"Philanthropy's Impact on Community Development: Lessons from the Field"

Presenter: Maria Martinez-Cosio, University of Texas–Arlington

Maria Martinez-Cosio is an associate professor at the School of Urban and Public Affairs at the University of Texas–Arlington. She received her PhD in sociology from the University of California–San Diego. Her research interests include private foundations' role in community development, civic participation by immigrants in urban redevelopment, Latino parent involvement in urban education, and qualitative research methods. Cosio and her colleague from UC San Diego, Mirle Rabinowitz Bussell, coauthored *Catalysts for Change: 21st Century Philanthropy and Community Development*, due this May. The book analyzes the work of private and public foundations engaged in place-based community development efforts across the United States. This work presents the first comprehensive overview of foundation-led community development, and through an analysis of five case studies, it highlights innovative partnerships between public, private, and community-based organizations and residents to improve conditions in areas suffering from disinvestment.

Coauthor: Mirle Rabinowitz Bussell, University of California–San Diego

Summary and Findings: The role of private and public foundations in community development is under-theorized. Although there is a substantial historical record of private foundations' support of community development initiatives, there is little analysis on the features of their approaches, nor on the foundations' theories of change as they work with underserved communities. Through a careful analysis of approximately 60 foundations engaged in comprehensive community initiatives (CCIs) in the United States, we assemble the first comprehensive typology of foundations engaged in holistic community development focused on the governing principles of the foundation(s), funding allocated, program dimensions and outcomes, and accountability to residents and key stakeholders. Our research strategy is grounded in systems change theory, acknowledging the multiple systems, the shifting nature of relationships, and the complex dynamics and interactions that occur within underserved communities. We argue that systems change theory allows for context to be placed at the forefront, as each system is nested and connected to the other systems within and outside the neighborhood; it calls for a recognition and reallocation of power, and acknowledges the political and economic systems that often have a stronghold on poor neighborhoods. Findings suggest that more transparency is needed by foundations, definitions of community development must be clear, and the key systems interacting at this site must be identified.

Implications for Policy and Practice: One implication of our work is to outline the progress made by foundations engaged in community development over the past 30 years to support emerging models for comprehensive community initiatives. This presents a significant track record that can be used to identify lessons learned and challenges for the next generation of CCIs. But an implication of this substantive effort is the role of foundations as de facto public agencies. In this era of public sector retrenchment, large funding gaps exist in low-income communities that private foundations are readily responding to, and public planning agencies either do not have the staff resources and/or financial resources to evaluate the outcomes of these initiatives. This provides a fertile opportunity for foundations eager to impact change but leaves unanswered questions about short- and long-term impacts on low-income residents

and communities. We raise questions regarding transparency and accountability and whether or not it is appropriate for foundations to assume this role. Yet a key implication of our work is the critical role played by private foundations as first responders and innovators for change in underserved communities. We argue that when the efforts are framed as systems with multiple moving parts that are optimized when they move in sync with one another, capacity for change is catalyzed.