In the early 1970s, the southwest Chicago community of Chicago Lawn was the scene of red-lining by mortgage lenders and panic-peddling/blockbusting tactics by unscrupulous realtors. The real-estate agents also abused the newly opened FHA mortgage guarantee program, leading to record numbers of vacant, foreclosed homes. To confront these practices local residents organized a strong base of community power. While actively pursuing remediation of lending and real estate practices, the organizing efforts also focused on developing strategies to reverse the significant decline that had we had already experienced through the creation of a neighborhood development program. Accordingly, the Greater Southwest Development Corporation (GSDC) was formed in 1974 as a non-profit CDC to combat neighborhood decline.

For 29 years, GSDC has operated in a fixed, three square-mile area of southwest Chicago, home to just under 100,000 ethnically and racially diverse people. The Southwest Organizing Project (SWOP) is a traditional “Alinsky umbrella style” community organization consisting of 28 member groups. These 28 organizations have a registered enrollment of 31,000 families. While GSDC and SWOP are separate organizations, they operate in a cooperative manner. They have overlapping directorates and bring different competencies to common endeavors. They strive to act as a unit with a shared mission and purpose.

The neighborhood demographics continue to evolve with a declining Caucasian population, increasing African American presence, and explosive growth among Hispanics. There is also a significant population of middle-eastern families. When writing about our work, McCarron (2003) used these words to characterize the community: “the dowdy parts of town—those parts, neither Gold Coast nor slum, where hard-working families get their first bite of the American apple…the Southwest Side, and in particular, the Chicago Lawn neighborhood (aka Marquette Park)” (p. 11). McCarron is right. The community is the place where hard working families receive “their first bite of the American apple.” We take pride in the fact that 26 years after beginning our work, McCarron could still legitimately use the words “nor slum” to describe our community. We’ve worked hard to maintain that distinction.
We work to enable our community to continue, or even enhance, its nurturing role for generations to come. When we started in the 1970s, we sought to make the neighborhood welcoming to, and inclusive of, new minority and low-income residents, while at the same time maintaining its attractiveness to working and middle class families and to business investors. We sought to build and maintain a “mixed income community” a full two decades before the phrase became politically popular.

Although GSDC has employed many tactics over the years, our three fold strategy continues to emphasize the following objectives:

1. To provide a welcoming neighborhood for a diverse population across racial, ethnic, and economic lines.
2. To maintain and expand economic opportunity by maintaining and expanding our communities export capability.
3. To enable our community to be competitive for the investments of others (from homebuyers and small businesses to multi-national corporations).

At the beginning, however, we worked to renovate deteriorated multiple-unit housing structures and to revitalize the deteriorating commercial corridor. We continually sought a balance between access to quality housing, economic development, and racial, ethnic, and economic diversity. In our earlier days, it was hard to achieve an appropriate balance among these objectives. No matter how hard we tried to start multiple developments, we could not accomplish more than one project at a time. I call this our serial development phase. From 1976 until the late 1980s, we could not generate the support necessary to achieve multiple objectives. We could not accomplish more partly because we were not yet a proven developer, and we had not created or exhibited sufficient power to make our work a priority among those from whom we needed support. We could not attract a supermarket or grocery store until we completed the rehabilitation of a 54 unit affordable housing project. Similarly, we could not make headway on a 60 unit newly constructed low-income elderly tax credit development until the supermarket was up and operating. As time progressed we gained prowess because of two factors: (1) organizing raised the level of priority for our neighborhood and our work, and (2) our evolving community development accomplishments generated confidence in our work.

During the 1990s we experienced our parallel development phase. We were seen as a politically viable and economically vital community with serious and capable organizations. We graduated to a level where we were expected to deliver several development projects at once. Between 1994 and 2000, we opened 102 units of low-income tax credit rental housing units and rehabilitated numerous, abandoned single family houses. We opened a 10 screen Cineplex Odeon movie theater, constructed and occupied two commercial strip shopping centers, sited several national chain retailers, and retained the presence of the world’s largest bakery in our community. Nabisco invested $300 million in its plant and as a result the community kept the corporation’s 1,800 union scale jobs and enormous export capacity (the firm bakes 22 million Oreo cookies each day). At a cost of $14 million, we cleaned up a 60 acre brownfield/illegal dump site for the construction of StyleMaster, a plastic injection molding company owned by a female African American entrepreneur.

We are now entering what seems to be our catalytic phase. This is the time to work for maximum impact. We will attempt to activate as much community development work as we can, in the shortest amount of time, to achieve maximum impact for our neighborhood. We need to approach our work differently to maximize our impact and reach. We will
need to leverage the work of others in new and different ways to increase our scale. We will never be able to increase our present 23 member staff to the degree where we could expand our development work 10-fold or more. Even if we could, we should not. Making neighborhoods work has to be about making them competitive and interesting to developers and others who do the kind of work that produces real benefits. It also has to be about enabling our systems (education, health care, safety, economic enterprise, etc.) to live up to their maximum potential to generate benefits for our people. If and when we achieve this, neighborhood development and programmatic activity will increase geometrically. We are now called to do more than act as a neighborhood developer—we are called to become a neighborhood “master developer,” leveraging the interest, time, and investment of others.

We need to spread our skills and organizational deployment simultaneously across more development initiatives in smaller increments. It would be a sin for us to continue to plod along acting as a sole developer/manager. We must create and insert ourselves into partnerships, joint-ventures, and collaborations with others who have real development and programmatic capability. Doing so will cause more to happen in a shorter period of time.

This will bring a new set of challenges. We will not be in total control. We will need core competency in motivating/catalyzing, conceptualizing, negotiating, legalizing, implementing, managing, assessing, and to some degree exiting collaborative arrangements. Most challenging will be the extraordinarily increased need of capital via equity, debt, and subsidy. Generating this support will depend on (1) our ability to envision and articulate the nature and benefits of the master development schema and its components, and (2) our ability to attract and leverage private sector commitments contingent upon subsidy from government, philanthropic, and other sources. Both of these will be influenced profoundly by our ability, through organizing, to create power sufficient to wield adequate influence that successfully generates support.

As GSDC approaches its 30th anniversary, it can look back on a long list of community accomplishments. Over $500 million dollars has been invested in neighborhood development projects, which include industrial retention and development, commercial and retail growth, small business development and, of course, housing.

GSDC has not drifted away from the appreciation and practice of community organizing. The creation and deployment of power is central to all of its work. GSDC continues to play an important role, with others, in coalescing the institutions and organizations of its community into the Southwest Organizing Project. The Southwest Organizing Project is one of the most respected community organizations in Chicago and has wielded influence over a wide array of community issues including: violence reduction, predatory lending, immigrants’ rights, FHA foreclosures, and youth programming, to name a few. The ability to organize our community’s power to advance the community development agenda has proven to be a valuable asset for GSDC.

ORGANIZING, CRITICAL TO COMMUNITY DEVELOPMENT SUCCESS

Organizing has been critical to the success of community development. Would we have powerful intermediaries like LISC and the Enterprise Foundation or national and local actors like Neighborhood Reinvestment Corporation/NHS if, in the early 1970s, there had not been an anti-redlining campaign that led to the Home Mortgage Disclosure Act (HMDA), which in turn led to the passage of the Community Reinvestment Act (CRA)? Similarly, community development work often reflects the fruits of organizing in the form of concrete physical development and other tangible activities.
Guarded Separation Between Organizing and Development

There has always been a guarded separation between organizing and development. I have always considered myself an organizer first and community developer second. From 1972 through 1975, I worked as an organizer with Gail Cincotta at the National Training and Information Center (NTIC). We worked for the passage of HMDA and utilized the HMDA research to begin the organizing campaign that culminated in the passage of CRA.

When, in January of 1976, I left NTIC to become the executive director of GSDC (the job I still hold) some in organizing circles believed that I “went over to the other side.” In those days there were two equally false schools of thought. Disciples of NTIC believed that organizers and organizations that migrated to community development work were “impure,” while those who followed Msgr. Gino Baroni at the National Center for Urban Ethnic Affairs (NCUEA) believed that organizers and organizations that did not expand to practice community development were “immature.” While these strong positions have mellowed over the years, the guarded separation remains. Organizing and community development are both tactical actions. They are instruments in a larger social justice and neighborhood improvement strategy. Neither is right or wrong.

At GSDC and SWOP, we work hard to understand how both disciplines can add value to each other. These tactical approaches have called both organizations to a higher standard of action. Three years ago, when the effects of predatory lending first became evident in our community, we simultaneously launched a major anti-predatory lending organizing campaign through SWOP and a GSDC initiative to acquire and rehabilitate single family homes that became abandoned through predatory lending foreclosures. By raising predatory lending as an issue and disclosing some of the actors involved, SWOP made it easier for GSDC to attract resources and acquire houses. Conversely, by rehabilitating houses and occupying former vacancies with families, SWOP members achieved greater payoffs from the organizing campaign.

We are very careful to synchronize our work. At one point SWOP initiated several actions targeted against a sub-prime lender named the Associates. The Associates had a particularly egregious history of predatory lending activity. When Citibank acquired the Associates, the organizing campaign turned to focus on Citibank. In response Citibank offered GSDC a major grant commitment. GSDC refused the donation and instead lined up alongside SWOP requesting that Citibank stop the predatory activity of its new acquisition. They were also asked to gift, or deeply discount vacant and foreclosed houses in our neighborhood currently in the Associates’ inventory. Citibank acquiesced and the combined value of their subsequent home price discounts and grant making greatly superceded the original grant offer that was rejected by GSDC.

A Chicago War Story

Organizing has proven to be the critical component to the success of GSDC’s most difficult projects. Our StyleMaster development, the hardest project we have ever worked on, exemplifies this. Circa 1994, the FBI arrested John Christopher (aka John Davito) on federal charges. Christopher was a known member of Chicago organized crime. Instead of taking him to trial and possible conviction, the U.S. Justice Department made a deal with Christopher—he became an FBI mole.

Christopher was an illegal dumper. He owned a refuse hauling service that would contract with construction and demolition companies to transport construction and
demolition rubble to be deposited in certified landfills. Instead of transporting the material to the intended landfills, Christopher would dump the loads on back road desolate land in Chicago and pocket the landfill tipping fee, illegally increasing his profit. The U.S. Justice Department agreed to suspend prosecution if he would wear a wire while attempting to bribe Chicago officials to aid his illegal dumping operation.

This federal snare initiative was titled “Operation Silver Shovel” by the U.S. Justice Department and became one of the most successful federal sting operations in Chicago history, netting 10 convictions of prominent Chicago officials. Chicago media labeled Christopher’s dumping grounds as “Silver Shovel dumpsites.”

The 60 acre tract at the intersection at 76th Street and Albany, in the heart of our community, became the largest Silver Shovel site in Christopher’s inventory. From 1991 until 1995 his trucks deposited 650,000 cubic yards of waste, creating a mountain five stories tall and a remediation price of over $14 million. GSDC became aware of this site in 1995 and began the daunting task of creating a strategy to have the land cleaned and developed.

From 1995 through 1998 GSDC communicated with several industrial companies about locating on this site. Because of the extremely blighted appearance, exorbitant cost of cleanup, and the uncertainty of contingent environmental liability, it seemed as if development of this site would be impossible. We met with over 30 firms with no success. Then we met with StyleMaster.

In August 1998, GSDC began to talk with Martha Williams, the founder and principal owner of the plastic injection molding company, StyleMaster Inc. This African American entrepreneur, who grew up in the Chicago Housing Authority’s Robert Taylor Homes, became interested in the site. She intended to build a factory that could ultimately employ up to 400 people. Additionally she was extremely committed to local hiring, as she said: “As a teenager I had to go to the suburbs for my first job, I want to create employment for my people right where they live.”

She and GSDC began to formulate plans for remediation and development. Working with the city’s planning and development and environmental departments, a plan to pay for the remediation and site preparation was created. The plan called for the acquisition of a HUD 108 loan and the creation of a tax increment financing (TIF) district. Through the use of a HUD loan, the city would borrow against its future CDBG entitlement to “front fund” the clean-up. The HUD loan would then be amortized by the increased property taxes generated by the StyleMaster development.

As this strategy evolved, city staff informed us that the city had never created a TIF district without the assent of the local alderman. So, we prepared, with Martha Williams, to inform the alderman of Chicago’s 15th ward. Ten months earlier the alderman in question had been indicted by a federal grand jury for complicity in the silver shovel scandal and was currently awaiting trial. We crafted a careful explanation for the alderman that demonstrated how the creation of a TIF would simultaneously clean up the city’s largest Silver Shovel site, create a new African American female owned industrial plant, relocate 150 jobs to the community and, over time, potentially generate up to 250 new jobs.

In response, the alderman represented that he liked the project and would be eager to support the TIF if his conditions were met. One major condition was that StyleMaster would allow him to control “referrals” for the hiring of construction contractors and subcontractors, construction materials vendors, and StyleMaster employees. The alderman’s stated purpose for this condition was to protect the interests of minority hiring and minority entrepreneurs. When it was pointed out that Martha Williams, the developer/entrepreneur, was an African American woman, the alderman inferred that her race did
not make a difference. When the alderman was invited to visit Martha’s existing manufacturing facility to actually see who worked there, the alderman declined the invitation. On several occasions the alderman reiterated his condition. We were now at war.

From the beginning of the Silver Shovel site pre-development process we kept in constant communication with SWOP leaders about GSDC’s progress (or lack thereof). At the time of our meeting with the alderman, SWOP was already communicating the potential benefits of StyleMaster throughout its base of member institutions. This turned out to be doubly significant for one of SWOP’s members, St. Adrian Catholic parish, the closest parish to the StyleMaster site.

For financial solvency St. Adrian had recently suffered the trauma of having to close its Catholic grade school, resulting in a vacant two story school building. The St. Adrian Parish Pastoral Council had been assessing whether they could turn the school into a work force training center. In Illinois, work force training is an eligible TIF expense, and we had already allocated TIF funding for this purpose in the planned deal structure with the intent of trying to place the StyleMaster training curriculum in a community facility, at least until the StyleMaster plant was constructed. St. Adrian became the site. When the alderman became an obstacle, GSDC, St. Adrian leadership, and Martha Williams together presented the situation to the host of SWOP members and appealed for an organizing campaign on behalf of the project. SWOP leaders assented and we began raising an army.

In early January 1999, the first of two Chicago Community Development Commission public hearings was held at which the StyleMaster TIF was officially reviewed. As luck would have it, the federal trial of the 15th ward alderman started at the same time. The trial became front page and evening broadcast news daily.

In December and early January, I and more than 20 other SWOP/GSDC leaders began a public speaking campaign. We spoke from pulpits at Catholic masses, before block club assemblies, in Islamic mosques, before local school councils, and parish pastoral councils. Our message was simple:

The forces of evil have been hard at work in our neighborhood. The forces of evil have despoiled our land. The forces of evil will prevail if the forces of good do nothing. You can join with the forces of good by coming to Chicago City Council Chambers to show support and speak on behalf of the StyleMaster Project.

At 1:30 p.m. on the Tuesday of the Community Development Commission meeting, busloads of SWOP members began to arrive at city council chambers. By the 2:00 p.m. meeting start the chambers had been filled to overflowing and city hall security had to open the visitors viewing gallery, which was also filled with SWOP members. The alderman was also there. His crowd of 20 or so supporters, mostly precinct captains, was dwarfed in the midst of the SWOP multitude by a ratio of 20 to 1. City protocol at such proceedings always calls upon elected officials to speak first. The alderman was not received well by an audience that remained polite while still effectively conveying its dissent. Then, for over 75 minutes SWOP speakers testified on behalf of the StyleMaster project and also requested that a second public hearing be held. They insisted that the second meeting be held during the evening, in a hall as close as possible to the Silver Shovel dumpsite/StyleMaster development site so that the residents who would be most affected could be present.

Two weeks later the second public hearing of the Chicago Community Development Commission was held at Maria High School, a Catholic girl’s school located near the Silver Shovel site. The assembly that evening topped 600. Again the alderman had some
supporters present, but this time smaller in number. When the alderman spoke he became the subject of a loud and boisterous response. One man rose shaking his fist and vehemently ranting at the alderman for his “crime against our community” and had to be physically restrained as he tried to rush toward the alderman from the rear of the auditorium. Martha Williams spoke and received a protracted standing ovation. During the next two hours, one by one, local citizens endorsed the project and the creation of the TIF.

At the next Community Development Commission meeting the StyleMaster project was passed over the continued objection of the alderman. Upon completion of the vote the standing room only SWOP crowd broke into a celebratory cheer and rose for another protracted standing ovation. Within the next few weeks the TIF district was also passed by the Chicago Planning Commission and the Chicago City Council. For the first time, the city of Chicago had passed a Tax Increment Financing District without the support, and in this case over the objection of the local alderman.

On January 29, 1999, the alderman became the fifth Chicago City Council member to be convicted in the Silver Shovel Sting. The following September the alderman entered the federal penitentiary at about the same time that the Chicago Department of Environment began to remediate the Silver Shovel site. By June 2000, half of the site had been remediated and a StyleMaster groundbreaking took place. One year later a ribbon-cutting was held at the new plant and local residents began to be hired. As GSDC moves forward, the practice of organizing will become even more important.

SUSTAINABILITY ORIENTED COMMUNITY DEVELOPMENT

Figure 1 represents the community development model used by GSDC and SWOP. The two larger rings of activity (bottom and top) represent the kinds of development work that can take place in a neighborhood.

The bottom ring illustrates activities that accomplish human development achievements. These are the venues where communities create human capital. Families engender values such as work ethic and civic responsibility. Schools convey the skills for social engagement and commercial productivity. Adult workforce training centers may promote both outcomes. In short these settings create capable individuals.

The top ring portrays the activity to develop and/or maintain the communities export capacity. This is where you will find the commercial activity that can generate a flow of income into the community in exchange for the products, services, or labor generated that flow out.

The middle ring denotes a community leadership forum, which can be a formal organization or an informal gathering of organizations, institutions, and interests. This forum envisions how these activities can add value to each other and how each specific activity can be grown to reach its full potential. This vision creates the social contract that binds the organizing and development activities. Once bound, organizing efforts produce the power necessary to accomplish community development while community development work produces activities that enrich the quality of community life.

What follows are the components of a community development process that seeks to use community organizing to its full advantage.

Vision

A clear vision reveals how significant benefits, serving these common interests, can be generated for the community as a whole, as well as its individuals, organizations, and institutions. The vision gives strong motivation for concerted action.
Looking at this big picture makes it possible for those engaged in its component parts to believe that the whole community can generate support for its parts if the parts truly work in concert. Organizers would refer to this as understanding one's own and each other's self-interest. Through this understanding of individual, organizational, or institutional self-interest it is possible to see common interest.

A vision, created and embraced by a wide array of bona fide leaders, which has at its core purpose the advancement of a common set of community values, becomes the social contract...
that provides the common bond for concerted action. There are two types of bona fide leaders—those with followers or constituents (such as the chairman of a civic association or P.T.A. and those who, through their position, possess an extraordinary ability to influence systems (such as the CEO of a community hospital or district police commander.) The vision must provide a realistic, vivid focus on “what could be” in a compelling way to inspire spirited, enthusiastic, engagement. A collateral benefit of a unified vision is that in generating a common understanding of “what should be” it also generates an understanding of “what should not be.”

**Power**

Community organizers state there are two kinds of power: organized people and organized money. Community organizations have the ability to organize people while CDC’s have the ability to organize money. Together they become a potent force. The presence of power is an essential catalytic ingredient in creating positive change because power is the force that leverages all other necessary resources. Concerted action creates power. Power creates the influence needed to generate the commitment of capital, time, skills, regulatory authority, property, and other resources required to accomplish community development objectives.

Organizing coalesces common interests from within and outside the community according to a strategy designed to generate influence. Organizing is the act of creating the concerted action made possible by the vision. Concerted action creates political force or power. Power endows the ability to enact the vision and establishes its implementation as a priority among the host government and private actors whose authority, skill, and resources are needed for attainment.

**Strategy**

The vision is a set of big ideas. Power creates the army to pursue implementation of those ideas. Neither, by itself, will accomplish the community development outcome. Strategy is the next important component. Acting strategically is extremely important. Non-strategic work can result in much effort with little lasting result, while a strategic direction can accomplish more with less application. The strategy is the plan of action to produce the vision.

Creating an appropriate strategy demands a sensitive understanding of the internal and external environments you are working within. The internal environment is that which exists within your community. Understanding the strengths and weakness present within the community is absolutely important. Weaknesses represent the problems or needs we are seeking to address. An inventory of local strengths lists the assets that a community can deploy as it seeks to accomplish its vision.

Some community development initiatives only focus on trying to attract the resources to address the needs or weaknesses within a community. Problem solving is a wholly inadequate approach. Kretzmann and McKnight (1997) give a forceful explanation of this shortcoming:

> Viewing a community as a nearly endless list of problems and needs leads directly to the much lamented fragmentation of efforts to provide solutions…targeting resources based on the needs map directs funding not to residents but to service providers…At best, reliance on the needs maps as the sole policy guide will ensure a maintenance and survival strategy targeted at isolated individual clients, not a development plan that can involve the energies of an entire community (p. 4).

Kretzmann and McKnight (1997) argue that deploying the strengths, or assets, found within a community results in better development work when they say:
Creative neighborhood leaders...are discovering that wherever there are effective community development efforts, those efforts are based upon an understanding, or map, of the community’s assets, capacities and abilities...The key to neighborhood regeneration, then, is to locate all of the available local assets, to begin connecting them with one another in ways that multiply their power and effectiveness, and to begin harnessing those local institutions that are not yet available for local development purposes (p. 5).

Identifying and inventorying strengths tells you what you have to work with and identifying weaknesses helps to understand where your deficits are and how to apply the community’s strengths. However, knowing your strengths and weaknesses, alone, develops an insular view with little respect for phenomenon that may affect your work emanating from the external environment—that which is outside of your community’s control. It is also important to understand opportunities and threats.

Opportunities are auspicious circumstances that can bring benefits to the neighborhood, while threats are menacing forces that deepen or add to the community’s problems. Examples of opportunities might be external markets, funding sources, new jobs available downtown or in the suburbs, etc. Examples of threats might be regional shopping centers, crack cocaine, federal funding cuts, etc.

Strategy plots the course of community development work. Community development strategists are enabled by the insights gleaned from understanding the strengths, weaknesses, opportunities, and threats that are currently present. Consequently, insight and creativity are important elements to crafting a strategy that will be effective and deliver the vision.

**Productivity**

Despite having a vision entailing big ideas, mobilizing power through community organizing, and crafting a strategic plan of action, we still have not achieved the community development outcome. Now we have to get to work and be productive.

Productivity describes the act of working on community development projects. Building housing, attracting or incubating retail establishments, maintaining or siting industrial businesses, and creating mixed use projects are all examples of community development productivity. Productivity, when accomplished, gives physical proof that the vision we aspire to is being attained.

It takes hard work to be productive. Community development projects are complicated, linear, and task-oriented projects where each step’s completion enables the next. An in-exhaustive list of the types of work involved might be land packaging and/or property acquisition, market analysis, financial schema, grantsmanship, business principles, architecture and design, zoning expertise, construction management, and property management.

Not surprising, much of the focus of community development learning is on productivity. Schooling is readily available to attain skills in development. Some have the notion that these are the only skills needed to undertake community development work. While this is not true, these skills are absolutely necessary to produce community development outcomes.

Another myth is that community development work is only about financing. That credit starved, disinvested, communities will prosper if we can re-establish sources of finance. There are several venues where community reinvestment financing will be the sole discussion topic, and some may believe that this is the only important resource. While this is not true, community reinvestment financing is absolutely necessary to produce community development outcomes. It is true that community development productivity involves
carefully orchestrating a complex set of tasks, resources, skills, and actors to achieve high-quality completed projects.

**COMMUNITY ORGANIZING + COMMUNITY DEVELOPMENT = COMMUNITY TRANSFORMATION**

Combining community organizing and development practice to focus on a common community development agenda is powerful. It summons and truly engages the complete array of skills and political force a community possesses as it seeks to revitalize itself. Each and every one of the local actors has a right to take pride in the community development achievements. It not only physically transforms the community, it also transforms the way that local relationships are organized and deployed to develop a common vision and put that vision into practice.

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