



COUNCIL ON FOUNDATIONS
 1828 L STREET, NW
 WASHINGTON, DC 20036-5168
 (202)466-6512
 FAX (202)785-3928 or (202)833-3806

Call and tell them
 I can be there
 from about 9-12:30
 as the schedule
 currently stands.

TELECOPY COVER LETTER

PLEASE DELIVER THE FOLLOWING PAGE(S) AS SOON AS POSSIBLE TO:

Starts @
 10:00
 5-10 min.
 remarks

NAME: Carol Rasco

ORGANIZATION: The White House

TELEFAX NUMBER: 456-2878

FROM: Anne Babcock

TOTAL PAGES INCLUDING COVER LETTER: 4

DATE TRANSMITTED: 8-23

MESSAGE: attn: Roslyn

If you do not receive all pages, PLEASE call back as soon as possible at (202)466-6512



COUNCIL ON FOUNDATIONS

1828 L STREET NW WASHINGTON, DC 20036-5168
(202) 466-6512 FAX (202) 785-7926

August 23, 1993

*ANA Westin Hotel
2401 "M" Street, NW*

Carol Rasco
Special Assistant to the President
for Domestic Affairs
The White House
Washington, DC

Dear Carol:

On behalf of James A. Joseph, president of the Council on Foundations, and Lauren Cook, special assistant to Mr. Joseph for public policy initiatives, I'm writing to invite you to a working meeting of grantmakers, government policymakers and community organizations interested in urban policy issues. The day-long meeting will be held here in Washington on September 28, 1993.

The purposes of this meeting are as follows:

Review major grantmaker initiatives and collaborations addressing the domestic urban crisis;

Understand current and potential opportunities for public/private partnerships, urban policy research, and relationships to the evolving federal urban policy agenda;

Identify additional roles, if any, that the Council on Foundations can play in support of membership priorities in the context of urban issues.

This will be an interactive working meeting in which attendees share information, ideas and concerns. While your specific role would be to provide an overview of the Administration's current domestic policy agenda and initiatives, we would hope that you would both contribute to and benefit from the information shared during the overall program as well. Other individuals, representing the private and nonprofit sectors, will discuss exemplary programs and partnerships and suggest ways in which philanthropy could be helpful in fostering effective cross-sectoral collaboration.

The meeting will be moderated by Steven A. Minter, executive director of The Cleveland Foundation, and Dennis A. Collins, president of the James Irvine Foundation in San Francisco. We anticipate 25 persons will be in attendance; on an attached sheet you will find the names of those confirmed to date. A working agenda is currently being finalized, and will be mailed to all attendees shortly after Labor Day.

We sincerely hope that your schedule will permit you to participate in part or all of the September 28 roundtable discussion. While Lauren will not return from Greece until after Labor Day, Steve Minter or I would be happy to respond to any questions you might have about the meeting. Steve can be reached at (216) 861-3810; my number here in Washington is 466-6512.

Thank you, and I look forward to hearing from you soon.

Sincerely,

Anne H. Babcock

Anne H. Babcock
Director, Legislative Affairs

AHB:hs
enclosure

INVITERS TO SEPTEMBER 28 ROUNDTABLE
ON URBAN ISSUES

Responding in the affirmative:

Grantmakers:

Paula Banks, Sears Roebuck Foundation
Jim Browne, Tides Foundation
Dennis Collins, James Irvine Foundation
Peter Goldberg, Prudential Foundation
Peter Goldmark, Rockefeller Foundation
Steve Minter, Cleveland Foundation
Bruce Newman, Chicago Community Trust
Ken Rolling, Woods Charitable Trust
Valerie Lies, Donors Forum of Chicago
Janet Thompson, Citibank

Government:

George Latimer, Director, Special Actions Office, HUD
Michael Stegman, Director of Policy Development & Research, HUD

Other:

Jim Gibson, Urban Institute
Sol Hurwitz, CED
Buzz Roberts, LISC
Angela Blackwell, Urban Strategies Council
Bart Harvey, Enterprise Institute
Alvertha Fenney, National Congress of Community Economic Development
Carleen O'Connors, Campaign for New Priorities



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AUG 25 REC'D

August 23, 1993

Roz - Didn't we
get a faxed
copy of
this that
you're
working on?

Carol Rasco
Special Assistant to the President
for Domestic Affairs
The White House
Washington, DC

Dear Carol:

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Thank you, and I look forward to hearing from you soon.

Sincerely,

A handwritten signature in cursive script that reads "Anne H. Babcock".

Anne H. Babcock
Director, Legislative Affairs

AHB:hs
enclosure

**INVITEES TO SEPTEMBER 28 ROUNDTABLE
ON URBAN ISSUES**

Responding in the affirmative:

Grantmakers:

Paula Banks, Sears Roebuck Foundation
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Bart Harvey, Enterprise Institute
Alvertha Penney, National Congress of Community Economic Development
Carleen O'Connors, Campaign for New Priorities



Seal / 9/22
logged PV

COUNCIL ON FOUNDATIONS

1828 L STREET NW WASHINGTON, DC 20036-5168
(202) 466-6512 · FAX (202) 785-3926

September 15, 1993

Ms. Carol Rasco
Assistant to the President
for Domestic Policy
West Wing, Second Floor
The White House
Washington, D.C. 20500

Dear Carol:

I am very pleased to confirm that you will be able to participate in the September 28th meeting on urban issues in Washington, D.C. As you can see from the enclosed agenda, the day promises to be very stimulating. We think this meeting represents an excellent start on what promises to be an important exploration of a key topic. It is our expectation that this meeting will be the first of several related to urban strategies, and appreciate your willingness to help set the tone for future dialogue and joint action between foundations and senior policymakers.

At 11:00, we will begin an hour long discussion about the unique perspectives and opportunities the Clinton administration brings to urban policy. We would like you to open the discussion with ten to fifteen minutes of comment in which you could underscore the commitment of the President and this administration to urban issues. You might do this by highlighting several specific examples of how urban issues have been approached thus far. The need to address community issues through collaborative interagency approaches is another point you might emphasize. Finally, how you see the relative importance and integration of public/private collaborations in federal strategies would be very useful for this group to hear. In a nutshell, we would like to hear how urban policy fits into the President's larger agenda, and what associated values and strategies we should expect to see resonating in the administration's programs and initiatives. Feel free to add anything else you think this group should know, or ask any questions you would like to see covered.

Your comments will be followed by short remarks by Sol Hurwitz, who will help reflect on the role of the business sector, and Jim Gibson, who will highlight the contribution of the nonprofit sector. Everyone will then have a chance to participate in the discussion.

In preparing your thoughts, you may wish to reflect on three basic assumptions that permeated the development of this meeting. First, successful responses to urban problems should include national, cross-sectoral, collaborative approaches. A number already exist or are now planned that have the potential for sustained improvement in the lives of disadvantaged urban residents. Second, a meeting which explores the conditions

orig. CLR
xc: Bruce - Would
you and/or Paul
prepare some
"bullet points"
for me. I'd
like to have
them by COB
Fri., Sept. 24
Thanks!
CLR

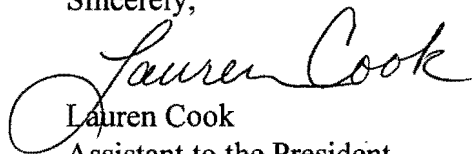
for success of exemplary programs would be useful at this moment in the development of comprehensive federal policies on urban issues. Finally, periodic and sustained dialogue on these issues between private philanthropy and government policymakers would improve the quality and impact of investments made independently or collaboratively by both sectors.

Carol, I should note that the 1994 annual conference theme of the Council on Foundations will deal with the city. In addition to whatever else develops, the annual conference is an important future opportunity to report on the fruits of the dialogue we will begin on September 28th to the broader field of philanthropy.

We understand from Rosalynn that you will arrive at 10:00 am and can stay through 12:30 pm. The meeting will be attended by approximately 40 people (see the attached participant list). It will be facilitated in a way that encourages informality but focus, the maximum exchange of information, frank questions and responsive suggestions and ideas. Please let me know if you need any further background, or have any suggestions.

Thanks for making time for this meeting, Carol. I look forward to seeing you soon.

Sincerely,


Lauren Cook
Assistant to the President
for Public Policy Initiatives

Enclosures

cc. James A. Joseph, Council on Foundations
Steven A. Minter, The Cleveland Foundation
Dennis Collins, James Irvine Foundation



COUNCIL ON FOUNDATIONS

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COUNCIL ON FOUNDATIONS

Meeting on Urban Issues

ANA Westin Hotel

2401 M Street, N.W.

Washington, D.C.

September 28, 1993

AGENDA

10:00 a.m.

Welcome and Introductions

James A. Joseph, President, Council on Foundations

10:15 a.m.

Meeting Objectives

Steve Minter, Executive Director, The Cleveland Foundation

Dennis Collins, President, James Irvine Foundation

10:30 a.m.

**National urban strategies from a community perspective:
policy, funding and organizing**

Angela Blackwell, Acting Executive Director, Urban Strategies
Council

11:00 a.m.

**Policy strategies: Clinton administration perspective on urban
policy**

Carol Rasco, Special Assistant to the President for Domestic
Policy, The White House

Business Strategies: Committee for Economic Development's
Committee on Tackling America's Urban Problems

Sol Hurwitz, President, Committee for Economic Development

Nonprofit/community Strategies: National Community Building
Network

James Gibson, Senior Associate, Urban Institute

12:00 p.m.

Buffet lunch

12:30 p.m.

New funding and organizing initiatives in the public sector: A discussion of Federal Department programs and priorities dealing with major urban issues.

Andrew Cuomo, Assistant Secretary for Community Planning and Development, Housing and Urban Development

Peter Edelman, Counselor to the Secretary, Department of Health and Human Services

Thomas Glynn, Deputy Secretary, Department of Labor

Marshall (Mike) Smith, Under Secretary, Department of Education

Discussion

1:45 p.m.

Break

2:00 p.m.

New funding and organizing initiatives in the private sector

The business sector: access to credit and capital in the private sector
Peter Goldberg, President, The Prudential Foundation

The nonprofit/community sector: building capacity: the National Community Development Initiative
Peter Goldmark, President, The Rockefeller Foundation

The nonprofit/community sector, civic involvement: The Campaign for New Priorities
Joyce Bove, Vice President, New York Community Trust

Discussion

3:00 p.m.

Opportunities for Collaboration

George Latimer, Director, Special Actions, Housing and Urban Development

Discussion

4:00 p.m.

Adjourn

COUNCIL ON FOUNDATIONS

Meeting on Urban Issues

ANA Westin Hotel

2401 M Street, N.W.

Washington, D.C.

September 28, 1993

Attendees

GRANTMAKERS

Ms. Paula Banks

President

The Sears-Roebuck Foundation

333 Beverly Road

BC 112 B

Hoffman Estates, IL 60179

Mr. Nicholas Bollman

Program Officer

The James Irvine Foundation

One Market Plaza - Spear Tower

Suite 1715

San Francisco, CA 94195

Ms. Joyce Bove

Vice President, Program and Projects

The New York Community Trust

2 Park Avenue

24th Floor

Washington, DC 10016

Mr. Jim Browne

Director, Eastern Office

Tides Foundation

2000 P Street, NW

Suite 408

Washington, DC 20036

Mr. Dennis Collins

President

James Irvine Foundation

One Market Plaza - Spear Tower

Suite 1715

San Francisco, CA 94105

Mr. Robert Curvin

Deputy Director, Urban Poverty Program

Represented by:

Ms. Anne C. Kubisch

Deputy Director

Ford Foundation

320 East 43 Street

New York, NY 10017

Mr. Peter Goldberg

President

The Prudential Foundation

15 Prudential Plaza

751 Broad Street

Newark, NJ 07102-3777

Mr. Peter Goldmark

President

The Rockefeller Foundation

1133 Avenue of the Americas

New York, NY 10036

Ms. Valerie Lies

President

Donors Forum of Chicago

53 West Jackson Blvd.

Suite 430

Chicago, IL 60604

Mr. Steven Minter
Executive Director
The Cleveland Foundation
Suite 1400
Cleveland, OH 44115-2001

Mr. Jay Talbot
Senior Program Officer
The Cleveland Foundation
1422 Euclid Avenue
Cleveland, OH 44115

Mr. John M. Mutz
President
Lilly Endowment, Inc.
2801 North Meridian Street
Indianapolis, IN 46208

Ms. Janet Thompson
Vice President, Community Revitalization
Programs
Citibank, NA
850 Third Avenue
13th Floor
New York, NY 10043

Mr. Douglas Nelson
Represented by:
Mr. Ira Cutler
Associate Director
Annie E. Casey Foundation
One Lafayette Place
Greenwich, CT 06830

Mr. William S. White
President
Represented by:
Mr. Jon Blyth
Program Officer
The Mott Foundation
1200 Mott Foundation Building
Flint, MI 48502

Mr. Bruce Newman
Executive Director
The Chicago Community Trust
222 North LaSalle Street
Suite 1400
Chicago, IL 60601

Ms. Rebecca Rimel
Represented by:
Mr. Michael Rubinger
Associate Executive Director
The Pew Charitable Trusts
One Commerce Square
2005 Market Street, Suite 1700
Philadelphia, PA 19103-7017

Mr. Ken Rolling
Woods Charitable Fund, Inc.
Three First National Plaza
Suite 2010
Chicago, IL 60602

GOVERNMENT OFFICIALS

Mr. Andrew Cuomo
Assistant Secretary for Community
Planning and Development
Housing and Urban Development
451 7th Street, SW
Suite 1700
Washington, DC 20410

Mr. Mike Stegman
Assistant Secretary, Policy Development
and Research
Housing and Urban Development
451 7th Street, SW
Suite 8100
Washington, DC 20401

Mr. Peter D. Edelman
Counselor to the Secretary
Department of Health and Human Services
Hubert H. Humphrey Building, Room
615F
200 Independence Avenue, SW
Washington, DC 20201

Mr. Thomas P. Glynn
Deputy Secretary
Department of Labor
Frances Perkins Building
3rd Street & Constitution Avenue
Washington, DC 20210

Mr. George Latimer
Director, Special Actions
Housing and Urban Development
451 7th Street, S.W.
Suite 10232
Washington, DC 20410

Ms. Carol Rasco
Special Assistant to the President for
Domestic Policy
Office of Domestic Policy
The White House
Washington, DC

Mr. Marshall S. Smith
Under Secretary
Department of Education
400 Maryland Avenue, SW
Washington, DC 20202

OTHER PARTICIPANTS

Ms. Angela Blackwell
Acting Executive Director
Urban Strategies Council
672 13th Street
Suite 200
Oakland, CA 94612

Mr. James Gibson
Senior Associate
Urban Institute
2100 M Street, NW
Suite 500
Washington, DC 20037

Mr. Paul Grogan
President
Represented by:
 Ms. Patricia Foley
 Senior Vice President, External
Affairs
Local Initiatives Support Corp.
733 Third Avenue
8th Floor
New York, NY 10017

Mr. Bart Harvey
Vice Chair & CEO
Enterprise Foundation
500 American City Building
Columbia, MD 21044

Mr. Sol Hurwitz
President
Committee for Economic Development
477 Madison Avenue
New York, NY 10022

Ms. Colleen O'Connor
Media Director
Campaign for New Priorities
420 C Street, NE
Washington, DC 20002

Ms. Alvertha Penney
Acting President
National Congress of Community
Economic Development
1875 Connecticut Avenue, NW
Suite 524
Washington, DC 20009

Mr. George Peterson
Co-Director, Urban Networking Project
Urban Institute
2100 M Street, NW
Suite 500
Washington, DC 20037

Mr. Benson Roberts
Director of Policy and Program
Development
Local Initiatives Support Corp. (LISC)
733 Third Avenue
New York, NY 10017

Ways to help

Groups who need it most

① EMP

~~EMP~~ ZONES

need help all communities



② How do we involve those who most need to be involved?

ANA HOTEL WASHINGTON, DC.

LOCAL

Discomfort

First week - ACORN

Angela Blackwell - Jim Sullivan

MasterCard for the staff

"More than a funding exercise"

Appreciate the ~~inc~~ inclusion of Fed agent

Challenges: Rooming of "cross cutting" tied among Foundations

2 tasks in Jan had me been in Ark

(a) Children's Budget

(b) Convene a meeting of Foundations w/

movement in Ark -

ANGELA - Collab. fragmented



ANA HOTEL
WASHINGTON, D.C.

Angela: We know what needs to be done
in what is left to do

Funding streams

Quinn: leadership needed &
and support

Look: "Council" — RACE MATTERS

Sagite: not = union, language?

People fall into lot of note!

We need strong for these
people to make up into
economic reality,

Capacity within communities must
be built

Develop
strategy

① Understanding of data

② Build partnerships w/
style of leadership that
listens, understands
and communicates

③ Understands community

2401 M Street, N.W.
Washington, D.C. 20037



TEL: (202) 429-2400
FAX: (202) 457-5010



ANA HOTEL
WASHINGTON, DC.

Q Evaluate ^{with} community, not
do it ^{to} community

Systemic chg

How to use ~~other~~ ^{other} for
systemic chg

- Involvement of local vendors
- Goals: Create a foundation

Clustering communication
around the "lithons"

~~Adding~~ to be down the road
to next set of meetings
2 to 5 yrs in. when their
line level communication
be different?

How this is communicated
to communication is
critical.



ANA HOTEL
WASHINGTON, D.C.

Memo to VP/HR/HRM on
applic. process

Relate to Academy

2401 M Street, N.W.
Washington, D.C. 20037



TEL: (202) 429-2400
FAX: (202) 457-5010

EUGENE MEYER
AND FOUNDATION
AGNES E.

Julie L. Rogers
President

Suite 360
1400 16th Street, N.W.
Washington, D.C. 20036
(202) 483-8294

Woods
Charitable
Fund, Inc.

Ken Rolling
Program Director

Suite 2010
Three First National Plaza
Chicago, Illinois 60602
312 782-2698


**EVENT: COUNCIL ON FOUNDATIONS PANEL DISCUSSION ON
URBAN ISSUES**
DATE: SEPTEMBER 28, 1993
TIME: 10:00 TO 12:30
PLACE: ANA WESTIN HOTEL, 2401 M STREET, NW

BACKGROUND

On September 28, 1993, you will participate in a panel discussion sponsored by the Council of Foundations on urban issues. You will be expected to open the panel with a discussion for about ten minutes on what is the Administration's commitment to urban issues. The Council is particularly interested in the importance of integrating private/public collaborations in federal strategies, something which has been at the core of our efforts so far (CD Banks, CRA, Empowerment Zones). You should be aware that Andrew Cuomo and Peter Edelman will follow you on the next panel at 12:30 pm. I assume they will discuss the empowerment zones in more detail.

TALKING POINTS

Theme: President's Commitment To Urban Issues.

- The President is deeply committed to making our cities centers for expanded opportunity and economic growth. Bill Clinton recognized long ago that prosperous cities are the key to vital regional economies.
- Early on in his Presidency, Bill Clinton asked Bob Rubin and me to establish a working group on Community Empowerment to implement the Administration's urban agenda. The working group focused on three specific campaign promises. Empowerment Zones, establishing a network of community development banks and financial institutions, and reform of the Community Reinvestment Act (CRA). The President's Empowerment Zone proposal passed the Congress as part of budget reconciliation this past summer, and we are now implementing the legislation. The President's CD Bank and Financial Institutions bill recently was voted out of the Senate Banking Committee, in bipartisan fashion, 18 to 1, and hearings have been held in the House. Finally, the banking regulators are moving quickly to meet the January 1, deadline of the President to reform CRA by instituting performance-based standards.
- The President's commitment to America's cities was underscored recently by the announcement that the Vice President will head up the Enterprise Board, a cabinet-level group responsible for implementing the Empowerment Zone legislation and for working with communities to develop bottom-up, innovative solutions to urban problems. Bob Rubin and I will serve as vice chairs of the Board to ensure complete administration coordination. The Board will be prepared to provide programmatic waivers to communities seeking to use federal funds in innovative ways, with input and financial backing from the private sector. *We need your help.*
-  The Enterprise Board is the ultimate test of reinventing government. *[Nat. Sec., Welf. Ref., Health Care, Ed.]*
- On a separate track, the President's crime initiative was introduced in the Congress last Thursday.

Theme: Private/Public, Cross-sectoral Collaborative Approaches To Urban Empowerment And Development

- In the past, our urban policy has failed because we attempted to rebuild our cities from the top down, and because we ignored the role of the private sector. This Administration's approach is different.

*Every Child Shall
be empowered to develop
to her/his fullest.
Cabinet Network - One Team*

Reform & otherwise

- Second, the public sector must work cooperatively with the private sector to spur economic growth.
- Government must play a supportive, not a paternalistic role in rebuilding our cities. We must allow communities to experiment, and we should encourage innovation. But, providing flexibility to communities is not an excuse for ignoring the problems in our cities.
- Finally, we must look at these problems as a whole, not in isolation from one another. A person who reaches out for help shouldn't have to go to a dozen different caseworkers to get each of his or her questions answered. It does no good to invest in rebuilding a community if we don't also do everything we can to make that community a safe place to work and live. And we cannot revitalize the economies of our inner cities if we do not also strengthen the economic health of the country as a whole.

want to work w/ you in the follow-up

Theme: Change The Way Government Works In Distressed Urban Areas

- Empowerment Zones -- This proposal offers local communities the incentive, targeted investments, and deregulation, they need to work with the private sector to develop comprehensive economic strategies to generate business, create jobs, build community, and empower people to get ahead. No community will be eligible for a single dollar of federal enterprise support, however, unless it submits a comprehensive plan that brings together the community, the private sector, and local government and demonstrates how it will reform the delivery of government services to achieve these goals. All designations, grants, awards, and waivers will be made through a single, competitive designation process open to all distressed communities.
- CD Banks and Financial Institutions -- In order to use the private sector to help communities grow from the bottom up, the President has proposed legislation to create a network of private sector CD banks and other financial institutions -- CDCs, CD Credit Unions, and revolving loan funds. The President's proposal will provide \$382 million in capital and technical assistance to CDFIs whose primary mission will be of community development, lending, equity investment, basic banking services, and loan counseling services in distressed, underserved communities.

COUNCIL ON FOUNDATIONS
Grantmakers' Forum on Urban Policy
ANA Westin Hotel
2401 M Street, N.W.
Washington, D.C.
September 28, 1993

Attendees

GRANTMAKERS

Paula Banks
President
The Sears-Roebuck Foundation
333 Beverly Road
BC 112 B
Hoffman Estates, IL 60179
Phone: 312-875-8337
Fax: 708-286-5918

Jim Browne
Director, Eastern Office
Tides Foundation
2000 P Street, NW
Suite 408
Washington, DC 20036
Phone: 202-833-4663
Fax: 202-833-4670

Nicholas Bollman
Program Officer
James Irvine Foundation
One Market Plaza - Spear Tower
Suite 1715
San Francisco, CA 94195
Phone: 415-777-2244
Fax: 415-777-0869

Dennis Collins
President
James Irvine Foundation
One Market Plaza - Spear Tower
Suite 1715
San Francisco, CA 94105
Phone: 415-777-2244
Fax: 415-777-0869

Joyce Bove
Vice President, Program and Projects
The New York Community Trust
2 Park Avenue
24th Floor
New York, NY 10016
Phone: 212-686-0010 x552
Fax: 212-532-8528

Robert Curvin
Deputy Director, Urban Poverty Program
Represented by:
Roland Anglin
Program Officer
Ford Foundation
320 East 43 Street
New York, NY 10017
Phone: 212-573-5000
Fax: 212-599-4584

Peter Goldberg
President
The Prudential Foundation
15 Prudential Plaza
751 Broad Street
Newark, NJ 07102-3777
Phone: 201-802-7354
Fax: 201-802-3345

Douglas Nelson
Represented by:
Ira Cutler
Director
Annie E. Casey Foundation
One Lafayette Place
Greenwich, CT 06830
Phone: 203-661-2773
Fax: 203-661-5127

Peter Goldmark
President
The Rockefeller Foundation
1133 Avenue of the Americas
New York, NY 10036
Phone: 212-869-8500
Fax: 212-764-3468

Bruce Newman
Executive Director
The Chicago Community Trust
222 North LaSalle Street
Suite 1400
Chicago, IL 60601
Phone: 312-372-3356
Fax: 312-580-7411

Valerie Lies
President
Donors Forum of Chicago
53 West Jackson Blvd.
Suite 430
Chicago, IL 60604

Rebecca Rimel
Represented by:
Michael Rubinger
Associate Executive Director
The Pew Charitable Trusts
One Commerce Square
2005 Market Street, Suite 1700
Philadelphia, PA 19103-7017
Phone: 215-575-9050
Fax: 215-575-4939

Steven Minter
Executive Director
The Cleveland Foundation
Suite 1400
Cleveland, OH 44115-2001
Phone: 216-861-3810
Fax: 216-861-1729

Julie Rogers
President
The Eugene and Agnes Meyer Foundation
1400 16th Street, NW
Washington, DC 20036
Phone: 202-483-8294
Fax: 202-328-6850

*Chair Conf Committee on
Community Foundations*
John Mutz
President
Lilly Endowment, Inc.
2801 North Meridian Street
Indianapolis, IN 46208
Phone: 317-924-5471
Fax: 317-926-4431

Ken Rolling
Woods Charitable Fund, Inc.
Three First National Plaza
Suite 2010
Chicago, IL 60602
Phone: 312-782-2698
Fax: 312-782-5152

Steven Schroeder
President
Represented by:
Rush Russell
Program Officer
Robert Wood Johnson Foundation
Route 1 & College Road East
PO Box 2316
Princeton, NJ 08543-2316
Phone: 609-452-8701
Fax: 609-452-1865

Edward Skloot
Executive Director
Represented by:
Deborah Visser
Program Officer for Community
Revitalization
Surdna Foundation, Inc.
1155 Avenue of the Americas
16th Floor
New York, NY 10036
Phone: 212-730-0030
Fax: 212-391-4384

Jay Talbot
Senior Program Officer
The Cleveland Foundation
1422 Euclid Avenue
Cleveland, OH 44115
Phone: 216-861-3810
Fax: 216-861-1729

Janet Thompson
Vice President, Community Revitalization
Programs
Citibank, NA
850 Third Avenue
13th Floor
New York, NY 10043
Phone: 212-559-0173
Fax: 212-793-5944

William White
President
Represented by:
Jon Blyth
Program Officer
The Mott Foundation
1200 Mott Foundation Building
Flint, MI 48502
Phone: 313-238-5651
Fax: 313-766-1753

GOVERNMENT OFFICIALS

Andrew Cuomo
Assistant Secretary for Community
Planning and Development
U.S. Department of Housing and Urban
Development
451 7th Street, SW
Suite 1700
Washington, DC 20410
Phone: 202-708-2690

Peter Edelman
Counselor to the Secretary
U.S. Department of Health and Human
Services
Hubert H. Humphrey Building, Room
615F
200 Independence Avenue, SW
Washington, DC 20201
Phone: 202-690-8157
Fax: 202-690-7595

Cipriano Garza
Special Assistant, Special Actions Office
U.S. Department of Housing and Urban
Development
451 7th Street, S.W.
Washington, DC 20410
Phone: 202-708-1547

Thomas Glynn
Deputy Secretary
U.S. Department of Labor
Frances Perkins Building
3rd Street & Constitution Avenue
Washington, DC 20210
Phone: 202-219-6151
Fax: 202-219-7971

George Latimer
Director, Special Actions
U.S. Department of Housing and Urban
Development
451 7th Street, S.W.
Suite 10232
Washington, DC 20410
Phone: 202-708-1547

Valerie Piper
Special Projects Officer
U.S. Department of Housing and Urban
Development
451 7th Street, S.W.
Washington, DC 20410
Phone: 202-708-1547
Fax: 202-401-6725

Carol Rasco
Special Assistant to the President for
Domestic Policy
Office of Domestic Policy
The White House
Washington, DC
Phone: 202-456-1414

Marshall Smith
Under Secretary
U.S. Department of Education
400 Maryland Avenue, SW
Washington, DC 20202
Phone: 202-708-5366
Fax: 202-401-3095

Mike Stegman
Assistant Secretary, Policy Development
and Research
U.S. Department of Housing and Urban
Development
451 7th Street, SW
Suite 8100
Washington, DC 20401
Phone: 202-708-1547
Fax: 202-401-6725

OTHER PARTICIPANTS

Angela Blackwell
Executive Director
Urban Strategies Council
672 13th Street
Suite 200
Oakland, CA 94612
Phone: 510-893-2404

Sol Hurwitz
President
Committee for Economic Development
477 Madison Avenue
New York, NY 10022
Phone: 212-688-2063

Robert Borsage
Executive Director
Campaign for New Priorities
420 C Street, NE
Washington, DC 20002
Phone: 202-544-8222
Fax: 202-544-8226

John Parr
President
National Civic League
1445 Market Street
Suite 300
Denver, CO 80202
Phone: 303-571-4343
Fax: 303-571-4404

James Gibson
Co-Director, Urban Networking Project
Urban Institute
2100 M Street, NW
Suite 500
Washington, DC 20037
Phone: 202-833-7200
Fax: 202-429-0687

Alvertha Penney
Acting President
National Congress of Community
Economic Development
1875 Connecticut Avenue, NW
Suite 524
Washington, DC 20009
Phone: 202-234-5009
Fax: 202-234-4510

Bart Harvey
Vice Chair & CEO
Enterprise Foundation
500 American City Building
Columbia, MD 21044
Phone: 410-964-1230
Fax: 410-964-1918

George Peterson
Co-Director, Urban Networking Project
Urban Institute
2100 M Street, NW
Suite 500
Washington, DC 20037
Phone: 202-833-7200
Fax: 202-429-0687

Benson Roberts
Director of Policy and Program
Development
Local Initiatives Support Corp.
733 Third Avenue
New York, NY 10017
Phone: 212-455-9800
Fax: 212-682-5929

COUNCIL ON FOUNDATIONS

James A. Joseph
President
Council on Foundations

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Executive Vice President

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for Public Policy Initiatives

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Legislative Services

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Research and Professional Services

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Foundation News

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Urban-Development Groups Praise Administration for Pledge of Partnership

CHARITY AND FOUNDATION LEADERS disagree about the Clinton Administration's record on many non-profit issues, but in one field almost everyone is encouraged: community development.

Groups that are working to revitalize inner-city neighborhoods say that the Department of Housing and Urban Development, once considered a backwater of government waste and stagnation, has been eager to reach out to non-profits and foundations for new ideas. Perhaps as importantly, HUD Secretary Henry G. Cisneros and his chief deputies have been willing to provide non-profit groups with money and simplified regulations to make their work easier.

Says Steven A. Minter, executive director of the Cleveland Foundation, who is helping to organize a meeting this month of Administration and foundation officials interested in urban issues: "This kind of cooperation and discussion is not brand new, but it's been accelerated in the Clinton Administration."

Among the moves that have drawn praise:

► The Secretary has asked Congress for \$25-million to invest in the National Community Development Initiative, which was begun in 1991 with \$62.5-million in grants and loans from seven foundations and one corporation to help revitalize inner-city neighborhoods. To receive the full \$25-million, the project would have to raise \$75-million in investments from foundations and corporations in a second round of fund raising. "Here's a guy with a terribly troubled department, with very little money, and he's proposed to reach out to the foundations," says Paul S. Grogan, president of the

Local Initiatives Support Corporation, which provides financing and technical assistance to local community-development groups. "That's extraordinary."

► The President's proposal to strengthen community-development banking, announced in July, would provide \$382-million in new money, mostly through existing non-profit loan funds, credit unions, and other institutions, rather than creating a network of new banks as he had proposed during the campaign. Working through existing organizations had been a key recommendation in a paper submitted to the White House by a coalition of eight community-development groups. "Ninety percent of what was in the bill was recommended by people in the field," says Martin Trimble, executive director of the National Association of Community Development Loan Funds. The legislation is still pending.

► Assistant Secretary for Housing Nicolas P. Retsinas has begun a program in two cities—Richmond, Va., and Chicago—through which HUD sells repossessed housing to non-profit groups, rather than to private

investors, who HUD officials said often left the buildings to deteriorate. In a seven-month test phase, the department sold 200 houses, twice its goal, and now plans to spread the program to another 20 cities.

► The White House proposed making permanent the Low-Income Housing Tax Credit, which has helped channel hundreds of millions of dollars in corporate investments into development projects. Congress approved the idea in the tax measure passed last month. The tax credit has been key to the fund-raising success of many community-development groups, such as the Local Initiatives Support Corporation.

"We're not going to be able to accomplish all we want solely with governmental funds, nor is it even correct to do so."

In an interview, Secretary Cisneros said he hoped to work more closely with national, community, and local foundations to finance community-development efforts.

"We're not going to be able to accomplish all we want solely with governmental funds, nor is it even correct to do so," he said.

In part to look at ways to improve collaboration with non-profit groups, the Secretary has appointed a former Mayor of St. Paul, George Latimer, as director of a new Office of Special Actions.

"His job is to develop the concept, to see what is possible," the Secretary said, "up to the level that we're ready to institutionalize."

Mr. Latimer is familiar with the philanthropic world: As Mayor, he led a major downtown redevelopment project financed in part by the McKnight Foundation in Minneapolis. His wife, Nancy, is a senior program officer there.

'Potential for Collaboration'

Secretary Cisneros said that several foundation efforts nationwide offer "the potential for collaboration."

Among the models he cited: the Cleveland Foundation Commission on Poverty, which issued a report in March calling for a neighborhood-by-neighborhood approach to community development that takes full advantage of strong leaders and institutions, such as libraries, as the centerpiece of reform.

The commission's findings formed the "intellectual basis" for a new federal program, the \$300-million Urban Revitalization Demonstration Program, according to Sen. Barbara Mikulski, the Maryland Democrat who chairs the subcommittee that appropriates money for HUD.

The Secretary visited Cleveland this month to deliver a \$50-million grant under the new program. The money

will enable the Cuyahoga Metropolitan Housing Authority to rehabilitate 500 units in two housing developments. In a departure from HUD's typical bricks-and-mortar approach, \$10-million of the grant is earmarked for community-service projects that involve residents in activities such as job training, literacy programs, and day care.

The two housing developments, located in neighborhoods that the commission has picked to test its redevelopment ideas, received the maximum allowable grant "because the Cleveland Foundation is a partner with us in that effort," Secretary Cisneros said.

The poverty commission was financed by \$1-million in grants over three years from the Cleveland and Rockefeller Foundations (on whose board Secretary Cisneros served until joining the Administration). This year it received \$1.5-million from HUD to implement the recommendations, and the Cleveland Foundation has pledged to match that amount.

Mr. Minter says he did not have to push the commission's recommendations on HUD, as he discovered when he received an unsolicited phone call from Mr. Latimer.

Says Mr. Minter: "It's the first time in my experience at the Cleveland Foundation—18 years—that someone has picked up the telephone at his level to say, I've looked at the report and recommendations, and I think there's something significant here, and I'll tell you why, and this is the kind of stuff we'll have to do in other places." —KRISTIN A. GOSS

GOVERNANCE AND THE CIVIC INFRASTRUCTURE OF METROPOLITAN REGIONS

Renewed interest in regional governance is evident around the nation as metropolitan areas attempt to address the challenges of a globalizing economy, environmental quality and social equity.

ALLAN D. WALLIS

A century ago changing economic and social conditions in the central cities of the United States pressed against existing governance capacity. City fortunes were increasingly dominated by large corporations rather than small and medium size firms. The new economy demanded a public sector able to provide essential services and infrastructure on a larger scale, and capable of assuring the tranquillity of labor and safety in the workplace. Although political machines provided a response to these requirements, they were inefficient, unpredictable and ultimately inadequate.

GOVERNANCE AND THE POLITICAL ECONOMY OF REGIONS

Transformation of the economy of cities was paralleled by a changing socio-spatial order. The development of street car suburbs began an outward migration later accelerated by mass car ownership. As the white middle class fled the central city, politicians acted to expand corporate boundaries. State legislatures were allied in these efforts. Believing that the fortunes of their central cities were tied to size and population balance, they supported forced annexation and promoted consolidations.

This article is based on research supported by grants from the Carl & Lily Pforzheimer Foundation and the Aspen Institute.

REGIONAL CIVIC INFRASTRUCTURE

The Reform Movement arose in response to the new realities shaping urban America. It promoted structures and processes of governance designed to improve efficiency and effectiveness, but also to increase accountability and citizen involvement. By the 1920s, however, the impulses of reform were pulling in two different directions. It was already clear at this point that the spread of urban populations made governance a metropolitan rather than a municipal problem. The preferred solution of reformers, in this regard, was to promote consolidations in the belief that the expansion of general government offered the best approach to achieving efficient and coordinated development.

But reform also provided the tools with which suburban areas could administer and provide for themselves. The rise of professional management, the creation of single-purpose regional authorities, and the central-city practice of selling services to suburbs without requiring annexation, all served to further independent suburban incorporations. The rising power of suburbs cautioned legislatures against engaging in forced consolidation while simultaneously encouraging them to change the rules of annexation with a greater balance of power provided to suburbs. Within a few decades cities found themselves ringed by incorporated suburbs, cutting off their continued expansion and signalling, for many, the onset of decline.¹

The new realities of metropolitan regions in-

cluded increased fragmentation of governance. When specific services necessitated an economy of scale or a pooling of resources, public authorities could meet the requirement. But authorities, and eventually the proliferation of special districts, simply compounded fragmentation. The Depression and war years offered a respite by slowing growth. Many cities de-annexed territory rather than provide it with services.

Following the Second World War metropolitan areas exploded again. The combined effect of new highways to ease commuting and low-interest federally guaranteed home loans fueled suburban growth and accelerated central city decline. Cities that could not expand lost population, and those that continued to gain did so because they still had a capacity for territorial expansion.² White flight posed the possibility of minority dominance. Indianapolis was one of the few cities which still found it possible to address the issue through a city-county consolidation.

The combined effect of federal programs, including grants for local infrastructure development, resulted in further fragmentation of regional governance. By the late 1960s Congress sought to reverse some of these effects by requiring regional planning and coordination for programs supported by federal dollars. During the 1970s almost 40 programs with such requirements were established. But over the same period court ordered bussing and other attempts to redress

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social inequities had the effect of further polarizing central cities and their suburbs. The State of Colorado, for example, passed new annexation requirements within months of court ordered bussing, virtually ending annexations by Denver.

With little resistance, Republican administrations during the 1980s dismantled or severely weakened the authority and responsibility of federally mandated regional planning agencies. At the same time, however, shrinking federal grants to subsidize the costs of new growth — combined with growing state deficits — reduced or eliminated funds supporting the fragmented development of metropolitan expansion. As if past remedies had finally exhausted themselves, by the end of the decade new reasons for revisiting efforts to create effective regional governance were emerging from multiple sources.

THE NEW REALITIES OF METROPOLITAN REGIONS

The current realities of metropolitan regionalism are perhaps most succinctly characterized by the contrast between the Interstate Highway Act of 1956 and its successor, the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA). The former provided the roads that fueled suburban development, along with funds to cut paths of destruction through central city neighborhoods. By contrast, the explicit

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objective of ISTEA is to foster integrated development of transportation and land use mindful of environmental quality. Metropolitan regions now have greater control over the prioritization of transportation projects and greater flexibility in moving funds, which once belonged exclusively to highways, into other modes.³

ISTEA is perhaps the most visible but hardly the only sign of new attempts to foster regional governance. A growing number of states, for example, have adopted comprehensive growth management laws with specific requirements for regional plan-

ning.⁴ In addition, literally tens of thousands of interlocal agreements have been crafted to try to achieve economies under conditions of fiscal stress.⁵ Today is a time, not unlike a century ago, when there is active and widespread experimentation in governance; experimentation attempting to produce a problem-solving capacity corresponding to the new conditions shaping metropolitan regions.

THE POLICY ARENAS OF REGIONALISM

The reasons offered in justification of regional governance fall within three broad policy arenas.

Economic Development. Just as the rise of a corporate-based economy fueled demand for reform of municipal governance a century ago, today there is widespread recognition that the U.S. is again in

REGIONAL CIVIC INFRASTRUCTURE

the midst of a profound economic transformation. The dominance of heavy industrial production is being replaced by service and high-tech employment. Business today is increasingly footloose, free to choose its location, and distinctly international in scope. Whereas a century ago every central city could point to its corporate headquarters and locally owned banks, today the CEOs of a region's major firms are, more often than not, located out of town.

The end of the Cold War and the promise of free trade agreements have made corporations even more footloose. With the declining significance of tariff protections and national defense, metropolitan regions—rather than nations—are becoming the principal units of economic competition.⁶ The competitiveness of regions, in turn, depends on the quality of their work force, which is to say, the quality of education from public schools through to universities. Competitiveness is also increasingly dependent on the quality of the environment: the purity of the air and water, as well as the quality of neighborhoods and downtown districts.

Infrastructure, Services and Facility Siting. For almost two decades state and local governments have deferred maintenance of infrastructure while attempting to balance deficits. At the same time, new growth has created additional demand for services and infrastructure. The old assumption that growth will pay for itself is no longer treated as revealed truth. Several

states—most notably Florida, New Jersey, and Washington—have placed additional requirements on local governments, restricting their acceptance of new growth unless they demonstrate the fiscal capacity to support its demands for infrastructure and services. Once again, the search for economies through improved coordination and cooperation among local governments is being raised—with new muscle attached.

In order for regions to remain competitive they must not only find the funds to provide infrastructure and services, they must be able to site the facilities that support growth. For example, the new service-based economy demands ease of transportation and communications. Most major metropolitan regions today are operating with airports at or near capacity. But local resistance to airport expansion makes the development of significant new capacity next to impossible.

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The same gridlock in permitting other facilities necessary for the continued growth of regions is also amply in evidence. Solid waste from Portland and Seattle, for example, travels hundreds of miles to a rural landfill, located in a community where such a facility is welcomed as a source of jobs. Prisons, hospitals and halfway houses are also on the growing list of so-called NIMBYs and LULUs, but so too is affordable housing. In the San Francisco Bay Area an organization representing business interests—the Bay

Area Council—has been promoting regional governance as a means of addressing the need for affordable housing. In an area of the country where housing prices are at a national high (even during a recession) employers find it difficult to attract workers because of the dearth of affordable housing.

In an attempt to protect their quality of life and tax base, local communities are choosing to restrict or exclude a growing number of facilities. The collective effect is gridlock which threatens to strangle the economic vitality and growth of the entire region.⁷

Equity and Redistribution. The exclusion of affordable housing raises equity issues supporting regional governance. If local communities, left to their own devices, exclude whole classes of people, one clear effect is aggravated concentrations of the poor and less mobile in central cities. Furthermore, as the tax base of older cities declines, their ability to meet the requirements of the indigent in areas such as education and health care, not to mention sanitation and public safety, all diminish. Increasingly the social and fiscal disparities between central cities and suburbs are shared by older close-in suburbs whose housing stock is aging and whose population is increasingly minority dominated.

States fighting their own budget deficits are hardly in the position to bail out their central cities and older suburbs. Consequently, they have begun to think about metropolitan regions

from the perspective of revenue sharing and other methods of redistribution. In areas such as public school finance, states have been propelled in their thinking by court orders.

Recent scholarship suggests an additional motivation for tying the fortunes of suburbs to their central cities. Several studies conclude that when central cities are in decline they diminish the earning power of firms and individuals in their suburbs.⁸ Just as the wealthy in Victorian London realized that they had to build sewers to protect against cholera because it couldn't be confined to poor neighborhoods, so today suburban economic health appears to be tied in inextricable ways to the fortunes of central cities.

CAUTIONARY TALES OF REGIONAL GOVERNANCE

In many respects the challenges of regional governance today sound strikingly familiar—the demands of a changing economic structure, calls for the efficient delivery of infrastructure and services, fiscal disparity and social inequities—but on a larger scale.

This familiarity may lull some advocates into suggesting a return to familiar solutions (e.g., rationalized annexation, city-county consolidations, etc.). But the problems of metropolitan regions today are different, not simply by order of magnitude, but in their complexity. For example, the challenge of effective coordination is not simply one of making different

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pieces of a highway system function as a whole, or even of coordinating them with development of other modes. The challenge today is integrating transportation with land use and environmental quality.

Previous failed attempts to achieve regional governance offer important cautions for present efforts. The first caution is that top-down approaches are destined to be rejected or thwarted. Top-down federal programs were effectively subverted in the course of local implementation. For their part, state legislatures tread lightly in attempts to encroach on the traditional local government province of home rule, even though constitutionally they hold the power. But the avoidance of top-down approaches should not be confused with the avoidance of governance that attempts to structure decision making from general goals to specific objectives. For example, state growth management driven by statewide goals is more acceptable than growth management that attempts to closely regulate local land-use decision making.

In addition to resistance to top-down approaches, regionalism that appears to create a new layer of government, regardless of whether it does so in fact, is unacceptable to voters and local government. Proposals for regional governance that consolidate existing regional authorities do not necessarily defuse this concern. Coop-

eration, coordination and collaboration are acceptable, but structural consolidation and integration are not.

Single-purpose functional coordination, particularly under the control of an authority, may be more acceptable than the creation of a general-purpose regional government, but it has distinct limits. A water district may concern itself with assuring water supply without including purview over water quality and, in all likelihood, without concern for land-use decisions affecting water demand. Likewise, a transportation district may concern itself with the functional integration of a single mode of travel, but less often with the relationship between modes, or with the integration of transportation with land use and air quality. In short, single purpose regional authorities at best provide fragmented plans for a region's development which may even contradict one another.

The problem of fragmented regional decision making is compounded by the action of individual municipalities each pursuing its own land-use plan with the objective of maximizing internal benefits.⁹ Added to this is involvement of interest groups placing referenda on ballots and challenging development orders in court. The net result is that certain types of facilities essential to the welfare of a region may be excluded from virtually every municipality.¹⁰

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Opportunities for citizen participation and local autonomy are important, but the expression and exercise of local control over decisions to say "no" must be balanced with a corresponding obligation to say "yes" to a fair share of needed facilities.

In the past the problems of regional governance were typically treated as a challenge to and the responsibility of government. Coordination and collaboration were viewed as issues of intergovernmental relations. While the public sector clearly remains an important part of any response, acting alone it lacks the capacity to solve current regional problems. Governance must involve the private and nonprofit sectors, as well as the public sector, in ways that do not compromise the missions of any one yet employ the capacities of all.

FUNCTIONS OF REGIONAL GOVERNANCE

Collectively the listed cautions suggest what governance should not be, but what should it be? The traditional answer, from a reform perspective, is that it should facilitate actions that are efficient, effective and accountable. A fourth, more recent cardinal value is that action should not reduce, and should preferably enhance, social equality. But if governance is considered from the perspective of problem solving — specifically in terms of addressing the new realities of regionalism — the things that re-

gional governance should do can be cast in a somewhat different form.

- First, regional governance must provide the capacity to identify problems of regional significance. But beyond problem identification, governance must provide the capacity to recognize *opportunities* of regional significance. Put somewhat differently, governance should facilitate the formation of a vision of the region's future. Not a master plan, but a vision.

- Second, regional governance must provide the capacity to achieve and sustain consensus to support specific actions. Regions encompass a broad range of interests,

not least of which are the interests of its individual communities. The challenge is to find a common purpose within this diversity that transcends the propensity to maximize local advantage.

- Finally, regional governance must provide the capacity to focus resources. In part, this involves setting priorities as well as establishing a fair-share basis for distributing those facilities that are locally undesirable but essential to the well-being of the region as a whole.

If regional governance is fundamentally about capacity building, what is this capacity to be drawn from?

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As previously suggested, the challenge of governing the region — of purposefully

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charting its destiny — is not the responsibility of government alone. It includes the active involvement of the private and nonprofit sectors, as well as the public sector. And it is an effort that must engage all through a sense of regional citizenship.

The capacity of all three of these sectors to act out of enlightened self-interest in pursuit of the betterment of the region constitutes the *civic infrastructure* of the region. The term civic infrastructure, as used here, is analogous to Robert Putnam's concept of social capital, the "features of social organization, such as *networks, norms* and *trust*, that facilitate coordination and cooperation for mutual benefit."¹¹

The *networks* of civic infrastructure consist of the formal and informal lines of communication among stakeholders from different sectors. Networks allow leaders and managers to meet without great effort (i.e., with low transaction costs).¹² As distinct from bureaucratic forms of communication, networks facilitate exchange by being non-hierarchical and opportunistic. Although networks are often established to serve a ~~single~~ purpose, they operate best when they support a broad exchange of ideas and allow for the development of shared perceptions, especially concerning the region's problems and opportunities.

In a more diffused but nonetheless significant way, networks can facilitate the exchange of information and ideas within the general population. Regions with strong civic infrastructures provide many oppor-

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tunities for people to meet, especially in unplanned encounters: at the theater, during open-air concerts, at public celebrations. Such meetings are easier where there are public places used by a cross-section of the region's citizens: a vital central city downtown, a shoreline, a park. The exchange of information about the region is

also facilitated by local media: newspapers, television and radio.

The formation of networks is facilitated when stakeholders share *norms* and *values* in common. Considerable population diversity may act as a challenge in this regard, but probably no more so than when a population is highly homogeneous but also very mobile. Regardless of the diversity and mobility of its population, a fundamental foundation for constructing common norms and values is a shared *identification* with the region-as-place. As Daniel Kemmis observes, genuine community cannot exist in the absence of such identity. It provides the basis for regional citizenship and the norm of stewardship of place.¹³

Trust is also essential to civic infrastructure. It is a prerequisite for genuine cooperation. It is perhaps ironic that one of the great successes of the reform movement — development of mechanisms of strong accountability — is implicitly based on distrust. Accountability, in its many forms, erects barriers to the formation of networks across sectors, and works to establish strong boundaries between them. The challenge of regional governance requires a

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lowering of barriers and the fuzzying up of boundaries. The ultimate objective of accountability remains, but with trust the emphasis can shift from a concern over how resources are allocated to an emphasis on performance and the achievement of goals and objectives. This shift in emphasis is evident in the types of public-private partnerships that are now commonly utilized to achieve downtown redevelopment and other forms of urban renewal.

NEW STRUCTURES AND PROCESSES OF REGIONAL GOVERNANCE

Effective governance must fully employ the civic infrastructure of the region. It must cultivate a sense of regional citizenship. These are no small challenges. Structures of fragmentation and a propensity to protect what is closest to home raise significant impediments. But there is evidence of widespread experimentation with new structures and processes of governance that offer promise. Here is a brief tour of some current efforts.

Building Consensus and Resolving Disputes. It has now become commonplace for cities to engage in visioning processes as a means of directing future development. These efforts involve a broad range of stakeholders, all acting in their own interests but attempting to define a shared future.¹⁴ Today, visioning is also occurring at the regional level. Bay Vision 2020, for example, was a project jointly sponsored by

the Bay Area Council, a coalition of private economic interests, and the Greenbelt Alliance, an environmental coalition. Bay Vision 2020 resulted in a proposal for a new form of regional governance. Although narrowly defeated in the California legislature last year, a revised governance alternative is still pending. The Atlanta Regional Council is currently engaged in a visioning project as are other regions around the country.

Visioning is one process for building consensus. Other methods being employed include development of "cross acceptance" agreements designed to achieve consistency and compatibility among local land-use plans in a region.¹⁵ New Jersey and Georgia are both using cross acceptance as a method to facilitate state growth management. Consensus is not always easy to forge, and many states also employ alternative dispute resolution (ADR) techniques to resolve conflicts and advance a regional purpose. Several states have mandatory ADR for

specific types of disputes. The State of Washington, for example, has established three boards with specific responsibility for resolving disputes arising from the establishment of urban growth boundaries.

Before situations reach a point of dispute, negotiated rule making may provide ground rules that facilitate cooperation. The idea is to treat regulations less from a command and control perspective and more in terms of

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contractual agreements.

Enhancing Identity and Environmental Stewardship. Several states now mandate or encourage the creation of urban growth boundaries. New development within the boundary is typically vested for the provision of infrastructure and services, but development beyond the boundaries is either prohibited or must pay for all of its regional impacts. In Portland, Oregon, where the growth boundary has been in place for 20 years, there is clear evidence of its effects. At the very least, this period of time has served to make citizens familiar with the boundary, thereby enhancing their sense of "the region."

Processes for assessing developments of regional impacts (DRIs) have been employed for at least two decades, providing another mechanism for enhancing local responsibility for a region's well-being. In at least half a dozen states DRI processes allow local governments to review development orders for large-scale projects and determine if spillover impacts should condition approval.

Many states have also adopted programs to protect areas of critical state interest (CSIs). Developments in such areas are subject to special review, which conditions and may supersede the development orders of a local government. CSIs usually involve development of an area master plan. In some states, such as Florida, creation of these master plans has been conducted by

committees that included corporate and nonprofit members.

Neighborhood Identity and Governance. An important part of any effort to increase residents' identification with place is to enhance their sense of belonging to a neighborhood. There are at least two important efforts being made in many cities and regions to reinforce neighborhood identity. The first consists of providing opportunities for neighborhoods to participate in governance. Typically, neighborhood voice in decision making consists of organizations formed to resist LULU and NIMBY developments. But many cities

have realized that if neighborhoods are to assist in rather than merely resist change they must be given a positively structured role in a wide variety of decisions.¹⁶ The City of St. Paul, Minn. has done this by involving neighborhood councils in capital-improvement planning. Minneapolis and Seattle both have programs permitting neighborhoods to apply competitively for grants to support improvement projects. Neighborhoods must match city

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dollars with in-kind contributions of labor and materials.

A second effort to develop neighborhood identity is occurring through design. Under such names as "urban village," "pedestrian pockets" and "transit-oriented development," urban designers are proposing patterns of development in new suburbs which they hope will enhance resi-

dents' identification with place. Using similar principles, designers are also trying to encourage more intense mixed-use, transit-oriented development within existing central-city neighborhoods.

In addition to enhancing residents' identity with place and their constructive involvement in local decision making, efforts to achieve effective neighborhood governance are important in assuring that minorities — who have gained significant political power in central cities and close-in suburbs — don't lose their clout in the process of creating regional-level governance. In the 1970s this concern was a basis for minority group opposition to regional governance.¹⁷ This concern remains today. If neighborhood governance can be significantly and meaningfully enhanced, a serious — and hitherto effective — objection to regional governance may be defused.

A truly effective form of regional governance could provide a foundation for weakening authority at the municipal level while strengthening it at the neighborhood and regional levels. While this may sound like radical thinking in the United States, it is being successfully advanced in other First World countries.¹⁸

Creating New Forms of Public-Private Partnership. Public-private partnerships in a wide variety of forms have become com-

monplace in cities, especially in connection with urban redevelopment.¹⁹ But these partnerships are also beginning to take on a regional scope. Build-Up Greater Cleveland is a program developed as a partnership between the City of Cleveland, surrounding suburbs, and private business interests. It develops a common prioritized plan for infrastructure improvements and uses its collective political clout to lobby state and federal agencies to fund its projects.

The Seattle Concordia Corridor Transition Project is one of a growing number of new partnerships between public and private interests designed to develop strategic plans for regional economic development. The partnership has a two-fold objective: first, to market the assets of the

region; second, to develop assets where they are deficient (e.g., port and airport improvements, new research centers at universities, etc.).

Public-private partnerships combine the unique capacities of two sectors. Although such partnerships are clearly focused on the economic development arena, they define the boundaries of that arena broadly to include a concern for the supply of affordable housing and the quality of public education.

Public-Nonprofit Partnerships. Public-nonprofit partnerships offer new capacity in addressing redistributive and equity issues. Because nonprofits are less con-

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strained by public sector accountability, they have greater flexibility in addressing human needs. Like the private sector, nonprofits are less interested in local jurisdictional boundaries and, consequently, act on more of a regional basis. Many United Ways, for example, are metropolitan in scope, and some have adopted the practice of doing annual plans jointly with local governments.

There are other aspects of nonprofits which help to forge regional action. One is the work of local foundations in bridging barriers between sectors. Many of the public-private and public-nonprofit partnerships evident in Cleveland, for example, were facilitated through funds provided by the George Gund Foundation and the Cleveland Foundation. In many older cities, established foundations are active regional catalysts.

A wide variety of civic organizations also serve to raise regional awareness. Because they are nonpartisan, civic organizations can create and help facilitate a regional agenda. Confluence, the civic organization in St. Louis, for example, has addressed some of that region's thorniest problems, such as school integration, and succeeded in facilitating some cooperative solutions.²⁰

Media and Place Identification. Most newspapers and local broadcasters do a poor job of reporting the news of a region in a way that helps build awareness and identity. But some papers have a strong history of helping to set a tone of responsible regional citizenship. *The Oregonian*, published in Portland, has long pursued an editorial and reporting policy which makes

regional news commonplace. The Knight-Ridder papers have sponsored a series of reports by *Washington Post* columnist Neal Peirce designed to raise awareness of regional issues. Increasingly, local media are becoming active participants in and sponsors of regional town meetings and visioning efforts.

Regional Leadership Forums and Training. One of the problems challenging regional governance is the lack of effective leadership willing to pursue a regional agenda. Speaking out as regionalists leaves local elected officials vulnerable to charges of caring more for others than one's own constituents. Private sector civic leadership is also increasingly hard to find, as corporations consolidate and fewer cities are able to claim the home office.

Several regions have recognized this problem and have established or are developing forums and training programs to both raise awareness of regional issues among leaders as well as train people to be regional problem solvers. For their part, corporations are establishing explicit policies to encourage civic involvement, especially by their CEOs.²¹

CONCLUSION:

THE RACE IS ON

The previously cited examples of regional cooperation across sectors raise hope that a basis for genuine regional governance is developing. But realistic assessment introduces some serious doubts regarding the potential effectiveness of these initiatives. The simple truth is that efforts to establish regional governance are fighting significant trends toward increased fragmentation and

polarization. To use Robert Putnam's terminology again, the destruction of "social capital" appears to be occurring at a more rapid rate than its formation. Put differently, civic capacity is being eroded in most regions faster than it is being either established or restored.

For every effort encouraging corporate involvement in civic affairs and regional leadership training there are probably a dozen instances of corporations becoming more detached from the places where they are located. For every successful effort to celebrate the diversity of an area's population, there are multiple examples of communities engaged in what Rutgers University's George Sternlieb calls "forting up" to exclude "undesirables." Many regions are able to pull together behind a single major project (e.g., a new airport or ball park), but the good will established by such efforts can disintegrate when more intractable problems are to be addressed. Denver, for example, was able to negotiate with neighboring Adams County to allow for the annexation of land which will soon open as a major new international airport.

But shortly after the annexation election was won, the two sides polarized.²²

In a very real sense, regions are in a race against time. Their economic and social realities are changing. Viewed in a global context, those regions that fail to learn how to function as units are very likely to face accelerated decline. In fact, this threat is perhaps the best hope that real efforts at governance reform will advance beyond the level of isolated experiments into a genuine movement.

At the very least, state legislatures will have to become champions of regionalism, and the federal government will have to create new programs encouraging and supporting states in their efforts. But at a more fundamental level, regionalism will have to draw upon all sectors, players and stakeholders in the regional milieu. Regionalism must emerge from a regional civic community if it is to be effective. Those regions that already have strong civic infrastructures will have a clear advantage, but those that don't will have to try to stimulate its development or risk inexorable decline.

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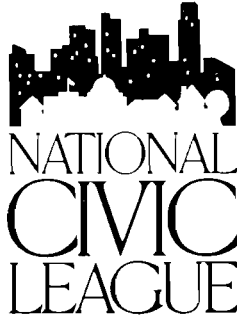
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Allan D. Wallis is an assistant professor of Public Policy at the Graduate School of Public Affairs, University of Colorado at Denver, and director of research, National Civic League.



METROPOLITAN PARTNERSHIPS
A Working Paper
of
the National Civic League

The National Civic League (NCL) believes there is a tremendous need for the formation of citizen-based partnerships to become significant voices in policy making and forming consensus for action across their regions. We believe that bringing together central city community based organizations addressing persistent poverty issues and regional civic organizations could create a new coalition capable of working and planning on a regional basis.

Central cities and their surrounding suburbs share a single metropolitan region. Seen from an airplane, the municipal borders which divide them are invisible. In the end, their economies, their work forces, their educational systems, their social service systems are inextricably linked. Yet today, too many center cities and some older suburbs exhibit a siege mentality. Many newer suburbs are designed, figuratively if not literally, as walled-off enclaves. In no region is a shared and cohesive metropolitan-wide approach being taken to address critical issues. Neither federal nor state governments are proposing metropolitan-based solutions; indeed they seem to take fewer and fewer measures to assist hard-pressed inner cities, and they may be even less responsive as suburban representation rises again as a result of the 1990 census. There's deep doubt in the fiscal capacity of Washington and the states to help much -- even if the political will were there.

This means each region must work hard to coalesce its own progressive forces, from the inner city to the outermost suburban rings, on issues from strategic economic planning to region-wide work force preparedness to pressing social problems which eventually affect every citizen of the region. Some business and non-profit organizations have a more metropolitan and long-term view of issues, but they have few links to the community-based organizations most intimately in touch with troubled neighborhoods and families.

Over the last decade many communities have seen the growing impact of comprehensive neighborhood-based community empowerment initiatives. In particular those funded under the Rockefeller Foundation's Community Planning and Action Program, the Ford Foundation's Neighborhood and Family Initiative and the Annie E. Casey Foundation's New Futures Initiative have had great impact. At the same time, Regional Civic Organizations (RCO), some over a century old and others just forming, have become effective voices for the development of metropolitan wide approaches for issues from racial/ethnic relations to economic development.

If these emerging forces could be brought together to combine their strengths and approaches they could become the force missing in metropolitan areas that are looking for dramatically broadened dialogue and "win-win" solutions to pressing regional problems.

A metropolitan partnership must be truly regional, including broad suburban and exurban representation. The effort would be politically fatal if it were seen as a mere "front" for inner-city political agendas. But the neighborhood organizations associated with the new community-based empowerment initiatives are not synonymous with City Hall. They reflect the grassroots and an openness to new approaches. This means they are positioned to enter the metropolitan debate as a new and quite appealing force, one quite capable of building alliances with thoughtful suburbanites.

This all presumes there is a metropolitan debate into which they can enter. Few such dialogues are occurring, but the need for these debates is one of the key reasons there need to be regional civic organizations. Comprehensive, open-to-all citizen-based regional citizen organizations need to be up and running to provide a counterpoint to the parochialism of elective politics. These groups are needed to formulate positions on critical region-wide problems, and forge issue alliances with thoughtful public officials.

Specifically how might this work? In Cleveland, the Citizens League of Cleveland, a 96 year old institution is working to implement the findings of a 1990 Citizens League Research Institute report which found that "Complex metropolitan problems need to be dealt with on a comprehensive region-wide basis." The report further concluded, "The key requirement for the successful resolution of Greater Cleveland's complex regional problems is strong coordination among the units of local government, key community organizations, and private interests in Cuyahoga County." The Cleveland Commission on Poverty has released its plan of action for shared policies and programs to strengthen the human, economic and physical assets of Cleveland's low-income neighborhoods. These two organizations, with very

different bases, have not brought their work together. It is our belief that while these organizations have very different starting points and natural constituencies, a coming together of their resources could have a dramatic impact.

GOVERNING GUIDE: OPEN SYSTEMS

THE SCHOOL FINANCE QUAGMIRE

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The Magazine of States and Localities



**ON THE OUTS: THE LOCAL LOBBY
AND THE CLINTON WHITE HOUSE**

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It is less than three blocks from Tom Cochran's office on I Street to the Oval Office on Pennsylvania Avenue, but for the past dozen years, those blocks of downtown Washington might as well have been a thousand miles. To Cochran, his fellow strategists for the U.S. Conference of Mayors, and most of the state and local government lobby, the White House was enemy territory.

That was supposed to change this year, with the departure of George Bush and the arrival of a new Democratic president who had spent more than a decade seeing Washington from the perspective of a state capital. At long last, the state and local deal-makers were to be welcome again in the corridors of federal power. Someone would answer when they knocked.

Or so it seemed in the giddy winter days of the Clinton transition. But these days are a little different.

Not long ago, Cochran, executive director of the mayors' conference, was sitting in his charmingly cluttered corner office telling a complicated and, to him, supremely frustrating story. It is about how President Clinton's \$16 billion economic stimulus package—which contained a host of city-friendly projects—fell victim to Republican opposition last spring. As he tells the story, he goes into minute detail, as though in such meticulous telling, one more time, the outcome might be made different.

It is not only a story about a piece of legislation that failed, but, in the larger sense, a recapitulation of the 12 lean years: of having to scratch and claw to get funds for Community Development Block Grants, job training and Head Start; of watching such favored urban programs as local revenue sharing, Urban Development Action Grants and the Comprehensive Employment and Training Act wiped off the books or dissipated to nothing. It is about seemingly endless federal mandates—from environmental decrees to the Americans with Disabilities Act—with no money provided by Washington to pay for meeting them. It is about what some state and local officials have come to call "shift-and-shaft" federalism. It is a very long story.

In the middle of it, however, the phone rings. Cochran jumps up to take

the call. It is the White House. They want all the information that the mayors' conference can give them on the subject of community-based policing. Cochran is polite—almost diffident—but he looks more than a little annoyed and exasperated.

And it is not hard to see why. The Clinton administration isn't calling to offer anything. It is calling to ask the mayors to deliver one more thing (just as they were asked to deliver during the presidential campaign last fall.) And they don't want to

talk money, they want to talk about policing—a significant subject, to be sure, but not exactly a front-burner issue at the moment for the U.S. Conference of Mayors.

It all signals to Cochran that the busy and new-to-Washington bees over in the White House seem determined to land on every public policy flower in the field—except the ones on which the mayors would like to see them alight.

SO THE EUPHORIA about Bill Clinton on the part of the mayors has gone away, to say the least. But it is not just the mayors who are growing unhappy about their ally in the White House. The whole state and local government lobby, from the cities to the governors to the towns and townships—a lobby that does not by any means find itself united on everything—is reaching a consensus on one very discomfiting prospect: Having a domestic activist

"friend" like Bill Clinton in the White House could prove much more expensive to states and localities than having a domestic do-nothing adversary like George Bush.

"In January, Bill Clinton sat down in George Bush's chair, pulled out the desk drawer, opened the ledger and discovered there was no money," says Frank Shafroth, veteran lobbyist for the National League of Cities. "So he wants to get all these things done, but all he's got is mandates to do them with."

But while an activist president with no money is an expensive enough proposition for state and local governments, they now realize they have an even more serious situation on their hands: an activist president intent on cutting the federal budget deficit almost any way he can get it done.

C O V E R S T O R Y

NOT A LOCAL ★ HERO ★ ANYMORE

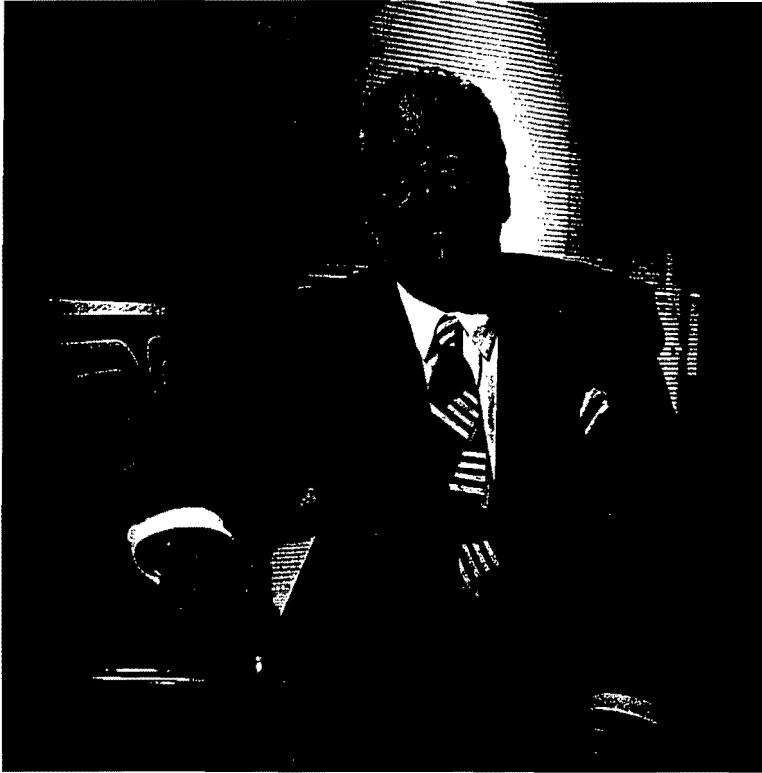
States and cities are learning that
an old friend in the White House can be
as much trouble as an enemy.



BY JONATHAN WALTERS

With Bill Clinton working in concert with a budget-deficit-driven United States Congress, the next four years could make the previous 12 seem like the good old days to states and localities.

"I think people are going to look back and see 1989 to 1993 as the lull before the storm," says Steve Gold, head of the Center for the Study of the States. "When you look at the enormity of the federal budget problems, you have to expect that the feds are going to make the states chip in." And when



'When the plug was pulled on the stimulus plan,' says Tom Cochran, 'all the January euphoria went right down like a roller coaster.'

the states are hit up for money, the localities pay a significant portion of the bill, not least in the form of state assistance for-gone.

And that may be the supreme irony: For more than a dozen years, as the Reagan and Bush administrations withdrew from the intergovernmental cooperation business, the states and locals have been wishing more than anything else for an activist president interested in solving domestic problems. Now, having been promised what was described over and over again last winter as "a seat at the table," or a "place under the tent," they find that instead of working with the White House to shape policy, they are engaged in the most serious and high-stakes game of damage control they have ever had to play.

Moreover, they are a more vulnerable political target than they imagined they would be. Not only does much of Washington seem to view them as "just another special interest," but a good deal of the country, of the citizenry that elects mayors and governors and legislators, shares the Washington view. "With deficit reduction, there ought to be more hurt on everyone," says Gold. "But states and localities look like less formidable opponents than old people."

One can argue, of course, that some of the components of this lobby have brought much of the disappointment upon themselves. By the end of the Bush administration last year, it seemed that, for all their history of coming to Washington cup in hand, most of the state and local groups had adjusted to the new budgetary reality of limited federal fiscal help. Even people like Tom Cochran were admitting that the salad days of federal assistance were over. The mayors seemed prepared to be sober partners in a cordial but frugal new federal relationship.

But then, with Clinton about to take over the White House, that lesson seemed to be forgotten. The mayors' conference, along with several other of the local government groups, quickly dusted off long lists of economy-stimulating "ready-to-go" projects for cities, counties and small towns.

As it turned out, it was by those very projects—some worthy enough, certainly—that the stimulus bill was tarred and feathered by Senate Republicans. The truth is, nobody who was really serious about the need to reduce the federal budget deficit was wild about the bill. The National Governors' Association supported it halfheartedly; the International City/County Management Association took no position on it at all. Still, the whole process seemed to reinforce exactly the message from state and local government that had served it so poorly in Washington in the past decade: We have lots of problems and the only way we can solve them is with federal help.

To be sure, there are mayors around the country who warned from the start that it was a mistake to revive tin-cup politics just because a Democrat was president. "We don't need sympathy or pity," says Milwaukee Mayor John O. Norquist. "Pity turns into contempt, and we bring that on ourselves with this constant focus on our plight."

But Norquist's has been a minority view. The current president of the mayors' conference, Jerry Abramson of Louisville, who has generally agreed with Norquist about the need to avoid a tin-cup approach, has been reluctant to quarrel with the "list-of-projects" mentality that caused so much of the trouble in the spring.

Whatever one thinks of the strategy, there is little question that the defeat of the stimulus package was a turning point in the administration's attitude toward the agenda of at least the urban lobby. Larry Naake, executive director of the National Association of Counties, recounts with sheer amazement how fast it all happened. One day, it seemed, the White House was promoting its laundry list of urban stimulus projects, and the next day, it was unveiling an energy tax that would hit counties up for about \$2 billion a year. Naake likes to describe the tax as "reverse revenue sharing."

Ultimately, of course, Clinton abandoned that particular tax idea. But to lobbyists like Naake, the reason was revealing. It had nothing to do with the opposition of the cities or counties, but with the views of the domestic oil industry, which has a friend in Oklahoma Democratic Senator David L. Boren. Bill Clinton might genuinely like counties, but he had an immediate political need to satisfy the friends of David Boren.

The energy tax, some now suspect, was just a preliminary

example of what having a friend like Bill Clinton in the White House is going to mean to states and localities. It was a small and isolated instance of the kind of cost shifting that appears to be headed their way. "We're terrified," says Ray Schep-pach, executive director of the National Governors' Association, and it would take several minutes just to recite the list of cost-shifting possibilities that terrify Schep-pach as he contem-plates not only the 1994 budget but the coming health care financing debate, the welfare reform issue and other new fed-eral initiatives large and small.

But wouldn't Bill Clinton dig in his heels on anything that met with virtually unanimous opposition from his former fellow governors? "So far," says Steve Gold, "there is no evidence that Bill Clinton will dig his heels in on anything." Which leads to another big question: Are states and localities really the close Friends of Bill that candidate Clinton led them to believe they were during the 1992 cam-paign?

Frank Shafroth says the question was answered for him the day the stimulus package first began to unravel. "On the day things began falling apart on the floor of the Senate on the stimulus bill," Shafroth says, "Bill Clinton was in Oregon doing the spotted owl thing. Then he went up to Vancouver to talk to the Russians."

Loretta Avent, of the White House intergovern-mental affairs office—already on its second director—insists that none of this business about abandoning the locals has any truth to it. But then, by throwing in a non sequitur, she seems merely to underscore the point. "This is a president," she says, "who under-stands the fundamental fact that it takes all the parts to make the whole. Nobody is left out, and that includes another group—American Indians."

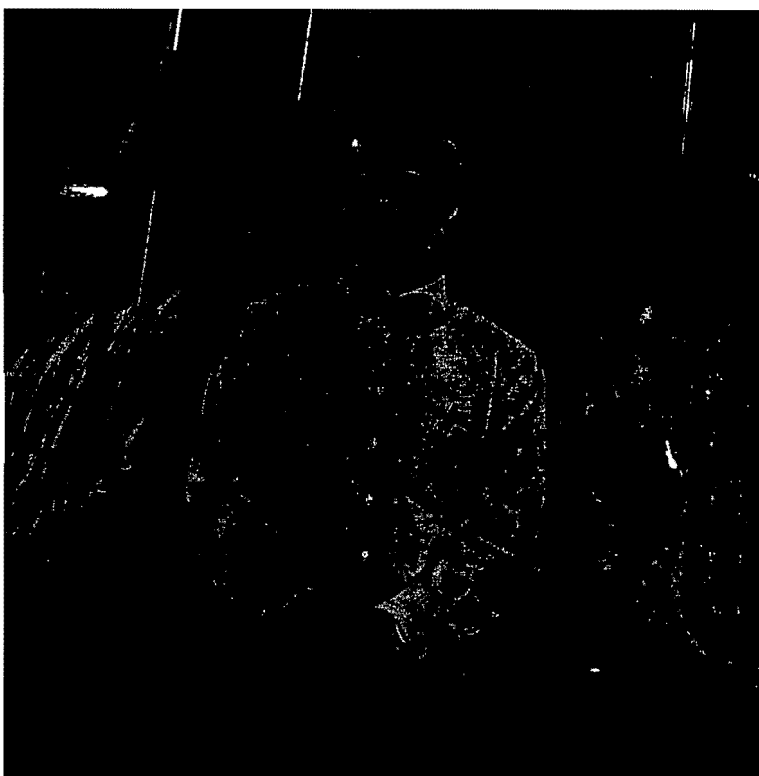
More telling than the protestations of White House concern, according to some state and local govern-ment lobbyists, is the ordeal of a very small agency of the fed-eral executive branch, the Advisory Commission on Intergov-ernmental Relations.

The commission was set up by President Eisenhower in 1959 to foster closer working relations among federal, state and local governments. It has 26 members, drawn from states, localities, Congress and the executive, all of whom are sup-posed to meet regularly to discuss partnerships among the three levels of government. In the old days, the council gener-ated legislation, including the much-ignored law that requires a statement with every new federal program outlining the cost to states and localities.

These days, the ACIR is close to moribund. "Some of my members are not interested in serving," sighs Don Borut, executive director of the National League of Cities. That is because ACIR languished under Reagan and Bush (in fact, Reagan signaled his devotion to the cause by appointing Inter-ior Secretary James Watt to head it, thereby making the organization hopelessly ideological and driving away many who might otherwise have been inclined to serve). The coun-til, while it still produces some interesting studies, is no longer considered a serious forum for discussing important

issues of federalism. "ACIR never had teeth, but at least it had gums," says Bill Hansell, of the city and county managers. Now it does not even have gums.

One tiny emblem of Clinton's interest in the state and local issue might be the fate of ACIR. In June, the \$1.8 million agency was zeroed out of the budget on the floor of the House. One phone call from the president could probably have saved it. So far, Clinton has not moved to fill even one of the council's 10 vacancies or to name a new chair.



Federal urban policy, says Frank Shafroth, 'is being put together by a bunch of under-30 white males who...have never run a city.'

To some in the state and local lobby, there is a simple explanation for the apparent loss of presidential interest in their fortunes. It is traceable, they say, to the fact that the White House is full of young, high-energy people who have no connection whatsoever to the state and local world. They came to Washington to play in the big leagues, not the farm system. Even when they show some curiosity about a particular local policy problem, as with community policing, it is mostly a matter of trying to get up to speed on an issue that has been around for quite some time.

"There is some sort of urban policy development process going on over there," Frank Shafroth says, "but it is being put together by a bunch of under-30 white males who are very brilliant, but who have never run a city and have no interest in talking to anyone who has. They will be coming up with policy papers that would get an A-plus at their Harvard or Yale graduate schools, but that in reality won't work. It's part of the hubris you're seeing over there, they're so goddamn smart they can figure out all the answers and don't need to talk to people who work on this stuff every day."

The state and local lobbyists can't complain that they have not been invited over to talk. Representatives of all the groups

have been to the White House and to see the relevant cabinet secretaries. What they say is that nobody is listening to them. "There are two types of consultation," says Shafroth. "There's the hand-holding type of consultation and then there is real consultation. On the president's enterprise zone proposal, there was no consultation at all."

It remains true, of course, that state and local governments have some genuine friends in important places. Former governors Richard Riley of South Carolina and Bruce Babbitt of



Larry Naake describes Clinton's energy tax proposal, which would have cost counties \$2 billion a year, as 'reverse revenue sharing.'

Arizona head the departments of education and interior, respectively; Federico Peña, former mayor of Denver, is the secretary of transportation. Even more conspicuously, there is Henry Cisneros, the secretary of housing and urban development, who is not only a former mayor of San Antonio but also former president of the National League of Cities.

But even Cisneros has found that his post has its annoying distractions, such as the discovery that HUD is the guarantor of \$12 billion or so in bad loans made under Reagan and Bush. That certainly puts a limit on the amount of new money even the most generous HUD secretary can wheedle out of Congress for cities. On top of that, Cisneros has favorite causes of his own. For example, he would like to divert some of the mayors' coveted Community Development Block Grant money to programs for the homeless.

Perhaps more sobering to the cities is the fact that even Cisneros has picked up on the rhetoric of budgetary scarcity. Addressing the mayors' annual meeting in New York this summer, Cisneros told them they had to understand that "the entire fiscal climate today is shaped by deficit reduction." He also asked them to go easy on Clinton in the newspapers.

To some mayors, in any case, the crucial decisions they would like to influence go beyond the boundaries of pure "urban policy." Milwaukee's Norquist, for example, was concerned that continued tariffs on imported steel would keep a damper on the economic prospects of his city and others that need access to competitively priced raw materials. "I'd love to talk to Ron Brown or Mickey Kantor about trade," says Norquist, "as opposed to crying on Henry's shoulder about everything." So far, he says, neither Kantor nor Brown has evinced much interest in talking to him, though they did seem to have heard Norquist on tariffs.

There is some encouraging evidence that one of the major state and local government problems—mandates—may yet be addressed by this administration. Clinton has shown some personal sensitivity about mandates along with a readier inclination to agree to waivers; a unit within the vice president's National Performance Review is looking at how the federal government might take some pressure off of states and localities by offering them some flexibility.

Meanwhile, however, there is a very large shoe waiting to drop: health care reform. If recent fiscal happenings have given states and localities cause for worry, the health plan could prove to be the stuff of nightmares. One likelihood above all has emerged from the closed-door investigations and negotiations: Whatever plan is proposed, it is going to be very, very expensive.

And these days, it is when the federal government starts asking for money—rather than bestowing it—that states and localities are most likely to be considered full partners in public policy. "The main worry for states," says Steve Gold, "is how much of the tab for health care reform they are going to wind up with. And you have to expect that if states' health spending exceeds some sort of universal cap, they will be responsible for a significant share of the overage."

The locals are worried, too. Counties, for example, spend about \$30 billion a year in local, state and federal money on such traditional local health care responsibilities as public hospitals, walk-in clinics, disease control and immunization programs. "The question," says Larry Naake, "is how is that \$30 billion going to be used in whatever the new health plan is. If the federal government says, 'We're going to take that and dump it into the new system,' and that system is still not adequate to take care of the 37 million people who find their way to us each year, then we're out the \$30 billion, we have to take care of the people, and we're screwed again."

And so, as the new regime settles in, Larry Naake, Tom Cochran, Ray Scheppach and their colleagues can look to the White House and reflect that state and local governments are indeed finding themselves with a new role to play. But it is not the one they expected. It is certainly not the one they wanted. It is based on the new reality facing them as Bill Clinton's high-energy, big-change administration attempts to tackle one intractable national problem after another. Frank Shafroth acknowledges the lesson grimly. "Friends," he says, "can hurt you a lot worse than enemies." **G**



COUNCIL ON FOUNDATIONS

1828 L STREET NW WASHINGTON, DC 20036-5168
(202) 466-6512 • FAX (202) 785-3926

COMMUNITY FOUNDATION RESPONSES TO URBAN ISSUES

Here is a sampling of neighborhood revitalization efforts and youth and family programs supported by community foundations as part of their commitment to improving the quality of life in urban areas.

NEIGHBORHOOD REVITALIZATION PROGRAMS

COMMUNITY FOUNDATION: METROPOLITAN ATLANTA COMMUNITY FOUNDATION, INC.

Contact Person: Alicia Philipp 404/688-5525

Program Description: *Atlanta Neighborhood Collaborative*
The Foundation and two other funders initiated a joint venture to support the activities of neighborhood-based, nonprofit community development corporations, or CDC's, concerned with addressing the revitalization of distressed communities in Atlanta. This effort's primary purpose is to help increase capacity of these neighborhood organizations to successfully confront the myriad of problems associated with urban blight and decay. The Foundation was awarded, on behalf of the *Atlanta Neighborhood Collaborative*, a \$500,000 challenge grant from the Ford Foundation. In addition, the Foundation participated in the Mott Foundation's "Community Foundations and Neighborhood Small Grants Program."

COMMUNITY FOUNDATION: BALTIMORE COMMUNITY FOUNDATION

Contact Person: Rebecca Hornbeck 410/332-4171

Program Description: *Neighborhood Grants Program*
The Baltimore Community Foundation is collaborating with the Charles Stewart Mott Foundation to provide \$100,000 annually for up to four years in grants and other assistance to organizations in low-income Baltimore neighborhoods.

COMMUNITY FOUNDATION: BOSTON FOUNDATION

Contact Person: Anna Faith Jones 617/723-7415

Program Description: *Persistent Poverty Program*
The goal of this program is to create community-based solutions for physical, social and economic challenges. An example grant includes support to the *Boston GreenSpace Alliance, Inc.*, a group of organizations concerned with Boston's natural environment and recreation spaces; and the *Dudley Street Neighborhood Initiative*, to assist one of the most economically disadvantaged neighborhoods in Boston.

COMMUNITY FOUNDATION: CALIFORNIA COMMUNITY FOUNDATION

Contact Person: John Kim 213/413-4042

Program Description: *Adhoc Funders Group*
The community foundation convened corporate and private foundations to discuss issues and needs of the local urban areas immediately after the LA riots. The group focuses on long term needs and small business development, as well as organizing immediate aid to stricken areas.

COMMUNITY FOUNDATION: THE CHICAGO COMMUNITY TRUST

Contact Person: Richard Turner or Juliette Hayes 312/372-3356

Program Description: *CitySpace*
This is a joint project of the City's Department of Planning and Development, the Chicago Park District, and the Cook County Forest Preserve. The purpose is to create a comprehensive inventory of publicly owned vacant land in Chicago and develop interagency agreements making it possible to efficiently transfer ownership of land. The project is linked to the *City of Chicago's Abandoned Property Program*, an effort designed to facilitate the timely transfer of title on abandoned buildings to individuals or groups. Additional grants have been made, but not limited to: *Leadership Council for Metropolitan Open Communities, Neighborhood Housing Services, and People for Community Recovery.*

COMMUNITY FOUNDATION: DADE COMMUNITY FOUNDATION

Contact Person: Ruth Shack 305/371-2711

Program Description: *South Dade Neighborhoods Leadership Initiative*
Since early 1989, 17 resident-controlled, neighborhood-based groups have received technical support and training from Miami-Dade Community College South and grant funds from Dade Community Foundation. The Foundation has also made grants to the *Greater Miami Neighborhoods* to support the provision of technical assistance to nonprofit sponsors of affordable housing.

COMMUNITY FOUNDATION: THE FOUNDATION OF GREATER GREENSBORO, INC.

Contact Person: Wentworth Durgin 919/379-9100

Program Description: *Eastside Park / Neighborhood Initiative*
The Foundation made a grant to *Eastside Park*, a low-income neighborhood in Greensboro which has been the location of heavy drug trade for the past several years. The grant enabled a community organization to work with the current residents in organizing them and help them improve their neighborhood. The Foundation also made a grant to *Neighborhoods United*, an organization spearheading the fundraising for this effort.

COMMUNITY FOUNDATION: THE MILWAUKEE FOUNDATION

Contact Person: Jim Macks 414/272-5805

Program Description: *Neighborhood Family Initiative*
The focus of this project is to develop a neighborhood model for the prevention of problems associated with social and economic deprivation in distressed inner city neighborhoods. The *Initiative* focuses on services to families with very young children.

COMMUNITY FOUNDATION: THE MINNEAPOLIS FOUNDATION

Contact Person: Marion Etwiler 612/339-7343

Program Description: The Foundation provided three grants to educate citizens about county government and how to access it. One grant will also hire an independent firm to research, write, and publish a study of Hennepin County finances. The foundation believes that these grants are directly addressing the important long-range questions of citizen empowerment and involvement with their government.

The Foundation hosted a meeting of funders for the *Neighborhood Revitalization Program* that encourages neighborhoods to work together to improve the quality of life throughout the city.

In 1981, the McKnight Foundation gave \$5 million to The Minneapolis Foundation to establish *MNSHIP - McKnight Neighborhood Self-Help Initiatives Program*, designed to "develop and expand ways to connect the vitality of neighborhood self-help efforts to the planning, resources and institutional capacity of the larger community. Neighborhood organizations receiving *MNSHIP* help have successfully created new housing, revitalized commercial areas, initiated crime prevention programs, sponsored community festivals, improved local parks and recreational facilities, and completed a variety of other neighborhood improvement projects.

COMMUNITY FOUNDATION: MUSKEGON COUNTY COMMUNITY FOUNDATION

Contact Person: Ann L. Irish 616/722-4538

Program Description: *Neighbor to Neighbor*
This program offers small grants and technical assistance to help create neighborhood associations across the cities of Muskegon and Muskegon Heights as well as supporting the efforts of established neighborhood organizations. The Foundation is also working in a partnership with Local Initiative Support Coalition (LISC) to help local neighborhood groups leverage money for home rehabilitation.

COMMUNITY FOUNDATION: THE NEW YORK COMMUNITY TRUST

Contact Person: Joyce Bove 212/686-0010

Program Description: The Trust is participating with other foundations in a \$5 million, *Comprehensive Community Revitalization Program*, to revitalize inner-city neighborhoods in the South Bronx, and to test a welfare-reform plan.

In addition, the Trust has made grants to: the *Bushwick Geographic Targeting Project* for \$250,000 to improve the Bushwick community, a test community to determine if "geographical targeting" of a concentration of grants from a variety of program areas in a single geographic area over time, can effectively deal with that area's social, economic and environmental problems; the *Association for Neighborhood and Housing Development, Inc.* to establish a trade association for nonprofit housing developers; *Church Avenue Merchants Block Association, Inc.* to provide cultural sensitivity training on a commercial strip in Flatbush, Brooklyn; and to *Fund for New Citizens* to assist immigrants and refugees in New York on issues arising under the Immigration Act of 1990.

COMMUNITY FOUNDATION: THE PHILADELPHIA FOUNDATION

Contact Person: Carrolle Fair Perry 215/563-6417

Program Description: *Philadelphia Neighborhood Development Collaborative*
The *Collaborative* consists of the Foundation, the William Penn Foundation, the Philadelphia Development Partnership, the Local Initiatives Support Corporation, and the Pew Charitable Trust and is a \$4 million, three-year program that will provide both multi-year general operating support grants and funds for technical assistance to build the capacity of up to 15 Philadelphia CDC's (community development corporations).

COMMUNITY FOUNDATION: ROCHESTER AREA FOUNDATION

Contact Person: Bonita W. Hindman 716/325-4353

Program Description: The Foundation has initiated and funded a collaborative project with a community activist to develop, implement, and evaluate a grassroots community capacity building project aimed at increasing neighborhood and housing stability, and decreasing the school mobility rate.

COMMUNITY FOUNDATION: THE SAN FRANCISCO FOUNDATION

Contact Person: Robert Fisher 415/495-3100

Program Description: *Adhoc Legal Committees*
The foundation sponsored and financed a meeting with San Francisco Bar Association and other legal organizations to form a taskforce on how the community foundation could respond to violence as a result of the Los Angeles riots.

Housing Support Consortium
With a total of \$2 million, the collaborative will help neighborhood development organizations increase both their production of affordable housing and their internal management capacities. The consortium was formalized after a process that directly involved 79 local housing development corporations in assessing future plans and funding needs.

The community foundation is a member of the *Council for Community-Based Development*, which is a group of corporations, foundations, and religious institutions that support the self-help efforts of residents of low-income communities.

Also, the Foundation board met with leaders of race relations organizations on how to target grantmaking and to identify needs of local minority communities.

COMMUNITY FOUNDATION: COMMUNITY FOUNDATION OF SANTA CLARA COUNTY

Contact Person: Jody McCalmont 408/241-2666

Program Description: The Foundation has funded 28 neighborhood associations. Projects range from community clean-ups and multi-cultural festivals, to voter registration drives and the development of tenant associations. Examples include the *Jackson Taylor Neighborhood Association*, which is coordinating local housing advocates such as the Affordable Housing Network, Housing for Independent People and Habitat for Humanity.

COMMUNITY FOUNDATION: SONOMA COUNTY COMMUNITY FOUNDATION

Contact Person: Kay Marquet 707/579-4073

Program Description: *Basic Human Needs Fund*
The purpose of the Fund is to provide basic human needs such as food, clothing and shelter. *Innovative Housing*, a fund recipient, provides affordable housing and the benefit of living in a supportive extended family environment. The program currently leases a dozen homes in single family neighborhoods and rents them to groups of single parents, senior citizens and others, usually three families to a home.

COMMUNITY FOUNDATION: COMMUNITY FOUNDATION FOR SOUTHEASTERN MICHIGAN

Contact Person: C. David Campbell 313/961-6675

Program Description: The foundation has made grants to the *Eastside Mothers Club*; *St. Stephen A.M.E. Church*; and *REACH, Inc.* to help residents in low-income neighborhoods more effectively address their local needs.

COMMUNITY FOUNDATION: TOPEKA COMMUNITY FOUNDATION

Contact Person: Karen Welch 913/272-4804

Program Description: *Town Meeting on Affordable Housing*
A group of bankers, landlords, pastors, neighborhood volunteers, government representatives, and interested citizens met to identify ways to meet Topeka's housing problem needs.

Parent Child Learning Center
The program provides support and counseling for teenage mothers trying to remain in high school.

Community Needs Assessment
It is hoped that the representative samples which are returned and tabulated will provide accurate information concerning demographics, environment, transportation, health delivery, cultural activities, and education in Topeka.

COMMUNITY FOUNDATION: GREATER TRIANGLE COMMUNITY FOUNDATION

Contact Person: Shannon St. John 919/549-9840

Program Description: *Leadership Triangle*
A program designed by the Foundation to promote and support regional cooperation between Wake, Durham and Orange Counties. The underlying premise of the program is that regional cooperative planning and action is necessary to preserve and enhance the Triangle's economic vitality and quality of life. Increased awareness of issues and communication among leaders will facilitate such planning and action.

COMMUNITY FOUNDATION: TRIDENT COMMUNITY FOUNDATION

Contact Person: Ruth Heffron 803/723-3635

Program Description: *Neighborhood Small Grants Program*
Consists of awards given to low/moderate-income neighborhoods throughout the Tri-county to address key issues and to strengthen the leadership in the neighborhoods.

YOUTH AND FAMILY PROGRAMS

COMMUNITY FOUNDATION: BOSTON FOUNDATION

Contact Person: Anna Faith Jones 617/723-7415

Program Description: Sample grants include: *Childcare Project, Inc.* to create a clearinghouse of information for funders about current programs in the area of maternal and child health care in order to share successful models and identify gaps in services; to *Boston Educational Development Foundation, Inc.* to develop student health and community agencies to bring their combined resources and perspectives to bear on addressing the problem of teen pregnancy in Boston, and to reach out to teens who have dropped out of the Boston Public Schools; and to *Boston Private Industry Council, Inc.* to support an employment and training program which involves investors and companies in funding, planning and implementing programs serving unemployed and underemployed people at various training levels.

COMMUNITY FOUNDATION: BALTIMORE COMMUNITY FOUNDATION

Contact Person: Rebecca Hornbeck 410/332-4171

Program Description: *Children and Families Initiative*
The first program, *Ready by Five* is finding ways to involve the whole community in setting an early childhood investment agenda for Maryland. It is a partnership of the Maryland Chamber and Economic Development Associates, the Committee for Economic Development, Advocates for Children and Youth, the Maryland Chapter of the American Academy of Pediatrics, the New York-based Rauch Foundation and the Community Foundation. Through the second program, the *Dunbar Project*, the Community Foundation is coordinating a community-initiated effort to link health, recreation and human services for children in three elementary and two middle schools in the Dunbar neighborhood.

COMMUNITY FOUNDATION: BAY AREA COMMUNITY FOUNDATION

Contact Person: Lucy Horak 517/893-4438

Program Description: *Vision 2000*
The community foundation has committed to education and has pledged to raise \$2 million over the next five years for its Education Endowment Fund.

COMMUNITY FOUNDATION: CALIFORNIA COMMUNITY FOUNDATION

Contact Person: Lauren Kay, John Kim or Terri Jones 213/413-4042

Program Description: *L.A. Community Relief Fund*
Since the riots, the California Community Foundation has made 38 grants totalling \$185,500. Of these, 15 were made within the first week of the riots to organizations such as food banks, Korean-American relief fund, African-American and Latino groups, and to the Red Cross to provide relief to the military personnel.

COMMUNITY FOUNDATION: FOUNDATION FOR THE CAROLINAS

Contact Person: Deborah Barringer 704/376-9541

Program Description: *Strengthening Families Initiative*
This is a three-year, half million dollar effort to develop a continuum of services for preschool children and their families, under the premise that early parent education and child development services will strengthen the family, prevent problems in later years, and better prepare children for school. The *Initiative* aims to develop models which can be replicated in other areas.

COMMUNITY FOUNDATION: THE CHICAGO COMMUNITY TRUST

Contact Person: Richard Turner 312/372-3356

Program Description: *Chicago Initiative*
This is a collaborative effort of business and civic groups, social service and government agencies, foundations, community groups, ministerial, labor and education leaders to ease tensions and unrest in the city by developing a summer agenda that provides both recreation and employment opportunities. The *Initiative* has funded programs in arts and culture, jobs, sports and recreation, gang intervention and higher education.

COMMUNITY FOUNDATION: THE COLUMBUS FOUNDATION

Contact Person: James Luck 614/251-4000

Program Description: *Columbus Public Schools' Parents as Teachers Program*. This program teaches parents how to develop their child's intellectual, language, and social skills from birth to age three; *Ohio Coalition for the Education of Handicapped Children* will provide parents with information about Ohio's preschool law for handicapped youngsters; the Ohio State University *Young Scholars Program* will provide academic and cultural enrichment programs for bright children from economically disadvantaged families; *I Know I Can* will continue providing counseling and motivation to economically disadvantaged children.

COMMUNITY FOUNDATION: CUMBERLAND COMMUNITY FOUNDATION

Contact Person: Aliné Lambert 919/483-4449

Program Description: The community foundation has made grants to: *Bridges* (a Head-Start Program), to establish a parenting resource library open to parents in the Bonnie Doone neighborhood, a drug infested and dilapidated area; *HIV Task Force* for a teen education program; summer recreation programs for children, including an outreach program from the Fayetteville Museum of Art; and *STEPS*, which produces teenage musical productions.

COMMUNITY FOUNDATION: DADE COMMUNITY FOUNDATION

Contact Person: Ruth Shack 305/371-2711

Program Description: The Foundation has made grants to the *Camillus Health Concern*, to match the Robert Wood Johnson Foundation and Jessie Ball DuPont Fund's support for a three year pediatric and adolescent health program for homeless families.

COMMUNITY FOUNDATION: DULUTH-SUPERIOR AREA COMMUNITY FOUNDATION

Contact Person: Holly Sampson 218/726-0232

Program Description: *Fair Chance Fund*
The *Fair Chance Fund* will provide support for the planning and implementation of innovative projects that reduce the long-term dependency of families on public assistance, decrease the effects of poverty on children, and provide opportunities for economic self-sufficiency.

COMMUNITY FOUNDATION: HARTFORD FOUNDATION FOR PUBLIC GIVING

Contact Person: Michael Bangser 203/548-1888

Program Description: Grants to: *Hartford Coalition for Emergency Shelters, Inc.*, to defray operating costs in transitional housing project in the Asylum Hill neighborhood; the *National Puerto Rican Forum*, to enhance the New Chance model, a comprehensive program for adolescent mothers and their children, with on-site day care, case management, and functional life skills components; *Project Mash*, to continue a project that provides training and education to residents of public housing; *Connecticut Coalition for the Homeless*, and *Institute of Living*, toward the refurbishing and equipping of three diagnostic classrooms for the intensive observation of severely impaired children.

COMMUNITY FOUNDATION: KALAMAZOO FOUNDATION

Contact Person: Jack Hopkins 616/381-4416

Program Description: The Kalamazoo Foundation's *Energy Initiative* has spent more than \$310,000 on energy conservation to help Kalamazoo-area nonprofit organizations decrease their heating, cooling and energy bills.

COMMUNITY FOUNDATION: MUSKEGON COUNTY COMMUNITY FOUNDATION

Contact Person: Ann L. Irish 616/722-4538

Program Description: *L.E.A.D. (Let Education Answer Dreams in 1998)*, a program that provides college tuition to low income urban children; *Neighbor to Neighbor*, a program that helps create new neighborhood associations across the cities of Muskegon and Muskegon Heights.

COMMUNITY FOUNDATION: THE COMMUNITY FOUNDATION FOR GREATER NEW HAVEN

Program Description: The Foundation has provided a challenge grant to the Private Industry Council to fund jobs for up to 225 young people, 14 to 18 years old. The Foundation also set aside funds for the *Neighborhood Small Grants Program*.

COMMUNITY FOUNDATION: THE NEW YORK COMMUNITY TRUST

Contact Person: Joyce Bove 212/686-0010

Program Description: The Trust has made a variety of grants to youth programs, including *Panel of Americans, Inc.*, to establish a diversity training institute for youth workers and teachers; *New York Grantmakers Summer Program for Youth*, providing educational and cultural activities for youth during the summer; and *Metropolitan Assistance (Victim Services/Travelers aid Corporation)*, *Educators for Social Responsibility Metro Area, Inc.* and *Effective Alternative in Reconciliation Services* for a conflict resolution and peer mediation program in public middle schools.

COMMUNITY FOUNDATION: PENINSULA COMMUNITY FOUNDATION

Contact Person: John D. Taylor 415/358-9369

Program Description: *County of San Mateo and San Mateo County Schools, School-linked Services Pilot Project*
The Foundation provided a grant to employ a full-time project developer assigned to create pilot projects to co-locate and provide county and nonprofit social services within schools serving low-income and disadvantaged children.

COMMUNITY FOUNDATION: THE PITTSBURGH FOUNDATION

Contact Person: Richard McHale 412/391-5122

Program Description: *Allegheny Policy for Youth and Workforce Development*
A new county-wide program that will consolidate a variety of employment and education programs. The Policy Council will help at-risk students and adults throughout Allegheny County, using President Bush's National Education Goals as its agenda.
Summer Jobs Program
The foundation committed major funding to an initiative supporting 3,000 jobs for Pittsburgh's disadvantaged youth.

COMMUNITY FOUNDATION: SAN FRANCISCO FOUNDATION

Contact Person: Robert Fisher 415/495-3100

Program Description: *Lifeline Initiative*
The Foundation gave \$3 million to this Initiative to restructure children's services in the inner city.

COMMUNITY FOUNDATION: ST. LOUIS COMMUNITY FOUNDATION

Contact Person: Tullia B. Hamilton 314/241-2703

Program Description: The Foundation has made grants to: the *Coalition for Essential Schools* to enable teachers from the St. Louis area public schools to attend an institute to help them restructure their schools.



COUNCIL ON FOUNDATIONS

1828 L STREET NW. WASHINGTON, DC 20036-5168
(202) 466-6512 · FAX (202) 785-3926

Grantmakers' Forum on Urban Policy

ANA Westin Hotel
2401 M Street, N.W.
Washington, D.C.
September 28, 1993

Agenda

10:00 a.m. Welcome and Introductions

James A. Joseph, President, Council on Foundations

10:15 a.m. Meeting Objectives

Steve Minter, Executive Director, The Cleveland Foundation
Dennis Collins, President, James Irvine Foundation
George Latimer, Director, Special Actions, Housing and Urban
Development

**10:30 a.m. National urban strategies from a community perspective:
policy, funding and organizing**

Angela Blackwell, Executive Director, Urban Strategies Council

**11:00 a.m. Policy strategies: Clinton administration perspective on urban
policy and collaboration**

Carol Rasco, Special Assistant to the President for Domestic
Policy, The White House

Business Strategies: Committee for Economic Development's
Committee on Tackling America's Urban Problems

Sol Hurwitz, President, Committee for Economic Development

Nonprofit/Community Strategies: National Community Building
Network

James Gibson, Senior Associate, Urban Institute

Discussion

12:00 p.m. Buffet Lunch

12:30 p.m. **New funding and organizing initiatives in the public sector: A discussion of Federal department programs and priorities dealing with major urban issues.**

Andrew Cuomo, Assistant Secretary for Community Planning and Development, U.S. Department of Housing and Urban Development

Peter Edelman, Counselor to the Secretary, U.S. Department of Health and Human Services

Thomas Glynn, Deputy Secretary, U.S. Department of Labor

Marshall (Mike) Smith, Under Secretary, U.S. Department of Education

Discussion

1:45 p.m. **Break**

2:00 p.m. **New funding and organizing initiatives in the private sector**

Nonprofit/community sector, building capacity: National Community Development Initiative

Peter Goldmark, President, The Rockefeller Foundation

Business sector, access to credit and capital in the private sector

Peter Goldberg, President, The Prudential Foundation

Nonprofit/community sector, civic involvement: Town Meeting

Joyce Bove, Vice President, New York Community Trust

Discussion

3:00 p.m. **Opportunities for Collaboration**

George Latimer, Director, Special Actions, U.S. Department of Housing and Urban Development

Discussion

4:00 p.m. **Adjourn**



FACT SHEET

COUNCIL ON FOUNDATIONS

PUBLIC POLICY INITIATIVE

In response to growing membership interest, the Council on Foundations is developing an initiative on public policy. This initiative will help members make better informed choices among an expanding array of roles and strategies independent, community and corporate foundations and giving programs are using to improve public policies, service delivery systems, and public policy outcomes in fields such as education, health, economic and community development and the environment. Through this initiative, Council members will have an opportunity to learn from successful models, develop clear expectations, and formulate criteria for how and when their own foundation might work with government, within and up to the limits of the law, to achieve its goals.

Objectives for this initiative are:

1. Increase awareness among Council members of the range of roles they can assume and actions they can take to leverage the public's ability to design and implement sound public policies;
2. Facilitate individual and group efforts by Council members to develop collaborative relationships with federal, state and local governments to improve policy development and implementation on specific issues;
3. Provide a locus within the Council on Foundations for the expression of a leadership agenda on public policy partnerships.

These objectives will be accomplished through a multifaceted program of educational, training and facilitation services to grantmakers and other key stakeholders in the public policymaking community. Program activities will be developed in consultation with other support organizations such as regional associations of grantmakers and grantmaker affinity groups, and will be consistent with the tenets of other Council membership services. These include supporting members in their program activities, helping members improve their internal operations and grant programs, and the promotion of responsible and effective philanthropy, public understanding and the growth of philanthropy.

An advisory committee of Council members has been formed to help develop this initiative (see reverse). For more information about this initiative, contact any member of the Advisory Committee or:

Lauren Cook
Assistant to the President
for Public Policy Initiatives

July 1993

Council on Foundations
PUBLIC POLICY INITIATIVE

-ADVISORY COMMITTEE MEMBERS-

Drew Altman
The Henry J. Kaiser Family Foundation

Lon Burns
Southern California Association for Philanthropy

Lewis Feldstein
New Hampshire Charitable Fund and Affiliated Trusts

Peter Goldberg
The Prudential Foundation

Sarah Jepsen
AT&T Foundation

Betty King
The Annie E. Casey Foundation

Thomas Langfitt
The Pew Charitable Trusts

Thomas Layton
The Wallace Alexander Gerbode Foundation

Deborah Leff
The Joyce Foundation

Wendy Puriefoy
Public Education Fund Network

Terry Saario
Northwest Area Foundation

Steven Schroeder
The Robert Wood Johnson Foundation

Ruth Shack
Dade Community Foundation

David Tatel
Spencer Foundation



FACT SHEET

COUNCIL ON FOUNDATIONS

STRATEGIC RESOURCE FOR GOVERNMENT POLICYMAKERS

The Council on Foundations would like government policymakers and elected officials to be aware of an important resource as they organize to define and achieve policy objectives. Unique in the nonprofit world, U.S. foundations and grantmaking organizations hold over 140 billion dollars in assets and contribute to programs in such fields as health and social welfare, education, economic development and the environment. Foundations represent rich reserves of experience as enablers in communities and on specific areas of social and economic investments. Many Council members, such as the Pew Charitable Trusts, the Prudential Foundation, and the New York Community Trust, have worked directly with government at all levels to achieve public policy objectives. With government's growing commitment to change and the pressure of shrinking resources, many more Council members are exploring how to better work with the public sector, at the federal, state and local levels, to raise the quality of discourse policy, improve governance processes and policy results.

TYPES OF SUPPORT

Foundations command a set of strategic resources that can enhance the ability of government decisionmakers to develop and execute sound policy. Examples include:

- o **Targeted Policy Analysis:** Foundations fund high quality research that can provide invaluable background information for government decisionmakers. Empirical research, "best practices" surveys and targeted focus groups can be designed to respond to specific research needs of policymakers. *How current immigration policies affect indigent health care, state government experience with government down-sizing, or apprenticeship program success factors are sample topics.*
- o **High Risk Investments:** Foundations are often in a better position than government to fund experimental or pilot programs. *Alternative approaches to prenatal health services, better child support enforcement practices, or environmental mediation processes are examples of improved government actions seeded by foundation support.*
- o **Convening Agents:** Foundations can organize meetings between government officials and stakeholders in a given area of policy. Such meetings can provide neutral ground for public decisionmakers to validate their viewpoints, obtain new ideas, or encourage public/private dialogue. *As government articulates new approaches on urban policies, infrastructure investments and job creation, foundation sponsored meetings can be invaluable sounding boards.*
- o **Leadership:** Foundations, individually and in groups, can expand community awareness and catalyze sectoral action to achieve a public good. Such leadership is expressed through their giving priorities, and through the actions of their boards and officers. *Public attitudes about civic involvement or preventative health care are but two areas that foundation leadership can affect.*
- o **Partnerships:** Individual or groups of foundations can work with government officials on special initiatives over time, combining the unique resources of their sector with the public mandate and institutions of government. *Consortiums between executive agencies and foundations can result in sustainable human service reforms or job creation strategies.*

- over -

Government will need to employ every available asset, public and private, financial and intellectual, to achieve lasting improvements in every area of policy. Establishing ongoing working relationships with foundations and other grantmakers has been an extremely effective approach with enormous future potential, and merits serious attention by every committed public servant.

HOW TO INITIATE FOUNDATION COLLABORATION

Senior government policymakers interested in exploring potential collaboration with foundations are encouraged to contact:

Lauren Cook
Assistant to the President
for Public Policy Initiatives

COUNCIL ON FOUNDATIONS
1828 L Street, N.W.
Suite 300
Washington, D.C. 20036

202/466-6512 Fax 202/785-3926

ABOUT THE COUNCIL ON FOUNDATIONS

The Council on Foundations is a nonprofit membership association of approximately 1,300 of the nation's most active nongovernmental grantmaking organizations. These include private, corporate and community foundations and corporate giving programs. Council members contributed roughly \$5 billion last year for programs in such fields as social welfare, health, education, the environment and the arts. Under the leadership of President James A. Joseph, the Council promotes responsible and effective grantmaking.

May 1993

COUNCIL ON FOUNDATIONS
Grantmakers' Forum on Urban Policy
ANA Westin Hotel
2401 M Street, N.W.
Washington, D.C.
September 28, 1993

Attendees

GRANTMAKERS

Paula Banks
President
The Sears-Roebuck Foundation
333 Beverly Road
BC 112 B
Hoffman Estates, IL 60179
Phone: 312-875-8337
Fax: 708-286-5918

Jim Browne
Director, Eastern Office
Tides Foundation
2000 P Street, NW
Suite 408
Washington, DC 20036
Phone: 202-833-4663
Fax: 202-833-4670

Nicholas Bollman
Program Officer
James Irvine Foundation
One Market Plaza - Spear Tower
Suite 1715
San Francisco, CA 94195
Phone: 415-777-2244
Fax: 415-777-0869

Dennis Collins
President
James Irvine Foundation
One Market Plaza - Spear Tower
Suite 1715
San Francisco, CA 94105
Phone: 415-777-2244
Fax: 415-777-0869

Joyce Bove
Vice President, Program and Projects
The New York Community Trust
2 Park Avenue
24th Floor
New York, NY 10016
Phone: 212-686-0010 x552
Fax: 212-532-8528

Robert Curvin
Deputy Director, Urban Poverty Program
Represented by:
Roland Anglin
Program Officer
Ford Foundation
320 East 43 Street
New York, NY 10017
Phone: 212-573-5000
Fax: 212-599-4584

Peter Goldberg
President
The Prudential Foundation
15 Prudential Plaza
751 Broad Street
Newark, NJ 07102-3777
Phone: 201-802-7354
Fax: 201-802-3345

Douglas Nelson
Represented by:
Ira Cutler
Director
Annie E. Casey Foundation
One Lafayette Place
Greenwich, CT 06830
Phone: 203-661-2773
Fax: 203-661-5127

Peter Goldmark
President
The Rockefeller Foundation
1133 Avenue of the Americas
New York, NY 10036
Phone: 212-869-8500
Fax: 212-764-3468

Bruce Newman
Executive Director
The Chicago Community Trust
222 North LaSalle Street
Suite 1400
Chicago, IL 60601
Phone: 312-372-3356
Fax: 312-580-7411

Valerie Lies
President
Donors Forum of Chicago
53 West Jackson Blvd.
Suite 430
Chicago, IL 60604

Rebecca Rimel
Represented by:
Michael Rubinger
Associate Executive Director
The Pew Charitable Trusts
One Commerce Square
2005 Market Street, Suite 1700
Philadelphia, PA 19103-7017
Phone: 215-575-9050
Fax: 215-575-4939

Steven Minter
Executive Director
The Cleveland Foundation
Suite 1400
Cleveland, OH 44115-2001
Phone: 216-861-3810
Fax: 216-861-1729

Julie Rogers
President
The Eugene and Agnes Meyer Foundation
1400 16th Street, NW
Washington, DC 20036
Phone: 202-483-8294
Fax: 202-328-6850

John Mutz
President
Lilly Endowment, Inc.
2801 North Meridian Street
Indianapolis, IN 46208
Phone: 317-924-5471
Fax: 317-926-4431

Ken Rolling
Woods Charitable Fund, Inc.
Three First National Plaza
Suite 2010
Chicago, IL 60602
Phone: 312-782-2698
Fax: 312-782-5152

Steven Schroeder
President
Represented by:
Rush Russell
Program Officer
Robert Wood Johnson Foundation
Route 1 & College Road East
PO Box 2316
Princeton, NJ 08543-2316
Phone: 609-452-8701
Fax: 609-452-1865

Edward Skloot
Executive Director
Represented by:
Deborah Visser
Program Officer for Community
Revitalization
Surdna Foundation, Inc.
1155 Avenue of the Americas
16th Floor
New York, NY 10036
Phone: 212-730-0030
Fax: 212-391-4384

Jay Talbot
Senior Program Officer
The Cleveland Foundation
1422 Euclid Avenue
Cleveland, OH 44115
Phone: 216-861-3810
Fax: 216-861-1729

Janet Thompson
Vice President, Community Revitalization
Programs
Citibank, NA
850 Third Avenue
13th Floor
New York, NY 10043
Phone: 212-559-0173
Fax: 212-793-5944

William White
President
Represented by:
Jon Blyth
Program Officer
The Mott Foundation
1200 Mott Foundation Building
Flint, MI 48502
Phone: 313-238-5651
Fax: 313-766-1753

GOVERNMENT OFFICIALS

Andrew Cuomo
Assistant Secretary for Community
Planning and Development
U.S. Department of Housing and Urban
Development
451 7th Street, SW
Suite 1700
Washington, DC 20410
Phone: 202-708-2690

Peter Edelman
Counselor to the Secretary
U.S. Department of Health and Human
Services
Hubert H. Humphrey Building, Room
615F
200 Independence Avenue, SW
Washington, DC 20201
Phone: 202-690-8157
Fax: 202-690-7595

Cipriano Garza
Special Assistant, Special Actions Office
U.S. Department of Housing and Urban
Development
451 7th Street, S.W.
Washington, DC 20410
Phone: 202-708-1547

Thomas Glynn
Deputy Secretary
U.S. Department of Labor
Frances Perkins Building
3rd Street & Constitution Avenue
Washington, DC 20210
Phone: 202-219-6151
Fax: 202-219-7971

George Latimer
Director, Special Actions
U.S. Department of Housing and Urban
Development
451 7th Street, S.W.
Suite 10232
Washington, DC 20410
Phone: 202-708-1547

Valerie Piper
Special Projects Officer
U.S. Department of Housing and Urban
Development
451 7th Street, S.W.
Washington, DC 20410
Phone: 202-708-1547
Fax: 202-401-6725

Carol Rasco
Special Assistant to the President for
Domestic Policy
Office of Domestic Policy
The White House
Washington, DC
Phone: 202-456-1414

Marshall Smith
Under Secretary
U.S. Department of Education
400 Maryland Avenue, SW
Washington, DC 20202
Phone: 202-708-5366
Fax: 202-401-3095

Mike Stegman
Assistant Secretary, Policy Development
and Research
U.S. Department of Housing and Urban
Development
451 7th Street, SW
Suite 8100
Washington, DC 20401
Phone: 202-708-1547
Fax: 202-401-6725

OTHER PARTICIPANTS

Angela Blackwell
Executive Director
Urban Strategies Council
672 13th Street
Suite 200
Oakland, CA 94612
Phone: 510-893-2404

Sol Hurwitz
President
Committee for Economic Development
477 Madison Avenue
New York, NY 10022
Phone: 212-688-2063

Robert Borsage
Executive Director
Campaign for New Priorities
420 C Street, NE
Washington, DC 20002
Phone: 202-544-8222
Fax: 202-544-8226

John Parr
President
National Civic League
1445 Market Street
Suite 300
Denver, CO 80202
Phone: 303-571-4343
Fax: 303-571-4404

James Gibson
Co-Director, Urban Networking Project
Urban Institute
2100 M Street, NW
Suite 500
Washington, DC 20037
Phone: 202-833-7200
Fax: 202-429-0687

Alvertha Penney
Acting President
National Congress of Community
Economic Development
1875 Connecticut Avenue, NW
Suite 524
Washington, DC 20009
Phone: 202-234-5009
Fax: 202-234-4510

Bart Harvey
Vice Chair & CEO
Enterprise Foundation
500 American City Building
Columbia, MD 21044
Phone: 410-964-1230
Fax: 410-964-1918

George Peterson
Co-Director, Urban Networking Project
Urban Institute
2100 M Street, NW
Suite 500
Washington, DC 20037
Phone: 202-833-7200
Fax: 202-429-0687

Benson Roberts
Director of Policy and Program
Development
Local Initiatives Support Corp.
733 Third Avenue
New York, NY 10017
Phone: 212-455-9800
Fax: 212-682-5929

COUNCIL ON FOUNDATIONS

James A. Joseph
President
Council on Foundations

Judith O'Connor
Executive Vice President

Lauren Cook
Assistant to the President
for Public Policy Initiatives

Anne Babcock
Director
Legislative Services

Mary Braxton
Assistant to the President
for Public Affairs

Joanne Scanlan
Vice President
Research and Professional Services

Mary Ann Zehr
Associate Editor
Foundation News

Elizabeth Littles
Administrative Assistant

PHILANTHROPY AND THE CITY:

The Urban/Rural Connection

By

James A. Joseph

**Concept Paper for Council on Foundations
1994 Annual Conference
April 14, 1993**

PHILANTHROPY AND THE CITY:

The Urban/Rural Connection

By the time the Council holds its 1994 annual conference in New York City, the world will have passed a major milestone: more people will live in urban areas than in the countryside. The New York setting will, thus, provide a great opportunity to examine the assumption, once taken for granted, that the progress of civilization is defined by the progress of cities.

It was not too long ago that when we thought of cities, we thought of the marketplace of ideas, the center of commerce and the citadel of culture. Now we are more likely to think of congestion and conflict, dilapidated housing, deteriorating budgets and guns in the hallways of schools. Even the word urban has lost its luster. A few years ago, we had urban studies departments and urban institutes in our universities, urban coalitions in our cities and urban strategies in our legislative bodies. Now it appears that the Jefferson tradition of revulsion to urban life is still embedded in our culture.

In a speech on the American city in 1966, Paul Ylvisaker offered this observation, "when we look at nature we find God, but when we look at cities we are viewing ourselves." Lewis Mumford saw the mission of the coming city as putting the highest concerns of humanity at the center of all our activities: "to unite the scattered fragments of the human personality, turning artificially dismembered men (and women) – bureaucrats, specialists, 'experts,' depersonalized agents – into complete human beings, repairing the damage that has been done by vocational separation, by social segregation, by the over-cultivation of a favored function, by tribalisms and nationalisms, by the absence of organic partnerships and ideal purposes."

If we could recapture this vision of the city, we might be able to make urban man and urban woman at home with both their deeper selves and the larger world. The Council has an opportunity to work with grantmakers to look not so much at how the downtrodden are drawn by the strange magnetism of urban

life, but at the remarkable stirrings of self-reliance, and to look at how the catalytic mixing of people that fuels urban conflict also spurs the initiative, innovation and collaboration that move civilization forward.

But what about rural America? Can we afford to focus exclusively on cities? In a policy paper on rural development presented to the Clinton Administration by funders who fund in the South, the point is made that "Economic recovery on a national level will not happen until recovery happens for people in the poorest communities both in our inner cities and our rural areas. When the rural economy fails, its residents tend to migrate to urban centers." Moreover, demographic trends suggest that rural communities with proximity to metro areas are growing much faster than more remote geographical areas. The connection is clear, but it is still imperative that we bring the concern with cities back to the table.

A focus on philanthropy and the city is a good place to begin; there is a great opportunity to build on what many Council members are already doing. The Campaign for New Priorities, a nonprofit public education project, has joined with community foundations across the nation to encourage and support local town meetings to discuss local needs. The Council for Community-Based Development, created by a group of Council members in concert with community development organizations, has been very active in focusing new attention on the problems and potential of cities. A survey of a representative group of Council members by Dr. Marcy Murningham found evidence of significant involvement with urban issues. A look at philanthropy and the city would be both supportive of member initiatives and an important contribution to the public discourse about national priorities. Areas of emphasis could include the following:

1) **The revival of self-reliance.**

The awakening of self-reliance among the urban poor is a global phenomenon, little noticed and largely unreported. A January 1993 issue of Time magazine was a major exception, reporting on how neighborhoods and communities around the world are organizing themselves not simply to respond to

crises, but to anticipate and prevent crises. In the United States, racial minorities, whose self-help groups and traditions of associational life were largely ignored by both deTocqueville and Robert Bellah, are pioneering very impressive and very important private initiatives that need to be a part of public knowledge.

2) The challenge of megacities

By the turn of the century, there will be 21 "megacities" with populations of 10 million or more. Of these, 18 will be in developing countries, including some of the poorest nations in the world. According to the World Bank, some of Africa's cities are growing by 10% a year, the swiftest rate of urbanization ever recorded. When the black death wiped out 80% of Europe's urban population, more than 95% of the people lived in the country. But if the world enters a new age of epidemics, few will escape unaffected.

3) Civic life in the "Edge City."

In his provocative book Edge City, Joel Garreau argues that the proliferation of suburban cities around America's older urban cores is launching the most sweeping change in 100 years in how Americans live, work, and play. Some urban designers have concluded that "the classic suburb is less a community than an agglomeration of houses, shops, and offices connected to one another by cars, not by the fabric of human life...The suburb is the last word in privatization... and it spells the end of authentic civic life." The phenomenon of edge cities deserves more attention by both policymakers and grantmakers.

4) The restraints of obsolete boundaries.

As objective observers, foundations and corporate giving programs are in the best position to point out how we have "stacked the political cards against cities, shackling them in jurisdictional chains that no longer make sense." As Paul Ylvisaker observed, "by present standards, Caesar was dealing with absolute simplicity when he found Gaul divided into only three parts." We have not only shackled cities into

political boundaries that are increasingly obsolete, but we have allowed the city to become a jungle of competing interests assuming that by some mystical process these varied interests would add up to the public interest.

5) The health and environmental impact.

No one really knows how big some cities are or how rapidly they are expanding, but we do know that the fastest urban growth is occurring in those cities that are least prepared to deal with the environmental toll or the health impact. The cholera epidemic that hit Latin American cities last year, hospitalizing more than 400,000 people and killing at least 4,000 in a few months, shows how quickly a disease can move when it finds a foothold in a crowded slum. No one knows exactly where AIDS originated, but whether it started in rural rain forests or elsewhere is academic; what we must now deal with is the fact that it has become an epidemic in the cities of Africa, Europe, Asia, Latin America and the United States.

6) The human purpose of the city.

We know a lot about how to build the physical infrastructure of a city, but little about how to build a civic infrastructure. What better organizations to address this issue than foundations and corporate giving programs?

A 1993 look at the status of American cities by the Milton Eisenhower Foundation on the 25th anniversary of the presidential Advisory Commission on Civil Disorders expressed "grave doubts about whether the gridlocked American federal process would ever or could ever enact informed solutions to the problems of the inner cities and persons who live in them." This skepticism is equally pervasive in the grantmaking field. But it overlooks some real signs of hope as well as the many ways in which our national destiny is tied to the destiny of our cities.

PROPOSED THEME FOR 1994

APRIL 14, 1993

I discussed the proposed theme for 1994 with the Education Committee and we jointly recommend that Council programs for 1994 give emphasis to the role of organized philanthropy in the world's urban centers. A brief conceptual statement of the theme is attached. If approved by the board, it will be provided to all Council committees to guide their planning.



COUNCIL ON FOUNDATIONS

1828 L STREET NW WASHINGTON, DC 20036-5168
(202) 466-6512 · FAX (202) 785-3926

Grantmakers' Forum on Urban Policy

ANA Westin Hotel
2401 M Street, N.W.
Washington, D.C.
September 28, 1993

Agenda

10:00 a.m. Welcome and Introductions

James A. Joseph, President, Council on Foundations

10:15 a.m. Meeting Objectives

Steve Minter, Executive Director, The Cleveland Foundation
Dennis Collins, President, James Irvine Foundation
George Latimer, Director, Special Actions, Housing and Urban
Development

**10:30 a.m. National urban strategies from a community perspective:
policy, funding and organizing**

Angela Blackwell, Executive Director, Urban Strategies Council

**11:00 a.m. Policy strategies: Clinton administration perspective on urban
policy and collaboration**

Carol Rasco, Special Assistant to the President for Domestic
Policy, The White House

Business Strategies: Committee for Economic Development's
Committee on Tackling America's Urban Problems

Sol Hurwitz, President, Committee for Economic Development

Nonprofit/Community Strategies: National Community Building
Network

James Gibson, Senior Associate, Urban Institute

Discussion

12:00 p.m. Buffet Lunch

12:30 p.m.

New funding and organizing initiatives in the public sector: A discussion of Federal department programs and priorities dealing with major urban issues.

Andrew Cuomo, Assistant Secretary for Community Planning and Development, U.S. Department of Housing and Urban Development

Peter Edelman, Counselor to the Secretary, U.S. Department of Health and Human Services

Thomas Glynn, Deputy Secretary, U.S. Department of Labor

Marshall (Mike) Smith, Under Secretary, U.S. Department of Education

Discussion

1:45 p.m.

Break

2:00 p.m.

New funding and organizing initiatives in the private sector

Nonprofit/community sector, building capacity: National Community Development Initiative

Peter Goldmark, President, The Rockefeller Foundation

Business sector, access to credit and capital in the private sector

Peter Goldberg, President, The Prudential Foundation

Nonprofit/community sector, civic involvement: Town Meeting

Joyce Bove, Vice President, New York Community Trust

Discussion

3:00 p.m.

Opportunities for Collaboration

George Latimer, Director, Special Actions, U.S. Department of Housing and Urban Development

Discussion

4:00 p.m.

Adjourn



FACT SHEET

COUNCIL ON FOUNDATIONS

PUBLIC POLICY INITIATIVE

In response to growing membership interest, the Council on Foundations is developing an initiative on public policy. This initiative will help members make better informed choices among an expanding array of roles and strategies independent, community and corporate foundations and giving programs are using to improve public policies, service delivery systems, and public policy outcomes in fields such as education, health, economic and community development and the environment. Through this initiative, Council members will have an opportunity to learn from successful models, develop clear expectations, and formulate criteria for how and when their own foundation might work with government, within and up to the limits of the law, to achieve its goals.

Objectives for this initiative are:

1. Increase awareness among Council members of the range of roles they can assume and actions they can take to leverage the public's ability to design and implement sound public policies;
2. Facilitate individual and group efforts by Council members to develop collaborative relationships with federal, state and local governments to improve policy development and implementation on specific issues;
3. Provide a locus within the Council on Foundations for the expression of a leadership agenda on public policy partnerships.

These objectives will be accomplished through a multifaceted program of educational, training and facilitation services to grantmakers and other key stakeholders in the public policymaking community. Program activities will be developed in consultation with other support organizations such as regional associations of grantmakers and grantmaker affinity groups, and will be consistent with the tenets of other Council membership services. These include supporting members in their program activities, helping members improve their internal operations and grant programs, and the promotion of responsible and effective philanthropy, public understanding and the growth of philanthropy.

An advisory committee of Council members has been formed to help develop this initiative (see reverse). For more information about this initiative, contact any member of the Advisory Committee or:

Lauren Cook
Assistant to the President
for Public Policy Initiatives

July 1993

Council on Foundations
PUBLIC POLICY INITIATIVE

-ADVISORY COMMITTEE MEMBERS-

Drew Altman
The Henry J. Kaiser Family Foundation

Lon Burns
Southern California Association for Philanthropy

Lewis Feldstein
New Hampshire Charitable Fund and Affiliated Trusts

Peter Goldberg
The Prudential Foundation

Sarah Jepsen
AT&T Foundation

Betty King
The Annie E. Casey Foundation

Thomas Langfitt
The Pew Charitable Trusts

Thomas Layton
The Wallace Alexander Gerbode Foundation

Deborah Leff
The Joyce Foundation

Wendy Puriefoy
Public Education Fund Network

Terry Saario
Northwest Area Foundation

Steven Schroeder
The Robert Wood Johnson Foundation

Ruth Shack
Dade Community Foundation

David Tatel
Spencer Foundation



FACT SHEET

COUNCIL ON FOUNDATIONS

STRATEGIC RESOURCE FOR GOVERNMENT POLICYMAKERS

The Council on Foundations would like government policymakers and elected officials to be aware of an important resource as they organize to define and achieve policy objectives. Unique in the nonprofit world, U.S. foundations and grantmaking organizations hold over 140 billion dollars in assets and contribute to programs in such fields as health and social welfare, education, economic development and the environment. Foundations represent rich reserves of experience as enablers in communities and on specific areas of social and economic investments. Many Council members, such as the Pew Charitable Trusts, the Prudential Foundation, and the New York Community Trust, have worked directly with government at all levels to achieve public policy objectives. With government's growing commitment to change and the pressure of shrinking resources, many more Council members are exploring how to better work with the public sector, at the federal, state and local levels, to raise the quality of discourse policy, improve governance processes and policy results.

TYPES OF SUPPORT

Foundations command a set of strategic resources that can enhance the ability of government decisionmakers to develop and execute sound policy. Examples include:

- o **Targeted Policy Analysis:** Foundations fund high quality research that can provide invaluable background information for government decisionmakers. Empirical research, "best practices" surveys and targeted focus groups can be designed to respond to specific research needs of policymakers. *How current immigration policies affect indigent health care, state government experience with government down-sizing, or apprenticeship program success factors are sample topics.*
- o **High Risk Investments:** Foundations are often in a better position than government to fund experimental or pilot programs. *Alternative approaches to prenatal health services, better child support enforcement practices, or environmental mediation processes are examples of improved government actions seeded by foundation support.*
- o **Convening Agents:** Foundations can organize meetings between government officials and stakeholders in a given area of policy. Such meetings can provide neutral ground for public decisionmakers to validate their viewpoints, obtain new ideas, or encourage public/private dialogue. *As government articulates new approaches on urban policies, infrastructure investments and job creation, foundation sponsored meetings can be invaluable sounding boards.*
- o **Leadership:** Foundations, individually and in groups, can expand community awareness and catalyze sectoral action to achieve a public good. Such leadership is expressed through their giving priorities, and through the actions of their boards and officers. *Public attitudes about civic involvement or preventative health care are but two areas that foundation leadership can affect.*
- o **Partnerships:** Individual or groups of foundations can work with government officials on special initiatives over time, combining the unique resources of their sector with the public mandate and institutions of government. *Consortiums between executive agencies and foundations can result in sustainable human service reforms or job creation strategies.*

- over -

Government will need to employ every available asset, public and private, financial and intellectual, to achieve lasting improvements in every area of policy. Establishing ongoing working relationships with foundations and other grantmakers has been an extremely effective approach with enormous future potential, and merits serious attention by every committed public servant.

HOW TO INITIATE FOUNDATION COLLABORATION

Senior government policymakers interested in exploring potential collaboration with foundations are encouraged to contact:

Lauren Cook
Assistant to the President
for Public Policy Initiatives

COUNCIL ON FOUNDATIONS
1828 L Street, N.W.
Suite 300
Washington, D.C. 20036

202/466-6512 Fax 202/785-3926

ABOUT THE COUNCIL ON FOUNDATIONS

The Council on Foundations is a nonprofit membership association of approximately 1,300 of the nation's most active nongovernmental grantmaking organizations. These include private, corporate and community foundations and corporate giving programs. Council members contributed roughly \$5 billion last year for programs in such fields as social welfare, health, education, the environment and the arts. Under the leadership of President James A. Joseph, the Council promotes responsible and effective grantmaking.

May 1993