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Philanthropy's Civic Role in Community Change

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Key Points

· This article describes six key roles for philanthropic organizations' engagement in communities. It draws on Living Cities, a consortium of financial organizations, private foundations, and public sector organizations that has been working since 1991 to improve distressed neighborhoods in 23 cities.

· The six civic roles described are (a) convening and leveraging diverse networks of relationships, (b) developing local data and plans for community change, (c) leveraging new resources on behalf of communities, (d) mobilizing political will, (e) framing new messages about community development and communicating more strategically, and (f) generating and testing new ideas and building and sharing knowledge.

· Typically those funding community development have worked through intermediaries or advocates to affect policy. There are examples, however, of foundations playing a leadership role themselves in mobilizing public support and promoting policies and practices that support community development.

· Even if they can write the whole check themselves, foundations find that engaging others early on — raising even symbolic amounts of funds to get them to the table — has significant payoff down the road.

· The evidence reported here suggests that investments in civic capacity can help communities to access resources for neighborhood development, strengthen human capital and organizational capacity, and gain political voice. The evidence is not yet systematic, however, and more in-depth research on the connection between civic capacity and overall improvement in neighborhood outcomes is needed.

· Civic work sometimes requires foundations to take greater risks, to put their own name and credibility on the line publicly in order to advance a cause, and to support less powerful partners.

Comprehensive community initiatives (CCIs) require a large number of institutional actors to work together on behalf of a neighborhood. The range of civic, social, economic, and physical development outcomes that CCIs seek cannot be achieved without collaboration and partnership. The CCIs of the 1990s taught us that although high-quality programmatic interventions are necessary for positive community change, attending to the nonprogrammatic dimensions of community change — especially individual and institu-tional capacities, roles, and relationships — is also an essential part of the process. In fact, weak implementation capacity and ineffective management have been found to undermine many otherwise promising initiatives whose community-level activities may have been well-theorized, well-designed, and well-planned (Brown & Fiester, 2007; Kubisch et al., 2002; Potapchuk & Kopell, 2005). As the field has matured, it has become clear that creating effective working relationships among neighborhood organizations and then be-

tween the neighborhood and external technical, political, and financial institutions is critical, but it is hard to do and even harder to sustain over time. Further, the institutional roles and relationships needed for this work require the adoption of new capacities and new ways of doing business by everyone involved (Grantmakers for Effective Organizations, 2008; Hamilton et al., 2006).

Living Cities is a consortium of financial organizations, private foundations, and public sector organizations that has been working since 1991 to improve distressed neighborhoods in 23 cities. One important aspect of Living Cities investments over the last 18 years has been to enable the key actors in the community-development systems to broaden their community agenda beyond housing and to expand their work on behalf of neighborhoods. As their change agenda has become more comprehensive, Living Cities participants have had to develop new roles for themselves and new relationships with a wider range of stakeholders in the social and economic development arena. We use the term "civic capacity" as the shorthand for this work and define it as the *ability to influence or shape policy, practice, and resources* in the public, nonprofit, for-profit, and philanthropic sectors in ways that increase the scale, scope, and effectiveness of community change activities. Focusing on these changes in practice in the context of Living Cities gives us a lens through which we can see clearly the nonprogrammatic aspects of the theories of change that underlie most CCIs and provides us with the opportunity to describe civic capacity and its place in the community change process.

This article identifies six types of civic or non-programmatic work that the CCI field, including many participants in the Living Cities network, can undertake in order to carry out a comprehensive neighborhood change agenda. We describe them in some detail using examples drawn from Living Cities sites in order to give richness to these concepts, which are often thought of as ill-defined, undervalued, or soft "process" dimensions of change. Throughout the article we emphasize that doing this kind of work demands

that foundations, intermediaries, and community-based organizations adopt important new roles and practices. Our particular focus is on the civic roles that philanthropy plays because we want to highlight the increasingly activist and strategic way that foundations are deploying their knowledge, networks, credibility, and political capital to advance community change.

The six civic roles are

- convening and leveraging diverse networks of relationships,
- developing local data and plans for community change,
- leveraging new resources on behalf of communities,
- mobilizing political will,
- framing new messages about community development and communicating more strategically, and
- generating and testing new ideas and building and sharing knowledge.

This article draws on research that the Aspen Institute Roundtable on Community Change conducted during 2006 and 2007 in cities that receive funding from Living Cities (Auspos et al., 2008). The Roundtable conducted site visits, interviewed over 100 key players and informants (including foundation staff, intermediary staff, directors of community-based organizations, elected officials, and other knowledgeable observers), and reviewed key program documents. In-depth research focused on a subset of nine cities selected to illustrate a diversity of local contexts, leadership structures, and community development agendas. They include four cities from the Pilot Cities initiative, in which a "host" foundation — the John D. and Catherine T. MacArthur Foundation in Chicago, Ill., the John S. and James L. Knight Foundation in Miami, Fla., the McKnight Foundation in Minneapolis, Minn., and the Annie E. Casey Foundation in Baltimore, Md. — took a leadership role in shaping and supporting a focused initiative, providing core resources, and leveraging the support of other partners. These Pilot Cities initiatives are testing new approaches to comprehensive neighborhood

revitalization aimed at increasing both the scale and the impact of public and private investments.[1]

Discussion of Civic Roles

We now turn to a discussion of the six civic roles and examine how foundations and intermediaries involved in Living Cities have used not only their financial resources, but also other, less tangible resources — their relationships, convening power, expertise, authority, leadership, leverage, and legitimacy — to support and advance more comprehensive neighborhood agendas and have positioned communities to interact more effectively with external systems and sectors. On some of these dimensions, there are rich examples of the kinds of activities they are undertaking and the practices that seem to be working well. On others, the work is more nascent, suggesting that more vigorous attention and investment could strengthen the civic dimensions of the community change enterprise.

Convening and Leveraging Diverse Networks of Relationships to Carry Out a Comprehensive Community Development Agenda

Since its inception, Living Cities operated as an organization based on collaboration and partnerships. National funders from the philanthropic, for-profit, and public sectors joined together to establish Living Cities and constitute the board of directors of the organization. This, in itself, is a powerful statement of the philanthropic sector taking an ambitious and unusual approach to building capacity in a field and aiming for a more systematic targeting of funds for programs and knowledge development.

At the local level, Living Cities has also built partnerships. During the period studied, most Living Cities resources flowed from the national pool through intermediaries — the Local Communities Support Corporation (LISC) and Enterprise Community Partners, Inc. (Enterprise) offices in twenty-three cities — and into the budgets of a select number of nonprofit organizations, typically community development corporations

(CDCs). In some cities local funders and their partners formed collaboratives in which they pooled their resources with the national Living Cities funds, jointly set goals and strategies for the local program, and decided how resources would be spent. In others, LISC and Enterprise offices set goals and administered the funds, and local funders played a more advisory role. In our research, respondents reported that the best funding arrangements were those that helped key public and private sector actors align their goals and strategies, not only to increase available resources but also to rationalize their distribution. Success depended less on the structure than on the ability to take advantage of "strength in numbers," set clear goals and consistent standards, and engage foundations that lacked the desire or capacity to mount their own community development programs.

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In addition to providing leadership around the amount and structure of funding, local foundations in many of the Living Cities sites exercise civic capacity in ways that have helped a different kind of community development work to unfold. They play important roles as conveners, advocates for those who may not normally have a seat at the table, and brokers among different types of organizations.

As institutions with resources and with reach into many diverse constituencies, local foundations

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[1] For more information on Living Cities, including the cities and funders, see the Web site: www.livingcities.org.

can serve as conveners in ways that few other community institutions can. They often have both knowledge of the programmatic areas that are part of the broader neighborhood agendas and connections to leadership in many of those domains. Our respondents provided many examples of task forces and other groups convened by foundations, acting either formally or behind the scenes, in order to introduce diverse groups to each other and help them find common ground, problem-solve around a shared concern, generate political will or resources, or grease the wheels for longer standing partnerships. In some cases, a foundation executive chairs or co-chairs the group, such as the president of the Boston Foundation with the Commonwealth Housing Task Force or the president of the Casey Foundation with the Relocation and Housing Committee in East Baltimore. In other cases, foundations strategically invite another group to chair a collective effort, as with the Education Task Force in Cleveland — a group composed of CDCs, major anchor institutions, and the city — that was initially convened by the Cleveland Foundation but then chaired by a school district official. Foundation staff also use their relationships informally, drawing upon all those convening, catalyzing, behind-the-scenes, mediating activities to provide the civic glue that keeps different players working together and enables them to move forward on a neighborhood agenda. A champion for community development at a foundation in Kansas City, for example, "twisted a city council member's arm" to support participation in the local funding collaborative and push for citywide performance standards. The foundation staff person later served as vice-chair of the city's Housing Policy Committee.

In much traditional housing and economic development work, the voices of the poor are often weak or excluded. Some of the foundations active in Living Cities have used their funding and clout to be the advocates for disenfranchised populations who do not have a seat at the table. In Baltimore, the Annie E. Casey Foundation took on a strong local role and helped to ensure that local residents served on a board with major players from Johns Hopkins University, the city, and

the business community. Similarly, the Cleveland Foundation helped to ensure that anchor institutions formed partnerships with CDCs to ensure local participation in an ambitious $2 billion institutional development project that was already underway.

Finally, foundations can be particularly helpful in building relationships and collaborative skills across different sectors and among people who might not otherwise meet. In Chicago, for example, MacArthur Foundation staff knew that many of the projects developed to implement the neighborhood plans in the New Communities Program (NCP) would require cooperation and approval from several different city agencies. Following significant buy-in from the mayor (in which MacArthur played a key role), foundation staff helped institute the Expedited Projects Initiative, in which a design team consisting of LISC, city, and foundation representatives meets regularly to move projects along. Besides shaving six to nine months off the development schedule for each project, collaboration has meant that everyone has learned to work together to do these particular kinds of neighborhood projects. CDC staff members have become more familiar with municipal practices, have "learned while doing," and have attracted public and private funding with the financial packages they put together as part of this process.

Agency staff have modified city policies and regulations in response to issues that have surfaced in carrying out projects and are using resources to develop a set of tools for training others to work together in this manner. For example, the city developed a toolkit on how to acquire city land. For the first time, in one place, the city has in print and on its Web site a step-by-step process that includes the procedures and timelines of the departments of Planning, Housing, Zoning, and the Community Development Commission compiled in a master process/timeline to guide CDCs and developers through the acquisition process. Without MacArthur's ability to bring the parties together and support collective problem solving, as well as actually fund municipal agencies, it is unlikely that this important civic asset would have developed.

The CDCs and the intermediaries in Living Cities have also worked to cross boundaries and create new partnerships. CDCs and other neighborhood organizations with expertise in a single area are not expected to become experts in multiple fields or do everything themselves. Instead, they address neighborhood concerns and aspirations that are outside their traditional sphere of expertise by forming partnerships with other organizations that have the relevant expertise. But partnership and collaboration make the work more complex and therefore more challenging — more fields to understand, more relationships to maintain, and more political dynamics to manage. In this case, Living Cities grantees suggest that the most helpful foundation role is to recognize that local organizations need support to cover the time, skills, and costs of developing and maintaining partnerships and collaborations.

Because the local intermediaries in the Living Cities network are affiliates of national organizations, they play somewhat special roles in local community development systems and can draw on resources that other types of intermediaries often lack. Many have a history of leveraging funds, solving problems, and executing projects effectively in the cities in which they work and, as a result, have developed influence and clout with city governments and local foundations. As affiliates of national organizations, they can also introduce information about best practices, innovative models, and promising strategies and can connect local groups to networks of practitioners in other cities. In the local context, this gives the Living Cities intermediaries some of the same capacity to convene, innovate, and share knowledge that local foundations enjoy. However, the intermediaries do not often have the same reach and legitimacy that underlies a foundation's capacity for civic leadership.

Developing Local Data and Plans for Community Change

Achieving comprehensive neighborhood change requires an understanding of community dynamics and functioning; knowledge about how specific systems, local governments, and markets work;

and an ability to identify effective entry points or pivot points for leveraging change in specific communities, markets, and systems. This knowledge can be developed by neighborhood analyses that look beyond local housing and economic development data to include, for example, social indicators, information on political access, local power structures, and racial and cultural dynamics, as well as an understanding of the position of the neighborhood in relation to the municipal and regional economies. The ability to develop such analyses has been greatly facilitated by the increasing availability and accessibility of local area data as well as data on regional economic and housing markets and population trends. Indeed, these local data sources represent one of the most important new developments in the CCI field over the last 15 years and have enabled much richer planning processes.[2]

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[2] The National Neighborhood Indicators Partnership (NNIP) has taken a lead in developing a network of local partners that function as data intermediaries, negotiating for access to data on a range of topics, transforming the data into indicators that aid in community planning and action, and building the capacity of community residents to use the information effectively. For more information on NNIP and the local partners, see the Web site: www.urban.org/nnip.

Foundations and intermediaries in Living Cities have played important roles in funding the development of these data and analyses, making them accessible to citywide players and neighborhood groups, and using them to develop broader community development agendas for the cities and neighborhoods in which they work. Many foundations support local universities and data intermediaries in producing geocoded maps and data files that help local developers match strategies with neighborhood needs and assets, for example. Others fund targeted research, such as a market study supported by the MacArthur Foundation that provided data used by LISC to attract private development in all of its target neighborhoods.

> *Foundations that have significant political capital can step in at opportune times to persuade others to participate.*

Foundations can also raise the visibility and level of civic dialogue about community development issues through the innovative uses of community data. The Boston Foundation, for example, provided support for both a Boston Housing Report Card and the Boston Indicators Project, which provide high-quality data and information about the city from public agencies, universities, think tanks, and community-based organizations. The data become a tool for engaging the general public as well as the media, business, government, and various civic and community-based groups in better understanding the city's key challenges and opportunities.

At the neighborhood level, Living Cities funders and intermediaries have encouraged and supported neighborhood organizations in conducting the kinds of community assessments, visioning exercises, and comprehensive planning efforts that are becoming standard vehicles for the agenda-setting that is a critical part of neighborhood revitalization work.

These neighborhood plans have been important for mobilizing neighborhood commitment and activity, prioritizing projects, and developing broader support for the neighborhood agendas. When the plans are seen as legitimate expressions of neighborhood voices, foundations and intermediaries find them to be powerful vehicles for leveraging resources from both public and private donors.

Leveraging and Diversifying Funding

Foundations often seek other funding partners to join initiatives in which they are interested or have already made an initial investment. In this process, foundations have to attend not only to one another's funding priorities but also to the dynamics of partnership, such as who takes the lead and when, and who gets the credit for the work.

Living Cities provides a number of examples of foundations taking responsibility for raising the resources to get an initiative off the ground or drawing new partners into a funding collaborative. In New York, for example, three funders worked together to create a pool of funds ($10.5 million) to launch a joint grantmaking initiative, Neighborhood 2000. They were particularly interested in attracting supporters that had not funded community development in the past, such as foreign banks and important local industries. In other cases, foundations help their partners raise funds, such as when the Casey Foundation (and, at Casey's urging, a local foundation and Johns Hopkins University) helped East Baltimore Development, Inc. (EBDI), secure a $15 million loan from the Bank of America, which in turn allowed EBDI to leverage $3 million in New Markets Tax Credits. Similarly, foundations that have significant political capital can step in at opportune times to persuade others to participate, as the Prudential Foundation did to get a signature project moving in Newark.

Foundations also find that even if they can write the whole check themselves, engaging others early on — even raising symbolic amounts of funds to get them to the table — has significant payoff down the road. Casey, for example, encour-

aged the Robert Wood Johnson and MacArthur foundations to support the consulting costs of an independent panel for the EBDI project, further increasing the public perception of the panel's independence. Given the increasing breadth of the Living Cities agenda, expanding the resource pool has also meant reaching out to foundations that traditionally fund in such areas as education, employment, and child and family services. For example, MacArthur was instrumental in bringing Atlantic Philanthropies to Chicago, where it will use NCP's framework in its design of a middle school demonstration program. Similarly, Casey was instrumental in getting Atlantic to focus its demonstration on East Baltimore. In collaboration with Living Cities efforts, Casey has also helped bring a Center for Working Families to neighborhoods in the Twin Cities, Indianapolis, Ind., and Chicago. In turn, MacArthur made a $3 million investment in bringing the model to scale and funding its rollout in thirteen Chicago neighborhoods.

The intermediaries in Living Cities have also been able to use their influence and relationships to leverage city resources for the broader neighborhood agendas. In several cities, they were instrumental in getting the city administration to designate specific neighborhoods as Tax Increment Financing (TIF) districts. In other cities, LISC and Enterprise were able to leverage funding to develop partnerships with city agencies around commercial corridor programs, facade improvement, or city planning efforts. These arrangements enable both partners to expand the scale or scope of a program beyond what either could achieve individually, and offer opportunities for intermediaries to shape the content of city programs and help prioritize resources for specific neighborhoods.

Mobilizing Political Will
Foundations differ widely in their comfort levels and expertise when working in the policy arena. Typically those funding community development have worked through intermediaries or advocates to affect policy on such issues as affordable housing and community benefits agreements associated with development projects. There

are examples, however, of foundations playing a leadership role themselves in mobilizing public support and promoting policies and practices that support effective community development. The Boston Foundation, for example, registered several staff as lobbyists in order to promote and ultimately help pass state legislation for smart-growth zoning and housing production in 2004. Similarly, the Rhode Island Foundation in Providence (not a Living Cities site) convened a coalition of more than 100 businesses, religious groups, professional associations, government, and community groups that is working to end the state's severe shortage of quality, affordable housing. The foundation's CEO co-chaired the group and personally campaigned for an affordable-housing referendum, which was passed in the fall of 2006. Foundation staff emphasized that the power to exert such influence comes from the civic respect and trust that foundations create over many years.

Under existing tax laws, community foundations have more leeway than private foundations to devote a portion of their resources to advocacy, but Living Cities offers many examples of foundations using their own political capital to exert influence over decisions affecting their community development agendas. Whether and how many "chits" a foundation is willing to use to exert influence depends on many factors, ranging from its priorities, capacity, and style to its assessment of the actual costs and benefits likely to result from such actions.

For their part, LISC and Enterprise have traditionally sought to affect government policy and practice on community development by building relationships with city departments and officials. These have enabled cofunding of projects and joint problem solving around community problems. In recent years in the context of Living Cities, some of the local actors have expanded their policy work. Many Living Cities sites have led or participated in public education and advocacy campaigns targeting city councils and state legislatures to support affordable housing trust funds, inclusionary zoning ordinances, or eminent domain legislation. Coalitions in cities like

Los Angeles and New York, and states like Florida and Oregon, successfully lobbied for the creation of an affordable housing trust fund or the release of funds that were earmarked for affordable housing but not disbursed. Many of the Living Cities respondents feel there is potential to heighten and broaden impact by connecting housing supporters and neighborhood groups to coalitions that take on issues like smart growth and transit-oriented development or that address even broader economic development and social justice agendas. In Oregon, for example, a statewide coalition of affordable housing groups and social justice organizations successfully lobbied for state funding for the Earned Income Tax Credit (EITC) as well as for an increase in state tax credits for housing development, and then went on to lobby for state legislation to fund affordable housing through a document-recording fee and lottery proceeds.

Successful advocacy work cannot happen without sophisticated staff who are able to analyze political power bases and pressure points; keep track of legislative, administrative, and regulatory opportunities; prepare policy analyses; and work strategically with a variety of actors both inside and outside the community development system. The Living Cities intermediaries have worked to strengthen and expand the local infrastructure for advocacy work in several cities and their states, notably in Denver, Colo., and Kansas City, Mo., by building advocacy capacity in neighborhood groups and housing organizations, teaching them how to advocate, institutionalizing opportunities for them to meet with city council members and state legislators, and helping them to build collective power by forming or joining alliances and coalitions.

Neighborhood organizations can also play a role in policy and advocacy work around equitable development, affordable housing, and related issues. Two initiatives supported, in part, through Living Cities provide important models of how CDCs, intermediaries, and foundations can support neighborhood-based organizing that empowers neighborhood groups and that advances neighborhood and citywide agendas for equitable

development. The Ricanne Hadrian Initiative for Community Organizing (RHICO) in Massachusetts helped community residents to set the direction of development in their neighborhoods and helped neighborhood leaders to move into positions of power (Ricanne Hadrian Initiative for Community Organizing, 2005). The Initiative for City-Wide Organizing (INCO) in New York City connected grass roots constituencies to citywide groups that successfully advocated for a citywide housing policy agenda (Carlson, 2005).

Framing New Messages and Communicating Strategically About Community Development

Strategic communications is increasingly viewed as a line of work that requires expertise and investment in the social policy, economic development, and community development arenas. Some foundations are working on how to frame issues effectively in order to develop a constituency for affordable housing, community development, and neighborhood revitalization, and connecting them to antipoverty and social justice agendas.

Communication can serve both internal and external functions for a CCI. It can build local momentum; it can focus efforts on shared outcomes in order to guard against mission drift; it can keep partners — especially city agencies — on board; and it can surface best practices, incorporate them into ongoing work, and share lessons with the broader field. Communication can also enhance public understanding and leverage new partners. For instance, MacArthur's investments in high-quality printing and design enabled it to successfully market neighborhood plans to private developers and also to demonstrate the value of good documentation to the NCP sites. MacArthur has also funded LISC and other intermediaries to use the Internet as part of its communication strategy. For example, grant funds have been used to develop an NCP Web site as well as Web sites for the lead agencies and to train local staff and volunteers to develop and manage content.

Another way that foundations communicate the needs and opportunities that neighbor-

hoods afford — and generate a productive civic "buzz" about them — is to take people to visit the neighborhoods so they can see the CDCs working there. Staff at the Cleveland Foundation, for example, invited fellow foundation staff on a citywide tour, with stops at both east-side and west-side neighborhoods. This was such an important event that the Ohio Grantmakers Forum asked foundation staff to sponsor such a tour for its members: 40 individuals from 15 foundations attended. The group will follow the tour with quarterly, half-day sessions to discuss aspects of place-based strategies. Cleveland Foundation staff will also conduct citywide tours for other groups, such as foundation donors, board members, city leaders, and the media.

Generating and Testing New Ideas and Building and Sharing Knowledge

As the scope of community development expands, experimentation combined with deliberate avenues for learning needs to be a core element of building the field. Foundations can provide intellectual leadership, take risks testing new approaches, and play a central role in creating active learning vehicles and a culture that supports measuring progress and sharing results in real time in order to improve practice. Foundations, for example, have brought to the table new ideas about connecting cities to surrounding suburbs, about developing green building strategies, and about using evidence-based decision making.

Foundations are uniquely positioned to keep abreast of new developments in policy, research, and practice in community development and other fields. Their credibility and access mean that they are also uniquely positioned to convey that information in ways that help identify needs and set agendas for leadership institutions. In the Living Cities network, foundations have used various techniques to introduce new theories, strategies, and information to a range of potential partners in the community development system. Peer-to-peer and city-to-city networks can be effective ways of developing knowledge for action at the neighborhood level as well as at the intermediary and funder levels.

Foundations are also well-positioned to expose a variety of audiences to new information and innovative practices from other fields or locations in order to inspire, inform, or otherwise broaden the collective perspective of local actors, laying the groundwork for civic action. The Cleveland Foundation, for example, invited two consultants from the University of Pennsylvania to talk with housing groups and local employers about how to establish a housing assistance program that provides incentives for employees to move into the area. Foundations looking for a new approach in Kansas City asked LISC to bring in funding representatives from Chicago and Detroit, Mich., to give presentations about their more comprehensive approach to neighborhood development. This led the funders to ask LISC to design a similar program in Kansas City.

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Evaluation is an arena in which foundations have played an important knowledge-development role, ranging from funding sophisticated studies of neighborhood change, as in MacArthur's support for NCP's evaluation, to more modest reviews of progress. The Cleveland and Gund foundations, for example, contract every three years for an outside review of Neighbor-

hood Progress, Inc. This review becomes the basis for dialogue among all the parties involved as well as for subsequent action plans and accountability agreements. The 2003 review laid the foundation for Cleveland's Strategic Investment Initiative, the city's current comprehensive approach in six neighborhoods. Other foundations commission case studies, support independent evaluations of innovative programs, and help establish goals and benchmarks for CDC performance.

A particular challenge for the community change field moving forward is how to assess the non-programmatic dimensions of change, including, for example, leadership development, community organizing, capacity-building, advocacy, collaboration, and social networking. The difficulty is less about how to measure these components — challenging as that is — than it is about how to demonstrate that they lead to improved conditions in neighborhoods. The emerging evidence reported here suggests that investments in civic capacity can help communities access resources to undertake neighborhood development, strengthen human capital and organizational capacity, and gain political voice. The evidence is not yet systematic, however, and more in-depth research on the connection between civic capacity and overall improvement in neighborhood outcomes is needed.

Conclusion

Although it is too early to assess the neighborhood-level outcomes of these new activities and initiatives, the Living Cities experience provides powerful and ambitious examples of how various actors in the community-change enterprise are expanding their definition of the work that is required to achieve improved outcomes in poor communities. The theory of change goes beyond the technical or programmatic and explicitly attends to accompanying work around relationships, systems change, and power dynamics.

The recognition that antipoverty work is political and systemic in nature and requires the combined efforts of actors in many sectors is, of course, not new. What is new is that the sector that has the most flexible resources — philanthropy — is ex-

ercising leadership in new and different ways. We see how foundations can broaden their roles and use much more than their check-writing ability to advance community development goals. There is a growing number of examples of how they are being more activist and strategic in mobilizing support and developing and applying knowledge that can strengthen the collective effort.

The lessons about how to do this work are emerging. New roles necessarily require new structures and practices that are developed from a shared understanding between foundation boards and staff members regarding goals, strategies, and intended outcomes. Partnerships of any kind require giving up exclusive control, sharing credit for the work, and staying strategically in the background as needed. These practices may work against the grain of any single institution's advancement agenda — and foundations are no exception. At the same time, this civic work sometimes requires foundations to take greater risks, to put their own name and credibility on the line publicly in order to advance a cause, and to support less powerful partners. This, too, is difficult for institutions like foundations that are often risk-averse.

The Living Cities examples described here also highlight the expanded roles of the other key actors in the community development system, notably the intermediaries and the local CDCs. LISC and Enterprise have moved beyond deal-making and are engaging in more policy, advocacy, and systems-change work. They are reaching out to collaborate across sectors. Some of the CDCs are also broadening their programmatic agenda, partnering with organizations, and thinking through their contribution to the advocacy agenda. The lessons and strategies that they are applying are not particular to community development. Intermediaries and nonprofits across a range of social and economic development sectors can learn from how these organizations have defined their contribution to the change process broadly to include policy change, systems change, collaborative problem solving, and leveraging of resources. Moreover, they must engage funders in an honest discussion about the importance of systematically

making investments in civic capacity and system-atically assessing what difference it makes.

Because of its unique position in the social change arena, philanthropy's leadership in the civic arena is powerful — both by modeling different types of civic engagement and by investing in the civic capacity of intermediaries and local nonprofits — and reverberates throughout the community development system. This kind of leadership can come from many types of foundations, not just the large private foundations: smaller, more local and family foundations can invest in the civic capacity of their grantees and leverage their posi-tions in the civic arena. A successful comprehen-sive community change agenda requires each par-ticipating institution to accurately assess its own comparative advantage and be willing to use it in the most strategic way. Foundations are just one actor among many, but one that has a wide range of assets that can be drawn upon to advance the collective vision of community development. As Living Cities demonstrates, the field has much to gain when they do so.

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