

**DEMOCRATIZING CLEVELAND  
CHAPTER 7: THE PUTTING THE COMMUNITY INTO COMMUNITY  
DEVELOPMENT**

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Cunningham, Randy., *Democratizing Cleveland*. Cleveland, Ohio: Arambala Press, 2007.

EISBN: 978-1-936323-17-3

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# Chapter 7

## PUTTING THE COMMUNITY INTO COMMUNITY DEVELOPMENT

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They were young people and older people and if I were to see them on the street I'd never think that this older woman would go downtown, sit in at the office of the head of community development with a cardboard gun on a band around her head saying, 'You guys are holding a gun to our head and we're not going away until you give us our money.'<sup>1</sup>

Gloria Aron, *Near West Neighbors in Action*

One of the most important sources of revenues for Cleveland in the 1970s and 1980s was the federal Community Development Block Grant (CDBG) program. Control of millions of dollars coming into Cleveland under this program sparked years of conflict. At the beginning, the CDBG money was perceived by the administration of Mayor Ralph Perk as a giant slush fund for a revenue-starved city. Within the hierarchy of city council, the distribution of CDBG funds was a tool that council leadership used to reward friends and punish enemies. At the bottom of the food chain were the neighborhoods that were supposed to be beneficiaries of the program.

One of the most important campaigns of the community groups of Cleveland was to claim the funds and wrestle control away from those who had dominated CDBG decision making since the start of the program in 1974. The campaign to reform the use of CDBG was fought on a citywide, neighborhood and block level.

The first major fight was over use of CDBG money to purchase the Cleveland

Arena in 1976, led by the Buckeye Woodland Community Congress (BWCC). BWCC was primed to lead the fight on this issue for several reasons. One was its own experience with ill-administered city programs and even more ill-administered federal programs, as was seen in the fight with the Department of Housing and Urban Development (HUD) over FHA practices. The neighborhood was also being denied its share of CDBG money for residents' home repairs.

In May 1976, Buckeye met with Ruth Miller, head of community development for the city of Cleveland. Miller told BWCC that no CDBG money was available for housing rehab in that area. This revelation was followed by an announcement in late June by Mayor Perk that the city planned to spend over \$1 million dollars of CDBG money to purchase the land on which the old Cleveland Arena sat for a youth center. The purchase would bail out sports promoter Nick Mileti, for whom the arena was a money pit.

Joe Mariano of Buckeye described the resulting fireworks: "People were pissed. Suddenly the city had money to buy this arena. Folks went ballistic. 'What's going on here? How can the city tell us there's no money, then buy the arena?'"<sup>2</sup>

A community meeting was called by Buckeye with a representative of the mayor, who spoke about the project. He was told to leave when he told BWCC what they didn't want to hear. BWCC sent a delegation to Congressman Louis B. Stokes' office to demand an investigation of the arena proposal. Then the Perk administration announced a public hearing on the proposal to turn the arena into a youth center. Groups opposing the project were told not to bother attending because they wouldn't change the city's plans. As Margaret Foster of Buckeye testified before the U.S. Congress,

At a public meeting concerning use of community development funds to buy the arena, over 200 people voiced strong opposition to the city's plans. Other residents suggested that about \$100 of community development money be used to purchase the mayor a hearing aid so that he and his city administration might hear what the citizens were saying.<sup>3</sup>

Ken Kovach, president of Buckeye, presented the neighborhood's case in a July 28, 1976 letter to David O. Meeker, an assistant secretary of HUD. Among the points he made were that citizen participation was discouraged when a public meeting was held, and they had been advised that opposition to the proposal was futile. Overall lack of support for the proposal was evident in public meetings at which virtually nobody spoke in favor of it.

Mayor Perk's administration pressured both local newspapers to support the proposal. Community Development Director Ruth Miller's husband, Forest City Enterprises CEO Sam Miller, was in business with the holder of the mortgage on the arena. Kovach petitioned Meeker to immediately begin an investigation of the proposal.<sup>4</sup>

The combination of neighborhood protests and complaints about city practices to HUD led to the collapse of political support for the project. The finance committee of city council refused to hold hearings on it. The final *coupe de grace* came when City Council President George Forbes announced his opposition to the project. The project was dead within two months of its proposal.

In the aftermath of the arena fight, a new actor joined the fray, the Cleveland Committee of the Citizens' Coalition for Block Grant Compliance (CCBGC). This coalition was formed in August 1976 by the League of Women Voters to monitor the use of CDBG funds. In Cleveland, members of the coalition included the League of Women Voters, the YWCA, the Cuyahoga Plan, the Commission on Catholic Community Action, and the Commission on Church and Society of the Greater Cleveland Interchurch Council.

The objective of the coalition was to see that municipalities followed the mandates of the 1974 Community Development Act establishing the CDBG program, namely to implement real citizen participation and to spend the money where it was supposed to be spent.

While individual neighborhood groups concentrated on the "what" of CDBG spending, the coalition concentrated on the "how," the process of citizen participation in deciding the content of CDBG applications.

The Cleveland Committee hit the Perk administration for its citizen participation process of "listenings," in which citizens were invited to comment on a CDBG application that had already been written and was on its way to HUD. Phil Star of CCBGC wondered aloud about the logic of the city's actions. "We wonder what their real intent is in involving citizens," he asked. "If they have already submitted it (the application) for review, why hold the hearings?"<sup>5</sup>

The Cleveland Committee began to build its case soon after its founding. The committee reviewed the city of Cleveland's Grant Performance Report for 1976-77, but it did not answer questions about funding for citizen participation, the number of people who had participated, who was involved in a city wide task force, the protocol of submitting proposals from agencies, and other points.<sup>6</sup>

The activities that should have been involved in citizen participation were contained in a Cleveland Committee report titled *Citizen Participation: Suggestions for Opening the Door for All Citizens*. This report stated:

A review of the Grantee Performance Report established that there are three distinct points at which citizen participation is required. First, there must be citizen involvement in drawing up the citizen participation plan. Second, citizens must be given an opportunity to comment on proposals and make their own suggestions. Third, citizens should be involved in the development of criteria for evaluation and be involved in the evaluation in order to insure that citizen comments are taken into account. At the present time, it seems

that only the second level of participation is open to citizens and there has only been minimal participation in this phase.<sup>7</sup>

As one year's CDBG application was sent off to HUD, another year's application was being planned. If 1976 was a disappointment, 1977 did not promise much improvement. In a letter from Star to Ruth Miller dated May 11, 1977, Star reminds Miller of promises made and progress planned at an April 12th meeting on improving citizen participation. The committee had anticipated being contacted about public forums and being involved in making them a success, but the city had not contacted them since the April 12 meeting, and the committee learned by word of mouth about the first hearing, scheduled for May 17. Star wrote:

We are concerned that, once again, like last year, only a few knowledgeable people will attend, that the program will be discussed in terms that few will grasp, and that most people will either not attend the hearings or, if they possibly see the ads, will not carry on a dialogue in their neighborhoods.<sup>8</sup>

Star concludes the letter with an offer and criticism:

Our Committee stands ready to help prepare literature to be distributed to residents of Cleveland, to help distribute flyers and posters, and to try to involve people in the neighborhoods. But we cannot do this without some cooperation from you.<sup>9</sup>

No responses from the city to Star's letter could be found in the archives of the Catholic Diocese of Cleveland, which contain the files of the CCBGC. Whatever response there may have been was not enough to deter CCBGC from its next step.

On July 27 1977, the coalition got the city's attention. It filed an administrative complaint with the U.S. Department of Housing and Urban Development. Respondents in the complaint were Patricia Harris, secretary of HUD, Paul G. Lydens, director of the Columbus office of HUD, and Ralph J. Perk, mayor of Cleveland. The complainants were the Cleveland Committee of the Citizen's Coalition for Block Grant Compliance, the Community Development Committee of the Buckeye Woodland Community Congress, Housing Advocates, Inc., the Commission on Catholic Community Action, the League of Women Voters, and six east and west side Cleveland residents.

The complaint focused on a number of the program's failings in Cleveland: that CDBG funds were used for purposes forbidden by the 1974 Community Development Act, that money had been used to reduce, rather than increase community development activities, that it had failed to promote fair housing, and that the citizen participation process was inadequate. Throughout, the complaint focused on

the inadequacy and poor quality of CDBG reporting and evaluation in Cleveland.

Two targets of the complaint were the Concentrated Crime Patrol (CCP) program of the Cleveland Police Department and the use of CDBG monies to reduce funding of city and non-profit agencies.

The Concentrated Crime Patrol program was promoted as a way to reduce crime by assigning more personnel to CDBG target areas. However, no additional police had been assigned to the areas. It was an example of the budgetary desperation of a financially strapped city. To maintain staffing and funding for the police, the administration annually raided the CDBG budget of \$1,050,000.<sup>10</sup> Not only was the CCP a sham, it violated the provisions of the 1974 Community Development legislation that stated that CDBG moneys could not bail out financially strapped cities: it could only be used to improve services in target areas.

The city used a similar strategy with the Housing Division of the Department of Community Development. It used \$500,000 of CDBG money to pay personnel and administrative expenses of the division and diverted an equal amount to pay the salaries of its inspectors under the guise of a concentrated code enforcement program. As with the police, the spending levels of the division did not increase; in fact, they decreased as a result of the retirement of two inspectors. CDBG moneys also were used to replace normal funding in the redevelopment, rehabilitation, and relocation and property management divisions of the department. All such activities, as in the case of the police, fell outside the permitted uses and mission of the CDBG program.

The final parts of the complaint dealt with fair housing and citizen participation. As to fair housing, the complaint documented past court cases that held the city guilty of intentional racial discrimination in housing policies. In the face of this history, the city did not include in its performance reports, documents required for its affirmative action programs to promote fair housing. It was joined in this violation by failure of the Columbus office of HUD to police the requirement.

In citizen participation, the city failed to document a citizen participation plan. The complaint states, "The city of Cleveland has no citizen participation plan beyond a general notion that it must conduct public hearings prior to submission of the CDBG application."<sup>11</sup>

Not only was the city unprepared to run the program: but it also was unprepared to respond to the complaint. In the closing days of the Perk administration, the level of confusion was revealed in the number of extensions the city was given by HUD to respond. In a letter to Ruth Miller from Stephen W. Brown, acting HUD director in Columbus, dated November 3, 1977, the city was warned that sanctions were imminent if it did not immediately submit its response to HUD.

Soon after that letter was received, time ran out on the Perk administration, and it was up to the Kucinich administration to build on the rubble of the past. Negotiations among HUD, the Kucinich administration, and the block grant coalition continued for almost a year until a settlement was reached early in July 1978.

The city promised to spend 80% of current and future funding to benefit low and moderate-income persons. It would continue to use funds to pay fifty police officers, but these officers would work exclusively in targeting areas under the guidance of the local communities. The coalition would withdraw its request to HUD to investigate the city and to order return of past CDBG funds. The fair housing complaint was not resolved.<sup>12</sup>

The complaint served notice on the city that the days were over when the true intent and purpose of the CDBG program could be sidestepped, subverted, and disregarded. The provisions of the program would have to be taken seriously. The coalition launched similar complaints in the suburbs of Cuyahoga County, and was not active on the issue in Cleveland after the July 1978 settlement with the city.

The Kucinich administration, in office only two years, did not have the opportunity to create much of a legacy in CDBG policy. It was preoccupied with the complaint that had been filed at the end of the Perk administration. It also had its own normal fights over individual items in the CDBG budget.

It defunded a number of development corporations in a bid to use CDBG dollars to repair sewers and faced localized battles in the St. Clair Superior and Near West Side neighborhoods that were as much about local politics as CDBG policies. Kucinich's CDBG requests were routinely held hostage in the war between the administration and City Council President George Forbes.

The chaos was even noted in an unfavorable review that HUD gave the administration in February 1979. In spring 1979, \$37 million was held up in a game of chicken between Kucinich and Forbes, which was finally resolved in the last moment. Kucinich's administration did a better job of implementing citizen participation, until such events as the uproar at the neighborhoods conference made them shy about public forums that could turn against them.

It was under the Voinovich administration that CDBG policy, as it exists today in Cleveland, took shape. Director of Community Development Vince Lombardi found that the city faced a very unfavorable review by HUD auditors. The audit reported numerous violations of regulations, and the auditors noted that they had not been able to find responsible officials to talk to for their review. According to Star, the Voinovich administration listened to citizen input, and did not try to dodge the regulations. By 1981, the city had received more favorable audits for March and September of the year.<sup>14</sup>

The two most important features of the Voinovich approach were that CDBG funding was integrated into a long-term strategic plan for the city and that a historic compromise was reached with city council on CDBG funding. This compromise was the result of a fight with council early in the new administration. Forbes made sure the new administration knew who was boss in early tiffs over details of CDBG proposals that were reminiscent of his dealings with Kucinich. Under the compromise, half of the CDBG funds were spent according to the administration's priorities; the other half on the council's priorities, which meant that individual city cour-

cil members could expect to receive a certain amount of CDBG money. The details of who got what depended on the pecking order within city council. With this arrangement, the formerly wild and woolly world of council politics regarding community development money settled down into an established system.

Although the Voinovich administration began to put its CDBG house in order, problems persisted. Bad reviews from HUD on the city's performance continued. The reports gave credit for improvement but the threat of funding cutoffs and sanctions made it appear as if the normal state of the program was one of chronic crisis. There was always more thunder than lightning in HUD's admonitions, however. Money kept flowing.

Star did not blame any particular administration for this semi-permanent state of crisis. The problem was a city that had been rated at one time as one of the best-managed in the nation, had become a basket case by the 1970s. The competent people, who could leave, had left. Able talent that had come to Cleveland to serve in the Stokes administration and had stayed on felt overwhelmed. With such a legacy of neglect and decay, it would have been miraculous had any program been well run in Cleveland, much less one so complex and lucrative as the CDBG program.<sup>15</sup>

Issues of block grant spending became local after the 1978 settlement of the HUD complaint. The conflicts that did arise revolved around some basic issues: how community development money was unevenly distributed; how CDBG money was considered the private property of city council and how decisions were made behind closed doors; and how CDBG money was frequently wasted in projects neighborhoods did not want or by paying incompetent contractors.<sup>16</sup>

One complicating issue on the Near West Side was the issue of turf claimed by adjoining neighborhood groups. The area west of West 65 Street had activists and block clubs who felt more at home with Near West Neighbors In Action (NWNIA), although Detroit Superior Community Development Organization (DSCDO) argued that it was their turf. This pro-NWNIA sentiment came from such leaders as Gloria Aron on West 81 Street who had a long organizing history with the West Side Community House where NWNIA was originally housed.

Residents of West 81 Street wanted new sidewalks. Councilwoman Mary Zone refused to help, and sent them to DSCDO for help, where they learned that in order to get help with sidewalks, they would have to participate in a code enforcement program, which would survey their street for housing code violations and, as some had indelicately put it, turn in their neighbors. They were told this was a requirement of the the Cleveland Department of Community Development. Residents were not interested in doing the work of the housing inspectors, and they did not want to set neighbor against neighbor.

Bob Pollack, an organizer for Near West Neighbors in Action, and future head of Near West Housing Corporation described the implications:

We didn't want to be the ones the city could point the finger at and

say we are doing this because Lenny Strimple (a NWNIA activist) and these folks over here voted to have it done. And then Lenny Strimple is going to have his house firebombed or get shot at by his neighbor who is running a business out of his back yard repairing cars...or just got cited for \$3,000 to \$5,000 worth of repair work.

Another problem facing the program, according to Pollack, was the economics of inner city housing.

Those properties had very little equity in them because the appraised values were so low. They would start code enforcement and the absentee owner was hard to go after, so the person you could get the victory on was the little old lady who was on a Social Security income. Once they started inspecting the property, they had that policy that if you are going to get any money from the city, you had to bring the whole house up to code. Often that worked out to more than the house was worth. Then you are going down the road to condemn the property and maybe throw this woman out on the street.<sup>17</sup>

Near West engaged the issue with the usual arsenal of weapons available to the groups: public meetings with a hapless bureaucrat as the main meal and street theater in the corridors of city hall. In one community meeting the mayor was treated to a skit using themes lifted from *The Godfather*. Gloria Aron described the skit:

First we did the skit, and one of the neighbors on my street was dressed up as a gangster... You know, striped suit, black tie, and black shirt, and he had a violin case with 'city hall' written on it or 'department of community development.' I was dressed up as a little old lady, and basically; it was him knocking on the door. This was about the VIP and the CASH program, which some people in our neighborhood were having real problems with, and the guy from the city said, 'I have a deal that you can't refuse.'<sup>18</sup>

Aron described another encounter with Vince Lombardi, director of community development for Mayor Voinovich:

We held a meeting and asked Vince Lombardi to come out. We had put down things we want. Well, the very first thing we wanted to know was if he would give us our sidewalks, and as soon as he said, 'No,' we said, 'Get out.' He said, 'But wait, I want to talk.' We said, 'If your answer to the question is no, then there is nothing to talk about.'<sup>19</sup>

In another action at city hall, activists from Near West Neighbors in Action wore headbands with cutout pistols attached to say that city hall was holding a gun to their heads. Bob Pollack described the meeting:

I was just doing everything I could to keep from cracking up because of everybody standing there with the headbands. They're like the killer bees from *Saturday Night Live*. I think it was so disarming to Lombardi because these people are sitting there quoting Community Development Block Grant regs and he was looking at this assemblage of people thinking, 'What the hell is going on here?' <sup>20</sup>

Near West finally got a meeting with Mayor Voinovich on the issue. The mayor asked Lombardi if any regulations in the CDBG program required the code enforcement program. Lombardi said no, and the program died there.

The West 81st Street block club allied with NWNIA until NWNIA expanded its boundaries to include them. It worked with NWNIA, St. Clair Superior Coalition, and Union Miles Community Coalition, who were having the same problems. The West 81st Street block club got its sidewalks. As Aron said, "I'm not sure now, looking back on it, that that was the best use of community development funds, but at that time, that was what the money was being used for." <sup>21</sup>

Two accomplishments of the CDBG organizing during this time in Cleveland were lasting: It helped educate a generation of neighborhood staff people and leaders in the mundane, technical, and critical details of such programs as CDBG, and expertise was developed and shared throughout the neighborhoods. It also laid the foundations for future neighborhood development work.

In the Broadway area, CDBG organizing inspired the creation of Barkwell Park on the site of a former elementary school. The local neighborhood had tried to save the old school for a community center. The building was too dilapidated, and had to be demolished. Next, the community decided on the idea of creating a park on the vacant lot. Community development money was secured and neighborhood residents took over the planning process to design a park that is still one of the most enduring monuments to the organizing of the time. The victory was not only the creation of the park, but proof that the citizens could plan for their own community.

The second accomplishment is that CDBG organizing opened up funding for neighborhood-based organizations to begin housing development work. The origins of this policy actually had little to do with housing rehab at first. It started with the demolition, not the rehabilitation of vacant houses. By the third or fourth year of the CDBG program, the city had torn down almost 3,000 houses annually. At first, many neighborhood residents and organizations were relieved. The problem was that after the bulldozer was done, the neighborhood was left with a vacant lot. Some neighborhoods witnessed so much demolition that they resembled rural

areas. In the Near West Side, a program called Project Secure boarded up open, vacant, and vandalized properties. The problem then was that when the houses were secured, they could no longer be demolished. So they sat, and the neighborhood had a new problem.

About this time, the Famicos Foundation was drawing attention to its lease purchase rehab program. Famicos's charismatic leader Bob Wolf drove home the message of rehab yes, demolition no. Neighborhood groups began to pay attention, and in 1981, the Cleveland Housing Network was born, and put housing rehab as the centerpiece of neighborhood development efforts.

How much "community" is there in community development? Federal regulations have been followed since the days of the Kucinich administration. Administrations are experienced enough to use the CDBG program to plan for the future of the funds. City council has its piece of the pie. The city is not as financially battered and close to the edge of the abyss as it was when the CDBG funds were looked upon as a last-chance slush fund. City council is more professional, educated, and financially secure than it was at the start of the CDBG program in 1974. Citizen participation now resides with the community development corporations that, to a large degree, owe their existence to the program.

It is not a question of how democratic the process of deciding on community development funds is; rather, it is a question of how democratic the non-profit sector is. This varies widely across the city. What it reflects is the degree to which community groups have been able to build the democratic capacities of the people in their communities.

In campaigns around the CDBG program, the city saw the development of many ordinary citizens who could plan Barkwell Park or who could go toe-to-toe with city hall bureaucrats on details of the program. With the professionalization of the neighborhood sector and the decline of organizing, talent at the grassroots level proved fleeting.

How much community is there in community development? The answer to that question always depends on the health and strength of the organized communities of Cleveland.