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Community Development Corporations in the Right-Sizing City: Remaking the CDC Model of Urban Redevelopment

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Community Development Corporations in the Right-Sizing City: Remaking the CDC Model of Urban Redevelopment

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Abstract

Right-sizing planning operates on a notion that investing in the built environment throughout the entirety of a depopulating city is detrimental to the city's redevelopment and long-term stability. This notion is antithetical to the activities of many community development corporations (CDCs) which build and manage physical development projects in distressed and depopulating neighborhoods. As such, in cities dominated by right-sizing efforts, the role of CDCs is being reconsidered and reinvented. This paper considers the case of Detroit's community development system, identifying the constraints and opportunities for CDCs under the new political economic context of right-sizing. The findings demonstrate that the effort to redefine the role of Detroit's CDCs has disrupted decades of narrow focus on physical development and created new opportunities for CDCs to play active roles in community organizing and municipal politics. However, funders continue to place constraints on CDCs which limit their political potential.

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Introduction

"…we have come so far down the CDC model path that we have forgotten that the real issue is power, not development."

(Stoecker, 1997)

"Can professionalized CDCs again become community led or do the powers that be leave no room for reform?"

(Thibault, 2007)

The history of community development corporations (CDCs) in the United States over the past 50 years has been well-chronicled, spanning from the institution's roots in the social movements of the late 1960s up to the emergence of the apolitical, professionalized CDC of the 1990s and 2000s (see DeFilippis, 2012; Newman & Lake, 2006). Over the past 50 years, the role of CDCs (non-profit organizations tasked with improving life for low- and moderate-income people in disinvested neighborhoods) has changed in conjunction with evolving political economic contexts, particularly the demise of Keynesianism and the rise of neoliberalism. During this time, the institution's focus has shifted away from the pursuit of community control over marginalized neighborhoods and toward an apolitical pursuit of neighborhood revitalization through the development of affordable housing and other physical development efforts. The relationship between CDCs' political economic context and the changing role of the institution has been explored repeatedly (for example, Berndt, 1977; DeFilippis, 2012; Marquez, 1993; Newman & Lake, 2006; Stoecker, 1997; Thibault, 2007), raising numerous critiques of the CDC as a vehicle of community development (detailed further in this article). This paper builds on these critiques to consider how the role of community development corporations is being redefined once again in the context of contemporary right-sizing planning efforts.

There is particular value in understanding the changing role of CDCs in the context of right-sizing, because right-sizing efforts can be antithetical to the physical development focus of many professionalized CDCs (Mallach, 2011). Over the last decade, right-sizing plans have been adopted in depopulating cities throughout the American rustbelt (Hackworth, 2015). With the stated goal of "more closely aligning a city's built environment with the needs of existing and foreseeable future populations" (Schilling & Logan, 2008), right-sizing – controversially – calls for demolition of vacant property and creation of green infrastructure to concentrate population in select neighborhoods, thereby reducing municipal service costs (Hummel, 2015; Popper & Popper, 2002). Right-sizing planning operates on a notion that investing in the built environment throughout the entirety of a depopulating city is detrimental to the city's redevelopment and long-term stability. This notion is in direct opposition to the operations of many CDCs which for decades have specialized in physical development projects in distressed and depopulating neighborhoods, especially the creation of affordable housing (O'Connor, 1999).

As right-sizing strategies have become prominent, community development practitioners in shrinking cities have begun to ask, if not a major non-profit housing developer, what should be the primary role of CDCs (Mallach, 2011)? The emergence of right-sizing planning and the contrast it draws with the development activities of professionalized CDCs creates an opportunity to observe the process through which the role of CDCs is renegotiated and redefined. In this article, I consider the contested process by which a new role for CDCs is being

established in the right-sizing city, using the community development system[1] in Detroit (a city dominated by right-sizing efforts) as a case study.

Following the 2008 crisis which exacerbated Detroit's chronic population loss (MacDonald & Kurth, 2015), Detroit's community development practitioners have tried actively to redefine their role in the city. In 2011, the city's community development trade association, Community Development Advocates of Detroit (CDAD), published an industry reform paper. It called for a transformation of the role of CDCs, centering resident engagement and comprehensive neighborhood planning as the markers of a healthy CDC, rather than proficiency in managing complex physical development projects (CDAD, 2011). Funders and community development practitioners in the city agree that the focus of CDCs needs to be reevaluated. As such, Detroit's community development system is in the process of being remade, potentially reversing a decades-long orientation toward the "development" part of community development and intentionally turning back to community.

The article is organized into four parts. First, I review the history of the CDCs, tracing how the roles of these institutions and the constraints upon them have changed over time. Second, I outline Detroit's right-sizing efforts which represent a new political economic context

[1] A variety of terms used to describe the network of organizations (CDCs, funding organizations, government, trade associations, block clubs, etc.) involved in community development efforts, such as "industry", "model", and "system" (Stoecker 1997; Thibault, 2007;Yinn, 1998). I follow Thibault (2007) who argues for the use of "system" since, as a broad term, it allows for exploration not only of funding relations between institutions, but of ideology and discourse as well.

that is reshaping the role of CDCs today. In the third part, I present the empirical case study[2], exploring both the competing visions for CDCs held by community development leaders and by their funders, as well as the grounded constraints placed on individual CDCs by the right-sizing efforts. Finally, I discuss the implications of this case study for our understanding of the changing role of CDCs in the right-sizing city and new challenges facing CDCs more broadly.

The Shifting Roles of CDCs

Throughout CDC history, CDCs' goals, constituencies, and actions have continuously changed in response to evolving circumstances and conditions in cities and broader society. In particular, the state and private philanthropy have greatly influenced the work of CDCs, de-radicalizing them and remolding them to support changing demands of accumulation and social reproduction. The first CDCs emerged out of the social movements and urban rebellions of the late 1960s (Newman & Lake, 2006; O'Connor, 1999). From these social movements, especially the Black Power Movement and movement for Black Economic Self-Determination, grew demands for community control over the governance and economics of distressed neighborhoods

[2] This case is based on 24 one-on-one semi-structured interviews conducted in the summer of 2015 with Detroit community development leaders, community development practitioners (including staff, board members, and residents of two award-winning CDCs operating in low-income neighborhoods), city officials, and philanthropic foundation program managers. These subjects were selected in order to see a vertical cross-section of Detroit's community development system, revealing conflicts and power relations between interacting institutions (e.g., a CDC and a philanthropic foundation which funds its programs). All interviewees were guaranteed anonymity in order to encourage candid responses and to limit risks to participants. To ensure this, the names, organizations, and neighborhoods of interviewees are not included or are given pseudonyms.

that had been ravaged by urban renewal (DeFilippis, 2012; Perry, 1972). While the first CDCs grew out of community institutions like churches and labor unions, they were highly influenced by the support of the federal government and the Ford Foundation (Perry, 1971). Interested in preventing further urban rebellions, federal support for CDCs through the Special Impact Program amendment to the Economic Opportunity Act of 1964 can be seen as an effort to respond to the demands of Black urban groups while simultaneously developing a new model for community and economic development that could curtail the influence of anti-capitalist thought in these organizations (Berndt, 1977; Perry, 1973). The federal government and Ford Foundation quickly undermined the twin goals of community control over neighborhood governance and economics as they pushed CDCs to embrace Black capitalism over more radical economic agendas and encouraged the participation of politicians and corporate leaders in guiding CDC operations (Berndt, 1977; DeFilippis, 2012; Perry, 1973).

If the state's purpose in investing in early CDCs was to funnel resources to marginalized neighborhoods in a manner that would prevent future urban rebellions (Perry, 1971), in the 1980s CDCs served as a vessel for the privatization of affordable housing development, part of the rollback of state involvement in social services and rollout of privatization as neoliberal governance took hold (Peck & Tickell, 2002). The organizations professionalized in order to manage complex building projects and to compete more effectively for federal and private funding (Stoutland, 1999). Community control of the economy was no longer a priority, and community organizing and political activities were curtailed by conditions placed on government funds (Stoecker, 1997; Stoutland, 1999).

Pressures to professionalize continued throughout the 1990s and 2000s, and became marked by what DeFilippis (2012) terms "neoliberal communitarianism." Reflecting the increased embeddedness of neoliberal ideas in the day-to-day operation of institutions, CDCs embraced market-based development strategies, supported consensus-organizing, and assumed a conflict-free view of society in which residents of marginalized neighborhoods share common interests with more powerful institutions. That is, under neoliberal communitarianism, CDCs were used to simultaneously support social reproduction and capital accumulation by providing services like affordable housing through market-centered strategies and public-private partnerships. While today's CDCs offer important resources to their neighborhoods (Vidal, 2012), they operate largely within a limited scope of activities and ideas allowed by the capitalist state and private philanthropy.

In the context of the increasingly apolitical approach of CDCs, many scholars have called for the creation of a new community development system. These calls emphasize a renewed focus on power, politics, and community organizing. For example, for Stoecker (1997), a reformed community development system would involve reemphasizing community organizing, possibly separating organizing from development in order to avoid de-politicizing funding conflicts, and increasing focus on community-based planning. For Thibault (2007), a reformed community development system means expanding resident influence and democratic control over CDC actions, re-emphasizing people over finances. For Newman and Lake (2006), a new community development system must be politically-oriented, organizing and acting across multiple spatial scales. As Detroit's community development system is redefined, both the constraints of the past and these visions of the future help guide interpretation of the emerging system.

Right-Sizing in Detroit

Detroit's right-sizing efforts, codified in a 50-year land use vision for the city called the *Detroit Future City* plan (*DFC*), represent the latest political economic context redefining the role of CDCs. Theorized as a way to reduce municipal expenses and improve quality of life by concentrating population and resources in particular neighborhoods (Hummel, 2015; Schilling & Logan, 2008), the reality of right-sizing plans is more complicated. While right-sizing plans include strategies to reduce the spatial footprint of cities' populations, Hackworth (2015, p.780) writes: "actualized right-sizing is not a post-growth epiphany; it is an attempt to *reset growth* (original emphasis)." The *Detroit Future City* plan confirms this analysis. The section on "Transformative Ideas for Economic Growth" states: "While it is true that the city's original land patterns cannot efficiently serve its current residents, the real challenge is this: *Detroit is not too big, its economy is too small* (original emphasis)" (Detroit Works Project, 2012 p. 72).

DFC does not simply present a set priorities around which urban triage can occur in order to shut down neighborhoods and achieve cost savings. Rather, the plan highlights the need to attract new residents and new industries to the city (Detroit Works Project, 2012). Vacant property throughout the city is considered an economic asset to be used in the creation of spaces to support the new sectors of the social division of labor the city hopes to attract. According to *DFC*, transforming city spaces through the redevelopment of vacant property to serve the production needs of new industries (e.g., urban agriculture, healthcare, technology, etc.) and the reproduction needs of new populations (e.g., the creative class) will reset economic growth and restore the city (and its tax base) to stability (Detroit Works Project, 2013).

Creating and implementing Detroit's right-sizing efforts depends on a coalition of powerful actors: city government, quasi-governmental organizations, philanthropic institutions, and business interests (Detroit Works Project, 2013; Dolan, 2011). Together, these institutions form a "right-sizing coalition" which, like neoliberal growth machine coalitions found in growing metropolises, seeks to re-entrepreneurialize the city, creating and relying upon uneven development (Jonas & Wilson, 1999; Logan & Molotch, 1987). However, the right-sizing coalition differs from other neoliberal growth machines in how it is able to legitimate the dramatic transformation of city space. While the right-sizing coalition certainly appeals to traditional territorial ideologies that promise the city's "comeback" will benefit all residents (Cox, 1999), under the right-sizing coalition the disrupting effects of the transformation of neighborhoods through gentrification, spatial austerity (Hackworth, 2015), or speculative ventures can be justified by the imperative to strengthen the city's tax base in order to avoid the disciplining effects of municipal debt. If a city with a thriving economy, decent services, and opportunity for all is the ideological carrot to justify the spatial transformation of right-sizing, debt and the potential loss of municipal autonomy (facilitated in this case by Michigan's emergency management laws) is the ideological stick which can render controversial notions, like urban triage, politically acceptable.

This effort to recreate city spaces through greening, demolition, gentrification, triage, and austerity (Hackworth, 2015; Kirkpatrick, 2015) is facilitated by the various institutions of Detroit's right-sizing coalition. While the City of Detroit has not officially adopted the *Detroit Future City* plan (a project undertaken by the Ford Foundation and The Kresge Foundation at the request of former Mayor Dave Bing), it serves as the starting point for the city's neighborhood planning efforts. Investment patterns and future land uses are expected to remain similar to *DFC*

(McGraw, 2015). As a quasi-state planning effort enabled by private philanthropy, *DFC* guides the investment of philanthropic foundations as well. The Kresge Foundation requires all projects it funds to be aligned with the *Detroit Future City* plan (The Kresge Foundation, 2015). Similarly, the Ford Foundation, Knight Foundation, JP Morgan Chase, and Rockefeller Foundation have collectively invested $30 million in the "Strategic Neighborhood Fund" since 2010, a public-private partnership designed to revitalize select Detroit neighborhoods slated for future investment in the *DFC* plan (Associated Press, 2017; City of Detroit, 2017).

The right-sizing coalition paints Detroit as a "post-industrial frontier" ripe for investment, with considerable space ready to be transformed to serve new purposes and new populations (Kinney, 2016). As the spatial transformations and investments called for in *DFC* have begun in some parts of Detroit, especially in the central business districts of Downtown and Midtown (Moskowitz, 2015), conflict over race, class, and the city's redevelopment has arisen. Despite metro-Detroit's extreme levels of racial segregation (Logan & Stults, 2011) and history of racial discrimination which have contributed to the city's social and financial troubles over the past several decades (Sugrue, 1996; Thomas, 2013), the *Detroit Future City* plan only mentions race as a "historic barrier" to be overcome, not as an important factor to consider in the city's redevelopment (Detroit Works Project, 2013, p. 33). The plan imagines a post-racial future for the city, which when coupled with the image of Detroit as a post-industrial frontier has the effect of discursively erasing the city's majority Black population (Kinney, 2016). As the city seeks to attract new investors and new neighbors to buy vacant property, a White savior narrative emerges. In this narrative, gentrification by newcomers, who demographic data suggest are often White and wealthier than long-time Detroiters (Reese, Eckert, Sands, & Vojnovic, 2017), settle Detroit and lead to the city's renaissance.

As *DFC* is implemented and Detroit redevelops, the question of *who* has a place in the new territorial division of labor being built on the post-industrial frontier is being raised by Detroit's long-time residents. In addition to the discursive racial banishment (Roy, 2017) in stories of the city's revitalization, concern that a more material racial banishment may follow for the city's poor Black population is on the rise. Worries that the city's revitalization will not include poor Black residents are fueled both by concerns about residential displacement (through gentrification or forced by withdrawal of government services to less densely populated areas) and the skills mismatch between much of Detroit's population and the new industries the right-sizing coalition seeks to attract (Ferretti, 2016a; Finley, 2015; Hackney, 2014). In the parlance of the local media, these concerns about the city's redevelopment have been referred to as a tension between "Old Detroit" and "New Detroit" (Graham, 2015) – terms which advance a post-racial perspective and conceal the racial and class differences between the majority of the city's population and the newcomers.

As frontline actors in neighborhood redevelopment, CDCs must navigate Detroit's evolving political landscape while simultaneously redefining their role within the city. The right-sizing coalition constitutes a powerful coalition of actors unified around a particular vision of the city's redevelopment with which CDCs must interact and whose politics CDCs must navigate.

The New Role of CDCs

Competing Visions

Following the catastrophic effects of the housing crisis in Detroit in which one in three houses underwent foreclosure (MacDonald & Kurth, 2015), both community development leaders and their funders began actively reimagining the role of community development

corporations. Believing that the previous focus on affordable housing development was a decades-long exercise in shifting vacancy around the city rather than addressing the challenges of a shrinking population, redefining the role of CDCs became necessary to justify their existence. As one community development leader described it:

> … a lot of those areas that were invested in in the 90s didn't magically revitalize, like a lot of people expected. In hindsight, we see that that's because these areas were not necessarily attracting new people to the city of Detroit. All we were doing was shifting vacancy within the city. So we were spending millions and millions and millions of dollars in essentially a zero-sum game.

Rather than expertise in physical development, both community development leaders and CDC funders now view CDCs' connections to their neighborhoods and communities as central to the institution's new role, but the politics of these constituencies' visions differ sharply.

Community development leaders envision CDCs as neighborhood advocates. Under this vision, the central work of a CDC is to ensure that residents have a "seat at the table" as Detroit's redevelopment is planned and executed, wielding significant political power and influence in planning and redevelopment efforts. CDCs are to identify the priorities and goals of residents and work to see those goals realized, in part by serving as a neighborhood representative which can advocate on behalf of residents with city government and developers. Like the early community development movement from which they draw inspiration, community development leaders believe that Detroit's residents have little control over the future of their neighborhoods. Whether from predatory lending in the housing crisis or speculative property investment, the rise or fall of Detroit's neighborhoods is largely influenced by forces beyond the control of residents.

In this vision, CDCs empower residents to organize and challenge more powerful institutions, like banks and developers, as these processes play out. While it is tempting to view this vision as an extension of the neoliberal communitarianism of the 1990s and 2000s, it is important to note that for many community development leaders, their analyses of redevelopment efforts do not match the apolitical orientation of consensus organizing. Rather, there is an understanding among community development leaders that everyone does not share the same interests as Detroit redevelops. There will be winners and losers as the city changes. Community development leaders envision that they will side with low-income, long-time Detroiters and prepare them to advocate for their own visions for the future of the city. As one community development leader said:

> If we truly all want the same things, which are improved neighborhoods, I think we should all be working toward that. But, when you get down to it, everyone may not have the same interests… Some people are really not interested in improving Detroit for the current residents, and so displacement is not a concern with them. For CDCs, that's a lot of the fear. They don't want their neighborhood to go the way of Midtown [where] there are businesses and shops that the residents can't even afford or can't participate in. They're just not designed for them, and that's why I always say community planning is so important because you get to hear what people really want. They get an opportunity to be at the table. It gives a roadmap, or at least makes it more difficult for a developer to just come in and do what they want, because you have an organized group of residents who know how to mobilize – who know how to identify, negotiate, and say what they want.

For funders, the value CDCs can offer is their expert knowledge of the neighborhoods in which they work. In the vision put forth by funding organizations, CDCs will be stewards of

their neighborhoods or "super-connectors" which bring the resources of specialist organizations into their neighborhoods. The community development program officer for a large Detroit foundation indicated that the system needed to change in this manner, saying:

> I think [the community development system] needs to evolve… I mean an organization can't really play effectively all those roles, you know? You can't lead on building social cohesion and be a great affordable housing developer and be a great streetscape manager and workforce trainer, right? I really think that asking any organization to do all this well is a lot. So I think, instead, what you want is what I would call a "super-connector" or a "steward." A community development organization takes on a certain geography of focus… and at the end of the day that entity is waking up and going to bed worrying about that geography and the people within it, and the institutions within it, and businesses within it, and while they may not do all the work, they facilitate all the work getting done.

This vision for CDCs was echoed by another foundation program officer who indicated that CDCs can fulfill a need for "geographically-focused organizations to help neighborhoods move forward." CDCs, in this vision, are valuable institutions because they understand their neighborhoods and can be a neighborhood partner for city-wide organizations. The funders' vision of CDCs aligns more closely with neoliberal communitarianism, building institutional networks and connections in order to foster "development" with little consideration of power relations between different constituencies or of whose redevelopment vision is implemented. The funders' focus on "geographically-focused" organizations also reflects right-sizing's emphasis on spatial transformation. Since right-sizing calls for the transformation of neighborhood space to support a new division of labor, CDCs can serve as partners who understand local

neighborhood dynamics and can facilitate the successful realization of the right-sizing plan in these places.

Despite funders' instrumental view of CDCs' relationships with their communities, there have been several instances in recent years where the political vision of community development leaders has been realized. A major example of this is CDAD's organizing efforts for the passage of a strong community benefits agreement ordinance in the city's 2016 elections. The ordinance that CDAD supported was opposed by developers and by many members of Detroit's city council. It required developers to enter into legally binding community benefits agreements with neighborhood advisory groups for projects worth at least $75 million or which receive at least $1 million in tax breaks or city-owned land (Ferretti, 2016b).While the ordinance was narrowly defeated, CDAD's organizing efforts against developers and elected officials in order to hold developers accountable to the residents of the neighborhoods in which they build or speculate is oppositional and represents a turn away from consensus organizing. CDAD has also driven community-based planning efforts in many neighborhoods and has advocated for the widespread creation of land trusts in Detroit as an alternative to the sale of publically-held vacant land (CDAD, 2017). These actions align quite closely with scholarly calls for a new community development system: one that emphasizes organizing, politics, community-based planning, and people over finances.

CDC Constraints in the Right-Sizing Coalition

The context of right-sizing also places new constraints on CDCs, which are revealed in the day-to-day operations of individual CDCs. Faith Square CDC, an award-winning organization which has operated in the Faith Square neighborhood for over 20 years, shows the

constraints imposed on such organizations by the right-sizing coalition. By Detroit's standards, Faith Square is densely populated. 42 percent of the population lives below the poverty line (US Census Bureau, 2015). African-Americans comprise the largest racial/ethnic group in the area (87 percent of residents), followed by Whites (8.9 percent of residents) (US Census Bureau, 2015). In 2008, the housing crisis undid much of the CDC's neighborhood revitalization efforts, increasing the number of abandoned homes in the neighborhood from 27 to 103, undoing years of work, and prompting a shift in the CDC's goals. As a result, bringing new people into the neighborhood in order to slow the population decline and repurposing vacant properties became two of the organization's priorities. The neighborhood is beginning to repopulate, attracting both families who previously lost homes to foreclosure and newcomers to Detroit. Faith Square is not far from the gentrified Midtown neighborhood, and many new residents are middle-class and White. As Faith Square navigates these changes, two major constraints on CDCs imposed by the right-sizing coalition are visible: the spatial agendas of funding organizations and the silencing of race-class critiques of the city's redevelopment.

Spatial Funding Agendas

In Detroit, while some CDCs receive funding from government sources like the Community Development Block Grant program, most CDC funding in Detroit comes from private philanthropy (Ash et al., 2009). Funders not only restrict funding to politically-acceptable activities but also specialize in investing in specific neighborhoods, in accordance with the priorities outlined by *DFC*. Much like urban triage policies of the past, CDCs located in rising markets where future residential and commercial developments are planned are most likely to receive funding. This creates a repetitive cycle where CDCs in rising markets receive funds

initially and then receive additional funds because they are now viewed by funders as a reliable investment. As one community development leader explained:

> If [a CDC is in] a declining market, it's hard to attract investment to the area. So they're not getting a whole lot of attention…What we've seen in the past years is a lot of the funding has been siphoned to particular organizations [in rising markets], and lo and behold, because they're the ones that are getting funding, capacity increases. So it's a bifurcation of capacity. So if you're not on the favorite list, it's really hard to climb up out of that hole.

This spatial consideration in funding is intentional, following both the urban triage logic of right-sizing plans and a trickle-down notion of economic development. One program officer explained that their foundation systematically invests in rising neighborhoods in order to a lay a foundation for economic growth and further investment:

> We felt strongly that neighborhoods need a strong core, and the core really produces a kind of economic surplus. The core is a really important economic foundation for neighborhoods across the city. So we invested early in the greater Downtown core, but always with an intention to move more intensively into neighborhoods once we stabilized this core kind of economic foundation.

Other foundations, focused on sustainability and green urbanism, invest in green infrastructure in neighborhoods with less population density. In these neighborhoods slated to transition from residential to greenspace or green industry (e.g., urban agriculture, aquaponics), funding opportunities have been based primarily in demolition, "blight" clearance, and conversion of vacant land to greenspaces and urban agriculture. Many of these neighborhoods have only

recently seen major funding for such projects as earlier efforts were focused on stabilizing the aforementioned "economic core."

Detroit's foundations have clear spatial and programmatic agendas they wish to support. This presents a challenge for CDCs trying to advance residents' visions for the future. When foundations have established their own redevelopment strategies for the city, CDCs must fit themselves into these strategies to receive funding. In the case of Faith Square, the *Detroit Future City* plan calls for the area to remain a dense residential area, capitalizing on its proximity to Midtown. Senior staff members suspect that the investments coming into their neighborhood are designed to bolster gentrification efforts in Faith Square and surrounding neighborhoods. As Faith Square Executive Director, Joanna, describes, the amount and kinds of investments coming into Faith Square are not designed to address the problems of the impoverished community, but rather to create a sense of security and desirability in the neighborhood for newcomers to the city:

> I think [foundations] will either not continue to invest in this neighborhood because it's too hard [to address poverty here], or they will realize they need to put more resources in. Unfortunately what I'm seeing is that they're choosing not to. Except, they'll invest in stabilizing housing, so that they can gentrify or so that they can make sure we stabilize so that the folks living south or north of our area will feel safe.

Some staff members do not share Joanna's concerns that investment will not improve life for the neighborhood's current residents, but believe that gentrification will ultimately be beneficial. As one staff member stated:

> [Gentrification] is great, because then we have people that can sustain the homes that they're purchasing and then our neighborhoods are whole.

Despite clear notions of the ultimate goals of the funding organizations, the CDC is grateful to get the "crumbs" of the effort to redevelop Midtown in order to support their staff and programs, even if the leadership of the organization has concerns about what these investments will mean for the neighborhood in the future. Funding opportunities for the CDC's work are limited, and private foundation support is tied to both the adoption of a particular redevelopment strategy and being located in the right place to fit foundations' spatial agendas. As such, Faith Square CDC's ability to redevelop the neighborhood in the vision of its residents is deeply constrained. Rather, as Joanna pointed out, their efforts sometimes seem to advance the very gentrification efforts that worry the neighborhood's low-income residents.

Silencing of Race-Class Critiques of Redevelopment

As Detroit CDCs look back at the early community development movement and place greater emphasis on organizing and advocacy, navigating the political nature of their work is once again a day-to-day challenge. For CDCs, there is a continuous navigation of what can and cannot be said about the direction of Detroit's redevelopment. At the heart of this careful navigation is the contrast between funders' active efforts to advance a post-racial narrative of the city's redevelopment and the racial and economic inequities lived out every day in CDCs' neighborhoods.

As Faith Square faces the specter of gentrification, the CDC has struggled to address emerging race- and class-based conflicts. The CDC's focus on neighborhood stabilization has been met with suspicion by some of Faith Square's residents who accuse the CDC of fixing up

houses in order to move White people into the neighborhood. In assistant director Teddy's words:

> It is a real concern. We have a lot of people [moving in] in that are outside of the race (African-American). People look at our organization and they will say Joanna is moving all these new people in. And these new individuals don't look like us. That becomes a problem…Even though people say, yeah, your property values are gonna go up, they still view it as negative – that those people are coming in and taking our property, and it's to those people we're losing our property.

The idea of "losing our property" is closely tied to the impact of foreclosure in the neighborhood during the housing crisis. Through foreclosure, properties often wound up in the control of Wayne County or the Detroit Land Bank, which auctioned off properties for fractions of their previous tax-assessed value (MacDonald & Kurth, 2015). While the CDC has not formally studied this phenomenon in its neighborhood, a common belief among neighborhood residents and some CDC staff is that newcomers receive special advantages, while long-time residents struggle to maintain their homes without support. This view was explained by Faith Square CDC's assistant director:

> It's heartbreaking when…a man down the street who had been living in his house for forty years – so he'd been paying taxes for forty years – [He lost the house] and somebody else comes in and they sell it [to them] for $5,000. That's heartbreaking to a person, [for whom] that was their bread and butter and all they invested into.

The CDC's decision to invest in housing rehabilitation and attract new residents – informed by the grant opportunities available – has contributed to a sense that there is an unequal

housing market in Faith Square and that the CDC supports this. On one end of the unequal housing market are long-term, largely low-income African-American homeowners who paid market rate prices for their homes, paid taxes for decades based on overvalued property tax assessments (Helms, 2016), and who have received little support from the city government or from philanthropic sources. On the other end are the newcomers, often White, who purchase homes formerly held by African-Americans at discounted rates.

The CDC has struggled to understand its role in the context of these demographic shifts in the neighborhood. CDC staff members are torn between a desire to build unity in the neighborhood and to speak out against the perceived advantages being offered to newcomers over long-time residents. As Teddy explained, a fear of being perceived as discriminatory or "racist" against the new White population has made the issue particularly hard to address:

> Change is very difficult, because we are the voice [of the community] … we believe that we should protect the people. How do we continue to be that voice, even [as] change is happening and the neighborhood is shifting to the point that you don't see the people that you normally would? That's hard, that's very difficult. You don't want it to be like…racist. And you're not racist, you're trying to protect the voice of the people, because the people are saying– "they're taking all our stuff." That's the way they feel it, it's their viewpoint. So how do we still remain the voice of those people and kind of be a bridge to bring everyone together, saying the neighborhood is changing, and the change is good? … So, we haven't really stood on a soapbox to say anything about it, about none of that. We've just really been praying about it and seeing what would be our move, if any, to talk about it.

The CDC is restricted in what it can say publically and is divided amongst itself how to best address the changes in the neighborhood, particularly how to talk about race. The CDC's tentativeness to discuss race, class, and the city's redevelopment openly is shaped by the post-racial, conflict-free notion of redevelopment pushed by the city's right-sizing coalition, which rejects the oppositional aspects of New Detroit vs. Old Detroit discussions and the tensions lived out daily in Faith Square. For example, the Skillman Foundation, a Detroit Foundation focused on improving the lives of youth, released a report entitled, "New Detroit, Old Detroit, Our Detroit" which sought to enumerate the ways in which New Detroit and Old Detroit are more alike than different (The Skillman Foundation, 2015). The Skillman Foundation's message silences race-class redevelopment critiques and masks the deep inequalities that exist between many of the city's residents along the lines of race and class (Logan & Stults, 2011). Likewise, city government commonly issues a mantra of "we need neighbors" in response to complaints of gentrification. As one city employee put it:

> I think sometimes we use the word gentrification when it doesn't always apply. Like when you have a lot of vacancy in areas, I don't think you can call that gentrification. We need neighborhoods - we *need* neighbors. So I don't know that gentrification applies…

While community development leaders have envisioned a future in which CDCs will advocate for the interests of the city's poor residents, pressure exists from funders for CDCs to use their neighborhood connections to advance race- and class-blind models of redevelopment in which attracting "new neighbors" to the right neighborhoods is a primary metric of success. One foundation program officer indicated that CDCs should have a role to play in bridging the gap between long-time residents and newcomers, promoting "social cohesion":

> I think community development organizations have a huge role to play in helping everyone kind of bridge to this next phase of Detroit's history. Clearly, if you have a city where there's a lot of vacancy, people are going to have to come from somewhere. They can be moving back, they could be moving within the city, within the region, and they can be complete newcomers who just show up and know nothing and want to live in Detroit. And they're going to sometimes reflect the majority population in Detroit in their race or other characteristics, and sometimes they won't. It's kind of how cities work. So, I completely understand the fears of the frustrations, the sense of new and old, and then them and us, and those challenges in the city. I think, you know, all we can ask of our community development organizations and our community development leaders and resident leaders is that they try their best to build bridges, you know, rather than drive wedges between different communities, different populations.

In the logic of private philanthropic funders, CDCs should maintain a place-based focus, capitalizing on neighborhood assets and playing a bridge-builder role as the city changes. A clear tension between advocacy and conciliation exists for CDCs as the city's demographics change, constrained by institutions that deny the reality of the conflictual nature of redevelopment that CDCs must navigate daily.

Discussion

Right-sizing has prompted Detroit CDCs to reevaluate their role in the city, envisioning a role that is more attentive to organizing, power, and advocacy than in the past. The vision offered by the city's community development leaders – CDCs as neighborhood advocates which organize on behalf of low-income residents – backs away from decades of professionalization

and towards organizing and politics again. This vision corresponds with scholarly calls to dramatically recreate the community development system with renewed emphasis on politics and activism (Newman & Lake, 2006; Stoecker, 1997; Thibault, 2007). Moreover, it is a timely vision; in the context of a changing Detroit, there is no shortage of issues on behalf of which CDCs could advocate.

However, throughout CDC history, changes in political economic context have further constrained, rather than extended, CDCs' politics. This case study demonstrates that Detroit's new right-sizing coalition continues a decades-old trend of regulating and instrumentalizing community development corporations. While in other contexts CDCs have served as private providers of social welfare through affordable housing development, in the right-sizing city, the value of CDCs is their connection to community and neighborhood. Right-sizing coalitions covet CDCs for their ability to lend knowledge about their neighborhoods and legitimacy to the transformative efforts occurring therein. CDCs are valued for their ability to aid in these transformations by undertaking projects that align with the right-sizing coalition's vision. Additionally, CDCs are viewed by right-sizing coalitions as mediators of possible conflict which can arise from gentrification, displacement, and racial banishment. Under this context of neoliberal right-sizing, CDCs are pressured to focus their efforts on improving their neighborhoods' appeal in housing and real estate markets (in alignment with the *DFC Plan*), much in the same way that the rise of neoliberalism has pressured even progressive city governments to focus their efforts on attracting and subsidizing business investment (Hackworth, 2006).

So, will Detroit's CDCs work as neighborhood advocates in the future, or serve as instruments to enact and legitimate the growth-reset vision of the right-sizing coalition? This case underscores the importance of considering both the normative and material conditions that inform CDC behavior. That is, in order for CDCs to operate in ways that grant marginalized residents greater control over their neighborhoods, both ideas of what CDCs *ought* to do and the material conditions that enable CDC work must change. In the case of Detroit's CDCs, a shift in vision among CDC leaders has occurred and has enabled the community development system to advocate collectively for legal checks on developers as the city's right-sizing (i.e., economic growth reset) strategy is executed. But execution of this organizing and advocacy vision by individual CDCs seems doubtful. The constraints on CDCs are likely to make their politics of neighborhood advocacy shallow. While claiming to represent the views of residents, the CDCs are deeply beholden to right-sizing coalition funders who have the power to deny future funding and thus limit the politics of the organization. For example, without being able to advocate with attention to the racial economy (Wilson, 2009) of Detroit's redevelopment, CDCs' advocacy efforts will fail to address the racialized inequalities manifested in their neighborhoods. Within these constraints, CDCs' presence as community advocates may prove valuable in winning small concessions in the face of redevelopment efforts that will happen with or without their participation, but likely will be unable to organize successfully to enact residents' vision over that of powerful elites. Ideas about what role CDCs ought to play in the city have changed, but the material constraints of sustaining a professionalized organization have not. For more liberatory CDCs, changes are needed not just in the focus CDC work, but in relationships with other institutions, especially funders. As Ruth Wilson Gilmore (2007) writes, doing truly

liberatory work often involves restructuring organizations in new ways, turning away from the professionalization that creates dependency on depoliticizing philanthropy.

The case of Detroit's CDCs also directs our attention to the politics of accountability and representation. When the value of CDCs in the eyes of both practitioners and funders is their connection to community, having tools to evaluate what is at play when CDCs take on the role of neighborhood representative is increasingly necessary for evaluating the work of CDCs. This matters not only in the right-sizing city, but more generally as participatory planning, budgeting, and governance become more mainstream in American cities. By what means can CDCs claim to represent their neighborhoods? Do they have meaningful accountability to residents? To which ones? How do CDCs represent their neighborhood in the face of multiple, often contradictory, constituencies of residents (e.g., renters vs. owners)? These questions have been asked in the past (see, for example, Stoutland (1999) and Stoecker (1997)), but with little consensus reached among community development scholars and practitioners. Now, when playing the role of community representative is a key selling point of some CDCs, re-approaching these difficult questions will be necessary for scholars and practitioners alike.

While this case study has focused on Detroit's community development system and the process of CDC change, it also raises issues of importance for community development more broadly. First, as cities face revenue losses from declining tax bases or federal funding cuts, philanthropy has often filled in the gap (Stoecker, 1997). While the depoliticizing effects of private philanthropy are well-established (DeFilippis, 2012; Gilmore, 2007; Kohl-Arenas, 2015), less attention has been given to the spatial politics of these organizations. There is a need to critically examine the spaces private philanthropy seeks to produce, especially through quasi-

state planning efforts like *Detroit Future City*. Second, this case points to the challenges for CDCs of post-racial planning efforts that value diversity and multiculturalism without consideration for power or inequality. There is a need to better understanding how CDCs are navigating and responding to these planning efforts, especially strategies which have allowed CDCs to bring race and class to the forefront of their advocacy. As Detroit's community development system reinvents itself, it draws our attention to the primary question of the early community development movement – how can poor and racialized people organize to gain control over their neighborhoods against powerful interests – and raises the question of whether CDCs can transform themselves to meaningfully aid in that struggle once more.

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