

# MACARTHUR

The John D. and Catherine T. MacArthur Foundation

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## COMMUNITY AND ECONOMIC DEVELOPMENT

### AT A GLANCE

- MacArthur's community and economic development grantmaking is grounded in a comprehensive community revitalization effort in 16 Chicago neighborhoods called the New Communities Program. Managed by the Chicago office of the Local Initiatives Support Corporation (LISC), the program is the largest comprehensive community development effort in the country.
- Through the New Communities Program, MacArthur funds residents of local neighborhoods to plan and bring about positive change in their communities. Additional initiatives, also focused on the 16 neighborhoods, include efforts to improve community safety, increase economic security, and stimulate economic development.
- Between 2002 and 2012, MacArthur will invest \$150 million in 16 Chicago neighborhoods — about half of the city's low- and moderate-income neighborhoods. MacArthur's recent \$26 million grant to LISC for the New Communities Program is the largest single grant awarded by MacArthur in Chicago and brings the Foundation's support of NCP to \$47 million.
- The Foundation's funds leverage other loans and grants, including substantial public funding and private investment.
- NCP is being studied around the world and replicated in 10 locations across the country: Detroit, Duluth, Indianapolis, Kansas City, Milwaukee, Minneapolis-St. Paul, Washington (DC), the Bay Area, rural Pennsylvania, and Rhode Island.

### BACKGROUND

Too often cities are viewed as places of disadvantage and decline, when in fact they hold significant social assets and untapped human potential. Since its inception, the MacArthur Foundation has supported efforts to improve low-income city neighborhoods — to build on their assets and help realize their potential — by awarding grants to nonprofit organizations. In the late 1990s, the Foundation focused on improving

conditions in five of Chicago's poorest communities by funding local and citywide organizations to carry out projects to strengthen social capital while improving the quality of community life. The most successful organizations focused on concrete projects, developed a shared vision and community plan, and established productive relationships and networks within and across neighborhoods.

The Foundation's current grantmaking builds on these successful elements and takes them a step further by supporting the implementation of comprehensive plans for improving the quality of life in 16 Chicago neighborhoods over 10 years, 2002 - 2011. During this period, MacArthur will invest \$150 million in housing, workforce development, business growth, and education.

**GRANTMAKING STRATEGY**

A major goal of the grantmaking is to demonstrate that when best practices and adequate funds are applied and leveraged in a significant number of a city’s poorest communities, and when the effort is sustained over a decade, there will be measurable improvements in community vitality and individual well-being. The strategy addresses residents’ employment and household income, level of education, housing and home-ownership rates, residential investment and economic development, and health and safety.

The strategy views local communities as both important in their own right and interdependent with larger geographical areas: nearby neighborhoods, the city, and the region. We expect that a simultaneous infusion of money, information, and expertise in a critical number of communities over time will produce “tipping points,” significantly improving adjacent communities and contributing to the vitality of the city and the region.

Through this strategy, the Foundation will investigate how sustained investment in local organizations and citywide intermediaries contributes to community change. We will develop and disseminate new knowledge about what works in community development and about the interrelatedness of neighborhoods, cities, and regions.

These efforts are informed by the Foundation’s participation in Living Cities: The National Community Development Initiative. Living Cities seeks to coordinate and expand investments by the financial institutions and foundations that are its members.

**IMPLEMENTATION**

The grantmaking strategy calls for support of activities within, across, and beyond local communities to improve neighborhood conditions and, over time, their contributions to city and regional vitality. At the core of the strategy is an arrangement with LISC/Chicago, a community development financial institution, to support community organizations in 16 neighborhoods in Chicago through the New Communities Program. LISC/Chicago leverages the Foundation’s funds with other loan and grant resources, including substantial public funding, and works with local organizations to develop and carry out

plans for improving the quality of community life and reconnecting residents to the economic mainstream.

Through the arrangement with LISC/Chicago, the Foundation is able to provide sustained financial and technical assistance to local organizations in more than half of Chicago’s 31 poorest communities — typically those where the poverty rate exceeds the city average of 23.5 percent. LISC brings to the work its experience and understanding of market conditions, its capacity to identify and develop local assets and opportunities, and its fundraising record with city and state agencies.

**NCP neighborhoods and lead agencies**

Auburn Gresham	Greater Auburn Gresham Development Corp.
Chicago Lawn	Greater Southwest Development Corp.
Douglas, N. Kenwood- Oakland, Grand Blvd.	Quad Communities Development Corp.
East Garfield	Garfield Park Conservatory Alliance
Englewood	Teamwork Englewood
Humboldt Park	Bickerdike Redevelopment Corp.
Logan Square	Logan Square Neighborhood Assn.
Pilsen (Lower West Side)	The Resurrection Project
Little Village (South Lawndale)	Little Village Community Development Corp.
North Lawndale	Lawndale Christian Development Corp.
South Chicago	Claretian Associates
West Haven (Near West Side)	Near West Side Community Development Corp.
Washington Park	Washington Park leadership group
Woodlawn	Woodlawn Preservation and Investment Corp.

The Foundation reinforces these efforts with grants to a limited number of organizations to work in multiple neighborhoods to improve community safety, increase employment and household income, and attract homeowner and business investment. In choosing these organizations, the Foundation looks for experienced practitioners who address a significant problem, use a capacity-building approach with local groups, adapt their approach to local circumstances, and are effective in both service delivery and policy advocacy. MacArthur is also aligning some of its investments in affordable housing and education with its community development goals in the 16 Chicago neighborhoods.

The Foundation is also working with LISC and other grantees to ensure that lessons from the field reach a wide range of audiences, including policymakers. The New Communities Program is being studied around the world and is being replicated in 10 locations: Detroit, Duluth, Indianapolis, Kansas City, Milwaukee, Minneapolis-St. Paul, Washington (DC), the Bay Area, rural Pennsylvania, and Rhode Island.

## RECENT GRANTS

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### Practice

#### AFTER SCHOOL MATTERS

Chicago, Illinois  
\$600,000 in support of youth development programs in 16 neighborhoods in Chicago (over three years).

#### CENTER FOR ECONOMIC PROGRESS

Chicago, Illinois  
\$1,500,000 in support of the delivery of tax counseling, financial education, and other income-support and asset-building activities targeted to working families in Chicago neighborhoods (over five years).

#### CENTER FOR ECONOMIC PROGRESS

Chicago, Illinois  
\$250,000 in support of implementing and documenting elements of a strategic plan (over two years).

#### CHICAGO PROJECT FOR VIOLENCE

PREVENTION, Chicago, Illinois  
\$1,200,000 to support efforts to reduce homicides and other violent crimes in Chicago neighborhoods (over four years).

#### CHICAGO PROJECT FOR VIOLENCE

PREVENTION, Chicago, Illinois  
\$250,000 in support of violence prevention activities in ten neighborhoods.

#### CITY OF CHICAGO, DEPARTMENT OF

POLICE, Chicago, Illinois  
\$850,000 in support of the design and testing of public-access components of a data management system (over two years).

#### CIVIC CONSULTING ALLIANCE

Chicago, Illinois  
\$150,000 in support of training and technical assistance for community development practitioners (over six months).

#### COMMUNITY CATALYST

Boston, Massachusetts  
\$850,000 in support of the expansion of RealBenefits, an eligibility screening program for potential recipients of social services.

#### COUNCIL OF STATE GOVERNMENTS, EASTERN REGIONAL CONFERENCE

New York, New York  
\$45,000 in support of the planning, design, and initial implementation of the Illinois Reentry demonstration.

#### ENTERPRISE FOUNDATION

Columbia, Maryland  
\$3,600,000 in support of Living Cities: The National Community Development Initiative, a program to find financing for affordable housing and community development projects in 23 cities (over 10 years).

#### LIVING CITIES: NATIONAL COMMUNITY DEVELOPMENT INITIATIVE

New York, New York  
\$3,600,000 in support of community development projects in 23 cities, analysis of urban markets, and public policy initiatives to strengthen cities and regions (over three years).

#### LIVING CITIES: NATIONAL COMMUNITY DEVELOPMENT INITIATIVE

New York, New York  
\$200,000 in support of program expansion and the continued development of the Living Cities Policy Series.

LOCAL INITIATIVES SUPPORT CORPORATION, Chicago, Illinois  
\$26 million in support of the New Communities Program (over five years).

LOCAL INITIATIVES SUPPORT CORPORATION, Chicago, Illinois  
\$70,000 in support of website development and training in content management for eight community organizations.

LOCAL INITIATIVES SUPPORT CORPORATION, Chicago, Illinois  
\$3,000,000 in support of operating Centers for Working Families in 13 neighborhoods in Chicago (over three years).

LOCAL INITIATIVES SUPPORT CORPORATION, Chicago, Illinois  
\$4,500,000 in support of comprehensive community revitalization in 16 neighborhoods in Chicago (over three years).

LOCAL INITIATIVES SUPPORT CORPORATION, Chicago, Illinois  
\$75,600 in support of community participation in the design and testing of Internet tools for community policing.

LOCAL INITIATIVES SUPPORT CORPORATION, Chicago, Illinois  
\$26,000,000 in support of the New Communities Program (over five years).

LOCAL INITIATIVES SUPPORT CORPORATION, Chicago, Illinois  
\$50,000 in support of a conference on new approaches to increasing the economic security of low-wage workers (over six months).

NATIONAL CENTER FOR VICTIMS OF CRIME, Washington, D.C.  
\$167,000 in support of a national panel on the ethical issues that may arise when using innovative technology to reduce crime and improve neighborhood safety (over nine months).

NATIONAL CENTER FOR VICTIMS OF CRIME, Washington, D.C.  
\$62,000 in support of a national panel on technology as a community engagement tool for crime prevention (over six months).

NEIGHBORHOOD HOUSING SERVICES Chicago, Illinois  
\$1,750,000 in support of programs that promote residential stability and homeownership in Chicago neighborhoods (over five years).

NEIGHBORHOOD SAFETY INITIATIVE Chicago, Illinois  
\$250,000 in support of a Neighborhood Safety Initiative.

NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION New York, New York  
\$300,000 in support of comprehensive revitalization efforts in three low-income neighborhoods in New York and exchange with Chicago (over two years).

NORTHEASTERN ILLINOIS PLANNING COMMISSION, Chicago, Illinois  
\$600,000 in support of the Full Circle community mapping and planning project (over three years).

NORTHEASTERN ILLINOIS PLANNING COMMISSION, Chicago, Illinois  
\$138,000 in support of the application of innovative technology to neighborhood-level data collection in Chicago.

PROJECT MATCH, Chicago, Illinois  
\$1,300,000 in support of programs to reduce joblessness or underemployment among residents of low-income neighborhoods in Chicago (over five years).

SAFER FOUNDATION, Chicago, Illinois  
\$200,000 to design Safer Return, a prisoner reentry demonstration in Chicago and Illinois communities.

SAFER FOUNDATION, Chicago, Illinois  
\$106,000 in support of a Reentry Demonstration planning effort.

UNIVERSITY OF ILLINOIS AT CHICAGO, DEPARTMENT OF CRIMINAL JUSTICE Chicago, Illinois  
\$97,000 in support of an evaluation of community participation in the design and use of web-enabled tools to improve citizen/police relations and improve neighborhood safety.

URBAN INSTITUTE, Washington, D.C.  
\$150,000 to design an economic analysis and evaluation of Safer Return, a prisoner reentry demonstration in Chicago and Illinois communities.

WIEBOLDT FOUNDATION, Chicago, Illinois  
\$175,000 in support of the annual Community Organizing Awards (over five years).

WOODS FUND OF CHICAGO Chicago, Illinois  
\$150,000 in support of a local funders' collaborative, particularly its participation in a national community organizing initiative sponsored by the Ford Foundation (over three years).

**Research, Communication, and Documentation**

CENTER FOR ECONOMIC PROGRESS  
Chicago, Illinois  
\$115,000 in support of a project related to the Earned Income Tax Credit in the four “Living Cities” pilot cities (over six months).

COMMUNITY CATALYST  
Boston, Massachusetts  
\$1,500,000 for the development and expansion throughout metropolitan Chicago of RealBenefits, an Internet-based eligibility screening software that helps increase individual and family access to income support programs (over two years).

HARVARD UNIVERSITY, JOHN F. KENNEDY SCHOOL OF GOVERNMENT  
Cambridge, Massachusetts  
\$150,000 for an inquiry on the evaluation of community interventions (over six months).

MDRC, New York, New York  
\$2,500,000 in support of a comprehensive program of evaluation research in community development (over three years).

METRO CHICAGO INFORMATION CENTER  
Chicago, Illinois  
\$400,000 in support of indicator tracking and data analyses of Chicago neighborhoods (over two years).

METRO CHICAGO INFORMATION CENTER  
Chicago, Illinois  
\$130,000 to assemble data on specific change indicators in Chicago neighborhoods and on Chicago’s stock of affordable rental housing (over six months).

METRO CHICAGO INFORMATION CENTER  
Chicago, Illinois  
\$900,000 in support of the assembly and analysis of data about Chicago neighborhoods (over three years).

NORTHEASTERN ILLINOIS PLANNING COMMISSION, Chicago, Illinois  
\$360,000 in support of efforts to make community and public data accessible to community organizations for the purposes of neighborhood revitalization (over two years).

OMG CENTER FOR COLLABORATIVE LEARNING, Philadelphia, Pennsylvania  
\$23,000 in support of final manuscript preparation of Anatomy of an Initiative that Worked, a manual for comprehensive community developers (over six months).

TREATMENT ALTERNATIVES FOR SAFE COMMUNITIES, Chicago, Illinois  
\$42,000 in support of an analysis of the decline in crime in Chicago over the past decade.

URBAN INSTITUTE, Washington, D.C.  
\$20,000 in support of the Chicago Prisoner Reentry Demonstration Project.

URBAN INSTITUTE, Washington, D.C.  
\$400,000 in support of a national research study of the re-entry of ex-offenders into communities, the impact on social capital, and ways to facilitate the transition from incarceration.

**About the MacArthur Foundation**

The John D. and Catherine T. MacArthur Foundation is a private, independent grantmaking institution dedicated to helping groups and individuals foster lasting improvement in the human condition. Through the support it provides, the Foundation fosters the development of knowledge, nurtures individual creativity, strengthens institutions, helps improve public policy, and provides information to the public, primarily through support for public interest media. With assets of more than \$6 billion, MacArthur makes grants and low-interest loans totaling approximately \$225 million each year. For more information or to sign-up for our free electronic newsletter, please visit [www.macfound.org](http://www.macfound.org).