



## Neighborhood revitalization through ‘collaboration’: Assessing the implications of neoliberal urban policy at the grassroots

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### Abstract

With the increasing involvement of local citizens and community organizations in carrying out urban planning and service delivery functions formerly handled by state institutions, questions have emerged about their implications for the urban political role and influence of community level actors. Some scholars identify these purportedly collaborative neighborhood revitalization initiatives as part of a neoliberal policy program of downsizing the state, while others argue that the new roles assumed by civic institutions offer new opportunities for citizen involvement in urban policy making and priority setting for revitalization. Drawing evidence from the case of a collaborative revitalization program in Minneapolis, Minnesota, this paper suggests that collaborative revitalization efforts may simultaneously foster both tendencies. By way of the new roles they are assuming in urban governance, grassroots organizations may become engaged in reproducing neoliberal priorities and policies at a highly localized level. At the same time, this involvement does not necessarily eliminate possibilities for community organizations to challenge and revise a neoliberal revitalization agenda.

### Introduction

In cities across the US, strategies for improving conditions and raising quality of life in urban neighborhoods have shifted over the past decade. Most notably, local governments across the nation have forwarded neighborhood-level revitalization initiatives, based upon so-called collaborative planning and service delivery in urban neighborhoods. Programs such as Neighborhoods First of Austin, Texas; Neighborhood Strategic Planning in Milwaukee, Wisconsin; Philadelphia, Pennsylvania’s Neighborhood Transformation program; and Minneapolis, Minnesota’s Neighborhood Revitalization Program exemplify this foregrounding of neighborhood involvement in urban planning and revitalization efforts. These collaborative revitalization programs vary widely in their specific policies, practices, and goals, but share a common focus on expanding (to different degrees) the involvement of citizens and community organizations in creating and implementing revitalization strategies. The programs tend to offer new forms of participation in planning, problem solving, and service delivery, sometimes providing new resources to support these activities, and expanding the responsibilities of citizens and community organizations in urban governance. In so doing, these programs alter the material resources available to community organizations in their activities and their procedural role and influence in urban governance.

The implications of these participatory programs for the role and power of citizens and institutions of civil soci-

ety are being interpreted in several ways. Some take the groundswell of neighborhood-based planning and revitalization efforts as evidence that urban policy has somehow recommitted to citizen involvement and neighborhood development (Kearns and Paddison, 2000), a return from local government pre-occupation in the 1980s with downtown development through partnerships between local state and business elites (Leitner and Garner, 1993). In contrast, other scholars contend that neighborhood-based revitalization programs and other collaborative strategies are problematic. Specifically, they see collaborative revitalization as part of a devolution of responsibility for planning and service delivery in urban governance from state to citizen, and raise concerns about whether this devolution of responsibilities has been accompanied by a parallel increase in citizen and community control. Countering claims that citizens are assuming a newly participatory role in urban decision-making, some researchers argue instead that these initiatives co-opt citizens’ and communities’ energy and initiatives in the service of the local state’s policy agenda (Hasson and Ley, 1994; Peck and Tickell, 2001).

These debates about the changing roles of state and civil society are closely related to questions about the impacts of neoliberalism in urban policy. Neoliberalism was initially conceptualized as a set of national state policies favoring privatization and unfettered free market capitalism as ideal mechanisms for regulating social, political, and economic life, emphasizing a downsized state apparatus and greater institutional and economic efficiency (Krieger, 1986; Moody,

1997). The neoliberal goal of downsizing of the state has commonly occurred through devolution of state responsibilities to progressively lower tiers or to the private and not-for-profit sectors, and the goal of greater efficiency has been sought through an emphasis on institutional and individual competition and entrepreneurialism (Jessop, 2001; Wacquant, 2001).

While there is a growing body of research investigating how these elements of neoliberalism are produced and reproduced in urban policy frameworks, relatively little research has considered how and to what extent neoliberalism may be reproduced, negotiated, or challenged at highly localized scale of *neighborhood-based* planning and revitalization efforts. Given the shift of responsibility for urban service delivery and decision-making toward neighborhood-level actors and institutions, this is an important area of inquiry. This paper examines the impacts of collaborative revitalization initiatives on the role and power of residents and community organizations in urban governance, and considers whether and to what effect such revitalization efforts infuse neoliberal urban governance priorities into neighborhood planning and decision-making. To what degree can collaborative revitalization programs advance neoliberal priorities such as entrepreneurialism, market-driven competition, and diminished state involvement within neighborhood level revitalization priorities and actions? If advancement of these priorities occurs in neighborhood decision-making processes and service delivery programs, does it occur at the expense of other types of priorities and strategies for neighborhood revitalization? If community-based organizations working within a neoliberal urban policy framework are able to promote and implement alternatives, what contextual factors might account for this?

This paper considers these questions through examination of a long-term collaborative revitalization project in Minneapolis, Minnesota. The Neighborhood Revitalization Program (NRP) is a 20-year effort that began in 1990 and has now entered the second of two phases of neighborhood-based planning. Given its relatively long duration, the involvement of nearly 80 neighborhood organizations, and the breadth of urban issues the program attempts to address, NRP is a rich case through which to explore the priorities and implications of collaborative revitalization efforts. I draw on archival analysis of NRP documents produced by multiple sources, as well as participant observation carried out while working with Minneapolis neighborhood organizations from 1994–2000 in a range of research efforts focusing on revitalization efforts, city and neighborhood governance, and technology use. Archival data sources included NRP Action Plans produced by neighborhood organizations and residents from 1991 to present; documentation of program goals, objectives and policies produced by City of Minneapolis staff; mainstream, community-based, and alternative press newspaper coverage of the program; and a program evaluation of NRP's first ten years, conducted in 2000.

### Neoliberal urban governance and the changing role of community-based organizations

As dominant regimes of urban governance have shifted, scholars have vigorously debated their implications for relationships between civil society and the state, focusing especially on the changing roles, responsibilities and power of institutions of civil society. In the 1970s, with expanding federal funding for revitalization in the form of top-down urban renewal programs, scholars weighed the advantages of expanded funding available to local organizations against the perceived co-optation of local initiatives by the hierarchical plans and structures of urban revitalization (Piven and Cloward, 1977; Stoecker, 1994). Later, scholars and activists decried the declining fortunes of community-based organizations, arguing that their power and influence were eroding due to reduced resources from a downsized welfare state, local government preoccupation with downtown development and public/private partnerships, and declining civic skills and citizen involvement (Barber, 1984; Boyte, 1989; Grieder, 1992; Jacobs, 1992; Putnam, 1995). With the proliferation of participatory and community-based planning initiatives in the 1990s, the debate shifted to questions of whether these new forms of participation for community organizations and their residents were in fact accompanied by expanded community control over decisions affecting them (Fisher, 1994; Handler, 1996; Hasson and Ley, 1994; Healy, 1997; Hula, 2001). Additionally, concerns have been raised about differential access to services provided through a decentralized network of non-profit agencies, public-private partnerships, community development corporations, and other 'shadow state' institutions, with researchers questioning whether the needs of marginalized citizens will be met (Lake and Newman, 2002; Staeheli *et al.*, 1997; Stoecker, 1997).

Most recently, these debates about the role and power of citizens and institutions of civil society in governance are resuscitated in research examining how neoliberalism within urban policy regimes might alter the production and reproduction of urban spaces and change power relations in urban politics (c.f. Brenner and Theodore, 2001; Gough, 2001; Jessop, 2001; Smith, 2001; Wacquant, 2001). Within this literature, researchers have identified neoliberal priorities as present in a variety of ways within urban policy and local state practices. Brenner and Theodore (2001), for instance, argue that neoliberalism's emphasis on competition and entrepreneurialism is reflected in urban policy shifts that constitute the local state's role as that of key actor/entrepreneur in economic development strategies. This role of local state as economic development agent is evident in Smith's (2001) discussion of local policies promoting gentrification-based redevelopment of low-income neighborhoods. Other scholars identify the growing responsibility of citizens and civic institutions for local urban planning and service delivery as evidence of further devolution and downsizing of the state, toward the neoliberal goal of greater economic and institutional efficiency (Brenner and Theodore, 2001; Peck and Tickell, 2001).

These discussions of neoliberal urban policy share some common concerns with research on changes in urban governing practices conceived of as a transition from 'government' to 'governance'. Strong hierarchical state control has declined in favor of collaborative control among local authorities, private institutions, and governing coalitions (Harvey, 1989; Stoker, 1995). This transference of what were formerly the local state's responsibilities and decisions to non-state actors, or institutions loosely affiliated with the state, has constituted a devolution of responsibilities similar to that identified as accompanying neoliberal politics (Purcell, 2002). There are several commonalities within research on neoliberal urbanism and urban governance. Both focus to some degree on the scaling down of responsibility for planning, decision-making, and service delivery, raising questions about the changing spatiality of power that accompanies this devolution; and both identify the city as a critical site of struggle over the implementation and impacts of this new regime of urban policies and practices.

As well, neoliberal urbanism and urban governance research identifies several concerns about how political, economic, and spatial changes will alter the participation and power of community level and voluntary sector organizations. The exponential increase in the planning and service delivery responsibilities for such organizations is seen by some as highly problematic, involving a shift of responsibility such that community groups are asked to accept without provision of adequate resources (Taylor, 2000), and that has not been accompanied by a parallel expansion in community organizations' power and influence in urban governance (Peck and Tickell, 2001). These concerns about the implications of community organizations' growing involvement in local state activities seems to focus on at least two perceived types of co-optation. On one level, critics contend that the neoliberal urban policy agenda entices community organizations with promises of participation and neighborhood-led revitalization, but in effect mobilizes their activities and efforts in the service of the state's priorities and goals (Peck and Tickell, 2001). At another level, scholars argue that the discourse of collaboration pervading neoliberal urbanism has the potential to depoliticize urban governance practices and effectively discipline community organizations into forms of participation that are more manageable for the state (Atkinson, 1999; Gough, 2001; Taylor, 1999). Thus, concerns about the impacts of neoliberal urbanism for community-level institutions focus on the activities of these institutions (with particular attention to the beneficiaries of community-level labor), as well as on the shifting political opportunity structure in which community organizations work to advance community needs and priorities.

While not denying these concerns about local political autonomy and agenda-setting power, a number of scholars within the urban governance literature have offered a more positive interpretation of these emerging collaborative practices. These alternative perspectives suggest, for example, that collaborative governance practices may simultaneously create new spaces of engagement with urban governance structures and actors that citizens and community organ-

izations can exploit to expand their power and influence. The very discourse of collaboration and coalition that some have argued serves as a basis for co-optation of community organizations might instead represent such an opportunity, because it legitimizes community organizations and their demands for inclusion. Such a discourse of collaboration can give community groups greater leverage to demand involvement, and reinforce the premise that community consultation and the knowledge of residents are important to urban governance (Handler, 1996; Maloney *et al.*, 1994; North, 2003; Taylor, 2000). As well, Kearns and Paddison (2000) suggest that collaborative governance strategies promote stronger ties and communicative networks between local state, community organizations, and citizens, creating expanded opportunities from which citizens and organizations might insert their views and make demands on the state. These more optimistic perspectives also view the impacts of devolution in a slightly different light. Community groups' growing involvement in arenas of planning, problem solving, and service delivery are seen as potentially expanding their capacities, fostering community organizations and neighborhoods that are better informed and more experienced in neighborhood revitalization practices and urban politics, further strengthening the basis of their resistance or demands for inclusion (North, 2003; Taylor, 2000).

These arguments about the possible opportunities for citizens and community organizations to retain or expand their involvement and influence add an important perspective to debates about the implications of new urban political roles assumed by these organizations. In many accounts of the impacts of neoliberal urban governance, any struggle for control of the city has already been lost. Citizens and community organizations are seen as systematically disempowered in the face of a reconfigured state that has devised a strategy to rule from above through shifted coalitions with powerful actors, while infusing its ideology into the grassroots by engaging community groups and voluntary organizations in its activities and priorities. Given the relative dearth of research considering how neoliberal urban policy might affect neighborhood-level discourse and practices of supposedly collaborative revitalization planning, this conclusion may be a bit premature. We need to consider first, how neoliberal priorities are present in and constructed through these localized structures of urban revitalization, and also, how and whether such collaborative revitalization leaves room for local residents and community organizations to negotiate policies, priorities, and actions.

Examining how neoliberalism is negotiated within urban politics at the level of community planning and neighborhood revitalization is essential to understanding its full impacts upon the capacities of citizens and civic institutions to influence urban planning and revitalization processes. Collaborative revitalization projects are a critical site through which to investigate these impacts, because these projects put local citizens and institutions of civil society in direct engagement with state priorities for urban transformation. The case of Minneapolis' Neighborhood Revitalization Program shows a complicated and contradictory set of outcomes for

civil society, voluntary organizations, and local citizens. Particularly, this case suggests that the impacts of neoliberalism are highly contingent at the local level, shaped by locally inscribed political cultures, histories, and power relations.

### **NRP: ‘Neoliberal’ Revitalization Program?**

The Neighborhood Revitalization Program was conceived by City of Minneapolis officials and city residents in the late 1980s as a response to declining quality of life in the city’s residential neighborhoods, flight of residents from these neighborhoods to the suburbs, and the protests of residents over the perceived neglect of their neighborhoods in favor of downtown development. Launched in 1990, the program planned two cycles of neighborhood planning and revitalization, each lasting for ten years. Funding for the program was significant, with a projected \$400 million dollars to be distributed among Minneapolis’ 81 neighborhoods over 20 years. In practice, the program has involved 64 neighborhood organizations, because some of the 81 neighborhoods collaborated in their NRP planning and implementation. A greater share of the funds was allocated to Phase I (1990–2000), under the expectation that neighborhoods would use their Phase I funding and accomplishments to leverage supplemental funds independently during Phase II (2000–2010). Certainly, in the realm of large capital projects for urban revitalization, \$400 million divided among 64 organizations over 20 years may seem to be an inconsequential amount.

However, the impact of these funds has dramatically altered the capacities of Minneapolis’ community organizations to engage directly in revitalization efforts.

Funds for NRP have been generated through creation of a tax-increment financing (TIF) scheme in the downtown area. In a traditional approach to tax-increment financing, revenues from development and increasing property values are delivered back to the district where they were generated. In contrast, revenues from Minneapolis’ downtown TIF have been directed toward its residential neighborhoods through NRP. It is important to note that this procedure required approval of the State of the Minnesota. Thus, Minnesota legislators have a significant degree of control over NRP goals and practices because of the periodic need for re-approval of the TIF district that funds NRP. The approval is by no means automatic. At several points during the 1990s, legislators challenged the effectiveness of the program and threatened to withdraw their approval for its continuation. The embeddedness of NRP as a local state initiative influenced by higher tiers of state is presently evident as NRP Phase II is beginning. Tax reforms dictated by the State of Minnesota in 2001 have significantly reduced the funding available for this second phase. Since the announcement of these changes, city officials and neighborhoods have debated various ways of ensuring that the goals of Phase II can be implemented, in spite of the reduced funds available (Day, 2001; Telljohn, 2001).

At the outset of NRP, Minneapolis neighborhoods were charged with surveying residents to determine their perceptions of neighborhood needs and concerns. To involve a

wide spectrum of residents, neighborhoods used a variety of information gathering strategies, including mail surveys, door-to-door interviews, neighborhood meetings, and focus groups targeting different constituencies, such as elderly residents, youth, non-English speakers, renters, racial minorities, gay and lesbian residents, or local business owners. After the surveying phase, neighborhoods were to create broad-based revitalization plans that could pursue a wide range of strategies including housing improvement, economic development, crime prevention, environmental improvement, transportation planning, or family and youth services. Compared to community-based planning efforts in other cities (most notably, Milwaukee, Wisconsin’s Neighborhood Strategic Planning program, modeled after Minneapolis’ program), NRP offers a high degree of flexibility for neighborhoods to determine specific revitalization interventions to be taken. Nonetheless, the program contains some requirements for spending, such as setting an upper threshold for the percentage of funds that may be spent on administrative expenses in plan creation and implementation, and requiring that 52% of funds be spent on housing improvement<sup>1</sup>. A key goal of the program was to alter the relationship between neighborhoods and the City’s service delivery agencies. Neighborhoods were encouraged to engage directly with, for instance, the Office of Housing Inspection, Public Works, and the Minneapolis Community Development Agency (which funds housing improvement and economic development in areas of the city where private developers will not invest), as well the Park, Library, and School Boards. Conversely, these agencies were also encouraged to work more directly with neighborhoods, particularly as the neighborhood organizations began to implement their plans.

Minneapolis’ Neighborhood Revitalization Program has contradictory tendencies with respect to its conceptualization of citizen participation and the degree to which it transfers state definitions of revitalization and goals for urban change into neighborhood practice. The program affords a relatively high level of community involvement and control in shaping revitalization strategies. Neighborhoods were given very few mandates with respect to specific revitalization activities that had to be included in their plans. Nonetheless, the program remains strongly guided by state-driven priorities for urban revitalization, and exists as part of a drive for a less expansive state apparatus. Thus, the community-based revitalization advanced by NRP contains at least two opposing impulses. It creates spaces for community organizations to insert their own knowledge, needs, and strategies into urban revitalization efforts, but at the same time, engages these organizations in advancing the state’s goals through neighborhood-level activities. Interpreting NRP as part of a neoliberal policy agenda is relatively straightforward at the level of program goals, motivations and strategies. There is a clear neoliberal influence reflected, for instance, in the explanations offered by the local state for the creation of NRP. The program is justified and described in terms of economic efficiency, the benefits of public-private partnership, and a goal of downsizing the

state. Explanations of the program's intended fiscal goals and strategies that are offered in NRP literature identify, for example, the importance of collaboration as a way to 'streamline' local government and delivery of services:

*"...NRP funds function as 'start up' money for the revitalization of Minneapolis neighborhoods, and the program emphasizes... increased intra- and intergovernmental collaboration to prevent duplication of efforts and to streamline the delivery of public services."* (<http://www.nrp.org/R2/AboutNRP/Basics/Primer.html>)

In keeping with the neoliberal goal of a 'leaner' state, NRP from its inception has intended to minimize involvement of local state officials and employees. As explained in the program evaluation of Phase I,

*"NRP's designers planned for a bare bones central staff of fewer than a handful of people. The nitty-gritty of getting the plans done was expected to be chiefly the job of the neighborhood volunteers, as was the oversight of the plans' implementation."* (Berger et al., 2000, p. 17).

Program policies such as placing a limit on neighborhood spending for administrative costs of creating and implementing plans serves a similar goal of reducing state expenditures – albeit through controlling neighborhood spending of state-provided funds.

The program advances a clear priority of entrepreneurialism and emphasizes public/private partnership as a further strategy for downsizing the state. The centrality of public/private partnership to the strategies of revitalization forward through NRP extends even to the imagery of the program, as seen in the NRP logo and discussion of it:



*"The three rings reflect each of the stakeholders involved in Minneapolis neighborhood revitalization: residents, government, and the private sectors. The focus of the Neighborhood Revitalization Program is where the three rings intersect... bringing residents, government and private interests together to share resources and talents, address problems and take advantage of opportunities."* (<http://www.nrp.org/R2/AboutNRP/Basics/Primer.html>)

NRP program materials further reinforce this emphasis on neighborhood-level entrepreneurialism, exhorting neighborhoods to use NRP monies to '...leverage other community resources to fill funding gaps remaining in Neighborhood Action Plans.' (<http://www.nrp.org/R2/AboutNRP/Basics/Primer.html>). Such entrepreneurial initiative on the part of citizens and neighborhood organizations is again linked back to the program's interest in downsizing the state:

*"[Residents'] energy and creativity, combined with public and private resources are needed to offset declining federal, state, and local funds. A diverse group of residents working together can mobilize new assets and generate positive change."* (<http://www.nrp.org/R2/AboutNRP/Basics/Primer.html>)

In addition to illustrating an element of the policy agenda set forward in NRP, the statement above also illustrates the embeddedness of a local neoliberal agenda. In part, NRP represents the local state's attempt to maintain and improve urban conditions in the face of declining resources allocated from higher tiers of the state. The intertwining of NRP policies with the priorities and financial fortunes of the higher tiers of the state has been keenly evident in the launching of the second phase of the program. As noted earlier, the Minnesota State Legislature has altered Minnesota property tax policies in ways that led to a significant reduction in funds available for NRP Phase II (Mack, 2001).

Examining NRP at the level of its stated goals, official discourse, and justifications, the program appears to be strongly underwritten by elements of neoliberal policy. There are also multiple examples of revitalization activities, priorities and strategies established by Minneapolis neighborhoods that adopt and implement some of these same tenets of efficiency, entrepreneurialism, and revitalization through investment in built environment. The plans written by neighborhoods reveal a strong commitment to entrepreneurialism, at individual and neighborhood levels. Many neighborhoods pursued housing improvement and economic development programs that relied on matching grant strategies in which individuals or neighborhood organizations were encouraged to seek loans, grants or other funding, which would then be matched by NRP funds from the neighborhood. Neighborhood action plans (and the state-determined guidelines to which they respond) show a strong emphasis on privatization as well. Neighborhoods were encouraged through the NRP process to subcontract with service providers engaged for neighborhood improvement projects, rather than seeking these services from city agencies. For example, neighborhoods doing housing construction and rehab projects frequently hired contractors and developers themselves, with neighborhood staff and residents overseeing the project. This practice extended well beyond housing revitalization, with neighborhoods hiring service providers to conduct traffic studies, prepare economic development plans, work with neighborhood entrepreneurs to create business plans, carry out soil and air testing, and a multitude of other activities<sup>2</sup>.

The state-determined housing goals and policies, as well as the actual housing initiatives created by neighborhoods show strong neoliberal influences. Neoliberal urban policy agendas have tended to prioritize the built urban landscape as a primary site of capital accumulation (Smith, 2001; Brenner and Theodore, 2001), and this prioritization is clearly evident in NRP's housing strategies. Structural improvement to Minneapolis' housing stock has been one of the leading goals of the program since its inception, backed by the further assumption that this goal is most likely to be realized through homeownership (c.f. Goetz and Sidney, 1997). As mentioned previously, this emphasis on homeownership in part responded to spending guidelines delivered from the Minnesota Legislature, but many of the neighborhood action plans reinforce and carry out this strategy enthusiastically; some neighborhoods focused nearly all their funds

on projects designed to foster structural improvements to owner-occupied housing.

Assessing its goals, priorities, and practices, it is evident that NRP has functioned at least in part as a vehicle for promoting elements of a neoliberal urban policy regime within grassroots neighborhood revitalization. The sweeping nature of the program has meant that creation and implementation of NRP plans has been the primary (and for some, the only) activity in which Minneapolis neighborhood organizations have been engaged for the past ten to twelve years. This centrality of NRP is unsurprising given that the program has afforded these organizations unprecedented funds for creating change in their communities, and a vastly expanded planning and decision-making role in the city. Nonetheless, the preoccupation of neighborhood organizations and residents in planning for and carrying out NRP activities, while bound by state-driven guidelines for the program, creates a situation in which the bulk of community effort is directed toward carrying out the state's revitalization priorities. This outcome mirrors concerns raised early in the program about NRP's potential dominance over existing revitalization initiatives. Reviewing NRP planning in the early 1990s, Fainstein and Hirst (1996) and Goetz and Sidney (1994) offer evidence from several neighborhoods of previously established revitalization efforts that were abandoned or significantly marginalized after the program began.

The massive scale upon which NRP has captured the time, labor, and attention of Minneapolis neighborhood organizations and their resident volunteers confirms some of the concerns raised in the academic literature that neoliberalism will harness voluntary organizations and their mobilized citizenry to its agenda and priorities. However, this is not the only story to be told about NRP, nor about community revitalization programs deployed as part of a neoliberal urban policy agenda. NRP has not de-politicized Minneapolis neighborhood organizations nor stopped them from protesting local state actions when they disagree. There is evidence suggesting that many neighborhood organizations in this context have retained their capacity to create and implement revitalization strategies and goals outside the local state vision that is evident in NRP. The program functions in contradictory ways, promoting neoliberalism at the grassroots, but, as I will show in the next section, leaving room for contestation of the state's agenda through creation of alternative plans and strategies.

### **Contesting neoliberalism through NRP**

In spite of strong influence of state-defined priorities for neighborhood revitalization delivered through NRP upon the activities of Minneapolis' neighborhood organizations, these organizations can and do construct alternative revitalization goals and strategies. The presence of such alternatives contradicts suggestions in the neoliberal urbanism literature of a severe loss of community-level autonomy and power. I contend that the financial and human resources made available to Minneapolis neighborhoods through NRP, as well as the

shifting of local political climate toward greater neighborhood voice in planning and revitalization, have given these neighborhoods a stronger position from which to create alternative plans and negotiate the inclusion of these ideas within local policy. While NRP has functioned as a vehicle for delivery of neoliberalism to neighborhood level, it nonetheless in practice has left room for creation of strategies and goals that are creative alternatives to those given by the local state. Neighborhoods have launched plans and activities using their NRP funds for projects that work in opposition to the 'shrinking state, homeownership and capital investment' paradigm of revitalization that dominates the program guidelines, and have deployed strategies that expand state involvement in neighborhood level revitalization activities.

In the most basic sense of diversifying the state's vision for revitalization, a large number of neighborhoods used their funds to carry out activities that fell outside of the state's goals and strategies for revitalization. For instance, in spite of the program's promotion of homeownership as its primary avenue to increasing property values, nearly 50% of neighborhoods devote program funds to affordable housing strategies and advocacy around access to housing, whether rental or owner occupied (<http://www.nrp.org/R2/PlanNetNRP/default.html>, Berger *et al.*, 2001; Pitcoff, 1999).<sup>3</sup> Many neighborhoods included housing strategies targeting renters, with several using their funds to create property improvement grants that could be obtained by renters to make improvements to their own units. Another neighborhood created a rental property advocacy group for educating landlords about successful rental property management strategies and strengthening their working relationship with neighborhood organizations and block clubs (Elwood, 2002). Additionally, many action plans included strategies to invest in historical commercial corridors, a priority noticeably absent from NRP's program guidelines. At one level, the redevelopment of these neighborhood business corridors may be seen as a classically neoliberal vision of revitalization through investment in urban landscape. However, this strategy was envisioned in much different terms by the neighborhoods employing it; they imagined it as a revitalization strategy that might bolster a growing immigrant enclave economy in a neighborhood, or that might build community cohesiveness by reviving the pedestrian landscape within a neighborhood (St. Anthony, 1999).

Not only did Minneapolis neighborhoods use NRP as a vehicle to create and fund revitalization projects that diversified the revitalization priorities and goals envisioned by the state for the program, several neighborhoods were able to exploit the NRP process as an opportunity to negotiate with local state institutions over policy change. For example, major proposals concerning neighborhood schools emerged in three action plans.<sup>4</sup> These proposals spurred significant dialogue between residents and city officials over school policies and ultimately led to an expansion of the role and involvement of the local state in neighborhood institutions and activities. These three action plans included allocation

of funds directed toward developing 'community schools' in collaboration with the Minneapolis School Board.

As in other US cities, the Minneapolis School Board has overseen the practice of busing children from racially diverse neighborhoods in the central city to predominantly white communities as its educational desegregation strategy. Many central city neighborhoods in Minneapolis have argued that this practice is problematic for their neighborhoods. Schools that formerly served as neighborhood institutions through which residents formed bonds to one another and their community no longer serve this function when neighborhood children do not attend. The community schools strategies devised by these three neighborhoods demanded not an abandonment of busing efforts, but changes in School Board and Park Board policies to build stronger ties between schools and neighborhood residents. Proposed changes included increased access to school spaces for community activities, reconstruction of indoor and outdoor school spaces with an eye toward hosting a wide range of community activities at schools, and promotion of collaborative activities to strengthen ties between schools, neighborhood organizations, and Park and Recreation staff members. City officials at first resisted these challenges to School Board policy, but today, all three neighborhoods have seen their ideas implemented as the reconfigured community schools they envisioned (Berger *et al.*, 2000; Killackey, 2000; Pitcoff, 1999). The community schools effort constitutes a sort of co-optation of NRP by neighborhoods, using the program to lobby for (and ultimately fund) revitalization efforts falling far outside the state's articulated goals. As well, the community schools initiatives run counter to the vision of NRP as a way to reduce involvement of state actors in implementing revitalization at the neighborhood level. As part of their community school vision, the neighborhoods demanded a multi-faceted and time-consuming collaboration among school administrations, park administrations, residents and neighborhood organizations.

In yet another example of alternative revitalization efforts undertaken through NRP, several neighborhoods have undertaken environmental improvement activities through their NRP plans. Here too, neighborhoods pursued a revitalization strategy that falls outside of the homeownership and material investment goals of NRP revitalization priorities. The neighborhoods' conceptualizations of key environmental issues vary, as do their interventions. One neighborhood focused a great deal on air and soil contamination, framing these concerns as issues of environmental justice (Phillips Phase 1 Action Plan, 2000). Strategies included attempts to block further noxious facilities, formation of an environmental education and resource center, and development of the neighborhood's pedestrian, bicycle, and public transportation infrastructure. Several other neighborhoods focused on conservation efforts, seeking to preserve existing green spaces, with a particular eye toward species diversity in river and stream corridors and around neighborhood lakes (Seward Phase 1 Action Plan, 2000; Prospect Park Phase 1 Action Plan, 2000). Still other neighborhoods devoted some of their NRP funds toward reclamation and

redevelopment of brownfield sites, collaborating with public and private developers in the process (Marcy-Holmes Phase 1 Action Plan, 2000; Prospect Park Phase 1 Action Plan, 2000). As in the case of affordable housing, commercial corridor, and community schools strategies, environmental improvement as a focus for NRP emerged from residents and neighborhood organizations. While acting without the state-controlled guidelines for NRP priorities and funding allocation, neighborhoods were nonetheless able to insert significant new revitalization strategies into the NRP repertoire.

At the level of program policy, there is evidence that the City of Minneapolis has revised its revitalization priorities in response to some of the challenges and re-formulations developed by neighborhoods through their action plans from the first phase of the program. Some of the alternative priorities and strategies developed by neighborhoods have filtered into a revision of local state revitalization policy and processes. For example, the program priorities developed for Phase II include several areas of action that were not included in the City's vision for Phase I, but were pursued anyway by neighborhoods. For instance, affordable housing and regeneration of commercial corridors are prioritized for the second stage. Both goals were absent from the City of Minneapolis' original vision of the program, but were introduced in several plans created by neighborhoods. Phase II directly incorporates these neighborhood-generated goals, and will create a reserve fund for additional affordable housing and commercial corridor initiatives that may exceed neighborhoods' allotted funds (<http://www.nrp.org/r2/AboutNRP/PhaseTwo>). At the time of writing, no neighborhoods have begun implementation of their Phase II revitalization plans, but three have finished preparing their plans. All three completed neighborhood plans include affordable housing strategies highlighted by neighborhoods in the first part of the program, and at least one of the plans continues a commitment to commercial corridor revitalization (Russell, 2002; Sartin, 2002; SCCO NRP Phase 2 Action Plan, 2002).

These examples of shifts in priorities for revitalization contradict the focus within the neoliberalism literature on the supposedly asymmetrical scale politics of collaboration. While new responsibility for planning and service delivery has been assigned to neighborhood organizations in this case, there is evidence of some expansion of their influence and legitimation of these organizations as knowledgeable and authoritative participants in urban governance. This case suggests that while collaborative revitalization programs can and do result in some degree of transference of a neoliberal agenda to lower levels, some programs may also provide opportunity for contestation or contradiction of these revitalization priorities and strategies from below. And in some instances, this challenge from below can result in incorporation of neighborhood-generated solutions into revised local state policies or practices.

Alongside this potential for change in urban governance practices to grant neighborhoods greater voice and the incorporation of neighborhood-based priorities in NRP policy

and practice, it is critical to recognize that not all Minneapolis neighborhoods were engaged in this contestation and re-thinking of revitalization through their NRP plans. Many neighborhoods, notably those with the most prosperous conditions at the outset of NRP and those facing the most severe problems<sup>5</sup>, produced plans in close alignment with city goals and strategies. Most commonly, these neighborhood plans reinforced the state's focus upon homeownership as the dominant vehicle for fostering neighborhood improvement, with several north Minneapolis neighborhoods directing nearly all of their funds toward homeowners (who comprised a clear minority of total households). The neighborhoods that used NRP as a forum through which to contest local state's policy agenda or to develop for alternative plans were those whose neighborhood organizations had the greatest stability and local political connections. Contesting neighborhoods tended to be those with a long-standing organization, staff members and residents with a wide range of experience in local politics or planning, and long-term working relationships with city service agencies, as well as Minneapolis' dense network of non-profit and philanthropic organizations. Minneapolis' neighborhood organizations have varying relationships with the local state, organizational skills and levels of experience, and approaches to negotiation (and demand) with the local state. Thus, local political opportunity structures may be experienced differently by community organizations within the same city, differentiating their access to and influence in planning and decision making. Though NRP has functioned as a forum for some neighborhoods to insert their priorities into local state policy, there is nonetheless a degree of differential access to this opportunity, reinforcing Lake and Newman's (2002) concerns about unequal access to 'shadow state' institutions.

### Reflection and further questions

The impacts of NRP are complicated, in that they simultaneously institutionalize neoliberal policy within the activities of neighborhood organizations, while also serving as a forum from which these organizations might challenge local state policy. In part, this complexity stems from the embeddedness of any local urban policy agenda within the priorities and policy frameworks of other actors and institutions, such as higher tiers of the state. As Brenner and Theodore (2001) have suggested, neoliberalism at the local scale is highly contextual in its forms and impacts. In the case of Minneapolis, the local state's particular urban policy regime and its revitalization goals and practices respond to divergent demands from above and from below. In creating NRP, the City of Minneapolis necessarily responded to demands of the state legislature, as seen in the required allocation for housing spending and limitations on administrative overhead. In the latter case, the City has clear evidence that the practice of limiting administrative spending to support creation and implementation of plans is problematic; the Phase I evaluation clearly shows that neighborhoods spending more on administrative costs were able to more quickly

and fully implement their plans (Berger *et al.*, 2001). Nonetheless, given the mandate of state minimalism delivered from the Minnesota Legislature and budget shortfalls of the current economic development plans for downtown, policies such as these are unlikely to disappear from the agenda and practices of NRP.

At the same moment that it is advancing neoliberalism through NRP, the City of Minneapolis' policy engagement is also responding to its own longstanding commitment to citizen participation and a dense network of connections between city officials and neighborhood organizations. The local political regime is a progressive one that has not so much 'rediscovered' citizen involvement through collaborative governance in the 1990s, so much as re-framed its pre-existing participatory mechanisms. Many of the organizations participating in NRP, for example, have been in existence since the 1950s, and have played an active role in planning and revitalization efforts since that time. Strong ties exist as well between the Minneapolis City Council and these organizations. Many council members over the years began their public service careers in these same neighborhood organizations (Nickel, 1995). The local political opportunity structure in Minneapolis is relatively open to citizen participation, as evidenced by a history of successful community-based efforts to foster greater collaboration in urban decision-making (Goetz and Sidney, 1997; Stoecker, 1994). NRP itself is in part a sweeping attempt to reform urban governance strategies toward this end, seeking to re-orient neighborhood service delivery and improvement efforts toward community-identified goals and foster greater voice for neighborhoods within the decision-making processes of the local state.

This situation reflects the complex ways in which neoliberal urban policy is negotiated at the local level. Local states do not, of course, implement neoliberal policy in a vacuum, but rather respond to higher tiers of the state, as well as to local political histories and priorities. Informed by Minneapolis' relatively progressive urban political history and commitment to citizen involvement, we might expect the city to reject neoliberal priorities and foster a much different vision of urban revitalization and their own role in it, but they do not. Instead, NRP appears to be a policy artifact of the local state's attempt to draft an approach that responds both to demands of neoliberal priorities from above, and to the local political commitment for inclusion and participation. These multiple influences have produced a revitalization program that simultaneously engages the grassroots in carrying out a neoliberal agenda, while still granting enough flexibility and power to preserve the possibility that alternatives might be created and carried out by citizen and community organizations. While some scholars argue that collaborative planning and revitalization initiatives are a way of pacifying community action and co-opting resistance, after 12 years of NRP, the neighborhoods of Minneapolis seem to be anything but pacified and compliant. Rather, they are more informed about city procedures and services, and technical aspects of housing, transportation, economic development, policing, and a host of other is-



sues, and more prepared than ever to challenge the City's position.<sup>6</sup>

In sum, the case of NRP suggests that neoliberal urban agendas have complicated and contingent implications for the participation and power of community-level institutions. Certainly, this case contradicts the notion that neoliberal urbanism fully disenfranchises these institutions and strips them of decision-making autonomy and influence, thereby constraining their capacity to mobilize alternative policies or actions. As well, it illustrates that tenets of neoliberalism are not simply delivered uncontested to progressively lower levels. Rather, in some local contexts, neoliberal urban policy is enacted in partial ways, or through programs and policies that leave spaces from which citizens and community organizations may challenge and revise policy.

Of such programs, there remain a number of persistent questions. We might consider the conditions under which alternatives to state-driven priorities and revitalization strategies are likely to be fostered for a broad spectrum of neighborhoods and organizations, as opposed to those with greatest local political capital. As well, it is important to consider the conditions under which the transfer of neighborhood priorities into local state policies that occurred in NRP might be likely to occur in other places. Given the contingent impacts of neoliberalism and collaborative urban governance, the manner in which neighborhood level priorities become woven into local state policy (and the likelihood that it will happen at all) is bound to vary in different places. Finally, I would argue that we must consider the prospects for sustaining the challenge mustered by neighborhood groups in light of the high level of financial and human resources that neighborhoods are devoting to their new activities in urban governance. Collaboration in the form of intensive planning and implementation of detailed revitalization plans requires tremendous human resources, usually through the commitment of residents volunteering their time and organizations with still-limited staff and financial resources. The clear danger is that the type of challenges and alternatives created by the institutions examined in this paper may not be sustainable, clearing the way for unchallenged enactment of state-driven goals and strategies for neighborhood revitalization.

## Notes

<sup>1</sup>The requirement that 52% of NRP funds be allocated to housing improvement was dictated to the City of Minneapolis is a condition of the State Legislature's approval of the program. I will discuss this issue in more detail later in the paper.

<sup>2</sup>The centrality of neighborhood subcontracting for NRP activities is evidenced in part through the NRP office's construction of an online database to catalog the hundreds of contracts that neighborhood organizations established for NRP. The database is accessible to NRP organizations and is searchable by contractor, service, project type, and project name.

<sup>3</sup>It is difficult to be precise about the exact number of

neighborhoods including these (or any) strategies in their plans – in Phase I, the NRP administration did not keep records of the precise strategies and outcomes of neighborhood plans. In terms of the precise issues of affordable housing and commercial corridors as a key feature of neighborhood plans, I base my conclusion about their prevalence on my own examination of neighborhood action plan summaries ([www.nrp.org/reportsvista/NB](http://www.nrp.org/reportsvista/NB)). Additionally, see Berger *et al.* (2000) and Elwood (2002) for further explanation of the specific nature of citywide data maintenance in NRP Phase I.

<sup>4</sup>Action Plan summaries for the three neighborhoods (Harrison, Windom, and Whittier) may be generated at [Http://nrp.org/r2/PlanNetNRP/default.html](http://nrp.org/r2/PlanNetNRP/default.html).

<sup>5</sup>At the outset of NRP, neighborhoods were divided into three groups according their relative needs, so-called 'Protection' neighborhoods (designated as lowest level of need), 'Revitalization' neighborhoods (designated as mid-level needs, and 'Redirection' neighborhoods (designated as having highest level of need). Funding was allocated in greater proportion to neighborhoods identified as having higher need within this system.

<sup>6</sup>This was plainly apparent in the summer of 2001 following the announcement that tax law changes in the State of Minnesota would result in a significant scaling back of NRP resources in Phase II of the program. This announcement touched off fierce protest from neighborhoods, and well as detailed and highly informed commentary on the financial, logistical and programmatic merits of several proposals for implementing Phase II within the new funding constraints (Brauer, 2001; Day, 2001; Picone, 2001).

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