

INVENTING COMMUNITY RENEWAL:  
THE TRIALS AND ERRORS THAT SHAPED  
THE MODERN COMMUNITY DEVELOPMENT CORPORATION

*Mitchell Sviridoff, General Editor*

*Franklin Thomas, Louis Winnick, Robert Cohen and William P. Ryan*

Community Development Research Center  
Copyright© 2004 by Mitchell Sviridoff  
All rights reserved

 New School University  
Robert J. Milano Graduate School  
of Management and Urban Policy  
72 Fifth Avenue New York NY 10011



Top: Pivotal actors in the Bedford Stuyvesant story. (From left to right) Judge Russell R. Jones, Former Mayor of New York City John Lindsay, Former Senator Jacob K. Javitz, Former Senator Robert F. Kennedy, Former Secretary of HUD Willard Wutz, woman unknown. Winter 1968.

Middle: On the site of the former Sheffield Milk Bottling plant in Bedford-Stuyvesant. In the foreground, Franklin Thomas, a community activist, and Robert Kennedy.

Bottom: A Bedford Stuyvesant Restoration Corporation rehabilitation project.



*“With a lifetime of observing a caring and loving man work for the common good in uncommon ways, we the Sviridoff family, dedicate this book, in the loving memory of our husband and father, to the people and organizations to whom he himself was so dedicated – those enterprising spirits committed to building community.”*

Mitchell Sviridoff (courtesy of the Sviridoff family)

---

## TABLE OF CONTENTS

<b>Acknowledgments</b>	i
<b>Preface: Edwin Meléndez</b>	iii
<b>Advice to the Reader: Mitchell Sviridoff</b>	v
<b>Introduction: Mitchell Sviridoff</b>	1

### Part One

#### *Gray Areas and the Independent Local Agency*

By Robert Cohen	
Chapter 1: Broken Promises	9
Chapter 2: Urban Removal	13
Chapter 3: Opportunity, Empowerment, Coordination	15
Chapter 4: An Optimist's Faith	21
Chapter 5: The 'Independent Agency' Meets 'Maximum Participation'	27
Chapter 6: The "Graying" of New Haven	37
Chapter 7: Participation and Its Discontents	47
Chapter 8: Something Short of Salvation	51

### Part Two

#### *Bedford-Stuyvesant and the Prototype Community Development Corporation*

By William P. Ryan	
Chapter 9: The Big Idea	61
Chapter 10: A Disorderly Laboratory	67
Chapter 11: Power Structure	73
Chapter 12: Defining 'Results'	81
Chapter 13: The Early Restoration Program	87
Chapter 14: The Big Idea (part 2)	93

### Part Three

#### *The Road to Ford's Gray Areas Program*

By Louis Winnick	
Chapter 15: The Urban Setting and Intellectual Influences	105
Chapter 16: Juvenile Delinquency	113
Chapter 17: Evaluations, Monitors, Kibitzers	121
Chapter 18: Key Sites and Major Evaluations	131

## **Part Four**

### ***Interviews***

Chapter 19: The Gray Areas Program in New Haven: <i>An Interview with Founding Director Mitchell Sviridoff</i>	161
Chapter 20: The Road to Bedford-Stuyvesant <i>A Second Interview with Mitchell Sviridoff</i>	199
Chapter 21: Bedford-Stuyvesant Restoration Corporation <i>An Interview with Founding Executive Director Franklin A. Thomas</i>	215
Chapter 22: Conclusion: Mitchell Sviridoff	241

<b>Citations</b>	249
------------------	-----

<b>Author Biographies</b>	253
---------------------------	-----

## ACKNOWLEDGMENTS

---

The Community Development Research Center (CDRC) would like to thank Mitchell Sviridoff, William P. Ryan, Louis Winnick, Franklin Thomas and Robert Cohen for their dedication and invaluable contribution to the book. It was Mitchell Sviridoff's vision and commitment that brought this piece of work to life. He understood the need to document the politics and development of the community development movement in our country, and in particular, the creation of the Bedford Stuyvesant Restoration Corporation. The book documents the history of the CDC movement including the role of the Ford Foundation, and the political urban climate from the 1950s to the 70s. Interviews and the first person accounts of important events in the history makes this a unique piece that can easily be translated into a "book of lessons" applicable to our students and the people who work in the field today. We extend our sincere appreciation to the many actors whose voices have become part of the history and are captured in this volume.

After the unfortunate passing of a great visionary, Mitchell Sviridoff, the editing and printing became the CDRC's responsibility and sometimes our challenge. But with the help and support from a number of individuals, departments, and a generous grant we were able to complete Sviridoff's project. We would like to graciously thank Pew Charitable Trust for their generous gift to complete this book, and The Philanthropic Initiative, Inc. for serving as the administrators of the grant.

Mitchell Sviridoff's family would like to personally thank James Pickman and Bill Ryan for their work. We also thank Tony Proscio for his advisory role to Mike and to the project, for his valuable feedback for the production of the volume and for his insightful notes on earlier versions of the manuscript. CDRC would like to thank the Bedford Stuyvesant Restoration Project for allowing us to look through their collection of photos and graciously allowing us to incorporate them into this book, your kindness was greatly appreciated and we are grateful. CDRC would also like to thank the staff at the Robert J. Milano Graduate School and Robert DiNardi, Project Manager, and his co-workers at the New School University Communications Department, each one treated this project with great respect and true professionalism. Sincere appreciation is given to the many different CDRC staff members who have spent time working on this project. The contributions of Nestor Rios, former CDRC Associate Director, for his support and assistance throughout the process, Belinda Loomis, CDRC Editor, for editing and proofreading the manuscript and to Melisa L. Olivero, CDRC Manager, for managing the publication, are also graciously acknowledged.

## ADVICE TO THE READER

---

This book is the work of many hands, and tells its story from many perspectives. As a result, it deliberately covers certain events more than once, from more than one vantage point. A reader seeking insights into some of the personalities in this story, and how they viewed their times—both during and after the events recounted here—will find significant nuances and contrasts in the various telling and re-telling of the story.

We begin, however, with a straightforward narration of events, in Parts I and II, that tries to incorporate different perspectives into a single, linear account. Readers who mainly want to know what happened, who the principal players were, and what lessons emerge from it, might be content to read the Introduction, Part I and II, and the Conclusion.

But the interviews and first-person accounts in Part III and IV provide what we believe is the heart of this matter: The distinct beliefs, styles, and aims of some key people and institutions who grappled with these events in a turbulent (and often highly peculiar) moment in history. The three first-person accounts tell the story, first, from the institutional perspective of the Ford Foundation, with the seasoned analysis of one of its keenest thinkers, former Deputy Vice-President Louis Winnick. Second, from my perspective—that of an early Ford grantee, later a New York City official, and finally a Ford vice president. And third, from the viewpoint of Franklin Thomas, reflecting on his transition from New York City police official to the creator of the prototype community development corporation, the Bedford-Stuyvesant Restoration Corporation.

The book is therefore something of a hybrid—part narrative, part oral history, part personal reflection. We hope that readers will feel welcome to wander at ease through its chapters, improvising whatever order and level of depth suits their interests—recalling that improvisation was, after all, a defining theme of the times about which we write.

— *Mike Sviridoff*



LEFT

Top: Building Violations on Nostrand Ave., Brooklyn, NY in 1970s

Middle and Bottom: The future ex-offender's office, 767 Greene Ave., Brooklyn NY

RIGHT

Top: Rehabilitated housing in Bedford Stuyvesant, 1979

Middle: Rehabilitated housing, 1188 Sterling Place, Brooklyn, NY

Bottom: Rehabilitated housing in Bedford Stuyvesant, 1979



The community development corporation, or CDC, as we know it today, evolved over several decades. There was no single inventor or social intervention strategist or program developer who could claim exclusive authorship. There were along the way many individuals who influenced its development, often unwittingly. Until the process was well under way, however, few if any of these many actors anticipated that it would achieve its current pre-eminence among the methods of community revitalization.

Today, community development corporations blanket the American landscape. Various attempts to count and classify them have turned up different numbers, but estimates are in the thousands, and each year typically brings larger numbers than the year before. They have produced hundreds of thousands of affordable houses and apartments, millions of square feet of retail and other commercial space, and drawn billions of dollars in private investment into neighborhoods once written off as lost. In some desperately poor areas of Boston, Chicago, Cleveland, Miami, Oakland, Houston and Washington D.C., among other cities, CDCs get nearly exclusive credit for fantastic economic and social recovery.

As a result, the media have discovered these organizations and re-discovered the communities where they work. But that is quite recent. Until the late 1980s, CDCs labored more or less in obscurity. And in their earliest years, even those who were shaping and refining them had little idea what a powerful force they were creating.

This evolutionary process began roughly in the latter years of the 1950s. Its initial locale, The Ford Foundation—at that time, the largest foundation in the world. Its prime mover, Paul Ylvisaker, the director of the Public Affairs program at the Foundation between 1955 and 1966.

The objective of this book is to identify the players who emerged over the years, and to describe (and possibly explain) their respective roles, as well as the events and the political dynamics that eventually gave rise to the CDC. If it produces an understanding of the origin of the CDC model, it will have satisfied that objective. We also hope that it will prove valuable to the scholars, historians, and practitioners concerned with the process of social change.

But beyond the who-did-what of this story, is there a broader significance to the process that gave rise to the CDC? Here, after all, is an intervention that begins with all the trappings (or at least all the public rationales) of a classical social-science experiment. It stumbles and falters along the way, and then through a haphazard and unpredictable process, evolves into what arguably is one of the few inner-city strategies of the '60s to succeed and survive. There are many unique features to the evolution of the CDC, when contrasted to other interventions of that period. Most impressive have been their phenomenal growth, their broad political support, and

their continuing ability to attract substantial public and private investment—all this while so many other well-intentioned efforts—many of them far more carefully designed and administered—withered on the vine. There are four parts to the story we have to tell—a play, as it were, in four acts.

#### **Act 1.**

The scene begins with a brief description of the emerging crisis in the inner city, the reasons for this crisis, and the first cautionary steps to cope with its human side through programs directed at juvenile delinquency. A recommendation in the final years of the Eisenhower Administration to create a President's inter-governmental commission on delinquency was quickly embraced by the new Kennedy Administration. Special legislation was proposed and adopted. The President appointed his Attorney General and brother, Robert Kennedy, to head a new President's Committee on Juvenile Delinquency.

#### **Act 2.**

The second act shifts to The Ford Foundation, its early emphasis on achieving a social-scientific understanding of the behavior of delinquents, and its subsequent shift of strategy to a view of delinquency in a broader societal setting. This is manifested in the foundation's embrace of an emergent "opportunity theory of delinquency" in the latter 1950s.

The "opportunity" advocates rejected the conventional behaviorists' theory of delinquency as "blaming the victim," a charge that was repeated many times again in the ensuing decade in reference to antipoverty efforts of all sorts. Rather than blame delinquents for their behavior and seek to remedy their excesses through individual treatment, the "opportunity" advocates looked instead to the social cause of delinquency, particularly the lack of equal opportunity and individual empowerment, as the targets for change. Robert Kennedy's President's Committee on Juvenile Delinquency also adopted this "opportunity/empowerment" theory, and an informal alliance was forged with the Ford Foundation.

The effect of concentrating on "opportunity" instead of just "delinquency" was to turn the national attention away from kids and crime, and train it instead on the communities where troubled kids live. Some latter-day theories on juvenile justice now consider this view simplistic. But whatever its merits as a crime-prevention strategy, the new focus opened whole new vistas on community revitalization. All at once, some of the most energetic and influential people in American domestic policy were turning their eye toward inner-city neighborhoods and looking to create "opportunity" there. What "opportunity" meant was still an open issue—one that would set in motion a broad range of experimentation and invention in coming years.

In the midst of this, there entered one of the three most important players in this CDC evolutionary process—Paul Ylvisaker. The other two, as we will see later, are Senator Robert Kennedy and Franklin Thomas.

Ylvisaker used the delinquency springboard at the Ford Foundation to develop a strategy of inner-city experimental interventions in a limited number of places. He did this with remarkable political skill, especially given the constraints of the foundation's acute sensitivity to controversy at that time. This program, entitled Gray Areas, operating in five cities and one state, proposed to reverse the rapidly deteriorating urban environment. It would do this through a comprehensive, coordinated human-service, education, and employment strategy. There was no mention in the early days of the Gray Area program of physical, economic, or empowerment objectives—issues that later became touchstones of the antipoverty movement, and eventually of community development.

The comprehensive human service experiments were to be managed by specially created private not-for-profit instruments that would work in collaboration with the existing political and bureaucratic structure.

It was assumed that these efforts would stimulate existing agencies to become more innovative and, to use a much-favored term of the day, “relevant” to the special needs of the inner-city population. Further, improving the coordination of existing, narrowly focused categorical programs, and planning their implementation in a comprehensive way, were expected to result in a higher degree of efficiency and impact. All of this in turn would accelerate the process of cultural assimilation for an unskilled population, newly arrived from the rural south and Puerto Rico—a process that had proved so successful with earlier waves of immigration from across the sea.

The President's Committee at the same time pursued a similar policy in these and other cities, with one important difference. It placed a special emphasis on the empowerment aspect of the opportunity theory, which set it immediately in conflict with several local governmental authorities—a harbinger of things to come in the antipoverty program launched by the Johnson Administration in 1965.

### **Act 3.**

The third act focuses on the New Haven Gray Areas program, primarily for three reasons. First, whether justly or not, New Haven appears to have been the most successful of the five experimental Ford Foundation cities. Second, it is widely recognized as the model for the subsequently enacted Lyndon Johnson antipoverty program, even though the program as it finally emerged was substantially altered by three magic words: “maximum feasible participation”—a direct by-product of the empowerment advocates associated with Robert Kennedy's Presidents Committee on Juvenile Delinquency. Third, I had the advantage of being there, as the director of the New Haven program. I knew it firsthand—both its strengths and its failings. Through that experience, and my later roles as Human Resources Commissioner for New York City and as the Vice President for National Affairs at the Ford Foundation, I served as a supporting player in all the twists and turns in policy that led ultimately to the conception of the community development corporation.

#### Act 4.

Acts 1 through 3 of this drama together make up the subject of Part I of this book, following this introduction. Act 4 emerges from the lessons and frustrations of those earlier episodes, and leads to the creation of the prototype community development corporation. This act features two of the star players in this unfolding drama: senator Robert Kennedy and, later, Franklin Thomas.

Senator Kennedy has, of course, appeared earlier, beginning with his leadership of the President's Committee on Juvenile Delinquency. But by 1966, he and others, including me, began to sense that the antipoverty programs that grew out of their respective efforts were not likely to achieve their original, widely heralded objectives. Unanticipated difficulties developed both within the programs themselves and in the surrounding political environment. Suffice it to say, by the end of 1966, many of the program's early advocates were suffering pangs of disillusionment.

Most of the early stalwarts of the antipoverty program fought valiantly to hold the ground they had gained. They attributed their difficulties and their rapidly declining influence to the budgetary constraints imposed on these new efforts by the ever mounting costs of Vietnam. Guns, they argued, were winning out over butter.

Others sensed that the growing problems were actually springing from fundamental programmatic flaws. Many of these doubters were driven to explore course corrections, if not totally new strategies. This was especially true of Senator Kennedy.

Within the Kennedy staff there were sharp divisions regarding appropriate new directions. Proposed action ranged from more vigorous enforcement of school integration and other more traditional antipoverty efforts, to a new idea: A concentrated effort in one inner-city ghetto community that would engage the private sector in a collaborative effort with public agencies and community leadership. Its goal would be to undertake a bold, well-financed, comprehensive, physical, economic, and human service redevelopment program. Since the various problems of the inner city were interconnected, one had to "grab the web whole," to use a phrase frequently repeated by the Senator as this new idea emerged. This would require, in addition to substantial resources and careful planning, the creation of a sophisticated nonprofit corporate structure capable of managing such an ambitious concept. Here was born the idea of what became known as the community development corporation.

Up to this point, professional publicly employed planners and specialists in the field of urban renewal had managed local physical and economic redevelopment with the help of Federal grants and local bond financing. Robert Moses of New York was widely seen as the high priest of this profession. His most notable emerging successor by the late 1950s was Edward Logue, who gained a national reputation in the field in New Haven, and later in Boston.

Logue and his colleagues in other major cities saw the Gray Areas program and its successor, the community action agencies of the Johnson antipoverty program, as complementary and supportive of their respective Urban Renewal efforts. Little did they realize that, justified or not, they had by then lost favor in ghetto communities where these programs had acquired a reputation as instruments of "Negro removal," rather than urban renewal. The new concept of a community-based development corporation, therefore, had to find a way to sidestep the Urban Renewal profes-

sionals. The same need for avoidance applied to the antipoverty Community Action Agencies which by then in many places had gone into a tailspin of chaos, incompetence, confusion and conflict with local government.

Despite these and many other hurdles, Senator Kennedy decided to pursue this CDC strategy energetically in one of the country's largest inner-city ghettos, Bedford Stuyvesant. The early exploratory days included a personal "walk and talk" visit to the community, and a one-day successful whirlwind effort to win the support of New York's financial and corporate leadership. This is a story told in considerable detail in Part II of this book.

The creation of the Bedford Stuyvesant Restoration Corporation in 1966, the country's first CDC, was complicated by a series of unanticipated neighborhood conflicts over the issue of control—an issue was aggravated further by a decision to provide technical support to the CDC through a separate Development and Service Corporation, whose board was controlled by the city's corporate and financial leadership. Ironically, it was Ed Logue, the Robert Moses of his day, who was retained by the corporate-controlled Service Corporation to help shape the redevelopment plan for the community. Charges of "colonialism" filled the air.

Ultimately it was the remarkably skillful handling of these conflicts by Franklin Thomas, who was eventually recruited to head the community-based Bedford Stuyvesant Restoration Corporation, that led to a resolution and a way forward. At the time of his recruitment, Thomas was a native son and resident of Bedford Stuyvesant and the incumbent General Counsel and Deputy Police Commissioner of the New York City Police Department.

All the acts of this drama unfold in the first two parts of this book, which contain a more or less chronological narrative of these events over the course of a decade or so, from the late 1950s through the end of the '60s. Next, we present three first-person accounts from key participants and observers. *Louis Winnick*, who was a senior officer of the Ford Foundation through all four acts, and was already a keen historian-philosopher of American social policy even before Act 1; *Frank Thomas*, who contributes a personal reflection on what we have called Act 4, both as a participant at the time and, later, as president of the Ford Foundation, where he supported a dramatic national expansion of the CDC model; and, myself, recalling, first, my years in the New Haven Gray Areas program, and later, my time in New York City government and at the Ford Foundation as the Bedford-Stuyvesant experiment was taking shape.

Why bother to tell this story? What difference can knowledge of these events make in the larger scheme of things? After all only a handful of practitioners who were around at the time are aware of them.

For one thing, this story will never be told if we wait. Too many of those involved are already gone from us.

Second, the way community development took shape teaches us something about how solutions to local problems can evolve into adaptable, flexible, national strategies. The unplanned and seemingly haphazard nature of the community development story—its progress from vaguely asked questions to improvised and constantly evolving answers—turned out to be a strength, not a weakness. It gave

localities time and opportunity to design tactics that were grounded in the reality of local markets and that could be varied to suit different local dynamics. That is rare in American social policy, but it need not be unique. There are lessons of this story that could fit other challenges.

More important, one is reminded of the moral asserted at the conclusion of E.B. White's short story of the lemmings rushing headlong to their drowning in the sea: "all men should know before they die what they are running to, and from, and why."

We approach the task cautiously. The German philosopher Hegel said something to the effect that the one thing we learn from history is that we learn nothing from history. The final chapter of what follows will speculate particularly on what we've learned—what it is that CDCs are "running from and why." It will attempt to draw some useful lessons from these early days of the history and origin of the community development corporation.

Let the play begin.