

IV. CCC's Work on Housing and Neighborhood Strengthening

Throughout this 35-year period, the Center was deeply involved with issues related to housing and the strengthening of low-income neighborhoods. This emphasis was part of the original vision for the Center. In the words of CCC's first proposal to the Ford Foundation in 1968,

"The basic purpose of the Center for Community Change is to assist in the process of organizing community groups and equipping them with the skills and techniques to negotiate in parity with other groups who presently have the institutional, financial, technical, and political capacity to affect or retard change. The goal is the orderly and harmonious sharing and transferring of decision-making powers to those groups which have been excluded from, and alienated by, the system....

"(Community organizations) will become the vehicles for physical development of the community, including housing, health, and community centers.... They will be in a position to act as the voice of the community in processing complaints and problems which local individuals and groups have with business, landlords or governmental agencies."

Thus CCC's founders envisioned two primary roles for community organizations -- as an organized and powerful voice for the community, and as an instrument for improving housing and strengthening both urban neighborhoods and rural communities. The second element of this dual vision came to the Center through Jack Conway, the Center's first President, who had served as Deputy Director of the federal Housing and Home Finance Agency, the predecessor of the US Department of Housing and Urban Development, or HUD. This represented a shifting from the vision which had governed the Center's predecessor the Citizens' Crusade Against Poverty and its Executive Director Richard Boone, which did not stress building the housing development capacities of grassroots groups.

CCC initially concentrated its housing and related work in an Urban Development Division and recruited New York City's former Director of Housing Hortense Gabel to direct it. Ms. Gabel was renowned nationally for her tough advocacy against Robert Moses' disruptive and racist urban renewal policies and for launching remarkably creative housing strategies. The most dramatic of these programs was an "instant rehab" experiment which used modular construction techniques to rehab tenement buildings in 24 hours, thus avoiding displacing their tenants. Equally innovative was her uniquely comprehensive strategy for renewing a section of an entire block on West 114th Street, renovating all the housing and integrating day care and other social services throughout the block. Unfortunately, this successful combination of improving housing and social services at once is still rare 70 years later.

The Division entered into long-term retainers with an internationally known urban planning firm, a real estate research firm, and a law firm with outstanding housing development and finance expertise.

The Center's work on the development side included help creating, staffing and providing technical assistance to some of the nation's first community development corporations.

Especially noteworthy were the Watts Labor Community Action Committee (WLCAC), The East Los Angeles Community Union (TELACU), Mississippi Action for Community Education/Delta Foundation, and SEASHA in Southeast Alabama. CCC gave very intensive help to those organizations as they grew and launched major community development projects.

Initially the Center had sufficient funding to help the organizations in Watts and East Los Angeles develop Comprehensive Neighborhood-Wide Community Plans. These set the stage for the remarkable accomplishments of WLCAC and TELACU during their early years.

In addition, the Urban Development Division conducted a thorough study of the challenges of managing subsidized housing and other large apartment buildings in low-income neighborhoods, and recommended a series of measures to meet these challenges. And in the late Sixties CCC Vice President Phil Mason spawned, staffed and spun off the National Congress for Community Economic Development as a coalition through which CDCs could tackle major national housing and community development issues.

The Urban Development Division was later succeeded by the Major Projects Unit under the leadership of Bishop Arthur Brazier, CCC's Vice President. Both concentrated on helping grassroots groups become "community development corporations" and sponsor major new construction and rehabilitation projects.

Why Emphasize Housing and Neighborhood Strengthening Issues?

There is no county in the United States, where someone can be working, making minimum wage, and afford the fair market price for a home. Not a single county.

Why is housing so important to low-income and working-class people? Why should it be emphasized?

- Housing is fundamental to the health of any community. It is at the very foundation of what makes a neighborhood or broader community livable, vibrant, stable and sustainable. We know how to provide adequate housing for every American and have the capacity to do so. But we are failing to achieve that goal and too often accepting this failure as unavoidable.
- We know how central good housing is for children and families. What's more, over the last few decades social workers public health experts have learned that a "Housing First" strategy is essential in eliminating homelessness and hopelessness. Individuals need a stable place to live before they have the stability they need to search for a job, address their health and mental health needs, develop the confidence and hope which are essential to achieving "the American dream". When we don't have adequate housing, the price people pay is high.
- Housing is integral to our economy. Housing produces jobs, it is central to our local tax base, and it has secondary economic benefits that impact both local and state economies. It is generally true that businesses follow housing, not the other way around. So when developers do market studies or when businesses assess location options, a key factor is

whether there is adequate housing for their employees or sufficient housing to sustain an investment. Without that, the choice is simple -- go elsewhere.

If the private market could make money off of providing housing that is affordable to those making minimum wage or less, they would be doing it. They cannot ... not without subsidies. **If there will always be some among us who are on limited incomes or for other reasons cannot afford market rate housing, there will always be a need for housing subsidies.**

Advocacy and Reform Strategies:

The Center's housing work always had an advocacy and major reform side to it as well. For example, early in the 1970s the Center joined with the National Urban League in preparing The National Survey of Housing Abandonment, the first national study describing how private market forces were leading to a devastating cycle of racial steering, absentee landlordism, disinvestment, the milking of properties, foreclosures, arson for profit and eventual abandonment of whole neighborhoods. This study was disseminated widely and used to help local groups in Chicago, New York, Los Angeles and elsewhere to understand and decide what to do about the market forces they were facing.

It also led the Center to decide to create the Neighborhood Revitalization Project (NRP) to concentrate attention on issues related to the role of financial institutions in either redlining and disinvesting from low-income neighborhoods or in profiteering from investing in harmful real estate practices.

CCC's work on reinvestment issues had several facets. First, it investigated the roles of key institutions in disrupting neighborhoods. . One early product was the publication of Opportunities for Abuse, the Center's landmark study of how the **mortgage banking** industry was profiting from fostering disinvestment, real estate abuses, and neighborhood decline. This was followed by Avoiding Another Marquette Park, an analysis CCC and civil rights experts prepared for HUD which recommended a series of major **reforms in real estate and banking** practices to halt neighborhood decline and abandonment.

Second, NRP became a central source of training and technical assistance for local groups which were developing strategies for local action on reinvestment issues. In the early years of the Community Reinvestment Act, Center staff helped groups understand CRA and devise local strategies for challenging banks to comply with the legislation's requirements that they meet the credit needs of their local communities. It helped establish many early precedents in enforcement of the Reinvestment Act. In New York City, for example, CCC helped local advocates challenge a bank's application for permission to expand, and to convince FDIC to deny that application. This was FDIC's first enforcement action under CRA.

It was followed by a successful Cleveland challenge which set a precedent for conditional approvals by the Federal Reserve Board. Over the years the Center was involved in dozens of challenges as grassroots groups and advocates set precedents which gradually increased new investment in communities which had been seriously neglected. **It gave intensive hands-on help to groups as they struggled to understand the legislation, consider alternative strategies, and take successful action to enforce the federal law.**

When the Community Reinvestment Act was enacted, NRP staff convened a Working Group on the Community Reinvestment Act involving local groups, National Peoples Action, ACORN, the US Conference of Mayors, civil rights organizations, Consumers Union, PIRG and other organizations. They collaborated in working diligently to develop "Citizens Guidelines on CRA" which they used as the basis for joint action to influence regulations being promulgated by the Fed, FDIC, and other national regulators.

When the Home Mortgage Disclosure Act faced sunset in 1980, CCC and National Peoples Action took the lead in advocating for extension of that crucial tool for investment efforts. This advocacy succeeded in winning permanent extension of the Act.

In the 1989 Savings and Loan crisis, when those financial institutions sought a federal bailout, CCC brought a dozen organizations together to focus on what quid pro quo the federal government should demand in return for such massive federal aid. They won creation of the Affordable Housing Program by the Federal Home Loan Bank Board. This led to literally billions of dollars of added private investment in low- and moderate-income housing. Similar advocacy led HUD to insist that Fannie Mae and Freddy Mac set annual Affordable Housing Goals, which then redirected massive private investment to low-income neighborhoods.

In the early seventies, a CCC special project focused on the South Shore neighborhood in Chicago planned and then created a **new approach to banking** designed to stabilize and strengthen a neighborhood which was threatened with decline by a series of factors. This study laid the groundwork for the establishment of Shore Bank, a nonprofit bank committed to a policy of investing in community development in the South Shore neighborhood of Chicago and its vicinity. While it ultimately went bankrupt, **Shore Bank** for many years was known nationally for its creativity and its positive impact on the community. It was an early pilot and model for what became the federal government's support for dozens of Community Development Financial Institutions, or CDFIs, in low-income neighborhoods and rural communities.

At the request of Congressman Joe Kennedy, who saw the need for increasing advocacy on investment issues, Center staff convened several national and local organizations to plan and launch the National Community Reinvestment Coalition. The Coalition was housed at the Center in its early days and has gone on to become a permanent source of strength on these issues.

The Center decided to phase out its direct work on reinvestment issues as NCRC grew, and as CCC reinforced its working relationship with National People's Action, the preeminent leader among community organizing groups working on these issues.

Increasing Organizing on These Issues:

While the Center continued helping CDCs launch housing and economic development projects, the change in leadership in 1971 from Jack Conway to David Ramage -- who was rooted in the churches' social gospel mission and in Alinsky organizing -- brought a real shift in the balance of activity. The Center made a much stronger commitment to organizing as central for all its affiliates, including CDCs and service providers. CCC did this as CDCs were being pushed by others to move "from protest to program", to avoid controversy and to partner with local governments and the private sector.

In particular, the Center's leadership withstood pressure from the Ford Foundation to concentrate the Center's work to align with Ford's multi-million dollar "CDC strategy" and to deemphasize community organizing and advocacy. Ford had decided to encourage groups to move from "protest to program" as they "matured" into becoming development corporations, and Mike Sviridoff asked CCC to become its central partner for this strategy. When Ramage turned down this offer despite its assurance of increased funding, Ford instead funded creation of the Local Initiatives Support Corporation, or LISC, as a major new source of financing and expert assistance for CDCs and other development organizations. The subsequent founding of the Enterprise Foundation and SEEDCO provided additional sources of help for major housing and economic development projects launched by nonprofits with or without a low-income community base.

With the growth of these new national efforts, the Center was unique among national technical assistance organizations in its strong emphasis on community organizing as an important continuing role for grassroots groups.

In its work with local groups and in its leadership nationally, the Center increasingly became a strong advocate for focusing resources and assistance on groups which were community-controlled, accountable, and both willing and able to take on policy issues and issues of institutional reform. While CCC did not have a single model of how organizations should be structured as they took on direct roles in development, it did have a set of standards which it applied in selecting which organizations to assist. In addition to issues of democratic governance and community accountability, these standards included an insistence that groups be focused in large part upon projects which were benefitted very poor families as well as those with moderate incomes.

Because of the importance of these issues, in providing assistance to community-controlled CDCs, the Center's staff team included people with strong expertise in organizational development and community organizing. The assistance usually included advice and assistance on building and being accountable to a strong community-based Board, direct community involvement in setting priorities and developing plans, and increasing the organization's impact by focusing the community's power and technical expertise on changing the policies and behavior of major institutions. Balancing project and organizational goals was far from easy and sometimes led to staff tensions.

Furthermore, as the main national voice for that kind of balance, CCC was sometimes viewed askance by other organizations as not being fully committed to mainstream CDC approaches.

The Center's lead role on the **Community Development Block Grant, or CDBG**, program is described in Chapter III. That block grant became the main source of federal funding for housing and community development in the nation's cities and rural areas. As recounted in the paper on the history of CCC's economic justice work, the Center had a major influence on CDBG policies set by the Carter Administration and Congress, resulting each year in the redirection of hundreds of millions of dollars to benefit low-income people. These policy shifts were durable and long-lasting, and they still have a great impact today. They opened the program to become a very significant continuing source of revenue for grassroots community organizations and programs and projects they developed or backed.

The Center's national leadership role, collaborative stance, and coalition-building

strategy gave it opportunities to increase its impact by increasing its influence with other national organizations and coalitions. For example, CCC staff-member Andy Mott chaired the National Low Income Housing Coalition during its formative years, Eisenberg founded the National Committee for Responsive Philanthropy, and other staffers played leadership roles in the National Neighborhood Coalition, National Community Reinvestment Coalition, National Peoples Action, the Rural Coalition, the Coalition on Human Needs, and national coalitions on jobs and job training, the federal budget, and several other issues. **Many of these alliances brought in powerful middle-class organizations to add their weight to that of groups representing poor and working-class people.**

One example of this strategy was the Center's leadership through the National Low Income Housing Coalition on legislation dictating that HUD set aside hundreds of millions of dollars each year for community-based CDCs ("Community Housing Development Organizations", or CHDOs). CCC then applied for and won a substantial grant from HUD which enabled the Center to expand its capacity to provide technical assistance to CDCs.

Unfortunately, CCC did not have the resources to concentrate on another important issue on which it had discovered an intriguing policy solution. Under a contract with the Pennsylvania Department of Community Affairs, a CCC consultant analyzed the condition and needs of 27 housing projects which the Commonwealth had financed for veterans and others with modest incomes. Half of these projects were owned by public housing authorities and half by private developers. The Commonwealth provided each development with a large **capital grant** to serve as a one-shot subsidy to finance part of the construction costs, with the balance being financed by **direct public loan funds** from FHA, thus avoiding the higher interest costs of private lending. Of major importance from a policy point of view was the success of the type of subsidy used to finance the projects: **the net cost of constructing and maintaining the housing was remarkably low because of the efficiency of a one-shot capital grant** in contrast to the cost of the federal government's now usual approach of providing private developers with subsidies and massive tax incentives throughout the life of an assisted housing project.

With the advantage of these great initial savings, the projects were then covered by rent controls and subjected to annual inspection to ensure they were maintained well. They were inspected once a year by a professional inspector from the State who insisted the housing be maintained in excellent condition. And they required no continuing subsidy!

In its analysis, CCC discovered that the projects continued to be highly regarded by their tenants, and without the stigma which often afflicts public housing and subsidized units.

Housing Trust Funds:

Once excellent example of how the Center has combined local capacity-building and campaigns to have a growing national impact is CCC's Housing Trust Fund Project. Since the 1990's, the Center has been in the forefront of a concerted effort to increase local and state government funding for low- and moderate-income housing.

The Center's Housing Trust Fund Project has had an extraordinary impact over these years, generating hundreds of millions of dollars in subsidies for single family homes and apartment buildings. Begun in the early days of the Center, it continues and has been expanded and strengthened during the 21st century.

Congress made a promise decades ago to provide every family with a safe, decent and affordable housing. But it hasn't happened. We have relied primarily on federal funding to support needed housing. We still need to. But we have lost some 80% of federal funding for affordable housing since the Reagan Administration, and an enormous number of units of public and other permanently affordable housing units have been lost. Furthermore, virtually every city and town in America is facing an increasingly severe problem of homelessness, escalating rents and housing prices, and unyielding pressures to cut taxes and government spending.

For almost four decades, the Project has provided research, materials, information, training and on-site assistance to coalitions and community-based organizations which become the prime advocates for changes in local and state policy which would create dedicated revenue sources for subsidizing new construction and/or housing rehabilitation.

The Center's technical assistance program has been hugely successful. The TA includes on-site training and ongoing strategy development, models to draw from, help in drafting materials, public speaking and testimony, and experience from working with hundreds of such campaigns. The Project focuses on four major stages and provides direct assistance at each stage:

- (1) Building a coalition of housing advocates with the capacity to carry out a multi-year campaign.
- (2) Conducting background research to understand where the most critical housing needs exist, what the capacity is to address those needs, and what housing policy options are legally and politically available.
- (3) Public education to communicate the values inherent in adequate housing and broadening public understanding of the role housing plays in creating healthy neighborhoods, fostering stable and productive lives, and building local economies.
- (4) Developing strategies for a winning campaign including development of a clear effective proposal, engagement of a broad range of allies, effective communication and highly strategic action to win passage, implementation and growth of a new trust funds.

The increase in the number of housing trust funds is in large part due to the catalytic and support role which Housing Trust Fund Project has played. When CCC launched the Trust Fund Project, the nation only had six small trust funds. **By 2022 there were 832 trust funds, generating over \$3 billion a year in subsidies for lower income housing. Furthermore, the success and popular support for these local and state trust funds, and the leadership of the National Low Income Housing Coalition and the Housing Trust Fund Project led to creation of a National Housing Trust Fund which draws broad Congressional support.**

Furthermore, CCC's Housing Trust Fund Project's impact has also gone well beyond housing trust funds. It has also helped many coalitions build their ongoing capacity to advocate on a broad range of housing issues.

Multiplying the Center's Impact --

Like its work on other policies, CCC extended its influence and impact on housing and community development issues by creating "mutual learning clusters" to bring community leaders and staff together to delve into cutting edge issues which concerned them. Largely with its leadership development funding from Kellogg, the Center repeatedly convened more than a dozen such clusters, including one on breaking issues in the field of community reinvestment. That cluster brought together several of the nation's most sophisticated and effective leaders on

banking and lending issues to prepare to collaborate in a series of pathfinding challenges to financial institutions.

Another cluster brought together a dozen local and regional organizations which -- like CCC -- were providing advice and planning assistance to grassroots groups involved with housing and neighborhood issues. These "Community Development Assistance Centers", or CDACs, included free-standing and university-based community design centers and technical assistance groups which found they could benefit greatly from meeting periodically to learn from each other and to discuss common issues. CCC's national influence was multiplied by playing a convening role for this and other clusters.

Another cluster sparked creation of the **Transportation Equity Network**, or TEN -- which CCC subsequently spun off to the Gamaliel Foundation where it has been a powerful national voice on transportation issues for a decade. TEN provides advice and assistance to groups fighting local transportation issues, while it also advocates on national policies on mass transportation.

Public Housing:

One cluster provided the genesis for another major CCC initiative -- creating a national coalition of public housing tenant groups, legal services staff and other advocates to collaborate on public housing issues. In the early seventies the Center had been instrumental in the highly successful rebuilding of the Maravilla housing project in East Los Angeles -- a model for how public housing could be transformed through intensive community involvement in the planning, relocation, new construction and management of public housing.

However, CCC had little other early involvement with public housing issues. Nevertheless, in the Nineties, through its on-the-groundwork in several cities, the Center discovered a growing trend among public housing authorities to neglect, defer maintenance, and then empty out and demolish hundreds of thousands of badly needed public housing units. This displacement process was most pronounced in gentrifying neighborhoods and other choice locations. Starting with work with organizers and tenant leaders in Bridgeport and Dallas, the Center decided to assign top staff to launching the **Public Housing Initiative** to address these issues. This initiative expanded CCC's capacity, especially its reach to other cities and its opportunity to gain the experience, local partners, and staffing needed to impact this growing crisis.

Early in this work, CCC Vice President Othello Poulard convened a group of tenant leaders and their partners in the struggles to save public housing. Soon the Center was working in a dozen cities, helping local tenant leaders and organizers to fight on issues ranging from purposeful neglect of housing projects and eventual displacement, to bad management, to tenant rights. The Center then created a committee of tenant leaders from those sites and brought them together regularly to learn from each other and to develop and advance a national advocacy agenda.

This group became the nucleus for a growing coalition of public housing resident leaders and their allies from legal services and local organizing groups. This coalition ("ENPHRONT") met regularly with HUD's top leadership and Congressional representatives and pressed for a series of reforms. One major legislative victory was an amendment requiring there be tenant representation on the boards of all but the smallest public housing authorities. While CCC made

some gains and ENPHRONT's leadership grew in their sophistication about influencing national policy, ultimately the Center could not raise sufficient resources to maintain this coalition and mount the kind of major campaign which was needed. One major obstacle was the lack of interest in public housing among major national foundations whose support was needed.

Tragically, hundreds of thousands of low-income apartments were demolished, converted or otherwise lost over the last two decades.

During this period the Center also launched the *Public Housing Graduates* program, a unique initiative in five public housing projects in Washington, DC. Concerned about the plight of poor African American kids in public housing, CCC staff fashioned an unusual intensive intervention with 260 youth. With a federal grant, the project was run directly by CCC's own staff and it included intensive surrogate parenting, tutoring, mentoring, income support, and leadership development for 260 youth from five very troubled projects. One key element was the financial support it gave students who joined and complied: they received \$200/month if they attended all their classes and met regularly with their mentors and tutors. The PHG program proved to have a very high retention rate (90% of the enrolled students graduated) and considerable success in intervening in positive ways in the lives of young people ("Not one was incarcerated....Not one young lady got pregnant and had to drop out of school... All of the students went either to college or the military or to a trade program.....")

Comprehensive Neighborhood Change:

When resources permitted, the Center provided staff and consultant help to community organizations which sought to develop comprehensive plans for turning around their neighborhoods. As mentioned above, in CCC's early days, when the Center's practice was to concentrate intensive assistance on relatively few communities, CCC brought an outstanding planning firm from Britain to develop comprehensive plans for Watts and East Los Angeles and to provide more limited assistance in other communities. This team was led by John de Monchaux who subsequently became Dean of Architecture and Planning at MIT.

In the mid-seventies, the Center was approached by the State of Michigan about working with the State and local community organizations on a massive project designed to turn around a Detroit neighborhood. The community had been decimated by a wave of foreclosures on FHA-insured single-family homes. More than 800 homes had been abandoned in this pleasant working- and middle-class neighborhood after a series of real estate scams led to the sale of houses to people whose incomes were not sufficient to cover payments on their FHA-insured properties. As people defaulted on their mortgage loans, the loans were foreclosed and the properties vacated.

This story was being repeated in many neighborhoods in Detroit and throughout the country. HUD and the State of Michigan decided to experiment with turning around one such neighborhood, hoping to demonstrate what could be done to halt this devastating pattern. HUD provided \$5 million in flexible funding, the State of Michigan assigned a topnotch team of housing specialists, and the City of Detroit and local community groups were invited to join in collaborating on transforming the declining community into "Harmony Village".

The four parties formed a quadripartite committee which met monthly at the highest level, including Mayor Coleman Young, HUD Assistant Secretary Rob Odle, State Cabinet Secretary Jack Dempsey, and a community leader, with CCC's Andy Mott, HUD division directors and other high-level people also participating. The HUD funding went to support the

community groups, anticrime measures, and other neighborhood improvements. The State bought, rehabbed and then resold more than 800 homes, providing housing counseling and other assistance to the new homebuyers.

While the program of rehabbing and reselling the homes was a great success, two weaknesses undercut the program and limited its impact. First, Mayor Young never became a full backer of the plan, apparently because of his reluctance to cooperate with the Republicans who controlled HUD and the State government and had initiated the Harmony Village program. He failed to grasp how much the city would gain from a dramatic success in one neighborhood which could serve as a model for major public and private investment in turning around other neighborhoods before it was too late. Second, the community group was an artificial creation, a merger of four unstaffed community councils, none of which had deep roots or much capacity to organize and help the community. Frankly, CCC was unable to convince its leaders to become serious about organizing resident involvement or even to hire competent staff.

Later in its history the Center was invited by the Ford Foundation to provide technical assistance to community foundations in four cities as they implemented the Foundation's Neighborhood and Family Initiative, or NFI. The Initiative funded and gave control to community foundations which then selected a neighborhood. Foundation staff then brought together a collaborative of neighborhood leaders, service providers and other agencies to develop a "comprehensive initiative" to help turn the neighborhood around.

The Center hesitated and involved its entire program staff in a frank consultation about the pros and cons of becoming involved in a project which failed to include grassroots organizing and the level of community-based involvement and control which CCC was convinced were essential to success. Candidly, because the Center was facing a major deficit and was pursuing a major core support grant from Ford, there was a consensus that it was in CCC's interest to enter into the NFI contract.

Unfortunately, the NFI collaboratives proved to have the same weaknesses as other artificial creations tackling neighborhood issues. They could not build a strong consensus or become either creative or deeply rooted in their communities. Their base at community foundations and their overemphasis on building collaboration proved hindrances because they avoided the divisive issues which are often at the heart of genuine community-based action. They therefore had relatively little lasting impact on their neighborhoods.