



## carolina forum

### “The Neighborhood Movement In Urban America”

*Appears to me that there is something very real going on out there--that people all over the country are active. While our national leaders talk about malaise, you read a survey saying that people are 77% satisfied with their neighborhoods. In my experience we have never had as high a level of neighborhood organization around improving and changing neighborhoods. Yet there are these contradictions...*

*Joe McNeely*

When, in the mid 1970s, groups of Latins, Blacks, blue-collar whites, and other outraged Americans coalesced and began to move their campaign for neighborhood power from the steps of City Hall to the formidable offices and chambers of Capitol Hill, certain contradictions began to surface: contradictions in the purpose, constituency and methods of what has been called the Neighborhood Movement. This transition from local activism to national advocacy culminated in Congress' setting up a National Commission on Neighborhoods. Not surprisingly, the Commission was said by its critics and participants alike to embody the very contradictions lying beneath the emerging grass-roots movement.

In February 1980, four people who had in one way or another been associated with the Commission or its aftermath spoke at a Symposium on the Neighborhood Movement in Urban America at the University of North Carolina at Chapel Hill. Dissonance as well as harmony surfaced in their retrospective remarks about the formative years of the Neighborhood Movement and their sense of what should occur in the months and years ahead. The following article puts on stage the four people who participated in the Symposium, and lets them tell you in their own words about the movement's transition from local groups working on local

issues to a national lobbying force stirring interest in Washington. The four panelists were:

Gale Cincotta--Commission member; Executive Director of the National Training and Information Center, and Chairperson of National People's Action.

Bob Kuttner--Executive Director of the Commission; Fellow at Harvard's Kennedy Institute of Politics.

Joe McNeely--Director of Office of Neighborhood Development at HUD; Has been instrumental in shaping federal neighborhood policy.

John Goering--Senior Research Associate at the Center for Policy Research; Visiting Scholar in the Office of Policy Development and Research at HUD.

#### BEGINNINGS OF A NATIONAL MOVEMENT

According to Gale and Bob, neighborhood associations rose from the embers of older social and political institutions that had united neighborhoods in the earlier years of this century. "I can remember growing up," Gale said, "you had a precinct captain. If somebody had to have a citizenship paper processed or had to be in the county hospital, you went to these people and they did all this magic for you just so you'd vote in the next election. That system was breaking down; the cities were changing and the people in power didn't know how to deal with them. So, in the effort to survive, community organizations started springing up and started to fill a lot of those needs. You had to go and try to get the garbage picked up, you had to go and try to get books for the schools. Looking back, that's where the whole neighborhood movement

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and citizen participation thing got much more organized--when there was that complete kind of breakdown of the political system serving the citizens in any kind of capacity."

As neighborhood groups grew more confident in their strength, and as they developed a sophisticated understanding of the interconnectedness of the problems plaguing their areas, they began to think of 'the enemy' in broader terms. Gale continues, "What we found was that if we worked individually we might get a realtor out of our neighborhood, but he'd move next door, into somebody else's neighborhood. They'd work very hard getting somebody kicked out of their neighborhood, and he'd open up an office in ours. And as far as dealing with HUD -- by ourselves we could do nothing. So we put together the West Side Coalition and again made some impact: got city ordinances passed, got state legislation passed, and started to deal with HUD. But we felt that again we had reached the peak of what we could do from that kind of base. So we then very naively said this problem has got to be in other neighborhoods around the U.S. We were tired of being told that we had an isolated incident in the city of Chicago by HUD people. Their answer to us was, 'You gotta go to Washington.' I think that they figured out that we'd never do it--that was their thought." But they were wrong.

According to Gale, in 1972 the West Side Coalition sent out invitations for the first National Conference on Neighborhoods to be

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held in Washington. Over 2,000 people from thirty-eight states attended. "They were black, they were Latin, and white ethnic...What I didn't know at the time was that in the back of the hall there were other people observing, taking bets on how long this would last. They thought that we were going to blow up before the end of the conference. It was a community conference, and community people are usually very upfront, yelling and screaming what they like or don't like. But we found the enemy and it was not us. And that was the theme," she said.

Realizing that their power base had assumed national dimensions, the association of neighborhood groups that sprung from subsequent neighborhood conferences, National People's Action (NPA), decided to take on a problem besetting many declining neighborhoods in urban areas: redlining. Bob Kuttner, who was at that time chief investigator for Senator Proxmire, the Chairperson of the Senate Banking Committee, was only on the job for two or three

weeks when Gale approached him with the redlining issue. "We did a four-day series of hearings before the Senate Banking Committee on redlining which got the Congress really excited over the issue," Bob recalls. "It was very, very exciting to be in that kind of pivotal position where I was able to broker between a really genuine energy commitment that some of the neighborhood activists felt and some good will on the part of a lot of members of the Congress. What you had was a chaotic, authentic, committed network of neighborhood organizations around the country that really did their homework and started turning the heat on the legislators. And in very short order we did get through Congress the Home Mortgage Disclosure Act." This act requires banks and savings institutions to make available to the public, information about where they put their mortgage money. Instead of creating a regulatory apparatus in Washington, which was distant from the problem, the Act was intended to be an organizing tool for neighborhood groups. "The notion was that if people could find out which banks were trashing their neighborhoods, public opinion and community organization would do the rest," Bob adds.

The momentum in Congress and in neighborhoods created by the passage of this Act carried the other pieces of proposed legislation in support of neighborhoods through the Congressional mill with surprising celerity. The first to pass was the Community Reinvestment Act (CRA) designed to assist neighborhood groups in stemming the disinvestment problem. The second was an act establishing the National Housing Service to help moderate income neighborhoods obtain financing to improve housing conditions, and the third was the Neighborhood Policy Act of 1977, which gave birth to the controversial National Commission on Neighborhoods.

The Commission, composed of sixteen members appointed by the President and four appointed by Congress, was charged with identifying the factors contributing to neighborhood decline and recommending legislative and administrative remedies. Unlike the other laws, which were primarily concerned with providing ammunition for local activism, the Neighborhood Policy Act was intended to bring the neighborhood campaign to another platform: the national stage. The same question which onlookers at the first National Conference on Neighborhoods had placed bets on once again came to the forefront: will it last? Can the diverse actors involved in neighborhood activism agree on certain basic issues affecting the viability of neighborhoods enough to hammer out proposals and new approaches, and to arouse a largely impassive, immobile Administration and Congress? Such a task turned out to be a larger order than the architects and supporters of the bill had con-

ceived. To quote the opening lines of the Final Report, it was like "catching lightning in a bottle."

## THE NATIONAL COMMISSION ON NEIGHBORHOODS

From its inception, the National Commission on Neighborhoods promised to be unlike any other commission that had sent a report to the President. Bob Kuttner, who was hired to be Executive Director of the Commission, comments, "Most commissions are very blue ribbon commissions -- bankers and college presidents. This was different. The Commission was conceived and lobbied for by the same cast of characters who had developed this very potent, very authentic, very grass-roots national lobby on behalf of neighborhoods. Something like a thousand people wanted to be in on it--it totally overwhelmed the Presidential Personnel Office. When these sixteen folks plus four Congress people got on the Commission, they had gotten there the hard way. They weren't going to let any over-paid Washington staff that hadn't earned its stripes the hard way write their report.

"The Commission was really a kind of neighborhood in microcosm; you had all of the conflict, all of the chaos, all of the different viewpoints that you would have in the neighborhoods and the neighborhood movement. You had fundamental disagreements--different premises, different views of the world. You had as a chairman a State Senator from Boston who thought it ought to be run like the Boston City Council. You had three or four community activists who thought it ought to be run like a neighborhood meeting. You had one historic preservationist who thought it should be run like the Junior League.

"I survived until September and was carried out on a stretcher. As chaotic and uneven and weird as the Commission was, you will not find anything that's as neatly tied up in a ribbon as the Douglas Commission Report, which was a staff operation in many respects. There is some good stuff in the final report, and some embarrassing stuff. In many respects, the final report is five different reports (written by the five task forces which developed) and this simply reflected the five

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separate agendas. The difficult definitional questions of what is a neighborhood and what is a neighborhood movement, and are we trying to upgrade the physical territory by importing a better class of people or are we trying to save the neighborhood for the people who live

there--those fundamental questions were never resolved."

After one year of work, the Commission sent a book-length report with a set of book-length appendices replete with controversial, conflicting recommendations on economic development, housing, neighborhood self-help, and tax codes to the White House. The staff is presently in the process of digesting that information.

## WHAT DOES IT ALL MEAN

Five separate reports with five different agendas, and disagreement on fundamental issues: To return to an earlier question, is there an identifiable movement working on clearly-defined issues? And what is its future? The panel members had differing opinions.

"Redlining and disinvestment enabled people from very different ideologies and movements to fall out around a fairly narrow issue," Joe Mc Neely said. "The support of the Neighborhood Commission Bill was a narrow issue: to get the word neighborhood in the *Congressional Record*. But because sometimes these narrow constituencies line up together around a narrow set of issues does not make

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them a movement for all the analyses and writing we feel compelled to do. There are movements with defined constituencies and clear agendas among certain kinds of neighborhoods, and maybe there is a mini-ideology that gets some clear definition -- but by calling it a movement we raise a lot of inappropriate questions: Who is the leadership? What is its defined agenda? What is its agenda's impact on Israel and foreign policy? I suggest that what's happening is there are a lot of activists and a lot of active vocal expression that happens to fall together on certain issues."

"I probably disagree with Joe," Gale said. "I do think that there is a movement, that something is happening. Maybe it is labeled incorrectly as the neighborhood movement. I do think that there is room for all ranges of people, thoughts, and ideologies in there. Where it's going, we'll see."

Bob Kuttner saw an underlying consistency running through neighborhood activism of most persuasions; a thread that tied it in with "a new progressivism." He said, "People who believe in a more egalitarian society, a more democratic society, who believe in social change to better the society have given up on

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Washington. The habit of liberals for the last two generations since the New Deal to accept social programs that were badly flawed was a kind of Faustian bargain, and the tax revolt is the payment of the bill.

"The central organizing principle of a new progressivism or populism has got to be decentralization, local control -- the use of national policy not to create bureaucracy, but to create conditions in which local control can flourish. And if there is a central, unifying theme that can grow out of all this whether of exciting chaotic activity, I think that's got to be it."

"I agree that bureaucracies are pretty rotten things," John Goering comments. "I am simply puzzled; I am not sure of answers; I fear that as our economic system becomes much more centralized in large corporations, and as the economic base of cities becomes more fragile or vulnerable, and as economic markets become more interdependent, I simply wonder

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"... ARE WE TRYING TO SAVE THE NEIGHBORHOOD FOR THE PEOPLE WHO LIVE THERE ..."

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about the business of decentralizing power or political influence when, in fact, you don't have control over the major economic forces that are affecting you. I'm not convinced of that as a solution. I think Bob would agree with me that it works for certain things under certain conditions. I think to substitute it for 'the solution' is probably going overboard in one direction."

#### CONCLUSION

In the neighborhoods, where the national debate began, the struggle goes on; perhaps a bit differently than it did a few years ago, before people from neighborhoods all over the United States began talking to each other, and realizing they shared a similar set of problems, with only tentative hopes for solution. Once again, the arena for the struggle for neighborhood power may be shifting, partially in response to the economic pressures squeezing almost everyone but most painfully those at the bottom, and perhaps partially due to the fact that they now have allies in government. The struggle now may occur less in the public sector and more in the private sector, where an increasing concentration of power and wealth poses a threat to populist dreams of local control. The movement is fragmented, and to some extent, incorrigible and unfocused, but the conditions giving rise to a need for local activism are still there.

*Andrée Tremoulet is currently working toward a Masters degree of Regional Planning with a socio-economic concentration at the University of North Carolina in Chapel Hill.*

## Harnessing Reinvestment: National Training And Information Center Builds Partnerships With Neighborhoods

Why is there so much excitement on the streets of Chicago's Roseland and Austin neighborhoods? Why are people in the St. Clair Superior community of Cleveland and in Philadelphia's Kensington neighborhood looking at their boarded-up, vacant homes with new hope? Why are tenants in the Northwest Bronx talking about new roofs, wiring, plumbing and furnaces? Why do 45,000 residents and merchants in Brooklyn believe that there will be new life flowing along Fifth Avenue? The National Training and Information Center (NTIC) and Aetna Life and Casualty have formed an unprecedented partnership with these six neighborhoods. Aetna Life and Casualty, the nation's largest diversified financial firm, has earmarked at least \$15 million to begin revitalizing neighborhood housing in Chicago, Cleveland, Philadelphia, and New York, hoping to be the catalyst for a host of inner-city development projects.

The partnership was spearheaded by the efforts of Gale Cincotta and NTIC, a national resource center for neighborhood based organizations. NTIC provides training, technical assistance and on-site consulting to community organizations throughout the country. In-depth research conducted by NTIC staff monitors the impact of public sector policies and private sector practices in neighborhoods. Dedicated to the belief that neighborhood residents must be full and equal partners in the decision-making that affects their lives, NTIC's expertise in negotiating has proved to be a major catalyst for many communities. Established in 1972 by Gale Cincotta and Shel Trapp, NTIC has trained several hundred organizers and countless community leaders to win victories for their neighborhoods.

Aetna's involvement began on June 4, 1978 when Aetna Vice President John Martin attended the Seventh Annual Conference of National People's Action (NPA), the national network of neighborhood organizations. Mr. Martin was asked by the hundreds of community leaders from around the country, who were participating in a workshop on insurance redlining, to sign an agreement that Aetna Company President, William Bailey, would meet with community leaders. The demand at the time was simple: Meet with us in our neighborhoods. Martin signed the agreement and on October 7, 1978 negotiations began in earnest with Aetna over the issue of insurance availability.

Aetna executives spent the month of November, 1978 on the road, touring neighborhoods. They met owners of single-family homes, two-flats, and apartment buildings who were struggling to save their neighborhoods--but couldn't get conventional insurance at reasonable prices and terms. An NPA/Aetna anti-redlining agreement was announced in mid-February. It is a five-city pilot program designed to increase insurance availability for residential properties--the largest such agreement ever negotiated between neighborhood groups and an insurer.

The program guarantees that every person applying to Aetna for residential property insurance in targeted areas in the Bronx, Brooklyn, Cleveland, Chicago, and Philadelphia, will have their property inspected. Participating Aetna agents will decline no business during the program. If agents have no voluntary market for the applicant, they will submit the case to the Aetna branch office. The branch office is then required to either write the policy or explain to the applicant, in writing, why the property is not insurable. If repairs are necessary, the letter will state what is needed to be done for Aetna to insure the property.

As part of the insurance availability agreement, Aetna started recruiting new agents to place in the redlined neighborhoods, and developing local marketing programs to increase the visibility of Aetna's agents. After eight and a half months, Aetna had written 375 new policies in the targeted neighborhoods.

Community leaders used Aetna's November, 1978 site visits to draw attention to investment opportunities in their neighborhoods. In April, 1979, Aetna established a Neighborhood Investment Task Force to explore the investment issue with the same groups that were involved in the insurance availability negotiations. Aetna's Neighborhood Task Force worked closely with the National Training and Information Center to look at these communities and concluded that there were viable investment oppor-

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"WE WON THIS REINVESTMENT FROM AETNA. AND DON'T LET ANYONE MAKE YOU BELIEVE THAT IT DIDN'T TAKE ORGANIZING ON THE ISSUE OF INSURANCE REDLINING TO DO IT."

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tunities in each of the neighborhoods. It was recommended that Aetna's Corporate Responsibility Investment Committee commit the necessary financial support to work with NTIC and the neighborhood organizations.

Aetna decided that if their investment dollars were to be utilized effectively over the short and long term, they needed to contri-

bute 'soft dollars' early on to develop within the neighborhood organizations persons skilled in the areas of planning, construction, and management to oversee the development process. The result was an announcement of a \$225,000 fifteen-month grant to NTIC to provide the dollars necessary to hire development specialists for the neighborhood organizations and to coordinate the project nationally in the six neighborhoods.

Msgr. Geno Baroni, HUD Assistant Secretary for the Office of Neighborhoods, followed Aetna's commitment with an announcement of a

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"I'VE LIVED HERE TWENTY YEARS AND THIS IS ONE OF THE FIRST MAJOR PROJECTS IN THE LAST THREE OR FOUR YEARS OUTSIDE OF GETTING VACANT HOUSES TORN DOWN. TO ME IT HAS BEEN MIND BOGLING HOW MONEY COMES INTO THE CITY BUT NEVER GETS IMPACTED IN THE COMMUNITY. NOW WE HAVE THE OPPORTUNITY TO DIRECTLY WORK ON THIS PROJECT."

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\$100,000 national grant to NTIC from the Neighborhood Self Help Development Program. Under this program the national award will enable NTIC to assist the six neighborhoods in developing their own Self Help proposals as well as in exploring future neighborhood investment opportunities. In addition to the national grant was a pledge that technical assistance would be available from HUD's new Office of Public/Private Partnerships; an office specifi-

*Joint Press Conference announcing the \$15 million plus reinvestment project with members from neighborhood organizations.*

*Photo courtesy of NTIC*



cally designed to serve the private business community in its efforts to become more actively involved in urban revitalization programs.

One of the first places to feel the impact of the Aetna Reinvestment Package will be the 1200 block of Shakespeare Avenue and 54 W. 174th Street in the Bronx; it will receive three hundred thousand dollars to begin work on over one hundred units--work which entails basic system rehabilitation such as heating, plumbing, wiring, and roofing. Residents of the Bronx see these buildings as only the beginning, and the Northwest Bronx Community and Clergy Coalition has wasted no time. Utilizing the Community Reinvestment Act, they have won agreements from Anchor Savings Bank for twenty multi-family investment projects and from Eastern Savings Bank for thirty-five investment projects. And already in 1980, the Northwest Bronx Community and Clergy Coalition, at its annual congress on January 7th, received a commitment from Dollar Savings to rehab one hundred buildings.

Ten years ago the City of New York took a block and a half on Fifth Avenue in Brooklyn, condemned the buildings, and planned to build a school. When New York's budget crisis hit, the lower Park Slope community was left with a six and a half acre eyesore and dumping ground. Today, the City of New York is talking about closing forty more schools because it does not have the money to keep them open, but it still owns that lot on Fifth Avenue.

With the help of Aetna, the Fifth Avenue Committee (FAC) hopes to acquire the lot and provide housing for 255 families. Utilizing Section 8 and Section 235 subsidies, the project would include a mix of income groups especially benefiting low and moderate income people. FAC believes such new vitality will ripple along the avenue bringing new life to a declining commercial strip.

South Austin Realty Association's Lockwood Terrace on Chicago's West Side is another Aetna project which will be underway shortly. Forty-eight units will get system rehabilitation and Section 8 commitments. The South Austin Realty Association (SARA) will provide community-based management for the building.

On Chicago's South Side the Roseland community is looking at the Aetna commitment for desperately-needed rehab of single-family homes. Years of FHA defects and foreclosure scandals have left Roseland one of the most devastated neighborhoods in the nation. The Greater Roseland Organization (GRO) is currently working on a victory it achieved last June, when HUD agreed to rehab one hundred FHA abandonments in Roseland as a pilot project. Thirty-eight homes are being rehabed in Phase I and will be on the market in March.



*Multi-family building to be rehabed by the Aetna/NTIC Reinvestment Project.*

*Photo courtesy of NTIC*

In Philadelphia, the Kensington neighborhood was spared the FHA scandal, but it has five hundred privately-owned abandoned homes. An Aetna agreement will allow the Kensington Action Now organization to acquire and rehab ten of these vacant row houses; Aetna is also working with local lenders to provide short-term construction financing. Aetna has set up a one hundred fifty thousand dollar revolving loan fund for construction financing with a local lender and has also agreed to provide the take-out commitment for the long-term mortgages (with interest rates at lower than conventional financing).

Rather than a problem with abandonments, the St. Clair-Superior neighborhood in Cleveland has a problem with vacant lots. Aetna has plans to work with the St. Clair-Superior Coalition's new community development corporation, COHAB, to rehab ten abandonments while they develop plans for in-fill housing.

It was only fitting that the Aetna announcement concluded NTIC's "Harnessing Reinvestment" Conference on November 30, 1979. Over two



*Lockwood Terrace at 5301 W. Washington Boulevard in Chicago's South Austin community to be rehabed by the Aetna/NTIC Reinvestment Project.*

*Photo courtesy of NTIC*

hundred people had spent three days discussing various strategies and programs to combat the growing problem of displacement. "Ripe" for speculators, many neighborhood residents are having their community sold right out from under them. Priced out of their community, low and moderate income families are becoming nomads, as they are displaced again and again.

Carl Holman, President of the National Urban Coalition, in addressing NTIC's Conference, describes what happens when the "urban pioneers" begin moving in: "The benefits of a strengthened tax base and of some gains in residential and commercial revitalization are clashing with the deprivation, frustration and anger of those who are becoming the new urban nomads." He concludes, "Neighborhood movements just may make the difference."

The Aetna announcement is a landmark as the neighborhood movement advances from the '70s

into the '80s. For the first time, neighborhood leaders and executives of a major financial corporation have jointly planned and negotiated a multi-city, multi-million dollar reinvestment program. Gale Cincotta aptly sums it up at the conclusion of the NTIC Conference, "We have come too far to stop organizing now. No one company, no matter how large, no matter how great their assets, can single-handedly provide the capital necessary to revitalize our neighborhoods. Other corporations in the insurance and lending fields must follow the Aetna example."

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