisis that threatened their own efforts in the neighborhood, and so they worked to address that crisis. In general, even though NCP emphasized relationships in areas outside of housing development, housing and foreclosure prevention was an area in which NCP networks could be especially instrumental.

3. Implementation and leverage: The lead agencies and their partners implemented varied improvement projects, which reported substantial leverage of additional resources from sources other than the MacArthur Foundation.

Comprehensive community development programs such as NCP proceed under the belief that neighborhood improvement is best achieved through a multipronged effort, instead of a sole focus on physical, "bricks-and-mortar" improvement to housing alone. Through 2008, early implementation demonstrated the completion of projects in social services and education under the auspices of NCP,[2] but the Great Recession altered the flow of resources to neighborhoods, making it more difficult to attract loans for affordable housing construction and reducing state funding, even as it provided other resources through federal stimulus programs.

- **Nearly 850 projects — many with multiple components — and over $900 million in total funding (grants and loans) were reported among the 14 neighborhood areas. Work continued to be comprehensive, and there was no "flagging" of implementation efforts during the later years of the initiative.**

The Great Recession moved project activity away from real estate development, with the result that more leverage came in foundation or federally supported initiatives than from loans or grants associated with housing construction. These significant investments demonstrate that the NCP platform remained a vehicle for substantial improvement efforts. For example, in the later years of NCP, "The Green Exchange" initiative in Logan Square provided job training and employment for low-income workers in the community, and it was reported to have leveraged more than $6 million in additional funding. (See Figure ES.2.)

- **NCP lead agencies and their partners were able to direct resources *within* neighborhoods, often to promote work along commercial corridors or to subareas that they saw as being underserved.**

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[2]David Greenberg, Nandita Verma, Keri-Nicole Dillman, and Robert Chaskin, *Creating a Platform for Sustained Neighborhood Improvement: Interim Findings from Chicago's New Communities Program* (New York: MDRC, 2010).

The New Communities Program

Figure ES.2

NCP Funding, by Domain and Time Period
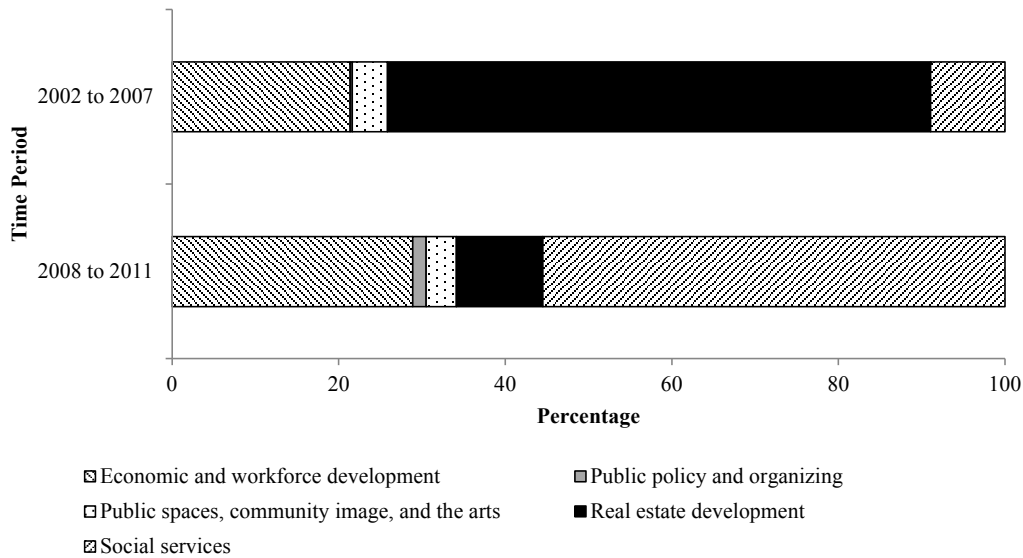
SOURCE: MDRC analysis of lead-agency annual progress reports provided by LISC Chicago.

NOTE: This analysis includes NCP projects reported to have received support grants from LISC Chicago, non-LISC investments, other kinds of support, and projects that do not list any funding or support.

MDRC mapped the locations of implemented projects in three neighborhoods and whether these projects were located in areas with more reported crime, foreclosures, and housing investment *within* the community. In all three neighborhoods, there was evidence that lead agencies and their partners consciously targeted activities, generally along local commercial corridors. For example, in Chicago Lawn, the 63rd Street Streetscape program beautified and improved a central commercial corridor and was reported to have brought in $600,000 in private donations from the Islamic community in Chicago Lawn and surrounding neighborhoods, as well as over $1 million in additional financial resources. Despite the fact that NCP planning might have produced projects that were spread thinly throughout the whole neighborhood, lead agencies were, in fact, able to channel implementation efforts within communities. (However, these activities were not always *coordinated* with each other, as described above.)

- **Neighborhoods with multi-issue, high-capacity lead agencies and strong local partners tended to leverage the most additional funds.**

For example, in Logan Square, the Logan Square Neighborhood Association is a well-established community organizing group that had established planning task forces in multiple areas. NCP helped it bring affordable housing developers into deeper partnership with the lead agency, and when construction of local apartments faced opposition from those worried about additional affordable housing in the neighborhood, organizers mobilized networks to request their support for a zoning change that would allow for the construction.

4. Managing the initiative: LISC Chicago played a critical role in attracting additional investments to NCP and lead agencies, but it was challenged to help lead agencies implement strongly coordinated local initiatives.

The interim report on NCP found that LISC Chicago was able to manage grants flexibly and to mediate community conflict successfully.[3] Community organizations valued the flexibility and speed with which LISC Chicago provided seed grants and its technical assistance during planning. Given the challenges of sustaining action over a long period of time, it is worth considering how LISC's management of the initiative evolved over the course of implementation.

- **During the budgetary crises associated with the Great Recession, LISC Chicago was able to attract significant additional funding to make up for service cuts and the absence of construction loans, based on the comprehensive approach that NCP promoted.**

Local groups were often directly affected by budgetary crises, and they valued NCP and the resources that LISC Chicago was able to attract, as an alternative source of revenue during a difficult time. In some cases, LISC's support was critical to keeping agencies viable during the downturn. The fact that NCP operated in multiple domains and that it provided a framework for local collaboration was very important to attracting these additional resources, as it allowed LISC Chicago to solicit funding for large, cross-neighborhood initiatives related to income and credit building, education, broadband, and youth development.

- **LISC Chicago provided a structured approach to creating neighborhood plans, but, later in the initiative, NCP had few formal mechanisms for encouraging quality or coordination among smaller and larger stand-alone projects.**

The broad quality-of-life plans initially developed through NCP did not require projects to be concretely connected to each other. Indeed, one purpose of the NCP small grants was to

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[3]Greenberg, Verma, Dillman, and Chaskin (2010).

provide flexibility and autonomy without onerous requirements on participants. Lead agencies and LISC Chicago were also reluctant to direct other groups' efforts, given a need to maintain relationships and a desire not to undercut community control of interventions. In part due to these factors, lead agencies took different approaches to implementation, and about half did not attempt to foster or maintain collaborations over time that could result in greater coordination. As described above, among individual platform projects, additional planning, engagement, and quality mechanisms were implemented, but there was variation in how well these efforts were connected with other community-based initiatives associated with NCP.

NCP Evolves

In 2012, MacArthur's investment in the New Communities Program entered a new phase, with a shift toward LISC Chicago's "Testing the Model" (TTM) pilot project. Over the course of NCP, the foundation became increasingly interested in establishing specific community change targets as part of its next phase of investment in Chicago neighborhoods, as it believed that establishing these outcomes could be a way to establish greater coordination of investments within NCP neighborhoods. In response, LISC Chicago developed TTM as a pilot program meant to test whether relationships that formed over the course of NCP could be harnessed in a focused attempt to change neighborhood trajectories in health, housing, education, and safety. In this way, TTM represents a way to align LISC's traditional interest in capacity-building and the MacArthur Foundation's traditional interest in demonstrating measurable community change.

TTM represents an effort to deploy NCP's platform of interorganizational relationships and partnerships toward a more outcomes- and data-oriented approach to comprehensive community development. It asks lead agencies and their community partners to identify a single issue area or domain in which they will concentrate and coordinate efforts and around which they will target multistrategy, multipartner approaches to enacting quantifiable, community-wide goals. Like the original NCP model, TTM attempts to improve capacity, further develop relationships, and deliver resources to neighborhoods, but near-term capacity-building is less an end in itself than a means to achieve longer-term community change goals. The agencies and neighborhoods selected for TTM included some of the strongest performers among NCP, where the deepest relationships were built and where agencies had best learned to act as conveners and intermediaries. In March 2012, the MacArthur Foundation awarded a three-year, $8 million grant in support of TTM. Currently, five TTM sites from the original 14 NCP neighborhoods are implementing plans that were developed with the help of community partners and issue experts. Areas of intervention that were selected by local groups include education, safety, housing, and public health. Future reports will study the implementation of TTM and how neighborhoods are changing in these targeted domains.

Lessons for the Field

The NCP experience is particularly relevant for communities launching initiatives that rely heavily on partnerships among neighborhood organizations or that emphasize coordinated and comprehensive action. NCP research provides some important lessons for future comprehensive community development initiatives and for an emerging set of federal and place-based initiatives that have modeled themselves in some ways on it, such as the U.S. Department of Housing and Urban Development's *Choice Neighborhoods* program for redeveloping distressed public housing projects via comprehensive strategies; the U.S. Department of Education's *Promise Neighborhoods* initiative to promote place-based planning and implementation of comprehensive services to help "a continuum of cradle-through-college-and-career solutions"; and LISC's national *Building Sustainable Communities* (BSC) program, which is, in many ways, an explicit replication of NCP, now operating in 110 target neighborhoods in 25 cities across the country. Such initiatives faced several formative decisions that are illuminated by the NCP experience.

- **Defining comprehensiveness.** Designers of future initiatives should define "comprehensiveness" as a framework for varied but coordinated strategies that work together to achieve common goals.

Led in many ways by LISC Chicago, comprehensiveness has become a significant guiding principle for community development across the nation. Within NCP, "comprehensiveness" was defined primarily as *the promotion of a broad and inclusive range of neighborhood improvement projects.* This approach was successful in promoting community engagement in the quality-of-life planning process. It later allowed LISC Chicago and lead agencies to attract grants in broadband, education, and foreclosure prevention that helped them offset the funding gaps caused by the recession. But there are pitfalls to this model of comprehensiveness, including the risk of spreading limited resources too thinly among many different types of projects. In NCP, it did not ensure high-quality implementation across a broad range of work or promote coordination among varied projects growing from the early implementation of quality-of-life plans. Its breadth also made it difficult if not impossible to establish quantifiable community change goals and to measure community-level outcomes. (However, *within* large, multisite initiatives such as income and credit building, middle school education, broadband adoption, and youth sports programming, programmatic goals were established as a way of monitoring implementation).[4] These challenges suggest that program designers may be better

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[4]For evaluations of these initiatives and accounts of how they developed, see Caroline Tolbert, Karen Mossberger, and Chris Anderson, "Measuring Change in Internet Use and Broadband Adoption: Comparing BTOP Smart Communities and Other Chicago Neighborhoods" (Springfield: Partnership for a Better Illinois, 2013); and Caroline Goldstein, "New Communities Program Data Brief, 2003-2011," Updated Draft (Chicago: Local Initiatives Support Corporation of Chicago, December 1, 2011).

served by defining comprehensiveness as *the coordinated mobilization of a varied range of complementary efforts and strategies to achieve more limited and well-defined common goals.* This is the approach now being pursued in TTM.

- **Deciding where to invest.** Initiative managers should be aware of the neighborhood conditions and features of local partner organizations and should plan accordingly.

All community initiatives — even large federal efforts like Choice Neighborhoods and Promise Neighborhoods — face difficult choices as to where they will invest limited resources, since there are many neighborhoods in the United States with high levels of need. The neighborhoods that were best able to implement NCP — best able to convene others, build strong relationships that allowed for more coordinated efforts, and leverage additional resources from funders other than MacArthur — tended to be neighborhoods with many potential implementing partners and generally good relationships among them. They also tended to be neighborhoods where NCP was led by organizations with a proven track record of achievement and growth over time, experience with convening and coordinating, a history of working in more than one issue area, and a community organizing background. NCP proved most difficult to implement where all or most of these conditions were absent, suggesting that implementers should expect that greater resources and more creative strategies will be required in such contexts. (LISC made significant investments in these more challenged environments, and it saw some notable successes, in such neighborhoods as Quad Communities on the South Side.)

- **Planning ahead for implementation.** The planning process should encourage relationship-building by including an array of existing groups and projects. But it also should establish *how* individual projects will be coordinated and should identify new implementation collaborations where possible.

Public and interagency planning processes are central to the White House's Neighborhood Revitalization Initiative (NRI) strategy. Accordingly, decisions about how to structure these processes are particularly important. NCP was remarkably effective in building relations among community organizations through a very inclusive 18-month period of collective planning and visioning. LISC Chicago supported this inclusive approach to promote community priorities, acting as a "partner" to lead agencies rather than as an ordinary funder, and lead agencies valued this more relational approach to NCP management. At the same time, LISC did not generally set guidance for project coordination or for greater collaborative impact during implementation of varied projects established in quality-of-life plans (although it provided greater guidance on larger, multisite, platform projects.). Attention to these issues during planning may, therefore, be important for similar initiatives, such as Choice Neighborhoods and Promise Neighborhoods. While they are challenging efforts, both TTM and the inclusion of

accountability goals in platform projects have been important ways to establish new quality, targeting, and coordination goals. Funders in foundations or government should be aware that the amount of resources provided to local implementers — often significant for a funder but modest relative to the community's or project's needs, and divided among multiple parties — should be taken into account while setting these expectations.

- **Sustaining local governance.** Initiative managers should support local convening and accountability mechanisms during implementation.

NCP, like many community initiatives, sought to build strong relationships among local groups and between these groups, government, and funders — what initiative managers came to call "the NCP platform" (Box ES.1). One early choice by NCP designers to promote this goal was making a single lead agency responsible for coordinating a collective planning process and managing the implementation of quality-of-life plans. In contrast to earlier initiatives that struggled with collective governance structures, this choice proved to be an effective way of balancing efficiency of implementation with collective ownership. However, neighborhoods that did not continue to convene local groups through implementation found it more difficult to sustain relationships and coordinate projects over time. Thus, managers may need to set stronger expectations and provide stronger supports toward sustaining such governance structures and charging them with periodic re-planning and joint decision-making about important implementation projects, while remaining flexible as to the specific form this local governance takes.

Chapter 1

Building the NCP Platform

Why Neighborhood Matters

In the United States, low-income households often live in neighborhoods apart.[1] The toll of poverty on life prospects may be compounded in these places, as researchers have documented "neighborhood effects" that exacerbate the consequences of being poor.[2] For example, studies have estimated that the stress caused by living in a very low-income neighborhood decreases educational performance by about two grade levels.[3] Concentrated poverty — on the rise through the first decade of the century and likely compounded by the Great Recession (2006-2009) — makes considerations of place and its effects on residents especially important.[4] Foreclosures and abandonment brought about by financial and economic crises have been especially apparent in historically disinvested neighborhoods, where owners weathered housing speculation only to be unable to pay back loans on properties that were difficult to resell or refinance. As tax revenues in the Great Recession dried up in the wake of the financial and economic collapse, states experienced the largest budget shortfalls ever recorded, totaling nearly $600 billion[5] and affecting programs that support the neighborhoods of greatest need by creating further shortfalls.

Urban problems in these communities can be addressed through separate means, including educational reform, affordable housing initiatives, and social service interventions. But because neighborhood "matters," these problems are often interconnected, and improvement in one area can be held up by problems in another. For example, it may be hard to encourage families to stay and invest in their homes if they believe that local schools do not serve their children well. In turn, efforts to improve schools may be held up by gang violence, which itself may be connected to a lack of youth development services. Although it may not be feasible to tackle every problem, the goal of *comprehensive community development* has emerged as an important component of neighborhood improvement. Such development declares that complex, interrelated, problems require coordinated, intensive responses that are driven by local needs and so are better able to respond with locally driven solutions.[6]

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[1]Massey and Denton (1993).
[2]Sampson (2012).
[3]Newman and Massengill (2006).
[4]Kneebone, Nadeau, and Berube (2011).
[5]Oliff, Mai, and Palacios (2012).
[6]Kubisch et al. (2002).

Not every neighborhood has the ability to carry out this approach to community improvement efforts. In fact, research on neighborhood effects suggests that not all low-income neighborhoods are the same; rather, neighborhoods possess varied strengths, especially in the ability of individuals and community organizations to come together to solve the problems that they face. These varied capacities have been associated with differences in measurable community indicators, such as crime.[7] In other words, while neighborhood-based networks and institutions can exacerbate poverty's effects, they can also be deployed to mitigate them. Moving to solve problems together may require a different set of capacities on the part of local organizations and the funders who support them, a set of relationships that support the implementation of coordinated programs, and resources that can allow groups to act in multiple areas at once.

The New Communities Program

In scale and in the duration of its commitment, perhaps the preeminent single-city initiative that promotes comprehensive community development is the New Communities Program (NCP), operated by the Local Initiatives Support Corporation of Chicago (LISC Chicago) and funded by the John D. and Catherine T. MacArthur Foundation. A 10-year, $50 million initiative, NCP helps selected Chicago neighborhoods develop partnerships to address challenges in such areas as employment, education, housing, and safety in a comprehensive, coordinated fashion. Through engagement, collaborative planning, and implementation, NCP designers believed that community organizations, which too often work in isolation on narrow agendas, would come together to solve common problems and improve the quality of life in their communities — across a variety of outcomes.

NCP's specific genesis was in the efforts of leaders of community development in Chicago, led by LISC Chicago. In 1997, the Futures Committee — a gathering of civic and neighborhood leaders convened by LISC Chicago and MacArthur — began to rethink the goals and methods of community development. At the time, there was a sense that neighborhoods needed more than subsidized housing to reconnect to the mainstream and that community development organizations needed to be more than builders and landlords. Around the same moment, the MacArthur Foundation was interested in forming a stronger framework for guiding its community investments within Chicago. Its board was interested in the foundation's expanding its work to many more neighborhoods, especially those with high rates of poverty. MacArthur had worked with LISC Chicago in the past to build the capacity of the community development field, and the foundation sought to partner with it again in the effort to expand. LISC Chicago engaged thinkers on comprehensive community development initiatives — including the creator of the Compre-

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[7]Sampson (2012).

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hensive Community Revitalization Program (CCRP) in the South Bronx, New York City — and developed a pilot initiative modeled after it, known as the New Communities Initiative (NCI). NCP built on NCI and greatly expanded it, moving to 14 neighborhood areas, each served by a lead agency.[8] Table 1.1 briefly describes all 14 neighborhoods.

The NCP approach, as it emerged, involved several design choices or features that came from past insights about community initiatives. Each of these distinctive features of NCP is explored in this report.

- **Challenges of local coordination and capacity.** To respond to these challenges, NCP emphasizes the development of an "intermediary approach" to neighborhood improvement. An *intermediary* is an organization that attempts to promote relationships among organizations, builds the capacity of these groups, and steers strategic investments to them. Both planning and coordination of efforts occur through a single local intermediary — referred to as the "lead agency" — that works extensively to build consensus among other community organizations, to strengthen existing relationships, and to form new ones.

- **Challenges of implementation.** To promote implementation, NCP relies on a strategy that delegates tasks among many hands. In contrast to its pilot predecessor, NCI, a feature of NCP as it expanded to additional areas is that it offers much more explicit encouragement to lead agencies that *other* organizations carry out the plan that was created collectively. That is, while programs such as CCRP in the South Bronx focused on *community development corporations (CDCs)* and chose to diversify their activities, NCP acknowledges that a CDC does not, in itself, need to take on projects that it may not be suited to implement directly.[9] NCP promotes implementation in other ways, as in attempts to promote early-action projects to bridge the gap between planning and implementation.

- **Conflict between funders and implementers.** To avoid such conflicts, LISC Chicago is the manager of grants and the direct contact with local organizations, while the MacArthur Foundation is the primary funder. This relationship was not without conflict, sometimes centering on the question of

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[8]NCP is often described as serving 16 Chicago communities. However, these communities are located in 14 areas for the purposes of the initiative's planning and implementation. Therefore, for simplicity's sake, this report refers to these areas as NCP's 14 neighborhoods.

[9]Although NCP does not work only with CDCs, LISC has traditionally worked with these organizations.

whether NCP's efforts should be expected to transform neighborhoods — a complicated issue for research and evaluation.

The New Communities Program

Table 1.1

The NCP Neighborhoods

Community Area Served, Lead Agency[a] (Year Founded)	Type of Organization	Pre-NCP Focus	Primary Implementation Approach	Early Legitimacy as Convener	Demographic Makeup[b]	Population[c]	Strength and Number of Community Partners
Auburn Gresham: Greater Auburn Gresham Development Corporation (2001)	CDC	Commercial development, affordable housing	Implementer	No	98%[h] African-American	25,336	Limited, few groups, holes in existing services
Chicago Southwest: Greater Southwest Community Development Corporation (1974) / Southwest Organizing Project (1988)	CDC/ community organizing	Commercial development/ multi-issue	Implementer/ broker	Yes	59% African-American, 35% Latino, 10% white, large Middle Eastern community	118,674	Strong, many groups, service-rich
East Garfield Park: Garfield Park Conservatory Alliance (1998)[d]	Education/ outreach	Nature, conservation	Implementer	No	98% African-American	30,301	Limited, few groups, holes in existing services
Englewood: Teamwork Englewood (2003)	NCP implementation	Established for NCP	Implementer	No	98% African-American	77,515	Limited, few groups, holes in existing services
Humboldt Park: Bickerdike Redevelopment Corporation (1968)	CDC with issue-specific organizing history	Affordable housing	Broker	Yes	48% African-American, 48% Latino	85,591	Strong, many groups, service-rich

(continued)

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Table 1.1 (continued)

Community Area Served, Lead Agency[a] (Year Founded)	Type of Organization	Pre-NCP Focus	Primary Implementation Approach	Early Legitimacy as Convener	Demographic Makeup[b]	Population[c]	Strength and Number of Community Partners
Little Village: Enlace (1998)	Community outreach and education	Violence prevention, youth	Implementer/ broker	Somewhat	83% Latino	77,324	Limited, few groups, some historic tensions/holes in existing services
Logan Square: Logan Square Neighborhood Association (1962)	Community organizing	Multi-issue: housing, health, education, jobs, immigration	Implementer/ broker	Yes	65% Latino	81,140	Strong, many groups, service-rich
North Lawndale: Lawndale Christian Development Corporation (1987)	CDC	Housing development	Implementer	No	94% African-American	4,799	Average
Pilsen: The Resurrection Project (1990)	CDC, with organizing history	Affordable housing, commercial development	Implementor/ broker	Somewhat	89% Latino	37,477	Strong, many groups, service-rich
Quad:[e] Quad Community Development Corporation (2003)	NCP implementation	Established for NCP	Implementer	No	89% African-American	21,252	Average
South Chicago: Claretian Associates[f] (1981)	CDC	Affordable housing	Broker	Yes	68% African-American, 27% Latino	11,406	Average
Washington Park: Washington Park Consortium (2003)[g]	NCP implementation	Established for NCP	Broker	No	97% African-American	8,465	Limited, few groups, holes in existing services
West Haven: Near Westside Community Development Corporation (1987)	CDC	Affordable housing, commercial development	Implementer	Somewhat	53% African-American, 10% Latino	8,802	Limited, few groups, holes in existing services
Woodlawn: The Network of Woodlawn	NCP implementation	Established for NCP	Broker	Somewhat	95% African-American	23,410	Average

(continued)

Table 1.1 (continued)

SOURCES: 2008 lead-agency portfolio update, MDRC interviews, and NCP program documentation.

NOTES: [a]Lead agency as of 2009. Unless otherwise noted, organizations were established prior to NCP.

[b]Based on 2000 Census, around baseline.

[c]From 2005-2009 American Community Survey, based on definition of NCP area, which differs in some cases from the city-designated community area.

[d]While the Garfield Park Conservatory Alliance is a long-established organization, NCP within it was a newer function and established itself as a separate nonprofit organization toward the end of the 10 years of NCP.

[e]Quad is not a community area. Its boundaries represent the 4th Aldermanic Ward of Chicago and include portions of Douglas, Grand Boulevard, North Kenwood, and Oakland.

[f]Claretian Associates was not the original agency selected to implement NCP but became the NCP lead after the original agency no longer wanted to participate.

[g]The Washington Park Consortium was founded after the original NCP lead agency was removed by LISC.

[h]Figures in this table were rounded to the nearest whole number and may not add up to 100 percent.

Box 1.1 defines the key terms associated with these distinctive characteristics of NCP.

The NCP model emerged as follows: A lead agency is provided with two full-time staff, technical support for planning and documentation, and an opportunity to participate in learning from peers and subject-area experts. During the planning phase of NCP, the lead agency convenes other local groups to define a *quality-of-life plan.* This plan provides a template for varied projects to be accomplished over the next several years, including social service initiatives, employment and economic development programs, community arts initiatives, and affordable housing development. These plans were meant to be inclusive of all groups' ideas and existing efforts, thereby building trust among local organizations. The plans did not, however, set standards for the implementation of individual projects or their coordination, nor did they establish mechanisms for governance or continued engagement among groups.

During the implementation phase of NCP, LISC Chicago made loans and modest "seed grants" with grant funds from the MacArthur Foundation and provided technical assistance to support these projects. Projects funded with seed grants are wide-ranging and include social service and education initiatives, community beautification projects, affordable housing development, and jobs programs. Seed grants were, during the early years of the program, a major vehicle for stimulating action on immediately doable projects, but because the size of these grants did not always cover the total cost of a project, both the lead agencies and their partners were responsible for securing additional resources in cases where they are warranted.

By coordinating multiple seed grants around comprehensive areas of improvements, investments were meant to "leverage" more than the seed grants themselves. Furthermore, by creating an environment in which local groups were able to collaborate well together, NCP designers believed that they might set the stage for other major community programs to emerge in neighborhoods. Designers refer to this as the "platform" function of NCP, in that it serves as the base by which other initiatives may be layered and may perform better than they would otherwise. LISC Chicago held the belief that the NCP platform would, over time, create conditions for positive neighborhood change, but no explicit mechanism to achieve these goals was built into NCP's planning. Whether NCP promoted leverage, collaboration, and capacity or whether it explicitly promoted neighborhood-level change would become a source of tension in the late stages of NCP.

Significance of the New Communities Program and NCP Research

The New Communities Program (NCP) is an initiative that is informed by, and also attempts to address limitations in, two important strands of place-based interventions. This report speaks not only to these projects but also to recent federal strategies that have sought to learn from

Box 1.1

Key Terms for the NCP Evaluation

Comprehensive community initiative (CCI): A program (such as NCP) distinguished by a comprehensive approach to community improvement. Some CCIs, like NCP, promote projects in varied domains of neighborhood work, while others use multiple approaches to target a single goal.

Community development corporation (CDC): A not-for-profit organization, usually serving a geographic location such as a neighborhood or a town. While CDCs can be involved in a variety of activities, they are often associated with building and renovating affordable housing and commercial real estate for low-income people through "bricks-and-mortar" development. NCP was designed in part to help CDCs enter into more varied areas of work.

Intermediary: An organization that supports relationships among groups, promotes their capacity, and helps steer investments to them. NCP relies heavily on intermediaries, with a "managing intermediary" in the form of the Local Initiatives Support Corporation of Chicago (LISC Chicago) taking a direct role in day-to-day operations of the initiative and 14 "local intermediaries" or "neighborhood intermediaries" (also known as "lead agencies," described next) overseeing the program's local implementation.

Lead agency: One of 14 organizations chosen by LISC and the MacArthur Foundation to manage NCP planning and plan implementation. Also referred to as "local intermediaries" or "neighborhood intermediaries," lead agencies were generally provided with two staff members, who first direct a community planning process and then help manage the plan's implementation. In contrast to other initiatives, NCP initially took the approach of designating a single lead agency to manage the initiative in each Chicago neighborhood. Lead agencies included CDCs, community organizing groups, and agencies newly formed to manage NCP.

Leverage: Additional funding from other sources that may follow an initial grant. Although it was a substantial investment for the MacArthur Foundation, NCP was designed to create opportunities for LISC, lead agencies, and partners to identify and obtain more funding.

Local Initiatives Support Corporation (LISC): LISC is a national community development intermediary (see above) founded in 1979 by Ford Foundation, initially to help promote the capacity of CDCs and support the financing of affordable housing. It has over 30 offices in urban areas around the country, and its Chicago office manages the NCP initiative.

NCP "platform": The idea that local relationships, capacity, and investments sparked through NCP can serve as a basis for future investments in the neighborhood. "Platform projects" were larger investments centered on education, broadband technology, and youth development that emerged over the course of the initiative in NCP areas.

NCP — sometimes explicitly. That is, a number of Obama administration and national initiatives that have explicitly looked to comprehensive community initiatives (CCIs) — and, more pointedly, to the NCP experience — as an attempt to realize the goals of comprehensive community development: systematic improvement in multiple domains, better coordination, and leveraging of important local resources. Within this portfolio, *Choice Neighborhoods* — the flagship public housing initiative of the U.S. Department of Housing and Urban Development (HUD) that targets low-income housing developments for redevelopment — has cited NCP as one of the sources of its focus on planning and comprehensive neighborhood revitalization. Choice adds an extensive emphasis not just on "bricks-and-mortar" change to neighborhoods but on social services and education. *Promise Neighborhoods* is the U.S. Department of Education's program to promote place-based planning and implementation of comprehensive services to help "a continuum of cradle-through-college-and-career solutions," focused on the school system. The White House's *Neighborhood Revitalization Initiative* "recognizes that the interconnected challenges in high-poverty neighborhoods require interconnected solutions" and attempts to weave together these place-based programs.

Within the community development field, NCP has also informed LISC's *Building Sustainable Communities* (BSC) program, which, in many ways, is an explicit replication of the NCP model. BSC launched its model of planning and collective implementation in 110 target neighborhoods in 25 cities across the country. Through BSC, NCP has essentially become the new template for LISC's community development efforts across the nation.

While these initiatives cite NCP's aspirations, the opportunity of this stage of NCP research is to provide a detailed, in-depth look at what it takes to realize the promises of comprehensive community development *in practice.* For example, while Choice Neighborhoods has stated ambitions to transform neighborhoods, the size of the direct implementation grants to localities has only been approximately $30 million, meaning that sites will have to develop ways of leveraging funds in order to realize neighborhood change goals. NCP research also provides a basis to examine some of the underlying assumptions about the value of the strategy in ways that may clarify program inputs and objectives. These underlying assumptions include:

- **The value of comprehensiveness.** NCP (like other, more recent federal and national initiatives) is designed to attack neighborhood problems beyond housing. At the same time, it is worth noting that comprehensiveness often *already* occurs in neighborhoods, as organizations working in different areas go about their work. In addition, pushing individual organizations to focus on too many things may result in their not being accomplished at all or not being accomplished well. What has a shift in mind-set toward comprehensiveness across discrete issue areas actually provided local organizations and their partners, in terms of greater access to resources, implementation successes,

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or new capacities? How does a comprehensive mind-set encourage organizations and systems to work more strategically or promote a vision of how different aspects of neighborhood change are connected?

- **The value of both colocating investments and coordinating among them.** An important premise underlying Choice and other comprehensive community development initiatives is that a saturation of investments may improve local outcomes, through *colocated* investments. But the level of investments provided through NCP and some other federal initiatives is relatively small compared with the scale of investments seen to "spill over" into other areas of neighborhood improvement.[10] As a result, it is worth exploring how colocated investments are leveraged or targeted in a way that improves on their ability to act in isolation. To what extent are programs like NCP able to achieve both colocation and coordination of investments?

- **Institution-building.** NCP was designed to create *durable structures* for community improvement — as suggested by the metaphor of the NCP "platform." This means that these programs create viable funding mechanisms for supporting a range of community projects and a set of relationships that help identify and implement these programs. There may, however, be a trade-off between developing these institutions and creating flexible and adaptable mechanisms, especially when strategies promoted by programs like NCP need to respond in effective ways to changing contexts. How adaptable are initiatives like NCP to changing environments, such as the Great Recession?

Earlier Findings from NCP Research

As described in an interim report in 2010, NCP has been a well-run community initiative with generally strong planning and implementation.[11] While the structure of NCP was deliberately meant to build on local strengths and existing partnerships — sometimes making it difficult to tell what value was "added" through NCP — NCP moved past many of its predecessor initiatives in being able to avoid conflict between funders and intermediaries and in being able to move past planning to implementation. Highlights of earlier findings include:

- **A common vision among implementers about the goal of the initiative.** During early years of the program, NCP was seen by LISC Chicago and its implementers as building relationships and promoting the implementation of

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[10]Galster (2009).

[11]Greenberg, Verma, Dillman, and Chaskin (2010).

community projects. This finding is significant because it describes an initiative with a shared culture, which helped avoid tensions that community initiatives have sometimes experienced between funders and implementers. At the same time, the absence of clear goals surrounding community change would remain a point of tension between LISC Chicago and its major funder, MacArthur, with implications for designing the next phase of NCP, as described below.

- **Planning that helped build relationships.** In part based on this shared ethos of collaboration and relationship-building, planning was successful throughout NCP and generally helped build trust among community organizations. Lead agencies engaged a broad range of stakeholders in their communities, helped build trust among groups who already knew one another, and contributed to the formation of new relationships among groups who had no history of working together. Organizations, not residents, became the focus of these relationship-building efforts.

- **A successful transition to implementation.** Unlike many community initiatives, which faltered after the point of planning, NCP made a generally successful transition to implementation. Through 2008, hundreds of projects were supported in the areas of education, workforce development, housing, and social services. NCP was developed to spark comprehensive community improvements, and analysis of program annual reports suggests that NCP did, in fact, create a successful system for identifying and supporting projects in multiple domains.

- **Collaborations that sometimes attracted substantial leverage.** Relationships formed through NCP sometimes brought substantial new resources to neighborhoods, especially when NCP helped create local collaboratives to apply for larger grants that small groups might not have been able to attract on their own. For example, in one community, NCP helped several neighborhood organizations apply for relatively large public health grants. In some ways, these new collaborations for funding provide the strongest evidence of NCP's "working" in its intended mode, because they represent ways that the initiative has added value to existing networks.

- **A managing intermediary that was trusted to promote progress and accountability.** LISC Chicago was able to manage grants flexibly, mediate community conflict successfully, and promote progress among NCP community partners. Community organizations valued the flexibility and speed

with which LISC Chicago provided seed grants and its technical assistance during planning and implementation. In some important instances, LISC Chicago stepped in to enforce accountability by replacing grantees or directing agencies to hire staff whose skills were more suited to the project. In other cases, it served as a mediator among community groups, where conflict might have derailed NCP processes.

At the same time, the interim report notes some challenges experienced by the initiative. Some challenges stemmed from the structure of NCP, and some arose within the dynamics of local or citywide implementation.

- **A difficulty moving to implementation when there were fewer local partners to carry out work.** Implementation tended to stall in cases where there were few local partners to carry out work. This finding is significant because it raises questions about the initiative's ability to build *new* capacity to carry out work in areas that are not rich in organizations, and it suggests that such efforts can be a slow process. With some significant exceptions, historically disinvested neighborhoods attracted fewer projects than other neighborhoods, in large part because there were fewer organizations able to implement projects.

- **Challenges in moving relationships significantly from their starting place.** While organizational relationships improved throughout NCP, the starting point of these relations mattered a great deal. Whether organizations started out skeptical or trusting of each other played a large role in the nature of the eventual collaboration. In addition, improvements in relationships mostly occurred within neighborhoods — that is, they were "horizontal" networks and not generally "vertical," meaning that the initiative's emphasis on local action and smaller projects had meant that it missed an opportunity to connect to broader, Chicago-wide efforts initiated by larger players, like the city government or the school system.

Exploring "What Matters" in Local Organizational and Neighborhood Contexts

Both the extended research period and the fact that NCP occurs in such varied neighborhoods within Chicago allows for more generalizable findings than previous community development evaluations. In the past, qualitative research on CDCs and CCIs have examined changes associated with programs on the organizational and community level, but — because of problems of comparison among neighborhoods, difficulties in assessing the quality of plans and

interventions, boundary-blurriness around the scope of intervention, and general difficulties in establishing a counterfactual — they have not been able to explore critical outcomes assumptions at the heart of the model.[12] Because of these factors, research and evaluation of these initiatives raise issues of systematic comparability and generalizability.

Situated in a single city, NCP holds political, intermediary, and programmatic contexts relatively constant, while providing variation in economic context, strategy and interorganizational context. While the initiative as a whole shared a set of common features, the variation across lead agencies and communities provides an opportunity to understand the factors that contribute to successful implementation of comprehensive community development initiatives like NCP. Several key characteristics influenced implementation among the 14 cases and are described throughout the report. These include (1) the relative maturity of the lead agency, (2) its starting orientation toward conducting comprehensive community development in collaborative fashion, (3) its local legitimacy, (4) the number of local potential implementation partners it had, and (5) local histories of collaboration.

- **Lead agency history, size, and type.** Lead agencies had a range of histories and encompassed different types of organizations. At one end of the spectrum were three large, established lead agencies: Greater Southwest Development Corporation and the Southwest Organizing Project in Chicago Southwest, the Bickerdike Redevelopment Corporation in Humboldt Park, and the Logan Square Neighborhood Association. For these organizations, NCP's challenge was about the integration of NCP's planning and implementation processes with previous ways in which they interacted with the community. At the other end of the spectrum were new lead agencies created for the purposes of NCP or that were so new as to be virtually untested: the Quad Communities Development Corporation in near-South Chicago, Teamwork Englewood, and the Greater Auburn-Gresham Development Corporation.[13] Often, these newly created lead agencies were formed in association with or backing from local elected officials or other powerful organizations. These groups were challenged to manage a broad, inclusive planning process while also building their own identity in a way that might be sustainable after NCP's direct operating support ceased.

- **Lead agency experience with facilitating comprehensive community development.** A second important variable was the degree to which lead agencies had an orientation toward, or experience with, comprehensive communi-

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ty development, community convening, and coordinating or collaborating with other community organizations. Since this was a critical NCP capacity, lead agency starting places mattered significantly in this regard. Some agencies were multi-issue organizations, and the other "new" organizations started out with a clean slate around which to work. Six of the original 14 lead agencies could be characterized as "traditional CDCs" with a predominant focus on bricks-and-mortar development work and a minimum of interorganizational planning and collaboration. Strikingly, only three of these six organizations survived more than a few years as NCP lead agencies.

- **Lead agency legitimacy.** A third important starting point was how a lead agency was perceived in the community and its legitimacy as a convener. Legitimacy could have different dimensions; in some cases, it could be based on the lead agency's leadership in helping form strong networks. In others, legitimacy derived more from an agency's political clout or connections. Newly formed lead agencies faced daunting challenges with regard to building legitimacy in the early years of NCP. Sometimes these challenges of newness could be partially overcome by the group's ties to elected officials or other powerful stakeholders within the neighborhood. For example, Quad Communities Development Corporation was, in essence, founded by the 4th Ward alderman, even though the organization was formally distinct from the alderman's office.

Just as lead agencies differed, so did the organizational landscapes in which NCP operated. As a comprehensive improvement initiative that relied on the work of many partners for strong implementation, these landscapes also proved to be significant.

- **Number of organizational partners.** Given the reliance of NCP on "many hands" to perform community work, the number of potential partners could be a critical issue. In East Garfield Park, for example, the Garfield Park Conservatory Alliance was able to bring a wide array of resident stakeholders and other informal associations during the planning process. However, in a neighborhood with only a handful of formal organizations able to receive implementation grants, GPCA found it difficult to facilitate projects and often needed to partner with citywide organizations to implement projects for which it did not have the capacity. In contrast, Humboldt Park, on its eastern side, had many potential service partners through which grants could flow.

- **Local histories of collaboration.** Conflict among organizations could result in more challenging environments for planning and implementation. In

neighborhoods where there were historic tensions among organizations, lead agencies had to facilitate the building of organizational ties and navigate historic tensions among organizations. For example, in North Lawndale, the lead agency, Lawndale Christian Development Corporation, was initially viewed with skepticism by some existing organizations because of the perception that LCDC was focusing on its own service area and not on the entire neighborhood. In contrast, places like Auburn Gresham, which did not have many organizations with which to partner, experienced fewer tensions due to more positive histories of collaboration among actors with implementation experience.

Boxes 1.2 through 1.5 describe four lead agencies selected for in-depth research in this phase of the evaluation.

Box 1.2

Humboldt Park

Humboldt Park is located on Chicago's Near Northwest Side, surrounding a 207-acre park of the same name, with a population of 65,836 at the start of NCP. Roughly half the total population are Latino, and African-Americans make up just under 40 percent. The eastern part of the neighborhood is the long-standing center of Chicago's Puerto Rican community and is anchored by a lively, retail strip and a host of Puerto Rican cultural facilities and social services. Encroaching gentrification in the eastern portion of the neighborhood since the 1990s has prompted action to preserve affordable housing for working-class and low-income families. The western part of the neighborhood is primarily African-American. This area has been plagued by historic disinvestment, with few community organizations and a relatively weak commercial sector. Bridging the gap between the two halves of the community has been an area of intentional focus for Humboldt Park's NCP lead agency, Bickerdike Redevelopment Corporation.

Bickerdike is one of Chicago's largest and most well-established CDCs, with roughly 100 staff. Although it concentrates on affordable housing development and preservation, it has historical roots in community organizing and a record of progressive advocacy and activism on housing and related issues. Bickerdike's role is a facilitative and coordinating one within NCP. While it employs and manages the NCP staff, it otherwise participates in NCP task forces as an equal partner. Aside from the staffing component, it has almost entirely directed NCP resources to partner organizations, rather than using them to develop new areas of operation within Bickerdike.[*]

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[*]Greenberg, Verma, Dillman, and Chaskin (2010).

Box 1.3

Chicago Southwest

Chicago Southwest is the largest of the 14 NCP planning areas, both geographically and demographically, with a total population of roughly 119,000. It is also among the most racially and ethnically mixed NCP areas and has undergone rapid demographic change over the past two decades; once a historically white, working-class neighborhood, by 1990, white residents were a bare majority. In 2000, that population had shifted to 46 percent Latino and 29 percent African-American, leaving mostly older white residents as a rapidly declining but still substantial minority. The NCP effort in Chicago Southwest has been anchored by a CDC — the Greater Southwest Development Corporation (GSDC) — and by a closely affiliated community-organizing group, the Southwest Organizing Project (SWOP), which GSDC had helped form in the 1980s. As co-lead agencies, GSDC and SWOP had the organizational capacity and the local legitimacy to convene local stakeholders in a community-wide planning process; both were well connected politically.

In preparation for the NCP planning process, GSDC and SWOP conducted an extensive preliminary organizing effort. The lead agencies began by identifying 100 community leaders with whom they were not already connected, and they conducted one-on-one "relational meetings" to gauge their understanding of the neighborhood's strengths and challenges. GSDC and SWOP eagerly embraced NCP's comprehensive development orientation and its conception of lead agencies as relational conduits and catalysts. Over time, GSDC and SWOP systematically integrated NCP with their existing community development work. GSDC and SWOP did not establish a separate governance and accountability structure for NCP; rather, NCP operated through existing organizational structures, primarily SWOP's area-specific "teams" composed of organizing staff and resident "leaders," as well as periodic larger SWOP assemblies.

Box 1.4

Quad Communities

Quad Communities Development Corporation (QCDC) is one of a handful of lead agencies created for the express purpose of implementing NCP. It was founded in 2003 with the strong involvement of the long-serving and influential 4th Ward alderman. Quad Communities is also distinctive within NCP in being the only NCP implementation area based on an aldermanic ward boundary, consisting of the portions of four community areas along Chicago's Near South Side lakefront.[*] It is a high-poverty, predominantly African-American area with, until recent demolition, a high concentration of public housing developments. In the past two decades, the neighborhood has seen a small influx of primarily African-American middle-class residents to the stately gray-stone buildings that predominate in the southern portions of the ward. As a newly created organization tasked with implementing the NCP process, QCDC faced a daunting challenge. Being born of a respected alderman's office was, for the most part, a distinct advantage for QCDC. Yet QCDC concluded early in NCP that, as a fledgling organization with a singular focus on convening and coordinating capacity, it could not attract the revenue that it would need to sustain itself; it needed programs or projects to anchor its work. Thus, the organization soon identified a niche commercial development. This was an area widely acknowledged as an unmet local need and, thus, an area where QCDC could engage directly without arousing territoriality. By 2007, QCDC was heavily focused on commercial retail development and support and on building its organizational capacity in this domain, while sustaining partnerships in education and workforce development.

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[*]The ward includes all of Kenwood and Oakland and parts of Douglas and Grand Boulevard. South Kenwood — an affluent area of large mansions and home to President Obama — was not included.

Box 1.5

Auburn Gresham

Auburn Gresham is a small, predominantly African-American neighborhood on the southwest side of Chicago, consisting mostly of modest but well-kept single-family homes. It has seen a steadily shrinking population in recent decades, particularly involving a loss of younger residents, and, until recently, a rapidly declining retail corridor along 79th Street. At the same time, Auburn Gresham has a higher rate of home ownership than surrounding disinvested communities; an attractive and solid housing stock; and a stable population of older residents, many of whom are civically active. Having been founded in 2001, the Greater Auburn-Gresham Development Corporation (GAGDC) had barely established itself as an organization when it joined NCP. A local alderman played a critical role in founding the organization, in collaboration with a powerful local institution and leader — the Catholic parish of St. Sabina and its activist pastor — as well as a few other community leaders with city-wide stature, most of whom have remained on GAGDC's board throughout the past decade.

GAGDC developed and now maintains a comprehensive orientation toward its local work. It organizes free breakfast for seniors and live blues performances, works with block clubs, offers tax counseling in its offices every spring, stages conference call-in sessions on home owner counseling and foreclosure prevention, and, more recently, began offering free Internet access to residents. One of its early seed-grant projects was the Litter Free Zone Initiative, a grassroots effort to promote recycling in the neighborhood through volunteer efforts and by engaging local high school students. The project has garnered city-wide recognition and has leveraged a federal contract. Through another project, the "Renaissance Festival" on 79th Street, GAGDC attracts hundreds of vendors and nonprofit information booths and brings out 8,000 or so participants every summer. This annual event has become self-sustaining through widespread local merchant support.

The Development of the NCP "Platform"

Like the initiative, which has evolved over the course of 10 years, the NCP "platform" has also been a concept that has emerged over time for its implementers, to describe the nature of its work and its desired goals. In 2010, LISC Chicago characterized the platform in the following way:

> The Platform manifests multiple characteristics. It is foremost a system of rela-
> tionships that joins often disparate individuals and organizations into a weave of
> functionality. It is a program delivery system that integrates multiple functions
> into a strategic response to multiple challenges at the neighborhood level. It is an
> accountability vehicle for investing funds, which attracts and leverages other
> funds at several levels of magnitude. And it is a system through which many

other resources can flow, including technical resources, peer consulting and pro-gram enhancements.

While there are aspects of this description that apply both to the *inputs* of the initiative (such as funding provided by the initiative) and to its *goals* (attracting additional funds), MDRC researchers have attempted to conceptualize the platform as an "outcome" of the initiative: a statement of what it produces, which may be observed both at the local level and across the city. Accordingly, to determine how well this platform was built in different neighborhoods, and throughout Chicago, the analyses within the report emphasize several important factors:

- **Organizational capacity.** Unlike other programs — most notably, its prede-cessor, the Comprehensive Community Revitalization Program (CCRP) in the South Bronx — NCP did not attempt to help CDCs and other community organizations carry out work in multiple areas by themselves alone. Instead, it hoped to build the ability of local organizations to plan, to facilitate the work of others in comprehensive areas, to coordinate, and to sustain action — in other words, to act as an intermediary in much the same way that LISC does on the citywide level. To a lesser extent, NCP as an initiative attempted to build capacity in the sense of fostering financial stability among organiza-tions, by providing grants and limited operating support.

- **Relationships.** As described above, the NCP platform involves a "system of relationships." The initiative was designed as an attempt to foster collabora-tion among different local agencies, in that it recognized that a single group was not generally capable of acting alone to respond to the range of neigh-borhood problems. One important claim in the policy literature is that the "value-added" that relationships provide by comparison with programs run separately and independently of each other is to promote better-targeted, more strategic, or more mobilized interventions. In addition, local networks may be better able to respond to shocks to neighborhoods or organizational systems and to take advantage of opportunities. The evaluation conceptual-izes this dimension of the platform as related to how networks as a whole capitalize on major opportunities (such as federal stimulus funding) and to mobilize around difficult issues (such as foreclosures or unemployment).

- **Resources.** NCP provides funding for both staffing and programmatic sup-port to fulfill local plans, but it is also an attempt to attract, or leverage, addi-tional resources so as to ensure that implementation may occur and be sus-tained over time. This concept of leverage was a very important early-described rationale for NCP, as the mechanism of the NCP seed grant was based on the premise that additional resources might follow these strategic

investments. Accordingly, the evaluation explores not only how major LISC- and MacArthur-induced investments occur, and the ability of community organizations to access these funds, but also how they are spatially concentrated within neighborhoods and how they vary across neighborhoods. The evaluation also examines new major investments sparked by NCP collaborations that are not directly channeled through LISC Chicago and MacArthur, the ways that local organizations attempt to scale up investments, and the role of NCP-supported networks in these efforts.

The Evolving Nature of the Program and Its Context

Like any initiative of this time span, NCP experienced several important internal and external program shifts, particularly in the latter half of implementation: a shift away from small grants to larger, multisite projects that spanned several NCP neighborhoods; the impact of the economic recession on neighborhood plans; and a push to use the NCP platform as a driver of quantifiable changes in community conditions. *All these changes provide a critical test of the enduring power of the initiative and its goals.*

- **From seed grants to initiative-wide projects.** Within the program, during its early years, NCP implementers relied on seed grants to support implementation. Starting around 2008, there was a general shift away from smaller grants to developing larger, multisite projects that span the 14 different NCP neighborhoods. These initiatives have taken several forms. One, Elev8, provides funding to NCP lead agencies and middle schools in five neighborhoods to deliver health services and other forms of support to students and families. Another, Smart Communities, uses federal funding to increase the meaningful use of broadband technology in low-income neighborhoods. Other initiatives include a large, two-year foreclosure prevention program funded by MacArthur. While these programs build on the collective implementation experiences of the neighborhoods that carry them out, there is also a tendency for these programs to carry their own momentum and "stand alone," independent of the broader community work occurring through NCP. As a result, an important question for the evaluation is whether the relationships and networks that were built during the early years of NCP were sustained during a later period, many years after planning, and where there may have been a "centripetal" direction away from collaboration.

- **The Great Recession.** Outside of NCP, the Great Recession has had devastating implications for Chicago neighborhoods, especially in its housing market. While the effects of this recession have varied across neighborhoods,

as described in Chapter 2, both hardships on the ground and the state budget crisis in Illinois placed significant strains on funding for many community programs. The 2012 report *Beyond the Neighborhood* describes how different NCP organizations sometimes mobilized to respond to budget shortfalls or the foreclosure crisis.[14] NCP's creators have referred to the networks formed through NCP as being a source of "resilience," meaning that they are collectively able to respond to threats and take advantage of opportunities, in a way that may make it possible to weather external forces.

- **Moving toward community change.** As described above, in early interviews about the initiative's theory of change, lead agencies felt that communitywide change goals were remote. Rather, they emphasized relationship-building and systems-building — the NCP platform — as the likely outcomes of their work. Over the course of NCP, however, the MacArthur Foundation became increasingly interested in assessing the outcome of its substantial investment and raised community change goals as a priority with LISC Chicago, especially as the foundation's 10-year commitment to NCP came to a close. These discussions became a point of conflict between LISC Chicago and MacArthur, with both parties emphasizing somewhat different outcomes of the initiative. In these discussions, LISC Chicago raised concerns about the emphasis that MacArthur was placing on community change outcomes, which it did not see as the short-term outcome of its work but as something that was associated with the strong interorganizational relationships that NCP had fostered. For its part, MacArthur recognized the importance of relationship-building as an outcome for NCP, but it was equally concerned about accountability and demonstrating progress on community-level outcomes.

This ongoing internal debate about NCP's final outcomes served as a backdrop for planning efforts that began in 2010. At this time, LISC Chicago started to work with lead agencies and their partners on the next phase of NCP. In large part because of a push from MacArthur to focus NCP more on measurable community change goals, NCP lead agencies were asked to convene stakeholders to narrow their potential domains of activity into more selective areas of work that might become initiatives that the foundation supported — not only to build community capacity and local networks but also to strive to achieve change outcomes. The first round of transition planning in 2010 occurred within a limited time frame — from October to December. A second round that began in summer 2011 asked lead agencies to build

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[14]Chaskin and Karlström (2012).

an intervention within a single issue area, in which it will work to demonstrate NCP's efficacy toward quantifiable community-level change while still promoting a comprehensive approach to community development. LISC called planning for the new program "Testing the Model," or TTM, because it represents a way that the platform may be used to support measurement and targeting toward population-level change. This shift provides another important test of the endurance of NCP relationships and the sustainability of projects that it once supported.

Figure 1.1 presents a timeline of NCP and associated research activities.

Research Questions

This report's research questions are occasioned by previous findings, by an understanding of the shifting nature of the program and its context, and by the singular opportunities that other programs have to learn from such an expansive and comparatively well-run initiative. The following questions and others are addressed in Chapters 2 through 6:

1. **How did the Great Recession test relationships and alter the nature of NCP work?** The launch of NCP saw economic and safety environments that were generally improving, but the later years of the initiative had a much different climate for implementation. As described above, this question is important because the recession offered a type of "test" to NCP, as neighborhood relationships and the work of local organizations were challenged by the harsher economic and funding environment.

2. **Can NCP "teach" organizations to carry out its model of comprehensive, coordinated community investment, or is this a skill that cannot be easily transferred?** The interim report notes that groups were able to carry out successful planning processes. But it is one thing to plan work that is not directly in the control of any one local organization and another thing to facilitate it. After nearly 10 years, what evidence is there that NCP achieved its mission — not to make community groups more able to take on comprehensive activities but to plan and facilitate comprehensive action by others? What supported this mission and what cut against it?

3. **Given the shocks of the Great Recession and other factors related to late-stage programming, how did NCP sustain relationships over time? How did these relationships add value to programs carried out independently of each other?** While there were reported improvements in relationships in different types of neighborhoods in the earlier years, NCP was

The New Communities Program

Figure 1.1

NCP and Evaluation Timeline

NCI implemented in 3 communities
(1998-2003)

Recession; shifts in program to empha-
size larger programs

14 NCP lead agencies
identified

NCP launched (March 2003);
18-month planning ensues

Most NCP communities transition
to implementation

Transition
planning for new
phase of NCP

NCI Pilot/ NCP Site Selection

NCP Rollout and Early
Implementation

NCP Final Phase

1998

2003

2005

2012

Evaluation
launched
(2006)

SOURCES: MDRC interviews and NCP program documentation.

not able to completely "turn around" deeply troubled relationships. Especially given the tendency of relationships to wear out over time without the impetus of funding, and the push by the program toward larger initiatives that did not always involve the entire community, how did relationships fare toward the end of the NCP demonstration?

4. **What evidence is there of comprehensiveness over the course of the program and of targeting of resources within neighborhoods? Where is there evidence of a "saturation" of comprehensive improvement efforts within neighborhoods?** NCP moved successfully from planning to early implementation. But given the recession and state budget crises, was there a slowdown of action or a tendency to focus improvements in a single domain? Similarly, part of the justification for NCP is that it allows a strategic targeting of investments. Is there evidence of such targeting within NCP?

5. **With a shift in the structure of NCP, how does new work — known as "Testing the Model," or TTM — build on the NCP platform? In what ways does it depart from the platform? And what are areas for future exploration?** As is described in Chapter 6, NCP as it enters a new phase is undergoing changes that will test the relationships formed and will also pose opportunities to leverage change at the community level. How is planning toward that initiative going so far, and what questions does the model raise for future research?

The Structure of This Report

The report is divided into six chapters:

- Chapter 1, "Building the NCP Platform," attempts to motivate the research by describing how the Great Recession and late-stage implementation decisions by LISC Chicago put the NCP model to the test. It introduces the program, describes earlier findings, and lays out the factors of neighborhood and organizational characteristics that mattered for early NCP implementation. Given growing national interest in comprehensive community development, it also sets out the stakes of the research for different policy audiences.

- Chapter 2, "NCP and the Great Recession," describes patterns of change related to the Great Recession among NCP neighborhoods. It continues by describing how agencies viewed the effects of the recession on their neighborhoods and organizations and how they responded to these changes.

- Chapter 3, "Building Organizational Capacity Through NCP," describes the ways that the program built the capacity of local intermediaries to plan, coordinate, and facilitate action by neighborhood groups. It also considers the ways that intermediaries themselves were supported financially, learned how to do work themselves in different areas, and helped build others' capacity to carry out their respective missions.

- Chapter 4, "NCP Relationships and What They Provide," describes how relationships among community-level organizations were maintained in the latter years of the initiative and how community organizations were connected to larger-scale actors and entities. For the first time in the research team's analyses, it also examines the specific ways that relationships within NCP added value to the implementation of projects that might have been conducted separately and independently of each other.

- Chapter 5, "NCP Investments and Their Reach Within Neighborhoods," describes the number of projects conducted under NCP and what they leveraged in terms of additional resources. For the first time in the evaluation of a CCI, it also employs geographic analyses of where NCP resources were concentrated *within* neighborhoods, to understand the extent to which comprehensive improvement efforts were saturated or targeted.

- Chapter 6, "Learning from the NCP Platform," moves to summarize lessons for the field, describing the contexts that may be most opportune for the implementation of initiatives like NCP, the management and implementation structures that best support their success, and the factors that promote value-added work on the ground. It also describes the next phase of MacArthur-supported work related to NCP: a pilot initiative called "Testing the Model" that is built on the NCP platform.

Chapter 2

NCP and the Great Recession

During 2006, when implementation of the New Communities Program (NCP) in Chicago was at its height, the national housing market collapsed, bursting the speculative bubble that had been growing since the turn of the century and helping launch one of the worst financial crises in decades, now called the "Great Recession" (2006-2009).[1] This context is critical for NCP, because these economic changes presented a test of the program's goal of promoting "resilience," or the ability of groups to come together in difficult times. **How did the Great Recession change Chicago, test relationships, and alter the nature of NCP work?**

The effects of the Great Recession on Chicago, as in the rest of the country, were concentrated among the indicators most closely connected to the housing and credit markets, especially foreclosures. NCP neighborhoods experienced these changes differently, and NCP lead agencies interpreted the magnitude and severity of the Great Recession in different ways — with some disputing that their neighborhoods had, in fact, experienced a new shock. Local groups were often directly affected by budgetary crises, and they valued NCP and the resources that the Local Initiatives Support Corporation of Chicago (LISC Chicago) was able to attract as an alternative source of revenue during a difficult time. LISC's support was critical in some cases to keeping agencies viable during the downturn. Despite the potential for competition for resources, NCP relationships were not generally negatively affected by the recession itself. At the same time, with limited but significant exceptions, local NCP relationships were not mobilized to change strategy or direction in response to foreclosure crises, unemployment, or other manifestations of the recession. Instead, tactics shifted to push ahead already-planned projects that were seen as needed by the community. This finding may suggest that "platform-" building, while important for NCP *stability,* may sometimes cut against *adaptability,* that is, the flexibility around which groups can mobilize together to quickly change course as a result of external shocks.

NCP Neighborhoods: Quality-of-Life Conditions

As shown in Figure 2.1, the NCP neighborhoods are distributed throughout Chicago; they also vary considerably in their histories, assets, and challenges. (For details, see Chapter 1, Table 1.1.) The NCP evaluation has monitored various indicators of neighborhood quality of life since

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[1]National Bureau of Economic Research (2012).

The New Communities Program

Figure 2.1

The NCP Neighborhoods
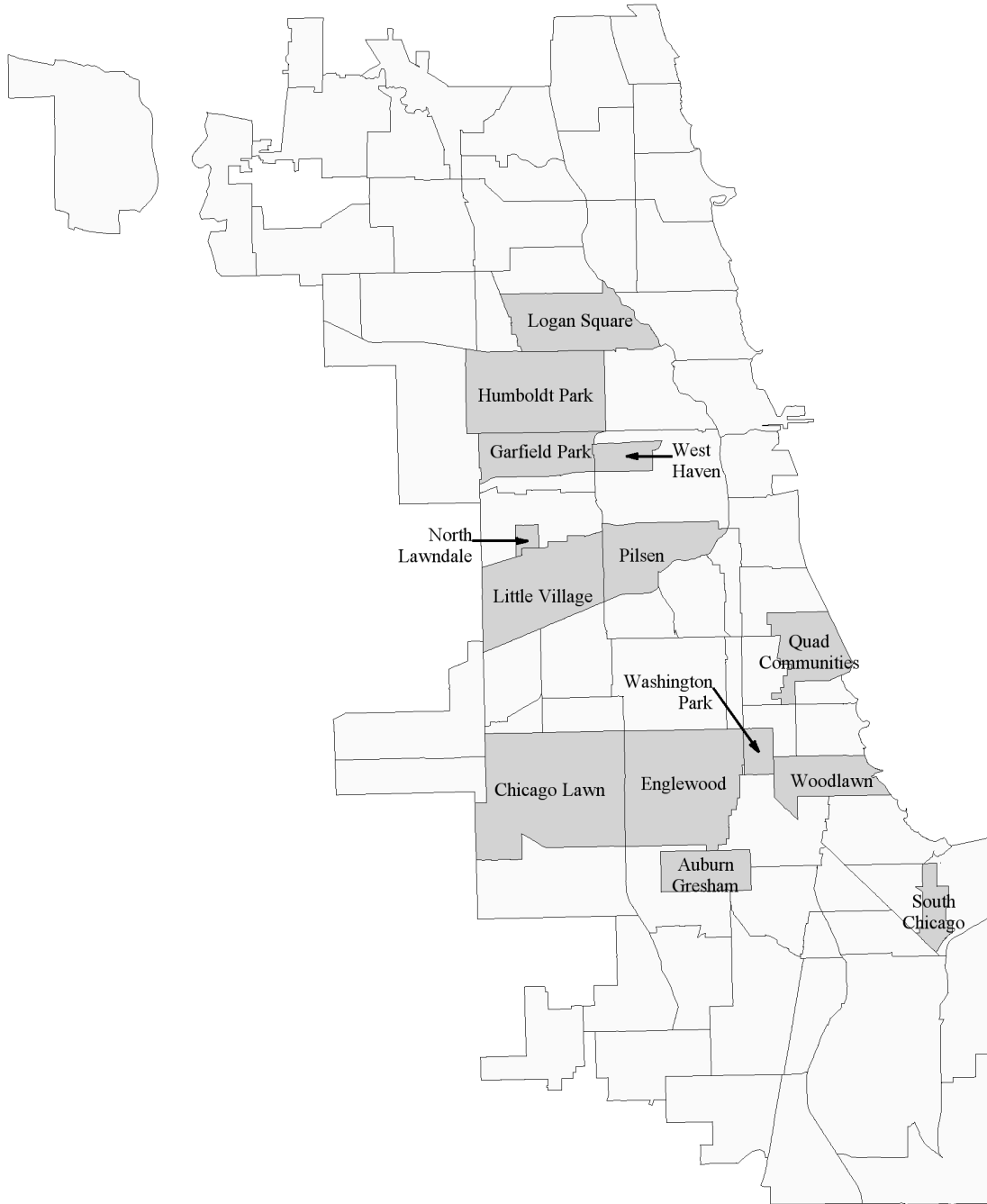
NOTE: The map displays the Chicago municipal area within Cook County divided into the 80 neighborhoods defined for the NCP analysis. The 14 NCP neighborhoods are labeled and shaded.

the onset of the study.[2] These indicators can be grouped into three domains — Community Safety, Housing Market, and Economic Activity — and they serve to represent important, but not all, aspects of the contexts in which NCP was implemented. This chapter presents an overview of the quality-of-life conditions in the period immediately prior to NCP, which was likely an important reference point for the individuals engaged in the planning process. Then it describes how the conditions were changing as the NCP neighborhoods were finalizing their plans and implementing activities. Both the historical context and the rollout conditions are relevant for understanding both NCP and how the neighborhoods responded to the Great Recession.

Historical Context (2000-2002)

During the period immediately prior to the initiation of NCP, the nation was experiencing a small recession, mainly affecting the labor market and business sector. Crime rates were declining and housing market activity was fairly stable. Similar conditions prevailed in Chicago, as can be seen in the quality-of-life indicators shown in Appendix Tables A.1 through A.9. However, there was significant variation among Chicago's neighborhoods and specifically among the NCP neighborhoods. This discussion of the historical context for NCP is organized around neighborhood groups, which were defined by the sociodemographic characteristics of the residents and by housing characteristics. There are five neighborhood groups, as described in Box 2.1.

The neighborhood group containing the most NCP neighborhoods (eight) is Group IV — neighborhoods with lower incomes, a high proportion of renters, and large minority populations. As can be seen in Appendix Tables A.1 and A.2, crime was a serious problem in these neighborhoods in the period prior to the rollout of NCP; in particular, the average violent crime rate for these neighborhoods was more than twice the rate for the city as a whole for the period 2000-2002. During the same period, however, violent crime was declining at a faster rate — compared with the citywide trend — for the neighborhoods in this group.

While all the NCP neighborhoods in this group had violent crime rates that were higher than the citywide rate, four of them (**Englewood, Garfield Park, Washington Park,** and **West Haven**) had rates that were among the highest among the Group IV neighborhoods. Some of the Group IV NCP neighborhoods (**North Lawndale, Quad Communities,** and **Washington Park**) were experiencing comparatively high negative trends in their violent crime rate, but most faced either stagnant or rising violent crime rates at the start of NCP.

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[2]See Appendix A for further information on the measurement of these indicators.

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┌─────────────────────────────────────────────────────────────────────────┐
│                              Box 2.1                                      │
│                                                                           │
│                    Chicago Neighborhood Groups                            │
│                                                                           │
│  Group I      Moderate-income, predominately African-American residents;  │
│               housing is mostly owner-occupied, single-family units.      │
│                                                                           │
│  Group II     Moderate-income, predominately white residents, about       │
│               one-quarter of whom are foreign-born; housing is a mix of    │
│               single-family and multi-unit owner-occupied dwellings.      │
│                                                                           │
│  Group III    Moderate-income, with concentrations of Latino residents,   │
│               almost 40 percent of whom are foreign-born; housing is      │
│               mostly smaller multi-unit dwellings, split between          │
│               owner-occupiers and renters.                                │
│                                                                           │
│  Group IV     Low-income; housing is mostly renter-occupied, large        │
│               multi-unit dwellings.                                       │
│                                                                           │
│  Group V      High-income; housing is mostly large multi-unit dwellings,  │
│               with more renters than owners.                              │
└─────────────────────────────────────────────────────────────────────────┘
```

Interestingly, during this period the housing market was relatively booming for the Group IV neighborhoods — both the number (Appendix Table A.3) and the overall total value (Appendix Table A.4) of home purchase loans were well above the citywide levels for these indicators in the period 2000-2002 and were also rising at a rate faster than the citywide trend. Possibly reflective of the high level of home purchasing in the Group IV neighborhoods, foreclosures were also rampant in these neighborhoods for the period 2000-2002 (Appendix Tables A.5 and A.6). On average, the Group IV filed foreclosure rate was almost five times greater than the citywide rate, but the foreclosure rate was growing only slightly faster than the citywide trend.

Most of the Group IV NCP neighborhoods were consistent with the overall trend for the group, except for **Englewood,** which had less activity (lower rates), and **South Chicago,** which had both less activity and less growth (lower growth rate). Foreclosures were particularly an issue for some of the NCP neighborhoods in Group IV; some (**Garfield Park, Washington Park**) had extraordinarily high rates; some **(Quad Communities)** had extraordinarily high increases; and some **(North Lawndale, Woodlawn)** had both high levels and high growth.

Finally, the business sector of the Group IV neighborhoods was smaller and less active than the citywide level for the period 2000-2002 but was growing at a slightly faster rate (Appendix Table A.7). Three of the Group IV NCP neighborhoods had comparatively lower levels of activity in the period 2000-2002 but differed in terms of their trend. One (**Englewood**)

had an extremely high level of growth; one (**Woodlawn**) was growing at a rate consistent with the Group IV trend; and one (**Quad Communities**) was fairly stagnant, compared with the other Group IV neighborhoods. Two of the Group IV NCP neighborhoods had higher levels of activity for the period 2000-2002 than the Group IV average rate; one of the these **(West Haven)** also had a much higher growth rate, and the other (**Garfield Park**) was fairly stagnant. Only two of the Group IV NCP neighborhoods (**North Lawndale, Washington Park**) had negative trends for the period 2000-2002.

Four of the NCP neighborhoods were in Group III — moderate-income neighborhoods with a mix of owners and small rental properties and a relatively large concentration of Latino residents and immigrants. Overall in the period 2000-2002, crime rates were relatively low for these neighborhoods, on average (Appendix Tables A.1 and A.2), but property crime was not declining as quickly as the citywide trend, and the violent crime trend was stagnant. Two of the Group III neighborhoods — **Chicago Lawn** and **Humboldt Park** — had relatively high rates of property crime compared with the Group III average rate; the decrease in property crime was also slower in these neighborhoods. The other two Group III neighborhoods — **Little Village** and **Pilsen** — had both lower levels of property crime and a more negative trend. The rate of violent crime in **Humboldt Park** was also relatively high in the period 2000-2002 but was declining at a relatively fast rate; **Pilsen** was also experiencing a relatively faster decline in violent crime during this period. The other two Group III NCP neighborhoods — **Chicago Lawn** and **Little Village** — had positive violent crime trends for the period 2000-2002.

Group III neighborhoods had, on average, a lower level of housing market activity in the period 2000-2002 than the citywide rates (Appendix Tables A.3 and A.4). However, both the total value of home purchase loans and the average home purchase loan amount were increasing slightly faster than the citywide trend. The foreclosure rate and trend among the Group III neighborhoods was similar to the citywide rate and trend for the period 2000-2002 (Appendix Tables A.5 and A.6). The housing market activity in the Group III NCP neighborhoods was fairly consistent with the overall Group III trends for the period 2000-2002. **Humboldt Park** had somewhat higher levels of activity but slower growth, while **Chicago Lawn** and **Pilsen** had somewhat higher trends. **Humboldt Park** also had a higher rate of foreclosures in the period 2000-2002; the trend for this neighborhood was also higher than the overall trend for Group III neighborhoods. **Chicago Lawn** also had higher growth in its foreclosure rate for the period 2000-2002 but a somewhat lower rate, while **Pilsen** had slower growth and a slightly higher foreclosure rate.

The Group III neighborhoods also had fairly modest levels of activity in their business sector in the period 2000-2002 (Appendix Table A.7). However, the levels of growth were higher than the citywide trend. The level of activity for **Humboldt Park** was somewhat higher than the Group III average, while **Chicago Lawn** and **Little Village** had lower levels in the

period 2000-2002. The trend in **Little Village** was relatively large, compared with the Group III trend, while **Humboldt Park** and **Pilsen** had less positive trends, and **Chicago Lawn** had a negative trend.

The other two NCP neighborhoods were in groups characterized by moderate-income, owner-occupied housing that differ from each other primarily in terms of the racial composition of their population. Group I neighborhoods generally have large concentrations of African-Americans, and Group II neighborhoods are predominately white. **Auburn Gresham** was in Group I, and **Logan Square** was in Group II. Crime was a significant issue in the Group I neighborhoods, where both property and violent crime rates were higher than the citywide rates for the period 2000-2002; property crime was also declining at a slower rate in the Group I neighborhoods, and violent crime was growing slowly (Appendix Tables A.1 and A.2). In contrast, the average Group II crime rates were lower than the citywide rates and were declining faster. For the period 2000-2002, **Auburn Gresham** had higher rates and growth in both violent crime and property crime than the Group I neighborhood average rate and trend. Logan Square had higher crime rates than the Group II average rates, but both property crime and violent crime were declining at a faster rate.

On average, the Group I neighborhoods had a fairly stagnant housing market for the period 2000-2002, compared with the citywide rates and trend, while the Group II neighborhoods' average rate and trend were consistent with the citywide trend (Appendix Tables A.3 and A.4). Foreclosures were also somewhat higher among the Group I neighborhoods and somewhat lower among the Group II neighborhoods (Appendix Tables A.5 and A.6). Both **Auburn Gresham** and **Logan Square** had a somewhat more active and growing housing market than their respective neighborhood-group average rates and trends in the period 2000-2002. Both NCP neighborhoods were also experiencing relatively higher rates and growth in foreclosures than their respective neighborhood-group average rates and trends.

Business sector activity for the period 2000-2002 in the Group I neighborhoods was generally at lower levels and growing slower than the citywide rates and trends for the period 2000-2002 (Appendix Table A.7). In contrast, Group II neighborhoods had more activity and higher growth than the citywide averages. **Auburn Gresham** had relatively low levels of activity and was growing slower than the Group I neighborhood averages, while **Logan Square** had higher levels of activity and was growing faster than the Group II neighborhood averages.

In sum, NCP neighborhoods exhibit considerable diversity in terms of their quality-of-life trends, which is in keeping with the diversity in these trends among all Chicago neighborhoods. While some common issues cut across all the communities participating in NCP, local context and interaction among trends across domains resulted in 14 unique environments in which to observe the implementation of a comprehensive community initiative like NCP.

NCP Rollout (2003-2005)

During the time period when the NCP neighborhoods were developing their plans and starting implementation of neighborhood improvement activities, the national economy was in a state usually characterized as a "jobless recovery": Most economic indicators were growing, except for employment, which remaining generally stagnant. The housing marking was booming, and crime rates continued to decline. These conditions generally prevailed in Chicago, but there was less activity and growth in the business sector (Appendix Tables A.1 through A.9).

For the period 2003-2005, both property and violent crime were declining in the four neighborhood groups (Groups I, II, III, and IV) containing NCP neighborhoods, but the rate of decline in all four groups was slower, on average, than the citywide trend (Appendix Tables A.1 and A.2). However, this represents a positive change for neighborhood Groups I and II, where violent crime was not decreasing in the previous period.

Some of the NCP neighborhoods — **Auburn Gresham** (Group I), **Englewood** (Group IV), **Humboldt Park** (Group III), **Logan Square** (Group II), **Pilsen** (Group III), and **West Haven** (Group IV) — had decreases in violent crime greater than their respective neighborhood trend. In some cases, the decline in violent crime was greater than the citywide decline, and, except for Pilsen, the rate of decline accelerated from the previous period. Three of the NCP neighborhoods — **Chicago Lawn** (Group III), **Quad Communities** (Group IV), and **Woodlawn** (Group IV) — experienced increases in the rate of violent crime during the period 2003-2005.

Chicago's housing market was generally growing during the period 2003-2005; both the number and the total amount of home purchase loans were growing fairly quickly, but the average home purchase loan amount was declining slightly (Appendix Tables A.3 and A.4). Similar conditions prevailed in the neighborhood groups containing NCP neighborhoods, with Group II neighborhoods experiencing slower growth and neighborhood Groups I and IV experiencing higher growth. Foreclosures were also decreasing citywide, and the same was true in the four neighborhood groups, especially among the Group IV neighborhoods (Appendix Tables A.5 and A.6).

Most of the NCP neighborhoods experienced housing market trends similar to their neighborhood average, with the exception of some neighborhoods in Group IV (**North Lawndale, Quad Communities, West Haven,** and **Woodlawn**), where growth rates were lower, and one Group IV neighborhood (**Washington Park**) that experienced explosive growth in the period 2003-2005. Overall, the 2003-2005 home purchase loan trends for the NCP neighborhood represent an increase over the previous period. NCP neighborhoods where growth declined, compared with the period 2000-2002, were **North Lawndale** (Group IV), **Pilsen** (Group III), **West Haven** (Group IV), and **Woodlawn** (Group IV). Generally, the

decline in foreclosure rates for the NCP neighborhoods were at or above the trend for their respective neighborhood group. The only exception — **West Haven** (Group IV) — had a stagnant trend.

For the period 2003-2005, the amount of small business loans had a slightly negative trend, while jobs and employment were stagnant (Appendix Tables A.7, A.8, and A.9). The trend for Group II neighborhoods was similar to the citywide trends, while the other neighborhood groups diverged from the citywide pattern slightly. Specifically, the Group I neighborhoods had a slightly negative trend for the employment indicator, as did the Group III neighborhoods, which also experienced a stagnant trend in loan amounts for the period 2003-2005. For the Group IV neighborhoods, business loan amounts continued to grow in the period 2003-2005, albeit at a slower rate than the previous period, and employment had a small, positive trend.

Auburn Gresham (Group I) and all the NCP neighborhoods in Group III (**Chicago Lawn, Humboldt Park, Little Village,** and **Pilsen**) had more negative trends than their respective neighborhood average for small business loans. **Humboldt Park** and **Pilsen** also differed from the Group III trends for jobs and/or employment in the period 2003-2005. Three of the NCP neighborhoods in Group IV (**Englewood, South Chicago,** and **Woodlawn**) had a negative trend for small business loans, while three neighborhoods (**Garfield Park, Quad Communities,** and **Washington Park**) had larger growth rates for this indicator. Overall, the quality-of-life outlook for the NCP neighborhoods for the rollout phase was fairly positive. While there are some exceptions as noted above, these neighborhoods were following course with other Chicago neighborhoods that shared similar population and housing compositions.

How the Great Recession Changed Quality of Life in Chicago

Nationally, one of the effects of the Great Recession of greatest concern to community development has been the rapid rise in foreclosure rates. The initial rise in foreclosures was concentrated among subprime mortgage holders, whose inability to negotiate better terms (the usual course for subprime loans)[3] led to defaults. As the recession deepened, the upward trend in foreclosures was reinforced as borrowers with more traditional mortgages became unable to meet their financial obligations due to job loss and other effects of the recession.[4]

These and other trends that were characteristics of the recession have the potential for devastating effects on neighborhoods, especially those with residents already suffering from economic duress at the beginning of the cycle. Research investigating the effects of previous

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[3]This was due to the tightening of the credit markets cause by the decline in value of the mortgage-backed securities.

[4]This led to even further tightening of credit markets, as "regular" mortgages were also securitized.

recessions indicates that the negative effects are more pronounced in economically disadvantaged neighborhoods.[5] In addition, these same neighborhoods are more likely to have experienced a slower recovery from the previous recession at the beginning of the decade, particularly in terms of income and employment.[6] While the Great Recession officially ended in June 2009, the extent of its effects are still under examination. Early reports suggest differential effects for racial and ethnic minorities, who, for various reasons, were likely to hold subprime loans, as well as more substantial effects for middle- and upper-income households, who are traditionally somewhat insulated from business cycle fluctuations.

Figure 2.2 compares the average rate of filed foreclosures for all Chicago neighborhoods with the average rate for the neighborhood groups containing most of the NCP neighborhoods. Overall, the foreclosure rate during the Great Recession did not reach the peak foreclosure rate during the previous recession. The foreclosure trend in Group IV neighborhoods — those with lower-income, minority residents — followed the same pattern as the overall trend but at higher levels. For the Group III neighborhoods — those with moderate-income, Latino residents — the trend in foreclosure rates varies from the overall trend; these neighborhoods did not experience as a large a decline in foreclosures after the earlier recession, and the foreclosure rate continued to increase after the end of the Great Recession. As shown in Figure 2.3, the effect of the Great Recession on capital flows was more uniform.

Table 2.1 shows that the effects of the recession on Chicago as a whole were concentrated among the indicators most closely connected to the housing and credit markets. For the city as a whole, the trajectory of the total amount of home purchase loans, which reflect the capital flowing into Chicago neighborhoods, dramatically changed direction from an annual average increase of 18.3 percent in the three years before the recession (2003-2005; not shown) to an average annual decline of 29.1 percent in the years following the collapse of the housing bubble (2006-2009). Completed foreclosures exhibited a similar dramatic change, going from an annual average decline of 28.4 percent in the period 2003-2005 to an annual average increase of 24.5 percent in the years 2006-2009. Turning to the commercial credit market, the decline in the amount of small business loans intensified after the beginning of the Great Recession; the annual average decline increased from 5.7 percent in the period 2003-2005 to 15.4 percent in 2006-2009. Interestingly, the trajectory of the mean home loan amount indicator, which reflects the value of residential real estate, was positive in the years following the onset of the Great Recession (2006-2009). Since the level of home lending activity was declining during this period (as indicated by the negative trajectory for total amount of home purchase loans), the

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[5]Ong et al. (2003); Hackworth (2001).
[6]Doussard, Peck, and Theodore (2009).

The New Communities Program

Figure 2.2

Filed Foreclosures per 10,000 Owner-Occupied, Single-Family Housing Units
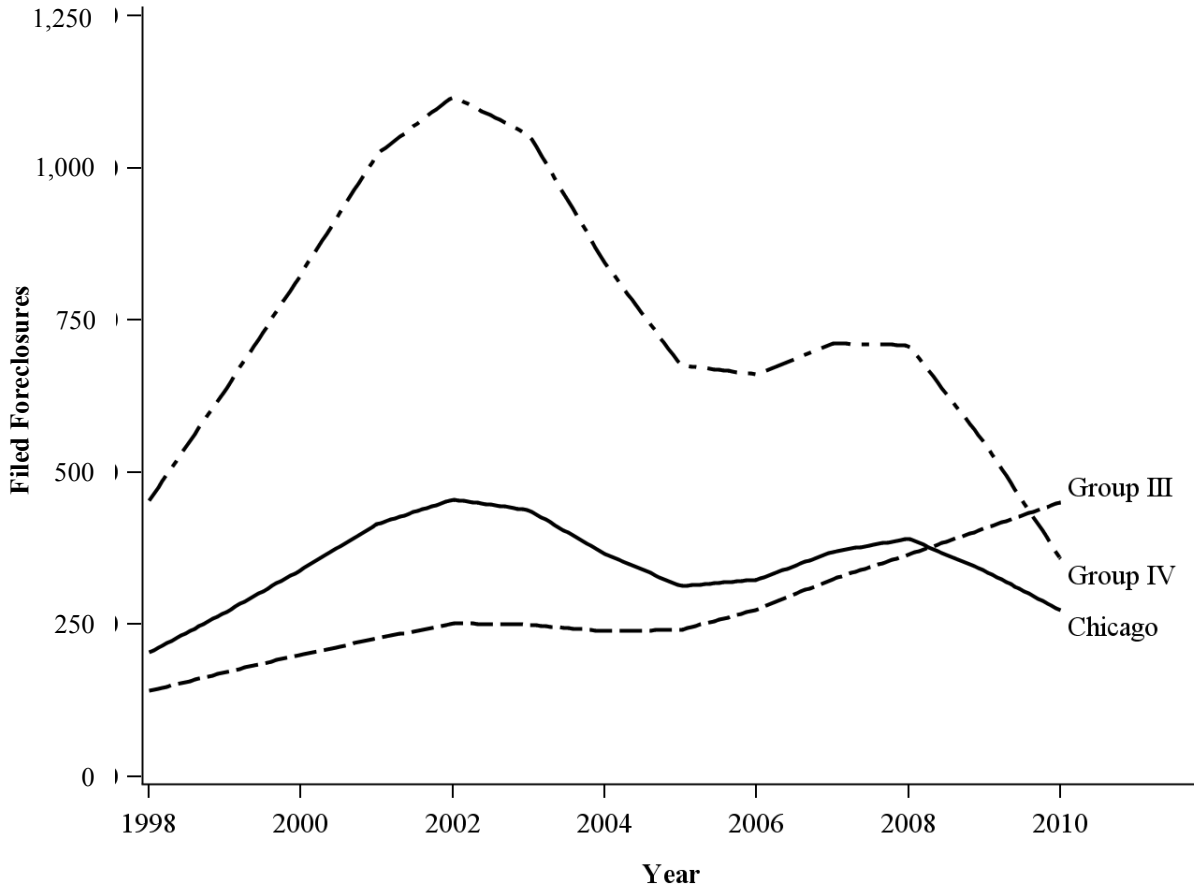
SOURCE: MDRC analysis of data assembled by Metro Chicago Information Center (MCIC).

NOTES: The plotted line for each trend is smoothed using a nonparametric locally weighted regression technique known as LOESS. Filed foreclosures are calculated as the total number of single-family home foreclosures divided by the 2000 count of owner-occupied, single-family housing units (U.S. Decennial Census) multiplied by 10,000.

The New Communities Program

Figure 2.3

Total Amount of Home Purchase Loans per 10,000 Owner-Occupied, Single-Family Housing Units
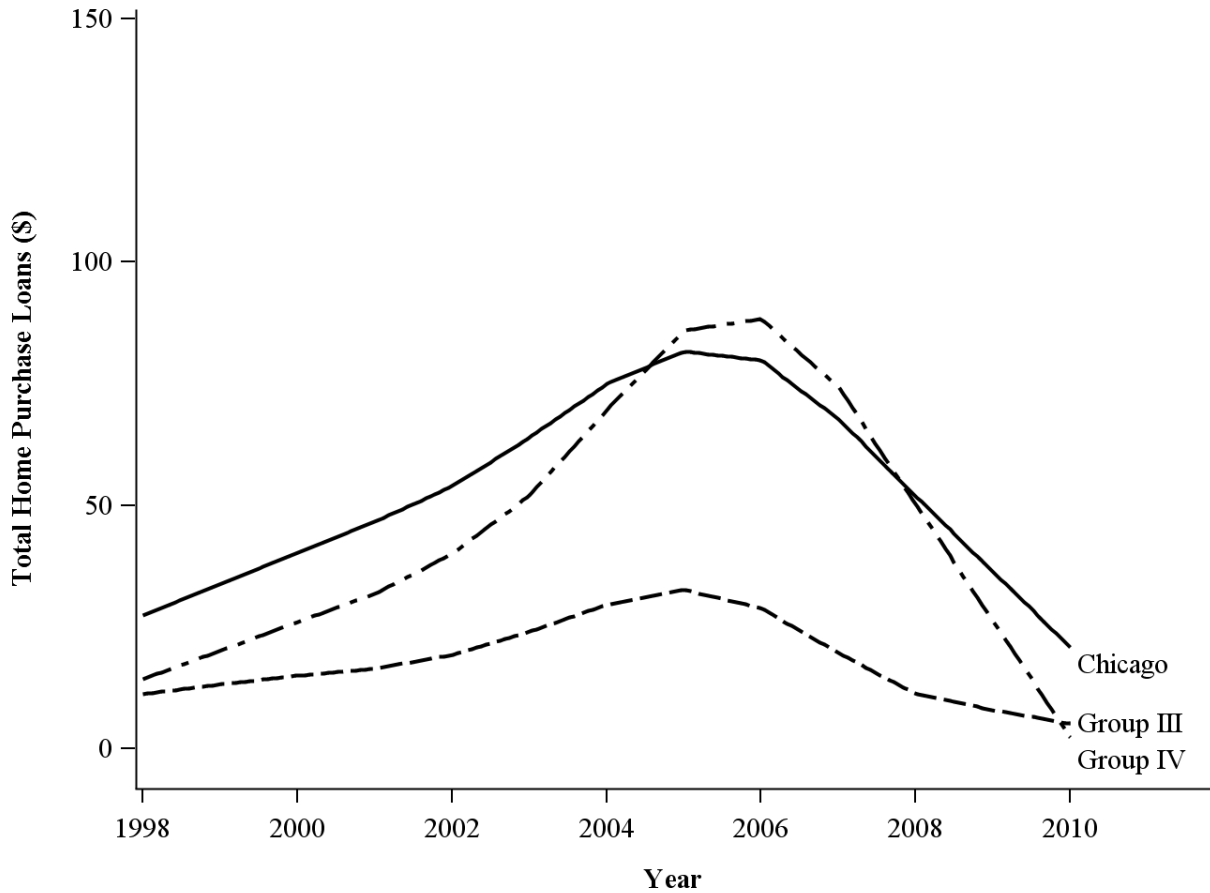
SOURCE: MDRC analysis of data assembled by Metro Chicago Information Center (MCIC).

NOTES: The plotted line for each trend is smoothed using a nonparametric locally weighted regression technique known as LOESS. Total home purchase loans are calculated as the sum of home purchase loan amounts divided by the 2000 count of owner-occupied, single-family housing units (U.S. Decennial Census) multiplied by 10,000.

The New Communities Program

Table 2.1

Neighborhood Quality-of-Life Indicators in Chicago: Average Annual Percentage Change, 2006-2009

Neighborhood	Property Crime	Violent Crime	Home Loan Total $	Home Loan Mean $	Filed Foreclosures	Completed Foreclosures	Business Loan Total $	Area Jobs	Resident Workers
Chicago	-1.6	-4.5	-29.1	9.3	17.9	24.5	-15.4	1.9	-1.6
Neighborhood Group I (mean)	-2.1	-4.7	-43.2	6.5	1.7	5.2	-21.7	0.2	-0.9
Auburn Gresham	-0.0	-2.4	-46.2	5.7	-2.9	8.5	-27.2	-2.1	-0.6
Neighborhood Group II (mean)	1.6	-2.7	-29.0	4.6	41.2	80.1	-16.7	-1.7	0.4
Logan Square	0.1	-3.0	-29.1	6.9	65.9	109.1	-22.7	0.4	-6.5
Neighborhood Group III (mean)	-2.8	-4.2	-41.7	-1.3	46.7	88.6	-13.4	-2.6	-1.1
Chicago Lawn	-0.5	-2.1	-42.8	-3.1	36.3	41.1	-29.1	-3.0	-2.3
Humboldt Park	3.5	0.6	-43.3	7.2	19.2	41.7	-17.9	0.1	-3.2
Little Village	-6.8	-1.4	-56.5	-9.7	50.7	51.5	-18.9	0.2	-3.1
Pilsen	-10.5	-5.3	-34.4	4.6	41.4	98.4	-10.6	1.4	-1.5
Neighborhood Group IV (mean)	-5.1	-8.6	-47.8	3.1	15.6	30.9	-24.9	1.4	-0.1
Englewood	-0.9	-6.1	-47.5	20.7	-2.0	-1.1	-13.9	-1.5	-0.5
Garfield Park	-8.2	-2.8	-54.5	3.5	1.9	23.3	-13.9	-19.4	-0.6
North Lawndale	-4.4	-11.4	-59.0	7.8	-4.8	-5.1	-50.8	-7.2	-0.4
Quad Communities	-0.8	-17.0	-39.9	3.9	2.9	15.6	-36.5	8.5	2.3
South Chicago	-14.2	-11.0	-61.3	-3.2	14.2	0.7	-26.5	6.4	0.9
Washington Park	-13.1	-4.8	-56.8	1.5	5.7	50.8	-51.9	-0.9	1.7
West Haven	0.0	-15.9	-49.0	4.6	46.5	69.5	-6.0	1.3	2.7
Woodlawn	-2.9	-3.6	-43.4	7.5	21.0	32.1	-31.1	1.3	5.8
Neighborhood Group V (mean)	-1.7	-8.2	-20.5	8.3	17.2	52.4	-13.7	2.0	-0.9

SOURCE: MDRC analysis of data assembled by Metro Chicago Information Center (MCIC).

NOTE: The average annual percentage change was calculated using a regression method in order to minimize the influence of other observations.

positive trajectory for the indicator of the mean home purchase loan amount most likely reflects the population of borrowers who were able to secure credit during this period; that is, only those borrowers who had excellent credit ratings and relatively substantial assets were able to secure loans.[7]

While these increased trajectories of distress were seen throughout Chicago, they also varied by neighborhood type. For Group I neighborhoods (minority, moderate-income, single-family housing), the decline in the credit availability indicators was more severe, compared with the overall city trend, but the increase in foreclosure rates was much smaller. The NCP neighborhood in this group, **Auburn Gresham**, is fairly similar to others in its group, with the exception of crime rates trends; its crime trajectories declined less than other Group I neighborhoods.

For the predominantly white, moderate-income, neighborhoods marked by single-family homes (Group II), the foreclosure rates increased at a much higher rate than the overall city foreclosure rates. This is particularly true for the Group II NCP neighborhood, **Logan Square**.[8] Comparing the Group II neighborhoods' experiences with the Group I neighborhoods' experiences in regards to foreclosures is particularly interesting, as these two neighborhood groups have the largest proportion of single-family, owner-occupied homes. Specifically, the rate of change in the Group I neighborhoods' foreclosure rate was the lowest in the city for the period 2006-2009; for some neighborhoods within this group, foreclosure rates continued to trend downward after the collapse of the housing market. In contrast, the Group II neighborhoods experienced the largest *increase* in foreclosures after the collapse of the housing market. However, the level of foreclosures in the Group I neighborhoods are several orders of magnitude higher than the level in the Group II neighborhoods, in part because the Group I neighborhoods generally did not experience the large decline in foreclosures after the early 2000s recession that was typical for most other neighborhoods.

For Latino neighborhoods of moderate income, marked by a mix of renters and home owners (Group III), the foreclosure rates also increased at a much higher rate than the overall city foreclosure rates. The percentage change in the rates for this group of neighborhoods is fairly similar to moderate-income white neighborhoods, and the percentage change in mean home loan amount is small, but negative. Most of the NCP neighborhoods in this group had lower increases in their foreclosure rates than the overall group; the exception is **Pilsen**. Qualitative research described Pilsen as being subject to some gentrification, and it also differed in that

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[7]Further analysis of the quality-of-life indicators and their trajectory response to economic conditions can be found in Williams, Glaster, and Verma (2012).

[8]Although Logan Square is not predominately white, the number of single-family, owner-occupied homes places it in Group II.

its mean home loan amounts followed the city trend by increasing during this period; the same is true for **Humboldt Park**. **Little Village** had a greater decline in its housing market indicators, while **Pilsen** had a less negative change in these indicators. Finally, the property crime rates in both **Little Village** and **Pilsen** actually decreased more in the recessionary period than in the previous period (2003-2005). Trends in **Chicago Lawn**, the other NCP neighborhood in this group, were generally consistent with the overall Group III trends.

For predominately African-American neighborhoods with lower income and a high proportion of renters (Group IV), the decline in both the number and the total amount of home purchase loans was larger, relative to the city decline. However, the decline in both property and violent crime in this period increased over the previous period (2003-2005). While foreclosures for this group were in line with the city's rate, two of the NCP neighborhoods, **Washington Park** and **West Haven**, had relatively larger increases in either filed or completed foreclosures. Several of the NCP Group IV neighborhoods (**North Lawndale, South Chicago,** and **Washington Park**) had larger percentage declines in their housing market indicators. Most of the Group IV NCP neighborhoods experienced a modest increase in their housing values; the exceptions are **Englewood** (a 20 percent increase) and **South Chicago** (a small decline). **Garfield Park** experienced a large decline in its number of jobs, while both **Quad Communities** and **South Chicago** had modest increases in this indicator.

For racially mixed, relatively high-income neighborhoods marked by significant proportions of renters (Group V), the decrease in housing market activity was lower than in the city and other neighborhood groups. The Group V neighborhoods also had a relatively large increase in completed foreclosures. Otherwise, indicator trends in these neighborhoods were consistent with the overall city trends. (No NCP neighborhoods belonged to this group.)

In sum, the most profound effect of the recent economic downturn is seen on the indicators that reflect the credit markets: Lending activity in both the housing and the commercial markets declined substantially. This decline was less pronounced in higher-income neighborhoods and more pronounced in lower-income neighborhoods; some moderate-income neighborhoods also experienced a more pronounced decline, particularly those with predominately nonwhite populations. Generally, the decline in the housing market was accompanied by an increase in mean home purchase loan amounts. Although the increase was modest in most areas of the city, a few neighborhoods experienced significant growth in this indicator. The decline in commercial lending activity was, overall, accompanied by fairly stagnant trends in job growth and employment. However, both indicators varied considerably across the city's neighborhoods.

NCP Perceptions of the Downturn

Neighborhood organizations acknowledged the severity of the changed economic climate. But, as might be suggested by the foregoing quantitative analyses, which found different patterns of change in different types of neighborhoods, there were also different perceptions of the impact of the Great Recession in different types of Chicago neighborhoods.

For neighborhoods that were experiencing growth prior to the downturn — particularly, the Latino neighborhoods and historically disinvested African-American communities that were undergoing some form of gentrification — the decline in local economic health and stability were seen to alter the forces behind changing community compositions. Earlier in NCP, lead agencies in gentrifying neighborhoods saw an influx of more affluent residents, and they focused their efforts on preventing displacement of longtime residents who could no longer afford to live in the area. In the wake of the recession, however, foreclosures surpassed gentrification as the primary concern regarding the dislocation of established residents. As a staff person explained:[9]

> I think the economic crisis has sort of given rise to a different kind of demon, and that's the foreclosure crisis. . . . We don't want to see populations displaced in Humboldt Park, but I think as great a threat as gentrification is to displacement right now, the foreclosure crisis is causing similar challenges.

Lead agencies described ways that the recession also halted or significantly altered housing development efforts in neighborhoods that had been attracting investments and projects in the years before the recession. Staff from one neighborhood contrasted the current community outlook with the outlook just prior to the downturn:

> When we were in 2007, *Business Week* had us as the top 10 up-and-coming neighborhoods in the nation and we had all kinds of investors and projects on the boards. Our housing committee was so busy then. [Since the recession,] a couple of projects . . . just went to the wayside, you know, a transit-oriented development that had been approved by the city and the transfer of land was in the process. The developer alerted the city and . . . we're just backing away from this project.

In contrast, for some other lead agencies, the recession was perceived as an extension of the economic conditions already affecting the neighborhood. These groups believed that longstanding patterns of disinvestment were already in place. As one explained:

> It's been hard here since ever, you know what I mean. Like, it's always hard. It's funny to me. It's, like, poor neighborhoods are always poor. The recession might

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[9]All quotations are from interviews that MDRC conducted with 132 staff, implementation partners, and other stakeholders. Interviews are anonymous.

make you a little bit poorer, but we've maybe felt it more as an organization. And, yeah, maybe there's a little bit higher unemployment rate. But when you're always a low-income community, it's just sort of hard to see how a recession is hitting you because you were low income from the beginning.

Lead agency staff from another group described the national recession as an extension of patterns, resulting in minimal additional impact on an already-disadvantaged community:

Our low-income community and African-American neighborhoods, the reces-sion — these communities have been in recession for much longer than a nation-al recession that we're experiencing right now, right? So we're not seeing . . . a hardcore shift in people's mental models in terms of this recession. This is more of an "Oh, well, this is time to adapt again, right?" People have been adapting most of their lives.

Because of these mixed perceptions — with some groups disputing that the Great Re-cession, in fact, represented a change in community conditions — it is not surprising that groups did not always mobilize to respond to the recession, as described below.

NCP Responds to the Great Recession:
The Role of LISC Chicago and the MacArthur Foundation

During the recession, LISC Chicago was able to respond to the needs of NCP community partners and could leverage new opportunities, such as stimulus funding, that the recession presented. It was both the strength of the networks that many lead agencies had fostered over the preceding years and the ongoing work of LISC Chicago in promoting the network of NCP communities — along with the stature of its funder — that enabled LISC Chicago to take advantage of new, large, public sector cross-community projects.

Some notable federal- and city-level projects that LISC Chicago helped secure include a state-sponsored summer youth employment initiative; an initiative to promote broadband adoption and capacity, called "Smart Communities"; and the Neighborhood Stabilization Program, a federal development program that responds to foreclosed properties. These cross-community initiatives have benefited many lead agencies and their partners. During the reces-sion, LISC Chicago was also able to strengthen ties with Atlantic Philanthropies, ensuring the implementation of another cross-neighborhood program, Elev8, providing comprehensive services in five communities, and with other organizations, such as World Sports Chicago, to secure funding for youth development and recreation.

The majority of these opportunities were brought to LISC Chicago as a result of strong relationships with the public sector and with foundations. For example, LISC Chicago's relationship to the Department of Family and Support Services provided an "in" for the summer

youth employment program. LISC Chicago was approached by the city's Department of Innovation and Technology and was asked to write the proposal for the broadband initiative, Smart Communities. In other instances, LISC Chicago "tapped into the existing platform" to identify other opportunities; in anticipation of stimulus funds, LISC Chicago brought together NCP communities and compiled a list of "shovel-ready" projects that could be activated immediately.[10]

During this period, the MacArthur Foundation also infused additional financial resources to NCP lead agencies during the recession, especially to support foreclosure prevention. One staff person described how NCP helped sustain MacArthur's involvement and channel resources through their agencies:

> They've made sure that our model was visible throughout LISC, because we were the group that was taking it on. . . . LISC has tapped us when they have wanted to engage other community groups . . . funded through the New Communities program. So they've taken actions that are very supportive of our visibility, all of which has been good for us.

Finally, LISC Chicago provided substantial technical assistance and other supports to lead agencies in the wake of the financial downturn, helping agencies reevaluate their economic health and sustainability. Box 2.2 describes the result of some of those efforts.

The majority of lead agencies were satisfied with the postrecession role of LISC Chicago and MacArthur. As one staff member commented:

> I'm really pleased with the role they've played. . . . I've never really had an interaction with them where I didn't feel like I was taken seriously and if there was a way to respond, they would respond . . . they've been really incredibly committed to the process and to working with the realities of the groups on the ground.

Others described ways that LISC Chicago moved to continue to support and sustain threatened funding for local efforts, such as transit-oriented development projects in Auburn Gresham or sports funding through World Sports Chicago. As one lead agency staff person commented:

> They understand through our community planning process and through everything we work on and through knowing our community, what the needs are of our community as well. So when they hear about someone that can help us convert green space, they make that connection. Not to mention all the funding.

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[10]*Beyond the Neighborhood* (Chaskin and Karlström, 2012) describes many of LISC's efforts to broker resources from the public and private sector.

Box 2.2

LISC's Role in Supporting the Financial Stability of Lead Agencies

Two lead agencies that encountered particular difficulties related to the Great Recession demonstrate LISC's role in supporting the financial stability of leads during NCP. One is Enlace in Little Village, which was among the newest of the midsize lead agencies, with no staff until 1998 but rapid growth thereafter. By 2008, it had 25 full-time staff, with significant state and city contracts for Chicago Public Schools community schools and public safety work. Its internal fiscal management and controls, however, had not kept pace with the expansion, and as the State of Illinois increasingly resorted to delayed payments in the face of a worsening budget crisis in 2009, the organization's own financial situation became unexpectedly precarious, "to the point," says a LISC Chicago staff member, "of, would they have to close their doors?" Enlace alerted LISC Chicago to these problems, and LISC Chicago acted quickly and successfully to help the organization get its finances in order, bringing in a financial consultant to work closely with the organization's leadership. This was an instance of LISC Chicago's dual role as funder and partner. On the one hand, it was based on an unusual level of trust that had developed between Enlace's NCP staff and its LISC Chicago program officer, and it could not have happened "if not for the trust that they had in us, and understanding that we really did have their best interests at heart." On the other hand, LISC Chicago was forceful in its insistence on rapid changes: "We froze dollars to them until they did these things; we met with their board. . . . We had, I think, the full-court press."

St. Edmund's Redevelopment Corporation, the small community development corporation (CDC) that served as the original lead agency in Washington Park, provides a partially parallel example with a different outcome. This organization had struggled to broaden its focus into other areas of community work and to partner with other organizations in a very sparse organizational landscape. Due to continued primary reliance on its role as a traditional housing-oriented CDC, it was seriously hobbled by the collapse of the housing market in 2007-2008. LISC Chicago was not brought into the situation until it had reached a point where these difficulties were, says a LISC Chicago staff member, seriously detracting from the NCP work of community engagement and project implementation. The election of a new alderman to replace one whose engagement in NCP had not been productive provided an occasion to reorganize the Washington Park NCP, staging the planning process that had not originally taken place and eventually forming a new lead agency. Although LISC Chicago was able to help St. Edmund's survive the housing crisis, the blow that these pressures dealt to the organization's viability were thus a central reason for the decision to terminate its role as an NCP lead agency.

While the majority of lead agencies felt that LISC Chicago was responsive to their needs during the recession, a few groups felt that they were not deeply supported by NCP funding and voiced criticisms about what they perceived to be a prescriptive strategy on the part of LISC Chicago and the city when applying for stimulus-supported programs:

> Stop writing stuff for us without telling us. . . . The city does it. LISC will do it.
> . . . A lot of these federal grants, a lot of these stimulus grants people got written
> in. I think the city is the wors[e] perpetrator than LISC. . . . LISC does partner
> with people, but yet there's a paternalism. . . .

These views were not the norm, as resources that were secured were generally welcomed by community organizations. Both LISC Chicago's relationships with the lead agencies and the comprehensive nature of NCP activity in local neighborhoods meant that efforts to "write in" neighborhoods to stimulus-supported programs supported active constituencies within NCP.

Effects on Community Organizations and Their Responses

The Great Recession had a significant impact on state, local, and foundation budgets, which, in turn, had implications for the financial health of local organizations and the projects that they conducted. Several lead agencies made reductions in staffing or reduced expenses, such as phone lines or health benefits, and other organizations expressed a heightened awareness of their financial standing and felt that their agencies were behaving more conservatively as a result of the funding environment. At least five lead agencies described a decline in resources, posing challenges to existing programs and to starting up new initiatives. However, at least half of those groups also reported being able to take advantage of new opportunities created by the federal, state, and city programs that were meant to counteract the negative effects of the recession, as described above.

As the broader economic environment changed, some projects were no longer feasible. This was especially true for the financing of affordable housing developments. Housing projects were modified by at least four lead agencies, as some shifted units from owner to rental units to accommodate the changed market. For others, a lack of financial support caused projects to be abandoned. For example, in **Little Village**, a large 23-acre development at 26th Street and Kostner failed to leverage the investment needed for the project; in **East Garfield Park**, the lead agency no longer promoted new housing investments in any substantial way.

Lead agencies took varied approaches to keep NCP action moving forward and to continue projects and plans put into place before the recession. The most common strategies were to shift efforts to take advantage of new funding streams or to modify existing projects (such as affordable housing developments, as described above). In many ways, the comprehensive framework of NCP allowed these shifts to occur, as it became possible to promote projects other than housing development under the auspices of the initiative. In other instances, NCP provided an avenue for technical assistance to allow such supports to occur, as was the case for **Quad Communities** as the lead agency adjusted plans for a commercial development project with the help of LISC-brokered technical assistance. A last strategy was to focus on efforts that

could be supported only with NCP staff time but not with additional programmatic resources. North Lawndale, for instance, chose to focus on supporting local, volunteer block clubs because this effort only required NCP staffing support and not additional resources.

A less common but significant response to the recession was to mobilize partners to respond to the specific problems that it brought about in foreclosures, crime, or violence. In **Chicago Lawn**, the lead agency worked together with churches, schools, and other community partners in a multipronged strategy to address the foreclosure crisis. With additional support provided from the MacArthur Foundation, this effort involved advocacy activities to influence lenders' behavior and the actions of city, state, and federal regulators; a concentrated outreach effort to reach households that were at risk of foreclosure; an expansion of counseling programs; and attempts to fill vacant properties with qualified home buyers. Although partners in **Humboldt Park** did not come together and coordinate activities to address employment or foreclosure issues, they did mobilize to try to influence state funding to the neighborhood, as described below.

With the exception of the mobilization of local networks by the Southwest Organizing Project, or SWOP, in **Chicago Lawn** (to respond to foreclosures) most lead agencies did not conclude that their work needed to shift significantly in order to respond to the recession, but they felt that the structure of NCP was flexible enough to work in different areas so as to provide guidance and support going forward. Lead agencies generally described the overall strategy of NCP — especially its support of organizational capacity-building, network development, and comprehensives — to be essentially intact.[11] It is notable that no lead agencies felt that the recession itself occasioned a need to create a new or "emergency" NCP plan or to substantially revisit planning processes, although comments above from some lead agencies about the recession representing "business as usual" in local neighborhoods may also have played into this dynamic.

Relationships and the Recession

In general, lead agencies did not report that it was difficult to form new relationships during the economic downturn, nor did their ability to maintain existing partnerships suffer. This is not to say that NCP neighborhoods were unaffected by the recession. However, most lead agencies and partners described a culture of limited competition and increased cooperation and reported that the recession, in many cases, brought agencies closer together.

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[11]Chapter 5 considers whether the comprehensiveness of NCP shifted or was maintained in later years of the initiative.

For example, staff in **Auburn Gresham** said that there was no animosity among partners in regards to funding, and they noted that continued collaboration was seen as a way to attract new opportunities for funding. Although some said that partners did not see each other as often as before because they were focused more intently on fewer projects or were inundated with clients seeking services, there was not the sense that relationships deteriorated.

In **Humboldt Park**, the crisis was, in fact, credited with creating more powerful relationships. When funding was more plentiful, partners were willing to "duke it out," as one staff person described, to ensure their share of resources, but with tighter funding, groups reported working in partnership to "stop the hemorrhaging." Humboldt Park inspired the creation of a Budget Advocacy Group, bringing together 12 neighborhood organizations to advocate for funding at the local and state levels.[12] According to one partner:

> [The state budget crisis] kind of creates partnerships amongst us, because without each other, nobody's going to get anything. And so it's been that sort of, "We're all desperate, so let's go together and get what we can." And I think that's been good for us, because when I came to the neighborhood [several partners] wouldn't talk to each other, wouldn't sit in a room together, wouldn't do anything. Now we're, you know, we've partnered on grants together, we're at the NCP meetings all the time together, and so that stuff has been helpful.

Finally, cross-neighborhood projects spurred by the recession gave rise to some new partnerships among lead agencies themselves. For example, the city's Smart Communities initiative, supported by stimulus funds from the Broadband Technology Opportunities Program (BTOP), brought together NCP agencies in **Auburn Gresham, Chicago Lawn**, and **Englewood**. Instead of working independently, these agencies collaborated to implement the program.

Conclusion

The Great Recession — sparked by the collapse of the housing market about midway through NCP — was a significantly transformative force upon neighborhoods, even if it did not affect all neighborhoods in the same way. Unlike previous recessions, the Great Recession spread from the housing market to other areas of the economy. Unprecedented foreclosure rates and a continuing slow recovery presented challenges for NCP neighborhoods on multiple levels. One particularly pointed challenge for the initiative involved leverage, or the ability of projects to attract additional resources from the public or private sector.

Faced with these challenges, LISC Chicago and the MacArthur Foundation moved to compensate for these lost sources of revenue by taking advantage of new funding sources, and

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[12]The work of the Budget Advocacy Group is described in Chaskin and Karlström (2012).

they were well regarded by lead agencies and their partners in their ability to channel new funding through NCP.[13] Lead-agency budgets were affected by the recession, and agencies shifted tactics to keep projects moving. However, the supports and relationships provided by NCP were more successful at *maintaining* relationships than at mobilizing them to respond to manifestations of the recession. Foreclosure prevention efforts in Chicago Lawn were a significant exception to this pattern, as they brought together actors in a coordinated fashion to reach significant numbers of households at risk of default. The fact that relationships were more sturdy than adaptable within NCP raises questions about the trade-offs that may occur between institution- or "platform-" building and the inputs that would make it easier for community organizations to mobilize together to change course as a result of external shocks.

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[13]The subject of leverage is considered further in Chapter 5.

Chapter 3

Building Organizational Capacity Through NCP

The New Communities Program (NCP) rests on the premise that comprehensive community development may best be achieved not by a single organization but by the mobilization and coordination of many neighborhood actors. Program designers made a choice to rely on a single lead agency that is charged with facilitating collective work and is responsible for catalyzing action that is not fully in its control — a challenging task under the best of conditions. It is additionally challenging for organizations to become effective neighborhood-wide conveners or "intermediaries" when they do not already have these skills or where the local environment does not provide incentives to collaborate. Accordingly, this chapter first describes the strategies used by the Local Initiatives Support Corporation of Chicago (LISC Chicago) for building these "NCP" capacities, and then it turns to examine two critical areas of capacity and the extent to which they were built: (1) the ability to convene stakeholders and engage them in collective decision-making and coordination around projects and (2) the ability to build *other* organizations' capacity and sustainability.[1] **What evidence is there that NCP was able to "teach" organizations to carry out its model of comprehensive, coordinated community investment, or is this a skill that cannot be easily transferred?**

LISC Chicago provided a structured and intentional approach to building groups' abilities to plan and a flexible, less structured approach toward building capacity after the planning period. This flexibility benefited many NCP efforts and lead agencies, while leaving particularly challenged lead agencies feeling inadequately supported. Because of LISC's flexibility, lead agencies took different approaches to implementation, and not every group *attempted* the facilitative strategies that could result in learning new capacities. Overall, NCP has built on existing strengths among lead agencies, rather than producing new ones, inasmuch as agencies developed deeper skills at coordination and collaboration when they had this orientation and experience at the beginning of NCP. The fact that established, multi-issue and community organizing groups advanced their "intermediary" abilities by working with NCP is notable, as one might have expected that it would be difficult to demonstrate the "value-added" of NCP among such organizations. In contrast, traditional community development corporations (CDCs) have had a particularly challenging path to developing NCP capacities, as their skills at building affordable housing and providing needed services directly and independently did not always translate to the NCP model. Finally, despite NCP's emphasis on facilitating action by others, almost all NCP lead agencies took direct responsibility for the implementation of some

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[1]The results of this capacity-building in terms of improved relationships and better-coordinated projects are described in Chapter 4.

major programs, suggesting that the ability to implement programs well and directly may be an important contributing factor in successfully executing a community intermediary role, at least insofar as it complements and supports a lead agency's ability to convene and facilitate rather than supplanting or undermining it.

LISC Chicago's Strategies for Promoting Organizational Capacity and Growth

LISC Chicago was most structured in its expectations and support during the quality-of-life planning process, as lead agencies reached out to local stakeholders to develop projects for community improvement. It provided an extensive NCP *Planning Handbook* to guide lead agencies and other participants through the planning process, and it set specific expectations about the planning process, including its task forces, subcommittee structures, outreach, and meeting steps.[2] The organization also hired a professional planning firm, Camiros, Inc., to facilitate meetings, and it provided in-house writers, or "scribes," to document and summarize discussions. Many lead agencies — especially those with less prior legitimacy as community conveners — benefited from the prestige provided by the initiative and by the MacArthur Foundation; from the subsequent publication of the quality-of-life plans in professionally designed and illustrated booklets; and from NCP's communication strategy, based on an extensive website with a steady stream of articles on the work of NCP.

As the initiative entered the implementation phase, LISC Chicago took a much less structured and less uniform approach to supporting and guiding lead agencies and their partners. Although it expected lead agencies to sustain relationships and develop partnerships with other organizations during implementation, it followed the lead of the Comprehensive Community Revitalization Program (CCRP) — the comprehensive community initiative (CCI) in the South Bronx on which NCP was most closely modeled — in giving them full latitude with regard to governance and accountability mechanisms.[3] This approach fits well with LISC Chicago's core commitment, in NCP, to letting neighborhoods set their own agendas and priorities.

LISC Chicago's early resource supports were also designed to be flexible and respon-sive. As described in Chapter 1, they were provided primarily in the form of "seed grants" — modest funding for projects that could kick-start action, leverage additional outside funds, and help build relationships between lead agencies and community partners. There were no formal

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[2]New Communities Program (n.d.).
[3]Miller and Burns (2006).

criteria for seed grants, except that they promoted the quality-of-life plans, which were themselves intentionally broad. As one LISC Chicago staff member explained:[4]

> The criteria is if it's in the quality-of-life plan or in some way helps further that vision of the quality-of-life plan. . . . Beyond that it is purely what I call judgment and what I joke about being case law — What have we done in the past?

At times, when they saw a need or an opportunity, LISC Chicago program officers themselves suggested seed grants to lead agencies. In neighborhoods where LISC Chicago did not feel that the lead agency was sufficiently active in brokering seed funding to partners, LISC Chicago program staff would build relationships and supply funding directly to community organizations that they perceived to be in need of support. LISC Chicago staff also offered technical assistance and advisory guidance according to need, and they devoted intensive attention to helping the newer organizations develop their organizational structure and demonstrate their capacity to community partners.[5] As the initiative progressed, LISC Chicago was able to offer lead agencies and their partners the opportunity to participate in several larger and more sustained programs and initiatives based on public funding streams or other private foundations. These sometimes reinforced convening and coordinating capacities. For instance, the Elev8 community schools initiative, funded by Atlantic Philanthropies in five NCP communities, required lead agencies to conduct a community planning process and to oversee an ongoing collaboration between the school and outside health care and after-school providers.

Although LISC Chicago's expectations were less defined during implementation than in planning, it continued to fulfill an accountability function as well as a support role. It replaced three troubled lead agencies during the first few years of the initiative, and it reacted to other instances of lead-agency weakness or crisis by convening agency leadership and boards and withholding NCP funds until required changes were made. Such pressures, however, seem to have been brought to bear primarily with regard to organizational inadequacies in staffing or fiscal management, rather than in cases where "NCP" capacities were not developed. If lead agencies incurred consequences for limited capacity-building, it was primarily insofar as LISC Chicago generally selected those agencies that it deemed to be higher functioning for the multisite "platform" projects that became increasingly prominent in later years.

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[4]All quotations are from interviews that MDRC conducted with 132 staff, implementation partners, and other stakeholders. Interviews are anonymous.

[5]This is described in Greenberg, Verma, Dillman, and Chaskin (2010).

Convening and Coordinating Stakeholders

Although LISC Chicago expected lead agencies to sustain relationships and develop partnerships with other organizations during implementation, it left considerable leeway to local groups about how to involve others. It did not create standards for outreach beyond the planning process, nor did it promote any particular coordination or accountability structures at the neighborhood level. This resulted in significant variability in implementation arrangements. More than half of NCP neighborhoods attempted to convert the quality-of-life planning structures — with a range of community stakeholders participating in central steering committees and issue-specific subcommittees — into implementation vehicles, with varying degrees of success. Three groups incorporated NCP work into their existing governance and coordination structures, while others took a primary decision-making role themselves — especially CDCs in traditionally disinvested or gentrifying neighborhoods that saw few viable partners. Although the maintenance of convening structures did not guarantee the development of convening and coordination capacities, experience across the 14 NCP neighborhoods suggests that it was an important factor and that the inability to do so usually indicated difficulties in this area.

Bickerdike Redevelopment Corporation's ability to transform planning structures into sustainable implementation vehicles in **Humboldt Park** is an important example of NCP's success in building this form of capacity among lead agencies. In being designated the NCP lead agency, Bickerdike inherited an inclusive structure for collective development planning and collaborative implementation that already existed in the neighborhood and that other organizations expected it to sustain. Bickerdike had previously participated in this effort but had not led it. As lead agency, it was tasked with learning how to manage a structure that would include 12 collective decision-making structures, or task forces. Bickerdike's commitment required a major investment of time on the part of its executive director, who continued to lead quarterly task force meetings and subsequent NCP planning processes. When participation seemed to flag a few years into implementation, the central task force conducted a new planning exercise in order to reinvigorate these structures and attract broader participation.

The other historically established lead agencies — the **Logan Square Neighborhood Association (LSNA) in Logan Square** and the dual lead agencies in **Chicago Southwest**, the **Greater Southwest Development Corporation (GSDC)** and the **Southwest Organizing Project (SWOP)** — also demonstrated a sustained capacity to convene community stakeholders for planning and governance purposes throughout the initiative. Since the two community organizing groups (LSNA and SWOP) had their own collective governance structures and planning methodologies prior to NCP, this capacity cannot be attributed strictly to NCP. What NCP did provide was a framework for more intensive initial planning and a boost in legitimacy in new areas of work that allowed them to expand their reach beyond their existing institutional membership to other major stakeholders in the community. LSNA, for instance, had long

convened teams of residents and other stakeholders to lead issue-specific work, held quarterly membership meetings, and staged an annual "congress" for updating the organization's "holistic plan." NCP quality-of-life planning broadened this process by involving nonmember organizations and prompted LSNA to restructure its plan more inclusively:

> We completely changed the format of our plan. We really changed the way we looked at the organization, changed the way we looked at our strategies, and it wasn't just like LSNA will do this, this, and this. We were much more deliberate about . . . who was doing what.

Throughout NCP, LSNA's collective planning and governance structures served as vehicles for sustained engagement and coordination and allowed the plan itself to remain more responsive to shifting priorities than in most NCP neighborhoods.

Midsize and newly formed lead agencies have had more mixed results with regard to sustaining collective governance structures and building convening capacity. About half of these agencies attempted to sustain such structures, proportionally distributed among the three agency types. Traditional CDCs had the greatest trouble sustaining them over time, while newer agencies that focused on convening seem to have done so at some cost to their organizational development.

Of the two midsize multi-issue organizations, only **The Resurrection Project (TRP) in Pilsen** attempted to sustain an NCP convening structure throughout the initiative. Although it is a community organizing group that also builds affordable housing, it did not absorb NCP structures the way SWOP and LSNA did but kept them semiautonomous, much as Bickerdike did. The Pilsen NCP operates via five topical task forces that come together in a combined supervisory structure called the "Pilsen Planning Committee." TRP chairs the housing task force itself, while other community partners chair task forces on the economy, family, community image, and education. Unlike in Humboldt Park, this governance and implementation structure did not derive from a rich history of collective planning but from a more challenging one. Having participated in NCI — the predecessor to NCP — TRP felt that Pilsen represented a difficult environment for collaboration. As a result, during planning processes for NCP, TRP's leadership took a new direction. Building on strong alliances with three other major organizations, TRP succeeded in broadening the quality-of-life planning process considerably and in producing what many jokingly referred to as the "hell-froze-over plan," because formerly rival organizations were brought together to create it. TRP's convening role during this process was a new one, but both TRP's leadership and the key planning partners came away from the exercise convinced that maintaining the planning task forces would be the best way to sustain the new atmosphere of cooperation and collaboration. "That's where I think it made a big difference," says a TRP staff member, "because instead of us trying to define it ourselves like we knew everything, we really looked to each other and to each other's strengths and really leaned on

each other." Although TRP staff acknowledge that some task forces have been more productive and accountable than others — with one having recently ended — a capacity for convening and collective planning and governance has been built among TRP and its community partners through NCP.

Two of the newly formed NCP lead agencies maintained planning task forces as governance structures — **Teamwork Englewood** and the **East Garfield Park NCP** — but although they have continued to convene them, these structures have not proved as effective for implementation purposes as the more established organizations discussed above. In both cases, the scarcity of other community organizations capable of implementing programs have been challenging. The two other, newer organizations — the **Greater Auburn-Gresham Development Corporation (GAGDC) in Auburn Gresham** and the **Quad Communities Development Corporation (QCDC) in Quad Communities** — did not attempt to sustain convening structures beyond the planning phase. Both achieved rapid organizational growth by implementing projects directly (as discussed below). At the same time, GAGDC has maintained and even improved its local stature as a community convener over the course of the initiative in a way that QCDC has not. Two differences in approach appear to be relevant here. QCDC made an early decision to prioritize commercial development, while GAGDC has maintained a broadly comprehensive approach, with implementation activities in multiple quality-of-life areas. And more than virtually any other NCP entity, GAGDC has prioritized resident engagement and has developed informal mechanisms to promote it, putting the organization in a civic leadership role. Additionally, QCDC operates in a denser and more contentious organizational environment than the sparser and more harmonious one in Auburn Gresham.

Three of the six traditional CDCs serving as lead agencies attempted to sustain convening structures into the implementation phase. In one case — the **Woodlawn Preservation and Investment Corporation (WPIC) in Woodlawn** — this structure quickly proved unworkable, prompting LISC Chicago to seek different leadership. The **Near West Side Community Development Corporation (NWSCDC) in West Haven** managed to sustain task forces for several years, but the agency's heavy reliance on direct implementation made the structure less important to outside participants. When periodic meetings lapsed due to a staffing change, "it kind of died," says a staff member. "It was difficult to try to get folks reengaged after they had had a two-year separation from the process." **Claretian Associates**' efforts since taking over as South Chicago lead agency in 2005 have fared better. It initially instituted quarterly NCP meetings, but when attendance waned with the Great Recession (2006-2009), it folded them into a housing advisory group. Since 2009, it has sustained a convening structure that focuses on safety issues, and it is one of the few NCP entities that holds periodic community information meetings, every other month.

Building Capacity Beyond Lead Agencies

NCP was not designed only to build capacity among lead agencies, to promote their ability to coordinate and convene, but also to help other community organizations benefit from the greater flow of resources and expertise associated with the program. During the early years of NCP, the formal mechanism for engaging a broader group of organizations in the community were project and technical assistance seed grants that averaged approximately $25,000. Virtually all lead agencies brokered seed grants to other groups. But seed grants alone were not designed to be sustainable sources of funding. As a result, some lead agencies focused on creating access to additional resources beyond seed grants, partnered more directly with agencies on projects, and provided or brokered technical assistance for specific subject areas. The most successful of these efforts involved support from LISC Chicago as an intermediary, and, in some of the more severely challenged neighborhoods, it played a more active role by developing direct relationships with and providing direct support to fledgling organizations.

For example, **Bickerdike in Humboldt Park** attempted to direct seed grants and other funds to benefit the many smaller organizations that took part in the implementation process, sometimes asking larger organizations to carve out room for these newer groups. As one interviewee recalled:

> A lot of funders will gravitate to the bigger guys in the pond, and to the detriment possibly of others, so one of the things that I've done consciously in some cases is, how can I funnel some smaller grants or some other things to other organizations?

In the western part of the neighborhood, which had few formal not-for-profit organizations, one organization that received particular attention was the West Humboldt Park Development Council (WHPDC). This organization was a special target for NCP assistance, since its own mission involved helping block associations and other groups build their own capacity. At the start of NCP, WHPDC had only two full-time staff, but Bickerdike and LISC Chicago supported this organization directly, investing in and helping create access to one of its key ventures: a community land trust that acquires vacant land and builds affordable single-family homes reserved for low-income buyers. WHPDC credited NCP and LISC Chicago with helping expand its scope and strength, in building new bridges between the eastern and western portions of the neighborhood, and in funding key staff there.

In contrast to the breadth of Bickerdike's seed-grant approach, **GSDC** and **SWOP in Chicago Southwest** focused more intensively on a few organizations for capacity-building. This yielded dramatic organizational growth in the case of the Inner-City Muslim Action Network (IMAN). IMAN is a comprehensively oriented community development and activism organization serving the area's growing Middle Eastern community, and it was one of the organizations brought into the GSDC/SWOP network during the NCP planning phase. In order

to help IMAN expand its small volunteer community health center, GSDC bought a long-vacant bank building on 63rd Street for $800,000 and arranged a zero-percent-interest lease-to-own plan (to accommodate Islamic law on charging interest on loans). The clinic is now a major local provider of no-cost and low-cost preventive and chronic health management services, with 25 volunteer physicians, nurses, and medical students.

The case of IMAN also shows the important role that LISC Chicago was sometimes able to play in developing capacity among organizations beyond the lead agency. Through GSDC's relationship with IMAN, LISC Chicago's program officer was able to form a direct relationship with the organization and directly support several aspects of IMAN's growth by funding a communications director, seeding a capital campaign, helping to furbish its new offices, and supporting a prominent mural project. IMAN has since been centrally involved in the NCP foreclosure, safety, youth, and cultural bridge-building work, and it is viewed by LISC Chicago as "almost a quasi-lead agency in and of themselves based on the work that they do and the reach that they now have and the focus on this comprehensive approach to the work."

Newer lead agencies have been less able to build others' capacity, even when they have focused their energies on this task, as they found themselves needing to concentrate on building their own capacity and organizational viability before they could effectively support others in this way. In some cases, the same sparse organizational landscape that led to the organizations' formation in the first place made it more difficult to work with other groups. For example, **GAGDC in Auburn Gresham** has mostly worked with very small and informal entities, such as block clubs, a "grand-families" organization, and other volunteer-oriented community associations. These relationships have helped build GAGDC's profile within the neighborhood but have less often helped build the capacity of these volunteer groups in demonstrable ways.

In the same way, the approach of **QCDC in Quad Communities** has been driven by its focus on commercial development. As a result, its primary efforts have been to strengthen small retail businesses, and it has not usually extended capacity-building work to other forms of community organizations. In contrast, the more collaboratively oriented new entities — **Teamwork Englewood** and the **East Garfield Park NCP** — have made greater efforts to help small local organizations build capacity. Staff describe results of these efforts as mixed: "Those smaller neighborhood organizations, we really are trying to support and trying to engage [them]," said one NCP director, but "I would say it's the capacity. Capacity is the major, major challenge that we have with our groups." These two neighborhoods secured among the lowest levels of LISC Chicago and outside funding throughout the initiative. (See Chapter 5.)

In NCP neighborhoods where lead agencies had fewer partners or made little effort to work with them, LISC Chicago has often taken a particularly direct and active role. An **Enlace**

staff member described the leverage that seed grants could provide LISC Chicago for strengthening local organizations in such environments:

> What happens is, before LISC provides grants, they want to see that you have a business plan, that you have a functioning board. And if they're not convinced that you've done those things yet, then you may not receive some of the funding. So I think LISC does well in helping groups get to a point where they increase their capacity, so they can effectively implement the grants.

LISC Chicago's efforts were particularly extensive in the **Washington Park** neighborhood, which had very few local organizations, a dynamic of mistrust and contention among groups, and a lead agency (**St. Edmund's Redevelopment Corporation**, a small traditional CDC) that had difficulties taking up a comprehensive and relational community development approach. A LISC Chicago staff member characterized most organizations in Washington Park as "one-person shops" with minimal organizational capacity or infrastructure:

> We really tried to work with what we had on the ground. . . . And so really working to try to help those individuals to build that, it takes time. To really know about board and board governance and how to recruit and what the responsibilities are. Trying to develop a 501c3, and bylaws, and legally what does this mean. . . . It's workshops, it's having one-on-ones, it's bringing in coaches to have conversations with leadership.

Even with these efforts, most of these entities did not have the organizational prerequisites to receive NCP seed grants directly from LISC Chicago, so a fiscal intermediary was used to help administer them. When an NCP planning process was conducted for Washington Park in 2008, however, a number of these organizations participated, and they were subsequently involved in creating a new lead agency and forming its board.

Traditional CDCs have generally had the sorts of difficulties described for St. Edmunds. A partial exception may be **Claretian Associates in South Chicago**, which has seen a number of its 20 or so task force member organizations go out of business during the economic downturn, which indicates some limitations in its capacity to help partner organizations but which has also helped establish several small new arts and service organizations.

Among midsize lead agencies, it is primarily the two multi-issue organizations with community organizing backgrounds that have demonstrated a capacity to strengthen other local organizations. **TRP in Pilsen** points to its task force structures as a mechanism for helping several participants to weather organizational crises and leadership changes through the support of other partners, and the flow of seed grants and leveraged funding has helped several arts and services organizations consolidate and expand. **Enlace in Little Village** has helped consolidate a new youth boxing program, a job training and placement organization, an immigrant rights organization, and a church that works with day laborers.

Direct Implementation Capacities

Unlike NCI, its predecessor initiative, the structure of NCP did not *require* lead agencies to implement projects themselves. On the other hand, LISC Chicago was very flexible about whether agencies did this, based on local contexts and opportunities. In practice, most have implemented programs directly and, in doing so, have emerged as a more critical element in the neighborhood-level success of the initiative than might have been originally envisioned. For established organizations, such implementation has usually entailed building new capacities in areas outside their prior competency. For newer organizations, developing these capacities has proved essential to organizational viability, and those that have been less successful at finding implementation areas to work in directly have tended to struggle. At the same time, those newer organizations that focused too exclusively on direct implementation found that this had its own challenges and limitations.

QCDC in Quad Communities provides perhaps the most striking example of a new organization developing direct capacity to implement programs, although it also exemplifies some potential pitfalls of this focus. QCDC decided early in the NCP implementation phase to focus its efforts on commercial real estate development as an unoccupied niche in the neighborhood and a better source of revenue and stability than its original convening role. With LISC Chicago's support, it commissioned a comprehensive analysis of developable land and worked with key stakeholders to develop a master plan for the area, focusing on the once-bustling commercial boulevard of Cottage Grove Avenue. It helped provide technical assistance to new retail businesses; secured a large commercial real estate developer for a mixed-income, mixed-use project; partnered with the Chicago Housing Authority on a mixed-income housing development; and helped establish a Special Service Area (SSA) — or local tax district — to raise revenue for revitalizing the corridor. This energetic engagement in a single domain of work provided QCDC with a surprisingly strong start for a new organization, strengthening its local reputation, attracting attention and funding from foundations and the city, and thus allowing it to hire additional staff. But its strong reliance on this domain also made QCDC singularly vulnerable to the economic crisis that began in 2008. As commercial credit tightened, its major developments were put on hold, and it had to quickly shift its retail strategy from attracting new businesses to helping keep existing ones afloat. Some of its community partners felt excluded from this focused effort on retail, and QCDC's community standing suffered, with critics maintaining that it took on more than it could handle in the high-stakes arena of commercial development. Having relinquished its convening role, QCDC had no obvious venue for reengaging and addressing such critics. It has, however, remained an active participant in a range of community planning processes and has taken a coordinating role in local education and workforce development efforts during the later years of NCP.

GAGDC in Auburn Gresham has taken a similar approach to QCDC's in establishing organizational viability by implementing projects directly. GAGDC began as a commercial development entity and gained an early revenue stream by administering the 79th Street SSA that it was founded to help establish. But whereas QCDC narrowed its focus, GAGDC has gradually expanded into a range of service areas, many of which manifest its orientation toward resident engagement, volunteerism, and neighborhood pride. One of its first seed-grant projects was a summertime "Renaissance Festival" on 79th Street, which it has made self-sustaining through widespread merchant participation and which now attracts hundreds of vendors and nonprofit information booths, offers live entertainment and children's attractions, and brought out an estimated 10,000 participants to the sixth annual festival in 2011. Another early project was a Litter Free Zone Initiative — a grassroots effort to promote recycling in the neighborhood through volunteer efforts and engaging local high school students, which later garnered citywide recognition and a federal contract. GAGDC organizes free breakfasts for seniors and live blues performances; it works with block clubs; it offers tax counseling in its offices each spring; it holds resident conference calls on home-owner counseling and foreclosure prevention information; and it more recently offers free Internet access to residents. Not all of these services are revenue generating, but enough of them have brought significant city and state contracts to allow the organization to grow rapidly.

While newer and smaller organizations tended to focus most heavily on direct implementation, virtually every NCP lead agency has done this to some extent. **SWOP in Chicago Southwest** implemented a number of projects itself, despite the fact that, as a staff member put it, "we're an organizing entity, and so our basic structural goal is, we don't do stuff in the neighborhood, we build the capacity of those that can do it, and then we hold them accountable to do it." But in the case of a parent mentor program within the Elev8 community school initiative, for instance, SWOP saw an opportunity for community organizing in a school setting: "We don't like running programs, but we're running this one because we were looking to build a base of parent leaders that were independent of the school, but fully part of the school." Even **Bickerdike in Humboldt Park** has staffed and run some programs itself, despite strong reservations about shifting its scope. This has been either for strategic reasons (for example, a summer basketball league run by the NCP organizer to increase contact between the eastern and western segments, an NCP priority) or because task force members emphatically asked it to (for example, the Cease Fire gang intervention program) or because the program was designed by LISC Chicago to be managed by lead agencies (for example, "Smart Communities," the digital technology program). Because of NCP's separate status within Bickerdike, however, its NCP staff sometimes felt that direct implementation stretched them beyond their capacity. In contrast, organizations with a broader mission and a more organizationally integrated NCP effort were often able to deploy existing staff to such work when needed.

Two midsize lead agencies provide an illuminating contrast with regard to the conse-quences of lead agencies taking a direct implementation approach to NCP. **NWSCDC in West Haven**, a traditional CDC, had been strongly focused on affordable housing and commercial retail development at the start of NCP but was gradually stymied in these endeavors both by being located in a small area with limited opportunities for growth and by the economic downturn. However, its role as NCP lead agency helped the organization take a central role in youth programming and sports, which have gradually replaced the earlier development areas as its core organizational focus and now provides it with a basis for organizational survival. This "solo" approach, however, has not helped it develop NCP capacities or cultivate organizational networks. **Enlace in Little Village** took a similarly "go-it-alone" approach in the early years of NCP, achieving considerable organizational growth through violence prevention and education contracts at some cost to organizational relationship building. In 2008, after a failed attempt to engage community partners in reviving the NCP task force structure, the organization decided to recapture a measure of its community-mobilizing and activism origins by hiring a trained community organizer to fill the NCP "organizer" position. This has allowed it to develop greater coordination, brokering, and collaboration capacities and to build a stronger NCP effort in the neighborhood.

Conclusion

Chapter 3 shows that lead agencies with different starting points have differed in their ability to build NCP capacities. The oldest and largest lead agencies have built on existing strengths and have used the NCP framework to consolidate their convening and planning capacities and to help build capacity among other community organizations. Midsize organizations with a multi-issue orientation and experience as conveners or community organizers have also built these capacities, sometimes with greater difficulty. New organizations experienced considerable challenges, as might be expected, and faced especially strong trade-offs and choices between continuing to act as conveners and developing an ability to implement programs directly. The fact that at least two of the four have achieved solid organizational viability, however, is noteworthy, given the well-known difficulties of launching comprehensive work via newly formed local intermediaries.[6] Finally, small-to-midsize CDCs with little organizing and conven-ing experience struggled to acquire NCP capacities — three of these were, in fact, replaced as NCP lead agencies by LISC Chicago when it was determined that they could not adequately fulfill their NCP roles. In contrast, those groups known for community organizing — LSNA, SWOP/GSDC, and TRP — have been able to build on existing NCP-relevant strengths. The consistency with which community organizing has been associated with positive outcomes and

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[6]Chaskin (2000); Brown and Fiester (2007); FSG Social Impact Advisors (2011).

capacity-building across the initiative suggests that there may be benefits to focusing more intentionally on incorporating elements of this tradition into the way that NCP and similar CCIs are conceived and implemented.

The role of LISC Chicago in helping to promote NCP capacity-building was considerable during the planning period. However, LISC did not set expectations for continued partner engagement through the kinds of governance and convening mechanisms that had proved effective during the planning process. In part, a reluctance to intervene during implementation may be due to competing roles that LISC Chicago has faced as a "managing intermediary." On the one hand, LISC Chicago has consistently characterized itself as a vehicle for promoting community priorities and a "partner" to NCP lead agencies, rather than an ordinary funder, which would allow it to obtain a level of trust to help it be supportive strategically. As one staff member indicated, "to walk alongside you and be able to be the honest broker, have those tough conversations, figure out what's wrong, and support corrective measures." On the other hand, LISC Chicago has felt the need to suspend funding to lead agencies when its support and guidance have not produced the desired results. "It's a fine line that we've walked," says the staff member; "Where do you cross a line between being a traditional funder versus your partner?"

Broadly speaking, however, LISC Chicago's shift from highly structured supports in the planning phase to less structure during implementation was significant for lead-agency experiences. Among stronger lead agencies that have been able to implement NCP more easily, there was widespread appreciation for LISC's flexibility and responsiveness. But lead agencies that have struggled have more commonly described LISC's capacity supports as uneven and inconsistent and have expressed in interviews a desire for more formalized mechanisms for transmitting a wide range of practical capacities, as well as greater guidance with regard to their own progress in implementing NCP. Thus, it may be that LISC's approach has most benefited those who already had the best preconditions for building NCP capacities, while leaving some of those with less of the prerequisite skills and orientations without the sort of guidance that might have helped them overcome their challenges.

Chapter 4

NCP Relationships and What They Provide

The New Communities Program (NCP) attempts to build relationships among community organizations and to connect these groups to actors outside the neighborhood. As the initiative evolved, several factors tested these relationships and what they were able to accomplish. As discussed in Chapter 2, the Great Recession and associated state fiscal crisis brought a new set of stressors that might have resulted in increased competition for resources. As well, NCP's shift in emphasis from seed grants to larger-scale, multisite projects offered not only new possibilities for collaboration but also the potential for operating these programs in isolation from the broader NCP network. Finally, as the initiative approached its 10-year mark in 2012, uncertainties related to continued funding and shifts in the NCP model might also make it more difficult to sustain the collaboration. **Given these dynamics, how did NCP sustain relationships over time, and how did these relationships add value to programs carried out independently of each other?**

NCP helped build and sustain relationships from relative positions of strength. Where community groups had trusting ties, neighborhoods built on these and sustained them even through the challenges of the later stages of the initiative. Where there were greater histories of antagonism among community partners, NCP improved relationships during the planning period and through early implementation, but it was challenging to sustain these ties in about half the cases. Where few other local organizations existed, lead agencies tended to create strong connections among a limited number of organizations, but the resulting network was not expansive. Because of these dynamics, there were fewer opportunities for networks to add value to the implementation of projects.

In contrast, in neighborhoods where there were many community-based organizations, good working relationships, and a high-capacity lead agency, groups were able to leverage new funding and could often enhance collaborative programming. Even though NCP emphasized relationships in areas outside of housing development, housing and foreclosure prevention was an area in which NCP networks could be especially instrumental. Finally, while MDRC's interim report described challenges in developing ties between local actors and powerful groups outside neighborhoods, or between neighborhoods, the later years of implementation saw many of these barriers overcome.[1] Cross-neighborhood and "vertical" relationships with powerful agencies were greatly facilitated by the brokering activities of the Local Initiatives Support

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[1]Greenberg, Verma, Dillman, and Chaskin (2010).

Corporation of Chicago (LISC Chicago) and by NCP's growing use of multi-neighborhood initiatives, which created their own informal practice networks among lead agencies.

Building and Sustaining Relationships

As described in Chapter 2, relationships throughout NCP weathered the Great Recession (2006-2009) and its associated funding and neighborhood challenges. Independent of the recession, however, relationships over a 10-year period might be expected to deteriorate, after the initial convening of groups for planning and the enthusiasm of early implementation. This was not the general pattern within NCP, however, as relationships more often deepened than they did fall apart.[2] At the same time, two factors were the most important in whether relationships were sustained or enhanced over the course of NCP: (1) the number of local partners and (2) their histories of collaboration. In addition to the "horizontal" relationships built during the early stages of NCP within the neighborhoods, later NCP implementation was more conducive to developing cross-neighborhood ties and relationships with powerful actors outside neighborhoods. LISC was particularly instrumental in brokering some of these relationships. In some cases, these relationships provided important opportunities for learning smart practices; however, efforts to bring together organizations across neighborhoods were not always sustained over time. Finally, although it might be expected that the political legitimacy of the lead agency would predict relationship development throughout NCP — and was, in fact, important during planning and early implementation — this factor was not critical later on.

Number of Local Organizations

During mid-to-late stages of NCP, in neighborhoods where there was an abundance of local organizations — such as Logan Square, Humboldt Park, Chicago Lawn, and Pilsen — it was easier to maintain collaborative implementation and governance structures that could better sustain and enhance relationships. The NCP task force in **Humboldt Park** (described in Chapter 3) represents one of the most successful cases where the lead agency helped build a durable structure for convening local groups, which itself improved on and expanded an existing network. The lead agency in **Logan Square**, the **Logan Square Neighborhood Association (LSNA)**, also relied on its membership to maintain engagement of organizations and other stakeholders in the neighborhood. LSNA used its quarterly and annual membership meetings as a means of demonstrating progress and communicating accountability about projects that were part of NCP. In **Pilsen**, **The Resurrection Project (TRP)** maintained the task forces created during the planning process to continue engaging member organizations and

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[2]Chapter 6 describes the ways that relationships also sustained the challenging test of transition planning, although they were also strained by it.

described how the richness of local organizational life combined well with NCP's emphases on relationship-building. An observer noted:

> Not every community has as many stakeholders, or what I would call tangible assets in the community to build from. . . . But I think where there has been a strong emphasis in building institutional relationships, that's where I think the model of demonstrating that by acting collectively you'll be able to do more, is where it'll work best. The challenge comes in areas where there's very little, and as a result of that there's all sorts of both suspicion as well as expectations of what would be delivered by somebody anointed as a lead agency.[3]

Although it was challenging in Pilsen to maintain strong task forces in every domain, the existence of additional actors who may be brought into the network tends to refresh their work, as with them come the ability to plan new initiatives. A relatively dense organizational landscape contributed to create the conditions by which lead agencies could further deepen and expand local relationships. Box 1.3 in Chapter 1 describes how the **Southwest Organizing Project (SWOP) in Chicago Lawn** both employed and expanded on its networks over the course of NCP.

In neighborhoods with fewer organizations — such as East Garfield Park, Englewood, West Haven, and Washington Park — sustaining relationships beyond the initial stages of NCP was more challenging. In **East Garfield Park**, for example, it became difficult to make inroads into new institutions, such as schools, without local partners. A dearth of local businesses also made it difficult to develop momentum for economic development, in a way that could demonstrate NCP's value to other businesses, thereby expanding their network. In **Englewood**, the lead agency initially tried to build capacity of smaller, more informal organizations in the neighborhood, but then it relied on a strategy of partnering with more established (but still relatively small) organizations. While it developed some important relationships related to food and urban agriculture, the network remains somewhat narrow. In **Washington Park**, where a new lead agency took over NCP work in 2009, a lack of partners was seen as a distinctly mixed blessing: "We have the advantage of not having any long-term relationships as organizations, so there's no long-term baggage, . . . but there are certain realities." The lead agency has built strategic relationships with organizations that have the capacity to carry out projects, but the networks that were formed have not been extensive.

While it was challenging to deepen and sustain relationships in neighborhoods with a dearth of organizations, **Auburn Gresham** — a neighborhood with few organizations — stands as an important exception. Although the **Greater Auburn-Gresham Development Corpora-**

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[3]All quotations are from interviews that MDRC conducted with 132 staff, implementation partners, and other stakeholders. Interviews are anonymous.

tion (GAGDC) has not developed a convening structure that could bring together organizations in the neighborhood, its relationships with two organizations have deepened over the course of the initiative. This small network has allowed partners to undertake collaborative education and work projects with local public schools. While not an expansive network in terms of its partners, GAGDC has tried to link its efforts on education to other domains. **Enlace in Little Village** has also proved an important exception to this tendency, after struggling to sustain relationships in the early years of the initiative.

Histories of Collaboration

Not only the density but also the tenor of local relationships played a large role in the course of the initiative. In such places as Humboldt Park, Chicago Lawn, Logan Square, and Auburn Gresham, as described above, good working relationships were deepened through NCP. (In Auburn Gresham, working relationships in part helped overcome the relative dearth of organizations in that area.) These neighborhoods saw the additional influx of resources as incentives for collaboration, and they viewed the comprehensive focus of the initiative as an opportunity to expand relations to other domains. For example, **Chicago Lawn** saw the expansion of its organizing connections to include more service agencies. In **Humboldt Park**, health was an area where new actors were brought into local networks. In **Logan Square**, affordable housing developers were brought more deeply into partnership with the lead agency.

In neighborhoods with a history of strained relationships, such as Woodlawn and North Lawndale, it was more difficult to sustain inclusive networks of local organizations after planning and early implementation. In **Woodlawn** — a neighborhood with a history of tension among community powerbrokers — planning committees were sustained into the implementation phase as a way of maintaining participant engagement. Rather than one lead agency, however, NCP was led by the partnership of three entities: the Woodlawn Preservation and Investment Corporation (WIPC), The Woodlawn Organization (TWO), and the University of Chicago. After the death of a well-respected community figure, Bishop Arthur Brazier, leadership transition within NCP made this joint structure less viable and less inclusive of other, smaller community organizations, as it moved to focus more on establishing the identity of a new collaborative, the Network of Woodlawn.

Relationships Outside the Neighborhood

Relationships between lead agencies, city or state government, foundations, or large companies were often critical for NCP implementation, either for the resources that they could provide or for other assistance that they could lend projects. During the early years of the program, lead agencies and their partners reported these types of relationships forming less frequently than ties within neighborhoods. In later years of implementation, however, there was

more evidence of cross-neighborhood relationships forming, especially as promoted by NCP's "platform projects" (larger investments centered on education, broadband technology, and youth development that emerged over the course of the initiative).

The Local Initiatives Support Corporation of Chicago (LISC Chicago) played an important role in brokering these opportunities to neighborhoods and in creating the space for lead agencies to come together. As the initiative gained visibility within the philanthropic community and in City Hall, LISC Chicago was approached by those seeking to invest in Chicago neighborhoods. According to a program officer, funders saw NCP as having built the necessary infrastructure to secure investment as well as an opportunity for their investment to have spillover effects. While this represented a new set of challenges for LISC Chicago, it generated not only new sources of funding for lead agencies but also the opportunity to work across neighborhoods.

Platform projects, some of which are described in the following section, related to foreclosures, arts, sports, broadband, and education, and all presented opportunities for lead agencies to come into contact with each other in formal and informal ways. For example, "B-Ball on the Block" — a recreation program that originated in one NCP neighborhood as a response to gang violence — was adopted by many other NCP agencies. Programs like Smart Communities, an initiative to increase access to technology, allowed contiguous neighborhoods to apply jointly for funding. As one of the partners in this project noted:

> Chicago Lawn, Englewood and Auburn Gresham we said to ourselves, "We all border each other. Why not get together?" So it just made sense for us to partner and really defuse the competition aspect of it, and LISC bought into it. They said, "Okay, that's interesting." So for them it's a form of leverage because now we're bringing more resources.

For NCP neighborhoods that were not able to leverage platform projects, there was sometimes a sense of being left out or of not being in the "favored" group. While only a few lead agencies' staff expressed this view, and LISC Chicago convened all lead agencies twice a year, it is a dynamic that influenced their perceptions of their role in NCP and of LISC Chicago, and it is a note of caution to future efforts in managing multisite opportunities that serve only a few within a broader programmatic structure.

In addition to platform projects, most lead agencies maintained ties with other NCP lead agencies, which, in many cases, offered actors the opportunity to learn from each other's practices and, in some cases, to collaborate. **SWOP**, for instance, shared its approach to foreclosures and more broadly its organizing approach with other lead agencies. **LSNA** shared its parent-mentor model with other Elev8 sites and worked with **Washington Park** to jointly market their urban agriculture and food and nutrition work. Also, executive directors of all lead agencies met on a regular basis — on some occasions, convened by LISC — to discuss areas of

common concern, policy-related issues and potential strategies for addressing the city. Although these meetings declined over time, lead agencies spoke of them positively. Several organizations mentioned that NCP made it possible for such learning and collaboration to happen. At the same time, lead agencies felt that these sorts of opportunities did not happen often enough, nor were they built into the structure of the initiative.

Because LISC Chicago was able to bring NCP leaders in contact with city and state leaders, lead agencies had opportunities to become more visible to these groups through their participation in NCP. Although many lead agencies had these relationships in place before NCP, the initiative elevated the stature of organizations that did not have these connections. **Auburn Gresham** and **Quad Communities** were particularly strong examples of newer agencies that described becoming visible to citywide actors through their participation in NCP. A staff person in South Chicago described the dynamic of inter-neighborhood and citywide network formation:

> I think NCP has given us greater weight outside our community than inside our community because inside our community people knew us. . . . We were already helping the families inside our community but NCP has given us greater weight from those looking into our community from outside and the resources that they bring and the connections and being able to work . . . between other neighborhoods with our similar demographics where we wouldn't have had that relationship before.

Related to this point of NCP's conferring legitimacy on newer actors, it might be expected that the political legitimacy and stature of the lead agency would predict its ability to facilitate relationships throughout the neighborhood. Political legitimacy was, in fact, an important factor during planning and early implementation, especially as ties to local political leadership provided credibility to lead agencies as they started to convene and support other organizations in **Little Village, Quad Communities**, and **Auburn Gresham**. However, this factor was not as critical during later stages of NCP, as the strategies taken by lead agencies proved to be more important than their starting place. Chapter 1 describes this dynamic with reference to strategies taken by **Quad Communities** (Box 1.4) and **Auburn Gresham** (Box 1.5).

What Relationships Were Able to Accomplish

Lead agencies valued relationships both in and of themselves and in their ability to leverage additional resources for neighborhoods. Program designers also viewed the relationships as an accountability vehicle and a delivery system for additional resources.[4] However, another important potential claim about the consequences of relationships is that better coordination

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[4]Mooney (2010).

among local groups can improve service delivery or project implementation. That is, program designers also hoped that relationships would allow for better-targeted, more strategic, or more mobilized interventions.[5] Accordingly, below are considered (1) the improved implementation of *individual* projects through participation in the NCP network; (2) the ways that networks contributed to the implementation of NCP's larger, "platform" initiatives; and (3) how collaborations attracted new funding and implementation of larger projects, drawing on funding from outside NCP.

Enhancing the Implementation of Individual Projects

In general, NCP was more successful in catalyzing a substantial number of projects than it was in improving their individual effectiveness. Lead agencies and their partners often described several ways that individual projects launched under the auspices of NCP could benefit from being part of the initiative. For example, they involved an ability to share space or colocate initiatives, such as bringing multiple partners to a school for enrichment activities. Many groups described informal connections among community partners that could be useful for concrete tasks; for example, one lead agency was called on by another to provide names for a group looking to hire bus drivers for its youth program. Other lead agencies felt that there was additional prestige or better positioning of them or their partners due to NCP participation and LISC's efforts; for example, connections with LISC's MetroEdge program provided the capacity to analyze the potential for local business development and, in doing so, brought together lead agencies and elected officials.

While these benefits were considered to be significant, within NCP, evidence of more substantial coordination of projects with each other was more limited. As might be expected, given the number of projects and community partners promoted through NCP, coordination sometimes had an unplanned quality — disseminating literature at events, for example, or providing informal channels for outreach. There were some significant exceptions to this finding, mostly in places where there were strong existing structures to coordinate implementation. For example, Pilsen's work in education provided a significant number of instances of successful collaboration and coordination, despite the fact that both the school system in general and individual public schools in Chicago are often difficult partners for community organizations. TRP's education task force has brought together principals and teachers from both public and parochial schools in a way that was credited with building a constituency for curricular reform. Other examples are provided in the following sections.

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[5]Kubisch, Auspos, Brown, and Dewar (2010).

Housing Development and NCP

While NCP was designed in part to help comprehensive development corporations (CDCs) move past a sole focus on affordable housing as part of their local strategies, housing is an area that was more often helped by NCP relationships than other domains of work. Staff in half the lead agencies that built affordable housing developments described ways that they were able to use NCP to help build constituencies for projects, overcome NIMBYism or other opposition, and in general develop consensus about the need for the development. In **Logan Square**, for example, when construction of the Zapata Apartments faced opposition from those worried about additional affordable housing, organizers mobilized local networks to request their support for a zoning change that would allow construction. In the same neighborhood, local networks also helped push through construction of a Green Exchange, resulting in an environmentally friendly job incubator. In **North Lawndale**, resistance to construction of Dr. King Legacy Apartments fell after the engagement of its opponents in the design process — an engagement that the lead agency credited to NCP planning. **Humboldt Park** supported the development of a substantial community land trust in West Humboldt Park through NCP networks. In **Pilsen**, NCP was directly credited with facilitating relationships that resulted in the acquisition of new properties for construction:

> We [used to fight] with Pilsen Neighbors and Alivio Medical Center. Three blocks east, almost exactly where we're at, three blocks east are two buildings. . . . Those are buildings that we developed because we were able to purchase land from Alivio Medical Center. And so now we will — we have 45 units of rental apartments in Casa Morelos and about 77 rental apartments for people 55 years of age and older. That would not have happened if it wasn't for NCP.

These examples demonstrate how the use of relationships was important to build support for housing development projects and move them forward. Chapter 1 provides an additional example of how NCP-facilitated networks helped move forward a stalled development project in Quad Communities (Box 1.4).

"Platform" Projects: Elev8

As noted in Chapter 1, toward the middle and later stages of the initiative, a number of private and public funding opportunities for large-scale projects emerged — "platform" initiatives that served multiple neighborhoods, addressing employment, foreclosures, education, and digital technology access. The scale of these projects could provide opportunities for both local and cross-neighborhood collaboration. But there was variation in the ways that these large platform projects were implemented, especially the extent to which NCP-developed networks were used to enhance their implementation.

One notable platform project is Elev8, an educational initiative of the Atlantic Philanthropies that was intended to improve the achievements and life outcomes of low-income middle school students. LISC Chicago and the MacArthur Foundation helped bring the Elev8 model to Chicago, and the program is a significant example of additional leveraged investments that were attracted to NCP. The program targets middle school students through four main components: (1) extended-day learning opportunities; (2) school-based health care; (3) social supports for students and families; and (4) parent, student, and community engagement. In Chicago, Atlantic Philanthropies committed an initial $18 million to the implementation of Elev8. Because the program was implemented through NCP and by NCP lead agencies and their partners, it is instructive to understand how NCP networks were deployed to assist Elev8 programming. At the same time, as a large, multi-year initiative, the experiences of partners in the two neighborhoods evolved over time. Accordingly, the discussion below represents a snapshot of implementation from around the period of 2010 rather than an assessment of the full trajectory of the initiative in both places.

Two organizations — the **Greater Auburn-Gresham Development Corporation (GAGDC) in Auburn Gresham** and the **Quad Communities Development Corporation (QCDC) in Quad Communities** — illustrate variation in how NCP networks added value to Elev8 programming. Both were relatively young organizations and did not have significant experience in the area of education. In Auburn Gresham, GAGDC built on its relationship with a charter school to implement Elev8, deepening the partnership of these two organizations and helping bring in additional partners to Elev8, which, in turn, allowed GAGDC to expand its ties to other schools. In contrast to GAGDC — at least earlier in the initiative — Elev8 at QCDC remained more of a stand-alone project with few connections to QCDC's strongest partners or to other parts of the agency's work.

GAGDC's involvement in education began around 2006, when a local high school was being phased out by Chicago Public Schools (CPS). In an effort to salvage the high school, GAGDC partnered with Perspectives Charter Schools network, helping select Perspectives as the school operator, in an effort to continue servicing middle and high school students in the area. GAGDC partnered with Perspectives to implement Elev8. In partnership with Access Community Health Network, in 2009, GAGDC opened a health care center at the Perspectives charter school that served the school's students only. However, GAGDC saw the new health center as an opportunity to offer health services to other students in the neighborhood and to the community at large, and it approached local public schools to bus students to the health center so that they could receive medical services. This move allowed GAGDC to develop relationships with other local public schools.

GAGDC used its relationship to local businesses to seek additional resources for Elev8. For instance, it partnered with the local CVS pharmacy to carry out health education with Elev8

and a health fair, and CVS has donated supplies to the Elev8 health center as well as construction support for the center (which was facilitated by LISC.) As GAGDC developed its relationship with public schools in the neighborhood, it brought its Litter Free Zone Initiative — a grassroots recycling program — to schools by creating competitions for students to bring in recycling, with the winning school obtaining a prize, such as a pizza party. Taking advantage of its new foothold in local public schools, GAGDC started its School Yard Project, which is intended to engage parents and to connect schools in the neighborhood to local service providers. This has resulted in what was described as a strong, mutually beneficial relationship with Perspectives: "We have kind of a familial relationship that we are each other's go-to. When we get an opportunity for a grant, and we need a community partner, then that's automatic. . . . I kind of believe it's the same way that, they come to us."

Like GAGDC, **QCDC in Quad Communities** brought several new partners to Elev8 at Reavis Elementary School, including health, literacy, and after-school arts providers. These parties were not, however, the core local partners with which QCDC worked earlier in the initiative, and some were from outside the neighborhood, resulting in some tensions with local actors. According to interviewees in 2010, early implementation of Elev8 brought further strains, due to changes in personnel within partner organizations. QCDC's relationship with Reavis school has also been strained at times, as the school did not allow it to undertake some of the work needed to implement the original Elev8 plan. For example, as an underperforming CPS school, Reavis is under pressure to improve its academics and, thus, preferred to focus on academic subjects for extended-day programs. In contrast, partners supported the Elev8 extended programming focus on arts and other enrichment activities, and the parties were not able to resolve these tensions. An additional source of tension emerged when Elev8 funds were channeled through Reavis, which created delays in disbursement as payments moved through CPS bureaucracy. Finally, QCDC did not bring to Elev8 other aspects of its work that focused on education or youth. For example, the Dyett High School Youth Farm, which stands not far from Reavis and which seemed to be a logical partner for Elev8, was not incorporated as one of the partners in the program, even though the farm hoped to be able to bring produce to local schools.

"Platform" Projects: Foreclosure Prevention

Another important program funded by MacArthur and channeled through NCP neighborhoods was a foreclosure response program. As was the case with Elev8, the way that networks were deployed to enhance this program also varied among neighborhoods. In **Chicago Southwest**, **SWOP** moved through its organizing network to bring the issue to prominence and change the way local actors saw the urgency of the foreclosure crisis and to conduct extremely extensive and targeted outreach efforts to home owners in distress. The organization also made effective use of ties to prominent elected officials and other allies to negotiate with financial institutions,

and it was successful in creating a pilot program that allowed those facing foreclosures to modify the terms of their loans. In neighborhoods like **Auburn Gresham** and **East Garfield Park**, lead agencies had difficulties finding suitable partners, and they used their ties to local organizations mainly as vehicles for transmitting information about services available to those facing foreclosure. These efforts were not as extensive as in Chicago Southwest and were somewhat disconnected from other aspects of NCP work, making it more difficult for the entire NCP network to be deployed around local foreclosure problems. More generous funding for the initiative in Chicago Southwest may have contributed to these differences in local mobilization.

As a well-established organization with solid ties to local organizations and institutions, as well as to political figures and decision makers, **SWOP** was well positioned to address issues related to foreclosure. SWOP's work on this issue dates back to the late 1990s, when the organization launched a campaign to regulate subprime mortgage lending. In the early 2000s, SWOP educated policymakers in a way that allowed a state agency to regulate mortgage brokers and set lending regulations — and otherwise restrict what SWOP's membership considered to be predatory lending. As part of its response to foreclosures, in 2006, SWOP decided to work with the leadership at one church highlighting the magnitude of the crisis, and from there it spread work to other churches:

> [As we presented to the church,] we had statistical information saying that this is a broad problem throughout the parish, and we had individual stories that say this is absolutely connected to the parish. [The pastor] was fairly passionate about it, but when he found out his deacon and his choir director had both lost homes, it really ignited him in terms of why this was important.

Churches became important vehicles for delivering information about foreclosure relief, as pastors delivered this information from the pulpit and conducted surveys with church membership. SWOP used this information to further target its prevention services. Around the same time, it negotiated with Bank of America the launch of a pilot program to help modify loans of home owners in distress who met certain conditions. Through its local partners, SWOP engaged in an outreach campaign to residents in the neighborhood, and the organization was able to touch 25 percent of those eligible for loan modifications through its door-to-door campaign.

As in other neighborhoods, foreclosures were deeply felt in **Auburn Gresham**, a neighborhood with relatively high rates of home ownership as part of Chicago's "Bungalow Belt." GAGDC, which did not have extensive experience regarding foreclosures, encountered the issue as it engaged with local residents about other areas of work:

> [We would ask,] Why is Mrs. Jones's home boarded up? What happened? And Mrs. Jones was gone just like that. We couldn't even find Mrs. Jones. We were

able to track down her relative and Mrs. Jones had to move in with her child because she lost her home to foreclosure.

Through MacArthur, Neighborhood Housing Services (NHS) in Auburn Gresham received funding that allowed it to hire new staff and offer free workshops on foreclosure prevention. GAGDC reached out to block clubs to publicize these workshops, and NHS credited increased inflow at its office to GAGDC's efforts. At the same time, GAGDC's outreach was not as active or as intensive as in Chicago Southwest, and not every element of the NCP network was brought to bear on the foreclosure problem. This issue became particularly apparent regarding the question of unemployed home owners facing foreclosure. With the economic downturn, many newly unemployed owners were unable to make mortgage payments, and NHS was often unable to intervene with lenders to negotiate when the mortgage holder had little prospect of making payments in the near future. Although the workforce development center in Southwest was an engaged partner in its foreclosure work, a key partner of GAGDC — St. Sabina Employment Resource Center — was not engaged in these efforts.

To fight foreclosures in **East Garfield Park**, the lead agency brought in Metropolitan Tenants Organization, which worked with tenants in the Chicago metropolitan area, and opened a housing center to provide services to renters. The center was strategically located at Bethel New Life, an organization that also offers employment services, and this allowed the lead agency to create a "one-stop" center where residents could receive a variety of services related to housing, employment, and legal assistance. The housing center had to relocate, however, when Bethel faced downsizing, thus disrupting service delivery and the network as a whole.

Collaborations to Attract Funding from Outside NCP to Implement Larger Projects

The preceding section describes the collective implementation of projects that NCP attracted to Chicago neighborhoods. Another area where relationships could have important consequences relates to collaborations among community partners to receive larger grants from *non*-NCP sources than they might otherwise attain, resulting in joint implementation of larger projects. In many ways, these types of projects provide the most substantial evidence of what "added value" NCP relationships provide, as they demonstrate that NCP has successfully taught groups the ability to seek additional funding in a way that might prove sustainable after the completion of the initiative.

Overall, neighborhoods did not capitalize on this type of collective funding effort, with some notable exceptions. These exceptions include **Claretian Associates** in **South Chicago**, which has a particularly strong orientation toward community arts programs and has linked artists and arts organizations with schools and development organizations in joint endeavors; it

has also formed collaborations based on its "green" orientation. **LSNA** has established widely recognized community-based teacher development and in-class parent mentorship programs in Logan Square public schools, which several other NCP lead agencies are now emulating.

Within NCP, **Humboldt Park** has focused most consistently on building collaborations that can be implemented jointly. Working through its task force structure, implementation committees continue to organize collaborative work in their areas of focus. Starting in 2006 with the Community of Wellness — a collaboration that attracted funding for multiple partners concerned with health careers, outreach, human immunodeficiency virus (HIV), and physical activity — NCP then moved to propose joint projects that attracted new funding for safety and reentry issues. Both **Bickerdike** staff and key task force participants have described a culture shift within the neighborhood that relates to collective action, as opposed to individually driven grant seeking:

> I think the difference is that people now see grants and they don't just see them as, "Oh, I can apply for this." It's, "The safety committee can apply for this, the reentry committee, the Community of Wellness," and so they're thinking of it as a community thing versus an individual thing. Now we all know they have an individual stake in it, . . . but I think how people are looking at funding is completely different now based on these collaborations than they were before.

Other neighborhoods have found it more challenging to develop collaborations for implementing new projects, sometimes for lack of partners or due to conflict or a lack of interest among them. **Teamwork Englewood**, which took a strongly collaborative and coordinating implementation approach, found few viable organizations with which to partner effectively. Lead agencies in **West Haven, East Garfield Park, North Lawndale,** and **Washington Park** have faced similar challenges. In **Quad Communities**, **QCDC** tried to link its commercial development work to quality-of-life goals in other domains by starting a youth farm at a local high school and a community farmer's market. Its vision was that produce from the youth farm would both be sold at the farmer's market, thereby increasing the availability of healthy food options in the community, and be a food supply source for restaurants along its commercial corridors. QCDC's efforts to realize this vision were significantly hampered by the fact that all the groups involved were new and untested; as a start-up itself, QCDC was stretched thin in the effort to coordinate the work. An early QCDC partnership with a local arts organization to renovate a façade nearly put the latter out of business due to upfront costs incurred by the arts agency and a workforce development contract that QCDC could not pay after banks withdrew their commitments in the economic crisis.

Conclusion

Chapter 4 describes ways that relationships were sustained in NCP despite the challenges of the Great Recession, program fatigue, and other local factors. Growth in relationships was most significant in places with good prior relations and where a high-capacity lead agency supported them. At the same time, in places with histories of contentiousness, relationships improved most significantly during planning and early implementation but tended to revert to form after time. The fact that relationships and their value to implementation were more likely to grow in neighborhoods that had a strong set of community partners with good relationships among them suggests some caution about the targeting of initiatives like NCP and about the amount of assistance that may need to be provided to other neighborhoods in order to realize the initiative's potential.

Chapter 5

NCP Investments and Their Reach
Within Neighborhoods

Comprehensive community initiatives (CCIs) such as the New Communities Program (NCP) proceed under the belief that neighborhood improvement is best achieved through a multi-pronged effort, instead of a sole focus on physical, "bricks-and-mortar" improvement to housing. Through 2008, NCP's early implementation demonstrated the completion of projects in multiple domains under its auspices,[1] but the impact of the Great Recession (2006-2009) on housing markets and on state budgets may have altered the flow of resources to neighborhoods — making it more difficult to attract additional investments, or "leverage," from both public and private partners. **How well did NCP implement projects, draw resources, and attract investments during the second half of the initiative?** A related area of inquiry involves the location of these investments. Community development research has suggested that housing investments, especially after reaching a certain threshold, may contribute to reduced crime or increased property values.[2] No research has tracked the actual location of *comprehensive* improvement efforts within CCIs, however, to show the extent to which areas within neighborhoods become "saturated" by such activities. Given the fact that NCP planning generally encouraged as many projects as possible to be identified, there was the potential that implementation might be thinly spread, especially in large neighborhoods. **What evidence is there of targeting of investments within NCP?**

Despite the recession, implementation continued at a similar pace in the later phases of NCP, suggesting that there was not a "winding down" of investments. In terms of the number of domains, the comprehensiveness of NCP action also continued, and over $900 million in NCP funding and leverage from other sources were committed to the 14 neighborhood areas (described in Chapter 1, Table 1.1). The recession moved project activity away from real estate development, with the result that more leverage came in foundation- or federally supported initiatives than from loans or grants associated with housing construction. These significant investments demonstrate that the NCP "platform" remained a vehicle for substantial improvement efforts. Neighborhoods with more partners and with high-capacity partners reported more resources leveraged through NCP — even when there were tensions reported in local relationships. In three neighborhoods studied, spatial analyses demonstrate the conscious targeting of comprehensive improvement activities along commercial corridors and other areas, demonstrat-

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[1]Greenberg, Verma, Dillman, and Chaskin (2010).
[2]Ellen, Lacoe, and Sharygin (2011); Galster, Cutsinger, and Lim (2007).

ing that NCP was able to channel efforts within communities. At the same time, in only one of these three neighborhoods were efforts targeted to areas of greater distress. The lack of an association between quality-of-life conditions and NCP investments may reflect that many of the projects designed to address economic need were services that were inclusive of the whole neighborhood and also that many parts of NCP neighborhoods were equally distressed.

Projects Implemented Through NCP

NCP attempted to address urban problems and sustain the quality of life in Chicago neighborhoods by implementing projects in multiple domains. Lead agencies in each NCP area engaged stakeholders to collaborate in a planning process that identified varied neighborhood projects. In order to circumvent the issues that had prevented previous comprehensive neighborhood initiatives from translating plans into action, NCP also included several strategies to ensure that significant projects advanced past the planning stage. As described in Chapter 1, these included distribution of implementation responsibilities among multiple community partners, the use of seed grants to attract "leverage" to complete projects, and the promotion of collaborations among community organizations that would facilitate creation of pooled funding streams to support project implementation.

Lead agencies reported implementation of 838 projects over the course of NCP.[3] These totals include projects that were funded with seed grants, projects that were funded with other resources provided through LISC Chicago (including loans and lines of credit), and projects that were funded entirely by other sources. In some cases — such as projects involving multiple partners sharing implementation responsibilities or projects that were implemented across funding cycles — multiple seed grants and loans were used to fund different components of a single project. These figures do not include grants made exclusively for organizational capacity-building projects with lead agencies and their partners, which was another important dimension of NCP investment, nor do they include direct funding to lead agencies for administration of NCP.

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[3]The investigation of the NCP projects presented here is based on the lead-agency reports submitted to the Local Initiatives Support Corporation of Chicago (LISC Chicago) over the course of the initiative, covering project implementation activity from 2002 to 2011. While these reports are fairly comprehensive, in general, reporting was not systematic, meaning that there was considerable variation in the project reporting practices, both across and within lead agencies. In particular, there was no consistent definition of what constituted a "NCP project," meaning that lead agencies likely varied in the extent to which projects that had no NCP-based funding were included as well as how multicomponent projects were reported (that is, as a single project or as multiple projects). In addition, lead agencies had no standard for calculating or estimating leverage. Finally, these summary figures are not comparable to the totals given in the interim report (Greenberg, Verma, Dillman, and Chaskin, 2010), which counts each grant as a separate project; this analysis uses the lead agencies' reports to identify broader projects (which can include multiple grants).

In order to examine the variety of the projects implemented under the auspices of NCP, projects were coded into five domains, each including broad areas of local intervention reflected in the quality-of-life plans and each engaging different types of public and private institutions:[4]

- **Social Services** include projects that were primarily directed toward neighborhood residents, providing services to address their needs and support their welfare. The projects include efforts to improve local schools, youth development initiatives, public safety programs, public health campaigns, and human services delivery.

- **Real Estate Development** includes projects that were focused on housing and commercial real estate development.

- **Public Spaces, Community Image, and the Arts** encompasses beautification projects, such as neighborhood cleanups and mural installations; efforts to promote a positive community image through street fairs, tours, marketing campaigns, and other means; and community art and culture events.

- **Public Policy and Organizing** includes projects that were directed toward development and enhancement of local participation and those directed at public policy, such as development and support of block groups, leadership development efforts, and civic education programs.

- **Economic and Workforce Development** projects include efforts to develop and expand the neighborhood economy, focusing on both residents and business. These projects include both economic development activities — which sought to support and expand the businesses and employers located within the neighborhood — and resident-focused job training and placement, asset building, and financial literacy efforts.

The first column of Table 5.1 shows the distribution of NCP projects, by domain. Almost half (46.8 percent) of the projects were in the Social Services domain; most of the rest of the projects were in the Economic and Workforce Development (20.4 percent) or Public Spaces, Community Image, and the Arts (20.6 percent) domains. These results confirm the

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[4]Note that projects may include components from multiple domains — for example, an anticrime initiative that includes efforts to organize neighborhood residents or advocacy strategies. For these cases, the projects were classified according to the domain at which the efforts were targeted (that is, public safety [Social Services domain]) rather than by the means by which the project goals were to be accomplished (that is, organizing).

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Table 5.1

NCP Projects, Funding, and Leverage, by Domain

Domain	Projects (%)	NCP Funding (%)	Leverage (%)
Economic and workforce development	20.4	25.9	21.4
Public policy and organizing	5.1	1.1	0.1
Public spaces, community image, and the arts	20.6	3.9	3.2
Real estate development	7.0	32.0	66.1
Social services	46.8	37.1	9.3

SOURCE: MDRC analysis of lead-agency annual progress reports provided by LISC Chicago.

NOTE: This analysis includes NCP projects reported to have received support grants from LISC Chicago, non-LISC investments, other kinds of support, and projects that do not list any funding or support.

findings of earlier project analyses: The initiative, as intended by design, helped move most groups beyond a previous focus on housing development to support other domains of activities.

Consistent with the distribution of projects, funds delivered to neighborhoods through LISC Chicago over the course of the initiative were also spread across domains other than real estate development. As shown in the second column of Table 5.1, close to 40 percent of the NCP funding distributed since 2002 was for Social Service projects; Real Estate Development accounts for 32 percent, while Economic and Workforce Development accounts for 26 percent. This distribution of pass-through funding reflects the relative financial cost of the different types of projects. For example, while Real Estate Development constituted only 7 percent of the projects, the average (mean) NCP funding allocated for each project in this domain was over $300,000, reflecting the costliness of development activities.[5] In contrast, about a fifth of the projects were in the Public Spaces, Community Image, and the Arts domain, which accounted for about 4 percent of the total NCP resources expended since 2002, reflecting the lower cost of these type of efforts (with the average NCP funding per project representing only $13,000).

The domain that involved the fewest reported projects is Public Policy and Organizing — explicit efforts to change public policy. While several planning areas identified this domain

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[5]NCP funding includes loans and lines of credit.

as part of their comprehensive strategy to improve their neighborhood, most of the activity focused on implementing projects that did not aim to change policy. However, it is important to note that organizing and advocacy were often strategies or components of projects in other domains. For example, the NCP Foreclosure Response project in Chicago Southwest — an effort to provide counseling and assistance to local home owners and renters affected by the collapse of the housing market in 2008 — also pursued, as a major strategy, a public policy component directed toward organizing communities, securing resources, and informing legislation. As described in a recent report, implementing difficult but significant projects often involved influencing public officials so as to ensure support. An effort to move toward transit-oriented development in Auburn Gresham, for instance, required work with Metra, a regional transportation body.[6]

Leveraged Resources

NCP as an initiative acknowledged that direct funding through the initiative alone was not enough to carry out identified projects, making "leverage," or the ability to attract other investments, an especially important part of the initiative. Overall, the NCP projects generated over $900 million in leverage — that is, about $17 for every NCP dollar invested. The distribution of leverage by project domain is shown in the third column of Table 5.1; not surprisingly, by their very nature, Real Estate Development projects constitute the lion's share of the leverage (66 percent), with Economic and Workforce Development projects generating about a fifth of the total leverage.

About three-quarters of the Real Estate Development projects generated leverage; the ratio of leverage of NCP funding across this domain was 35:1. No other types of projects were as successful at generating leverage, even though at least half the projects in each of the other domains did generate some leverage, at funding ratios ranging from 1:1 (Public Policy and Organizing) to 14:1 (Economic and Workforce Development and Public Spaces, Community Image, and the Arts). While this result is clearly influenced by the relative costliness of projects in the Real Estate Development domain, it also indicative of differences in the institutional structure that govern the flow of resources for projects in the various domains. That is, a variety of resources and mechanisms exist to provide funding for development projects, including lending and public investment programs focused on less-advantaged communities. Thus, a relatively small investment of NCP funding — needed to fund the preliminary work necessary to secure these existing and available resources — can and did yield large returns for the NCP neighborhoods. In contrast, other domains may not have institutions set up to attract public or private resources to add to initial investments at such a scale.

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[6]Chaskin and Karlström (2012).

However, many neighborhoods were able to generate leverage for projects in other domains. Some examples of these efforts include:

- **Humboldt Park's** Community of Wellness initiative, which implemented a number of activities to improve the physical and mental health of neighborhood residents, brought in almost $8 million in outside finding to support these activities.

- The Green Exchange initiative in **Logan Square**, directed to providing job training and employment for low-income workers in the community, was reported to generate more than $6 million of leverage.

- The 63rd Street Streetscape program, which beautified and improved a central commercial corridor in **Chicago Southwest**, was reported to have brought in $600,000 in private donations from the Islamic community in Chicago Southwest and surrounding neighborhoods, as well as over $1 million in additional financial resources (tax and personal income).

- Many of the NCP neighborhoods implemented a Center for Working Families, which, among such other activities as financial counseling and job placement services, sponsored tax counseling projects to assist families in applying for the Earned Income Tax Credit. These projects were reported to bring over $1 million in additional income to some of the neighborhoods.

As these examples illustrate, "leverage" had multiple meanings in terms of the NCP projects; overall reported leverage included both additional resources that were secured to implement projects as well as resources that were generated as a result of project implementation.[7] These different conceptions of leverage are all meaningful, but lead agencies varied in the ways that they viewed and reported leverage. As a result, total leverage generated should not be viewed alone to demonstrate the "success" of NCP. In addition, it is important to note that not all the NCP projects were designed to generate leverage. For example, using limited funding, several neighborhoods implemented small projects that were designed to build trust among community partners. Other small projects included such activities as a mural installation, a park cleanup, or development of a walking tour — one-time activities requiring a small commitment of financial resources well within the scope of the NCP funding. While all these projects were intended to benefit the neighborhoods where they were implemented, the expected return for the investment might not be best measured in leverage alone.

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[7]Additionally, methods for estimation of generated leverage are typically not well documented.

Change Over Time

As discussed primarily in Chapters 1 and 2, the Great Recession, which started about halfway through the time period considered in the NCP project analysis, created significant changes in the environment within and surrounding the NCP neighborhoods. Several aspects of the NCP response to the recession, discussed above, motivate an inquiry into changes in the focus of NCP action over the course of the initiative.

Chapter 2 notes that the NCP lead agencies did not report substantial shifts in their work due to the recession, with the exception of slowdowns or delays in housing construction and issues related to foreclosure. The MacArthur Foundation provided a hefty investment in several communities to support foreclosure prevention work through increased staffing to local neighborhood housing service offices and through related efforts. In addition, LISC Chicago began to seek funds from federal sources — taking advantage of several stimulus and homeowner relief funding programs instituted in response to the economic downturn — and had to build its capacity to manage these types of contracts. As described in Chapters 1 and 2, around the time that the recession hit, LISC Chicago started to put together proposals jointly with the City of Chicago, serving as the bridge to the participating neighborhoods in efforts like Smart Communities and the Neighborhood Stabilization Program. In these ways, public funding to combat the recession offered new opportunities for both LISC Chicago and the NCP neighborhoods. As a staff member at LISC Chicago commented: "The economic downturn was a time of expansion for us. It was actually one of our stronger fund-raising years."

For the NCP neighborhoods, these opportunities involved new areas of activity. In particular, with the support of LISC Chicago and the NCP Foreclosure Response project, several neighborhoods began working to prevent foreclosures and to mitigate their effects on neighborhoods. Others were able to expand their work due to the increased funding and other support targeted to this issue, and they could take advantage of new funding sources. For example, **Logan Square** was able to take advantage of a federal stimulus grant to Illinois, *Put Illinois to Work*, which brought 73 people to work in the organization and the neighborhood.

However, for many of the NCP neighborhoods, the recession presented organizational challenges. In **Logan Square**, some of its programs, which depended on state funding for operation, experienced cash flow issues due to delayed and eliminated payments from the state; the lead agency also reduced its staff in response to lower funding. In **East Garfield**, some strong local organizations were hard hit; one of the strongest organizations in the neighborhood that works on development and provision of social services reduced its staff and had to sell some of its property. Given these funding constraints, other organizations needed to be more sophisticated about approaching funders. As one lead agency noted: "If they are being funded externally they're becoming savvier in terms of reporting outcomes and proving that what they do is meaningful and works."

Figure 5.1 shows the distribution of NCP projects, by domain and time period.[8] The only domain for which the activity level (number of projects) was unchanged between the two periods is Public Policy and Organizing. Not surprisingly, the level of activity in Real Estate

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Figure 5.1

NCP Projects, by Domain and Time Period
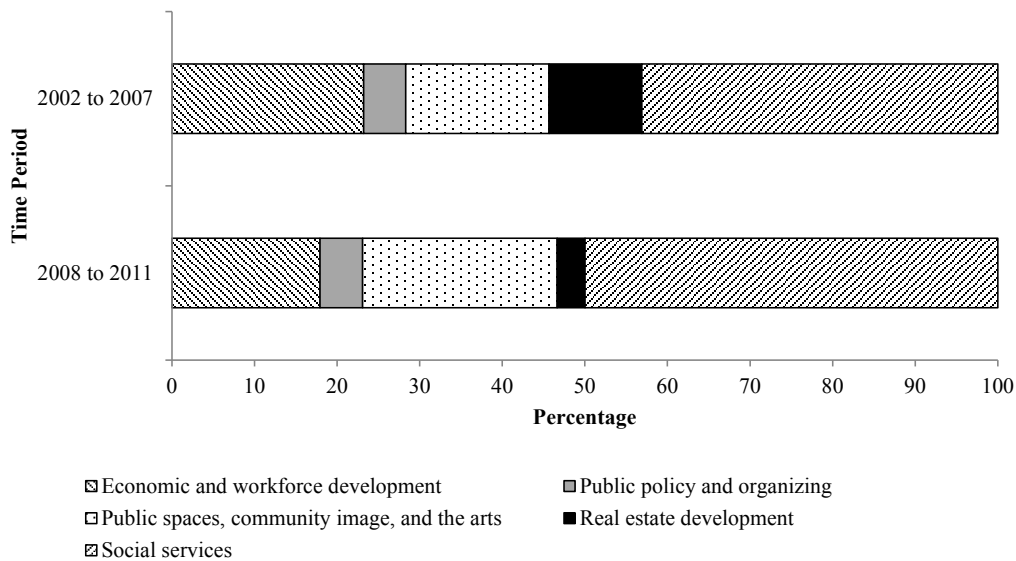
SOURCE: MDRC analysis of lead-agency annual progress reports provided by LISC Chicago.

NOTE: This analysis includes NCP projects reported to have received support grants from LISC Chicago, non-LISC investments, other kinds of support, and projects that do not list any funding or support.

Development dropped considerably. The share of projects in the Economic and Workforce Development domain also declined, with a shift in focus toward programs serving community residents, particularly unemployed workers and home owners dealing with foreclosure. In contrast, there was more NCP activity in the Social Services domain after the onset of the recession. Finally, the postrecession increase in activity within the Public Spaces, Community Image, and the Arts domain was driven, in part, by increased efforts to improve the built

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[8]The project reports used for this analysis were periodic and, in several cases, covered multiple years of activity. For many projects, the actual starting period is not explicitly stated but, instead, is inferred based on the first report in which the project appears.

environment — perhaps a reaction to the increased difficulty of affecting this dimension of community quality via traditional means (Real Estate Development).

As shown in Figure 5.2, the distribution of NCP resources also reflects a shift in implementation activity between the two time periods. In the period before the recession, about two-thirds of the NCP resources that were distributed among the neighborhoods was in support of Real Estate Development projects, with about a fifth going toward Economic and Workforce Development projects. After the recession, over half the NCP funding was for Social Services projects; the share of NCP resources supporting Economic and Workforce Development projects also increased, to about 30 percent. In addition, the flow of resources from NCP sources increased after the recession started: About 60 percent of the total NCP funding for projects that were implemented in the planning areas was expended in 2008 or later. Notably, the per-project level of NCP funding for projects in the postrecession main spheres of activity — Economic and Workforce Development and Social Services — was much higher in the later period. Finally, while the percentage of resources supporting Public Policy and Organizing projects is small and appears to be similar in both time periods, the per-project level of NCP resources for these types of projects increased by over 800 percent after the recession. While the overall amounts are small relative to the overall flow of NCP resources, this change indicates an important shift in the direction of NCP activity.

Leverage also changed between the two periods: About 60 percent of the total leverage generated by the NCP projects was secured in the years before the recession. The reduction in the availability of "outside" resources is certainly one factor in the change in the distribution of activity among the domains.[9] These shifts indicate a change in focus for NCP action that was motivated by the changing economic climate, both to address emergent needs of community residents and to empower them to take a more active role in the formation of public policy in the wake of the collapse of the housing market.[10]

Neighborhood Variation

As discussed above, the NCP project reporting was not very systematic, and so comparisons of project activity across neighborhoods for purposes of evaluation or ranking can be misleading. However, examination of the differences in the distribution of projects by domain can provide insight into the priorities of the NCP neighborhoods in terms of action. Specifically, this is of

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[9]The total number of projects is roughly the same in the two time periods.

[10]Almost all the Public Policy and Organizing projects that were implemented in 2008 and later dealt with housing or foreclosures in some respect.

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Figure 5.2

NCP Funding, by Domain and Time Period
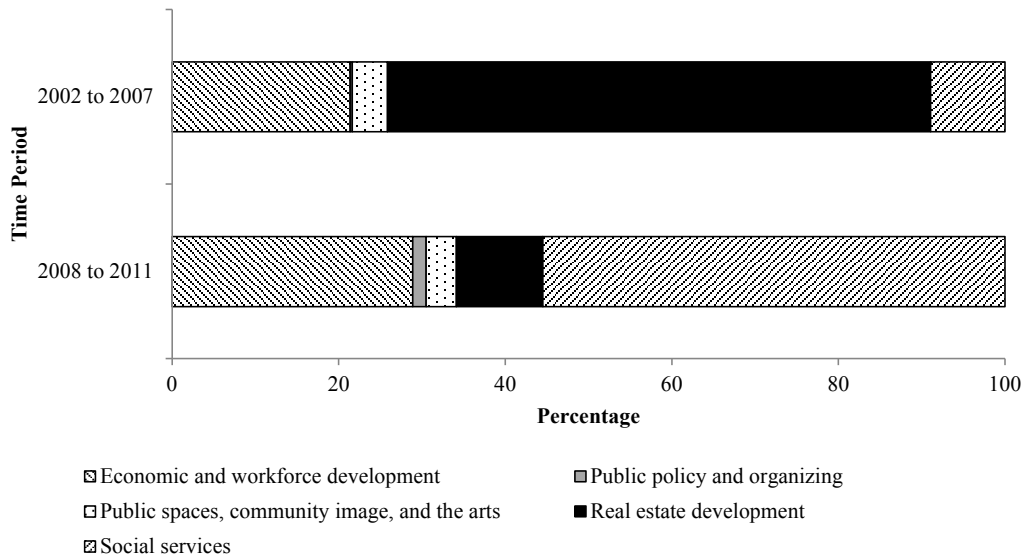
SOURCE: MDRC analysis of lead-agency annual progress reports provided by LISC Chicago.

NOTE: This analysis includes NCP projects reported to have received support grants from LISC Chicago, non-LISC investments, other kinds of support, and projects that do not list any funding or support.

interest due to similarity across neighborhoods in terms of plans; almost all the neighborhoods planned to address challenges common to less-advantaged neighborhoods, including strategies to reduce crime, expand economic opportunities for neighborhood residents, improve education and youth services, and the like. Thus, the projects that were implemented under the auspices of NCP may indicate the relative priority for these challenges in each of the planning areas. Of course, NCP action was constrained by structural factors, such as neighborhood and institutional capacity, and so the results shown here are suggestive rather than conclusive.

Figure 5.3 shows the distribution of the NCP projects, by domain, for each of the 14 planning areas. Overall there are more similarities than dissimilarities. For example, all the neighborhoods implemented projects in a range of domains, with Public Policy and Organizing being the least common type.[11] While Social Services projects made up a substantial portion of each area's NCP activity, several neighborhoods emphasized this type of action to a greater degree — specifically, **Englewood**, **Humboldt Park**, **Woodlawn**, **Little Village**, **East**

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[11]Again, recall that the project types are defined based on the outcomes of the project rather than on the strategies used to achieve them.

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Figure 5.3

NCP Projects, by Domain and Neighborhood
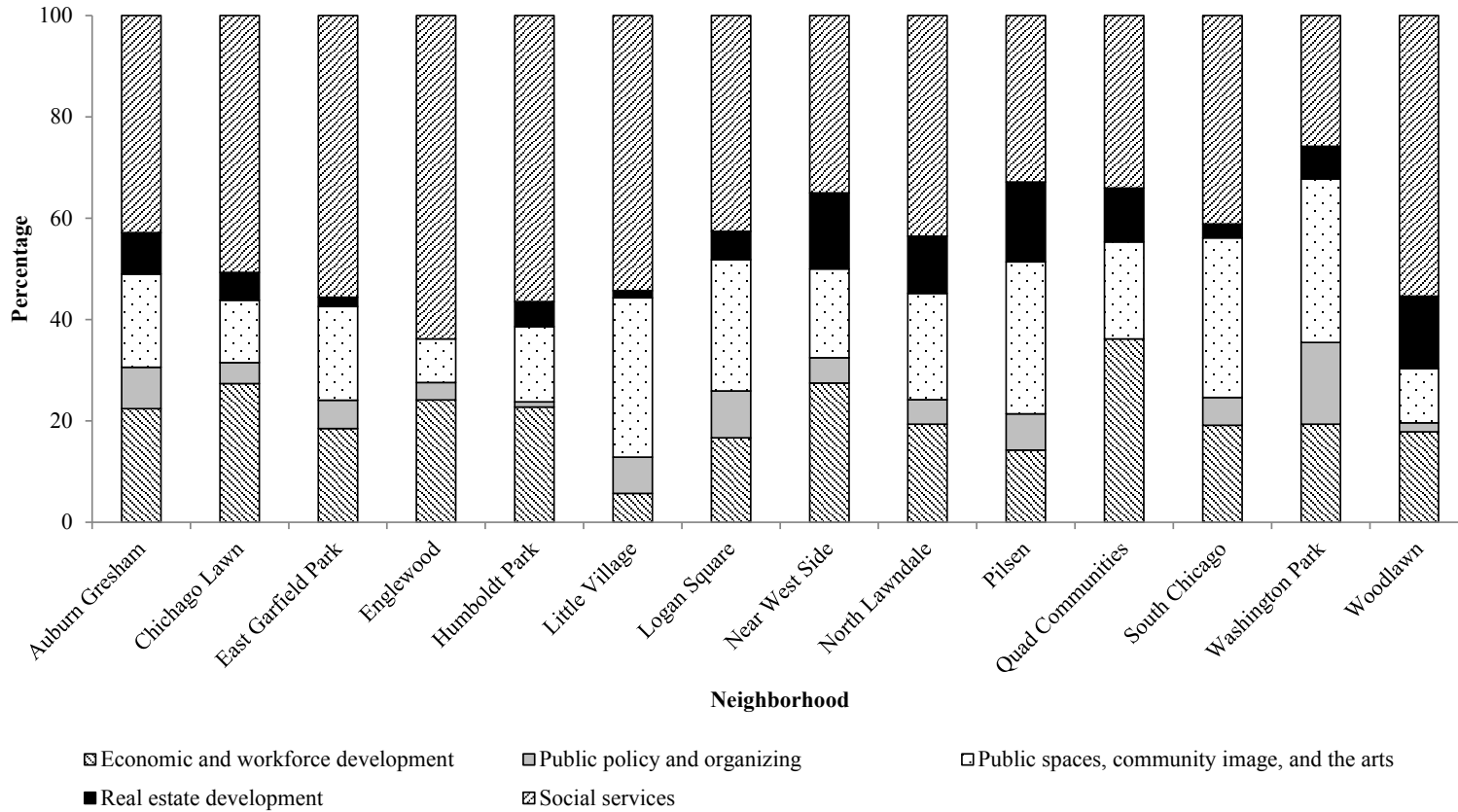
SOURCE: MDRC analysis of lead-agency annual progress reports provided by LISC Chicago.

NOTE: This analysis includes NCP projects reported to have received support grants from LISC Chicago, non-LISC investments, other kinds of support, and projects that do not list any funding or support.

Garfield Park, and **Chicago Lawn**. In three of these neighborhoods — East Garfield Park, Englewood, and Woodlawn — youth development projects appear to have been the driving factor behind the emphasis on activities within the Social Services domain. In the other three neighborhoods, a relatively greater emphasis on public safety initiatives drove the dominance of the Social Services domain. While these results could indicate that youth issues and/or public safety were more prevalent for these neighborhoods, they also could indicate relative differences in opportunity. That is, these differences could represent variation in the neighborhoods' ability and capacity to implement projects of these types.

Another difference of note is the relative frequency of Real Estate Development projects. In particular, a few neighborhoods (**Pilsen, West Haven, North Lawndale,** and **Quad Communities**) were much more heavily involved in activities in this domain, while others (**East Garfield, Englewood, Little Village,** and **South Chicago**) had relatively little activity in this domain. Finally, Economic and Workforce Development and Public Spaces, Community Image, and the Arts received around the same levels of activity in almost all the neighborhoods.

The distribution of NCP funding and leverage of neighborhoods is shown in Figure 5.4. Several of the planning areas received a greater share of the total NCP resources expended over the course of the initiative for project implementation, while others received a smaller share. In some cases, areas receiving relatively large shares — such as Quad Communities — were more involved in Real Estate Development, and so the greater access to NCP resources may have been driven by the domain focus of the neighborhood. There is also a loose association between the share of NCP resources and total NCP project investments: Most, but not all, neighborhoods that received larger shares of NCP funding had larger overall project investments.

Additional analyses of the distribution of NCP resources and its relation to the mix of activities in the various neighborhoods indicates that the flow of seed grants and loans was not equally spread across the 14 neighborhoods. However, an uneven flow does not necessarily indicate an inequitable distribution. For instance, capacity-building support and in-kind resources provided by LISC Chicago are not included in these analyses. In addition, as discussed in the 2010 interim report and elsewhere in this report, neighborhoods differed in terms of their capacity to implement projects, both at the beginning of the initiative and throughout its course. It appears significant that the neighborhoods that reported the fewest implementation partners — **East Garfield Park, Auburn Gresham, Washington Park, Englewood,** and **South Chicago** — were also the ones that tended to leverage the least amount of resources in **Humboldt Park, Woodlawn, Chicago Lawn, Logan Square,** and **Quad Communities** — tended to have more total leverage. This pattern might have prevailed even in the absence of NCP, since neighborhoods with more organizations will obviously generate more funding. Even

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Figure 5.4

NCP and Total Funding, by Neighborhood
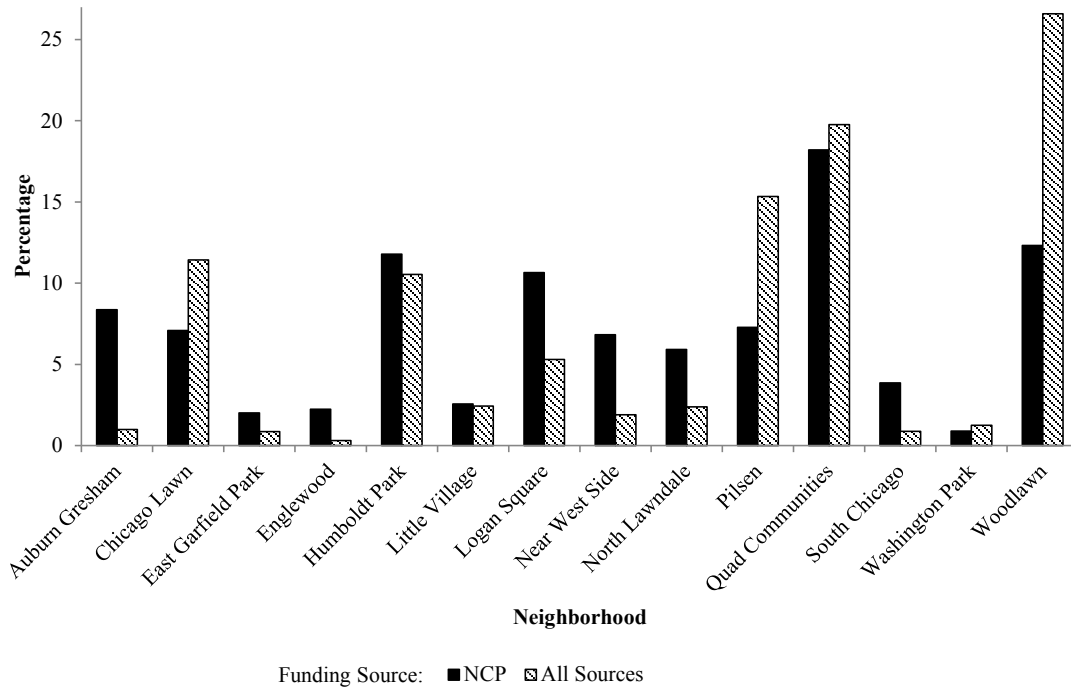
Funding Source:　■ NCP　▨ All Sources

SOURCE: MDRC analysis of lead-agency annual progress reports provided by LISC Chicago.

NOTE: This analysis includes NCP projects reported to have received support grants from LISC Chicago, non-LISC investments, other kinds of support, and projects that do not list any funding or support.

in neighborhoods that were described as occasionally challenging — **Woodlawn, Pilsen,** and **Quad Communities** — the presence of core actors able to implement projects resulted in significant leverage reported under the auspices of NCP.

Spatial Patterns of Neighborhood Investments

Most of the NCP planning areas are fairly large, encompassing several square miles. Even with $900 million in overall leveraged investments, there is the risk that, among 14 neighborhood areas and 10 years of an initiative, improvement efforts might be thinly spread. The highly inclusive nature of the planning process — lead agencies were encouraged to be open to projects identified by community partners — might also have resulted in a diffusion of effort. Since the literature suggests that a certain threshold may be needed for housing investments to

result in measurable changes to neighborhoods, it is important to determine how NCP was able to target efforts so as to "saturate" certain areas with improvement efforts, even though NCP promotes investments in areas other than housing.

The spatial distribution of the NCP projects was examined for three neighborhoods: **Chicago Lawn, Humboldt Park,** and **Quad Communities**. The means used to locate NCP projects within the neighborhoods varied, depending mostly on the project's domain. Real Estate Development projects and many of the projects in the Public Spaces, Community Image, and the Arts domain were designed to improve and enhance specific locations within the neighborhood. Many of the implemented Economic Development projects were also targeted to enhance fairly clearly defined commercial or industrial corridors. However, as discussed above, provision of services and assistance for neighborhood residents was a large component of NCP action; for this analysis, these projects were located within the neighborhood, based on the residential location of the individuals targeted for and/or served by the project. For example, a Social Services project that enhanced programming at a local elementary school is "located" in the attendance zone of the targeted school.[12]

Not all projects could be located. For example, most of the Community Image projects were intended to enhance the perception of the NCP neighborhood as a whole. Likewise, most of the Public Policy and Organizing projects were directed externally; that is, the intent of these projects was to facilitate neighborhood action on the municipal, state, or national level. Many of the projects providing services to individuals were also not targeted to specific residents or populations within the neighborhood, as their intent was to enhance service delivery for the neighborhood as a whole. Given that a large share of the NCP projects were of this type, only 45 percent of the projects in the three case-study neighborhoods were located; however, these located projects represent 77 percent of the total NCP resources invested in the three neighborhoods and 90 percent of the total leverage reported.[13]

Almost all the Real Estate Development projects were located; about two-thirds of the Public Spaces, Community Image, and the Arts projects and half the Economic and Workforce

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[12]There is a distinct difference between the location of a project and its area of effect. For example, development or improvement of a park, which is physically located at a specific point in the neighborhood, may and probably did have an area of effect that was much larger. This analysis focuses on locations, not areas of effect, and so it is not concerned with measuring or describing outcomes achieved by the local planning areas.

[13]Slightly more of the projects in Quad Communities (51 percent) were located than in the other two neighborhoods, where 42 percent of the projects were located. Additionally, while the proportion of NCP funding and leverage located in Humboldt Park (82 percent and 85 percent, respectively) and Quad Communities (79 percent and 99 percent) were fairly high, more of the resources invested in Chicago Lawn (63 percent and 78 percent) were not located.

Development projects were located. As was expected, less than a third of the Social Services projects and none of the Public Policy and Organization projects were located, reflecting that these types of projects tended to be more generally targeted toward the neighborhood as a whole. However, given the greater overall prevalence of Social Services projects, they represent about a third of the located projects. A similar proportion of the located projects were in the Economic and Workforce Development domain, while about a quarter were Public Spaces, Community Image, and the Arts projects.

In addition, while each of the NCP planning areas has a defined geographic location, for the three case-study neighborhoods, action was not restricted by these boundaries. Figure 5.5 shows the geographic areas where one or more NCP projects were located for each of the case-study neighborhoods; the darker shaded area on each map shows the defined planning area, while the lighter shaded areas show the areas outside the defined areas where some NCP action occurred. These outside-of-area investments generally represent a small number of projects whose target areas extend beyond a neighborhood — for example, a commercial corridor or school attendance area that crossed neighborhood boundaries. As none of the located projects are completely outside the planning areas' defined geographic boundaries, the spatial analysis focuses solely on the NCP-defined geographies.

Figure 5.6 shows NCP activity, in terms of the number of projects and the total amount of NCP funding, for the located projects in each case-study neighborhood. The shading of the maps reflects the density of activity, with darker areas indicating a greater number of projects or a larger NCP investment total; projects that occurred in multiple subareas within each neighbor-hood are included in the project count for each subarea, while the NCP investment is divided evenly among the subareas. In all three neighborhoods, NCP projects and investments exhibit spatial clustering at varying degrees. Note the differences between activity level as measured by the number of projects and activity level as measured by total NCP investment. In both Chicago Lawn and Humboldt Park, the area of concentrated activity as measured by the number of projects is larger than the area of concentrated investments; in Quad Communities, the areas of concentrated investments border the area of concentrated projects.

In general, the areas with the more intensive NCP activity correspond to commercial centers within the neighborhoods. These areas were the focus of much of the Real Estate Development and the Public Spaces, Community Image, and the Arts projects implemented by the local planning areas. As shown in Appendix B, across the three neighborhoods, projects and investments in Real Estate Development were the most clustered; this is likely at least partially a function of the smaller number of projects in this domain, as well as reflective of the spatially

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Figure 5.5

Locations of NCP Projects

a. Chicago Lawn

Within NCP Planning Area   Outside NCP Planning Area
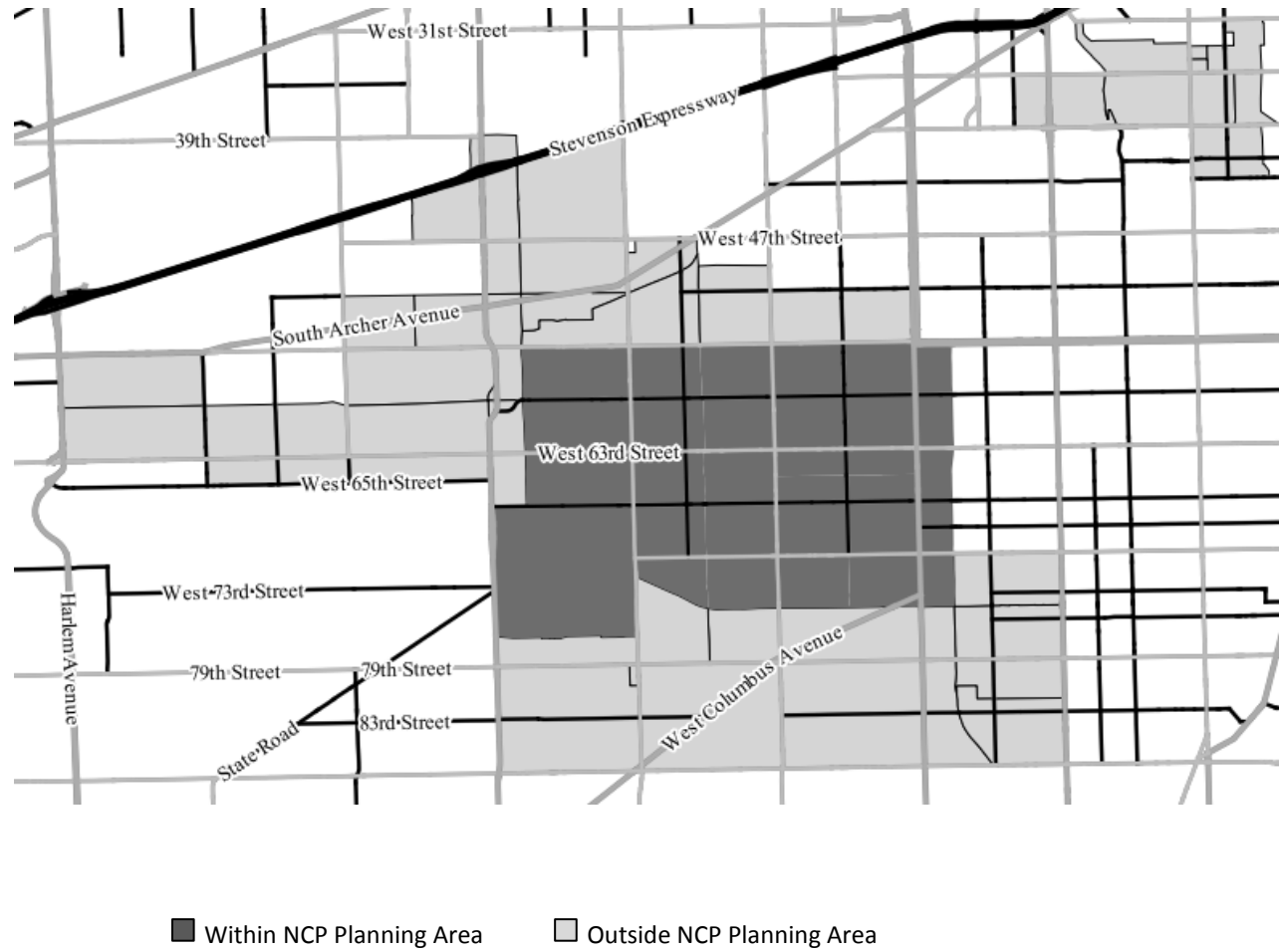
Figure 5.5 (continued)

b. Humboldt Park

Within NCP Planning Area   Outside NCP Planning Area
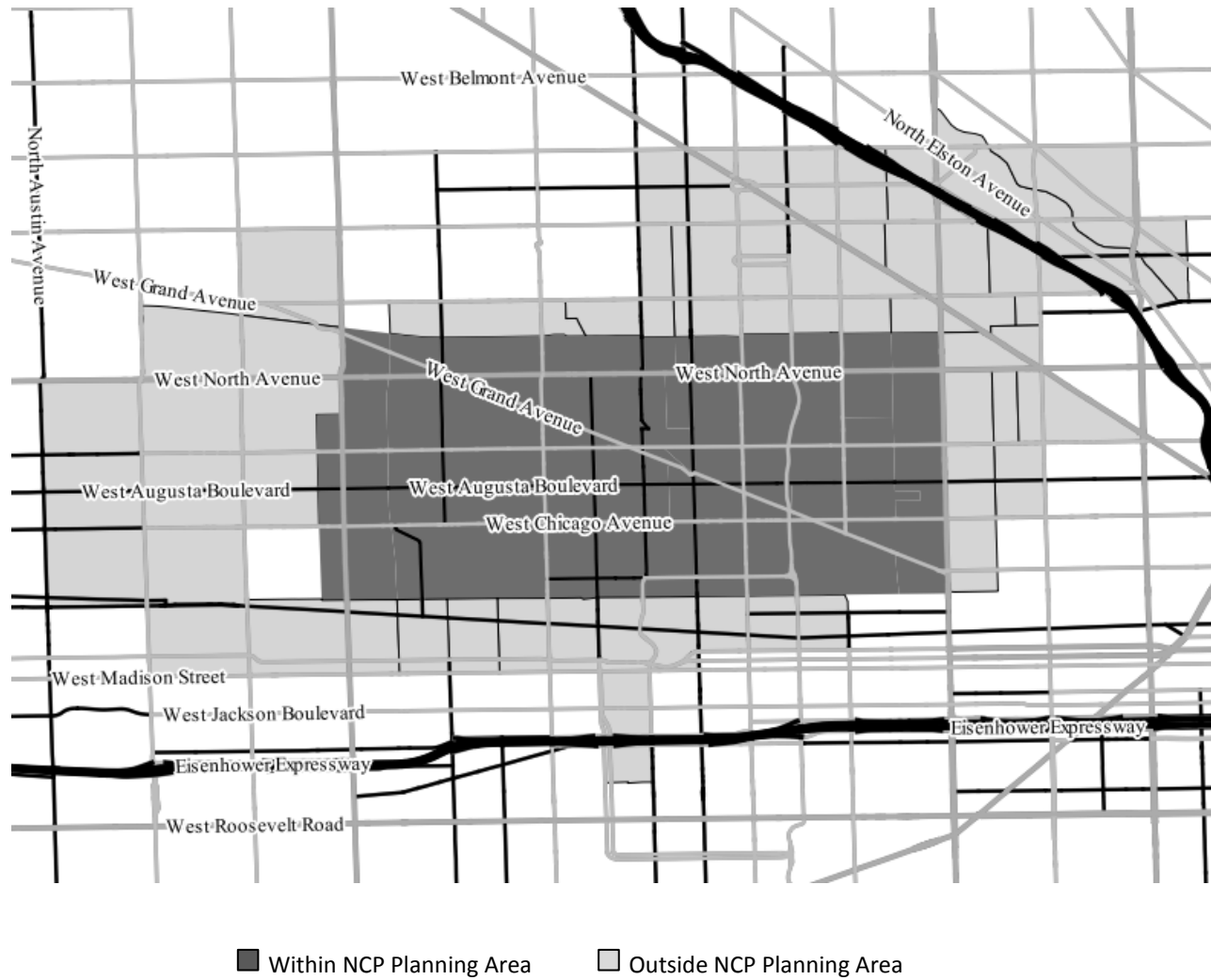
Figure 5.5 (continued)

<u>**c. Quad Communities**</u>
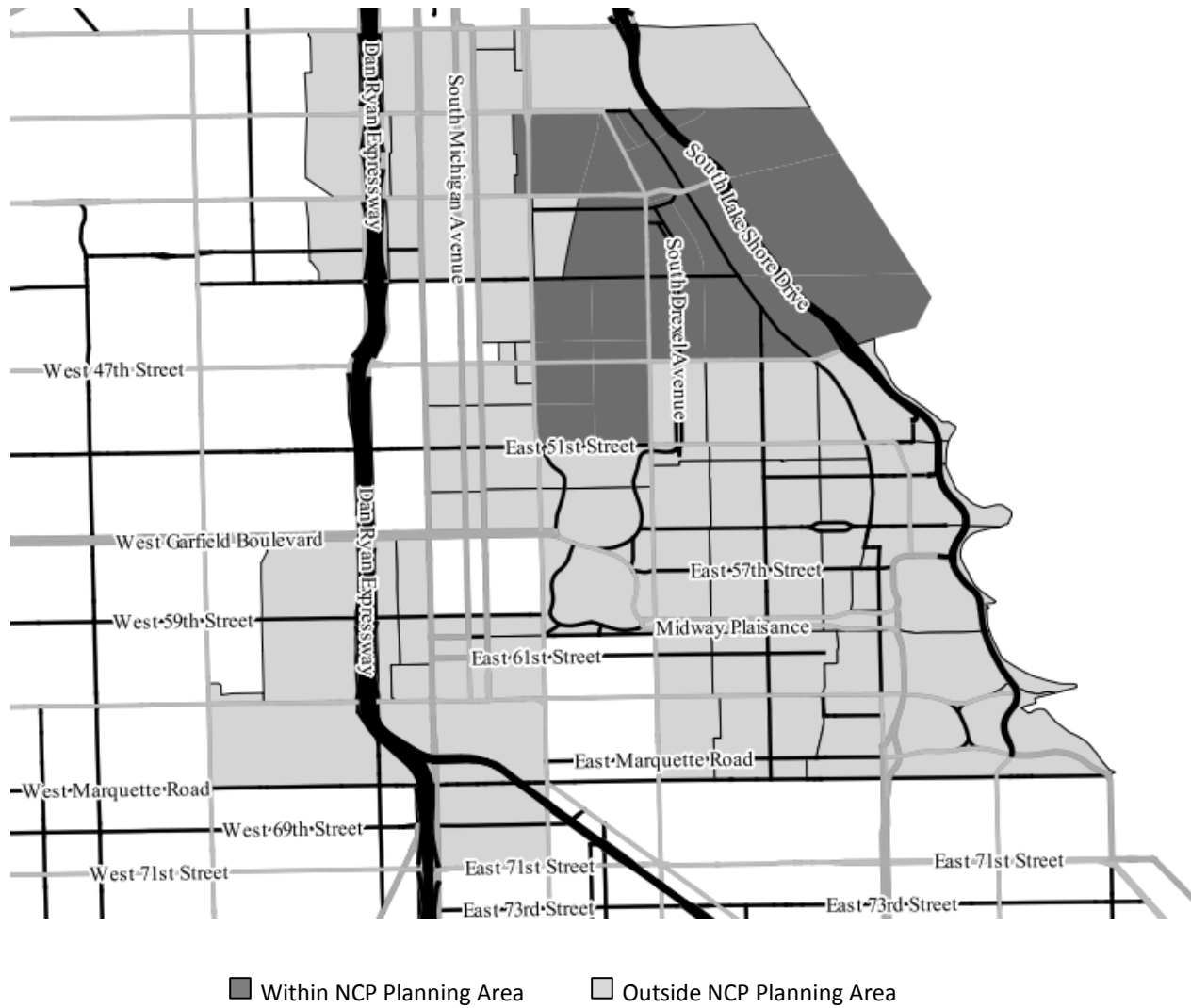
Within NCP Planning Area   Outside NCP Planning Area

Figure 5.5 (continued)

discrete nature of these types of projects. While the distribution of Economic and Workforce Development and Public Spaces, Community Image, and the Arts projects is less concentrated (compared with the Real Estate Development projects), these tend to be most prevalent in the same subareas as the Real Estate Development projects, reflecting the focus of all three planning areas on improving their commercial corridors. Social Services projects are the most diffuse; in all three neighborhoods, these projects were the most evenly distributed.

Overall, the NCP activity in Chicago Lawn — the largest of the three case-study neighborhoods — was the most clustered spatially. While there was activity across the neighborhood, its focal point was on the eastern side. This long-term pattern of investments in Chicago Lawn is in part due to the institutional organizing model employed by the NCP lead agency, the Southwest Organizing Project (SWOP). As one staff member described the Chicago Lawn NCP initiative: "We're institutional. . . . We don't have individual members, we have churches and mosques and schools. . . ." The pattern also reflects the fact that both SWOP and many of its NCP partners are located on the eastern side of Chicago Lawn, on or around 63rd Street. These partners include the Inner-City Muslim Action Network (IMAN), which implemented many of the neighborhood's health and welfare NCP projects; Neighborhood Housing Services (NHS), which led implementation of several NCP projects related to housing; and the Southwest REACH center, home of the Chicago Lawn Center for Working Families and the Chicago Lawn Smart Communities project. Marquette Elementary, Morrill Elementary, Eberhart Elementary, and Gage Park High School — schools that housed several Chicago Lawn NCP projects, such as Elev8, Parents as Mentors, and the Voices of Youth in Chicago Education (VOYCE) Project — are also based in eastern Chicago Lawn.

SWOP is located near the Greater Southwest Development Corporation (GSDC), which also served as the implementing partner for many of the neighborhood's projects, particularly those in the Economic and Workforce Development domain and the Real Estate Development domain, with much of its efforts focused on revitalizing the 63rd Street corridor located on the eastern side of the neighborhood. Many of the NCP activities were focused on developing a neighborhood brand by engaging in antiforeclosure activities and improving the physical aspect of the 63rd Street corridor, in hopes of making the neighborhood more attractive to investors.

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Figure 5.6

Spatial Distribution of NCP Projects and Funding, by Neighborhood

<u>**a. Chicago Lawn**</u>

NCP Projects

■ 10 or more projects   ■ 5 to 9 projects   □ Fewer than 5 projects

NCP Funding

■ 10 or more percent   ■ 5 to 9 percent   □ Less than 5 percent
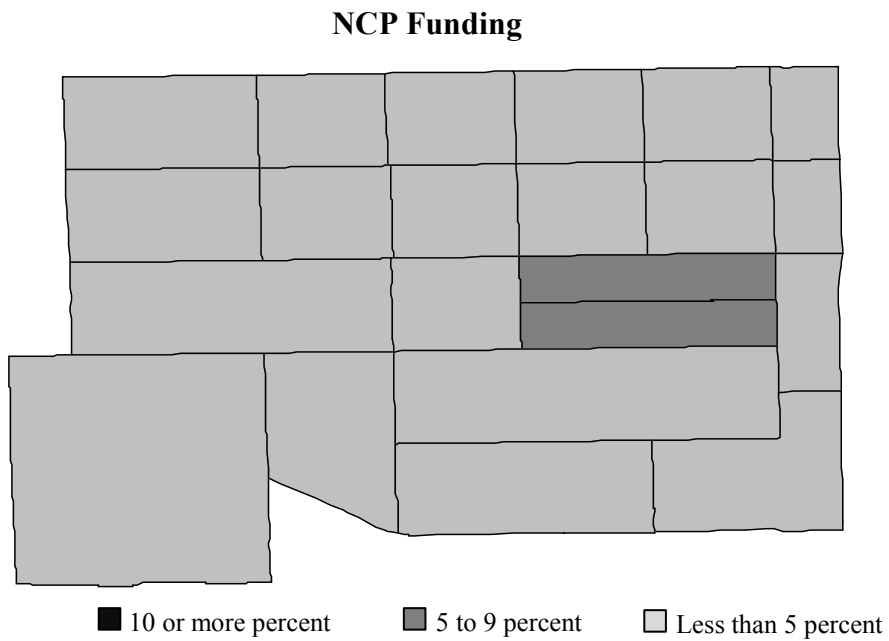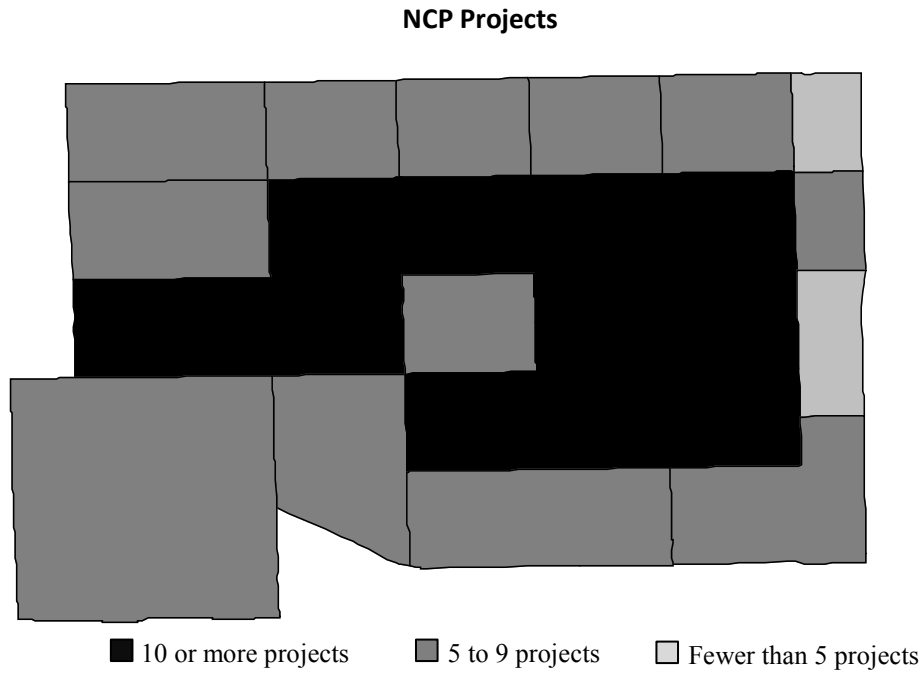
Figure 5.6 (continued)

b. Humboldt Park

NCP Projects
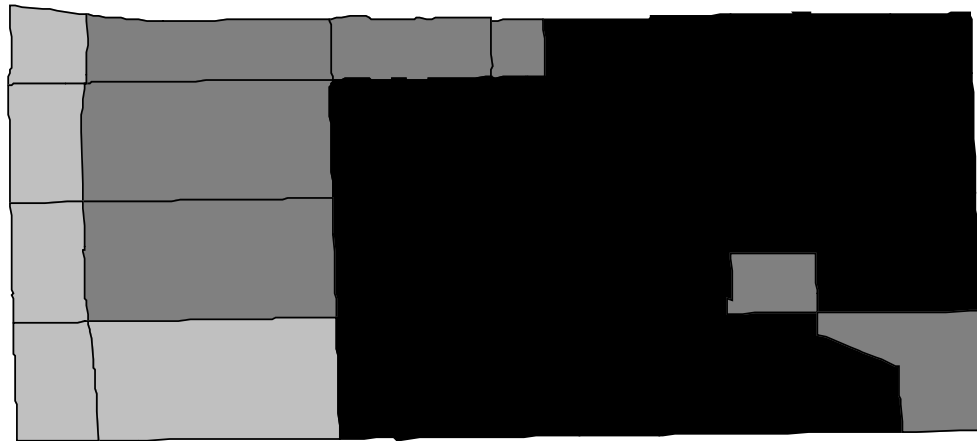
■ 10 or more projects   ■ 5 to 9 projects   □ Fewer than 5 projects
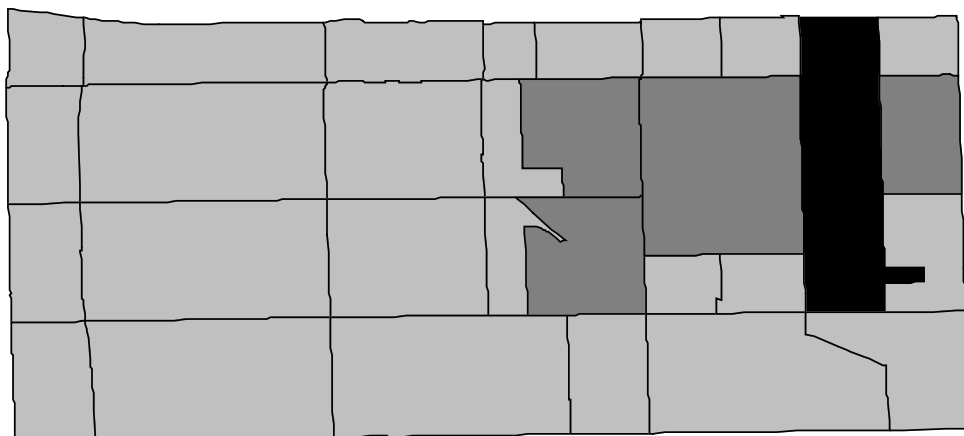
NCP Funding

■ 10 or more percent   ■ 5 to 9 percent   □ Less than 5 percent

Figure 5.6 (continued)

c. Quad Communities

NCP Projects

■ 10 or more projects   ■ 5 to 9 projects   □ Fewer than 5 projects

NCP Funding

■ 10 or more percent   ■ 5 to 9 percent   □ Less than 5 percent

SOURCE: MDRC analysis of project location data provided by LISC Chicago and verified by lead agencies.

In part because projects were clustered in Chicago Lawn, there was greater association between NCP activities and quality-of-life indicators within the neighborhood. Specifically, NCP action in Chicago Lawn was more likely to occur in areas with "negative" quality-of-life indicators, such as crime levels and poverty rates, and was less likely to occur within areas with "positive" quality-of-life indicators, such as home and business investment.[14] This pattern of association was strongest for Real Estate Development and Public Spaces, Community Image, and the Arts projects, and it was reversed for Economic and Workforce Development projects. Social Services projects were least likely to be associated with quality-of-life indicators.

Humboldt Park, the second-largest of the three case-study neighborhoods, exhibited some spatial clustering of activity, with NCP action being concentrated in the eastern, Puerto Rican side of the neighborhood, whereas there were fewer organizations in the western, African-American side. Like Chicago Lawn, the distribution of NCP projects in Humboldt Park reflects the geography of neighborhood organizations, as explained by one interviewee:[15]

> The fact that there's a lot more programming happening on the eastern end is by default, more so just because there's more organizations who had already been in the process of programming.

However, the NCP lead agency in Humboldt Park, **Bickerdike Redevelopment Corporation**, made efforts to engage and collaborate with organizations in the western part of the neighborhood. These efforts were complicated by the organization's historical focus on the eastern side of the neighborhood:

> It took us a while because we have less history working in the west part of Humboldt Park, to sort of wrap our heads around, you know, it's a very different sort of community structure in terms of its civic institutions, its religious institutions, how people relate to each other, sort of who are the important entities and the go-to people in the community.
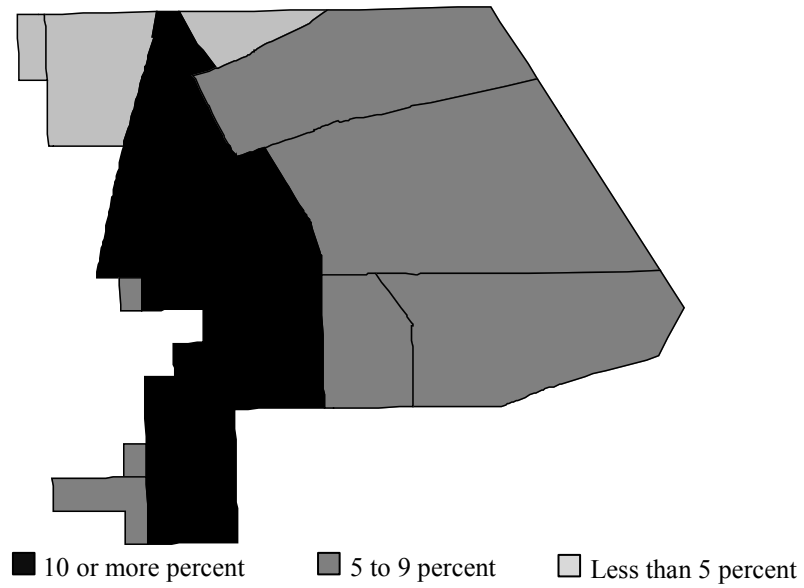
Despite the lead agency's awareness of challenges reaching out to groups from western Humboldt Park, it was able to direct resources to that community, most notably through partnership with West Humboldt Park Development Council and with Chicago Commons. These groups did participate in several neighborhood-wide initiatives, including the Community of Wellness, business development activities, digital divide, and youth-focused efforts. There were also some Real Estate Development projects, such as the Rosa Parks Apartments, which

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[14]Association between NCP activity and quality-of-life indicators was assessed by calculating the rank-order correlation between the number of projects and NCP investment with each quality-of-life indicator.

[15]All quotations are from interviews that MDRC conducted with 132 staff, implementation partners, and other stakeholders. Interviews are anonymous.

were situated in western Humboldt Park and which allowed the reach of NCP to extend outside its traditional core of constituents on the eastern side of the neighborhood.

Quad Communities, the smallest of the three case-study neighborhoods, exhibited the lowest level of spatial clustering for NCP activity overall. In part, this reflects the strategy of the NCP lead agency, QCDC, to broker many neighborhood-wide services or initiatives, especially involving education or workforce development. The neighborhood-wide focus of these types of efforts is reflected in the low level of spatial clustering in Quad Communities' NCP activity. In addition, unlike in the other neighborhoods, some organizational participants in the NCP activities in Quad Communities were not concentrated within the neighborhood.

Some spatial clustering of NCP action was found within domains. Specifically, Real Estate Development and Economic and Workforce Development activities were spatially clustered on the western side of the planning area, reflecting the focus of activity on the development and improvement of the Cottage Grove and Drexel Boulevard commercial corridors. Social Services projects were clustered on the eastern side of the neighborhood, which contains the population center of the neighborhood and many of its schools. There is little association between NCP activity and quality-of-life indicators in Quad Communities, but this is more a function of the lack of variation in the quality-of-life conditions within the neighborhood than a lack of relation between NCP action and neighborhood conditions.

Conclusion

Throughout the later stage of the initiative, local NCP activities were successful in moving beyond planning to project implementation — a feat that has proved challenging to comprehensive community initiatives in the past. Local areas were also successful in promoting action in a wide variety of domains. Over 800 projects were implemented, bringing over $900 million in NCP and "outside" resources to the 14 neighborhood areas over the 10-year course of the initiative. This overall finding suggests that the NCP "platform" was a substantially effective vehicle for directing comprehensive community improvement efforts to neighborhoods. Despite the Great Recession, NCP activity did not "wind down" toward the end of the initiative, with LISC Chicago's efforts to attract new funding sources for NCP supplementing where real estate transactions became more difficult. Neighborhoods varied, in terms of both the mix of projects implemented and the level of resources that flowed in under the auspices of NCP. In large part, this variation represented the number of partners available to implement NCP projects, as well as the capacity of these actors. Even among neighborhoods where the tenor of relationships among groups was described as challenging, the presence of more organizations tended to allow for greater total leverage reported under the auspices of NCP.

The fact that NCP was able to cluster improvement efforts toward different parts of the neighborhood is also a significant test of the NCP model. Despite highly inclusive tendencies in the planning process, which might have resulted in a diffusion of efforts, the NCP lead agencies that were studied were able to target or "colocate" improvement efforts in a strategic manner. Because there was a limited period of follow-up, research was not able to conduct quasi-experimental analyses to understand whether trajectories in areas with colocated investments diverged from comparable neighborhood areas. At the same time, a lack of coordination among investments (as described in Chapter 4) raises questions about whether NCP always maximized the value of colocated efforts. As described in Chapter 6, the new pilot within NCP — known as "Testing the Model" (TTM) — allows opportunities for the initiative to capitalize on the potential for coordination among colocated efforts so as to reach toward community change goals.

Chapter 6

Learning from the NCP Platform

The New Communities Program (NCP) is one of the country's largest comprehensive community initiatives (CCIs), and it addressed critical challenges for these types of programs over the course of its 10-year implementation. NCP has moved past planning and into implementation of nearly 850 projects and $900 million of leveraged investments in 14 neighborhood areas in the City of Chicago. Program implementers developed a viable "intermediary" structure, whereby both the Local Initiatives Support Corporation of Chicago (LISC Chicago) and the NCP lead agencies have fulfilled roles so as to avoid disabling tensions among funders, implementers, and local partners. Lead agencies, especially those which already had substantial stature within their neighborhoods, saw enhanced abilities to plan, coordinate, and catalyze comprehensive improvement projects. After 10 years of operation, and as NCP enters a new stage, it is appropriate to consider lessons that have emerged through its experiences among varied Chicago neighborhoods. Chapter 6 considers themes about the initiative's successes and the implications of the challenges that it faces for the next phase of NCP. It then addresses three critical topics related to the next generation of CCIs and offers lessons about the targeting of such initiatives.

A Review of the Findings

Three important themes from this report's findings suggest the advantages and limitations that may be inherent in the NCP model itself: (1) its ability to build on local strengths, (2) its creation of a stable "platform" to channel investments and weather a changed economic environment, and (3) its challenges in reaching into the implementation of projects so as to improve them and their ability to coordinate with each other.

Building on Strengths

As described in Chapters 3 through 5, NCP tended to improve organizations' abilities to plan, convene, and catalyze local action when a foundation of these capacities was already in place. Those groups that were better established and that had more experience facilitating comprehensive community development through community organizing were the ones that saw the greatest gains in their ability to conduct the NCP model. The fact that organizations with substantial histories and resources would credit further capacities built into NCP suggests that initiatives of this sort may enhance the ability of even some of the strongest community development organizations to build local relationships and spark the implementation of comprehensive improvement projects.

Similarly, NCP also enhanced relationships in neighborhoods where there were generally established histories of collaboration and that had a relative abundance of available partners to carry out local projects. Even in these settings, where it might be difficult to see what value NCP added to local partnerships, the program was able to expand networks, deepen ties among organizations, and sometimes provide the basis for more effective programming, as in the case of Chicago Southwest's foreclosure initiative, described in Chapter 4.

The Stability of the Platform

Finally, as described in Chapter 5, multiple projects that represented hundreds of millions of dollars of investments flowed throughout the program, across both primarily Latino and largely African-American neighborhoods. But when examining variation *across* neighborhoods in leveraged investment through NCP, the neighborhoods with more, and larger, organizational partners generally received more funding and more leverage. This pattern suggests that communities with existing organizational capacity were often the ones that were able to realize opportunities for investment through NCP.[1]

As described in Chapters 3 through 5, NCP was more limited in its ability to build capacity among smaller and less-established organizations and among groups that were not experienced conveners. There were some notable exceptions to this pattern, especially in Quad Communities and Auburn Gresham, which grew in capacity over the course of NCP and through which NCP made or leveraged larger, comprehensive investments. But, in general, neighborhoods with fewer organizations and where there was less trust among groups were especially vulnerable to falloff in relationships over time. A dearth of partners was associated with more limited funding to neighborhoods. These findings about operating NCP in more challenging environments raise questions about the need to carefully target initiatives such as NCP, and they perhaps should moderate expectations that policymakers might have about outcomes when they are situated in neighborhoods that have fewer partners and more challenging relations among them. It might also prompt designers of these initiatives to have a more targeted approach to providing technical assistance during implementation and to encourage approaches that combine community organizing and outreach with community development, so as to respond to challenges inherent in neighborhoods with fewer community organizations.

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[1]One exception to this pattern was Quad Communities Development Corporation (QCDC), which, as highlighted in Chapter 5, was able to leverage significant Real Estate Development funding early in the initiative, though this tapered after the Great Recession hit (2006-2009). This exception may be due to several factors, including the fact that Real Estate Development generated more leverage for all NCP sites than other domains did and QCDC's close ties to its alderman.

Reaching into Project Implementation

NCP was a substantial vehicle for catalyzing and channeling implementation of local projects. Over 800 projects, many with multiple components, were supported over the course of the initiative, in contrast with levels of implementation in similar initiatives over time. Lead agencies were able to identify these initiatives and generally maintained consensus about their importance over a long period of time. As described above, these are significant accomplishments for a community development initiative, especially given the number of lead agencies that were relatively inexperienced or newly formed.

At the same time, LISC Chicago and lead agencies were more limited in their abilities to use NCP to improve the quality of individual community projects or to help coordinate in concrete ways among them, in large part because there was reluctance to direct lead agencies to continue to convene partners in a way that could help create these structures; further, lead agencies themselves did not have the resources to focus on individual project improvement. In this way, the sheer number of NCP projects conducted may be seen as a hindrance that made it impossible to focus on more than a few through the lens of implementation. Both lead agencies and LISC Chicago were sometimes reluctant to direct other groups' efforts, especially given a need to maintain relationships (for lead agencies) or (for LISC) a desire not to undercut community control of interventions. In addition, the broad quality-of-life plans provided little incentive for projects to be coordinated concretely with each other, and one purpose of seed grant funding was to provide funding flexibility without onerous requirements on participants. As a result of this flexibility, however, LISC Chicago and lead agencies were sometimes left with few strategies to develop monitoring and accountability tools.[2]

As described in Chapter 4, collaborative implementation — the adoption of complex, multipartner, multistrategy projects — was often difficult to achieve, and even when larger initiatives invited this collaboration, the promise of collective efforts was not always fulfilled, as different actions by network partners were not always coordinated with each other. These limitations of coordination may be understandable in an initiative with over 800 projects, but it may also speak to the need for a new set of management roles and expectations among community partners that helps improve the quality of individual efforts.

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[2]Multisite initiatives whose program design and funding came from external funding partners (such as Elev8 and the Centers for Working Families) were an exception to this rule; in these instances, funders had built in mechanisms for program tracking and accountability.

How the NCP Experience Speaks to the Next Generation of Comprehensive Community Development Programs

Comprehensive community initiatives (CCIs) are increasing in prominence as a policy strategy at both local and federal levels. For example, the adoption by LISC groups around the country of a comprehensive framework for development, through the Building Sustainable Communities (BSC) program, represents an important shift for the intermediary and one that has implications for community development practice around the country. Federal policy has moved to embrace CCIs through the vision of the White House's Neighborhood Revitalization Initiative (NRI). The premise of the initiative echoes the rationale for NCP:[3]

> The Obama Administration recognizes that the interconnected challenges in high-poverty neighborhoods require interconnected solutions. Struggling schools, little access to capital, high unemployment, poor housing, persistent crime, and other challenges that feed into and perpetuate each other call for an integrated approach so residents can reach their full potential.

Despite their growing adoption, evidence that CCIs represent a superior approach to other neighborhood change strategies is limited. NCP provides opportunities to consider some of the assumptions behind these initiatives, including (1) the importance of colocation and coordination (the emphasis above on high-poverty neighborhoods); (2) the value of comprehensiveness ("challenges that feed into and perpetuate each other"); and (3) the power and challenges of institution-building (the development of an "integrated approach").

Colocation and Coordination

The Obama administration's approach — reflected in NRI but demonstrated through such flagship initiatives as Choice Neighborhoods and Promise Neighborhoods — suggests that some high-poverty neighborhoods require intensive attention and investment in order to improve outcomes for individuals. This view has support within the community development literature, as findings suggest that there may be a "threshold" of colocated, concentrated investments that can result in "spillovers" that can convey benefits even beyond the program itself. Quasi-experimental research has shown that affordable housing investments can increase property values[4] and decrease crime.[5] As described in Chapter 5, NCP was successful at funding and targeting investments within neighborhoods, especially along commercial corridors where there might be additional potential growth as a result of improvement efforts. The **Quad Communities Development Corporation (QCDC)** attempted many revitalization strategies with the goal of creating businesses that could anchor a higher-income population in the

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[3]White House Office of Urban Affairs (n.d.).
[4]Galster (2009); Goetz, Lam, and Heitlinger (1996).
[5]Freedman and Owens (2011).

neighborhood. In **Chicago Lawn**, there was evidence of concentrated investments along an area in need of revitalization in order to attract, maintain, and anchor other economic development efforts. In **Humboldt Park**, targeting not only was found in the eastern, Puerto Rican side of the neighborhood, which was much denser in terms of organizational partners, but also extended into the western, African-American side of the neighborhood.

Each of these cases makes clear that it is possible for CCIs to focus efforts in ways that might be meaningful over time, despite the tendency within the planning process to "let a thousand flowers bloom" and, with that, to spread limited resources thinly. As described in Chapter 4, there was much less evidence that initiatives were able to coordinate interventions with each other in a way that overcame the natural tendency of projects to operate in isolation. Only in limited cases — such as the foreclosure effort in Southwest Chicago or the Community of Wellness in Humboldt Park — did initiatives emerge in a manner that deployed networks in focused or mobilized ways. The case of Elev8 at Quad Communities and the foreclosure initiative at Auburn Gresham suggest that it was quite challenging for lead agencies both to catalyze the many projects that were part of NCP and to help these efforts support each other. A greater intentionality concerning this coordination and guidance from the initiative might be important, especially given the fact that NCP programs are often smaller than large-scale redevelopment projects and that, as such, they may be less likely to provoke community change simply through scale of their limited investment.

What Comprehensiveness Can Achieve

As described in Chapter 1, NCP comes from a history of initiatives that, starting in the 1980s, made comprehensiveness the central component of their underlying strategy toward improving communities. Led in many ways by LISC Chicago, comprehensiveness has become a significant guiding principle for LISC nationally and one that allows community development corporations (CDCs) to move beyond a focus on affordable housing into other areas of work. But comprehensiveness has its own challenges, including the possibility that it might diffuse limited resources among many different types of projects. In many ways, "comprehensiveness" *already* exists within neighborhoods — simply by virtue of there being varied types of service or community development programs within them. Given these potential issues, what lessons does NCP offer related to the "value-added" of a comprehensive orientation toward community change?

One significant benefit of comprehensiveness was that it allowed LISC Chicago to attract other sources of funding when the housing market collapsed due to the Great Recession and it became much more difficult to finance affordable housing construction. Chapters 2 and 5 describe how LISC Chicago sought out and obtained resources (in areas as varied as broadband, education, and foreclosures) that could both help supplement the loss of housing financing to

neighborhoods and counter the effect of the recession. It would likely have been very difficult for LISC Chicago to have leveraged these additional resources without its track record of having promoted comprehensive work with community partners through NCP and without having the stature of the MacArthur Foundation's investment behind it.

For the lead agencies as well, comprehensiveness could also allow groups to take advantage of new and varied funding sources. One example of this dynamic can be seen in the contrast between the **Greater Auburn Gresham Development Corporation (GAGDC)** and **Quad Communities Development Corporation (QCDC)** — both newer organizations at the start of NCP. At the beginning of NCP, GAGDC had not yet formed a significant identity within the neighborhood, but it became a multi-issue organization and a significant broker of resources by the end of the initiative. This process was enhanced by its ability to work in multiple spheres and to advance different projects as opportunities arose. In contrast, QCDC made a strategic decision to focus many of its energies on commercial economic development, thereby limiting its ability to continue to convene partners in other areas of work. In the economic downturn, when financing became difficult to obtain for such projects, the organization was less able to sustain relationships or demonstrate progress in the niche of work that it had identified as important to its longer-term sustainability.[6]

At the same time, being open to promoting comprehensiveness did not guarantee that every area of work would be implemented equally well. As described in Chapter 4, lead agencies were sometimes challenged to coordinate or implement projects in areas that were not their core capacities. That is, lead agencies without substantial direct experiences in foreclosure prevention, or without high-capacity partners for educational programs, were at a disadvantage when coordinating these larger-scale programs, as they lacked the expertise to understand ways to bring partners together effectively. In some ways, the challenges faced by less experienced groups within these new areas of work echoes the fear on the part of NCP's original designers, that it might be counterproductive to have community organizations take on work in varied areas with which they had little experience. Instead, NCP's initial seed grant structure was designed to focus on *collective* responses to local problems and to spread work among many partners.

In some more limited instances, a comprehensive orientation toward community problems could promote greater openness to new or emerging challenges faced by neighborhood residents, even if this new problem was not squarely in the domain in which some community groups were accustomed to intervene. One major finding of Chapter 2 is that very few groups re-planned or shifted the efforts of their networks as a result of the Great Recession (2006-

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[6]GAGDC was helped by relatively more cohesive local networks in its neighborhood, while QCDC was harmed by ideological splits.

2009). One reason for this was that NCP may have promoted a firm division of labor, whereby different types of organizations could fit their existing work into a broader, comprehensive plan. As described in Chapter 4, however, the foreclosure crisis provoked a different type of response in Chicago Southwest, where churches, schools, and other community organizations whose work was not related to housing quickly became more convinced that foreclosures represented a community crisis that threatened their own efforts in the neighborhood. These actors, in turn, came to play strategic roles in a larger, MacArthur-funded foreclosure intervention within the neighborhood.

The Power and Challenges of Institution-Building

One of the goals of NCP was to support durable relationships — as suggested by the metaphor of the NCP "platform." This platform, as a vehicle for funding and a way of identifying relationships to support implementation, remained a very stable one through the course of NCP. Despite its potential to undermine relationships, the Great Recession did not, on the whole, fragment local networks, and the platform remained a substantial vehicle for delivering resources even as the recession tested its primary source of leverage: housing construction loans. LISC Chicago's ability to attract new and different forms of investment during this period also suggests how the NCP platform was able to adapt to new funding sources. In fact, groups cited the recession as an event that was more likely to draw organizations closer together, as they sought funding collectively through some of the stimulus-related programs that LISC Chicago helped facilitate. The facts that implementation energies did not dwindle during the latter part of the initiative and that leverage and project development continued despite the possibility of program fatigue further suggest that NCP relationships were durable ones.

At the same time, as described in Chapters 2, local relationships were not generally re-oriented to respond in targeted ways to the recession's specific manifestations, in increased unemployment or housing foreclosures. Formal re-planning was infrequent during the initiative, although programs such as Elev8 and Smart Communities required additional community planning as part of the application process. Finally, as described in Chapter 5, despite some significant efforts at policy change among neighborhoods, projects tended not to support advocacy or systems change efforts through NCP itself, and when they did so, they tended to use other coalition vehicles. These findings suggest that the NCP platform has acted as a *stabilizing* vehicle — that is, an impetus to come together, seek new funding, and enhance community institutions that serve to coordinate among neighborhood partners.[7] But the NCP platform itself has not always promoted quick action to coordinate projects during crises or to mobilize for policy or systems change.

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[7]Continued support for the Elev8 network in Chicago may be seen as an example of this stability, despite significant changes within Chicago Public Schools (CPS) more broadly.

Targeting and the Question of Neighborhood Context

As described above, a new wave of CCIs and comprehensive community development initiatives is emerging within federal and local policy. Based on analyses above, what types of places appear more conducive to comprehensive, coordinated, community development initiatives? In terms of organizational characteristics, as described above, multi-issue and high-capacity organizations were most able to develop the NCP skills of convening and facilitation, especially when they had some history of community organizing. In terms of neighborhood characteristics, settings where there are many potential implementing partners with generally good relationships between organizations may also be best suited to collaborative implementation. Neighborhoods with fewer partners often struggle — although NCP could still be launched in these settings, as it was in Auburn Gresham, where there were fewer groups but where a small multi-issue organization could receive significant implementation grants.

These aspects of organizational context — the capacity of local organizations, their number, their experience facilitating comprehensive neighborhood improvement, and the relations among them — appear to be the most important factors for NCP implementation. At the same time, one broad pattern associated with NCP implementation in Chicago relates not to organizational context but to economic and demographic context, and it needs to be interpreted further. Because of patterns of residential segregation within Chicago, NCP neighborhoods tend to be predominantly African-American neighborhoods or predominantly Latino. Some of the most challenging environments for implementing NCP were primarily African-American, historically disinvested neighborhoods. For example, every lead agency that LISC Chicago felt the need to replace was located in these settings. Policymakers interpreting this finding might be tempted to conclude that demographic context might be a stand-in for other aspects of neighborhood capacity.

This assumption would be questionable, for several reasons. First, Latino neighborhoods were, in fact, considerably diverse in their NCP experiences. Some, such as Little Village, as described in the interim report, took an approach toward implementation that was at first seen as excluding other potential partners.[8] In Pilsen, tensions among community groups were often significant and needed to be overcome during the course of planning and implementation, just as often occurred among African-American neighborhoods such as Woodlawn or North Lawndale. And, regardless of relationships among them, the presence of anchor institutions or CDCs often allowed a conduit for substantial investments, especially in areas related to affordable housing construction or preservation.

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[8]Greenberg, Verma, Dillman, and Chaskin (2010).

What appears more significant for NCP implementation is that African-American neighborhoods were also those with CDCs founded in the mid-1980s, a period of growth for these types of groups. During this period, historically disinvested neighborhoods were often targeted for the creation and support of housing-focused CDCs, due in part to the large stock of abandoned property that could be renovated and rebuilt through their efforts. Programs such as the National Community Development Initiative (NCDI) helped form CDCs to rehabilitate the local housing stock. While CDCs often have a much more diverse history and conduct a fuller range of activities than housing, capacities that were built through such initiatives as NCDI were primarily related to the production and renovation of the housing stock. In fact, these policy efforts formed the context from which LISC Chicago felt it needed to depart, through NCP, in promoting a more comprehensive approach that involved other actors. Given the general difficulty of sparking organizational change, it is not surprising that organizations that were "built" primarily to do something different from NCP found its model more challenging, as they were more accustomed to the work of direct implementation than facilitation or coordination.

Transition Planning and the Shift to "Testing the Model"

In the final two years of the initiative, planning once again had become an important part of NCP. Whereas the 2003 quality-of-life planning process emphasized relationship, network, and community capacity-building, this new round of planning focused on community change outcomes and the initiatives that would require focused effort to obtain these outcomes. This second round planning resulted in a new theoretical framework, called "Testing the Model" (TTM), which would define the next phase of the MacArthur Foundation's support of NCP. At its core, MacArthur and LISC's vision for TTM attempts to build on past NCP successes while pushing the initiative to a new level of focus — harnessing the power of the platform to achieve measurable community-level improvements. The highest-capacity lead agencies from NCP were selected to join TTM. In this vein, TTM still aims to improve capacity, develop relationships, and deliver resources to neighborhoods. However, TTM also asks lead agencies to identify a specific community-wide challenge (such as youth safety, vacant properties, educational attainment) on which they will concentrate and coordinate efforts and around which they will target multistrategy, multipartner approaches to enacting quantifiable, community-wide goals.

Planning for the Next Phase of NCP

In 2010, program designers began planning for a new phase of NCP. As described above, NCP had built a "platform" of relationships that could be leveraged so as to respond to community problems. Moving forward, the MacArthur Foundation and LISC Chicago became interested in demonstrating how this platform could be more explicitly deployed to change

communities, by focusing the efforts of local networks on a single domain of work and coordinating projects so as to improve outcomes in this domain. As described throughout this report, NCP defined comprehensiveness as a "sectoral" strategy, meaning that it was important for the initiative to catalyze action in multiple domains, including housing, health, and the arts. TTM, in contrast, promotes comprehensiveness of *strategy* to achieve focused, neighborhood-wide objectives related to educational improvement, safety, or housing.

The shift in emphasis from NCP to TTM addresses, in some ways, a long-standing tension between LISC Chicago and the MacArthur Foundation about the goals of the initiative. MacArthur was interested in assessing community-level outcomes as a result of its substantial investment in NCP. LISC Chicago, in contrast — at least in the short term — saw the outcome of its work associated with strong interorganizational relationships. Community change outcomes would result, LISC Chicago held, from strong, sustainable community networks. For its part, MacArthur recognized relationship-building as an important outcome for NCP, but it was equally concerned about accountability and demonstrating progress on community-level outcomes. According to MacArthur Foundation staff:

> We have built something; we have evidence of the platform. Testing the Model is testing the platform and being rigorous about the theory. I still think about it as a capacity building initiative in the next phase. . . . Now we are being more specific about what you think [the network] can lead to.

Between October and December 2010, each NCP lead agency was asked by LISC Chicago to conduct the local planning process that would result in a blueprint for ongoing implementation of the quality-of-life plan. This transition plan required lead agencies to narrow the focus of their NCP agenda to between three and five priority domains that could be advanced over a three-year period, to identify likely projects in each issue area, and to develop a set of metrics by which to measure progress. Knowing that the next phase of NCP would be funded at a lower level than the first phase, and understanding MacArthur's interest in community-level change outcomes, there was concern and a great deal of uncertainty among lead agencies about their ability to sustain the NCP work. Few lead agencies that were interviewed in early 2010 had a plan for sustaining NCP staff and programmatic efforts past MacArthur's initial 10-year commitment, despite the inevitability of reduced future funding. The notion that NCP was to continue into a second phase was a validation for lead agencies of their work, and — though under stress to understand and communicate changes in the model to their partners within a limited time frame — the lead agencies and their community partners rallied to refocus and hone their efforts.

For some lead agencies, the stakes of transition planning were higher than others. Quad Communities Development Corporation, Teamwork Englewood, and Washington Park Consortium, for example, were formed by NCP and, at the time, were almost wholly reliant on NCP

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funding to sustain their organizations, beyond specific projects that might have leveraged outside funding. In other instances, lead agencies expected NCP to end at the 10-year mark, and they felt that the relationships and practices that were built could sustain the most critical aspects of their work. In lead agencies where NCP remained a separate program, there was less at stake in terms of organizational sustainability after MacArthur Foundation funding for NCP ended. However, after the transition plans were reviewed by the foundation, it determined that the refined plans were still too broad and were not focused enough to test whether or not the platform created through NCP was positioned to make progress toward improving community-level outcomes in the areas of priority identified by the lead agencies.

Accordingly, MacArthur and LISC Chicago worked to design a new program architecture, which they jointly presented to lead agencies in June 2011: Up to seven current NCP sites would be supported in the next round of MacArthur funding to "test proof of concept" of the initiative — or, in other words, to identify a single area where observable progress toward measureable community change outcomes is likely to be achieved within a time frame of three to five years, with future MacArthur funding for NCP to be concentrated on TTM.

MacArthur's next phase of NCP funding would be directed solely to TTM. In many ways, TTM is designed to address some of the challenges and shortfalls of the NCP model as it was practiced, described in preceding chapters, particularly regarding the coordination of investments. The design of NCP — developing a shared vision for improving the quality of life in historically disinvested communities through the coordination and capacity-building of often-contentious and underresourced local partners — did not include any explicit mechanisms for concentrating resources or for identifying and measuring community-level change. But, for the foundation and for LISC Chicago, NCP was important not just because it allowed for the redevelopment of 14 neighborhood areas in Chicago but because it was, according to an early LISC memo, "an opportunity [for] LISC and the community development field in general to create a new methodology for measurement rooted in a contemporary theory of development."[9]

TTM, then, builds on the platform and capacity-building function of NCP and attempts to leverage to introduce a framework that aligns capacity-building and community change efforts in a through and more explicit program design. TTM provides the stage on which to test the "proof of concept" of NCP and to produce a conceptual and methodological framework that will not only be useful for evaluating TTM but that can also inform the community development field generally.

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[9]Mooney (2004). This is a memo from Andy Mooney, Executive Director of LISC Chicago, to Jonathan Fanton, President of the John D. and Catherine T. MacArthur Foundation, May 18.

Nine sites were invited to submit proposals to participate in TTM, with the understanding that only seven would be funded. For sites not selected to participate in TTM, LISC Chicago would maintain the NCP network and continue to identify and leverage additional multisite opportunities, technical assistance, and other resources.[10] To support the seven sites that were selected to participate in TTM planning, MacArthur contracted with the Metro Chicago Information Center (MCIC), a nonprofit research group, to assess the current data capacity of the lead agencies and then to work with lead agencies participating in TTM to think through their potential impact in measurable ways.

In March 2012, the MacArthur Foundation awarded a three-year, $8 million grant in support of TTM. The seven TTM sites are now honing plans, with the help of issue experts and community partners. Areas of intervention selected by local groups include:

- **Education.** Auburn Gresham directs activities to students from prekindergarten (pre-K) through 12th grade. The Pilsen Bridge plan attempts to achieve better transitions in two areas: entry to kindergarten and entry to high school. Logan Square's plan seeks to improve educational outcomes through parent organizing and engagement strategies and through additional educational supports.

- **Safety.** East Garfield Park's plan attempts to improve safety conditions as a way of sparking economic development along the Kedzie corridor. Little Village's plan focuses on youth development in a longer-term effort to reduce violence.

- **Housing.** Chicago Southwest's plan attempts to stabilize the housing market by creating opportunities for foreclosed properties to be reoccupied more quickly by residents.

- **Public health.** Humboldt Park's plan focuses on wellness and health education goals, with initial emphasis on obesity prevention.

Although plans are in refinement — in part because of the relatively rapid pace of TTM planning — they share the following objectives:

1. **Achieving high-quality interventions.** TTM interventions consist of sets of programs whose intensity, scale, and reach are designed to lead to measurable community-level change over time. Whereas the quality-of-life plans

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[10]Two additional community areas — Albany Park and Back of the Yards — were added to the NCP network during transition planning. These two communities had previously participated in LISC Chicago's Great Neighborhoods Program.

were useful as inclusive documents connecting different areas of community interventions, TTM plans require a tight implementation logic that links change goals, intervention strategies, and measurable outputs.

2. **The integration of data.** The TTM approach presupposes the use of both community-level and programmatic data to target and improve program implementation. This is an area in which the TTM approach is at the leading edge of strategic innovation in the field of community change.[11] TTM has provided technical assistance resources to help lead agencies build their data collection and analysis capacity.

3. **The coordination and use of networks.** As an extension of NCP's approach to community development through the strengthening of interorganizational networks, TTM presupposes the mobilization of multiple partners and coordination of complementary efforts to address target issues comprehensively.

4. **Policy or systems change efforts.** In order to achieve measurable community-level effects in the target issue areas, the TTM approach involves efforts to attract greater resources from the public and private sectors that help scale up interventions or change policies in a way that reinforces and amplifies their effects.

Changes, Tensions, and Opportunities

Like NCP, TTM still attempts to build local capacity, but it is a capacity of a different sort. Instead of encouraging local groups to conduct a new, more relational model for community development, there is greater emphasis on using these relationships to change neighborhoods. With this shift come substantial changes in the roles and relations of key actors and entities, involving new accountability and oversight responsibilities on the part of the MacArthur Foundation, LISC Chicago, and neighborhood lead agencies. Especially as expectations for community change and the dynamics of accountability and assessment have historically been a source of some tension in CCIs, the specification of expected outcomes, the introduction of data systems and performance management mechanisms, and the allocation of responsibility for monitoring and assessing progress have often been contentious. Community actors sometimes perceive efforts to introduce these elements as an imposition of funder priorities, a sign of

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[11]Auspos (2012); Auspos and Kubisch (2012).

funder dissatisfaction or desire to exert stricter control over their work, and a contradiction of such guiding principles as community-driven agenda setting or resident empowerment.[12]

To date, TTM has, in fact, sparked some tensions of this sort, especially related to potential reduced funding in the initiative as a whole. As described above, during early transition planning, which initiated TTM efforts, not only were NCP neighborhoods in the process of adjusting to the effects of the Great Recession on critical programs and services, but the MacArthur Foundation also indicated that its own funding could not be sustained at the same level in the next round of the initiative. In some instances, there was confusion about the expectations for transition planning and the move into TTM work. For some groups, a high degree of uncertainty about future funding to implement the plans was a major factor, as lead agencies felt that they were put in an awkward position in relationship to community partners who were not guaranteed funding to implement the plans that they identified. For other lead agencies, TTM represented a return to "top-down" planning.

In contrast, other groups were more sympathetic to the planning process and to the possibilities of TTM. As one lead agency staff said, "This can . . . drill down on a domain so that we are able to learn how to do this in a better way, with qualitative and quantitative data on program outcomes." Another remarked, "It's very thrilling and terrifying because it gives you the opportunity to take a single issue, define strategies, be more methodical and really measure whether or not there's been an impact." TTM's changes in orientation, management, and expectations are likely to generate challenges over the course of TTM implementation, and how the initiative navigates these challenges will be an important area of focus for future evaluation research.

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[12]The most fully documented examples are Ford Foundation's Neighborhood and Family Initiative (Chaskin, Chipenda-Dansokho, and Toler, 2000); the William and Flora Hewlett Foundation's Neighborhood Improvement Initiative (Brown and Fiester, 2007); and the Northwest Area Foundation's multisite community initiatives (FSG Social Impact Advisors, 2011). See also Fiester (2011) on the Annie E. Casey Foundation's Making Connections initiative.

Appendix A

Supplementary Tables for Chapter 2

The New Communities Program

Appendix Table A.1

Property Crime Reports per 10,000 Persons: Average Rate and Annual Percentage Change, by Time Period

Neighborhood	2000 to 2002		2003 to 2005		2006 to 2009	
	Rate	% Change	Rate	% Change	Rate	% Change
Chicago	528	-5.5	474	-5.1	439	-1.6
Neighborhood Group I (mean)	600	-2.2	579	-4.1	562	-2.1
Auburn Gresham	784	-2.1	823	-6.0	710	-0.0
Neighborhood Group II (mean)	323	-4.2	288	-2.9	268	1.6
Logan Square	591	-5.3	505	-12.2	437	0.1
Neighborhood Group III (mean)	446	-4.0	396	-8.1	349	-2.8
Chicago Lawn	503	-1.2	461	-3.7	431	-0.5
Humboldt Park	546	-2.3	488	-11.9	445	3.5
Little Village	288	-5.6	248	-4.6	207	-6.8
Pilsen	373	-11.3	342	-9.3	276	-10.5
Neighborhood Group IV (mean)	689	-5.5	634	-3.0	577	-5.1
Englewood	691	-5.9	660	-1.7	701	-0.9
Garfield Park	689	1.6	712	0.6	715	-8.2
North Lawndale	530	-1.9	643	4.2	571	-4.4
Quad Communities	578	-8.9	544	-0.4	479	-0.8
South Chicago	539	-5.2	599	0.1	600	-14.2
Washington Park	767	-15.9	642	-3.9	664	-13.1
West Haven	845	7.9	915	-18.7	802	0.0
Woodlawn	687	-9.4	626	-1.1	648	-2.9
Neighborhood Group V (mean)	1,264	-8.3	1,053	-7.4	969	-1.7

SOURCE and NOTES follow Appendix Table A.9.

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Appendix Table A.2

Violent Crime Reports per 10,000 Persons: Average Rate and Annual Percentage Change, by Time Period

Neighborhood	2000 to 2002		2003 to 2005		2006 to 2009	
	Rate	% Change	Rate	% Change	Rate	% Change
Chicago	161	-2.7	139	-3.6	128	-4.5
Neighborhood Group I (mean)	239	1.1	228	-0.6	230	-4.7
Auburn Gresham	329	3.0	331	-2.2	327	-2.4
Neighborhood Group II (mean)	60	-3.1	52	-4.0	47	-2.7
Logan Square	149	-8.3	99	-11.7	79	-3.0
Neighborhood Group III (mean)	118	0.4	99	-4.3	92	-4.2
Chicago Lawn	131	5.2	139	7.4	148	-2.1
Humboldt Park	246	-3.6	196	-6.1	170	0.6
Little Village	118	2.2	83	-4.8	72	-1.4
Pilsen	127	-12.3	93	-7.8	75	-5.3
Neighborhood Group IV (mean)	356	-4.4	296	-1.8	257	-8.6
Englewood	418	-1.6	366	-4.2	347	-6.1
Garfield Park	467	-0.1	410	-1.7	390	-2.8
North Lawndale	336	-9.6	288	0.7	299	-11.4
Quad Communities	294	-12.2	227	3.3	181	-17.0
South Chicago	270	4.4	259	-1.4	257	-11.0
Washington Park	540	-11.2	409	-2.0	325	-4.8
West Haven	454	-0.1	372	-11.3	258	-15.9
Woodlawn	350	-5.1	319	4.0	317	-3.6
Neighborhood Group V (mean)	156	-3.0	123	-6.0	106	-8.2

SOURCE and NOTES follow Appendix Table A.9.

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Appendix Table A.3

Home Purchase Loan Originations per 10,000 Owner-Occupied, Single-Family Housing Units: Average Rate and Annual Percentage Change, by Time Period

	2000 to 2002		2003 to 2005		2006 to 2009	
Neighborhood	Rate	% Change	Rate	% Change	Rate	% Change
Chicago	1,345	3.2	1,860	22.3	1,163	-35.2
Neighborhood Group I (mean)	476	1.9	741	34.0	443	-46.7
Auburn Gresham	580	19.8	1,033	37.6	576	-49.1
Neighborhood Group II (mean)	1,930	3.2	2,612	19.4	1,663	-32.2
Logan Square	3,188	6.3	4,316	25.4	3,059	-33.6
Neighborhood Group III (mean)	1,134	2.1	1,675	24.7	888	-40.9
Chicago Lawn	883	5.8	1,354	25.6	531	-41.0
Humboldt Park	1,865	3.2	3,667	40.8	2,190	-47.1
Little Village	1,462	5.5	2,029	31.0	817	-51.8
Pilsen	1,391	23.2	1,822	24.1	1,443	-37.3
Neighborhood Group IV (mean)	2,074	17.1	4,119	42.8	3,409	-50.9
Englewood	633	14.7	1,437	60.3	836	-56.5
Garfield Park	2,295	24.0	5,159	52.0	3,009	-56.0
North Lawndale	1,711	31.0	2,802	22.0	2,070	-61.9
Quad Communities	2,719	4.1	4,998	33.8	3,943	-42.2
South Chicago	1,243	-0.1	1,761	45.0	1,055	-60.0
Washington Park	3,895	14.6	10,824	124.2	9,298	-57.4
West Haven	2,472	39.1	7,101	7.5	10,676	-51.2
Woodlawn	2,536	26.3	5,854	31.4	4,391	-47.3
Neighborhood Group V (mean)	10,529	4.4	13,632	14.1	9,976	-26.6

SOURCE and NOTES follow Appendix Table A.9.

The New Communities Program

Appendix Table A.4

Average Total Home Purchase Loan Amounts (Dollars in Thousands) per Owner-Occupied, Single-Family Housing Unit: Average Rate and Annual Percentage Change, by Time Period

Neighborhood	2000 to 2002		2003 to 2005		2006 to 2009	
	Rate	% Change	Rate	% Change	Rate	% Change
Chicago	25	11.2	39	18.3	27	-29.1
Neighborhood Group I (mean)	5	6.0	8	31.7	6	-43.2
Auburn Gresham	6	33.6	13	36.8	9	-46.2
Neighborhood Group II (mean)	34	13.0	52	16.8	34	-29.0
Logan Square	71	19.4	110	24.2	82	-29.1
Neighborhood Group III (mean)	17	13.4	29	21.8	17	-41.7
Chicago Lawn	11	18.6	20	20.3	8	-42.8
Humboldt Park	32	13.3	73	35.1	46	-43.3
Little Village	18	16.0	31	24.8	13	-56.5
Pilsen	23	38.8	35	23.1	30	-34.4
Neighborhood Group IV (mean)	31	29.8	67	42.0	64	-47.8
Englewood	5	27.1	15	64.2	13	-47.5
Garfield Park	31	33.3	84	50.3	56	-54.5
North Lawndale	21	45.6	42	23.2	37	-59.0
Quad Communities	52	9.1	104	32.9	91	-39.9
South Chicago	10	6.5	19	47.7	14	-61.3
Washington Park	54	27.6	150	120.7	162	-56.8
West Haven	46	44.8	150	6.8	216	-49.0
Woodlawn	34	41.5	91	19.6	78	-43.4
Neighborhood Group V (mean)	245	11.9	370	15.7	291	-20.5

SOURCE and NOTES follow Appendix Table A.9.

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The New Communities Program

Appendix Table A.5

Filed Foreclosures per 10,000 Owner-Occupied, Single-Family Housing Units:
Average Rate and Annual Percentage Change, by Time Period

Neighborhood	2000 to 2002		2003 to 2005		2006 to 2009	
	Rate	% Change	Rate	% Change	Rate	% Change
Chicago	239	34.3	237	-22.0	329	17.9
Neighborhood Group I (mean)	387	41.9	404	-17.8	461	1.7
Auburn Gresham	461	58.2	470	-23.2	508	-2.9
Neighborhood Group II (mean)	108	38.1	96	-18.8	175	41.2
Logan Square	241	36.9	197	-42.9	287	65.9
Neighborhood Group III (mean)	246	34.8	226	-21.8	379	46.7
Chicago Lawn	196	43.1	237	-21.3	483	36.3
Humboldt Park	726	40.5	640	-42.4	710	19.2
Little Village	302	32.5	291	-30.8	439	50.7
Pilsen	351	20.2	257	-35.0	302	41.4
Neighborhood Group IV (mean)	1,061	32.4	822	-32.8	707	15.6
Englewood	931	26.7	825	-16.8	867	-2.0
Garfield Park	1,964	29.2	1,338	-43.2	966	1.9
North Lawndale	1,553	17.7	1,428	-45.2	714	-4.8
Quad Communities	624	45.4	581	-22.5	694	2.9
South Chicago	935	54.4	754	-39.0	710	14.2
Washington Park	2,921	10.3	2,247	-30.5	2,051	5.7
West Haven	757	79.2	741	-0.4	662	46.5
Woodlawn	1,177	30.2	995	-33.2	956	21.0
Neighborhood Group V (mean)	208	20.5	145	-29.7	92	17.2

SOURCE and NOTES follow Appendix Table A.9.

The New Communities Program

Appendix Table A.6

Completed Foreclosures per 10,000 Owner-Occupied, Single-Family Housing Units:
Average Rate and Annual Percentage Change, by Time Period

Neighborhood	2000 to 2002		2003 to 2005		2006 to 2009	
	Rate	% Change	Rate	% Change	Rate	% Change
Chicago	175	31.0	182	-28.4	119	24.5
Neighborhood Group I (mean)	293	32.9	344	-26.9	186	5.2
Auburn Gresham	324	30.1	417	-36.2	204	8.5
Neighborhood Group II (mean)	70	37.3	55	-27.3	51	80.1
Logan Square	123	34.5	101	-47.1	90	109.1
Neighborhood Group III (mean)	158	23.6	156	-27.1	127	88.6
Chicago Lawn	133	40.5	159	-26.1	157	41.1
Humboldt Park	519	39.0	552	-40.4	277	41.7
Little Village	168	56.3	172	-42.8	134	51.5
Pilsen	134	12.8	188	-38.0	84	98.4
Neighborhood Group IV (mean)	834	33.8	774	-28.6	286	30.9
Englewood	827	30.3	778	-26.3	441	-1.1
Garfield Park	1,589	21.2	1,285	-47.4	421	23.3
North Lawndale	1,341	69.3	1,045	-36.9	370	-5.1
Quad Communities	475	58.5	484	-43.2	249	15.6
South Chicago	772	37.2	715	-27.1	273	0.7
Washington Park	2,921	26.9	1,985	-32.3	730	50.8
West Haven	353	6.7	283	-52.6	358	69.5
Woodlawn	1,083	45.8	931	-14.6	391	32.1
Neighborhood Group V (mean)	77	60.7	63	-28.4	24	52.4

SOURCE and NOTES follow Appendix Table A.9.

The New Communities Program

Appendix Table A.7

Average Small Business Loan Amounts (Dollars in Thousands) per Square Mile of Commercial Land Area: Average Rate and Annual Percentage Change, by Time Period

Neighborhood	2000 to 2002		2003 to 2005		2006 to 2009	
	Rate	% Change	Rate	% Change	Rate	% Change
Chicago	30,719	8.4	37,120	-5.7	32,344	-15.4
Neighborhood Group I (mean)	11,311	6.6	13,387	-4.1	11,476	-21.7
Auburn Gresham	6,288	4.3	7,518	-10.3	7,761	-27.2
Neighborhood Group II (mean)	38,952	13.1	51,043	-8.3	43,322	-16.7
Logan Square	59,392	17.5	59,777	-0.2	53,746	-22.7
Neighborhood Group III (mean)	15,035	16.3	22,590	-0.9	15,415	-13.4
Chicago Lawn	11,174	-6.4	15,941	-5.2	11,882	-29.1
Humboldt Park	20,953	7.5	27,434	-7.2	24,814	-17.9
Little Village	9,352	34.6	14,410	-6.6	9,363	-18.9
Pilsen	15,694	10.4	19,218	-15.5	13,993	-10.6
Neighborhood Group IV (mean)	14,184	13.2	22,171	6.9	19,706	-24.9
Englewood	6,564	49.6	10,340	-15.9	8,523	-13.9
Garfield Park	20,275	2.2	31,278	15.2	22,988	-13.9
North Lawndale	12,276	-40.3	18,723	4.9	11,646	-50.8
Quad Communities	6,745	4.7	13,464	51.7	10,305	-36.5
South Chicago	12,202	11.1	15,998	-5.0	11,902	-26.5
Washington Park	11,949	-11.3	9,037	45.0	9,498	-51.9
West Haven	34,137	45.7	58,550	4.4	61,759	-6.0
Woodlawn	7,092	14.7	12,749	-10.9	10,629	-31.1
Neighborhood Group V (mean)	148,494	8.9	156,997	-4.1	142,224	-13.7

SOURCE and NOTES follow Appendix Table A.9.

The New Communities Program

Appendix Table A.8

Area Jobs per 10,000 Working-Age Persons: Average Rate and Annual Percentage Change, by Time Period

Neighborhood	2000 to 2002		2003 to 2005		2006 to 2009	
	Rate	% Change	Rate	% Change	Rate	% Change
Chicago	5,129	NA	4,873	0.1	5,074	1.9
Neighborhood Group I (mean)	1,686	NA	1,690	-0.2	1,550	0.2
Auburn Gresham	1,183	NA	1,140	0.5	1,118	-2.1
Neighborhood Group II (mean)	4,447	NA	4,288	1.2	4,311	-1.7
Logan Square	2,198	NA	2,145	0.7	2,258	0.4
Neighborhood Group III (mean)	3,068	NA	3,007	1.0	2,925	-2.6
Chicago Lawn	1,755	NA	1,712	-1.0	1,629	-3.0
Humboldt Park	2,562	NA	2,458	-2.5	2,287	0.1
Little Village	1,670	NA	1,668	-1.9	1,681	0.2
Pilsen	4,201	NA	4,177	1.8	4,329	1.4
Neighborhood Group IV (mean)	3,623	NA	3,605	1.8	3,052	1.4
Englewood	745	NA	658	-6.4	598	-1.5
Garfield Park	2,584	NA	2,883	8.1	3,213	-19.4
North Lawndale	1,062	NA	1,244	6.4	1,397	-7.2
Quad Communities	960	NA	863	-0.0	1,126	8.5
South Chicago	1,341	NA	1,248	2.9	1,412	6.4
Washington Park	434	NA	470	-6.3	431	-0.9
West Haven	16,033	NA	18,464	1.8	10,162	1.3
Woodlawn	1,227	NA	1,145	-3.1	1,161	1.3
Neighborhood Group V (mean)	37,417	NA	34,150	0.7	37,642	2.0

SOURCE and NOTES follow Appendix Table A.9.

The New Communities Program

Appendix Table A.9

Resident Workers per 10,000 Working-Age Persons: Average Rate and Annual Percentage Change, by Time Period

Neighborhood	2000 to 2002		2003 to 2005		2006 to 2009	
	Rate	% Change	Rate	% Change	Rate	% Change
Chicago	4,663	NA	4,357	-0.7	4,035	-1.6
Neighborhood Group I (mean)	4,221	NA	3,718	-2.2	3,535	-0.9
Auburn Gresham	3,999	NA	3,690	-2.2	3,556	-0.6
Neighborhood Group II (mean)	5,101	NA	4,804	-0.1	4,504	0.4
Logan Square	4,940	NA	4,708	-0.6	4,032	-6.5
Neighborhood Group III (mean)	4,335	NA	4,065	-2.8	3,693	-1.1
Chicago Lawn	4,837	NA	4,573	-1.1	4,079	-2.3
Humboldt Park	4,464	NA	4,119	-1.8	3,652	-3.2
Little Village	2,992	NA	2,741	-4.4	2,356	-3.1
Pilsen	3,684	NA	3,460	-0.6	3,267	-1.5
Neighborhood Group IV (mean)	3,999	NA	3,672	-0.4	3,616	-0.1
Englewood	3,896	NA	3,416	-4.1	3,195	-0.5
Garfield Park	4,195	NA	3,980	-0.1	3,850	-0.6
North Lawndale	4,406	NA	4,090	0.4	3,934	-0.4
Quad Communities	4,071	NA	3,691	-1.1	3,915	2.3
South Chicago	3,859	NA	3,442	-5.6	3,293	0.9
Washington Park	3,500	NA	3,225	-2.5	3,406	1.7
West Haven	4,448	NA	4,489	3.4	5,001	2.7
Woodlawn	3,984	NA	3,518	-0.6	3,742	5.8
Neighborhood Group V (mean)	5,351	NA	5,446	3.6	5,623	-0.9

SOURCE and NOTES are on the following page.

The New Communities Program

Source and Notes for Appendix Tables A.1 to A.9

SOURCE: MDRC analysis of data assembled by Metro Chicago Information Center (MCIC).

NOTES

Appendix Table A.1: The property crime indicator is calculated as the number of reported property crimes divided by the 2000 population count (U.S. Decennial Census) multiplied by 10,000. Average percentage change for each time period was calculated using a regression procedure in order to lessen the influence of extreme values and outliers.

Appendix Table A.2: The violent crime indicator is calculated as the number of reported violent crimes divided by the 2000 population count (U.S. Decennial Census) multiplied by 10,000. Average percentage change for each time period was calculated using a regression procedure in order to lessen the influence of extreme values and outliers.

Appendix Table A.3: The home mortgage loan originations indicator is calculated as the number of Home Mortgage Disclosure Act home purchase loan originations for owner-occupied, single-family homes divided by the 2000 count of owner-occupied, single-family housing units (U.S. Decennial Census) multiplied by 10,000. Average percentage change for each time period was calculated using a regression procedure in order to lessen the influence of extreme values and outliers.

Appendix Table A.4: The home mortgage total loan amount indicator is calculated as the sum of the amounts of Home Mortgage Disclosure Act home purchase loan originations for owner-occupied, single-family homes (in thousands of 2005 dollars) divided by the 2000 count of owner-occupied, single-family housing units (U.S. Decennial Census). Average percentage change for each time period was calculated using a regression procedure in order to lessen the influence of extreme values and outliers.

Appendix Table A.5: The foreclosures filed indicator is calculated as the total number of single-family home foreclosures filed divided by the 2000 count of owner-occupied, single-family housing units (U.S. Decennial Census) multiplied by 10,000. Average percentage change for each time period was calculated using a regression procedure in order to lessen the influence of extreme values and outliers.

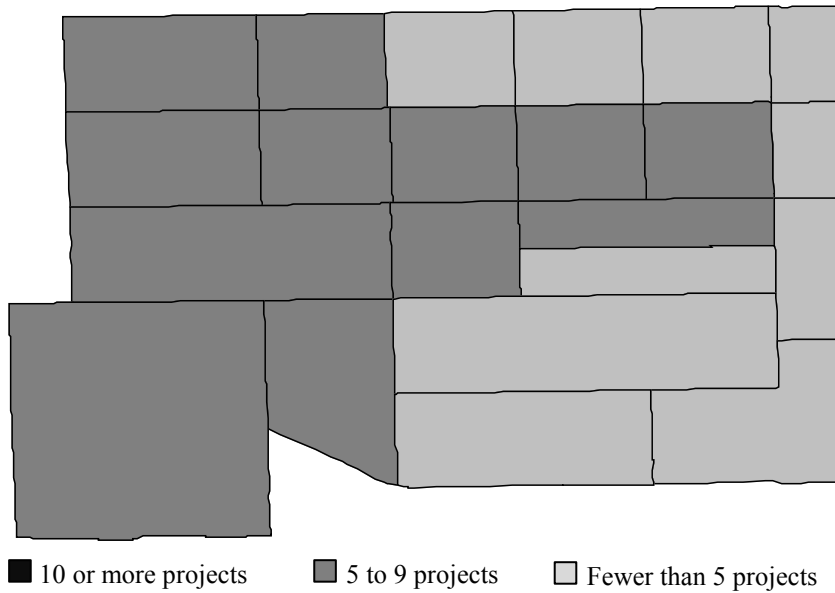**Appendix Table A.6:** The foreclosures completed indicator is calculated as the total number of single-family home foreclosures completed divided by the 2000 count of owner-occupied, single-family housing units (U.S. Decennial Census) multiplied by 10,000. Average percentage change for each time period was calculated using a regression procedure in order to lessen the influence of extreme values and outliers.

Appendix Table A.7: The small business loan amount indicator is calculated as the sum of the Community Reinvestment Act small business loan amounts (in thousands of 2005 dollars) divided by the square miles of commercial land area. Average percentage change for each time period was calculated using a regression procedure in order to lessen the influence of extreme values and outliers.

Source and Notes for Appendix Tables A.1 to A.9 (continued)

Appendix Table A.8: The area jobs indicator is calculated as the total number of jobs in the area divided by the 2000 count of population over 15 years of age (U.S. Decennial Census) multiplied by 10,000. Average percentage change for each time period was calculated using a regression procedure in order to lessen the influence of extreme values and outliers.

Appendix Table A.9: The resident workers indicator is calculated as the total number of workers residing in the area divided by the 2000 count of population over 15 years of age (U.S. Decennial Census) multiplied by 10,000. Average percentage change for each time period was calculated using a regression procedure in order to lessen the influence of extreme values and outliers.

Appendix B

Supplementary Figures for Chapter 5

The New Communities Program

Appendix Figure B.1

Spatial Distribution of NCP Projects and Funding, by Neighborhood and Domain
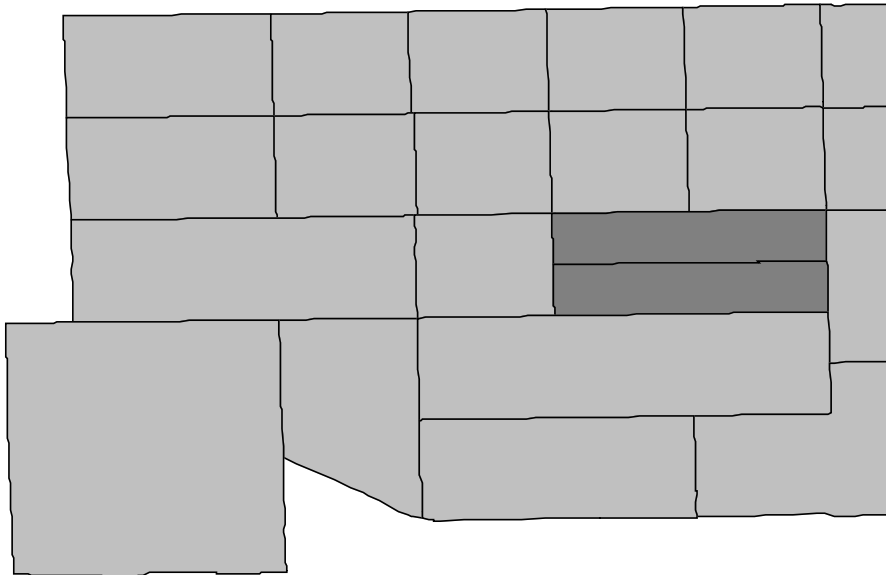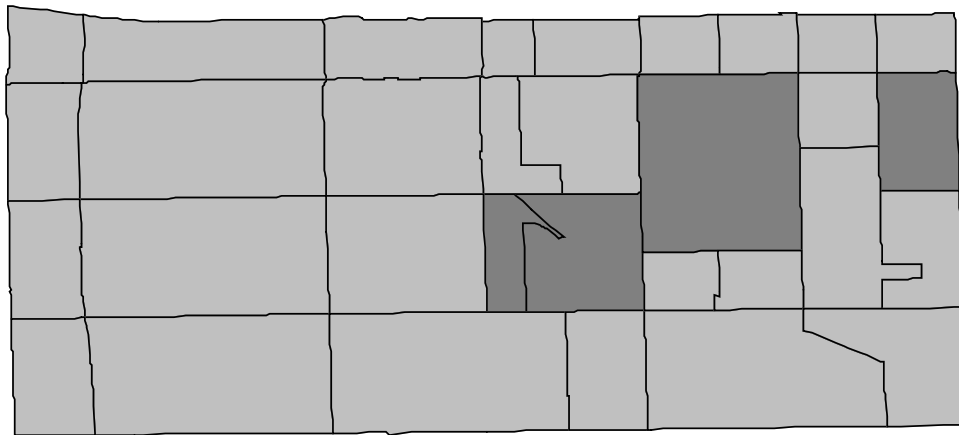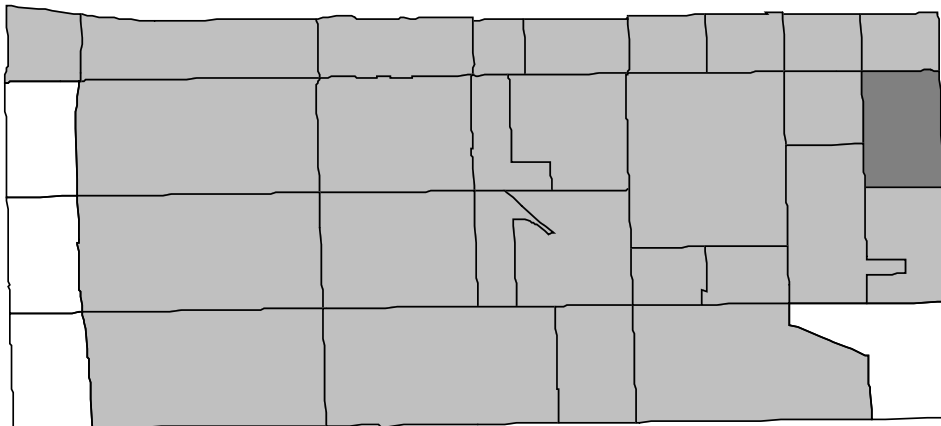
a. Chicago Lawn: Economic and Workforce Development

NCP Projects

■ 10 or more projects　■ 5 to 9 projects　□ Fewer than 5 projects

NCP Funding

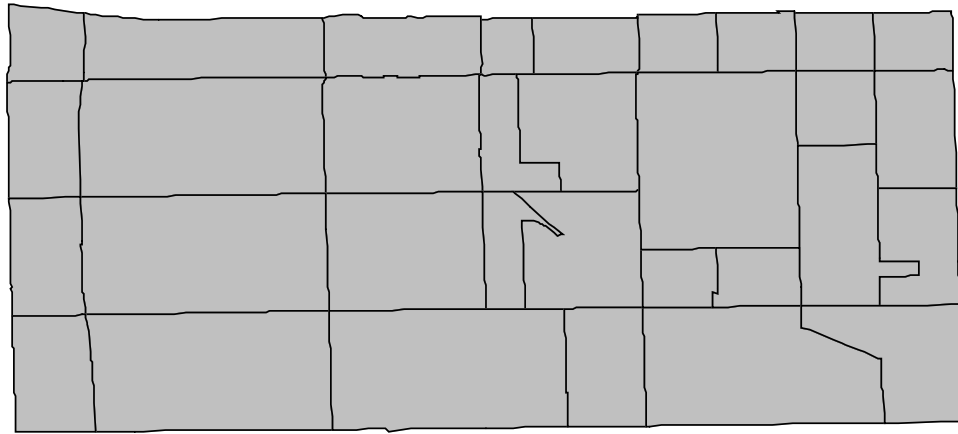■ 10 or more percent　■ 5 to 9 percent　□ Less than 5 percent

b. Chicago Lawn: Public Spaces, Community Image, and the Arts

NCP Projects

■ 10 or more projects   ▦ 5 to 9 projects   ☐ Fewer than 5 projects

NCP Funding

■ 10 or more percent   ▦ 5 to 9 percent   ☐ Less than 5 percent
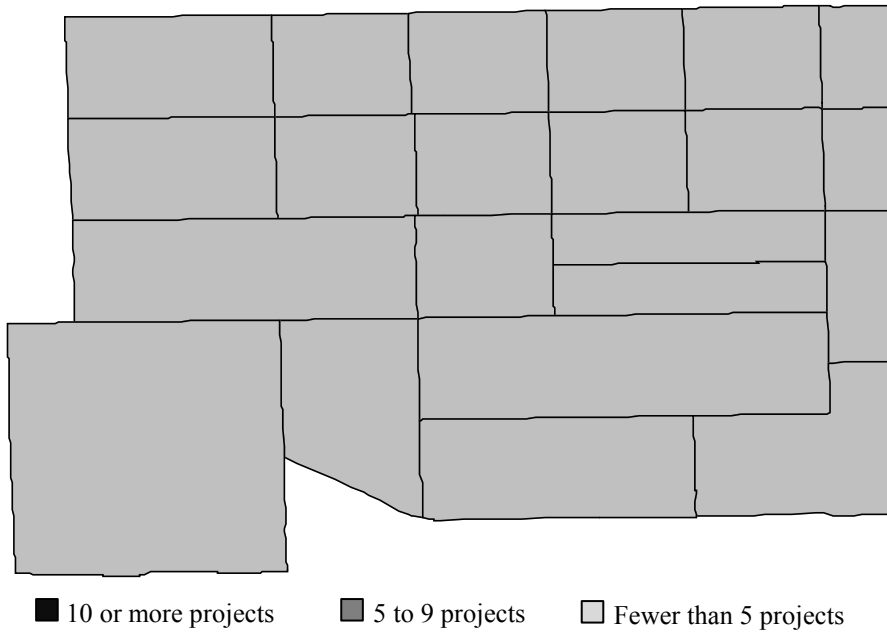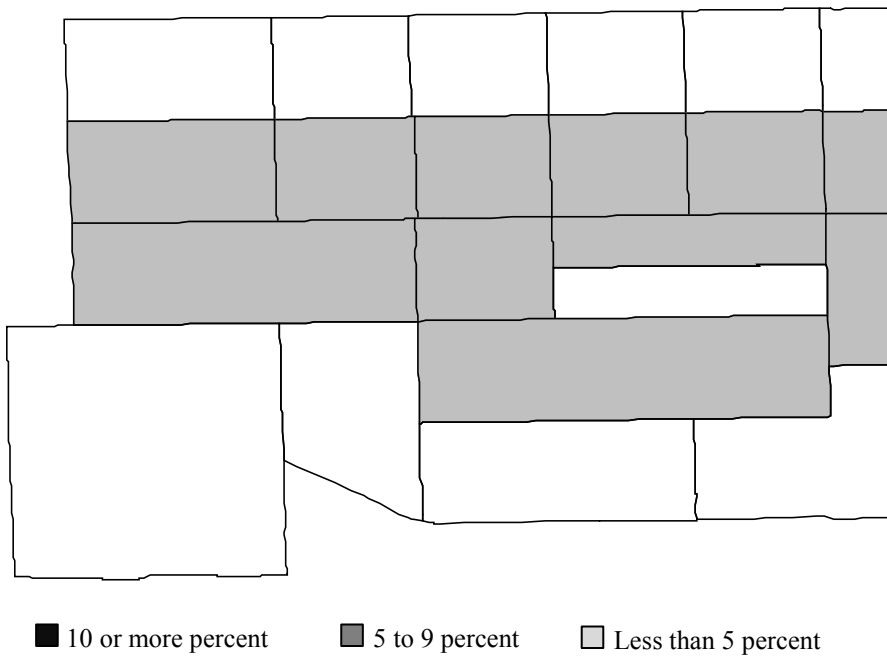
Appendix Figure B.1 (continued)

c. Chicago Lawn: Real Estate Development

NCP Projects

■ 10 or more projects   ■ 5 to 9 projects   □ Fewer than 5 projects

NCP Funding

■ 10 or more percent   ■ 5 to 9 percent   □ Less than 5 percent
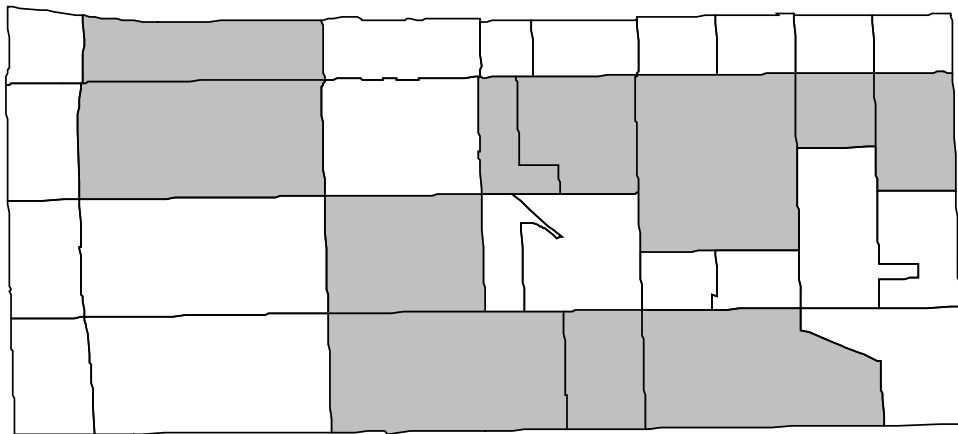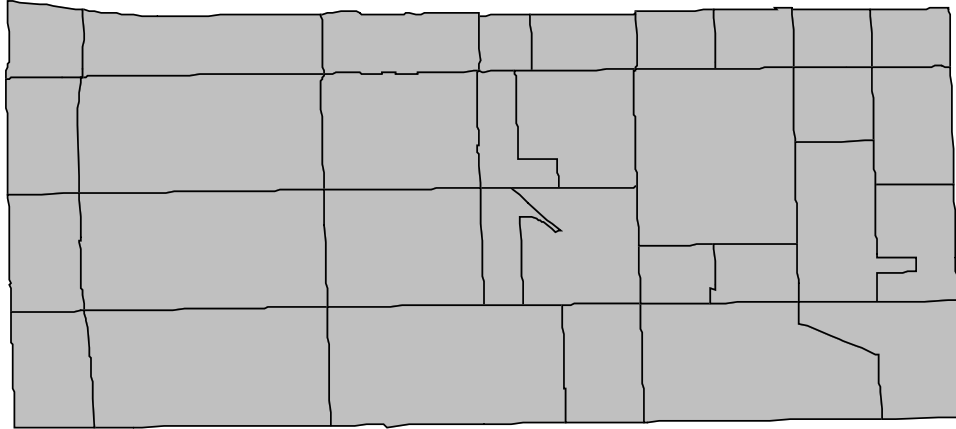
133
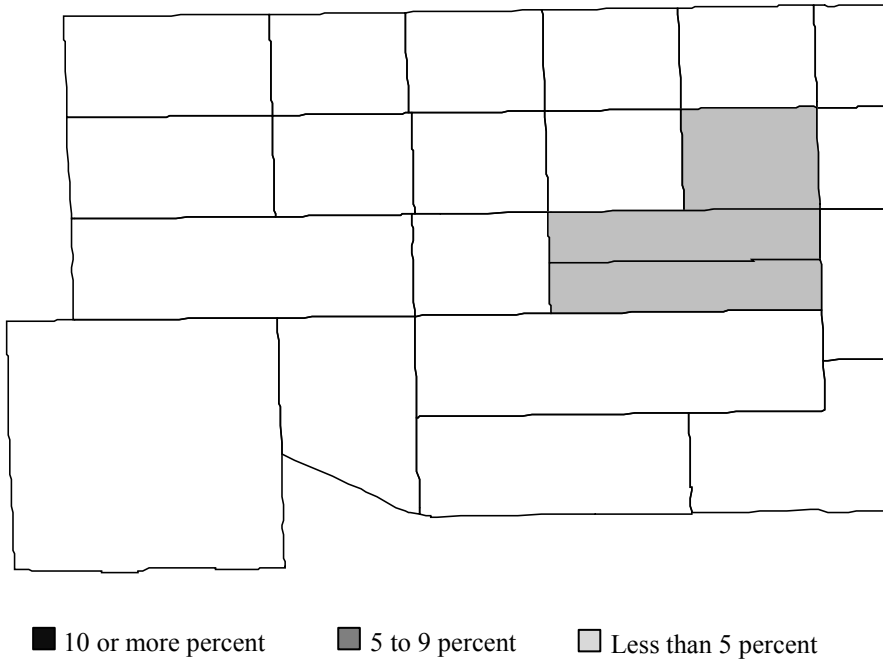
Appendix Figure B.1 (continued)

d. Chicago Lawn: Social Services

NCP Projects
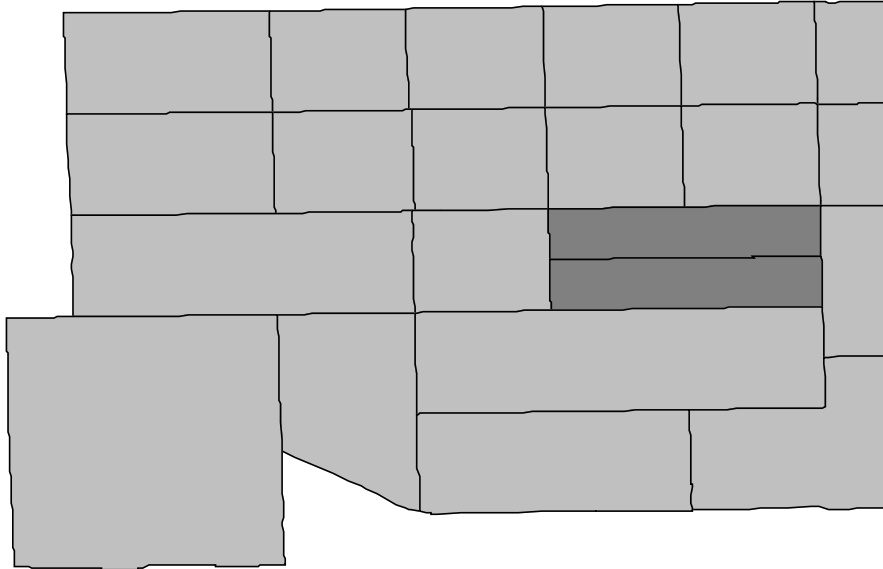
■ 10 or more projects   ■ 5 to 9 projects   □ Fewer than 5 projects

NCP Funding

■ 10 or more percent   ■ 5 to 9 percent   □ Less than 5 percent

SOURCE: MDRC analysis of project location data provided by LISC Chicago and verified by lead agencies.

The New Communities Program

Appendix Figure B.2

Spatial Distribution of NCP Projects and Funding, by Neighborhood and Domain

<u>**a. Humboldt Park: Economic and Workforce Development**</u>

NCP Projects

■ 10 or more projects   ■ 5 to 9 projects   □ Fewer than 5 projects

NCP Funding

■ 10 or more percent   ■ 5 to 9 percent   □ Less than 5 percent
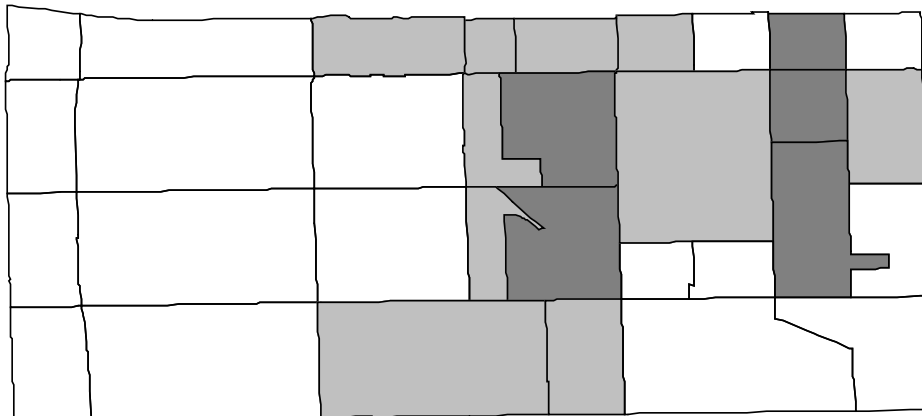
Appendix Figure B.2 (continued)

b. Humboldt Park: Public Spaces, Community Image, and the Arts

NCP Projects

■ 10 or more projects   ■ 5 to 9 projects   □ Fewer than 5 projects

NCP Funding

■ 10 or more percent   ■ 5 to 9 percent   □ Less than 5 percent

Appendix Figure B.2 (continued)

c. Humboldt Park: Real Estate Development

NCP Projects

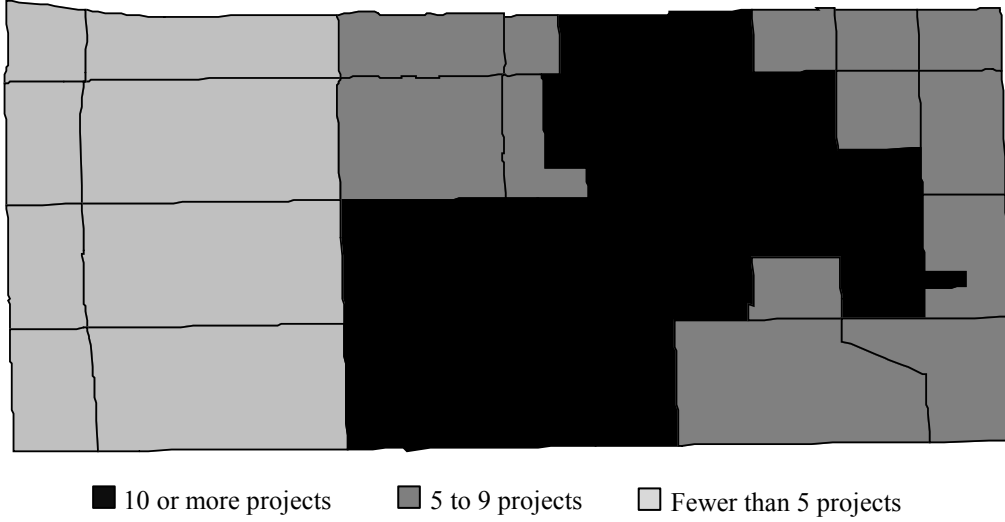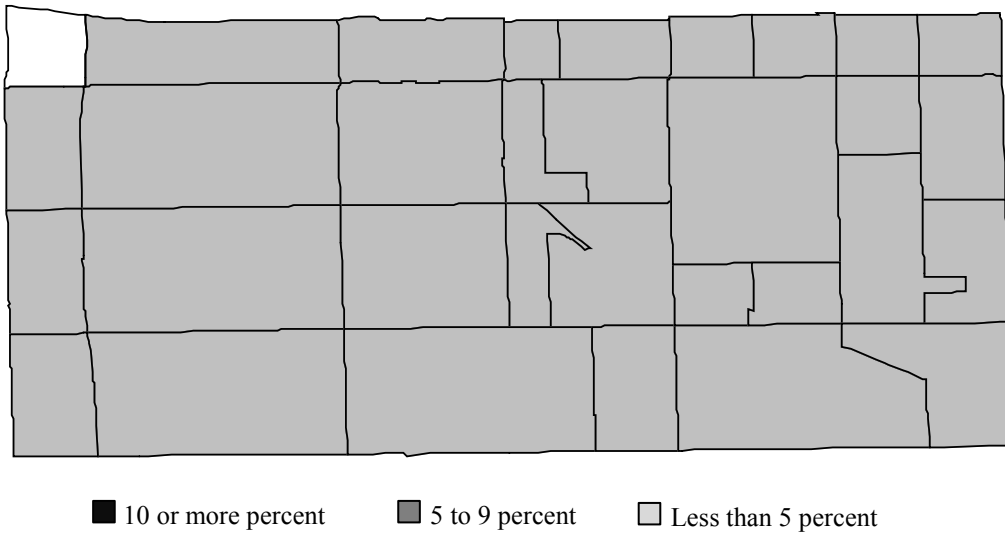■ 10 or more projects   ■ 5 to 9 projects   □ Fewer than 5 projects

NCP Funding

■ 10 or more percent   ■ 5 to 9 percent   □ Less than 5 percent

Appendix Figure B.2 (continued)

d. Humboldt Park: Social Services

NCP Projects

■ 10 or more projects   ▨ 5 to 9 projects   ☐ Fewer than 5 projects

NCP Funding

■ 10 or more percent   ▨ 5 to 9 percent   ☐ Less than 5 percent

SOURCE: MDRC analysis of project location data provided by LISC Chicago and verified by lead agencies.
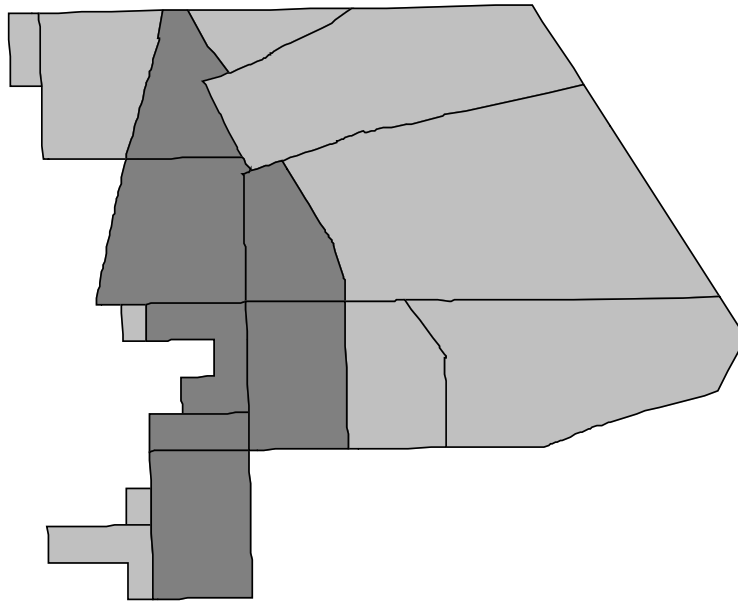
The New Communities Program

Appendix Figure B.3

Spatial Distribution of NCP Projects and Funding, by Neighborhood and Domain
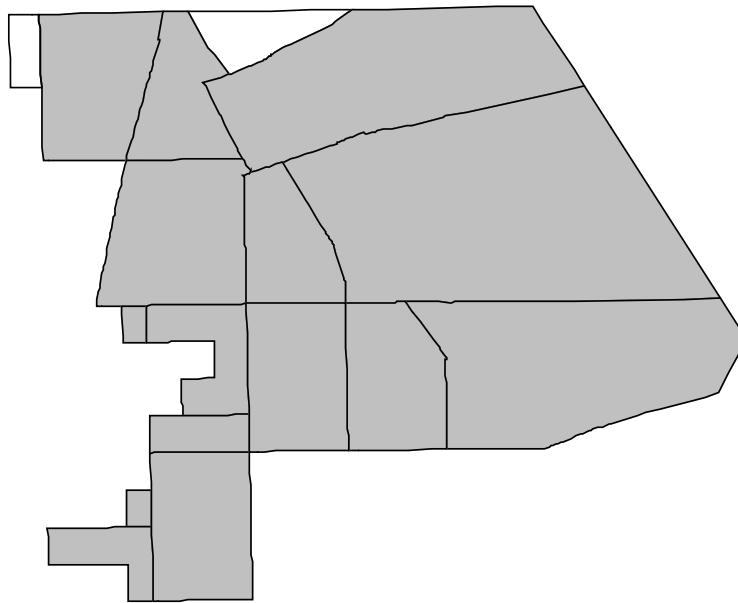
a. Quad Communities: Economic and Workforce Development

NCP Projects

■ 10 or more projects   ■ 5 to 9 projects   □ Fewer than 5 projects
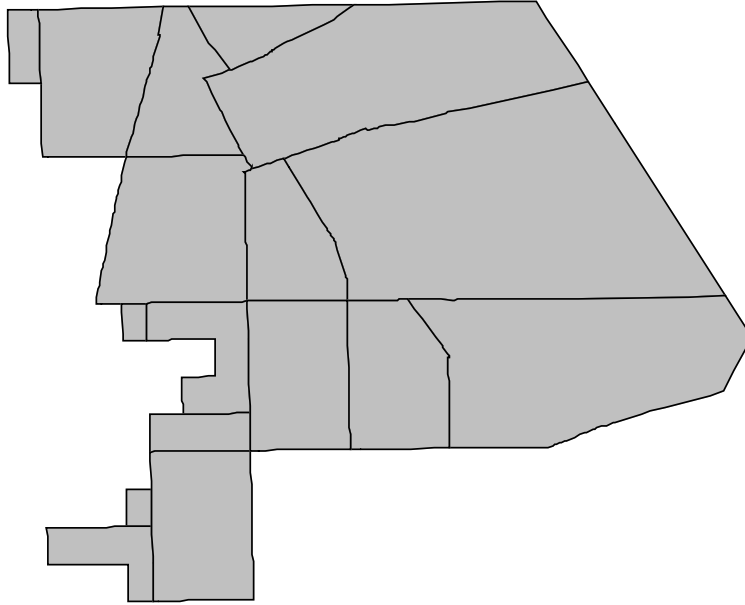
NCP Funding

■ 10 or more percent   ■ 5 to 9 percent   □ Less than 5 percent

Appendix Figure B.3 (continued)

b. Quad Communities: Public Spaces, Community Image, and the Arts

NCP Projects

■ 10 or more projects   ■ 5 to 9 projects   □ Fewer than 5 projects

NCP Funding

■ 10 or more percent   ■ 5 to 9 percent   □ Less than 5 percent
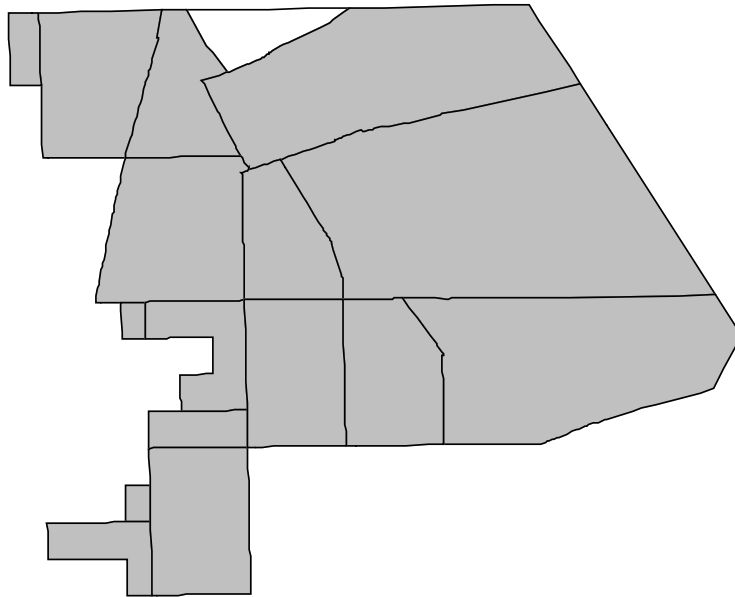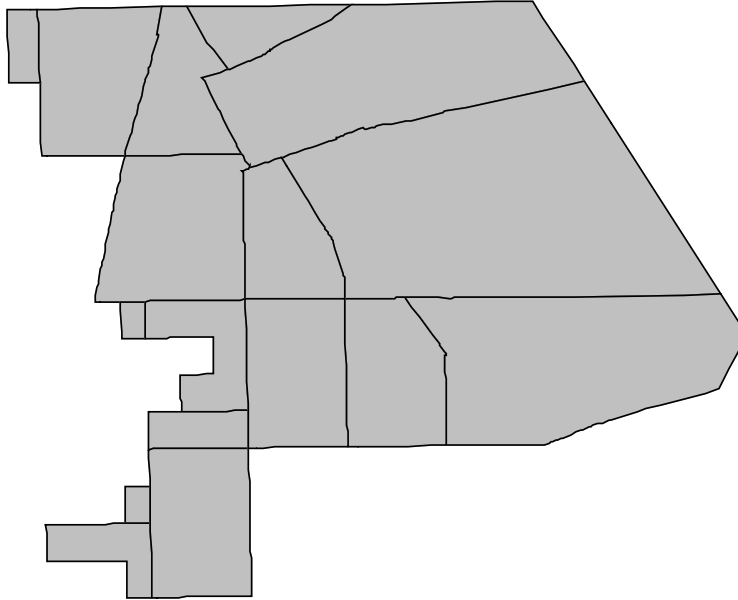
Appendix Figure B.3 (continued)

<u>**c. Quad Communities: Real Estate Development**</u>

NCP Projects

■ 10 or more projects   ■ 5 to 9 projects   □ Fewer than 5 projects

NCP Funding

■ 10 or more percent   ■ 5 to 9 percent   □ Less than 5 percent

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Appendix Figure B.3 (continued)

d. Quad Communities: Social Services

NCP Projects

■ 10 or more projects ▨ 5 to 9 projects ☐ Fewer than 5 projects

NCP Funding

■ 10 or more percent ▨ 5 to 9 percent ☐ Less than 5 percent

SOURCE: MDRC analysis of project location data provided by LISC Chicago and verified by lead agencies.

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Creating a Platform for Sustained Neighborhood Improvement: Interim Findings from Chicago's New Communities Program.
2010. David Greenberg, Nandita Verma, Keri-Nicole Dillman, and Robert Chaskin (Chapin Hall at the University of Chicago) with James Riccio.

Beyond the Neighborhood: Policy Engagement and Systems Change in the New Communities Program.
2012. Robert J. Chaskin (The University of Chicago) and Mikael Karlström (Chapin Hall at the University of Chicago).

Dynamics of Neighborhood Quality in Chicago: An Analysis of the Interaction Among Quality-of-Life Indicators from the New Communities Program Evaluation.
2012. Sonya Williams (MDRC), George Galster (Wayne State University), and Nandita Verma (MDRC).

NOTE: A complete publications list is available from MDRC and on its website (www.mdrc.org), from which copies of reports can also be downloaded.

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About MDRC

MDRC is a nonprofit, nonpartisan social and education policy research organization dedicated to learning what works to improve the well-being of low-income people. Through its research and the active communication of its findings, MDRC seeks to enhance the effectiveness of social and education policies and programs.

Founded in 1974 and located in New York City and Oakland, California, MDRC is best known for mounting rigorous, large-scale, real-world tests of new and existing policies and programs. Its projects are a mix of demonstrations (field tests of promising new program approaches) and evaluations of ongoing government and community initiatives. MDRC's staff bring an unusual combination of research and organizational experience to their work, providing expertise on the latest in qualitative and quantitative methods and on program design, development, implementation, and management. MDRC seeks to learn not just whether a program is effective but also how and why the program's effects occur. In addition, it tries to place each project's findings in the broader context of related research — in order to build knowledge about what works across the social and education policy fields. MDRC's findings, lessons, and best practices are proactively shared with a broad audience in the policy and practitioner community as well as with the general public and the media.

Over the years, MDRC has brought its unique approach to an ever-growing range of policy areas and target populations. Once known primarily for evaluations of state welfare-to-work programs, today MDRC is also studying public school reforms, employment programs for ex-offenders and people with disabilities, and programs to help low-income students succeed in college. MDRC's projects are organized into five areas:

- Promoting Family Well-Being and Children's Development
- Improving Public Education
- Raising Academic Achievement and Persistence in College
- Supporting Low-Wage Workers and Communities
- Overcoming Barriers to Employment

Working in almost every state, all of the nation's largest cities, and Canada and the United Kingdom, MDRC conducts its projects in partnership with national, state, and local governments, public school systems, community organizations, and numerous private philanthropies.