REBUILDING CLEVELAND

The Cleveland Foundation and Its Evolving Urban Strategy

DIANA TITTLE
Rebuilding Cleveland is a critical study of the role that The Cleveland Foundation, the country's oldest community trust, has played in shaping public affairs in Cleveland, Ohio, over the past quarter-century.

Drawing on an examination of the Foundation's private papers and more than a hundred interviews with Foundation personnel and grantees, Diana Tittle demonstrates that The Cleveland Foundation, with assets of more than $600 million, has provided continuing, catalytic leadership in its attempts to solve a wide range of Cleveland's urban problems. The Foundation's influence is more than a matter of money, Tittle shows. The combined efforts of professional philanthropists and a board of trustees traditionally dominated by Cleveland's business elite, but also including members appointed by various elected officials, have produced innovative civic leadership that neither group was able to achieve on its own.

Through an examination of the Foundation's ongoing and sometimes painful organizational development, Tittle explains how the Foundation came to be an important catalyst for progressive change in Cleveland. Rebuilding Cleveland takes the reader back to 1914, when Cleveland banker Frederick C. Goff invented the concept of a community foundation and pioneered a national movement of social scientists, business leaders, and government officials that made philanthropy a more effective force for private involvement in public affairs. Tittle follows the Foundation through the 1960s, when it began a major new initiative to establish itself
REBUILDING CLEVELAND
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REBUILDING CLEVELAND

The Cleveland Foundation and Its Evolving Urban Strategy

DIANA TITTLE

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Editors' Introduction

The publication of this book by Diana Tittle represents a desirable new direction fostering "historical perspectives on business enterprise." Rebuilding Cleveland is about an important institution, The Cleveland Foundation, in a sizable American city, and especially the influential role that the Foundation has played in Cleveland's renaissance as an attractive place to work and live over the last several decades.

In publishing this and other books we wish to broaden the horizons of what is appropriate to incorporate in business history. As historians of the United States, we know that business represents a diverse and highly significant range of institutions in our nation's past, a set of institutions that have not just represented organizations seeking material gain but also institutions that affect the way that we live and think, and especially how individuals relate to one another. Diana Tittle, whose background is in journalism, has demonstrated again that her profession represents a front line of history. Furthermore, she has offered us her timely observation of The Cleveland Foundation when we are renewing attention to the subject of "business ethics" in the business schools, and when business and religious leaders are coming together anew to refresh the enlarging of material wealth in ethical and socially responsible circumstances. Scholars have explored the story of "the social responsibility of business" in the American past, and Diana Tittle's informed tale about Cleveland fits with that approach and expands it for the recent past.

This book fits another important strand of scholarship in business history, the study of associationalism. The American business system involves institutions other than the business firm. There is an important
body of scholarly literature on the trade association as an intermediary institution. Trade associations are both institutions through which individual firms interact for the resolution of problems in the private arena, and they are institutions through which the firm acts in the public arena. On great questions of public policy it is more typical for trade associations to take a position than it is for individual firms. Rebuilding Cleveland is in an important sense an innovation in the study of business associationalism. Diana Tittle has explained how The Cleveland Foundation’s roots are deep in the social concerns of business leaders for the well-being of their city. She has also told well the story of how this association, The Cleveland Foundation, so closely tied to the city’s business community, has been open to other groups and, especially, how it has allowed Cleveland’s business community the chance to make a positive difference in reversing trends of urban decay and promoting a better life for us. We are pleased to offer this unique “historical perspective” in business history.

Mansel G. Blackford
K. Austin Kerr
Foreword

A great foundation and its evolving role in the life of a great city. That is what this book is about. We see the sweep of a philanthropy’s history in the rich context of the times. The examples of its bold initiatives range from exposing an inefficient, sometimes slothful court system in the 1920s to working assiduously to recognize black Clevelanders’ needs and avert inner-city riots in the 1960s, from lining up community forces to recapture Cleveland’s neglected waterfront for a new state park in the 1970s to a massive special initiative, actually tapping the Foundation’s core endowment, for the sake of a broad school and neighborhood revival effort in the 1980s.

Diana Tittle tells us how Cleveland civic entrepreneurs early in this century invented the core concept on which the entire community foundation movement is based; how, prompted by concern over the “dead hand” of so many grantors’ wills, which too often became weighted down over time with the barnacles of obsolescence, it provided a way for citizens to make bequests to a kind of community endowment fund overseen by a citizen board; and how other Clevelanders went on to show how useful an instrument a community foundation can be.

Some tremendously impressive names tumble forth. Here’s a foundation that seems rather routinely to have selected a team of Felix Frankfurter and Roscoe Pound to author its twenties study of the courts. As if that weren’t enough, we learn that the man who hired Frankfurter and Pound was Raymond Moley, the Foundation’s director of the time and the same brilliant thinker who would go on to be one of President Franklin Roosevelt’s key brain trusters.
Foreword

We are introduced to some of the illustrious philanthropists of this century, figures who made The Cleveland Foundation a beacon in American community building, among them founder Frederick Goff and directors Dolph Norton in the sixties, Homer Wadsworth in the seventies, Steve Minter in the eighties. And we meet, with intriguing glimpses into their personalities, other figures critical to the Foundation’s history, people with that civic sense that illuminates and elevates a philanthropy’s scope and vision. Assistant (later Interim) Director Barbara Rawson, for example, appears to have been den mother to 1,001 positive initiatives. Industrialist Kent Smith proved himself the pivotal figure of old Cleveland in the birth and success of the urban problem-oriented Greater Cleveland Associated Foundation that was born of, and in a few years transformed, The Cleveland Foundation.

We are let in on some personality conflicts, rough passages, disaffections within the Foundation’s all-powerful Distribution Committee. We’re told of the fallow years just before and after World War II, when this renowned philanthropy became mired in responding to unimaginative requests from a standard list of institutional grantees. There are quotes from Cleveland’s prickly social critic, Roldo Bartimole, deriding the Foundation’s herculean effort to create a more equitable society in the sixties as “a dismal one, pockmarked by self-interest, response to crisis and short-lived commitment.” Even the mixed motives of founder Goff (he was also interested in promoting business for his bank’s trust department) get aired. Considering that the Foundation itself paid the tariff for this book’s preparation, Ms. Tittle’s candor and comprehensiveness are a credit both to her and the institution.

We get a glimpse of some of the chanciness, the precariousness, of building the world’s first community endowment—from fears in 1929 that the entire enterprise might be extinguished, for example, to the then-massive gift of $3 million in the early thirties from the estate of shipping magnate Harry Coulby, the childless “Czar of the Great Lakes,” a gift which in one fell swoop more than doubled the Foundation’s yearly income and catapulted it into the ranks of America’s largest community trusts. And we learn what a hard time The Cleveland Foundation itself had growing up—from a skeleton staff in the early years to a full complement of professional program officers, looking for ideas rather than passively waiting for grant seekers’ proposals, from the late sixties onward.
The job is never, of course, as easy as it may, in retrospect, appear. A community foundation necessarily represents a community's "establishment"—the same establishment that may need sharp jolts to raise its consciousness, to adapt to new realities. A strong foundation director can push that process forward, as one reads again and again through the pages of this book. And on occasion a strong outside stimulus is required: for example, the Ford Foundation grant which helped The Cleveland Foundation launch the Greater Cleveland Associated Foundation (GCAF) in the sixties—a dramatic break with The Cleveland Foundation's quieter years, and the start of its major urban commitment. One reads here of the extraordinary record of Dolph Norton, moving from distrusted "outsider" to the "insider" who facilitated Cleveland's first fusions of the interests of old, established wealth on one side, and its growing, largely poor and dispossessed black population on the other. (My favorite quote in the entire book is Homer Wadsworth's quip that the creation of the GCAF may have been the most successful grant Ford ever made: "After all, they captured The Cleveland Foundation in the process.")

Outside stimulus is just one of the assists and qualities a strong community foundation needs. Diana Tittle reminds us that other funders in Cleveland, especially the George Gund Foundation, and in recent years, the corporate foundation of BP America, have been critical partners. She notes that successful operations require tenacity, often over many years. (And how serious it is to drop a priority: One reads here that the waterfront revival issue was first raised by Raymond Moley in 1923, but unfortunately allowed to languish until the seventies.) And we learn that the cast of critical players in town is not constant. Indeed, Rebuilding Cleveland in one sense is the tale of how, from a small band of wealthy foundation-builders and social-welfare enthusiasts in the early years, the circle of groups and individuals that need to be involved in civic enterprises—not as mere objects of charity but as true partners—has increased almost exponentially over the course of the twentieth century.

Yet for all its color and candor and history, what is most intriguing about this book is the glimpse it offers into, and the questions it raises about, how urban society functions in these United States of America. The book is, in a sense, a case study in how some of the immense wealth generated by a free enterprise economy can be returned, through private charity, to a community's public purposes; how a great philanthropy,
through trial, error, pluck and idealism, learns to relate fruitfully to the complex web of local governments, civic groups, schools, churches, universities and neighborhoods which in their totality are the city; and how, having once learned, it must constantly relearn its part, as the society itself changes.

Again and again, Rebuilding Cleveland illustrates the inherent short-sightedness of official governments, their politically pressured councils, their bureaucratically entangled administrative arms. And how a far-sighted community foundation, occasionally as adversary but far more often as friendly partner to government, can sponsor the right study, enlist private sector cooperation, intermediate with neighborhoods, bring difficult issues to the public scrutiny in a timely fashion. At its best, this interplay of philanthropy and officialdom helps government be more responsive, more relevant, more effective. The product is a safer, more progressive, resilient society.

In retrospect, for example, one has to wonder what else would have averted serious interracial bloodshed in the Cleveland of the sixties, and grave black-white tensions or worse during the school desegregation of the seventies, had it not been for Dolph Norton's and Homer Wadsworth's intensive work with black leaders, with the churches and private industrialists—not just to avert incidents, but to try to get at their root causes.

Government clearly lacked either the vision or the capacity to plan for, much less conduct, all the delicate negotiations that were necessary to make either the Cleveland Lakefront State Park or Playhouse Square as a performing arts center of renown become realities. In each, The Cleveland Foundation played a critical, central role. And each development, it is now clear, was critical to Cleveland's striking urban revival of recent years.

There are critical issues in a city's future that rarely if ever make it onto the radarscope of municipal government. One such issue, the city's and region's fate in a radically altered world economic environment, was the concern behind the Foundation's decision to sponsor the Rand Corporation's study, and the Regional Economic Issues Program's ongoing analysis, of greater Cleveland's economic conditions and trends. Another, a large-scale, coherent strategy for rebuilding troubled neighborhoods, was the Foundation's goal in its massive recent Special Initiative in Housing and Neighborhood Development to take isolated spurts of
neighborhood redevelopment and pull them together. (This was the ef­
fort that picked up speed, having gained the vital buy-in of Cleveland's
business establishment, with the creation of Neighborhood Progress,
Incorporated, in the late eighties.)

One cannot help but admire the Special Initiatives of the late eighties,
extraordinary commitments that obliged the Foundation to dip into its
principal to counter the threatened social and physical deterioration of
the city. Its determination to improve the quality of the city's public
schools, for example, resulted in the Foundation's making the largest
grant in its history to the Cleveland Initiative for Education (CIE), an
imaginative plan for reinjecting hope—and assistance of a highly prac­
tical nature—into the academic lives of a city's disadvantaged and dis­
affected youth. That grant sent a message of such seriousness and
determination that the Gund Foundation responded with its biggest
grant ever, BP America with its largest, and so on, until the area's banks
and other funders had bankrolled this bold $16 million experiment.

Diana Tittle appropriately presents the deliberations that led to the
Special Initiatives as an unfolding drama, serving as the lead-in to most
of the book's chapters, that hurts the reader both forward into Cleve­
land's future and backward into the history of a foundation's interaction
with a great city. The Cleveland Foundation's decision to commit long­
term, major support to these large-scale efforts was indeed dramatic. If
there is a resilient, strong Cleveland in the year 2000 or 2010, the Foun­
dation's efforts may merit special credit.

One must ask, however: What if the Cleveland school system is es­
entially beyond repair? What if its repeatedly and thoroughly discred­
ited school board and administrative apparatus remain impervious to
the classroom reforms that are so vital to sparking the excitement of
learning in young people? What if educational revolution, rather than
reform, is the appropriate medicine? Chicago (with its city-based foun­
dations playing a major role) is attempting radical decentralization of
authority to locally elected committees, a process that reasserts grass­
roots control, aims to break the hold of the central school board and
bloated downtown school bureaucracy. Minnesota, by contrast, is pi­
oneering in allowing total freedom of choice, letting parents shop around
for a public school that fits their children's needs, a school where they
believe a spirit of learning and caring thrives. Should The Cleveland
Foundation be responsive to such radical reforms, as neighborhood and
civic organizations around Cleveland advocate them? Or is the Foundation too wedded, by its backing of the school Initiative, to the existing educational structure?

On occasion a foundation has to get very close to government, to help officialdom over especially rough terrain. This was the very courageous and eventually controversial decision that Dolph Norton made in regard to the administration of Carl Stokes, Cleveland's first black mayor, in the sixties. Elements of that relationship—especially the Foundation's funding of a public relations officer for Stokes—would later come under public fire. Yet the collaboration with Stokes was a critically important gesture of cooperation and concern by Cleveland's philanthropies.

The Foundation's broad array of initiatives in 1979 and the early eighties, undertaken to help freshly elected Mayor George Voinovich reform the city's finances and methods of administration in the wake of the default of 1978, represented yet another important milestone in community foundations' relationships with city governments.

Still, there are the moments when a foundation needs to be on the outside, the watchdog, the alarm sounder. The Cleveland Foundation played this role well back in the early twenties, when it studied the administration of the courts, scolded the criminal justice system for its nonfeasance, then supported a watchdog agency of 13 civic and business groups to monitor the municipal and common pleas courts and their performance. Diana Tittle reports how the courts' performance did improve—evidence that a foundation can press for, and get, public accountability. A half-century later, during the fiery Dennis Kucinich years in City Hall, the Foundation resumed its watchdog role to sponsor a study by George Peterson of the Urban Institute that documented Cleveland's alarming negligence in replacing essential physical infrastructure.

Some critics may suck in their breath and insist that foundations, whether asked to or not, should never get so close to the political process. Critics may recall how philanthropies got their fingers burned in the fulminating sixties, undertaking projects that actually propelled Congress to tighten the rules on their operations and political activity.

Yet with good judgment, as this book shows, a community foundation and its trustees can steer a sensitive course, help government, and create a stronger, healthier city for all. In the process, a foundation can leverage, in rather dramatic fashion, the impact of the dollars entrusted to it by
many donors. The record of The Cleveland Foundation portrayed in these pages is an exciting testament to that potential. It is one that deserves national notice.

Neal R. Peirce

Washington, D.C.
FOUNDATIONS are as uniquely an American invention as baseball or jazz. As Waldemar Nielsen, a respected critic of American philanthropy, has noted: “No other nation in the world has such an array of aggregations of private wealth devoted to public purposes; no other nation has been so encouraging to donors to create such philanthropic institutions; no other has given them, once created, such freedom of action; and in no other have foundations played such a significant role in the nation’s life.”

Yet despite their numbers and generosity—at last count there were 22,000 foundations across the nation, making grants of $4 billion annually from income generated by a combined endowment of $50 billion—American philanthropies are as much suspect as admired. Witness the investigations of foundations undertaken every generation or two by Congress or other government regulatory bodies since the turn of the century. These periodic hearings were prompted by the same dark view of philanthropy that animates such written inquiries as Teresa Ondedahl’s Charity Begins at Home: Generosity and Self-Interest among the Philanthropic Elite (Basic Books, 1990) and Philanthropy and Cultural Imperialism: The Foundations at Home and Abroad (G. K. Hall, 1980), a collection of essays edited by Robert Arnove. In Arnove’s words, “foundations like Carnegie, Rockefeller and Ford have a corrosive influence on democratic society; they represent relatively unregulated and unaccountable concentrations of power and wealth which buy talent, promote causes, and, in effect, establish an agenda of what merits society’s at-
tention. . . . They help maintain an economic and political order, international in scope, that benefits the ruling-class interests. . . ."

One gathers a mundane reason for the remarkable distance between Arnove's and Nielsen's positions. That is: The actual operations of foundations remain an enigma, as shrouded in mystery as those of the Vatican. While the philosophy of philanthropy has been much debated by politicians, philanthropoids, journalists, and scholars alike, the inner workings of foundations have been little observed, analyzed, and written about. There is a growing body of theory about American philanthropy—see Literature of the Non-Profit Sector: A Bibliography with Abstracts (The Foundation Center, 1990)—but fewer than two dozen biographies or even autobiographies of individual foundations. As Francis X. Sutton of the Social Science Research Council explains in praising Ellen Condliffe Lagemann's superb new history of the Carnegie Corporation, The Politics of Knowledge (Wesleyan University Press, 1989): "That there hasn't been a general book on the Rockefeller Foundation since Fosdick's of 1952 or on the Ford Foundation since Dwight Macdonald's of 1956 suggests how hard it is to master the stupefying variety of activities such foundations get into. . . ."

But part of the blame for the lack of detailed portraits must be assigned to foundations themselves. Although quasi-public entities by virtue of their tax-exempt status, these powerful institutions are not obliged to open their operations to the scrutiny of outsiders—and few have chosen to do so voluntarily. Annual reports remain the only self-explanation many are legally required to publish.

Rebuilding Cleveland attempts to help fill the void by offering a case study of a major foundation in action. On one level the book is a journalistic account of the role that The Cleveland Foundation, the country's first and oldest community trust, has played in shaping public affairs in Cleveland, Ohio, over the past quarter of a century. It examines how and why the Foundation, whose assets now total nearly $600 million, has provided continuing, catalytic leadership in attempting to solve a host of urban problems besetting this Northern industrial city. Needless to say, the Foundation's influence is more than a matter of money. The push and pull of professional philanthropists working to support socioeconomic research and experimentation in collaboration with a board of trustees, largely appointed by public officials, that is predominately made up of Cleveland's business elite, has produced civic leadership more
innovative than any party to the arrangement has consistently demonstrated alone.

This contemporary narrative, which is based on an examination of the Foundation’s private papers and more than 100 interviews with Foundation personnel and grantees, is interwoven with numerous flashbacks. For *Rebuilding Cleveland* also traces a related story: that of The Cleveland Foundation’s internal evolution.

Thus, Chapter 2 takes the reader back to 1914, when the concept of a community foundation was invented by a farsighted Cleveland banker named Frederick C. Goff, while Chapters 4 and 5 show how Goff’s invention helped to pioneer, during the teens and twenties, a national movement of social scientists, business leaders and government officials to make philanthropy a more effective force for the private planning of public affairs. Chapters 7 through 10 deal with the crucible that was the sixties, when The Cleveland Foundation emerged from a long slumber, occasioned by Goff’s death, and (with a nudge from certain local business leaders searching for solutions to the city’s postwar stagnation) reinvented itself as civic agenda-setter and problem-solver. And Chapters 11 and 12 detail how the next generation of Foundation leaders enlarged upon this renewed sense of purpose. Without an understanding of the Foundation’s ongoing and sometimes painful organizational development, one cannot fully appreciate how it came to be such an important catalyst—though certainly not the sole force—for progressive change in Cleveland.

Perhaps the most influential of any community trust (by virtue both of the amount of its annual grantmaking, which now approaches $30 million, and its ability, reforged in the sixties, to harness the talents and resources of the city’s political and business powers-that-be), The Cleveland Foundation also ranks as one of America’s 25 or 30 largest philanthropies of any kind. Nonetheless, it was not within the purview of *Rebuilding Cleveland* to compare the Foundation’s policies and programs with those of its similarly endowed colleagues, thereby to establish The Cleveland Foundation’s leadership within the national philanthropic community. Nor does the book do more than hint at the role model The Cleveland Foundation has indisputably become for the 300-plus other community foundations it has spawned. The book does not even deal with the full range of the Foundation’s grantmaking. Rather, it is intended to supplement the existing literature on philanthropy and society
with concrete examples of one foundation’s programs and their outcomes. I have focused primarily on four program areas—public education, physical and economic redevelopment, and municipal governance—because of the longevity of the Foundation’s involvement in them.

I leave to others the task of assessing in which of its most recent endeavors The Cleveland Foundation has succeeded and in which it has failed, since these initiatives are still playing themselves out. However, I would like to suggest a yardstick by which the Foundation’s work can be judged. It comes from the essays of noted philanthropoid Alan Pifer, the former president of the Carnegie Corporation. In a collection of essays, Philanthropy in the Age of Transition, Pifer observes, “... every agency which can serve the common good by facilitating the processes of institutional change toward a more just, healthier, better educated, and more universally prosperous national and world society has special value and perhaps none more so than foundations. Indeed, many observers, while denying the foundation a role as active leader of the more militant movements of social change, would say that its chief value to society today lies in its capacity to anticipate the need for institutional transformations and help bring those about by speedy deployment of its funds to critical points of leverage and potential breakthrough.” I agree with Pifer’s conclusion that “the willingness to accept a continuous responsibility for the discernment and furthering of required social change provides an exceedingly tough standard against which foundations may be measured.”

When I approached The Cleveland Foundation in 1986 with the suggestion that I be commissioned to write its history, I must admit I did not have a Piferean investigation in mind. As the former editor of Northern Ohio LIVE, a regional arts and entertainment magazine, I knew of the behind-the-scenes role the Foundation has played in nurturing a richer cultural life in Cleveland, and I was interested in determining to what degree, if any, it might have had a hand in other auspicious developments that some observers were taking as proof positive of Cleveland’s economic “comeback.” Director Steve Minter agreed that commissioning a history would be a fitting way for the Foundation to celebrate its 75th anniversary in 1989. I am indebted to him for recommending to the Foundation’s Distribution Committee that it underwrite such a project and open its files and deliberations to me. And when my research extended past the appointed deadline and beyond the
predictable editorial boundaries of an anniversary retrospective, Minter stayed the course.

The Foundation assembled an in-house editorial advisory committee consisting of associate director Susan Lajoie, director of publications Dennis Dooley, special assistant to the director Margaret Caldwell and senior program officer Robert Eckardt. Its function: to read and comment on the work in progress for my edification. Minter, past Foundation directors James (Dolph) Norton, Barbara Rawson and Homer Wadsworth and the immediate past and present chairpersons of the Foundation's Distribution Committee, Richard Pogue and John Dwyer, also reviewed the manuscript. To the Foundation's credit, I was free to deal with all the readers' comments, criticisms and objections as I saw fit. The due diligence of each spared me from committing a host of small factual errors, from leaping to mistaken conclusions and from making several faulty interpretations, for which I am most grateful. However, if flaws remain either in the book's accuracy or understandings, they are my responsibility alone.

I would also like to thank several others whose commentary helped me to sharpen the manuscript at various stages in its evolution: historian Thomas F. Campbell; writers and editors Mark Gottlieb, Richard Magat and Bill Rudman; Bill Bartenbach, vice president and director of publications of the Foundation Center in New York; and Ohio State University Press's assistant director, Alex Holzman, and the Press's Business History Series editors, Austin Kerr and Manse Blackford. Alicia Ciliberto, a member of the Foundation's publications department, also deserves recognition for good-naturedly formatting, printing and photocopying each successive draft of the work.

Archivists Kyle Reis at the Ford Foundation and Kenneth Rose at the Rockefeller Archive Center went out of their way to advance my research, offering guidance as well as the normal professional courtesies—as did Patricia Pasqual and Charlotte Kleindienst of the Foundation Center's Cleveland-based library and Western Reserve Historical Society staff members Kermit Pike, John Grabowski, Barbara Clemenson and Ann Sindelar, with whom it is always a pleasure to work. I owe a debt of gratitude to all those who graciously consented to be interviewed, but especially to Malvin Bank, Daniel Elliott, Lawrence Evert, Seth Taft and Richard Tompkins, who also allowed me to review documents in their private files.
Throughout the three-year labor on this book, many friends and colleagues expressed interest in my endeavor. Little do they know how their words of encouragement have cheered me and urged me on, as did the moral support I unfailingly received from colleague Mark Gottlieb, project manager Dennis Dooley, and my husband, Tom Hinson.
REBUILDING CLEVELAND
SIGNIFICANT EVENTS IN THE HISTORY OF THE CLEVELAND FOUNDATION

1914
Frederick H. Goff founds world's first community trust.

1915
First Distribution Committee named.

1919
Education survey announced.

1921
Frederick H. Goff dies.

1923
Multiple trusteeship established; Harry Coulby Fund boosts annual income to $250,000.

1931
Nation's first Combined Fund accepts gifts of all sizes.

1943
Disbursements pass $1 million mark.

1946
Assets surpass $10 million.

1957

Photos (left to right) courtesy of Frederick H. Goff II, Cleveland Press Archives (Cleveland State University), uncredited, Dennis J. Dooley, Convention & Visitors Bureau of Greater Cleveland (© Nesnadny & Schwartz), David Beach (© 1988; © 1985)
1961

Assets surpass $100 million.

1966

First $1-million grant made.

1967

Cleveland Lakefront State Park created as a result of a Foundation-sponsored study, sparking a renewed interest in waterfront redevelopment.

1970

Strategic plan completed and economic development becomes a full-fledged program area.

1975

Cultural affairs becomes a full-fledged program with the goal of enhancing Cleveland's stature as a national arts center.

1977

First program-related investment used to buy $3.8-millionBulkley complex—property critical to the future of Playhouse Square theaters and Cleveland's revival.

1982

Multimillion-dollar Special Initiatives in neighborhoods and public education announced.

1985

Assets surpass $500 million.

1987

Greater Cleveland Associated Foundation formed.

1989

GCAF and Cleveland Foundation merged.
Prologue

At 4 P.M. on May 9, 1987, the houselights darkened in the Ohio Theatre on Playhouse Square in downtown Cleveland, Ohio. The audience hushed as two men mounted the steps leading to the theater's proscenium stage. Neither betrayed the slightest sign of excitement over the news they were about to impart. The older of the two men walked over to the podium, while the other took a seat beside it.

"Good afternoon," said the gentleman standing in the spotlight, "and welcome to the 1987 annual meeting of The Cleveland Foundation. I'm Dick Pogue, chairperson of the Foundation's Distribution Committee. With me is Steve Minter, the Foundation's director."

As representatives of the not-for-profit organizations to which The Cleveland Foundation had granted $22 million the previous year, most of the 400 men and women in the audience needed no introduction to Pogue or, for that matter, to Minter and the other members of the Foundation's staff and board who were scattered throughout the auditorium. Not only was Richard W. Pogue chief spokesperson for the Distribution Committee, the 11-member board responsible for determining the charitable uses of the Foundation's income, he was also national managing partner of Jones, Day, Reavis and Pogue, the nation's second-largest law firm.

Since becoming the Foundation's chairperson1 in 1985, Pogue had regularly presided over its public stock-taking ceremony, so few of those present were aware that this was to be no ordinary annual meeting. As a matter of fact, they were about to witness America's first and oldest community trust—then the repository of more than $400 million in
bequests from thousands of public-spirited Clevelanders—expand the parameters of philanthropy as it is practiced by more than 300 such community foundations around the country.

When established in 1914, The Cleveland Foundation had declared its purpose to be that of enhancing the quality of life for all citizens of Greater Cleveland. In recent, more complex times, the Foundation's principals had decided that it must move beyond the traditional role of responsive funder played by most community trusts and provide civic leadership as an educator, program manager, catalyst and convener. Now a new generation was preparing to add yet another dimension to The Cleveland Foundation's inventory of philanthropic powers: that of strategic investor. On this afternoon in May 1987, the Foundation would proclaim itself a major source of risk capital for Cleveland's socioeconomic advancement. Since the Foundation seldom called attention to its own operations, the occasion presented a rare opportunity to observe its continuing evolution as a civic power and to catch a glimpse of its normally undetected influence in shaping public affairs.

"We have all heard some dismal predictions about what the future holds for Greater Cleveland," Dick Pogue said by way of introduction. "But I believe that we have a choice. We can as a community allow demographic trends to shape our future, or we can intervene to try to affect the course."

Heads nodded in assent throughout the 66-year-old theater, which had been abandoned in 1969 to the blight overtaking much of downtown, as Cleveland, once the sixth-largest city in the country, entered a decade of decline. During the seventies the city had endured the loss of more than 45,000 industrial jobs and nearly 200,000 residents. By the eighties the metropolitan area had tumbled to number 17 in size. Yet in 1982 the Ohio had reopened as a legitimate theater, the first of three entertainment venues on Playhouse Square to be reclaimed as part of the largest theater restoration project in the country—an intervention in which The Cleveland Foundation had played a leading role and an example of what Pogue meant when he added: "I believe that in the past few years this community has demonstrated that it will not sit back and simply accept its fate as portrayed by the apostles of gloom and doom."

In fact, everywhere Pogue glanced in the ornate ivory-and-green auditorium he saw persons determined to fight the downward economic spiral in which Cleveland, like other aging Northern industrial cities,
seemed to be caught. There, for example, was the president of the Cleveland Advanced Manufacturing Program (CAMP), a university-industry collaboration that had been launched with the support of The Cleveland Foundation to improve the competitiveness of local companies through the development of sophisticated new manufacturing technologies. (CAMP was among a number of promising business initiatives that had been undertaken by Cleveland Tomorrow, a committee now consisting of 50 chief executive officers of leading Cleveland companies, a handful of whom had banded together in the early eighties to address the economic stagnation of the region in an organized fashion.)

Throughout the auditorium also sat representatives of many of the three dozen or so community development groups that had sprung up within the previous decade to combat the city’s physical and economic deterioration at the neighborhood level, often with operating or project support from The Cleveland Foundation. Also there was the executive director of the Greater Cleveland Roundtable, an interracial forum of business, labor, government and education leaders that had been established six years earlier with the assistance of The Cleveland Foundation to address important community problems, especially those affecting minorities. An ad hoc committee of the Roundtable formed at the Foundation’s instigation was currently meeting with the new superintendent of Cleveland public schools to determine how a community polarized and fatigued by a decade-long struggle to desegregate its schools could rally to support the single most important institution serving disadvantaged youth. “The school system,” Pogue would observe later in his address, “is our best hope for changing the course of the next generation.”

The audience also included representatives of North Coast Development Corporation (NCDC), who were working on shaping a more promising future for Cleveland from yet another angle. Charged by the mayor with implementing a master redevelopment plan for the city’s Lake Erie shoreline—a plan that had been commissioned by The Cleveland Foundation in 1984—NCDC hoped to transform this long-neglected asset into one of the nation’s most exciting waterfronts. Construction was already under way downtown in 1987 on a seven-acre inner harbor that, in the master plan, was envisioned as the future site of a world-class aquarium, a maritime museum, one or two hotels and related office, retail and residential facilities. NCDC trustees believed that within a
decade the North Coast Harbor project would generate about a billion dollars in new development, create 9,000 permanent jobs and help to polish Cleveland’s national image, which had been severely tarnished by the city’s default on its municipal obligations in the late seventies. Combined with the spontaneously growing restaurant and nightclub business in the Flats (the industrial flatlands bordering the nearby Cuyahoga River) and the proposed national Rock and Roll Hall of Fame and Museum (the architectural, program and financing plans for which were then being developed with underwriting from the Foundation), North Coast Harbor held the promise of repositioning a once-mighty manufacturing center as a major tourist and convention destination.

All these and other encouraging developments, such as a recent downtown building boom, had convinced The Cleveland Foundation that the time had come to escalate the attack on what the Distribution Committee believed to be the most significant problems still holding back the city: the dismal educational record of its public school system and its decayed inner-city neighborhoods.

It was with this frame of reference in mind that Pogue made that afternoon’s surprising announcement. The Foundation, he reported, planned to target up to $10 million, over and above its normal grant-making for the next three to five years, on two still-to-be-defined Special Initiatives to rebuild the neighborhoods and the schools. Privately, Pogue thought of this unprecedented investment (never before in its history had the Foundation made such sizeable programmatic commitments at one time) as “spurt money”—a strategic infusion designed to boost Cleveland’s economic recovery to a new level.

“The case for extraordinary investments by The Cleveland Foundation in these two areas is simple and compelling,” Pogue explained. “The long-term health of our region . . . depends upon the quality of life in the central city. We know that deteriorating housing, a dearth of suitable jobs and services and inadequate public schools all make the city unattractive to families with the means to locate elsewhere. We need to try to reverse this trend.”

Neither the Foundation’s Distribution Committee nor its staff harbored any illusions about finding instant panaceas. They realized that, if history were any guide, it would probably be years before the results of the Special Initiatives became clear. But in signaling the Foundation’s top priorities in such a dramatic fashion, the Foundation’s leaders hoped
at least to rivet the community’s attention on its most pressing problems and in the process leverage millions of dollars more for school and neighborhood improvement projects from Cleveland’s business, philanthropic and public sectors, thus creating a large enough pool of venture capital to make a possible difference. The Foundation was banking on its status as Cleveland’s largest philanthropy (in terms both of endowment and staff) to bring the city’s other major funders to the table.²

Informal networking by the Distribution Committee—the Foundation’s most influential agents in the community—would also play a role in building support for the new initiatives. For example, Pogue would no doubt find many opportunities to speak privately with friends and associates on behalf of the new programs. By virtue of his standing as *primus inter pares* in the business community—a recognition bestowed on three generations of Jones, Day leaders because of the firm’s prestigious corporate client list and because its partners sit on innumerable corporate boards—Pogue’s words would carry considerable weight.

That Pogue was also willing to advocate an experimental prescription for Cleveland’s economic turnaround *in public* had impressed, but not particularly surprised, the director of The Cleveland Foundation, who shared the podium with the 59-year-old attorney. One of the qualities Steven A. Minter most appreciated in Dick Pogue was his willingness to stick out his neck. Although the concept behind what became the Special Initiatives had originated with Minter, Pogue had embraced the enterprise enthusiastically, for the attorney was determined that during his tenure as chairperson the Foundation should identify and lead three or four major projects (“areas where we could put our flag,” as Pogue would later describe it). Just as he had solidified the national standing of Jones, Day, then 900 attorneys strong and still growing, so Pogue wanted to make a lasting mark on Cleveland in the two years he had remaining as the Foundation’s lay leader. This attitude distinguished him from many of his 10 predecessors, who had chosen to limit their role at the Foundation to that of presider.

Shortly after Pogue finished his prepared remarks, the superintendent of the Cleveland public schools entered the Ohio Theatre auditorium and took a seat. Having arrived a few minutes late, Alfred D. Tutela was to learn of the Foundation’s landmark commitment to the schools at a cocktail reception following the annual meeting from a reporter covering the event. An impulsive and loquacious man, Tutela immediately went in
search of Steve Minter. Late the previous fall Minter had used his personal influence to help convene, under the auspices of the Greater Cleveland Roundtable, an ad hoc group of high-powered business people to assist the new superintendent in refining an external initiatives program for the schools. Everyone had assumed that the Foundation would be interested in helping to fund the program, the only question was to what extent. Finding Minter, Tutela blurted out the first thing that came to mind. "How much?"
A Willingness to Lead

No matter what its price tag, the Foundation’s Special Initiative in Education was a risky proposition because the public school system seemed almost impervious to change. With a budget of nearly $400 million, the system was at best an unwieldy bureaucracy. When issues of patronage or political ambition were at stake, it became a battleground. Four superintendents had fallen victim in the previous nine years to various factions of the publicly elected school board, most of which had in common a taste for increasing their influence over the multi-million-dollar operation. In the meantime, many believed that Cleveland’s youth were being neglected; only 45 percent of all seventh graders went on to graduate, and of those who graduated only 34 percent went to college.

Given the public schools’ instability and lack of performance, The Cleveland Foundation had been forced for many years to work outside the system on programs aimed at improving the quality of public education. (Indeed, the Distribution Committee had privately declared that it would not approve a grant request from the Cleveland schools unless both the board of education and the superintendent favored it—a condition that had long disqualified virtually all proposals originating within the system.) This limitation had been especially disappointing to Minter’s predecessor, Homer C. Wadsworth, who had previously spent 14 years on the board of the Kansas City, Missouri, school system. If anyone knew something about how to effect change within an entrenched bureaucracy, it was Wadsworth, who had helped to desegregate the Kansas City schools in the fifties in the aftermath of Brown v. Board of Ed-
A Willingness to Lead

When Wadsworth came to The Cleveland Foundation in 1974, he had been “prepared,” he once told an interviewer, “to do almost anything that could be done to improve the schools. . . .” Yet even Wadsworth, who liked to compare the practice of philanthropy to the petroleum business (“You’ve got to expect a few dry holes before you strike oil”) was reluctant to work with the Cleveland school system, believing that “the influence of politics makes it almost impossible. . . .”

Steve Minter, who had been named director of the Foundation when Wadsworth retired in 1983, had felt equally stymied until he began looking more closely at the dynamics that had allowed such communities as Boston to establish what appeared at the time to be successful school-improvement programs. “What became apparent to me in studying the situation was that in Boston it was not the school system that came up with the plan,” Minter would later explain, “it was the community leadership that constructed a plan upon which the superintendent stood.” This realization would set off a chain of events that eventually resulted in the Foundation’s clarion call to Clevelanders to help Tutela rebuild the schools from within.

If Wadsworth had been unsuccessful in gaining a foothold in the schools, he had also helped prepare the way for Minter to do so. As would be demonstrated again and again during the years following the announcement of the Special Initiatives in May 1987, the Foundation’s current activities in education, physical and economic redevelopment and city governance built upon previous groundbreaking work. For most of its history the Foundation had responded to external imperatives; that it was now willing and able to lead could be attributed to philanthropic pioneering by Minter’s immediate predecessors.

Recognizing the need for visionary leaders in a city left directionless by a series of caretaker or confrontational mayors, these men and women had decided that The Cleveland Foundation should help define a civic agenda. With the assistance of key members of their respective Distribution Committees, they had forged an enterprising new identity for the organization as a catalyst and convener—an evolutionary and sometimes painful process of renewal that had begun in the early sixties and was still unfolding nearly three decades later. (Indeed, the Foundation’s role
in the remaking of Cleveland cannot be understood without examining its own "rebirth," which subsequent chapters will trace.)

Suffice it to note here that a commitment to providing strong civic leadership had been inherent in the original conception of The Cleveland Foundation, which was invented at the height of the city's Progressive Era by a Cleveland banker interested in providing more efficient administration of charitable bequests "for the mental, moral and physical improvement of the inhabitants . . . regardless of race, color or creed. . . ." But the crusading spirit of the teens and twenties, reflected in the Foundation's sponsorship of surveys aimed at galvanizing public opinion about serious flaws in the administration of the courts and schools, had dissipated in the throes of the Depression and the Second World War. Responding to requests that came in over the transom had since become the Foundation's chief role.

A sense of having a larger purpose reemerged, after years of routine grantmaking, in the turbulent sixties, during the tenure of good-government advocate and transplanted Southerner James A. Norton. Before becoming the Foundation's fifth director in 1967, Norton had been president of the Greater Cleveland Associated Foundation, a demonstration project underwritten by the Ford Foundation that sought, through the creative application of philanthropy, to stimulate solutions to the lack of educational, employment and housing opportunities that seemed to fuel inner-city unrest. Using $10 million in seed money to leverage millions of Great Society dollars, the Greater Cleveland Associated Foundation had helped to spark private and public experimentation with a wide variety of socioeconomic programs for the disadvantaged and poor. In encouraging the more traditionally run Cleveland Foundation to continue the Associated Foundation's innovative work when the two organizations merged in 1967, less than a year after riots had devastated the Cleveland neighborhood of Hough, Norton helped to reestablish The Cleveland Foundation's interest in taking on the urgent problems of the day—a development that ultimately prompted other major community foundations to rethink their roles as well. Indeed, Norton's successor, Homer Wadsworth, would later insist that the grant creating the Greater Cleveland Associated Foundation had been the most successful Ford had ever made. "After all," he would note, "they captured The Cleveland Foundation in the process."
Departing from the belief held by Norton and his associate director Barbara Haas Rawson that a community foundation had an obligation to support as many different community groups and activities as possible, successor Wadsworth would steer a more cautious course. A former city planning director, he encouraged the Foundation to concentrate on strengthening or building significant public institutions. During the seventies and early eighties he had demonstrated what could be accomplished by providing consistent direction and sustained financial support to a carefully chosen group of important civic ventures. Among them was a $37 million capital campaign to restore to their original splendor the Ohio Theatre and two former vaudeville houses—the State and the Palace—in downtown's once-thriving entertainment district, Playhouse Square. In addition to nurturing the decade-long restoration project with a series of capital and operating grants totalling nearly $3 million, the Foundation had persuaded the city's fledgling ballet and opera companies and its classical theater troupe to take a chance on locating in Playhouse Square with the assurance of a new level of support for their artistic aspirations. In 1984 the Foundation had even moved its own headquarters to the district, relocating on Euclid Avenue, 14 blocks east of the historic heart of downtown Cleveland, Public Square.

Two years before, during the tenure of chairperson Stanley C. Pace, the Foundation had also taken the extraordinary step of purchasing outright a strategically placed property, a run-down office/retail complex adjacent to the theaters, to ensure that the district's further redevelopment would proceed as envisioned. With its $3.8 million purchase of the Bulkley-Selzer Buildings, The Cleveland Foundation became one of the first community trusts in the country to invest a portion of its assets in a manner that advanced a program objective. A sophisticated philanthropic tool, the so-called program-related investment (PRI) had previously been employed primarily by such national foundations as Ford. Although redeveloping the newly acquired property proved to be a larger challenge than the Foundation was able to master, the Playhouse Square theaters were eventually transformed into a magnificent performing arts center that soon became a major regional tourist attraction, luring hundreds of thousands of entertainment seekers downtown annually.

Equally important, the creation of Playhouse Square Center gave demoralized Clevelanders the first tangible sign in decades that their city's physical decline could be reversed. While certainly not the most critical
A Willingness to Lead

factor, this psychological boost played a part in breaking the 50-year moratorium on downtown development that had been ushered in by the Depression. Concurrent with the successful restoration of the first two Playhouse Square theaters in the mid-eighties, a building boom began in downtown Cleveland. By the end of the decade, more than five million square feet of new office space and 1,000 new hotel rooms were either under construction downtown or on the drawing boards in a city whose chances of landing even one new skyscraper or major hotel only 10 years before had seemed as remote as the Cleveland Indians winning the pennant.

Like most pioneers, Norton and Wadsworth had helped to guide the Foundation into a new world of influence and sophistication at some personal expense. In the drive to transform a sedate, request-granting organization into a major player in the rough-and-tumble arena of public affairs, both strained relations with some members of their Distribution Committees who were concerned with their desire to push beyond the Foundation’s traditional role as responsive funder.

This lesson was not lost on Wadsworth’s successor.

Steve Minter came to the task of administering what was then the country’s third-largest community foundation from rural beginnings. Born in Akron, the eldest of eight children of a former national Golden Gloves champion, Minter had grown up in a succession of small Ohio communities, as his father sought to advance the family’s fortunes by moving from one job to another. Occasionally the Minters found themselves to be the only blacks living in a town. (A Northern chapter of the Ku Klux Klan had tried to run the family out of one rural community after burning a cross on their property, but Larry Minter stood them off for several days until a white neighbor offered the family shelter on his farm—a gesture of compassion and courage that would provide Steve Minter with a lasting counterbalance to the ugly experience that he had endured.)

Despite the family’s continual uprooting, Minter had excelled in school and was active in sports, student government and the band—extracurricular activities that his mother encouraged. It was at the prompting of his teachers that Minter had decided to attend college, however, becoming the only child in his family to graduate from a four-year institution of higher learning. Getting all their children through high school had been his parents’ aspiration.
Minter attended Baldwin-Wallace College, a small Methodist school near Cleveland. (The pastor of the Methodist church in Kinsman, Ohio, a farm community to which the Minters had fled after a stint in a low-income housing allotment, had wrangled Steve a partial scholarship to Baldwin-Wallace.) In spite of an impressive record of academic achievement and campus leadership, Minter was unable to land the job he coveted, that of high school coach, after graduating in 1960, though he applied to more than three dozen area school systems. The secretary to the president of Baldwin-Wallace, an elderly white woman, empathized with the plight of this talented black struggling to break into a segregated job market. She put him in touch with her sister, who worked as the secretary to the director of the Cuyahoga County Welfare Department, where he was hired as a caseworker. Within nine years, during which time he earned a master's degree from Case Western University's School of Applied Social Sciences, Minter was promoted to director, the first in a series of increasingly responsible public service jobs he was to hold by the age of 45. (He spent a year, for example, as undersecretary of the newly formed U.S. Department of Education). In 1984 Minter was named the director of The Cleveland Foundation. He became the first black in the country to rise to such a position with a community foundation.

As he grew in stature, Minter did not forget his kinship with the disadvantaged and poor. The Cleveland Foundation under his direction would perpetuate Wadsworth's interest in institution-building, while quietly but firmly insisting on minority access to and participation in the city's institutional life. A mediator by temperament—perhaps because he had straddled two worlds for so many years—the Foundation's seventh director also worked hard to expand the organization's ability to convene a disparate group of leaders, experts and funders around important urban problems and serve as a catalyst within the group toward their solution. In this endeavor he built upon the legacy of the Norton era.

In institutionalizing a collaborative relationship between the Distribution Committee and staff, however, Minter (who had begun his career in philanthropy as a program officer under Wadsworth, foregoing an offered second term as Commissioner of Public Welfare for the Commonwealth of Massachusetts to do so) forged a new path. Because it falls to a foundation's staff to do the legwork, trustees sometimes feel as if
they are merely rubber-stamping the actions of others. However, Minter envisioned a far more active role for the Distribution Committee of The Cleveland Foundation. He wanted to see the members' intelligence and experience brought to bear on major policy decisions. Immediately upon his appointment Minter began to search for a way to increase the interplay of committee and staff so all would be, in his phrase, "reading from the same page." Rather than dictating his vision for the organization, which would serve only to lessen the committee's sense of engagement, he decided that the Foundation should develop its first formal strategic plan, a process that would actively involve both board and program officers in building a consensus about the priorities that should govern the Foundation's grantmaking.

Completed in early 1985 under the supervision of program officer (now associate director) Susan N. Lajoie, the strategic plan reinforced the Foundation's continuing interest in its traditional program areas of education, health, social services, the arts and civic affairs. At the same time, it made explicit—at the strong urging of Stan Pace, chief executive officer of TRW Incorporated, and two of his colleagues on the Distribution Committee, retired White Consolidated chairman Roy H. Holdt and Dick Pogue—a new commitment to encourage the city's economic revitalization. Among the 28 grantmaking objectives the Distribution Committee and staff had identified as most important were four related to economic development. Helping to improve the competitiveness of the city's manufacturing sector; promoting the development of new small businesses and growth industries; fostering economic opportunities for minorities and women; and providing a "supportive" environment in general were business-oriented goals that the Distribution Committee and staff had agreed were appropriate for a philanthropic organization to adopt. Minter welcomed this leap into a new program area in part because of its potentially favorable reverberations in the neighborhoods, where one out of every three Clevelanders lived in poverty.

Having helped to achieve a consensus about the Foundation's baseline objectives, Minter turned his attention next to the question of how to achieve them. He sensed that the undertaking hinged on what he liked to call "projects of scale." Minter believed that the scale and, for that matter, the pacing of the Foundation's involvement in certain vital endeavors had to be dramatically stepped up. Making a little grant here
one year and a bigger grant there the next was not, it had become pain­fully clear, the way to solve problems as intractable as, say, the 55 percent dropout rate in the Cleveland public schools or the substandard condition of fully one third of the city’s housing. These required a systematic attack.

With the Foundation poised to distribute more than $100 million in Cleveland by 1990, it was possible in 1985 to conceive of spending $10 million or even $20 million on programs aimed at eradicating some of the city’s most deeply rooted problems. In fact, wielding such concerted financial clout looked to be the best way to take advantage of the Foundation’s phenomenal recent growth. It had taken 42 years for The Cleveland Foundation’s assets to reach the $20 million mark, and during that time the organization had disbursed only $20 million in total. Making sizeable commitments to any single goal had simply not been possible. However, the Foundation’s assets now exceeded $400 million, a figure roughly equivalent to the combined principal of all community foun­dations in operation in 1962 and sufficient to boost the Foundation into the ranks of the 25 or 30 largest philanthropies of any kind in the nation. By the mid-eighties Cleveland’s endowment was generating more than $20 million in income every single year, and large-scale commitments were not only possible, but imperative if the Foundation wanted to make an impact.

Or so it seemed to Minter, who could envision the day when the Bulk­ley complex would be sold to a private developer. The Foundation would need to put those proceeds to the best possible use as well. In 1986 he began discussions with Pogue about the possibility of increasing the Foundation’s commitment to certain of its strategic concerns. Pogue had only recently been elected chairperson, and Minter may not yet have fully appreciated the fact that Pogue’s energy and drive surpassed even his own.

A Scot by ancestry, Richard Pogue had been reared in the Washington D.C. suburb of Bethesda, Maryland. His father, Welch, served as gen­eral counsel and then chairman of the Civil Aeronautics Board. Richard, too, would settle on a career as an attorney, studying law at the Uni­versity of Michigan. After a hitch in the Army, he had been recruited in 1957 by Jones, Day, Cockley and Reavis, where he specialized in antitrust law. He became a partner within 36 months of his arrival and managing partner in 1984.3
In 1961, shortly after becoming a partner, Pogue had taken on a volunteer assignment at a settlement house in central Cleveland as a self-imposed penance for an especially lively night on the town. For a group of poor black and white youths who lived in the neighborhood, he acted as a sort of father figure, organizing activities and outings. The experience opened his eyes for the first time to the plight of youngsters condemned by accident of birth to dead-end lives, and it changed him.

Even after he was tapped for a series of more prestigious civic assignments, culminating with his appointment to the Distribution Committee of The Cleveland Foundation in 1979, Pogue had sometimes thought wistfully about the time in the early sixties when he had had the most important volunteer job in the world: being a pal to those kids. But, as he observed to a magazine reporter, “situations change, you have to move on.” Twenty-five years later Richard Pogue had moved into position to help build a more prosperous future for all Clevelanders—young and old, rich and poor, black and white.

In 1986, when Steve Minter approached the newly appointed chair of the Distribution Committee, he found a cooperative and enthusiastic colleague in Pogue. Pogue encouraged him to flesh out his concept of mounting several large-scale initiatives.

In preparation for taking the idea for what became the Special Initiatives program to the entire Distribution Committee, Minter asked his program officers to identify opportunities or projects arising in their fields over the course of the upcoming three to five years that were likely to require a major financial commitment. These were discussed and debated at a staff retreat in October 1986. Then the Distribution Committee was invited to a box supper in the Foundation’s offices in January 1987 for “some unrestricted free thinking about how the Foundation can perhaps take some bold steps,” as Pogue put it in a letter sent to his colleagues the week before. “We do not necessarily expect that we will reach any conclusions,” he stated.

At the informal brainstorming session, Minter presented a list of projects the staff considered worthy of receiving either a $1 million or $2 million grant by way of illustrating possible initiatives. “We were not trying to present a concrete proposal,” Susan Lajoie explained later. “We were trying to say: ‘Let’s look at our resources differently and also our role.’” Lajoie soon found herself in the midst of the “most exciting” meeting she had attended while working at the Foundation. Respond-
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ing to Minter’s opening remark that “strategy never stands still,” the Distribution Committee quickly embraced the concept of large-scale program investments and moved on to discuss the specifics of implementation.

“How much money do we have?” committee member E. Bradley Jones, former chairman of Cleveland’s Republic Steel Corporation, asked at one point.

Steve Minter replied that preliminary financial projections showed that about $21 million in “unrestricted” income would come available to the Distribution Committee by the end of 1989. Minter suggested, again by way of illustration, that perhaps 50 percent of those funds (for which the donors had specified no purpose) could be held in reserve for projects of scale.

“The funds are there,” another Distribution Committee member concluded, “that seems clear. But what are the opportunities?”

Projects with the Cleveland public schools, responded Sally Kenny Griswold, a volunteer noted for her work in health and social services and one of three women then on the Distribution Committee.

Attorney David G. Hill, one of two blacks on the committee, lobbied for a program to increase minority access at Cleveland’s Case Western Reserve University, the largest private university in the state.

“Our number one priority should be economic development,” furniture-chain owner Henry J. Goodman urged. “Writing off our manufacturing sector may be premature.”

“A $1 million grant to the Rock and Roll Museum is not appropriate,” real estate developer Harvey G. Oppmann commented, looking over the list, perhaps reflecting some Clevelanders’ unease with promoting that particular industry. “I would prefer to do low-income housing, as one example.”

“If we commit $4 million each to jobs, housing and education,” Pogue said, unable to resist pushing for consensus as the session drew to an end, “I see us leveraging as much as $50 million over the next three years.”

But other members of the committee were not yet prepared to move on to making commitments. “We need to spend more time on our priorities,” cautioned John J. Dwyer, a past president of Oglebay Norton Company (a producer and marketer of iron ore) and vice chairperson of
the Distribution Committee. Dwyer would succeed Pogue as chairper-
son in the summer of 1989.

"Maybe we should examine breakthroughs in other communities,"
Goodman agreed.

Pogue relented, and the participants then agreed that the discussion
should be resumed at the annual retreat in March 1987 as originally
planned.

To enhance the committee's perspective on the city's most urgent
needs, the staff invited several prospective funding partners to attend
the retreat and outline their respective agendas for the future. When the
annual retreat took place, the Distribution Committee heard presenta-
tions from the mayor of Cleveland, representatives of one of the city's
largest private foundations, and the president and chairperson of the
area-wide chamber of commerce. But the most persuasive comments
came from Pogue, who kicked off the two-day proceedings with a pre-
pared speech. In it he explained the staff's proposal that the Distribution
Committee create a Special Initiative Reserve of up to $15 million, with
the funds to be pulled from two pockets: the $21 million in unrestricted
monies the staff had projected would come available through 1990 and
the $7 million the Foundation expected to gross from the sale of the
Bulkley complex.

Pogue then outlined his own priorities, all of which were concerned
with enhancing Cleveland's economic future. In addition to initiatives
in housing and neighborhood development and the public schools, he
now declared that he personally favored continuing work on the recrea-
tional redevelopment of Cleveland's underutilized lakefront, which the
Foundation had begun during Wadsworth's tenure; bolstering the city's
institutions of higher education, especially in the area of research and
development; and assisting in the development of a major chain hotel for
downtown Cleveland—a critical ingredient still missing from the plan
to make the city a viable convention and tourist destination.

The merits of most of the suggested initiatives were debated at the
final session of the retreat. The issue of the downtown hotel in particular
drew intense debate, because some committee members found it hard
to envision an appropriate role for the Foundation in that for-profit en-
deavor. When a consensus seemed to have been reached that the first
initiatives should be aimed at strengthening the Cleveland public schools
and revitalizing the neighborhoods—priority concerns that no one had questioned—Minter sealed that agreement with a flourish.

Pulling out copies of a two-page document marked "DRAFT—NOT FOR CIRCULATION," Minter announced: "And this is what a Special Initiatives program might look like." The document listed four possible initiatives—neighborhoods, schools, downtown development and lakefront development—and suggested amounts that might be committed to each ($2 million, $3 million, $5 million and $5 million, respectively). The Foundation's $15 million investment would leverage $30 million more from other sources, the document suggested. Impressed with the concept of assembling a complete package, the Distribution Committee agreed that the staff should investigate the pros and cons of three additional initiatives: the lakefront, higher education and an entirely new direction suggested by David Hill: encouraging the economic application of the biomedical research being conducted at local hospitals and universities.

Although a watershed decision had been reached, a few members of the Distribution Committee argued for keeping the Foundation's plans private until the programmatic details had been worked out and the participation of other funders had been confirmed. No resolution to that effect was passed, however. After the committee officially approved the creation of a Special Initiatives Reserve fund at its subsequent quarterly meeting on March 19, Pogue decided to move ahead. He declared that the first two Special Initiatives should be announced at the Foundation's upcoming annual meeting in May, and he determined the level of the monetary commitment to them.

The timing of the announcement allowed the Special Initiatives to function, in effect, as a Request for Proposals. Thus challenged to redouble their efforts to reform the schools and revitalize the central city, interested community groups combined forces within 24 months under the banners of the Cleveland Initiative for Education and Neighborhood Progress, Incorporated. The chances that these two new superagencies would experience a measure of success were greater than might have previously been the case, for both built upon the community's quarter-century of hard-won experience with socioeconomic experimentation, which, interestingly, the Greater Cleveland Associated Foundation had helped to initiate and The Cleveland Foundation later helped to perpetuate.
Henry Goodman, a five-year veteran of the Distribution Committee, had been among those in favor of holding off a public announcement of the first two Special Initiatives, but he later praised Pogue for moving ahead. “Managers discuss,” Goodman explained, “leaders make decisions. Then they work long and hard to make whatever they’ve decided right.”

Indeed, even before the two initiatives were officially announced, the Foundation’s staff had begun working with various parties on their implementation. In addition to planning program specifics, the staff had begun to wrestle with another important issue: How would the Foundation pay for its unprecedented new commitments without having to cut back its support of other grant seekers? How would it continue to be responsive to those who dreamed, say, of mounting a world premiere, or improving the health care received by pregnant teenagers, or converting an old office building into independent living quarters for the disabled, and were counting on the Foundation for help in realizing their vision of a greater Cleveland?
A World-Class Beginning

FREDERICK H. Goff also had a vision.

As the 20th century dawned, the Cleveland banker dreamed of breaking the stranglehold that bequests which had outlived their designated charitable purposes exerted on vast amounts of capital. Goff was deeply troubled by the fact that so much wealth was uselessly held in the icy grip of irrevocable wills—a phenomenon that 19th-century British author Sir Arthur Hobhouse had vividly characterized as "the dead hand."

According to his wife, Fred Goff spoke so incessantly about the unfortunate reign of "the dead hand" that "it had a depressing effect upon the youngest member of the family, who asked in a frightened tone to be told where it was and what it did."

What it did was inspire Goff to create, in 1914, The Cleveland Foundation, the country’s first community trust—an invention that New York Community Trust director Ralph A. Hayes, speaking to the members of the City Club of Cleveland 12 years later, prophesied would one day be deemed as Cleveland’s most important contribution to the ideas of the world.

First as a corporate attorney whose firm prepared wills for many of Cleveland’s leading businessmen, and later as the president of the Cleveland Trust Company bank, which administered many large bequests, Goff had observed firsthand how quickly posthumous gifts made to charity could become obsolete or even harmful. An example he liked to cite was that of a former legal client, whose will specified that the income from his estate be allocated to several hospitals on the basis of the number of patients served by each. When the estate was later turned over to
Goff's bank for administration, an audit of the endowed hospitals had revealed considerable variations in their efficiency, as reflected in their costs per patient per day. But the unalterable will bound the bank to continue making an unwise distribution to the less efficient institutions.

The problem was not the client's lack of sagacity. Goff agreed with Courtney Stanhope Kenny, another 19th-century British authority on the subject of charitable endowments, that no one could "possibly predict that the way in which he has disposed of his property is that in which it will always produce ... a balance of benefit, much less a maximum of good." No, the problem was the lack of a speedy, sure and convenient way by which the living could override the outmoded provisions of any bequest, no matter how large or small.

Goff knew that the question of how to fashion such a device had eluded the world's best legal and philanthropic minds since Henry VIII had been forced to dissolve Britain's monasteries in order to recover thousands of acres of English countryside held in irritating perpetuity by the Roman Pope. However, that knowledge did not stop the Cleveland banker from determining to try. But then Frederick Harris Goff was no ordinary pinstriper.

And his were no ordinary times. Thanks to the election of progressive mayor Tom L. Johnson in 1901, reform was in the air in Cleveland, where shipping, steel-making and manufacturing had made many families wealthy, while countless immigrant laborers lived in poverty and urban squalor. At the same time that Johnson, a self-made millionaire, was fighting for free trade, just taxation and municipal ownership of utilities for his working-class constituency during three terms in office, the Cleveland Chamber of Commerce also decided to put social reform on its agenda. Faced with a proliferation of private charitable organizations that sought donations from the same small group of wealthy Clevelanders, the chamber was among the first secular groups in the country to promote the concept of federated fund raising.

Although a member of the industrial elite and motivated by its concerns for charitable efficiency, Goff also shared Tom Johnson's empathy for the plight of the common people. Like Johnson, Goff was a self-made man. Legend has it that Goff came to Cleveland in a boxcar he shared with a horse, a prized family possession his parents had asked him and his older brother to guard on the journey east from their native Illinois. The year was 1864 and he was six.
At age 10 or 12, Goff joined the crew of a sailing vessel and circumnavigated the Great Lakes. But high adventure held no permanent fascination for him. He decided to study law. Graduating from the University of Michigan in 1881 with hundreds of dollars of debt, he found a job in Cleveland as a law librarian while studying evenings for admission to the Cuyahoga County bar.

Free of debt and admitted to the bar in 1884, Goff set up a private practice; his first month's fees were $2.40. But once-sleepy, agrarian Cleveland, in its enviable location at the crossroads where iron ore brought down from Minnesota on Great Lakes freighters converged with coal transported by rail from West Virginia, was already being transformed into a mighty steel and manufacturing center. By the turn of the century, Goff's solo practice had blossomed into one of Cleveland's leading corporate law firms. Kline, Tolles and Goff counted among its clients John D. Rockefeller's Standard Oil Company of Ohio. Goff, who specialized in business reorganizations and other financial problems, was the firm's "super-trouble-shooter," as a banking colleague would later describe him, and it is said that Rockefeller, whose business dealings took him often to New York City, had once unsuccessfully tried to lure Goff there to handle his increasingly complicated legal affairs.

But Goff had felt an abiding commitment to the community that had rewarded him with great success in business. That he was eminently suited to public service became apparent in 1907, when he served as chief negotiator of a landmark settlement between the city of Cleveland and the Cleveland Railroad Company. The two sides had been locked in a bitter struggle over ownership of the streetcar lines ever since Tom Johnson had been elected mayor on the campaign promise of three-cent fares. When the for-profit venture rejected that rate as financially unfeasible, Johnson had set up a municipal traction company. Both operations eventually went under, and a federal judge had appointed Goff the private company's receiver. Goff consented to straighten out the mess on the condition that any agreement that he negotiated with Johnson (for whom the Republican Goff had initially conceived an active dislike) would automatically be accepted. In a move that surprised everyone, he ultimately suggested that the city buy the streetcar lines and lease them to the private company to operate.

Johnson's city clerk, Peter Witt—a lifelong champion of the "warm-blooded people"—had originally regarded Goff as a representative of
"coldblooded wealth." Goff's Solomonic settlement changed his opinion. "I know that not another man in Cleveland could have secured for the stockholders of the Cleveland Railroad Company as high a figure as he secured," Witt said later in a eulogy. "Having done so, Fred Goff threw himself on the side of the city and with Tom Johnson drew up as strong and favorable a lease and other legal requirements as possibly could be made. Thus, then, did Fred Goff, more clearly than any other man I ever knew, make very plain the great difference between character and reputation."

Witt and Goff served as pallbearers at Tom Johnson's funeral in 1911, for the mayor and the attorney had also become loyal friends.

Within two months of the close of the streetcar negotiations, Goff had been approached by the directors of the Cleveland Trust Company. They had been so impressed by his performance that they asked him to become the bank's first full-time president. Consenting would require Goff not only to accept a salary cut of approximately $150,000 annually, but to abandon a profession to which he had devoted some 25 years of his life. Yet, remarkably, he viewed the offer as an opportunity to serve the public good and accepted it.

Cleveland Trust had ambitions of becoming "the people's bank." Shortly after Goff became president in June 1908, he made clear his intention of living up to that motto. He sent a letter to the Cleveland Trust board outlining several new operating principles: recognition that directors should be kept completely informed of all business developments; prohibition of loans to officers or directors; and institution of an independent daily audit. Measures that later would become customary in the prevention of financial abuse, these were revolutionary concepts in their day—so much so that one member of the board had loudly objected to the proposed no-loan policy. "Fred," he said to Goff, "you can't do that. What do you think we are directors for?" But Goff had prevailed, and his belief that conservative banking practices would increase confidence in the young trust company had been amply rewarded. When he took charge, the 13-year-old firm had 15 branches, 70,000 depositors and $30 million in assets. By the time of Goff's death in 1923, Cleveland Trust had become the country's sixth-largest bank with 52 branches, 397,000 depositors and $176 million in assets.

Another Goff innovation was the introduction of a service called a "living trust" for those persons who desired to implement inheritance
plans for their families while still alive. Indeed, it was Goff's natural concern about how best to provide for his own heirs—he had a son and two daughters—that had prompted him to think about the "dead hand." Goff desired to protect his children from want, but he also feared that if they were to become the sole beneficiaries of his wealth, it could be damaging to their personal growth and ambition. After determining that he would provide a comfortable, but not unduly luxurious, life for his children, he turned to the issue of future progeny. Should he follow the example of a 17th-century Englishman by the name of Henry Smith, he wondered? In 1626 Smith had left a portion of his estate to provide in perpetuity for impecunious relatives. By 1700 there were four such deserving souls; nearly two centuries later, more than 400 persons whom Smith had never met were on his dole. Smith's unhappy example influenced Goff's decision to provide for his children and their children and no more.

But what of the rest of his estate? "Along with this earnest speculation about his family's future, Mr. Goff thought a great deal about the ultimate usefulness of his estate to the community," Frances Goff once explained. "He had a great desire in some way to make a useful contribution to the future of the city where he had spent his life and done his work. . . ."

The more Goff pondered the problem, the more he found himself coming back to one simple but compelling thought:

How fine it would be if a man about to make a will could go to a permanently enduring organization—what Chief Justice [John] Marshall called an "artificial immortal being"—and say: "Here is a large sum of money that I shall presently no longer need. I want to leave it to be used for the good of the community, but I have no way of knowing what will be the greatest need of the community 50 years from now, or even 10 years from now. Therefore, I place it in your hands, because you will be here, you and your successors, throughout the years, to determine what should be done with this sum to make it most useful for people of each succeeding generation."

Not surprisingly, Goff came to the conclusion that the ideal "immortal being" he sought was his own bank. Couldn't Cleveland Trust, he reasoned, administer a trust set up for charitable purposes as effectively as any other kind of bequest? Couldn't the board of directors be the living hand needed to ensure that the community always received the maximum benefit from such an endowment? In the fall of 1913 he
decided to explore the idea with the officers in charge of the trust department and the bank's chief counsel.

The idea made sense to Goff's advisors; in addition to its obvious philanthropic merit, it would be an excellent marketing tool for the bank's trust department, which charged clients a fee to administer their trust income. They encouraged Goff to commit his thoughts to paper for presentation to the bank's board of directors.

There were not a lot of models for Goff to emulate. Shortly after the Civil War, George Peabody had established a $3 million trust in the interest of promoting education in the South. The Peabody Educational Fund (now the Southern Education Fund) was the first modern foundation in that it had not been created for the perpetual endowment of a specific institution. Since that time fewer than a dozen other national foundations had emerged, the best known of which were the Carnegie Corporation ("to promote the diffusion of knowledge among U.S. citizens") and John D. Rockefeller's General Education Board and the Rockefeller Institute for Medical Research. Earlier in 1913 Rockefeller had established a third foundation, a $100 million trust with the open-ended purpose of promoting "any and all elements of human progress."

As Rockefeller's former attorney and sometimes banker, Goff was aware of the industrialist's many charitable activities, and his own planning seems to have been especially influenced by the purpose and structure of the new Rockefeller Foundation. "Mr. Rockefeller[']s . . . investments in charity as in business are made to secure the maximum of return," Goff would state in 1919, adding:

If Mr. Rockefeller had not believed in the value of large units for handling charitable gifts, he would have created, say, a thousand separate trusts of one hundred thousand dollars each. . . . The advantage [of a large foundation] would be immeasurably [clearer] if we were to conceive of the multitude of small trusts being created by different individuals, for the most part unhappily lacking the genius of Mr. Rockefeller in planning charitable trusts to endure for all time. . . . Recognizing his inability to foresee the needs of mankind in future ages, he imposed no restriction and made no suggestion as to how either interest or principal should be used.

In order to ensure that a small bequest would be administered as efficiently as a large one, Goff decided to propose that the bank become the trustee for a single great endowment, created from the union of many gifts, that would have the broadest possible charitable purposes, but be
limited in geographical scope to serving the residents of Cleveland. They would call it a community trust.

The income from the trust’s combined bequests would thus be made available for

assisting charitable and educational institutions whether supported by private donations or public taxation, for promoting education, scientific research, for care of the sick, aged or helpless, to improve living conditions or to provide recreation for all classes, and for such other charitable purposes as will best make for the mental, moral and physical improvement of the inhabitants of the City of Cleveland.

While a donor to the foundation would have the option of designating a more specific use for the income from his bequest, his wish would be observed “only in so far as the purposes indicated shall seem to the Trustee, under conditions as they may hereafter exist, wise and most widely beneficial, absolute discretion being vested in a majority of the then members of the Board of Directors of the Cleveland Trust Company to determine with respect thereto.”

With this provision, Goff had finally conquered the “dead hand.”

Once his community trust plan was drafted, Goff submitted it for review to two outside attorneys, one of whom was his former partner, Sheldon H. Tolles. He also sent copies to dozens of other advisers for suggestions and criticism, ranging from Peter Witt to Andrew Carnegie. He even discussed the proposal with his chauffeur.

Goff’s wide-ranging search for the holes in his own thinking may have saved his plan from a potentially fatal weakness. A chance conference with Earl Martin, the editor of the Cleveland Press newspaper, added a critical missing component—the element of public representation.

When Martin had shared the news of Goff’s proposed foundation with Livy S. Richard, one of the paper’s editorial writers, Richard inquired if Goff had said anything about how the fund was to be controlled. Told no, Richard responded that money meant for the use of the people should be controlled by the people. Richard would later recount what happened next:

“Put that on paper,” said Martin, and I did, in a letter of five pages, written, as I supposed, for Martin’s eyes alone. I went the limit, arguing that even if the people made fools of themselves and wasted money it would be better in the long run than having a select few try to tell them what they ought to have.
Martin sent the letter to Goff, who that evening, as he told me later, handed it to Mrs. Goff as a sample of "nut" radicalism.

Foundations were normally set up as private corporations with self-perpetuating boards.

But Frances Southworth Goff was a woman of character and intelligence. Her grandparents had come to northern Ohio in 1836 to farm acreage granted them by the Connecticut Land Company. Her father was credited with laying Cleveland's first sidewalks and waterlines. A graduate of Vassar, class of 1886, Mrs. Goff would make her own indelible mark on the city as one of the 15 founders of the Federation for Charity and Philanthropy—a model for federated fund-raising organizations throughout America that evolved into today's United Way. Organized in January 1913 at the behest of the Cleveland Chamber of Commerce to coordinate funding of the city's multitudinous social service agencies, the Federation had a 30-member board, one third of whom had been selected by Chamber officials to represent the city at large. Her familiarity with the Federation's attempt to provide for public representation may account for Mrs. Goff's sympathetic response to Livy Richard's proposal. "Fred," she had told her husband after reading Richard's letter, "I believe that fellow is right."

Upon reflection, Goff came to share Richard's belief that a self-perpetuating board of conservative bankers was not necessarily the best qualified judge of community needs, and he revised his plan to incorporate a new entity with the power to determine how the foundation's income should be allocated: a "committee to distribute," he called it. The five-member committee was to consist of "residents of Cleveland, men or women interested in welfare work, possessing a knowledge of the civic, educational, physical and moral needs of the community; preferably but one, and in no event to exceed two members of said committee, to belong to the same religious sect or denomination; those holding or seeking political office to be disqualified from serving." While two members were to be chosen by the directors of Cleveland Trust, Goff provided that a majority be named by public officials, with the mayor of Cleveland, the presiding judge of the county probate court and the chief judge of the U.S. District Court in Northern Ohio each having one appointment.

The other power vested in the committee would be the ability to
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distribute, with the approval of two-thirds of the Cleveland Trust board, "all or any part of the principal constituting the trust estate . . . for any purpose within the scope of the Foundation . . . provided that not to exceed twenty (20) per cent of the entire amount held as principal shall be disbursed during a period of five consecutive years." More than five decades would pass before the utility of this provision became clear.

With a meeting of the bank board to discuss the plan imminently scheduled, Goff sent a copy of the final draft to Starr J. Murphy, John D. Rockefeller's personal attorney and a trustee of two of his foundations, inviting comment on "what perhaps will be called a Foundation for the City of Cleveland." In a reply dated December 24, 1913, Murphy praised Goff's concept of a community trust, but foresightedly questioned whether "the fact that the sole trustee of the fund is a single trust company may interfere with the amounts which might otherwise be given to a Charitable Foundation," adding: "I apprehend that if the idea takes, other trust companies may desire to establish similar trusts of which they shall be trustees, and an unfortunate competition might arise for the business."

Despite his meticulous planning for most contingencies, Goff declined to address Murphy's criticism of the single trusteeship—a final flaw in his concept that the banker either could not, or chose not to, remedy. As Murphy had predicted, the bank's exclusive involvement would indeed stunt the early growth of The Cleveland Foundation, which was created on January 2, 1914, when the Cleveland Trust board adopted Goff's much-revised Resolution and Declaration of Trust.

Events of little more than a year later proved that Goff's rejection of the traditional corporate trustee structure was well advised. In February 1915 he was called to New York City to defend his fledgling enterprise at federal hearings investigating charitable trusts. Conducted by a national commission on industrial relations under the chairmanship of labor lawyer Frank P. Walsh, who charged that foundations were "an effort to perpetuate the present position of predatory wealth," the hearings took direct aim at the menace to society many believed was posed by such capitalists as Carnegie and Rockefeller in establishing immense private endowments answerable only to their own appointees.

The investigation had been sparked by the Ludlow massacre, in which dozens of miners striking the Colorado Fuel and Iron Company, a Rockefeller-owned mining concern based in Denver, were killed by the state
militia at the Ludlow mining camp. Believing that a Rockefeller Foundation-funded study on labor unrest had been used to whip up antiunion sentiment in Colorado, Walsh demanded to know, in his first question to Goff, how The Cleveland Foundation went about spreading "conservative" opinion in its own community. Armed with the fact that publicly elected officials had the power of appointment over a majority of the members of the Foundation's allocations committee, thus ensuring its accountability to the entire community, Goff was able to parry all of Walsh's charges so neatly that the labor lawyer ended up complimenting him on his wise innovation. (In actual practice, the members of the committee would not for many years reflect anything approaching the city's ethnic and racial diversity. Except for the various mayors of Cleveland, each of whom always selected a well-bred woman as his appointee, the appointing authorities confined their choices to white males of means until well into the seventies.)

Goff would later tell Livy Richard that "he believed my accidental butting in had done much to commend the project to public opinion's left wing." In fact, Goff believed that the community trust constituted the best possible answer to the critics of capitalism. As he stated in 1919:

I am hopeful that in these days of social unrest, when the accumulation of large fortunes is often decried, if it be known that a generous portion of the wealth one accumulates is ultimately to be devoted to community use, it may be deemed honorable, even in the eyes of the professional critic, for men who prefer struggle and achievement to idleness and leisure to continue the pursuit of wealth.
Exercising its Goff-given powers, the Distribution Committee of The Cleveland Foundation had come over the course of the next seven decades to award grants four times a year, in March, June, September and December.

The process by which the Foundation arrived at its grantmaking decisions was, by the late eighties, painstaking. Whether submitted “over the transom” or invited, grant proposals were first read by the director, who then assigned the requests to one of the Foundation’s program officers, each an expert in a certain field—namely, civic affairs, cultural affairs, economic development, education, health or social services. The program officer was expected to investigate the merits of the request by the means of interviewing the grant seekers and visiting their operation. Afterward the program officer wrote a three-to-six-page report, explaining the reasons why he or she believed the request should be approved or declined and, in the case of the former, recommending the amount of the grant.

Dubbed the “blue sheets” because of the color of their paper, the reports were then read by a subcommittee of four or five Distribution Committee members assigned to the program area in question. At the quarterly meeting of the subcommittee, the program officer could be queried about his or her recommendations before the subcommittee members decided to accept, reject or modify them. At the end of each quarter the entire Distribution Committee would meet to approve the recommended grants, only rarely overruling the subcommittees’ dis-
position. By the late eighties, some 400 or so proposals were evaluated in this dispassionate fashion each year.

Normally, the docket review meeting, at which Steve Minter and the program officers examined a log of all the grant proposals received that quarter, was a routine step in the evaluation process, serving to keep the members of the professional staff abreast of one another's work. But the 9:30 A.M. conference on May 19, 1987, held as always in the wood-paneled board room of the Foundation's offices, had taken on special urgency.

On the June docket was a grant proposal that had prompted school superintendent Al Tutela's urgent questioning of Minter after the annual meeting 10 days before. Submitted by the Greater Cleveland Roundtable, it asked The Cleveland Foundation to make the lead grant, for $3.75 million, to a new, $16 million universal scholarship and jobs program for Cleveland public school graduates. Because the staff had decided to recommend the program as the first component of the Foundation's Special Initiative in Education, it had been logged in to receive $3 million over three years. This paper commitment would provide the first indication of the impact of the Special Initiatives on the availability of funds, particularly unrestricted income, about which a word of explanation is in order.

Because donors to the Foundation have the right to earmark the charitable uses of their funds if they so desire, about 20 percent of the Foundation's annual income is restricted to such specific purposes as medical research or college scholarships. Another 40 percent is designated for more general applications, such as aid to sick, needy or crippled children. The remaining 40 percent of the Foundation's annual income has no limitations as to purpose. It is these loosely designated or totally unrestricted dollars—the envy of more rigidly endowed community trusts in most other cities—that provide the major means to be flexible and creative.

Ironically, as the Foundation's role in the community grew in scope and complexity because of its relative independence of action, its reliance on unrestricted income had intensified. The June 1987 log sheets revealed that launching the first Special Initiative would consume $1.3 million of the year's allotment of flexible dollars. Should all the other meritorious requests on the log be authorized, it appeared likely that more than $6 million of the $7 million in unrestricted funds available for the year would be allocated
after only the second round of grantmaking. This would leave scant room for maneuvering in the third and fourth quarters.

Clearly, in reaching for new heights of leadership, the Foundation was stretching its resources to the breaking point. Yet the thought of retrenching never entered anyone's mind, for the desire to be receptive to changing community needs represented the most fundamental of institutional impulses. Thus, in late June 1987, the Distribution Committee decided to award $3 million to the Roundtable's Cleveland Initiative for Education (CIE). The grant was the largest single award the Foundation had ever made.

Despite the cost and ambitiousness of the Cleveland Initiative for Education, which was touted by its organizers as "the most intensive, comprehensive campaign ever undertaken by a major American city to improve the quality of public education and motivate students to stay in school and graduate," the program had had intensely practical origins. Because it would become the cornerstone of the Foundation's Special Initiative in Education, those origins merit some discussion.

Al Tutela had needed a way to compete with the streets. He knew that in the eyes of too many Cleveland youths the road to riches began by standing lookout for the neighborhood pusher, not by studying books. How do you persuade kids whose only models of upward mobility are dealers and pimps that they can escape a life of poverty by graduating from high school?

Tutela, a former Boston public schools administrator who had come to town in 1978 to assist in implementing a federal court order to desegregate the Cleveland public schools, thought he might have an answer. Why not pay disadvantaged kids for getting good grades with cash from a designated scholarship fund? One A or B so rewarded would, he believed, breed more As and Bs and inspire a kid to stay in school. It was a little like learning to play basketball. If you never made a basket, pretty soon you gave up. But if you made even one basket out of 10, you would be motivated to continue shooting.

In 1985, during a stint as acting superintendent of public schools, Tutela had shared his idea with several community groups, including the Greater Cleveland Roundtable. But no one had run with it, and soon Tutela was no longer sitting in the superintendent's chair. A year later, when the outsider who had been hired as superintendent was abruptly fired and Tutela named to replace him, he had dusted off the idea and
presented it once again to the Roundtable. This time Tutela discovered a more appreciative audience in the organization whose creation in the early eighties The Cleveland Foundation had supported in order “to bring together the many diverse and often conflicting interests that make up the Greater Cleveland community to create a shared agenda for addressing Cleveland’s priority economic and social concerns,” as the Roundtable has described its purpose.

The Roundtable’s newfound receptivity to Tutela’s brainchild could be traced back to a consciousness-raising session at The Cleveland Foundation’s annual board retreat in March 1986 that featured a report on the Boston Compact. Established in 1982 by Boston’s corporate community as a matter of enlightened self-interest, the Compact promised jobs for qualified public school graduates in exchange for improvements in the schools’ dropout rates and math and reading test scores—problem areas that affected the caliber of the local work force. Minter had invited several Compact representatives to speak at the retreat in order to make a point: Rather than stand around hoping public education in Cleveland would right itself, one could emulate the Boston corporate community and strike a bargain with the schools.

Inspired by the news that the Compact seemed to be working, “The Distribution Committee in executive session gave the signal to exercise a degree of leadership not attempted in the past,” Steve Minter had reported afterwards in a thank-you note to Compact’s director, who had attended the session.

... I am certain your comments will [also] find their way into next week’s Greater Cleveland Roundtable retreat. The Roundtable, Cleveland’s urban coalition, has been struggling with its education mission. Five of our Distribution Committee members are also Roundtable trustees, plus the two guests [Minter had invited to the] ... session are Roundtable education committee members. I should also point out that Richard W. Pogue, our chairman, is the new chairman of the Roundtable.

As Minter had predicted, at its April retreat the Roundtable board had designated primary and secondary education as its number-one concern; a month later the organization asked the Foundation for a $40,000 grant to fund a staff specialist in education. The request was approved in June 1986, at the same time that the Distribution Committee had allocated $30,000 for the preparation of a concept paper outlining how
the Foundation might become more "proactive"—a favorite bit of philanthropic jargon—vis-à-vis the schools. Now both organizations were primed to pursue a supportive relationship that had long been stymied by the instability and political infighting that had accompanied desegregation.

When Tutela took over as superintendent in August 1986, the Roundtable, among several other community groups, had immediately invited him in to speak. "Tell us what you want," Tutela remembered Dick Pogue instructing him. Tutela had not taken these engagements casually. He had enlisted the help of William A. Silverman, Jr., of Wm. Silverman & Associates, a Cleveland public relations firm specializing in political affairs that got its start in the sixties when Silverman was hired as a communications consultant to the mayoral administration of Carl B. Stokes, with the support of a grant from The Cleveland Foundation. The architect of Cleveland: Now!, Stokes's ambitious and controversial economic redevelopment program, Silverman had assisted Tutela in the preparation of a professional flip-chart presentation on "External Initiatives" that the superintendent hoped the business and philanthropic communities would fund. The chief component of this $37 million wish list had been a "Scholarship Endowment" of $30 million.

In September 1986, Jack Dwyer, chairperson of the Foundation's education subcommittee and a member of the Roundtable board, had attended Tutela's presentation to the Roundtable trustees, a gathering at which the business community had been well represented. "When he threw out the price tag, you could hear a pin drop," Dwyer said. According to Dwyer, the corporate community had nonetheless been gratified that "at least [it] had something to work with," after years of feeling powerless to effect change in the schools.

After Tutela's presentation, the Roundtable had assigned the task of scrutinizing the superintendent's proposals to its education subcommittee, chaired by John F. Lewis. The managing partner of the Cleveland law firm of Squire, Sanders and Dempsey, Lewis recognized from his experience as a past leader of the Playhouse Square theater restoration project that "very little happens in this community unless The Cleveland Foundation is involved." He had decided "early on" to seek Steve Minter's advice. "Steve said you'd be smart to send out a letter asking other people to get involved," Lewis recalled. "He realized that the education subcommittee didn't have much power. . . . There's a perception that
if something has the backing of Cleveland Tomorrow, it has the support of Cleveland’s corporations, while if it’s Roundtable-backed, its kind of mushy—you’re not sure where the corporations are.”

By mid-December the 18-member Ad Hoc Strategy Group on Education consisting, as a Foundation think piece had recommended, of “high-level leaders in the business, education and philanthropic communities with demonstrated track records in policy-making and volunteer service” had been assembled. (As he drove home from Boston after taking a college-age daughter back to Harvard the Sunday after Thanksgiving, Minter had supplemented Lewis’s letter to many of the prospective participants with a personal note of invitation issued via phone at various rest stops along the way.) For the six or seven months of its existence, the Strategy Group operated under the aegis of the Roundtable—an organizational detail that Dick Pogue had suggested to Minter in order to lend credibility to both the group and the Roundtable. By January a task force was spun off to examine the feasibility of Tutela’s proposed scholarship program, which had no known models. “They really worked hard to try to find everything wrong with it,” Tutela would later claim. “They tore it apart and then came back up with it.”

The resulting $16 million Cleveland Initiative for Education initially consisted of universal postsecondary scholarship and employment programs called Scholarship in Escrow (SIE) and School-to-Work (STW). Scholarship in Escrow was based directly on Tutela’s notion that a sense of hopefulness about the future could be engendered in disaffected students by rewarding them with $40, $30 or $10 for, respectively, every A, B or C they earned in core academic subjects beginning in the seventh grade. However, rather than turning over millions of dollars to the Cleveland public schools, with its reputation for mismanagement, as Tutela had originally proposed, the task force had decided that the better part of wisdom called for placing all monies earned in a CIE-controlled account to be applied toward the student’s college tuition or postsecondary technical training. Concerned that personal problems or negative peer influence might undermine the impact of the incentive program, the task force had also recommended that an “advocate” be placed in each school to advise needy students on support services available throughout the community. The planners anticipated using federal job training monies to pay the advocates.
In exchange for the community's commitment to fund the scholarship side of the program for five years, the task force had decided that the following improvements in the performance of the school's 30,000 7th through 12th graders could be reasonably expected: (1) an increase from 45 to 55 percent in the number of seventh graders who graduated from high school; (2) a threefold increase—from 51 to 168—in the number of students qualified for unconditional admission to accredited state institutions; and (3) a 60 percent increase—from about 700 to 1,100—in the number of students taking the American College Test (ACT) that most colleges use as a criterion for admission. If these improvements were realized, SIE would be deemed worthy of continuation beyond the initial funding period. Nowhere, however, did the task force set forth what it expected the school system to do to help meet these goals, despite the fact that their attainment, especially in regard to reducing the dropout rate, would require a substantial change in the performance of a large number of students.

To complement SIE, the Strategy Group had suggested adding an incentive for students who wished to work after high school; this could readily be accomplished, group members believed, by expanding an existing pilot program called School-to-Work begun by the Roundtable in 1983. The program offered accredited classes in workplace skills and behavior to juniors and seniors, whom it guided after graduation to Greater Cleveland employers who had signed an agreement to provide a certain number of entry-level jobs to Cleveland public school graduates each year. The Strategy Group's continuing deliberations also spawned, albeit somewhat inadvertently, a full-blown "adopt-a-school" program. Excited by his involvement in formulating the Cleveland Initiative for Education, Strategy Group member Robert W. Gillespie, the chairman and chief executive officer of Society National Bank, was inspired to persuade his bank to select a Cleveland high school to which it would provide special assistance. In the process Gillespie set an example that led, within a year of CIE's public announcement in July 1987, to 11 other Cleveland corporations volunteering to pair themselves with each of the system's remaining high schools. They called themselves Cleveland Education Partners.

In the meantime, $12.5 million had been raised for SIE and STW, and they, too, were up and running.
Although they did not express them publicly, some members of the Foundation's Distribution Committee had doubts about the Cleveland Initiative for Education's chances of succeeding. Most of the debate centered around Scholarship in Escrow, because Al Tutela's concept was without precedent. Aside from the question of whether students should be paid for getting good grades, there was the issue of whether such modest cash rewards would even work to motivate kids to stay in school and/or improve their grades.

Jack Dwyer had been among those who questioned the merits of SIE, but, after superintendent Tutela made a presentation to the Foundation's education subcommittee that he chaired, he had modified his position. "I felt Tutela had been asked to come forward twice—by us and the Roundtable—and explain what he felt would do most for education right now. He gave us the same answer each time, so in the absence of other ideas we had better support him," Dwyer explained.

Others who had funded the Cleveland Initiative for Education, despite having private reservations, did so for reasons that went beyond a desire to support the first superintendent in recent memory who had articulated any sort of vision for the schools. (If one counted court-appointed desegregation administrators, as well as superintendents, the system had had 11 leaders since 1978). Sondra Hardis, program associate for education in BP America's corporate contributions department, who had served as one of three staff members of the SIE task force, spoke for many civic leaders in describing the Cleveland Initiative for Education as a means to an end. "I don't think anyone was that confident the schools could deliver on their part of the bargain or that these were even the right programs; they're important but peripheral," said Hardis, whose employer had made a lead grant of $2 million—its largest single grant ever—to CIE. "Many of us see this as a first step, as an important demonstration of community support. It buys the community a seat at the table, where we can use these programs to advocate with the superintendent for more basic school reform."

Steve Minter's personal beliefs about CIE were harder to discern. According to Tutela, a close observer of the director's role in forming the Ad Hoc Strategy Group, Minter was a guy who liked to play his cards close to the vest. If so, Minter seemed also to be hedging his bet. The blue sheet recommending a $3 million grant to CIE had specified an
unusual number of conditions that would have to be met before any monies were released. Obtaining the agreement of SIE's trustees to an annual evaluation of the program by an independent consultant had been among them.

In early 1989, six months after Scholarship in Escrow began operation, The Cleveland Foundation, BP America and the George Gund Foundation, a Cleveland-based private foundation that had also helped to launch CIE, hired Public/Private Ventures to conduct the first annual evaluation of Cleveland's Initiative for Education. Nationally recognized for its expertise in educational partnerships, the Philadelphia-based firm counted among its clients business collaborations with public schools in nine major cities, including Boston.

Public/Private Ventures (P/PV) issued its report late that spring. P/PV's principals pronounced Scholarship in Escrow, School-to-Work and Cleveland Education Partners—the corporations' adopt-a-school campaign, which community leaders had come to perceive as a part of the initiative—to be "inventive and substantial" programs whose operations were technically solid. "[Their] strengths—wide range of programming, significant investment, innovative approaches and reasonable length of commitment—are crucial to the capacity of the private sector to produce noticeable, system-wide results in the behavior of urban public school students and school systems," the report stated. "The history of private programming for social problems is replete with narrowly-focused, short-term, high expectation initiatives that have produced little or no impact on either youth or the larger public systems they were intended to augment or assist. Cleveland's private sector has produced plans that consciously avoid these shortcomings."

But Public/Private Ventures also expressed concern about the ability of the Cleveland Initiative for Education as then structured to achieve results commensurate with the dollars and time being invested. The firm recommended a number of changes that it believed would enhance the initiative's effectiveness. For example, the report suggested restructuring SIE to reward most handsomely the average student who had significantly improved his or her grades, rather than continuing to weight the cash awards in favor of the straight-A or -B students, who were not likely to need outside motivation to perform well. Believing that even $6,000—the highest cash total it was possible for a student to earn during his or her five years in secondary school—was not an amount
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sufficient to convince a disadvantaged kid that he or she could really afford to go to college, P/PV urged SIE to package other existing and potential scholarship funds into its own award program.

The report also called for better coordination of the various CIE programs. Finding, for example, that SIE's school-based advocates were spread too thinly, each one having to handle a caseload of up to hundreds of students, the report suggested that Cleveland Education Partners volunteers be recruited to help lead kids to needed support services—if necessary, by the hand. And it recommended that School-to-Work focus its job-training and job-placement efforts on students who had been identified by SIE advocates as having made significant educational progress.

In addition to fine-tuning the mechanics of the three programs, Public/Private Ventures sought to alert CIE's funders to a more important problem: the lack of a plan for winning the cooperation of the other players needed to effect system-wide change. The final report of the SIE task force had anticipated that the program would "drive a host of other educational reforms," but, as P/PV noted, to date there had been no "agreement on how the private sector investment might be used to . . . ensure that other necessary steps are actually taken."

To resolve the predicament, P/PV's principals recommended that the Cleveland Initiative for Education be formally established as an umbrella organization with its own staff and a board broadly representative of the business, civic, social service and educational community. While the sponsorship, funding and oversight of CIE would remain in the hands of the private sector, the new organization would serve as a long-needed forum where community leaders could meet with the superintendent, union officials and other partners to build consensus on policies and programs for improving the schools.

"The CIE we envision is a vehicle for providing leadership, outside momentum and the capacity for resolution to a set of problems that cannot be dealt with by any one institution or strategy," P/PV's report concluded. "[It] can be a credible voice for keeping the attention of all parties on the relationship of educational improvement to the continued progress of the Cleveland community and economy."

Briefed earlier in the spring of 1989 by P/PV's principals about the firm's preliminary findings, the Distribution Committee had greeted Public/Private Ventures' frank assessment of CIE's strengths and weaknesses with some misgivings. Dick Pogue was especially concerned
about the report's potentially negative impact on the Greater Cleveland Roundtable's fund-raising campaign for the initiative, which was still $2.5 million from its goal of $16 million. On the other hand, the evaluation would have great value internally. Armed with an informed opinion of the true challenges facing the initiative, the Foundation staff could be much more effective in helping the grantees and the superintendent reshape CIE to meet the desired ends. And those goals should be expanded, P/PV strongly urged, to include seeking improvements in teaching techniques and enriching the curriculum. As the report concluded: Without "the delivery of effective and relevant educational content . . . the incentive and support programs have little on which to build."

The process of reshaping CIE began immediately upon the dissemination of the final report. In June 1989 its three underwriters—the Cleveland and Gund foundations and BP America—convened a meeting of the public schools superintendent, Greater Cleveland Roundtable education chairperson John Lewis and representatives of the boards and staffs of the CIE programs. (The meeting was held at the very moment, ironically, that the five-year-old Boston school-improvement movement that had inspired CIE was foundering on the shoals of the Massachusetts schools' nonperformance.) All parties agreed to proceed to incorporate the Cleveland Initiative for Education as a high-visibility advocate for educational reform. Or, as Victor C. Young, then the Foundation's program officer for pre-collegiate education, described it: "a real leverage operation—it will have the ability to leverage change." Although a structure and a strategy for doing so had still to be worked out, it was hoped that, at the very least, the new superagency would help Cleveland take advantage of the hard lessons Boston had learned.
A Tradition of Involvement

The Cleveland Foundation's interest in public education can be traced back to 1915, when it commissioned a comprehensive investigation of the performance of the Cleveland schools, which were then struggling to cope with the needs of a rapidly growing immigrant population from southern and eastern Europe.

The school study had sprung from banker Frederick Goff's intention of having his new foundation conduct "a great social and economic survey of Cleveland, to uncover the causes of poverty and crime and point out the cure." With this public announcement, coming within six weeks of The Cleveland Foundation's creation in January 1914, Goff revealed his considerable expectations for the role such a trust could play in the life of its community. Three-quarters of a century later, the Foundation would still be struggling with how best to fulfill the mission Goff had envisioned for it when the concept of a charitable trust held for the benefit of an entire city had still been little more than words on paper.

Goff's ambitious plans were as much rooted in pragmatism as in idealism, however. The newborn foundation had, as yet, no funds, although Goff shared with reporters his belief in 1914 that within 10 years Clevelanders would endow it with $100 million in bequests. The survey, which Goff and his business associates were prepared to underwrite, would be a way for the penniless foundation to make an immediate contribution—by increasing public awareness of the problems facing a community in the throes of rapid urbanization. It would also be an indispensable blueprint to guide the Foundation's grantmaking at that future date when income was available for distribution.
The research project, which Goff expected would take two years to conduct, was to be modeled after a study of living and working conditions in Pittsburgh's steel district. The study was conducted in 1907 with funding from the Russell Sage Foundation, a newly formed national philanthropy dedicated to "the improvement of . . . living conditions in the United States" through social science. But, according to Goff, who had taken pains to familiarize himself with the methodology recommended by the Sage Foundation's director of surveys and exhibits, the Cleveland effort would be more comprehensive than the 100 or so other municipal studies the Pittsburgh study had since inspired.

"The rapid increase in foreign population has brought its attendant problems," Goff told a *Cleveland Press* reporter. "... Tenement houses, playgrounds, the segregated district [where houses of prostitution were tolerated but confined], the problem of delinquent children, infant mortality and every cause which leads to distress among the inhabitants of Cleveland will come under [examination] with a view to ascertaining whether or not the present-day machinery of social and industrial life is adequate to deal with the needs. ... In brief, what can be done to make Cleveland a better place to live in and hence to do business in?"

Concurrent with Goff's announcement of the Foundation's ambitious undertaking, a five-member Survey Committee was chosen to oversee the research by the same authorities empowered to appoint the Distribution Committee. Chair by a local manufacturer who sat on the board of Cleveland Trust, the Survey Committee soon grew with the addition of a paid director, Allen T. Burns, whom Goff had recruited from Pittsburgh, where he had been executive secretary of a civic commission formed to carry out the recommendations of the Sage survey. As events would have it, however, Burns was never called on to conduct the comprehensive municipal survey Goff had originally contemplated. Once the founder's plans for the new community trust were publicized, the Foundation began to be approached from all quarters with requests that it conduct studies of a multitude of social evils—some as limited in scope as dangerous railroad crossings, others as complex as the causes of socialist fervor among newly arrived immigrants.

From this menu of problems the Foundation would select, over the course of its first decade in existence, eight topics that it deemed sufficiently weighty to engage the spirited public debate it believed was required to prompt reform. Each carried out by a team of national ex-
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experts, these independent and largely unrelated surveys would cost more than $200,000. Goff, his friends and Cleveland Trust itself underwrote this then princely sum with apparent good cheer (the latter viewing the contribution as a legitimate advertising expense for its trust department). Though several of the surveys yielded only modest fruit, the three largest would lead to much-needed (if only temporarily salutary) overhauls of Cleveland's systems of public education, of recreation and administration of justice. Indeed, two of the surveys could have changed, dramatically and favorably, the course of Cleveland's economic development. Unfortunately, both would come to naught.

The first, a study of the Cleveland lakefront aimed at turning it into a recreational resource similar to those in Chicago and Toronto, was proposed by the Foundation's first full-time director, Raymond Moley. However, the project was shelved when Moley accepted a job elsewhere. The second was a survey of higher education; its principal recommendation, that Western Reserve College and Case School of Applied Science be merged into a municipal university to rival those in New York, Boston and Chicago, went unheeded. It would be left to a succeeding generation of Cleveland Foundation leaders to undertake the lakefront's redevelopment and help strengthen the finally merged Case Western Reserve University.

In retrospect, the most enduring contribution of the survey years was to establish a precedent for a local philanthropy to act as a civic agenda-setter and problem-solver. Because this tradition would inspire the creators of the similarly enterprising Greater Cleveland Associated Foundation in the sixties, who cited the survey work as justification for their undertaking, the first 10 years of the Foundation's life bear examination in some detail. (They have additional interest as perhaps the most colorful period in The Cleveland Foundation's history.)

The topic of The Cleveland Foundation's first survey was "poor relief," as the city's embryonic welfare system was called. The investigation had been suggested by Belle Sherwin, the daughter of the founder of the Sherwin-Williams paint company and one of the city's most prominent volunteers. Miss Sherwin, a graduate of Wellesley College and a former girls' school teacher, was no Lady Bountiful. A trustee of the Federation for Charity and Philanthropy, she was a tireless civic planner who helped design a parallel organization, the Cleveland Welfare Council, to coordinate the work of the city's social service agencies. In April 1914 Miss
Sherwin had been asked to become its founding president. During the council's first 18 months she called dozens of meetings, many of them concerned with the increasing demands being placed on the city's private and public relief agencies by a severe recession that year. Faced in the fall of 1914 with the imminent prospect of the entire system running out of funds, Miss Sherwin asked Allen Burns, a member-at-large of the Welfare Council, if The Cleveland Foundation would consider conducting a speedy study of how to strengthen the city's relief effort.

The Foundation decided to shelve temporarily Goff's plans for a much broader survey. (The project may have looked less appealing in light of the previously mentioned federal investigation of the untoward influence of private philanthropy.) Instead, Burns made arrangements to bring to Cleveland Sherman C. Kingsley, director of the Elizabeth McCormick Memorial Fund of Chicago, and Amelia Sears, welfare director for Cook County. Among the most notable features of their subsequent report, issued on December 1, 1914, was a plan for the complete reorganization of the city's relief department in preparation for its assumption of all the burden of assisting the poor. This recommendation, which went unheeded, preceded by almost 20 years the New Deal measures that transferred responsibility for public welfare from the private sector to the state.

A significant by-product of the first survey was the establishment of a close working relationship between the Foundation and the city's social service coordinators. This bond was tightened when Sherman Kingsley became the first executive secretary of the new Welfare Federation of Cleveland, formed in 1917 from the merger of the Welfare Council and the Federation for Charity and Philanthropy. The appointment of Federation trustee Belle Sherwin to the Foundation's first Distribution Committee the same year would add another channel of communication between the two organizations. When in the forties and fifties the understaffed Foundation began to rely on the Federation's evaluation of the merits of the agencies and programs that were requesting funding, the ties would become constricting. Yet in the beginning the Foundation's collaboration with the Federation proved synergistic.

In January 1915, for example, the Survey Committee formally decided to abandon its plans for a comprehensive municipal survey in favor of investigating one topic of societal interest at a time. Looking for guidance on what the Survey Committee should do now that its relief study
had been completed, Burns turned to Miss Sherwin and her Welfare Council. Subjects under consideration, according to reports in the local paper, were occupational diseases, the "social evil" (a euphemism for prostitution) and city housing policies that permitted "one of the most notorious rookeries in the United States . . . to exist in downtown Cleveland—a huge building erected not so many years ago, where hundreds of families are living in dank, poorly lighted rooms [with] . . . inadequate . . . sanitary arrangements." However, according to the Welfare Council's 1914-15 annual report, "the Executive Committee was agreed that the educational needs and opportunities of the city . . . should be considered first."

Then as now, the Cleveland public schools were overseen by a seven-member board elected by popular vote, and political considerations often reigned over educational ones—a dynamic that had hamstrung action on the problems of an increasingly overcrowded and antiquated system. Despite the proposed survey's price tag of $50,000, Goff agreed that "the schools are the very thing we ought to tackle. Nobody else dares do it."

To direct the project, Goff and Burns hired the director of education of the Russell Sage Foundation, Dr. Leonard P. Ayres. A former school superintendent with a penchant for statistics, Ayres had made a national name at Sage with his research on spelling. (In analyzing 2,000 letters of all kinds, Ayres had discovered that 50 words carried 50 percent of the communication burden and that 2,000 words comprised the letter writers' entire vocabulary. "If 2,000 words is all we need," he had concluded, "why learn to spell 2,001?" His assessment had influenced the writing of a generation of spelling primers.)

Ayres brought a similar perspective to the Foundation's survey, which was announced on April 13, 1915, at a luncheon meeting of the Cleveland Chamber of Commerce—a forum no doubt chosen because Ayres had determined that the survey ought to focus on promoting social and industrial efficiency. Did the schools adequately train pupils to perform in an increasingly mechanized world? "The trade worker today is a specialized man," Ayres pointed out at the luncheon. He elaborated:

The coat I wear was the product of 39 separate mechanical operations. My shoes required more than 100 different operations in their manufacture; in producing them, more than 45 different machines were used. Just as the manufacturer
today analyzes his coal and his steel so as to find out how to use them to best advantage, so we must analyze the occupations and processes of industry so we may develop effective courses of instruction in training workmen.

Ayres and his research staff began presenting their findings to the public that fall. At a series of regular Monday meetings open to anyone with the price of 60 cents for lunch, Ayres laid out a comprehensive plan for modernizing the Cleveland public school system, every component of which received front-page coverage in the newspapers. To set the stage for his recommendations, at his second presentation on November 15, Ayres issued a blanket indictment of the schools' performance. Out of the total student population, Ayres reported, only one-third were progressing satisfactorily, while the remaining youths were either slow in their progress or among the 2,500 pupils who dropped out of school each year because they were overage.

In subsequent meetings more than 100 recommended changes were introduced, including specialized instruction for the gifted, the handicapped, the foreign-born and the incorrigible; vocational education expanded beyond a course in woodworking; the teaching of such previously ignored subjects as civics and general science; a free textbook policy; consolidation of separately housed technical, commercial and academic programs for high school students into single buildings; enforcement of daily and compulsory attendance; the provision of health care, hot lunches and library services for all students; more rigorous teachers' certification; and establishment of a policy-making-only function for the school board.

Ayres had accepted the survey assignment on the condition that the Foundation secure the cooperation of the school board and the superintendent. School officials received in advance drafts of each survey report to review for factual errors. The superintendent's good will toward the project soon disintegrated into expressions of hostility or feigned indifference under the pressure of all the negative publicity. By the time a summary of the survey's 25 separate hardbound reports was published in January 1917, the board had hired, with Ayers's assistance, a new administrator, Frank E. Spaulding.

The former head of the Minneapolis public schools, Spaulding shared Ayres's passion for social efficiency, which no doubt helps to account for
the fact that fully three-quarters of the survey's recommendations were ultimately implemented, the Foundation determined in a follow-up investigation six years later. During that time, 9 of 11 board seats up for election had been filled by candidates pledged to noninterference in administrative matters, and five school-bond issues totaling $30 million had been approved. Both phenomena were measures of the heightened public interest in education the survey had helped to generate. Another was the brisk market for the individual hardbound reports; in the intervening six years 100,000 volumes had been sold. Orders came from educators in every corner of the county and even from overseas, and for several decades afterward, the Cleveland public schools were widely considered a model system, though problems with truancy, high dropout rates and the nonperformance of disadvantaged students persisted.

Encouraged by the overwhelming acceptance of Ayres's work, the Survey Committee decided in late 1916 to undertake a related study focusing on recreation. Scheduled to be completed in the fall of 1917, the survey was inspired in part by a concern for the unwholesome influence of pool rooms and the streets on young people who had nowhere else to play, in part by recognition of the consequences of the trend toward a shortened, eight-hour workday. The committee asked employee Burns to direct the research, with technical assistance to be provided by Rowland Haynes, New York City's recreation secretary.

As had been the case with the education survey, the project was launched in the name of the new American ideal. "What we want to do is to apply the same principles of efficiency to leisure time as they are applied to working hours," Haynes told Cleveland reporters on December 14, the day the project was announced. He continued:

The tendency everywhere is for a shorter workday. That's going to produce problems of how the extra leisure should be spent. We want to point the way. There will be unlimited questions raised and, I hope, answered. . . . How far is the saloon the poor man's club and what would replace it if the state should vote dry? Should the city have a municipal theater? How much of your young peoples' lives are going to the scrapheap, and how can we stop the waste?

Research was divided into two parts: an investigation of existing public, private and profit-oriented recreational agencies and an analysis of the leisure-time needs of school children, juvenile delinquents and
adults. Only three of the contemplated six reports had been published when work ground to a halt. America had finally declared war on Germany.

Yet it was a bitter row between Goff and Burns that put the Foundation out of the survey business for the duration of the global conflict. Their dispute had its origins in an attack a prominent Methodist minister had made from the pulpit on Cleveland's mayor. On October 28, 1917, the Reverend M. H. Lichliter of Epworth Memorial Church had stood before his parishioners and accused Mayor Harry L. Davis of winking at the development of a new "segregated" district more obnoxious than the red-light zone, which had been put out of business by the previous mayor. The story broke in the Press the following Tuesday under the banner headline: "Pastor Offers Davis Proof of New Vice Zone." The proof was Allen Burns's assertion that a nest of 27 brothels had been discovered by field researchers working for the recreation survey. Embroiled in a close race for reelection, Davis denounced Lichliter's charge as a "colossal falsehood," and the two men exchanged salvos in the papers for several days to come.

In the meantime, incensed that the Foundation's survey director would publicize its findings unofficially and prematurely, Goff angrily denounced Burns in the newspapers. Burns took umbrage at the public dressing-down, believing that he had had ample justification for what he had done. As it turned out, Mayor Davis had been using as a campaign tool a letter written by a second Cleveland minister that had been published in the newspapers. It praised the mayor for keeping prostitution and gambling under better control than had ever been the case before. Burns, who was a member of the council of churches to which the letter writer belonged, had informed the minister of the survey investigators' findings to the contrary and had asked the man to correct the public record. When the minister refused, Burns had gone to Lichliter, a member of both the council of churches and a civic committee acting as an advisor to the recreation survey. Lichliter had decided that he would set the record straight.

But Goff would have none of it. After all, Davis was a fellow Republican and the mayor's campaign chairman was a director of Cleveland Trust. Burns, feeling cruelly misjudged, resigned as director of the Survey Committee. Shortly afterward, the Survey Committee suspended
operations, citing the pressure on its members of more urgent war business as the official reason for abandoning its work.

The Foundation's first Distribution Committee would resume the recreation survey after the end of the war. Steel manufacturer Thomas G. Fitzsimons, dry-goods wholesaler Malcolm L. McBride, machine-tool manufacturer Ambrose Swasey, real estate owner James D. Williamson and Belle Sherwin had been appointed to the committee in the spring of 1918, when it had become clear that the Foundation would shortly realize income from its first trusts. But the members did not meet in earnest until January 5, 1919, when approximately $25,000 had been accumulated. With sizeable funds finally at its discretion, the committee decided that its first act should be to finish planning for a community-wide recreation program, a move that had been requested by the Welfare Federation's Sherman Kingsley, who was concerned by the fact that his organization and several others were being called upon to develop separate and unrelated plans to meet the recreational needs of returning soldiers. The Distribution Committee also voted to begin a search for a man of "broad social understanding" to become the Foundation's permanent director.

That spring, Raymond Moley, an ambitious 33-year-old professor of political science at Western Reserve University, was casting about for gainful summer employment. A colleague reminded him of the discontinued recreation survey, and Moley approached Belle Sherwin to suggest that the Foundation hire him to complete it. Moley, whom the mayor had put in charge of organizing citizenship classes for Cleveland's foreign-born during the war, had met Miss Sherwin in her capacity as the leader of women's activities for the Mayor's Advisory War Committee. Miss Sherwin, who had been impressed with a speech Moley delivered, "Effects of the War on Political Thought, Organization and Action," gladly recommended him to the Distribution Committee. In May 1919 he was hired.

Revealing the political acumen that would serve him well both as the leading member of the "brain trust" that later guided FDR into the White House and as Roosevelt's first assistant secretary of state, Moley immediately set up an appointment with Goff, whom the Distribution Committee had not consulted before reactivating the recreation survey.
"Four members of the... Committee, including Miss Sherwin and one of the appointees of the Cleveland Trust Company, [had] supported Burns after the outbreak," Moley would later explain. "They resented Goff's interference with the survey which was properly the exclusive concern of the Committee... But [Goff's] cooperation was [now] most essential as the resources of the Foundation were so limited that dependence must be placed upon him to find the money for the [recreation] survey." His meeting with the banker, Moley recounted, "did much to dissipate old differences."

Moley finished work on the recreation survey in late 1919. Among other things, it called upon the Cleveland Board of Education to increase expenditures on recreational programming and to operate the city's playgrounds, thus consolidating responsibility in one body. (Both measures were adopted for a time.) Other recommendations resulted in the creation of city-sponsored sports leagues, a separate tax to support the Cleveland Public Library and a new coordinating body to "sell to the people of the city wholesome spare time activities," as Moley later put it. That the initial reaction of the mayor to these proposals would be cool was surprising only to those with short memories. "I understand the survey cost $35,000," said Harry L. Davis, who had been reelected in 1917, but was apparently still fuming from his encounter with Moley's predecessor. "This money could have been more profitably employed in paying the salaries of additional police."

Despite the mayor's reservations, the recommended coordinating body, with Rowland Haynes as director, was established the following year under the auspices of the Welfare Federation. The Cleveland Recreation Council immediately began pushing for the passage of a special tax levy to allow the Metropolitan Park Board to purchase parkland in outlying districts. With 50 influential citizens whom the council had led on a guided tour to Bear Mountain Park in New York orchestrating the cheerleading, the levy passed; and the park board set about assembling what would become known as the "Emerald Necklace," a chain of greensward and connecting parkways that today encircles Cleveland with 19,000 acres of enviable open space.

Well before Moley had completed the recreation survey, he had begun thinking about his next career move. Weighing an offer of an associate professorship from the University of Minnesota against the position of Foundation director that he knew was available, he decided to go after
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the latter as the more important job. He set up a meeting with Belle Sherwin, in which he hinted at his interest in the Foundation position. Miss Sherwin "said that she would consult with the other Committee members and see what they thought," Moley remembered. "This was characteristically Belle Sherwinesque. For such was her prestige in the field of social welfare and such was the dominance of her personality that, while pretending to consult her colleagues on the Committee, she was really making up their minds for them."

What Moley failed to factor into his assessment was Goff's preference, which was to hire Leonard Ayres as director. Although Belle Sherwin had made it known that Moley was available, the Distribution Committee decided to follow Goff's wishes and offered the position to Ayres. Having just returned from service as the War Department's chief statistical officer, Colonel Ayres declined to leave the Russell Sage Foundation (although a year later he would accept Goff's offer of a vice presidency at Cleveland Trust and a subsequent invitation to become the Foundation's secretary.) That left only one candidate, Moley, whom the committee invited to present his ideas for the Foundation's next survey at a meeting on July 24, 1919.

Two months earlier, on May 1, a demonstration by trade unionists and members of Cleveland Socialist party in downtown Cleveland against the recent jailing of Socialist leader Eugene Debs had led to a riot, leaving two persons dead. Fearful that the "red scare" sweeping the city could lead to more deaths, "Prof. Moley spoke at length regarding the need of making a careful examination of the unrest among certain classes of people especially in the large cities." After Moley left, the Distribution Committee, satisfied that he was indeed a man of "broad social understanding," named him director, fixing his salary for a one-year term to begin September 1st at $5,000.

On October 10, 1919, with the Foundation settled into its first official headquarters downtown at 1202 Swetland Building, Moley more fully explained his proposed survey of "'Direct Action' Socialists" to the Distribution Committee. He wanted to hire an investigator with foreign-language skills to interview "a considerable number of immigrant workers . . . and, through sympathetic questioning, learn something about their attitude toward their adopted country." Even though the technique of case studies was then in its infancy, Moley believed that it would produce "a picture, however limited, of the immigrants' prob-
lems of adjustment and thus, by communicating such information to the city power structure in industry, government and social life ... promote a better relationship all along the line."

Winning approval for the concept and his projected budget of $2,600, Moley hired a Hungarian-born newspaperman named Joseph Remenyi to search out disaffected immigrants in back-alley lodgings, coffeehouses and cafes across the city. Venturing forth evenings and Sundays when the immigrant workers were free, Remenyi would transcribe his interviews from memory the following day. (To ensure that his subjects would talk freely, he made no notes.) Remenyi's work in gathering a body of usable interviews continued well into 1920.

In the meantime, the Foundation had been unofficially asked by the Welfare Federation to conduct a survey of "the Treatment of the Offender in Cleveland," Moley reported to the Distribution Committee on March 2, 1920. The city was then in the midst of a "crime wave," as the newspapers described a series of spectacular unsolved murders—many of them committed in broad daylight by holdup men—whose toll was on its way into the high 20s. The violence was symptomatic of a deeper disorder: the breakdown of a centuries-old Anglo-Saxon system for the administration of justice that was straining to meet the needs of industrial, urban America. Federation secretary Sherman Kingsley, appearing at the March Foundation meeting in person, gravely certified that "conditions in the courts, the police and the correctional institutions were in great need of study, that the Delinquency Committee of the Welfare Federation had not succeeded in helping matters because of the lack of facilities for investigation and that the probation system was particularly in need of adjustment," according to the minutes.

The Distribution Committee agreed to consider the Welfare Federation's request for a study, but at meetings throughout the spring and summer Moley begged the committee's indulgence for once again postponing a promised progress report on the matter. In the interim he considered the possibility of a survey studying the role played by the city's foreign-language press in the socialization of immigrants, which he ultimately discarded as too limited in appeal. He also gave a speech on Remenyi's preliminary findings on immigrants at a mid-June luncheon meeting of the City Club of Cleveland. ("The way to combat radicalism is not through instrumentalities of repression," Moley argued, reporting that the 400 case studies Remenyi had conducted
showed that the leading causes of the immigrants' alienation were under-use of their Old World skills by employers and domestic unhappiness.)

Then something incredible happened. In November 1920, the chief justice of Cleveland's municipal court was indicted for the murder of a man with whom he had been drinking. The incident prompted Moley finally to pursue an investigation of "whether faults in the method of pursuing and punishing criminals had anything to do with the prevalence of crime," as a Foundation brochure on the resulting criminal justice survey described its focus. He arranged for the Cleveland Bar Association to make an official request that the Foundation undertake the survey. Upon receipt of a letter to that effect, Moley sought and won Goff's blessing, contingent on the director's also persuading the mayor to request the Foundation's involvement.

On December 6, 1920, Moley reported to the Distribution Committee that the Welfare Federation, the Chamber of Commerce and the League of Women Voters had joined with the bar association and the mayor in urging the Foundation to act. He then presented a memorandum detailing his thoughts on the scope of the survey, his recommendations for potential directors and the reasons why he felt it was needed. His argument dramatically concluded:

One of the striking features of Mr. Remenyi's study was the fact that the immigrant feels more distrust of our courts and the administration of laws than any other public or private institution. When we consider that the population of Cleveland is so overwhelmingly of foreign birth this distrust is not without very serious implications. The immigrant who finds the instrumentalities of justice available only to the fortunate and the cunning is not very likely to ignore the agitator who would lead him to revolution.

Despite Moley's newfound sense of urgency, the Distribution Committee withheld its approval of the survey, authorizing Moley only to conduct a search for a possible director. Two weeks later, back from trips to New York, Boston and Chicago, where he had consulted with leading criminologists, Moley had narrowed his list of preferred candidates to one man: Roscoe Pound, dean of the Harvard Law School. The committee authorized Moley to return to Boston to interview Pound. On January 4, 1921, he reported back that Pound was very interested in the problem of law administration in large cities, but he could not spare the time to manage the survey alone. Would the Foundation accept
Pound as nominal director and his colleague, Harvard law professor Felix Frankfurter, as on-site manager of the survey? Actually, Frankfurter had pronounced himself too busy to make more than fortnightly trips to Cleveland, but because the arrangement was the only way to acquire the Harvard imprimatur for the Foundation's undertaking, Moley argued for accepting it. In the end the Distribution Committee approved a resolution that Pound and Frankfurter be authorized to undertake the proposed survey "at a cost not to exceed $25,000 and to complete the work by July 1, 1921." A midsummer deadline would allow time for the findings to be disseminated before the election of judges in the fall.

Moley announced the survey (which would end up costing Goff and the bank more than double the budgeted amount) the day after the Distribution Committee meeting. "We have hesitated to undertake the survey," he told reporters, "because such efforts are usually foredoomed to failure, but we believe the spirit of the city has been aroused and that we will have the approval of the people in this work." Even though Moley had accurately predicted the response of the editorialists, he did not anticipate the vociferous objections certain attorneys and businessmen would voice regarding his selection of Felix Frankfurter. They regarded the future Supreme Court justice—he would become that body's first Jewish member—as a dangerous radical because of his pro-labor sympathies, made clear during his service as a member of President Wilson's War Labor Policies Board. Leading the behind-the-scenes attack on Frankfurter was the Foundation's own attorney, James R. Garfield, the son of the 20th president of the United States.

Moley suspected that religious prejudice also motivated some of the protest, an issue he answered at length in a letter to an old friend, prominent Cleveland attorney Harold T. Clark. Moley urged Clark, who had served with him during the war on the mayor's Americanization committee, to "use your influence with those to whom the selection of Frankfurter was not at the outset pleasing in bringing them into the good work of making this survey a success." Clark, who would go on to play an even more pivotal role in the Foundation's life in the sixties, agreed to serve on the survey's advisory committee. By mid-January more than 40 other civic leaders had also joined, and their collective backing was more than sufficient to silence all naysayers.

By mid-February, Pound, Frankfurter and Moley had agreed upon six areas of concern and the national experts who would handle each inquiry.
For the study of court organization and administration, they landed Reginald Heber Smith, a Boston attorney (and future president of the American Bar Association) who had written the eye-opening *Justice and the Poor* for the Carnegie Corporation in 1919; the survey of police would be handled by Raymond B. Fosdick, the author of respected books on American and European law enforcement. (Fosdick went on to become president of the Rockefeller Foundation). Their choices of authors for the reports on prosecution, penal and correctional treatment, psychiatry and medical relations and legal education had solid, if somewhat less dazzling, credentials. Learning after work was under way that his collaborators had all encountered the press as a contributor to the problems under study, Frankfurter suggested adding as a seventh topic an examination of newspaper coverage of crime, a proposal to which the Distribution Committee gave its assent in April 1921. The following fall *The New Republic*, which had been impressed with the inclusion of investigations of the press and especially of the legal profession, at whose feet the magazine laid primary responsibility for the failures of America's criminal justice system, would praise the survey as "broadly and courageously planned."

The work, of course, did not proceed as smoothly as it might have. Costs had soared, and the July 1, 1921, deadline came and went without the arrival of all the manuscripts. In an attempt to save his planned announcement of the survey findings in September, Moley wrote Frankfurter to urge him to lean on his collaborators. Frankfurter responded heatedly on July 15:

Writing reports of this kind is wholly different from turning out standard parts of a Ford machine.

... What the Dean and I insist upon is the scientific quality of the result. We are not writing to catch the stimulated, sensational desires of a hurrying afternoon crowd, seizing its daily headlines. Unless you and your Committee get the fundamentally different purpose of the Survey from the ordinary fleet- ing, catch-penny crusade, you will get nowhere. That is why I am shocked at your statement that the Report "cannot go over into December because by that time, public interest will be entirely gone." ... I know all about "putting over," and the "psychological moment" and the rest. But the deep reason why so much that is "put over" doesn't stay put is that we are trying to catch the hasty, passing, emotional interest instead of recognizing that we are enlisting in a long-term campaign, the very starting point of which is the persistent
education of the public to a sustained interest. Here is Cleveland (like other big cities) failing egregiously in the basic function of government—the protection of life and property. The causes for this condition are complex and deep-seated. And yet you tell me that despite all its misery, all its cost, all its reflection upon the city’s conscience and the city’s intelligence, by December “public interest [in the administration of justice] will be entirely gone.” I do not believe it; not if Cleveland has a group of citizens stirred with determination to arouse the city’s conscience to action, equipped with sure knowledge of the causes of wrong and how to uproot them.

As Frankfurter had predicted in his letter, the missing reports began to “tumble in” shortly afterward and, though several needed rewriting, the Foundation was able to release the first one—Smith’s survey of the criminal courts—in September 1921 as planned, with the others following throughout the fall. The press survey, written by a former New York Sun writer named M. K. Wisehart, was the last to be delivered, and the picture it painted of crime reporting as sensational and prejudicial was unflattering indeed.

Finding the content of Wisehart’s report “rather ‘thin,’” Frankfurter decided to write an introduction, which he sent to Moley in early November. Before sending the combined effort to the Distribution Committee for its customary review, Moley wrote Frankfurter that “it is an admirable addition which your introduction and summary have made. I believe that there will be no question about the Committee’s approval of it [and] . . . I feel certain that . . . we can proceed to the publication of the report.”

On December 2, 1921, when the Distribution Committee met to discuss the Wisehart report, Moley learned that the members present regarded it as inadequate and disappointing. “They believed that the report was open to the criticism that it brings against the papers, namely that it prejudices the case and then submits partial evidence to support the charges,” the minutes observed. Leonard Ayres, now the Foundation’s secretary, was dispatched to write Frankfurter a letter detailing the committee’s uncertainty about publishing the report. Frankfurter shot back a seven-page response arguing that “the subject is so important, the likelihood of it being undertaken . . . by anyone [else] so small, the need for stimulating further study so great, that it may easily justify publication of a report as a beginning although it is not as powerful as one should . . . like. . . .”
Unpersuaded, the Distribution Committee invited Frankfurter to come to Cleveland to discuss the issue in person. The meeting, which took place on December 30, resulted in a decision that the Wisehart report should not be published separately as had originally been intended, but as part of a volume reprinting all the previously issued reports. By this time Moley had changed his mind about the advisability of publishing Wisehart's work at all. Having come to believe it foolhardy to criticize the very powers-that-be whose cooperation was needed to "put over" the survey recommendations, he decided that he would continue the fight underground.

In January 1922 Moley submitted the final draft of the report to representatives of two Cleveland newspapers (the Press and the News) for the customary review of factual accuracy, and to Foundation attorney James Garfield, whom Moley asked to read the manuscript for libel. Moley reported back to the Distribution Committee the papers' not unexpected protests and Garfield's private reservations, as a result of which the committee was moved in February to reconsider the issue of whether the report should be published. It again decided in the affirmative, after much debate. His gambit having failed to persuade the committee to reverse its decision, Moley began laying plans to have the last word. He buried Wisehart's report on page 515 of the 700-page summary volume and neglected to plan a public meeting to publicize its findings. Perhaps feeling he had lost face with the Distribution Committee, he also began making discreet inquiries about job opportunities elsewhere.

Surprisingly, the biggest public outcry against the survey came earlier in the fall of 1922, in reaction to Reginald Heber Smith's damning study of the courts.

A host of abuses conspired to protect the criminal from conviction, Smith's report charged, citing the fact that out of every 100 felony cases originating with city prosecutors, only 29 on an average proceeded through to sentencing. The problem, according to Smith, started with the overuse of at least 19 legal means of escape, including new trial, parole, bail and suspended sentence. The defense of habitual criminals by a ring of attorneys with powerful political ties; underpaid prosecutors with inexperienced assistants; and the shirking of jury duty by well-educated citizens (anyone donating to a military society was exempted from service), Smith explained, also contributed to a flabby system. Nor did the report spare the judges themselves from complicity. It cited lack
of qualification, loafing on the job, undignified conduct, failure to pun-
ish perjury and overconcern with reelection as common judicial sins.

Smith had scarcely left the podium on September 14, 1921, at the
public meeting to announce his findings, when the counterattack began.
The presiding judge of the appellate court denounced the work as "a
roast . . . not constructive criticism." "The survey's . . . unjust," pro-
nounced the chief clerk of Cleveland municipal court. Smoldering over
the "criminal waste of money," Cuyahoga County Common Pleas Court
Judge Homer G. Powell went so far as to threaten to jail the Distribution
Committee for contempt. The committee promptly huddled with Foun-
dation attorney James Garfield, who advised the members to tell "Judge
Powell that he could send the sheriff anytime he wanted to receive us."

A more serious threat to the survey's credibility emerged later, when
Leonard Ayres spoke about it to members of the City Club in February
1922. Rising from his seat after the address, Cleveland juvenile court
judge George S. Addams lambasted the sections covering his court and
detention home, calling the report "full of the grossest errors and mis-
statements" and claiming that investigators had never stepped inside his
chambers. Ayres responded that Pound and Frankfurter had had previous
knowledge of the judge's criticisms from his review of the report's
draft—nit-picking that they had weighed and discounted. Nonetheless,
"the fact is that [Addams] did get the sympathy of a large part of the
crowd and some impression was left with them that the Judge had been
badly treated . . . ," Moley wrote Frankfurter on March 1, 1922. Moley
explained:

This, of course, gave the News the chance they have been looking for since they
have learned that the survey of the newspapers is to be published and they
proceeded to give the whole thing a big front-page story in the Sunday pa-
er. . . . Ayres and I prepared a letter to [Addams] in which we called upon
him to state specifically once more the errors and that we would be glad to
consider them in putting the report through to its final publication. In reply
. . . the Judge broke forth again last Saturday with an enormous letter ad-
dressed to Mr. Goff.

The News printed the letter in its entirety. Concluding that Addams's
written charges required a definitive reply, the Distribution Committee
asked Moley to prepare a written response in consultation with Frank-
furter and the appropriate field investigators.
But Frankfurter wanted no surrogate to handle his defense. He answered Addams's allegations point by point in a letter to the committee, maintaining that the judge "mistakes good will for ill will, charges incompetence where there is no incompetence, and fastens on a few details to the exclusion of all else in a fairly comprehensive study." The committee ordered 200 copies of the Addams-Frankfurter correspondence printed and made them available to "those having a special interest in the standards and procedures of the Cleveland Foundation."

With the last challenge to the survey's integrity surmounted, Moley now concentrated on publicizing its findings, making dozens of speeches in and out of town and writing numerous summaries to publicize the reports. An aroused public interest had already prompted improvements in Cleveland's criminal justice system, which Moley could trumpet. Two offices that had been criticized by the survey for their lax operations, the city workhouse and the prosecutor's office, had a new superintendent and an almost totally new legal staff, respectively. Gone, too, in cases involving serious crimes, was a mandatory police court appearance before the grand jury hearing—a technicality that had added, according to the survey, weeks and sometimes months to the scheduling of trials. A central probation office had been created within the county common pleas court to replace the unstandardized practice of bench parole, and the state legislature would soon enact a law giving the formerly leaderless court a chief justice to supervise all administrative matters. At municipal court, a candidate who had run with the backing of the bar association had been elected chief justice. (In the years following the survey's call for the nonpartisan election of judges, the bar's endorsement would assume greater importance than party affiliation.) Moley even attributed the election of a former Cleveland police chief as mayor to the influence of the survey. "The survey having come out within the last two months has thrown the administration of justice sharply in the foreground," he wrote Frankfurter two days after the mayoral election in November 1921, "and the people, poor things, thought that by electing a policeman they would solve their difficulties."

Another important development was the creation, at the Foundation's instigation, of a watchdog agency by a coalition of 13 civic and business groups in January 1922. Within three months the Cleveland Association for Criminal Justice had posted two full-time observers at municipal and
common pleas courts and organized a card file recording the progress through the system of every criminal indictment.

The benefits of such scrutiny could be discerned by the end of the association’s first year in business. The administration of justice had been streamlined from an average of 68 days between arrest and final disposition in 1919 to 48 days in 1922, and the certainty of justice had increased from a 73 percent rate of return of indictment in 1921 to 86 percent rate of return in 1922. Concurrently, the city had witnessed a 32 percent decrease in the incidence of robbery, auto theft and burglary, according to a follow-up investigation of the impact of each of the Foundation’s surveys that Moley conducted in the latter part of the year. “This decrease of course may be explained in part by a number of factors,” the director would opine, “but the fact that Buffalo and Detroit, cities similar to Cleveland in industrial conditions have shown no such decrease . . . is indicative of the fact that Cleveland has really and seriously set to work to combat crime.” Midway through Moley’s review of the surveys’ impact, the presiding judge of the common pleas court appointed him chairman of the county grand jury for the autumn term (the director having fallen victim to the survey recommendation that Clevelanders, no matter how busy, agree to serve as jurors when called upon). By law the grand jury was required to inspect conditions in the county jail, and what Moley saw scandalized him—overcrowding, vermin-infested cells, human waste removed in pails because the sewage system had broken down, the sane quartered with the insane. He approached the judge who had appointed him with the idea of pushing for an efficient new facility to house the city and county criminal courts, the county jail and the Cleveland police station, as had been recommended in the survey. In fact, a bond issue for a new criminal courts and jail building had already been passed by the voters in 1917 and the basement excavated when it was determined that the $1.25 million authorized was insufficient to complete the construction job. The voters had twice since declined to pass additional issues, leaving the project hopelessly stalled, as well as a gaping hole in the ground on the lakefront in between the imposing new beaux arts county courthouse and the city hall.

With Moley’s encouragement, the judge called a meeting of interested city, county and civic leaders at which Fred Goff gave the main address. “Goff, ever the reformer, made a spirited speech, calling for a bond issue for a new building,” Moley recalled. A citizen’s committee was later
formed, with Moley serving as secretary, to iron out the issues of location, design and financing with the concerned government officials. Within a year a new bond issue would be passed. By 1926 a new central police headquarters and jail stood on East 21st Street, and four years later a modern criminal courts building had been erected next door.

Neither Moley nor Goff would be present to enjoy the success of their small crusade. In December 1922, Moley’s quiet job hunt had borne fruit: He received an offer from Columbia University to become an associate professor of government at its sister Barnard College the following autumn. Sensing that the Distribution Committee had grown weary of the effort, expense and risks involved in making surveys, he eagerly accepted. Moley left Cleveland believing that “by far the most important contribution of the [criminal justice] survey was what it did for the Cleveland Foundation. I had literally underlined the importance of the Foundation as one of Cleveland’s great institutions.”

His colleagues’ lack of enthusiasm for continuing the Foundation’s survey work was not, however, shared by Goff. “Raymond Moley told me how Fred Goff . . . was so flushed by the results of the crime survey he wanted to commit the Foundation to a completely crusading future,” Nathaniel R. Howard would later write to an admirer of Trust for All Time, his account of the Foundation’s first 50 years, “and the other trustees could hardly wait for [Goff] to die in order to ‘rescue’ it.”

That the Distribution Committee prayed for Goff’s demise would seem an overstatement of their growing inclination to refocus on the Foundation’s original purpose, which was “doling out money to worthy and qualified charities,” as Moley saw it. Moley regarded the prospect with distaste. “With increasing bequests . . . rolling into the treasury of the Foundation . . . my days would be occupied with interviews with hopeful donees, hour after hour, day after day, interminably. . . . This surely was not the way I intended to spend the prime years of my life.” Instead Moley would go on to spend nine years at Columbia University, until New York Governor Franklin Delano Roosevelt, in his quest for the presidency, tapped the by-then eminent political scientist to become his campaign advisor.

In combination with the departure of the egotistical but enterprising Moley, a far greater loss would seal the Foundation’s future direction. On March 14, 1923, Fred Goff died from complications arising from an emergency appendectomy, nine months short of his 65th birthday.
Condolences flooded in to Cleveland Trust, including an expression of sympathy from John D. Rockefeller, who telegrammed: "I knew him only to honor and most highly respect him." The Distribution Committee passed a memorial resolution pledging to carry forward his plans with "unremitting zeal." However, bereft of the founder's vision and encouragement, if not his financial support, the Distribution Committee would let an opportunity to change the course of Cleveland history for the better slip through its grasp.

The summer before his death, Goff had sent the Foundation a check for $7,000 accompanied by the message that he hoped the Distribution Committee would not refrain from planning new enterprises because of a lack of funds. That September Moley had briefly presented his thoughts to the committee about the issue to which the Foundation might next direct its attention: Cleveland's lakefront. To further illuminate the nature of the problem, Moley had brought to the next committee meeting governmental navigation charts of Cleveland's and Chicago's shorelines, which made clear that "the latter city was far ahead . . . in making its lakefront available for use by the public for park and lake drive purposes." In January 1923, one month before Moley announced his resignation and two months before Goff died, the committee had instructed the director to prepare a report explaining exactly what his proposed study of the lakefront would entail.

Nine months passed before Moley submitted his written report. (In the interim the director had spent several months attempting to persuade the committee to publish the Remenyi report, which had been shelved while the crime survey was being conducted. The Distribution Committee ultimately declined to publish, questioning both the work's scientific basis—a nonissue—and its timeliness, which had indeed passed.) At his final meeting with the Distribution Committee on September 19, 1923, Moley presented a lengthy memorandum recommending that the Foundation undertake a campaign to redevelop the city's 17-mile-long shoreline, only 2.5 miles of which were open to the public. Cleveland, Moley believed, in addition to the remarkable record it had made in building civic and social institutions, needed a physical setting appropriate to its distinction. This it lacked because its greatest physical asset had been neglected, its frontage on Lake Erie. While Toronto, Milwaukee and Chicago had made their lakefront beautiful and at the same time useful to the people of the city, Cleveland had
permitted commercial enterprise to litter the shore of the lake with unsightly docks, buildings, and railroad tracks. The cost of such tremendous development . . . should mainly be a charge upon the public purse. But the inspiration to bring it about and the planning and some of the cost might be something to occupy the Foundation for years to come.

The Distribution Committee concurred that the project should be pursued. But, in the 11 months that elapsed before the Distribution Committee hired a new director, no further mention was made of the study, and more than 50 years would expire before the Foundation considered the issue again.

Rather, the Distribution Committee occupied itself with the routine administration of the modest income from the Foundation's four trust funds (although the recipients had largely been predetermined by the donors). Then, in late February 1924, committee chairman Malcolm McBride received an intriguing appeal in the mail. Signed by the president of the Case School of Applied Science and the president-elect of Western Reserve University, it was a request that The Cleveland Foundation undertake a study of the feasibility of merging the two rival institutions. Their joining forces to create a great municipal university had been periodically suggested since the 1880s, when the liberal arts college had moved from nearby Hudson, Ohio, to Cleveland's University Circle, adjacent to the site where the Case engineering school would be founded. Yet nothing had ever come of the discussions, including a formal request made in 1914 by Cleveland Mayor Newton D. Baker of Fred Goff that an examination of the possibility be included in the new Foundation's contemplated municipal survey.

With a new, young president to be inaugurated at Western Reserve in fall 1924, the time again seemed auspicious to the trustees of both stubbornly independent institutions to talk of federation, for each school realized that it had not kept pace with the city's ever-increasing needs for broader and more sophisticated educational offerings. The Distribution Committee agreed. In April it authorized the expenditure of $10,000 for the proposed study to be conducted that summer by Dr. George F. Zook, chief of the division of higher education of the U.S. Bureau of Education, under the supervision of none other than vacating professor Raymond Moley. The Foundation officially announced the survey, which ultimately cost $20,000, in late May. The president of Case "is very anxious that the publicity should not stress the fact that
this is to be a study looking toward . . . amalgamation . . . but rather that it should be along the lines that Cleveland needs a great university," McBride advised Moley in writing beforehand. " . . . [This] would cause less feeling among his trustees. Some of them are getting along in years, and . . . are very jealous of the prestige of Western Reserve University, and I think you know the whole situation without my saying anything more about it."

That fall Zook came back with the not unexpected recommendation that Case and Western Reserve be merged into an "expanded" university to be built on a new campus easily accessible to all parts of the city. He estimated that the project, which would strengthen the two institutions' existing programs in the liberal arts and engineering and provide Clevelanders with new schools of education, business and journalism, night classes and an expanded graduate school, would cost $16 million. The day after the release of Zook's final report, the developers of the Cleveland suburb of Shaker Heights, O. P. and M. J. Van Sweringen, offered to give the proposed university a 300-acre tract in Shaker Heights near the future homes of a Jesuit college, a private school for boys and another for girls. The offer of a site at the new "University Circle" the Van Sweringens were building was, however, good for only 90 days and had long since lapsed when, in the spring of 1925, the trustees of Case approved Zook's proposal on the conditions that the combine would be called the University of Cleveland and that details of its management could be worked out to their satisfaction—namely, that Case be allowed to maintain control of its own internal affairs. (As Case's president had forewarned Zook in a letter sent before the survey was completed, "If [it] . . . should recommend that the president of the new university be the president of each of the constituent parts, it would place Case . . . under the same control as though it became a part of Western Reserve . . . and this is one of the things which we have been very much opposed to in the past and I think would be opposed to in the future. If we are to develop engineering education to the highest degree, it seems to me that it must be wholly under the direction of those who understand it and sympathize with it.")

In July 1925 the trustees of the liberal arts college responded to Case's statement of conditions with their own statement that the name of the federated university must remain Western Reserve. Their refusal to compromise ended serious negotiations and dashed the city's hopes for "a
great light on a hill [as Zook had envisioned the University of Cleve­land], drawing all men and women under its beneficent influence.”

The higher education survey would be The Cleveland Foundation’s last. In the late twenties the Foundation entered a period of relative invisibility and reticence, partly in reaction to fallout from its thoroughgoing investigation of Cleveland’s justice system. Although the survey had been greeted with interest and praise on three continents, the controversy it provoked in its own hometown had considerably dampened the Foundation’s ardor for further fact-finding missions.
It was not until the tenure of former university professor Dolph Norton in the sixties that The Cleveland Foundation would resume the practice of critically examining the performance of important civic institutions. The desire to evaluate and refine its own operation (which will be examined in depth in subsequent chapters) also reemerged during this pivotal era. Suffice it to say here that the courage to question the status quo had become deeply ingrained in the Foundation's culture by the late eighties.

For proof, one needed to look no further than to a program staff meeting following the second quarterly meeting of the Distribution Committee in March 1987, where the Foundation's new treasurer, Philip T. Tobin, even though he had been on the staff for only a few weeks, had felt free to raise the issue of the impact that the Special Initiatives in education and neighborhood development would have on the organization's flexibility. Referring to a formal resolution that the Distribution Committee had just approved, authorizing the creation of a Special Initiatives reserve fund comprised of all the proceeds from the expected sale of the Bulkley complex and up to 50 percent of projected unrestricted income through 1990, Tobin observed: "This is really going to cut into available income."

A former financial officer for several major corporations, Tobin suggested that the Foundation reexamine its options. Why not consider the possibility of a principal distribution, he asked—an idea for funding a portion of the Special Initiatives that Minter, Lajoie and Pogue had already weighed and put to one side.
The program officers’ response to Tobin’s suggestion was muted: An invasion of principal was not an action lightly recommended. The Foundation had long identified itself as “a trust for all time,” and staff members were sensitive to the possibly negative impression an expenditure of assets might leave with potential donors. They were also aware of the importance placed on asset development by Steve Minter, and especially Dick Pogue, who had hopes of seeing the endowment reach the half-billion dollar mark during his tenure as chairperson.

Believing the discussion closed, Tobin went back to work on an analysis, for the five-year period ending in 1986, of the investment performance of the five banks then entrusted with managing the Foundation’s portfolio (an example of the sophisticated financial data Tobin had been hired to produce). But “Steve is like a blotter—he takes everything in,” Tobin said. By the time Tobin finished his analysis, Minter had assessed the impact of the Scholarship in Escrow grant on the year’s allocation of flexible dollars, and he had decided that the option of a principal distribution should be examined once again.

In early June, Tobin wrote a memo informing the members of the Foundation’s administrative subcommittee, which Pogue chaired, of his preliminary findings regarding the portfolio’s performance. After factoring in inflation, Tobin reported, the market value of the Foundation’s assets had grown more than 100 percent since 1981, while its income had increased only about 50 percent. The difference in the two growth rates had produced a real addition to principal of more than $100 million. “One way to characterize this difference,” Tobin observed, “is to say that, because the Foundation grants only what it receives in current income, . . . it is adding to its wealth at a greater rate than it is able to make grants to the community.”

In other words, a principal distribution would actually be a way of sharing with the community the incredible appreciation of the Foundation’s assets. It would also allow the Foundation to support several new projects of immense importance to the future of the city without severely diminishing its capacity to respond to the normal array of grant proposals. Nonetheless, did these advantages justify a principal distribution for what would be only the fourth time in the Foundation’s history?

Carlton K. Matson, the person finally chosen in 1924 to succeed Raymond Moley as the Foundation’s second director, would have envied such
a dilemma. The former journalist, publicist and advertising executive assumed the reins in November 1924 of an organization that could barely pay its administrative expenses. As a matter of fact, The Cleveland Foundation was in such a precarious financial position in the mid- to late twenties that the onrushing Depression would no doubt have swept it away had not Providence intervened to provide firmer footing for survival and, eventually, growth.

At the time Matson became director, the Foundation's endowment was generating less than $15,000 annually in unrestricted income, and its subsidy from Cleveland Trust, with Goff gone, had been limited to $5,000 a year. There was little room in such an austere budget for continuing to undertake exhaustive, expensive studies, and now that Belle Sherwin had resigned to accept a position as national president of the League of Women Voters, no forceful voice was left to argue in their favor.

Matson found the organization's impecuniousness particularly embarrassing because it was widely believed that it had an endowment of $100 million—a figure Goff had, in his enthusiasm, taken to quoting as the amount pledged to the Foundation at speeches he gave around the country to promote the community foundation concept. “Perhaps you would care to know that our actual funds here are only $401,855 . . . ,” Matson would write Ralph Hayes, the director of the New York Community Trust, in November 1925, in reference to an annual directory Hayes published that listed the endowments of the other 55 or so community trusts that The Cleveland Foundation had spawned around the country. (Goff's former personal assistant at Cleveland Trust, Hayes maintained the records as a service to the growing community foundation movement.) “Of course,” Matson continued, “there is a ridiculous gap between $100,000,000 and less than $500,000. I think it would be too severe a jolt to use this actual figure however. I think it would hurt the movement nationally . . . It would be better to use the $100,000,000 and qualify it [as our expectation].”

During his first year at the Foundation the new director had been encouraged by the Distribution Committee’s attempt to persuade other Cleveland banks to participate in a multiple trusteeship in order to secure a broader base of support for the Foundation. In consultation with Hayes, whose own foundation had been established under the auspices of 16 trustee banks, Matson had prepared a thoughtful memorandum on how
such a trusteeship could be structured in Cleveland. But, whether due to the committee's and Cleveland Trust's ambivalence to the idea of sharing authority or that of other local banks to the thought of helping a competitor, the effort had failed. Matson finally concluded that if the Foundation were to survive, let alone flourish, he would have to become actively involved in fund raising.

In the spring of 1926 he began sending copies of a newspaper article on community trusts to various prominent Clevelanders, a means of introducing himself disguised as a solicitation of their comments. The response Matson received from Andrew Squire, one of the city's most powerful corporate attorneys, revealed how little knowledge even the most informed members of the community had of the Foundation—a suspicion that may have been first aroused several years earlier when a salesman appeared at the door seeking to sell a steam shovel to the "Cleveland Foundation Company." Squire wrote: "Before [commenting], I want to assure you that I have been so ignorant of the Community Fund [sic] that I should like to know something about it."

Even among those who possessed some knowledge of the Foundation, there was a perceptible uneasiness about its purposes, which Matson discovered that summer when he systematically sent to every attorney in Cleveland a copy of a speech Ralph Hayes had given earlier in the year at the City Club. Reacting to Hayes's observation that the community foundation would one day be ranked as Cleveland's most important contribution to the ideas of the world, former Mayor Newton D. Baker, a founding partner of another corporate law giant, Baker, Hostetler and Sidlo, had written to Matson:

I still believe in this Cleveland idea but I have reached a definite judgment that there ought to be a legal limitation placed upon funds thus left in trust. . . . I do not know what is going to happen when a good many more thousand million dollars have come to be held by trust companies being invested in all sorts of securities with . . . financial control of the country being more and more absorbed by . . . privately organized boards of trustees, whose principal obligation is the collection of income and its distribution to charitable uses. I would like to see some constructive thinking . . . now so that we may not have to repeat Henry the Eighth's fight in the Twentieth Century.

Solo practitioner John A. Alburn also responded to the mailing, though he was more concerned with wealthy foundations exerting undue influence on public affairs:
I believe such a situation can and should be met at the earliest possible date, first, by making thoroughly known the aims and purposes of the Foundation; second, by working out plans for even exceedingly small contributions... so as to make it a popular matter instead of a matter dealing only with the rich, and third, working out plans for the expenditures of principal as well as interest... so that the present generation will benefit and the public will feel that... large amounts of money are [not] being accumulated for unknown future purposes.

In follow-up notes to both men, Matson pointed out the fact that the Foundation's charter provided for distribution of principal. Exaggerating more than a little, he assured Alburn that "when the Foundation has funds... it is the desire and intention of everyone concerned that there shall be principal distribution from time to time to institutions...." and conceded to Baker that "by making such a provision... mandatory instead of optional, progress might be made toward avoiding such a possible condition as you outline in your letter...."

Despite his ready answers, Matson had been sobered by the resistance he encountered from the very men he hoped would persuade their wealthy clients to endow the Foundation, and he began casting about for alternative sources of support. Not surprisingly, his eye fell on the Welfare Federation of Cleveland. By the mid-twenties the Federation had developed into a fund-raising powerhouse whose annual Community Fund campaign (begun in 1919 as a continuation of the city's successful War Chest drives) consistently generated millions of dollars for its member social service agencies. Formerly the Federation's publicity manager, Matson conceived the notion that it and The Cleveland Foundation should merge operations and boards. The idea apparently foundered on the Federation's fears about the potential for political domination by the Foundation's publicly appointed board; but in the process of pleading his case Matson won for the Foundation a rededicated advocate in a member of the Federation's executive committee, the investment banker Warren S. Hayden.

As president of the Cleveland Chamber of Commerce when The Cleveland Foundation was created, Hayden had been among those whom Goff had consulted beforehand about his concept. It apparently distressed Hayden to learn that Goff's well-laid plans had not turned out as expected. In the spring of 1928, he sent a letter to the president of Cleveland Trust, urging the bank to try once again to establish a multiple
trusteeship. Although Hayden spoke solely as a public-spirited citizen, because of his position on the board of the Union Trust Company, Cleveland's largest bank and, as such, second-ranked Cleveland Trust's closest competitor, his words carried the promise of the financial community's cooperation.

The delivery of a powerful friend at Union Trust was Carlton Matson's last and somewhat providential contribution to the Foundation. On March 28, 1928, he resigned to become chief editorial writer for the Cleveland Press, and his departure may be one of the reasons why it took more than a year for Cleveland Trust to act on Hayden's suggestion. Sentiment slowly crystallized among the officers of the bank in favor of multiple trusteeship. An impassioned internal memorandum challenging Cleveland Trust to assume its rightful role in revitalizing Goff's creation no doubt contributed significantly to the process. "The Cleveland Foundation is suffering from neglect and lack of nutrition," it warned, adding:

Its magnificent objective, if not quite forgotten by those who should have cherished it, has apparently come to be regarded by them as too remote of attainment in this generation. Accordingly, the Foundation has made little headway either in the acquisition of resources or in the building of tradition. At age fifteen it is still a rather weak, unimpressive infant instead of showing signs of becoming the robust public servant which Frederick Goff hoped it would develop into.

The fact must be frankly faced that it will now take energetic measures to revive the Foundation and the great idea behind it.

... And there is no more propitious time than the present... Although wealth production has become a highly skilled and scientific business, wealth disposition is still far from being either science or art. The reason is not the unwillingness of the community to learn, but the lack of established and accepted agencies for the conservation of wealth and the use of its income. The banks are the logical people to do this work of organization and instruction, and they ought to do it. They are the financial centers of the city; they ought to supply its financial leadership.

In the latter half of 1929, Cleveland Trust's president appointed a committee of three officers (among them, Leonard Ayres) to work out the legal details of the multiple trusteeship. "The Resolution and Declaration of Trust Creating the Multiple Trusteeship" that was finally drafted allowed a prospective donor to name as trustee of his or her be-
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quest to the Foundation the trust company with which he or she was accustomed to doing business. The internal operation of the Foundation would change significantly in one way: a Trustees Committee composed of the presidents of the participating banks would assume the duties that had previously been Cleveland Trust's alone. Ultimately, four additional Cleveland banks saw the advantages of participating.²

On January 6, 1931, Cleveland Trust hosted a dinner for 200 bankers, attorneys and civic leaders to announce the formation of the multiple trusteeship. Keynote speaker Newton D. Baker (having apparently undergone a change of heart) welcomed the expansion of the Foundation's fund-raising powers as a "crown of laurels on the brow of a great inventor."

The multiple trusteeship served to awaken Cleveland's powers-that-be to the Foundation's great potential as a "re-distributing agency," a description Matson had tried with not much success to impress upon a city laboring, at best, under the assumption that the Foundation was some sort of research organization. Just how useful and flexible an intermediary a community foundation could be was further driven home to many citizens late in 1931.

With more than 100,000 Clevelanders on the breadlines, it had become painfully clear to the Welfare Federation that the year's Community Fund goal of $5.35 million was not going to be met. In addition to the disastrous implications of a shortfall for the city's overburdened social service agencies, meeting the goal had become a matter of intense parochial pride. "Don't worry, Mr. President," Samuel L. Mather, the father of Cleveland's community chest concept, told Herbert Hoover when the President had appointed the industrialist to a committee charged with mobilizing a national relief effort earlier in the year. "Cleveland will take care of its own."

Invariably the largest contributor to the annual Community Fund drive, Mather had died a few months before its commencement in late November, leaving its organizers to slog it out on their own. By the evening of the last day of the drive, more than 400,000 individuals had made contributions, including many of Cleveland's old-line families, whose donations of $10,000 or $15,000 were always announced dramatically at the eleventh hour. Among their number that night was an astounding $150,000 contribution from Samuel Mather's estate. Even so, the 8,000 campaign solicitors who had gathered at Public Hall to
watch the final tallying of the monies sensed that their hard work might not have been enough.

"While the fate of the Fund still swung in the balance, Carl W. Brand was called to the podium," the Cleveland Plain Dealer reported. "Something was up, but nobody knew just what."

Brand chaired the speakers bureau of the Community Fund and was a member of the Distribution Committee of The Cleveland Foundation. He was there to announce the Foundation's contribution of $75,000, which had been arranged that very day in order to put the campaign over the top. With the Foundation's timely intervention, the Fund surpassed its goal with $30,000 to spare. At the end of the evening, it was announced that a record $5.65 million had been raised.

To support the Community Fund in its hour of need, the Distribution Committee had agreed to make a gift of half of the first income from a bequest that had recently been probated. Fittingly, the donor had been the late Harry Coulby, a former partner of both Samuel Mather and of Henry G. Dalton, a Distribution Committee member, in the firm of Pickands Mather and Company, a major supplier of raw materials to the steel industry.

Coulby, an Englishman who had conceived a fascination for the Great Lakes as a boy, stowed away to America as a young adult, making the journey to Cleveland from Buffalo on foot. Beginning his career at Pickands as Sam Mather's clerk, he had risen to a position of command over the company's fleet of 52 lake freighters, assembling a personal fortune in the process. Upon his death at age 64, the childless "Czar of the Great Lakes" left $3 million to the Foundation, a godsend that had skyrocketed its income in 1931 to $250,000, 60 percent of which derived from Coulby's bequest alone. With one stroke of the pen the Foundation had been thrust into the ranks of the five largest community trusts,3 and the concurrent establishment of the multiple trusteeship increased the likelihood that there would be other bequests forthcoming to keep it there.

Like the majority of donors who followed him—a far-flung list ranging from Plain Dealer heiress Katharine Holden Thayer, who left the Foundation $17 million, to a German-born laundress named Katherine Bohm, who left it $6,500, her life savings—Coulby had designated uses for the income from his bequest. (Most donors favored causes in health, education and welfare, predilections that would define the parameters of The Cleveland Foundation's grantmaking for the next 30 years.) Half of
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the Coulby income was to be given each year to Cleveland's Lakeside Hospital; the other half was to be used by the Foundation to assist sick, crippled or needy children. By requiring the Welfare Federation to redistribute the $75,000 exclusively to member agencies that served needy children, the Foundation was able to respect Coulby's specific wishes at the same time that it served a broader need. The deepening Depression forced the Welfare Federation to call again on the Foundation the following year to rescue the Community Fund drive, and gradually what had been believed to be a one-time event turned into an annual gift to the Community Fund—a practice that continued until after the end of World War II. This kind of standardized grantmaking typified the Foundation's post-Crash years.

For with its slowly increasing girth—the endowment finally surpassed the $10 million mark in 1946 and the $20 million mark in 1956—had come a gradual change in the Foundation's operation. Goff's interest in promoting civic experimentation and social change had been replaced by his successors' dedication to responsible grantmaking. As more and more of the Foundation's time was devoted to administering its growing annual income in ways that had often been spelled out by others, it displayed less and less interest in resuming its reformer's role of old. With the exception of its leadership of a municipal slum-clearing effort that built the country's first public housing in Cleveland in 1937, the Foundation largely left to other hands direct action on the city's pressing problems. During the 25-year tenure of Matson's successor, Leyton E. Carter, it would concentrate instead on being a responsive funder, awarding what came to be annuities to established charitable agencies. For example, Ho Mita Koda Camp, the Association for Crippled and Disabled Children, the Girl Scouts, the Welfare Association for Jewish Children and the YMCA were listed regularly in the Foundation's annual reports of the thirties and the forties as the recipients of grants from the Coulby fund. (Given that for many years appointees to the five-member Distribution Committee were invariably drawn from the white male business establishment, the ossification of the Foundation's grantmaking can be understood.)

Leyton Carter would play a more innovative role when he chaired Cleveland Homes, Incorporated, a private housing corporation formed in May 1933 to implement a master redevelopment plan for Cleveland that was aimed at combating blight, which over the years had swallowed
up fully one-fourth of the city’s total acreage. This unpaid but time-consuming civic assignment, which the Distribution Committee encouraged Carter to accept, constitutes a forgotten but significant part of the Foundation’s record of accomplishment. Although the master plan was never to be fully realized—it called for 1,000 acres of East Side slums to be replaced with new streets and speedways linking low-income garden apartments with stores, schools and other public buildings—Cleveland Homes laid the groundwork for the construction of the first three public housing projects in America. Before the Federal Emergency Administration of Public Works (PWA) decided in early 1934 to assume full responsibility for the first 1,028 units Cleveland Homes had planned in an attempt to speed hiring of the unemployed (PWA’s major interest in the project), the housing corporation had commissioned all the necessary architectural drawings, acquired the land and secured $9 million in federal financing.

In 1940, three years after their construction was completed, the PWA placed Cedar Apartments, Outhwaite Homes and Lakeview Terrace under the management of the Cleveland Metropolitan Housing Authority (CMHA). The founding director of CMHA, former Cleveland councilman Ernest J. Bohn, is usually given sole credit today for having built them, perhaps because it was he who persuaded city council to undertake a study of blight that resulted in the master redevelopment plan, as well as new state legislation establishing municipal housing authorities.

Even as planning for the three housing projects proceeded, however, another study cautioned that public housing might not be the hoped-for cure for the problem of blight. Commissioned by CMHA in 1934, “An Analysis of a Slum Area in Cleveland” described the site of the proposed Cedar and Outhwaite developments, home to many of the city’s 72,000 blacks, as “a festering sore spot in the heart of a large American center of business and industry” that would not be healed until the precarious social and economic standing of Northern blacks was remedied. “The Negro must have the opportunity to become self-sustaining if he is to take advantage of the opportunity to live in these government-built houses even at the comparatively low rentals which will be charged,” the study declared.

For more than 30 years this quiet plea to the political and civic leadership to attack the root causes of Cleveland’s spreading slums went unheeded. Instead the community diligently continued treating the
symptoms through various social programs, such as the model nursery school established in 1938 with a grant from The Cleveland Foundation at the Lakewood Terrace housing project on the city's near West Side. In addition to immunization shots and recreational activities, the nursery offered underprivileged preschoolers a hot lunch complete with fruit juice, milk, and cod liver oil.
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EXACTLY how far The Cleveland Foundation's thinking about needs of the neighborhoods had evolved since the thirties could be determined from the appearance of another unusual grant request on the June 1987 docket. In addition to the previously discussed grant to Scholarship in Escrow, the Foundation had been asked to provide approximately 10 percent of the financing needed to begin Phase II construction at Lexington Village in Hough. Surprisingly, Lexington Village was not a public housing project. Rather, it was the first market-rate rental property to be built in 50 years in Hough.

In the mid-sixties Hough, a black East Side neighborhood, had been the scene of notorious riots. Yet in the early eighties the Foundation had helped to build—near the very intersection where the rioting had broken out—183 stylish new town houses, which rented for monthly rates attractive to young professionals, small families, and retirees. The well-secured complex had been named, optimistically, Lexington Village, in keeping with the fact that a large part of the Foundation's rationale for involvement had been propagandistic: to make the point to nonbelievers in the private and public sectors that, given the appropriate security and right amenities, middle-class blacks and whites could be persuaded to live in the city—even in one of its most devastated neighborhoods.

The idea for the complex had originated with a not-for-profit organization called the Famicos Foundation. A former Catholic charity that sprang from the ashes of the 1966 conflagration in Hough, the organization had eventually moved beyond its early mission of providing riot-torn families with food and clothing. In the last years of the decade
Famicos launched a program of rehabilitating substandard housing for lease-purchase by those too poor to flee. More than 40,000 residents had left by the time Famicos approached the Foundation in the early eighties with plans for Lexington Village, and Hough was now a ghost town of 25,000 souls, the majority of whom lived at or below the poverty line. Having concluded that in 20 years the organization would be rehabilitating houses for the second time if it did not do something to improve the economic stability of the neighborhood, Famicos director Robert Wolf had informed the Foundation that he wanted to build rental property for predominantly middle-class families on land that Famicos had assembled at the corner of East 79th Street and Lexington Avenue.

Because no private developer was willing to invest in such an impoverished neighborhood, the Foundation had accepted responsibility for arranging the necessary financing. Steve Minter, then program officer for civic affairs, had spent two years helping to line up the required $14.1 million, which was painstakingly assembled from 27 public and private sources. (The Foundation had also made its own program-related investment of $800,000, which was its second PRI ever and the first in the arena of housing).

As of the summer of 1987, the Foundation’s investment had paid off primarily in intangible terms. Internally Lexington Village had served as an inspiration for other such projects of scale as the Special Initiatives. It had also been a morale builder for the community at large. “There is no way to put a price tag on the actual value of Lexington Village,” the mayor of Cleveland, George V. Voinovich, once stated. “In terms of neighborhood vitalization, it is priceless—not only to Hough, but to the entire city.” Voinovich’s assessment had been validated by the U.S. Department of Housing and Urban Development, which had named Lexington Village one of the country’s 10 outstanding urban renewal projects in 1986. Given the development’s symbolic value to the neighborhood movement and the past commitment of Foundation assets and staff time, there was little doubt of the Distribution Committee’s approving another PRI in the amount of $750,000 to help construct an additional 94 units at Lexington Village now that the first town houses had been leased.

Ironically, the investment had serious internal implications for the Foundation. It posed questions regarding the financing of both the Special Initiatives and the Foundation’s new Program-Related Investment
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Fund. The PRI Fund was the planned repository of the $7 million in proceeds expected from the sale of the Bulkley complex that was then being negotiated. Establishing policy for the multimillion-dollar fund had opened the program staff's eyes to the tantalizing prospect of tapping into a portion of the Foundation's assets for program-related investments on a systematic basis. Yet, as the summer of 1987 neared, the staff realized that, by making the Lexington Village investment and setting aside the $3.5 million from the Bulkley proceeds that had been earmarked for the Special Initiatives Reserve, the Foundation would reduce its PRI Fund to less than $3 million. When it had become clear that, were an alternative plan for funding the Special Initiatives not developed, the Foundation would be limiting its ability to pursue new opportunities for advancing its objectives through direct investment of its assets, the case for a principal distribution had been further strengthened.

Indeed, the first new opportunity to so advance its neighborhood agenda would present itself six months later. In December 1987 the newly established PRI subcommittee was asked to make a $1 million loan guarantee to Doan Center Incorporated (DCI), a local development corporation seeking to sponsor the construction of a new shopping center on a 20-acre site in Hough near Lexington Village. The guarantee was to be used only on a contingency basis: to buy back land acquired by the shopping center's private developer (with whom DCI had formed a partnership) in the event that leasing became stalled and the project could not go forward. Since a major discount department store had been signed as a tenant of the proposed Midtown Plaza, this scenario seemed unlikely. In any case, the Distribution Committee ultimately decided that the advantages of the project outweighed the risk of the Foundation's ending up the owner of some undeveloped land in what a handful of observers (chief among them, Minter) believed could someday be one of the most desirable locations in Cleveland, only five minutes away from downtown.

Minter's interest in rebuilding Cleveland's East Side neighborhoods went beyond the purely professional. His was a long-standing personal commitment, the depth of which had first been revealed at a staff retreat the fall after he became director. Sitting in front of a blazing hearth at a college inn in Oberlin, Ohio, he had given what became known as "Steve's fireside chat." In this first glimpse of the director's personal
priorities could be found the seeds of the Foundation's Special Initiative in Housing and Neighborhood Development. Among Minter's major concerns was the development of "the Euclid corridor" that stretched on both sides of Euclid Avenue between Chester and Carnegie Avenues, from the edge of downtown Cleveland to University Circle (a complex of educational, medical and cultural institutions bordering East 105th Street on the city's far eastern edge). Although it was the home of the Cleveland Play House and dozens of business enterprises that included several large employers, such as the famed Cleveland Clinic, in most other respects the corridor running through parts of Hough and several other inner-city neighborhoods was a wasteland.

"It was clear that if we didn't do something about straightening out the area [through which thousands of suburbanites drove each workday on their way downtown], people were going to say that the city hadn't turned around," Minter said later in explanation of his thinking in 1984. "You could see that the signs suggested that it was possible—for example, MidTown Corridor Incorporated [an economic development arm of the area's 200 or so businesses and institutions] had by then come into being. From my vantage point, I felt that the strip had existing strength as an institutional core, so the issue was: Could we do residential? Could we do retail and commercial? We needed to build anchors—that was really my message to the staff."

One of the earliest actions the Foundation had taken in keeping with this special interest in the area was to award Doan Center Incorporated a $300,000 grant in 1985 to prepare predevelopment plans for a hotel/conference/specialty retail center. Conceived to serve such DCI member institutions as the Cleveland Clinic and University and Mt. Sinai Hospitals located in nearby University Circle, the project had never materialized. But the Foundation's support had given DCI the technical sophistication it needed to capitalize on a private developer's casual expression of interest in the corridor between East 107th and East 79th Streets as a possible site for a new family-oriented shopping center. In a parallel development, starting in 1985 the Foundation had made a series of grants totaling nearly $1 million that had allowed MidTown Corridor Incorporated to acquire key parcels of land north and south of Euclid Avenue between East 55th and East 65th Streets for an 18-acre industrial park. In addition to the prospect of someday fattening the city's de-
clining tax base, the industrial park offered the hope of future jobs for the welfare recipients and unemployed who lived in the area.

By the summer of 1989, when ground was broken for the shopping center at East 79th between Euclid and Chester, only one tenant had yet been found for MidTown Commerce Park to the east, and the private developers to whom the acreage had ultimately been sold were estimating that it would take six years to develop the site (bounded by East 65th and East 55th Streets and Euclid and Carnegie Avenues). On the other hand, Midtown Square (as the shopping center had been renamed) promised to give a more immediate boost to the Foundation's campaign to rebuild the central city. The retail complex was soon expected to create 495 new full-time jobs, generate more than $250,000 in tax revenues for the city and recapture some of the $350 million that Cleveland residents—long deprived of modern, convenient and reasonably priced places to shop—spent annually in suburban malls. A year later work on this project, too, would slow, however, when the discount chain that had been signed as an anchor tenant declared bankruptcy.

Even as it struggled to pump up redevelopment efforts in Hough to a point where they might achieve critical mass, The Cleveland Foundation recognized that many of the city's neighborhoods were not as far along the road to recovery. As part of its planning for the Special Initiative in Housing and Neighborhood Development, which began in earnest in the early summer of 1987, the Foundation decided to seek a fresh perspective.

At the June 1987 meeting of the Distribution Committee, at which time a second PRI for Lexington Village was formally approved, the program staff recommended that James Pickman and Associates be hired to help the Foundation reassess its neighborhood strategy. At the time the Foundation was concentrating primarily on efforts to enhance the financial stability, technical expertise and access to project monies of Cleveland's various neighborhood development groups. Now the staff wanted Pickman, a nationally known consultant on community development, to evaluate the neighborhood groups' present needs and suggest how the Foundation might proceed to meet them. The fresh view, the staff hoped, would help the Distribution Committee in determining how best to shape the Special Initiative in Housing and Neighborhood
Development. The staff also hoped that Pickman's report would prove useful in helping to forge a consensus among the various neighborhood groups and their disparate philanthropic, governmental and corporate funders on a unified strategy for rebuilding the central city. Happily, both goals were met.

A memorandum prepared by the Foundation's civic affairs program officer, Jay Talbot, suggested that the consultants explore the promise of a number of courses of action. These ranged from how the Foundation might strengthen the financial underpinnings of the most productive of Cleveland's community development groups to what it could do to expand the pool of community leaders capable of directing revitalization efforts. The suggestions all revealed an underlying interest in capacity building—a concern that was made all the more vivid in July 1987, when the Foundation received a progress report on a study being conducted by Dr. Thomas E. Bier, the director of the Housing Policy Research Program at Cleveland State University, which it had helped to underwrite two years before.

Recognizing the connection between the health of a city's residential base and its ability to provide needed services and attract new businesses, the Foundation had responded favorably to Bier's proposal to project the course of population changes in Cuyahoga County over the next 20 years and assess their impact on the housing market. Bier's preliminary analysis had now been completed, and it suggested that if present trends continued unchecked, by the year 2005 Cleveland's population would have declined from 535,000 to 300,000. Using a straight-line projection of that data, Bier would later predict that one out of every four housing units currently occupied in the city would be abandoned by the turn of the century!

Bier's analysis struck some members of the Distribution Committee and staff as overly pessimistic. "The report seems to presume an inexorable move of Clevelanders with some economic means to the suburbs [without taking into serious consideration] how these people might be encouraged to stay in Cleveland," assistant director Susan Lajoie observed to Minter in a memo commenting on a December 1987 update of Bier's study.

But there was no debating the need to accelerate redevelopment efforts in the neighborhoods. Since the mid-sixties the city had endured the loss of 65,000 housing units. This spiraling dynamic of decay and aban-
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donment would be described in the report produced by James Pickman and Associates in November 1987. "As inner-city neighborhoods have declined, those residents who could afford to have moved to the middle ring . . . ," the report observed. "Gradually . . . these adjacent neighborhoods have begun to show signs of weakness too . . . . The prospect of an ever-widening core of neighborhoods populated only by people too poor to move out is indeed both plausible and chilling."

To stem the flow, the Pickman report suggested that the Foundation test an entirely new strategy by creating or supporting programs that encouraged home ownership by the middle class, rather than by the poor (as had been its practice). The report also recommended that the Foundation concentrate even more heavily than before on supporting commercial revitalization projects, in recognition of the fact that countless mom-and-pop businesses had been forced by the steady drain of customers to move out of the inner city or fold, leaving their neighborhoods without needed services. "Despite an estimated 50 percent oversupply of retail space in Cleveland," the Pickman report observed, " . . . many neighborhoods lack a full service supermarket, a pharmacy, clothing stores, appliance stores, furniture stores or a department store. . . . Improving retail services is . . . essential to making Cleveland's neighborhoods competitive with the suburbs."

Try as they might, Cleveland's three dozen or so neighborhood development organizations (NDOs) seemed to be making little headway in reversing the spread of blight that Pickman would so vividly document. Most NDOs still lacked the technical expertise and resources to do more than "focus primarily on organizing merchant groups and marketing the City's commercial facade loan program," the Pickman report would observe. "Few . . . have undertaken actual development programs. In terms of housing, the most common development activity is the acquisition and rehabilitation of single family homes for occupancy by families below the poverty line." Yet even here the NDOs' output was slim compared to the rate at which the city's housing stock was being abandoned or demolished. Since 1981 a combined total of only 1,250 units of low-income housing had been produced by neighborhood groups.

The question of how to increase the NDOs' productivity had preoccupied Talbot ever since the day in 1984 when he had joined the Foundation staff after directing a number of not-for-profit organizations downstate. "I found a wealth of community organizations, but most of
them didn’t have much depth of staff or much experience,” Talbot re­membered. “They might rehab a couple of units a year—eight was a lot—and they were just beginning to talk commercial redevelopment. From a community-wide standpoint, they were producing zip.”

Part of the problem stemmed from understaffing. Most groups could afford the services of only one full-time employee, whose meager salary often precluded the hiring of an experienced professional. To make things worse, staff members typically were forced to spend an inordinate amount of time scrambling for operating dollars. Consequently, project planning and execution suffered. This unfortunate state of affairs had prompted Daniel E. Berry, a program officer specializing in neigh­borhood affairs at the George Gund Foundation, to suggest in late 1983 that Gund and The Cleveland Foundation explore the possibility of es­tablishing a joint neighborhood development fund as a source of ongoing operating support. Berry had noted that the Ford Foundation had re­cently helped foundations and local government in Pittsburgh to estab­lish just such a fund, and he wondered if a similar venture could be started in Cleveland.

Given that The Cleveland Foundation had a long-standing relation­ship with Ford, it was only a matter of time until the deal had been arranged. In late 1985, Ford had agreed to help launch the Cleveland Neighborhood Partnership Program with a grant of $350,000, contingent upon a local commitment of $700,000, which had been lined up from the Cleveland and Gund foundations, the corporate contributions department of the Standard Oil Company and the City of Cleveland. Because the Cleveland Neighborhood Partnership Program (CNPP) was the precursor of Neighborhood Progress, Incorporated—the super agency that became the flagship program of the Foundation’s Special Initiative in Housing and Neighborhood Development—a little back­ground on its operation is in order.

In early 1987 six neighborhood development corporations from across the city had been selected through a competitive application process to participate in the program. All received two-year grants averaging $85,000 a year, which gave them at long last the financial security and staff needed to plan high-impact projects. As a result, over the course of the following 24 months the groups were expecting to rehabilitate or build more than 300 housing units and begin construction of 58,000 square feet of retail space—$13 million in new development, all told.
Perhaps more important, Cleveland's Neighborhood Partnership Program (which Pickman would recommend should be expanded to support more than six groups) had represented a means of coordinating philanthropic and public resources for community development. In the past neighborhood groups had been forced to laboriously piece together funding from a multitude of sources, no two of which seemed to share the same rationale for giving support. "What emerges from the funding picture is less than a strategic approach to neighborhood development," Berry had argued in a 1985 letter to the Ford Foundation outlining the need for a Cleveland Neighborhood Partnership Program.

The possibility that the new Partnership could help to forge a consistent strategy for the neighborhoods had been strengthened when The Cleveland Foundation, responding to advice from Ford, had figured out a way to involve the business community. Ford's experience in its five other Partnership cities had demonstrated the difficulty of winning corporate support for the program when business interests did not participate from the outset. Recognizing the need for a Partnership coordinator, The Cleveland Foundation had offered to make an additional grant to pay his or her salary and expenses, provided that the person be housed in the offices of Cleveland Tomorrow.

Although Cleveland Tomorrow, an association of chief executive officers, had originally been concerned only with issues of regional economic competitiveness, it had broadened its agenda after a few years of operation to include an interest in the city's physical redevelopment. To date this new organizational concern had translated primarily into financial support for such downtown projects as Playhouse Square Center. It had been the Foundation's hope that, by acting as the administrative agent for the Partnership, Cleveland Tomorrow would acquire firsthand knowledge about the dynamics of neighborhood redevelopment and thereby gain an appreciation for the role revitalized neighborhoods could play in Cleveland's recovery.

According to Eric Hoddersen, a former director of Cleveland's Union-Miles Development Corporation who was ultimately hired to head CNPP, Cleveland Tomorrow had countered the Foundation's offer with one of its own. "Cleveland Tomorrow pushed for a staff person [and a part-time secretary] rather than a coordinator," Hoddersen said. "This had symbolic importance to them. Cleveland Tomorrow wanted to begin to deal more with neighborhood issues, because a few people on their
board like Alton Whitehouse [then chairman of Standard Oil], Brock Weir [then president of Ameritrust, formerly Cleveland Trust] and Mort Mandel [chairman of Premier Industrial Corporation and one of the founders of MidTown Corridor Incorporated] recognized that neighborhoods were on the agenda."

Cleveland Tomorrow's staff and board had seen that housing CNPP would give them "a learning curve, a way to access corporate involvement in the neighborhoods," Hoddersen said. "What they got for not very much money was something they could put on their resume." In exchange Hoddersen had gained the opportunity to give the members of Cleveland Tomorrow "a sense of the texture of the neighborhoods and the real problems people are dealing with there, to convey a sense that neighborhood development organizations are a strategy."

As the Foundation had hoped, this modest little arrangement would indeed serve to increase corporate awareness that the health of Cleveland should not be measured solely in terms of a gleaming, prosperous downtown. The change in Cleveland Tomorrow's perspective had been a necessary step toward building a community-wide resolve to stem neighborhood deterioration. Now the Foundation began to consider ways in which the informal network of communication among the various philanthropic, governmental and corporate funders who had created CNPP might be institutionalized.

In late 1986 Steve Minter had convened the Neighborhood Strategy Group for the express purpose of continuing the dialogue about the best means to coordinate community development efforts and resources. Minter and Jay Talbot had represented the Foundation at the Strategy Group's periodic meetings, but the staff work was handled by Cleveland Tomorrow staff members, who had used this leadership role to begin pushing in the early summer of 1987 for the establishment of a sort of community development think tank to be called Neighborhood Progress, Incorporated (NPI). "We saw NPI as a type of Cleveland Tomorrow for the neighborhoods," said Joseph D. Roman, a senior associate of Cleveland Tomorrow and secretary of the Neighborhood Strategy Group. "We saw it as the analysis tool that was lacking."

Cleveland Tomorrow's proposal was to set in motion a year-long debate that would influence the direction of The Cleveland Foundation's Special Initiative in Housing and Neighborhood Development as much as the Pickman needs assessment then under way. As it turned out, the various
members of the Neighborhood Strategy Group saw "next steps" somewhat differently, as did the neighborhood organizations (whose representatives were officially invited to become members of the Strategy Group after they had elbowed their way into the discussion out of a fear of being dictated to). The Cleveland Foundation, in particular, believed that the think tank should be formally linked to the Cleveland Neighborhood Partnership Program: There was little sense in funding a research and analysis unit that would be independent of CNPP's continuing effort to enhance the financial stability and technical expertise of the neighborhood development groups. (In fact, the Pickman report had argued that creating any new entities would be costly and duplicative.)

Yet, recognizing that NPI was undeniably on its way to becoming the focal point of the corporate community's neighborhood agenda, Minter and Talbot decided not to push Pickman's point of view. Rather, they encouraged the Strategy Group to consider expanding the scope of NPI by drawing into its organizational orbit not only CNPP, but two independently operated local pools of neighborhood development monies.

The first was Cleveland LISC, one of 26 branches of the Local Initiatives Support Corporation, a national not-for-profit lending and grant-making organization founded in 1980 with seed monies from the Ford Foundation and six major American corporations with the goal of attracting private resources for neighborhood development projects. The following year The Cleveland Foundation had taken steps to establish a local LISC, lining up $464,000 from the Gund Foundation, the Standard Oil Company and several other local corporations, in addition to making its own grant of $500,000, all of which the national operation had matched dollar for dollar. Controlled by a local advisory committee, Cleveland LISC had proven itself an indispensable source of predevelopment, or "soft," dollars for commercial projects ranging from MidTown Commerce Park to Lexington Village. It was now nearing the end of its second round of capitalization, however, and Minter and Talbot believed that the organization's continuation would be ensured only if it were formally linked to Neighborhood Progress, Incorporated.

The second national intermediary organization that The Cleveland Foundation hoped to see brought under the NPI umbrella was the Enterprise Foundation, which had been created in 1982 by shopping center developer James Rouse to devise ways to leverage private support for low-
income housing projects. Lance Buhl, the program officer for urban development in Standard Oil's corporate contributions department, had been so favorably impressed by a speech he once heard Rouse give that he had brought the developer to town to determine if there was a need in Cleveland for the services of Rouse's foundation. Enabled to set up a local office in 1983 by a Standard Oil grant, Enterprise-Cleveland now administered a multimillion-dollar equity fund that allowed limited-partner corporate investors in low-income housing projects to take advantage of tax credits made possible by the Tax Reform Act of 1986.

Unfortunately, Enterprise and LISC had developed an adversarial relationship in every major city in which both had set up offices; and it appeared that their philosophical and territorial feuding would prove an obstacle to their coordinated operation in Cleveland, until the Foundation intervened. "The Cleveland Foundation said to both: 'We can't leave one behind,'" Neighborhood Strategy Group secretary Joe Roman explained. "Their program officers brought back to their bosses the word that 'the community seems to want both of us.' It got to a place where they believed the community was favoring neither of them, so no face was lost" by either office's agreeing to be housed at NPI.

It was also agreed that the allocation of LISC and Enterprise resources—as well as soft and hard project monies from other local sources—would be determined by a single coordinating authority: an investment advisory subcommittee of the NPI board. The board itself signified a new unity of purpose, bringing together six neighborhood representatives (two from low-income housing groups, two from groups focusing on commercial redevelopment and two from groups concerned with neighborhood advocacy) with four senior representatives of leading Cleveland banks and corporations, two foundation representatives, a representative of the mayor and the majority leader of city council.

"Every institution brought its own piece to the table," said Eric Hoddersen of the give-and-take that also resulted in the agreement to fold in the Cleveland Neighborhood Partnership Program, "and that changed the chemistry of NPI. We will be able to go a lot further with NPI than without it. Simply expanding the Partnership Program would not have done it. It was seen as too narrow; it was an adjunct program to the funders and it didn't have weight and authority to effect change."

The laborious negotiations finally produced, in the fall of 1988, what Minter liked to call "the Cleveland answer": a super-coordinating agency
able to offer individual community development corporations access to a variety of financial resources and a range of technical expertise while articulating, and building a consensus for, a citywide strategy for neighborhood development.

A sense of the "Cleveland" response to urban decay emerged in a memo NPI's president Thomas E. Cox sent to James H. Ross, chairman of BP America and the head of NPI's board of trustees, shortly after Cox came on board from a position as the president and executive director of a Pittsburgh community development corporation (or CDC). No matter that the North Side Civic Development Council had either managed or promoted projects totalling $20 million in new development during his nine-year tenure in Pittsburgh. Cox understood that "there is no way CDCs will be able to mobilize enough resources and energy to rebuild the neighborhoods; in the long run they and NPI will need to mobilize the private sector to behave in Cleveland as it now does in places like suburban communities," he stated. "By this I mean the unleashing of money, experience, management and the expectation of profit (I call it guided greed) . . . . NPI should think of its . . . . investments somewhat as venture firms think of their[s] . . . . We can regard those [groups] receiving funds as entrepreneurs building prototypes."

In September 1988 The Cleveland Foundation kicked off its Special Initiative in Housing and Neighborhood Development by making an up-front commitment of $500,000 to NPI's first three years of operation. In the process the Distribution Committee signaled the Foundation's strong interest in NPI's activities and agenda. Whatever projects the unprecedented new partnership of monied and grass-roots interests agreed to pursue as joint ventures, it seemed clear that they would receive serious consideration from the Foundation as part of the evolving Special Initiative.
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IN helping to launch Neighborhood Progress, Incorporated, The Cleveland Foundation had escalated a battle to save the inner city previously fought for years by a subsidiary, the Greater Cleveland Associated Foundation.

The Greater Cleveland Associated Foundation was a unique philanthropic experiment that had operated under The Cleveland Foundation's loose auspices for six years during the sixties. Established in late 1961, amidst growing national uneasiness about the future of American cities, the new Associated Foundation would have a profound influence on the older philanthropy, spurring its interest in an urban agenda and prompting its reemergence as a catalyst for change in the public arena. Indeed, one cannot appreciate how The Cleveland Foundation came to play such a significant role in the remaking of Cleveland in the seventies and eighties without understanding the hidden origins and radical innovations of its mentor, the Associated Foundation of the sixties.

The Greater Cleveland Associated Foundation (GCAF) was the result of a collaboration between the Ford Foundation and a former Distribution Committee member, Harold Clark, one of the community's most prominent business and civic leaders. Believing, with the Ford Foundation, that the resources of The Cleveland Foundation were being underutilized in the late fifties in combating the city's postwar stagnation, Clark had wanted to create a new philanthropy to set an example of research and experimentation for The Cleveland Foundation to emulate.

Shrewdly, Clark and his allies never made plain their reformative in-
tentions for the Foundation’s $41 million endowment, in which the Cleveland establishment now took considerable pride of ownership. Instead they cloaked their plans in solicitousness for Cleveland’s entire philanthropic community. At a luncheon to announce GCAF’s creation on December 18, 1961, given by the Distribution Committee for more than 200 probate lawyers, trust officers of banks and trustees of other local foundations, the committee’s chairman, Ellwood H. Fisher, explained that GCAF would dedicate itself to exploring “possible solutions to broad problems that are too extensive and too costly to be attacked by existing organizations, which must concentrate on solving today’s urgent problems today.”

Although legally a not-for-profit Ohio corporation with its own staff and 11-member board, technically GCAF was a new trust fund of The Cleveland Foundation. “All of its funds will go for studying community needs, proposing solutions to problems and making these findings available to philanthropic, service and government organizations,” Fisher noted. “The foundation is also expected to finance pilot and demonstration projects when these may point the way to new community ventures.”

Finally, Fisher reported that the new entity had been awarded grants of $1.25 million by the Ford Foundation and $1.25 million by the Leonard C. Hanna, Jr., Fund, the largest private foundation in Cleveland, over whose board Harold Clark presided. The income and principal of both grants were to be expended in five years, at which time the grantors would consider renewing their awards.

Then Fisher, who chaired the Fisher Bros. Foods supermarket chain, for which Clark served as corporate counsel, introduced Kent H. Smith. The retired chairman of Cleveland’s Lubrizol Corporation and former acting president of Case Institute of Technology, Smith had been appointed to chair the new Associated Foundation, and he now elaborated on its plans.

“We have resolved that we will not develop a large staff,” Smith said. “... Instead, we will seek out the excellent researchers in our universities and colleges, in our Welfare Federation and other civic organizations, and encourage their cooperation in combined attacks on the most important community problems. In research, as in foundation activity, the emphasis will be on cooperative projects. We will not supplant, but supplement.”

Smith also noted the Foundation’s intention of creating an advisory
committee "to help in considering the problems we face and the priority with which they should be attacked." He then introduced James Adolphus (Dolph) Norton, who been hired as GCAF's president. Norton, a former professor of public administration at Florida State University, had come to Cleveland five years before to head a study of the need for metropolitan government, which had been chaired by Smith's predecessor at Case, T. Keith Glennan, and financed in part by the Ford Foundation.

That afternoon's Cleveland Press carried a story of the luncheon headlined: "$2,500,000 Fund to Study and Solve City's Big Problems." A follow-up story published the next day featured an interview with Norton, who further clarified GCAF's role: "It will be the troubles of people, especially those crammed into the city of Cleveland, that the new foundation will try to solve." The story was headlined: "New Foundation Seen Focusing on Hough."

Like everyone connected with the creation of the Associated Foundation, Dolph Norton harbored large ambitions for the new fund. In the end no one's expectations were to be fully met. Yet the demonstration project must be judged a success in that it reestablished a tradition for philanthropic leadership of metropolitan affairs that today inspires not only the work of The Cleveland Foundation (with which the Associated Foundation eventually merged), but that of most other big-city community foundations as well. The way the collaborators' separate hopes and aspirations for a better Cleveland came together as a powerful, revitalizing force is instructive.

He had had no say in the founding of the Associated Foundation, but Cleveland Foundation director J. Kimball Johnson realized that he ought to be doing more.

A longtime civil servant who had held administrative posts in a variety of federal social service agencies, Johnson had sought the Foundation's directorship after Leyton Carter's sudden death in 1953, in order to avoid being transferred to the Chicago regional office of the newly created U.S. Department of Health, Education and Welfare. Johnson, who had come to Cleveland as a boy in 1914 (the year the Foundation was created), had served his adopted home well during the Depression as the local head of the Civil Works Administration, which put 42,000 Clevelanders back to work. The former regional director of the Federal Security Agency, which had been subsumed into HEW, he also grasped
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the changing dimensions of the welfare problems facing Cleveland as it approached the new decade of the sixties.

Hardly a month passed without some agency sending The Cleveland Foundation a proposal to launch yet another social service program in one of the city’s East Side neighborhoods, which were crumbling under the accumulated weight of an influx of uneducated, unskilled Southern blacks who had come North seeking factory jobs during and after each of the world wars and now constituted nearly 30 percent of the population in the nation’s eighth-largest city. Usually Kim (as his friends called him) would check to make sure that the proposed program had the blessing of the Welfare Federation, theorizing that if an agency’s proposed budget had survived the scrutiny of the Federation’s lay oversight committees and professional planners, then it was safe to recommend its programs to the Distribution Committee for funding.

Yet something about the Boy Scouts’ request for monies to recruit troop leaders in Hough had given Johnson pause. By his reckoning the Foundation had poured some $400,000 into Hough on a project-by-project basis since his arrival, and now the Boy Scout brass were sitting in his office and telling him that in 12 months of street-pounding there they had yet to scare up a single volunteer leader! Something had to be done once and for all to stem the dramatic decline of this once-fashionable neighborhood.

Bounded today by Euclid Avenue on the south and Superior Avenue to the north, East 107th Street to the east and East 55th to the west, Hough had originally been farmland. In the mid-19th century the pastures had sprouted a village called East Cleveland, which was annexed to Cleveland in 1872. Soon thereafter Euclid Avenue east of 55th had begun its transformation into a prestigious address. Prominent Clevelanders had sought refuge from the city’s noise and congestion in this outlying district transected by a splendid new residential boulevard called Hough Avenue (which took its name from early settlers Oliver and Eliza Hough).

By the fifties, however, the well-to-do had moved on to the suburbs, and Hough had become home to mainly middle-class ethnics who owned their own places or rented commodious suites in large brick apartment buildings built in the twenties. Ten short years later most of the ethnics had fled from the postwar influx of Southern “in-migrants” (as they were dubbed by the sociologists), which had created a demand housing market
in the central city, where the newly arrived blacks found themselves by unwritten law confined. The city's razing of entire slums in preparation for building freeways or urban renewal had only served to exacerbate the housing shortage.

By the beginning of the sixties, Hough had reached its peak population. More than 71,000 persons, nearly 53,000 of them blacks, jammed into its confines. (City officials looked the other way as landlords carved up former single- or two-family dwellings into cramped suites in order to squeeze out the last possible dollar in rent.) Nearly one-half of the residents were on relief, many having fallen victims to the recession of 1958, which saw large numbers of manufacturing workers laid off, never to be recalled, as the increasing use of automation and new materials such as plastics and aluminum reduced the work force needed by steel and related industries. Between 1953 and 1961 Cuyahoga County (named for Cleveland's winding river) had lost 65,000 manufacturing jobs, and the hardest hit were those with the least seniority: the recently arrived blacks.

Furthermore, an ugly cycle was developing. The city's welfare costs had skyrocketed 500 percent in the decade preceding 1960, as the children of the idled workers themselves began to drift onto the relief rolls. According to a survey taken by the Cleveland public schools one month before the Greater Cleveland Associated Foundation was formed in late 1961, two-thirds of the out-of-school youth between the ages of 16 and 21 living in the central city were unemployed. Nearly three quarters of these young people, estimated at 5,000 or 6,000 strong, had dropped out of school. In Hough, however, the percentage of unemployed youth jumped to 79 percent. Although it was but one of 30 census tracts in Cleveland in which non-white residents constituted a majority, Hough was well on its way to becoming a symbol, known around the world, for the anger of American blacks toward the inequities of opportunity their country afforded them.

After the Boy Scout representatives had departed, Kim Johnson had taken it upon himself to write his Welfare Federation associates and strongly suggest that some new, coordinated approaches to solving Hough's multitudinous problems ought to be explored. The Welfare Federation responded by promptly forming a lay study committee.

A display of such initiative by Johnson was rare, by his own admission. With his presence required at an endless succession of Welfare
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Federation meetings (the director of The Cleveland Foundation was an ex officio member of both the Federation's board and its planning committee), and with only his stalwart assistant, Dorothy Ruth, and a stenographer to organize and process an ever-expanding mound of paperwork, there was, Johnson once told an interviewer, little time to think and act other than mechanically. Then, in his very next breath, Johnson admitted: "It's an excuse." Justifiable or not, such self-professed cursory evaluation was the basis on which the Distribution Committee made its decisions to award 251 grants totalling $1.9 million in 1961.

Of course, with regard to roughly 30 percent of the Foundation's annual income, the Distribution Committee had no real say, the donors having designated in their wills a specific recipient (the "Three-Corner-Round Pack Outfit" camping program for underprivileged boys, for example). It was the routinized processing of the Foundation's broadly restricted and unrestricted dollars that troubled Harold Clark, and out of his concerns the Associated Foundation would be conceived.

Then in his mid-70s, Harold Terry Clark had been a member of the Distribution Committee during the forties and fifties, but his reputation as Cleveland's most influential philanthropist came from another source. When Leonard C. Hanna, Jr., died on October 5, 1957, he left Clark in charge of his trust fund. Hanna, scion of a Great Lakes iron ore- and coal-shipping fortune, had instructed that the fund be liquidated within five years of his death, with $33 million to be given immediately to the Cleveland Museum of Art. That left Clark, who had been Hanna's personal attorney, with more than $40 million to distribute.

Clark's philanthropic instincts had long tended toward bricks-and-mortar projects. As a member of the prestigious Cleveland law firm of Squire, Sanders and Dempsey (which he had joined in 1906 after graduating from Harvard Law School and left in 1938 to start his own practice in order to have more time to devote to community pursuits), Clark had interested a group of civic leaders in helping him organize a natural sciences museum for Cleveland in 1920. He later became president of the Cleveland Museum of Natural History, as well as the Art Museum. With both museums located in University Circle, the home of more than 30 cultural, educational and medical institutions, it is not surprising that a first-time federation of Circle institutions aimed at turning the area into a veritable Acropolis was the beneficiary of one of the first grants Clark made after Hanna's death. Because of his high visibility in the
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Circle's cultural affairs, Clark had been asked by Keith Glennan, president of Case Institute of Technology, which was one of the three largest landholders in the Circle, to advise on the creation of the University Circle Development Foundation (UCDF). The Hanna Fund's subsequent $2-million gift to UCDF in 1958 had helped to launch a 10-year capital campaign to improve the physical infrastructure of the Circle.

Clark's interest in urban redevelopment was further spurred by a speech given in the early sixties by Adolph W. Schmidt, president of the A. W. Mellon Educational and Charitable Trust in Pittsburgh. Schmidt had described the role of the Allegheny Conference on Community Development in rebuilding an area of downtown Pittsburgh known as the Golden Triangle. "What the Pittsburgh story has demonstrated," Schmidt said in a later address on the same topic, "is that a cooperative and unselfish spirit on the part of its civic leadership, assisted by the strategic application of private and public funds, has been able to work miracles in as gloomy and dismal an outlook for a city as ever existed in the country." The Allegheny Conference's "full mobilization of philanthropy," according to Schmidt, had been one of its outstanding accomplishments. Harold Clark decided that he would try to engineer a similar miracle in Cleveland.

The city's corporate leaders were already mobilized around the issue of downtown urban renewal, which they viewed as Cleveland's most pressing problem. In fact, one of Clark's fellow Hanna Fund trustees, John C. Virden, had played a leading role in organizing a local counterpart of the Allegheny Conference. Virden, president of Eaton Manufacturing Company, a maker of auto parts, had in the early fifties chaired a civic committee that was studying how to encourage the renewal of downtown Cleveland, whose development had stagnated during the Depression. One, maybe two, major new office buildings had been built since 1929, when the Terminal Tower, the tallest skyscraper in the world outside New York City at the time of its construction, had gone up on Public Square. Since then, blight had overtaken entire quadrants of the city's center.

The study resulted in the creation in 1954 of the Cleveland Development Foundation (CDF), a not-for-profit corporation enthusiastically backed by the business community, which raised $2 million for CDF to invest in redevelopment projects. CDF's strategy focused first on building low-income "relocation" housing, so that slum land could be cleared in preparation for urban renewal. Then, in 1960 it unveiled a master
plan for downtown redevelopment called Erieview that had been underwritten in part by The Cleveland Foundation, on whose board Virden sat. Designed by internationally known architects I. M. Pei & Associates, Erieview was a $100 million project to build new government, office and apartment buildings, retail spaces and even a hotel in a blighted area immediately northeast of downtown overlooking the lake.

Clark was so impressed with these accomplishments that the following year he moved to ensure the continued operation of the Cleveland Development Foundation, which had been subsisting on annual handouts from The Cleveland Foundation and the Leonard C. Hanna, Jr., Fund. On January 31, 1961, the trustees of the Hanna Fund announced the establishment of the $5 million Community Development Fund as a new trust of The Cleveland Foundation. The income from the fund, to be used to provide permanent operating support for the Development Foundation, was placed under the control of a newly created advisory committee chaired by Eaton's John Virden. Also on the committee were the chairman and chairman-elect, respectively, of the Development Foundation, Thomas F. Patton and Elmer L. Lindseth. (Patton, who was president of Republic Steel Company, the city's largest employer, and Lindseth, president of the Cleveland Illuminating Company, also a major corporate presence, would later be asked to join the board of the Associated Foundation.)

Less than a month later, on February 22, 1961, when the Hanna trustees announced a $1 million gift to The Cleveland Foundation bearing the name of the Leonard C. Hanna, Jr., Special Purpose Fund, Clark set in motion another key element of his stratagem to replicate the Allegheny Conference miracle in Cleveland. The raison d'être of the new fund was "to study and evaluate the methods and programs employed by The Cleveland Foundation and by other charitable trusts and foundations . . . ; to study the charitable needs of the area . . . and the activities of charitable organizations in meeting such needs . . . ; and in general to support and encourage by all means which the Distribution Committee may approve, the development of a sound, efficient, and forward-looking charitable program." Most likely because its purpose had still to be fulfilled, the Hanna Fund gift was not made public at the time.

Even as Harold Clark took the first cautious steps toward recharging The Cleveland Foundation, the Ford Foundation was engaged in its own
deliberations on the subject of strengthening local philanthropy. The discussion, which would ultimately lead to the $1.25 million seed grant to the Associated Foundation, had originated in the Public Affairs Program division, then under the directorship of Paul N. Ylvisaker. A visionary and entrepreneurial former political science professor, Ylvisaker (pronounced ILL-vuh-sah-kur) had, since joining the Ford Foundation, pushed and prodded the division away from a long-standing preference for supporting academic research into attacking urban problems head-on.

The GCAF grant was one of a series of three the Ford Foundation made to smaller foundations in the early sixties in the hopes of demonstrating, as a model for other communities, what a professionally run local philanthropy could accomplish through action-research. The series had originated in Ylvisaker's desire to move out of safe and sane hospital, university and similar do-nothing grants. We had a large increase in income to the Foundation about that time, too, and the battle was joined over how we were going to allocate it. I guess I was leading the fight to begin getting after the more gutsy urban problems.

It had also struck me about the same time that there was a hell of a lot of philanthropic dough in this country—and it was mostly going down the drain on kinds of projects Ford itself had funded during the Eisenhower years, when everybody worried about McCarthyism.

These two thoughts—how to get Ford more involved with tough problems, and how to get other philanthropies involved, too—seemed to converge. The notion of Ford block grants to local foundations was aimed at both problems and presented a possible way to gain the large-scale leverage necessary for getting this country to wake up to social change.

The first grant in this series, for $1.25 million, went to the Kansas City (Missouri) Association of Trusts and Foundations, founded in 1949, by none other than Homer Wadsworth, the man who would go on to head the revitalized Cleveland Foundation. (Ironically, Ylvisaker, who had come to know "this lone wolf out in Kansas City" as a result of a grant Ford had made to the association's research subsidiary to conduct a metro-government study, would later credit Wadsworth with having given him the idea for the series. Wadsworth had initially sought support only for his own philanthropic institution, but wisely suggested that Ford make three grants in order to avoid suspicion that it was favoring Kansas City. "Homer is a person who could control everything
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subliminally,” Ylvisaker later recalled, only half-jokingly. “He would come to our offices and we would wonder what it was he was pro­gramming us to do for the next year.”

With an endowment of approximately $12 million in 1961, the Kansas City operation at the time had less than $500,000 to distribute each year, and Ylvisaker’s grant represented a 50 percent annual increase in income over a five-year term. “It unbuttoned me,” Wadsworth would say later, allowing that the expenditure of Ford monies on “community action”-style philanthropy had freed up the association’s resources to be used on projects dear to him: as a carrot to induce the city’s health care providers to join in the creation of a state-of-the-art medical/education complex on a 135-acre urban renewal site known as Hospital Hill and also to persuade the University of Kansas City, a floundering private college, to become a part of the Missouri state higher education system. Wadsworth’s work in Kansas City would foreshadow his accomplishments in institution building in Cleveland.

Even before the Kansas City grant had been announced in March 1961, Ylvisaker had entered into discussions with Harold Clark about a similar grant for Cleveland. Clark had taken the initiative of traveling to New York City to ask Ylvisaker: “Wouldn’t it be wonderful if Ford and Hanna got together?” The Public Affairs Program director had come away from the meeting with the impression that (in the words of an internal memo on the subsequent Associated Foundation grant) “. . . a number of local philanthropies in Cleveland might be encouraged to enter into some sort of cooperative effort. . . . The city had available the main ingredients for developing a broader program of research and action; what it has lacked is the integrating force.”

Paul Ylvisaker soon realized that he knew exactly who could provide that integrating force: Dolph Norton, his former classmate at Harvard’s Littauer School of Government.

James Adolphus Norton was born in 1922 in Haynesville, Louisiana, a town of 2,500 located in the parish of Claiborne in the northern part of the state. (Two years before, the U.S. Census had revealed that, for the first time in history, as many Americans now lived in towns as lived on farms.) Norton’s mother, Sue Annie, was a former schoolteacher. His father, George Norton, a salesman of farm implements, had started a hardware store in Haynesville after World War I, shortly after oil was
discovered in north Louisiana, and the business had soon expanded into
furniture and through that sideline (as is typical in many small towns)
to undertaking. "Mr. George," an employee once remarked, "just
don't know the meaning of can't"—an observation that would come to
fit his son as well.

Norton was reared a Southern Baptist in what had before the oil boom
been hill country. The only blacks he knew well as a child worked as
domestics in his home or for his father. Black youngsters, if they went
to school, attended one of countless all-black schools built throughout
the South through the generosity of famed Chicago philanthropist Julius
Rosenwald, an early chairman of Sears, Roebuck and Company, who had
challenged black communities to better themselves through the then-
innovative device of offering matching grants for school construction.
Primarily due to his father's ameliorating example, Dolph Norton
emerged from this hothouse environment a liberal on the issue of race.

Although Norton remembered hearing about lynchings and witness­
ing cross burnings as a boy, he also remembered his father more than
once announcing that he, George Norton, would never join anything
that required him to hide his face. A community leader in part by virtue
of owning one of Haynesville's most popular hangouts, the general store
proprietor often used the early-morning gathering of men around his
coffeepot as an opportunity to smooth whatever racial antagonisms
might then be in the air.

Norton senior admirably put his money where his mouth was. When
the Depression hit and his neighbors could no longer afford to pay for
even a plain pine casket, George Norton came up with the idea of start­
ing a cooperative insurance plan called the Claiborne-Webster (after the
parishes involved) Christian Burial Association. At its height 75,000
white families were enrolled, offsetting the losses Norton sustained in
operating the Haynesville Burial Association, a perennially unprofitable
service he ran for the benefit of the parish's blacks.

In the early thirties George Norton found himself traveling so fre­
quently to Baton Rouge to defend his new business from overregulation
by the state legislators, who were being pressured by the big insurance
companies to crush just such upstarts as the Claiborne-Webster Christian
Burial Association, that he decided to run for the state House of Rep­
resentatives. His platform, according to his son, consisted of one plank:
"Since I'm going to be down there anyway, why not just send me on
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down?” Norton senior served one term, during which time he arranged for his son to become a House page—an experience that fueled Dolph Norton’s later interest in government, a subject in which he earned undergraduate and master’s degrees from Louisiana State University and another master’s degree and a Ph.D. from Harvard University.

Despite a passion for politics, Dolph Norton ultimately decided to go into teaching; a child of the Depression, he was concerned about job security. Having completed his first master’s degree, Norton served as a radio operator in the U.S. Army Air Force during World War II. He then became an instructor at the University of Texas. He moved on to take a second master’s from Harvard, and in 1949 he became an assistant professor in the school of public administration at Florida State University. By 1952 Norton had completed his Ph.D. and become chairman of the division of instruction within the school, a position he held until 1956, when Case president Keith Glennan persuaded him to move to Cleveland to head the Metropolitan Service Commission, which Glennan chaired.

Although Norton had frequently consulted with municipalities and states on matters of public administration, Metro, as the not-for-profit commission was dubbed, would be a bittersweet learning experience for him. While it gave him a unique perspective on community affairs that would prove invaluable in his leadership of the Associated Foundation, Metro itself was not a success. The commission had been established in the mid-fifties by Cleveland’s business and professional leaders, who saw metropolitan government as one key to the city’s revitalization. By conducting and disseminating expert studies on a variety of governmental services ranging from mass transportation to public health, Metro was expected to persuade county voters of the wisdom and efficiency of a form of governance that they had rejected at the polls three times before. This political agenda had never been publicly acknowledged, however, as it was perceived that an “independent” commission would have more credibility. A Ford Foundation grant of $125,000 had also been helpful in distancing Metro from the appearance of partisan politics.

Within a year of his arrival Norton had pulled together a staff of researchers, a regiment of outside consultants and a full complement of civic “study groups” and begun work on the first of what would become 29 published reports. However, before Metro’s painstaking education of the electorate could be completed, one of its younger and more active
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supporters, Seth C. Taft, an attorney at Jones, Day who harbored ambitions of becoming Cleveland's mayor, began a drive to place a new county charter issue on the ballot. In November 1958 voters elected a 15-member county charter commission, and in the rush to write a charter by the next mayoral election, Metro's findings were never properly examined and debated. The following November metropolitan government was once again defeated at the polls, largely because black voters feared that they would lose the political clout they had slowly gained in Cleveland's city council.

Norton was not without work for long. One of the positive outcomes of Ford's metro studies grants was that Paul Ylvisaker had built a network of able associates around the country, and he was not going to stand by and watch a man as talented as Norton slip away. A Ford Foundation fellowship allowed Norton to spend 1959 sorting out Metro's lessons as a visiting professor at Western Reserve University. In 1960, the year the Census reported that two-thirds of all Americans now lived in metropolitan areas, he accepted a position with Case as a professor of area development in the hopes of building what amounted to an urban studies department.

Norton brought to the task a sophisticated understanding of the multitudinous problems facing Cleveland, a hard-won appreciation for the intricacies of Cleveland politics and a network of business, government and civic contacts in both the white and black communities. To that network he would, during his sojourn at Case, add two invaluable future allies: retired industrialist Kent Smith and Barbara Haas Rawson. Smith was then serving as Case's acting president in the absence of Keith Glennan, who had been called to Washington by President Eisenhower after the Sputnik crisis to become the first director of the National Aeronautics and Space Administration. Rawson, a well-known volunteer active in the League of Women Voters and the PTA in suburban Shaker Heights, became Norton's part-time assistant. Rawson was to accompany Norton to the Associated Foundation, where her title of administrative assistant would only hint at her contributions as Norton's right hand, sounding board and local historian.

A year after he had left Case to begin work at the Greater Cleveland Associated Foundation, Norton's thoughts on "The Metro Experience" were published in pamphlet form. Among the conclusions he had reached was this intriguing observation: "... the metropolis has no regularized
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democratic procedures for choosing its goals and bringing the community's resources to bear in achieving them." Save for the notion of public accountability, he could have been describing the function of the Associated Foundation, which would be established partially as a result of the corporate community's anxiety over its failure to achieve metropolitan government.

Shortly after Keith Glennan returned to Case to resume the presidency in February 1961, he received a telephone call from Paul Ylvisaker of the Ford Foundation. Ylvisaker related the details of his meeting with their mutual acquaintance Harold Clark, expressed his willingness to consider funding Clark's concept of a "forward-looking charitable program" if only the right person could be found to lead it, and shared his belief that that leader was Dolph Norton. Would Glennan be willing to release him from his teaching duties? With Case in the midst of a campaign to win an $8 million grant from the Ford Foundation, which had publicly announced its interest in strengthening engineering schools around the country, Glennan had more than one reason to concur. Ylvisaker and Glennan also discussed asking Kent Smith, a member of The Cleveland Foundation's Distribution Committee, to get involved. Smith, who was a great admirer of Glennan, subsequently agreed to advise Norton on developing a fundable program.

On July 17 Clark met with Kent Smith and other members of the Distribution Committee at his request to discuss the Ford Foundation's interest in backing a local philanthropic demonstration project. To underline the importance of the matter, Clark had asked Tom Patton and Elmer Lindseth of the Cleveland Development Foundation to accompany him. At that meeting the Distribution Committee was persuaded that Norton should be retained to undertake a study of the city's philanthropic resources in preparation for making a formal request to the Ford Foundation, with his fee and expenses to be covered by a $5,000 grant from The Cleveland Foundation's (Hanna-donated) Special Purpose Fund.

Norton immediately began setting up interviews with trustees of important local foundations, as well as meeting with Clark for regular brainstorming sessions. "Harold was particularly interested in nudging all of philanthropy: 'Do something, don't just sit back,'" Norton would remember Clark saying. "I went and talked to him a dozen times, and as we talked, he said: 'We've got to do something to make other people do things. We've got to point out the directions for them. We've got to
provide leadership'—which was the whole idea that all these people had been talking about.

“Every one of them felt we'd just spent a lot of money looking at metropolitan government and the voters had turned it down,” Norton continued. “We obviously had some problems that came out of the depression of 1958. Also those were the great days of urban renewal. Cleveland was one of the foremost cities in urban renewal [in terms of acres targeted], but we had gotten off the track. All of these things were sitting, and everybody said: ‘What can be done to push them, how can we make them go?’ They were all feeling pretty antsy about it.”

On August 1, Norton mailed a progress report to Kent Smith, who was vacationing in Europe, in which he mentioned that Clark foresaw the possibility of the Hanna Fund’s matching a Ford Foundation grant. (Indeed, as the discussion evolved, it became clear that the Hanna grant would not be forthcoming without Ford’s participation, for reasons discussed below.) Acting independently, Elmer Lindseth also wrote Smith to urge him to head up the demonstration project—a leadership role that Lindseth believed could only be taken by “someone in the inner circles of The Cleveland Foundation. . . . [T]his practically boils down to you . . . ,” he added. “I think you can also be helpful by indicating your interest to Dr. Ylvesaker [sic].”

On August 25, at a second meeting of the Distribution Committee to which Clark, Lindseth and Patton had again been invited, Norton presented a rough draft of a request to the Ford Foundation. It called for the establishment of an entirely new foundation. How Norton had come to the conclusion that a separate entity was needed would later be detailed in an evaluation of the Associated Foundation grant written by the Ford Foundation in 1966:

It was felt that a new foundation was needed in Cleveland, quite separate and distinct from existing foundations, but some means had to be devised for establishing it that would certify its legitimacy and avoid the severe problems that were felt inevitable if it were to be established by only a few local citizens. . . . It is to be noted that Clark required that the Hanna grant be matched by the Ford Foundation. . . . The reason for this was not that Ford Foundation money was needed—the Ford Foundation name was. Clark felt that had he tried to start a new foundation on his own with Hanna funds, [it] would have been seen as a high-handed attempt on the part of just three men (Clark and the two other trustees of the Hanna Fund) to determine the course of philan-
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thropy in Cleveland, and perhaps even more seriously it would have been perceived as a slap at The Cleveland Foundation.

. . . One way of getting around this difficulty would have been to make a grant directly to The Cleveland Foundation to be administered by that Foundation itself for the purposes desired. But Clark, Smith, Lindseth and their associates of like mind did not think The Cleveland Foundation could do the job.

. . . Furthermore, it was felt desirable to involve a larger and somewhat different group than the Distribution Committee in the new effort. . . . Harold Clark wanted, Smith told us . . . to "get men of money around the table" to talk about the urgent problems of Cleveland.

Once it became clear that a consensus had been built for establishing a separate operation, discussion turned over the course of the summer to a consideration of what was the most politic means to set it up. From Ford's 1966 evaluation would come an account of the strategizing:

The most important . . . means was the use of the Ford Foundation name, primarily because of its prestige but also because it would mean that outside money was coming into the city—and local organizations could reasonably agree to agree about obtaining some extra money. Another means was to have the Ford and Hanna grants made to The Cleveland Foundation. While the latter was to exercise no control over the funds, it was by this means made a party to the proposal. . . . A third means was by talking about an association of or cooperative arrangement among local foundations. . . .

And so it was that, on November 8, 1961, the Distribution Committee of The Cleveland Foundation, in conjunction with the Hanna trust and four other area foundations, submitted to the Ford Foundation a formal grant request entitled "A Proposal for the Greater Cleveland Association of Foundations." The document, which had undergone several drafts under the watchful eyes of Clark in Cleveland and Ylvisaker in New York, outlined four distinct roles for the proposed Association, whose operating expenses were to be paid for by income from The Cleveland Foundation's Leonard C. Hanna, Jr., Special Purpose Fund. They were: "to encourage research on and solutions of community social welfare problems of Cleveland, Ohio and its vicinity; to establish priorities for community action thereon; to make grants for research, pilot, experimental and other projects toward the solutions of such problems; and to encourage wise use of private philanthropic funds."

The mission statement may have had a familiar ring to Ford Foun-
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dation president Henry T. Heald; it had been lifted practically verbatim from a speech he had made earlier that year in St. Paul, Minnesota, to the National Council on Community Foundations, in which he had described the conception of community foundations that Ford was trying to foster with grants such as that which had been made in Kansas City and had expressed the national foundation's willingness to support similar efforts elsewhere.

The proposal for GCAF was signed by all five members of The Cleveland Foundation Distribution Committee and the three trustees of the Hanna Fund. One of the Hanna trustees had appended a handwritten note: "Approved on behalf of the Elizabeth Severance Prentiss Foundation Board of Managers. By Lewis B. Williams, President." Attached were letters of support from the officers of three other prominent Cleveland foundations—the Louis D. Beaumont Foundation, the Kulas Foundation and the Elizabeth Ring Mather and William Gwynn Mather Fund—as well as the governor of Ohio, the mayor of Cleveland, the president of the Cleveland Chamber of Commerce and the president of Case Institute of Technology, among others.

Eight days after the grant request was mailed, Harold Clark, Kent Smith, Elmer Lindseth and Ellwood Fisher met to appoint themselves trustees of the new foundation, of which it was agreed that Dolph Norton would serve as president and Smith as chairman. They also named three businessmen with strong civic interests to the 11-member board.  The final four slots went to officers of the "cosponsoring" organizations.

On December 12, 1961, four days after the Ford Foundation had unofficially notified The Cleveland Foundation that its request for a $1.25 million grant had been approved, Cleveland Foundation counsel Seth Taft, who had drawn up the Articles of Incorporation for the new foundation, notified Ford by phone that the Greater Cleveland Association of Foundations would henceforth be known as the Greater Cleveland Associated Foundation.

The change was made at the insistence of Edgar A. Hahn, the treasurer of the Beaumont Foundation. According to Kent Smith, Hahn was concerned that "from the [original] title . . . the inference might be drawn that 'this great big combination would henceforth assume all charitable responsibilities of the community'—in other words, that the title might seem to arrogate to the foundations that sponsored or participated in its activities the major charitable burdens in Cleveland." If
the objective of the new foundation was to stimulate other foundations, especially The Cleveland Foundation, to work more aggressively on solving community problems, “it was felt that the word ‘associated’ would carry the significance that the new foundation, being ‘associated with’ the sponsoring foundations, was essentially of service to them.”

On December 15, the Ford Foundation mailed Ellwood Fisher an official confirmation of the grant. Privately, officials at Ford expressed some concern about the dimensions of the undertaking it was supporting. “This is not to say that the proposed new association . . . can or will spring full-blown into the same efficient and effective operational pattern as that of the Kansas City Association,” an internal memo stated. “It will take patience and wisdom to achieve such a pattern among individual foundation trustees and officers long accustomed to complete autonomy and often isolation.”

As Paul Ylvisaker had feared, the Greater Cleveland Associated Foundation got off to an unprepossessing start in spite of having come together so quickly and seamlessly.

Of the more than $300,000 it awarded to seven projects in 1962, better than two-thirds went to the Welfare Federation of Cleveland, the perennial beneficiary of Cleveland Foundation support. With the exception of two seemingly modest grants for less than $20,000 each that would in retrospect prove to be the first signs of future trailblazing, the remainder of the foundation’s first-year activities seemed unfocused and scattershot. This lack of purposeful direction would later be attributed by the Ford Foundation’s grant evaluators to an unresolved internal debate over the Associated Foundation’s goals and objectives—an impasse that was exacerbated by the inevitable settling-in period required to forge a viable working relationship between Dolph Norton and his high-powered board.

Having watched three years of painstaking preparation for regional government come to naught when the Metropolitan Service Commission was brushed aside in 1958 by the county charter movement, the new president of the Associated Foundation had been anxious to lose no time in getting to work on the multitude of urban woes his experience with Metro had helped him to identify.

Nine days after the Associated Foundation was officially announced,
Norton wrote to Paul Ylvisaker about his intention to instruct the foundation board on a course of immediate action:

Dear Paul:

The Greater Cleveland Associated Foundation has been launched with enough fanfare. The Board of Trustees includes a distinguished list of outstanding gentlemen from Cleveland, many of whom may not fully understand all the political processes but all of whom have proven [to have] a substantial and abiding concern with the problems of the city. . . . At the first meeting of the Board . . . I hope to explain to them the type of action which an agency like this one can best be involved in, the kinds of problems we should address ourselves to first, and the fact that there are going to have to be more degrees of [staff] freedom involved than some of them currently understand.

Norton had a very clear idea indeed of what action the foundation should undertake. His conception of its purpose was lofty, but certainly in keeping with the idealistic temper of the early sixties. The Greater Cleveland Associated Foundation, as Norton saw it, ought to be an agent for the full flowering of urban society. In language still embryonic, Norton propounded to the trustees, “A major emphasis of the GCAF should be on the development of opportunities for citizens of Greater Cleveland and the allied development of their abilities to make use of these opportunities.”

Determining the foundation’s mission was not Norton’s prerogative, however. It was the board’s. And Harold Clark’s “men of money” were not going to be dictated to by a 34-year-old former academician with horn-rimmed glasses, a lanky build and a country-boy manner (though these features masked a shrewd and highly creative mind). Building a consensus among the board on a specific course would consume the better part of the Associated Foundation’s first year.

At its first official meeting with Norton, on January 31, 1962, the GCAF board tabled a discussion of criteria for evaluating grant requests, acting instead on motions to approve a first-year budget and the leasing of office space. Three rooms were taken on the sixth floor of the National City Bank Building in downtown Cleveland, providing Smith and Norton with private offices (Norton’s doubled as a conference room), while administrative assistant Rawson and a secretary sat at desks in the ante-room. They were a family, felt Rawson, who, in addition to her regular duties as Norton’s detail person, cheerfully handled all of Smith’s cor-
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respondence and other needs—a display of team spirit that Smith would soon repay quite dramatically.

The question of the foundation’s objectives was taken up again at a board meeting on April 24, with the result that Norton was asked to serve as staff liaison to a three-person subcommittee charged with articulating them. By the time of the Associated Foundation’s board meeting in May, some progress had been made. The subcommittee had roughed out a list of criteria for evaluating projects to be funded; the criteria were approved in principle at the next board meeting in June. Priority among grant requests was to be assigned according to the “seriousness of the problem [to be addressed]; [the] possibility of action within a reasonable time; the use of existing research [capabilities]; and the use, testing and evaluation of new techniques.” Preference would be given to those “programs that will make possible better decisions and lead to action on questions of interest to large numbers of people.” By early summer, agreement had also been reached on the need to take the initiative in seeking new projects in addition to those for which requests might be received.

But which initiatives should be undertaken? Debate on this subject soon revealed that Norton and some of the members of the board had very different ideas of GCAF’s mission. One faction favored committing all the foundation’s funds to a single large project that (as Ford’s later evaluation described it) “would leave a highly visible mark—that would enable the Board to say, ‘This is what the Greater Cleveland Associated Foundation has accomplished.’” In a letter dated May 28, 1962, to Kent Smith, GCAF trustee Frank Joseph pushed for the foundation to focus on

the revitalization of the center of the city. . . . There obviously should be a large parking garage under the Public Square, Superior Avenue [at Public Square] should be underpassed, the Square should be beautified, there should be a rapid to the Airport, the Terminal Tower should be an airplane ticket and baggage forwarding center, etc. Also, institutions such as the Aquarium and the Play House, which are looking for new homes, should be encouraged to come downtown.

There are a lot of . . . different groups working on [these projects] but there has been no . . . attempt to coordinate them. This would be something that is very tangible and would bring great credit to the Foundation even if we were able to implement only a part of it.
In a follow-up note, Smith deftly countered Joseph's argument, observing: "Revitalization of the center of the city is, I am sure, something that everyone feels is important. . . . I question, however, whether either of the sources of our substantive funds would be happy with our selection of a program which seems to relate to physical development rather than to human problems."

Retraining of the unemployed and economic development in general also were advanced as possibilities for making a big splash, but agreement on which to pursue even among members of the "single-project" faction was never reached. "They were talking in terms of billion-dollar projects, and with $5 million, you can't do that," Norton later recalled. He had continued to push for a varied approach covering at least eight different program categories—community planning, economic development, education, the elderly, housing, public affairs, race relations and youth—as the best way to achieve "a billion dollars' worth of results."

"Norton's attitude was that he had to bring the Board along and get them to see the true light, and if this attitude was transmitted to the Board in any fashion, it could not have helped matters much," Ford's grant evaluators would note. "Except for Smith, none of the Board members knew Norton and they were not used to people like him. He was an idealistic professor, and to the men of money gathered around the Board table he acted and sounded like one."

The details of the Associated Foundation's growing pains would not merit recounting were it not for the public and private influence that the organization, when finally united in purpose, would go on to wield in Cleveland during the tumultuous sixties. In the years preceding the election of Carl B. Stokes as Cleveland's mayor in 1967, the Associated Foundation would spark or shape public debate on the need for improvements in the schools, race relations and city governance, thus helping to create a climate for reform. Acting on the new ideas generated, GCAF would help to make possible such sweeping changes as the creation of the first publicly supported community college in the state, the integration of Cleveland's near eastern suburbs and the total overhaul of the creaky management structure of City Hall. After Stokes's historic election as the first black mayor of a major American city, the Associated Foundation (which had by then combined forces with The Cleveland Foundation) would work hand-in-glove with the new mayor to ensure the success of his programs, providing him with unbudgeted personnel
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and additional resources needed in his battle to rebuild Cleveland after the physical and emotional destruction wreaked by the Hough riots in 1966.

The Associated Foundation's deep involvement in public affairs—an example of civic leadership that in time Cleveland's community foundation and those in other large cities would emulate—was in keeping with the spirit of Goff's surveys. But such activity would have been untenable without the support of Kent Smith, whose leadership of the fledgling endeavor lent it instant credibility with the Cleveland establishment.

Kent Smith was the eldest of three sons of Dr. Albert W. Smith, a founder and director of the Dow Chemical Company and longtime chairman of the chemical engineering and mining engineering departments at the Case School of Applied Science, where he and Herbert Dow had been roommates. Kent Smith was himself a Case-trained chemical engineer. In 1928 he and his brothers helped to found the Cleveland Graphite Oil Products Company, a lubricant manufacturer that the brothers built into the Lubrizol Corporation, a diversified chemical concern listed today among the Fortune 500. Smith was president of the firm—which had mushroomed during World War II after developing a lubricant that could be added to oil to prevent truck breakdowns—until the early fifties, and chairman until 1959, when he retired and devoted himself full-time to civic affairs.

Having recently completed his duties as acting president of Case (to which he reportedly donated $20 million during his lifetime), Smith had the time to chair the Associated Foundation in 1961. In contrast to his fellow trustees, the majority of whom were unable to attend the foundation's monthly board meetings with regularity, Smith came into work from his home in suburban Gates Mills nearly every day. He immersed himself in the details of the foundation's administration, even taking appointments with grant seekers and writing evaluations of their proposals. Scarcely a Sunday would pass at the Rawson household without a telephone call from Smith checking on new developments. Smith (who died in 1980 at age 85) also had the temperament for the job. "Kent was a very, very disciplined person," Joseph D. Pigott, a member of Case's administrative staff during Smith's tenure, would later say. "If there was an organized way of doing something better, rather than shooting fish in a barrel, Kent would try to do it." Although a staunch Re-
publican at the ballot box, Smith was a pragmatist at heart. He saw the Associated Foundation as conceived by Norton as the most efficacious way to solve the city’s bewildering array of problems. In fact, Smith’s willingness to go to bat for Norton’s ideas may have saved the Greater Cleveland Associated Foundation from ending up as merely an interesting footnote in the annals of philanthropy.

Smith’s crucial intervention came during a year-end review of Norton’s performance, when the board decided not to give Norton a raise. As the Ford Foundation later reconstructed it, this was a critical juncture for the new organization:

The Foundation still did not have a developed program, and this vote of no confidence did not augur well for its prospects of developing one in the future. At this point Smith stepped into the breach to save both Norton and the conception of the Foundation that he and Norton were nurturing. He told the Board that if it wanted him, Smith, to remain as Chairman it would have to give Norton the raise and one more year of trial. At the same time he said that he would work closely with Norton during that year and conduct his own appraisal at the end of it. If at that time the Board and Smith did not agree about Norton’s value and talents, Norton would have to go. . . .

The board agreed to give Norton another year, and Smith and Norton began conferring individually with those members thereafter unable to make the regular monthly meeting to keep them apprised of all progress. Smith also began counseling Norton on how he might communicate more effectively with the board. With men of a practical mind and bent, Norton learned, it was a mistake to begin a discussion of any problem by making an emotional appeal to conscience or proposing a high-sounding solution. Rather, Smith suggested, start with a dissection of the problem and let the answers follow naturally from that—an approach with which businessmen such as he and his fellow board members were more comfortable. (Smith’s penchant for rational analysis would be driven home for Rawson the day Smith took her and Norton to lunch to ask them, in all seriousness, to explain why they were Democrats.) Smith’s tutoring forever indebted Norton to the industrialist, whom he would later characterize as one of his greatest teachers.

By the end of 1963 Norton had earned the full support of his board. “Precisely what kind of activity do we believe offers the greatest opportunities for philanthropic contribution to the future of Cleveland?” GCAF’s annual report for that year asked. The foundation’s public re-
lations firm, Edward Howard and Company (which also handled Lubri­
zol's public relations), had helped Norton, Rawson and Smith draft the
answer. It was emphatic. "It is activity focused on the urban problem—
the problem of developing an urban society in which each person can
reach his fullest potential, make the greatest possible contribution and
receive in full the rewards of his participation."
Brave New Alliances

"They're staying home. The men of Little Italy are staying home from work tomorrow to prevent the blacks from marching on Murray Hill School."

When his contact at Little Italy's Alta House called Dolph Norton with this tip late in the afternoon of January 29, 1964, his blood froze. He immediately picked up the phone and called Ralph W. Findley. In the late fifties Findley had been elected the first black president of the Cleveland Board of Education; now he was the director of health and welfare under Mayor Ralph S. Locher. Findley would know what to do about the United Freedom Movement's determination to march with the Hazeldell Elementary School PTA from Glenville through University Circle and up Murray Hill into Little Italy the next morning to protest conditions in Cleveland's elementary schools, where some 30,000 white pupils attended class in buildings that were 95 percent white and some 50,000 black pupils attended class in buildings that were 95 percent black.

After relating the chilling rumor to Mayor Locher’s cabinet officer, a friend from the days when Findley had served on a Metro study group on public libraries, Norton asked what could be done to stop the demonstration. If they march, Norton said, no one will be able to prevent violence. If they march up that hill, he concluded, it will all be over.

The two men agreed that each would canvas the settlement-house circuit to see if the rumor could be confirmed and report back his findings.

The United Freedom Movement (U FM), an alliance of 50 local civil
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rights groups, including chapters of the National Association for the Advancement of Colored People (NAACP) and the Congress for Racial Equality (CORE), was deadly serious about the march scheduled for the following day, Findley learned. That morning UFM members, who had banded together eight months before on the principle that in unity there is strength, had joined the Hazeldell PTA in picketing Brett and Memorial elementary schools in Collinwood, like Murray Hill another of the city's all-white ethnic enclaves. Although the picketers had been taunted and even shoved by Collinwood residents, there was no talk of calling off the next day's protest in Little Italy, where it was rumored that the marchers would be met not with epithets, but with guns.

The issue that had ignited the passions of Cleveland's blacks and whites alike was the board of education's handling of the overcrowding of elementary schools in the city's bloated East Side neighborhoods. From 1950 to 1960 the number of blacks living on the East Side had jumped from nearly 150,000 to more than 250,000. The previous school administration had dealt with the resulting shortage of teachers and classrooms in certain elementary districts by putting thousands of pupils on half-day sessions beginning in 1955. But after William B. Levenson took over as superintendent in the fall of 1961, the board, under pressure from unhappy parents, had instituted the practice of busing schoolchildren from such jam-packed black schools as Hazeldell in Glenville to nearby white elementary schools where there were empty classrooms, such as those in Collinwood and Little Italy. Because the newcomers were not permitted to enter into the activities or use the facilities of the so-called "receiving" schools as a concession to the whites, the new policy had only served to infuriate black parents.

The United Freedom Movement had seized on the issue shortly after it was formed in June 1963 to fight for gains for Cleveland blacks on a variety of fronts, including education, housing and employment. On August 26, UFM leaders presented the board of education with a list of demands, including the full integration of the "transported" students into the receiving schools, the use of integrated textbooks, the hiring of more black teachers and administrators and the establishment of a human relations department.

With their demands still unmet a month later, United Freedom Movement members had agreed at a mass meeting to begin picketing the board of education building the very next day. When the picket line
had gone up on September 25, school board president Ralph A. McAllister had denounced the action as "mob rule." Nonetheless, at its next meeting on September 30, the school board had promised to integrate the transported students into the receiving schools as fully as possible by February 1964. This being the end of January, that deadline was fast approaching without sufficient progress having been achieved, as far as the United Freedom Movement was concerned.

By 10 P.M. the evening of January 29 both Norton and Findley had independently confirmed that an armed confrontation would surely take place if the UFM persisted in its plans to protest the "insufficient diffusion" of Hazeldell elementary students it believed were merely being warehoused at Murray Hill school. Seizing on Findley's suggestion of a meeting of top community leaders to talk about the impending crisis, Norton called the Sheraton-Cleveland Hotel and asked that a meeting room be prepared. Then he began to call every Associated Foundation board member he felt could be of help. No one was home. Norton finally located Ralph M. Besse, who was GCAF trustee Elmer Lindseth's second-in-command at the Cleveland Electric Illuminating Company, and Curtis Lee Smith, the executive director of the Cleveland Chamber of Commerce. Despite the lateness of the hour, both agreed to come to the hotel, where Findley had assembled a contingent of black political and civic leaders.

They talked throughout the night. Periodically someone would leave the room to phone in a progress report to the mayor or to talk to the police, who were laying plans for mounted patrolmen to be stationed along the marchers' route. As dawn approached, the group was growing desperate over its inability to reach school board president Ralph McAllister, who had an unlisted phone number. Finally, someone suggested sending a policeman to his West Side home to get him. Newspaper accounts of the day's events reported that school board members had entered into secret session with unnamed civic leaders at the hotel at 5 A.M. Talks had progressed sufficiently by the time the march was to begin that the United Freedom Movement agreed to call it off.

It was too late to do anything about the crowd of angry whites who had gathered at the top of Murray Hill. Their ranks swelled by high school youths and adults from Collinwood, who had scuffled with UFM picketers the day before, upwards of 1,500 persons roamed through the streets of Little Italy for the next six hours. Before dispersing, they beat
up several blacks (who had come to the school to check on the safety of their children) and news photographers. They had also smashed a dozen automobiles and hurled eggs, fruit, rocks, bricks and bottles at police officers, reporters, black passers-by and even some priests. The papers would label the day's events a riot, but Dolph Norton's and Ralph Findley's actions had prevented the riot from becoming a bloodbath.

By the end of the day the school board had informally agreed that, effective September 1, "all pupils being transported due to overcrowding only shall be incorporated into receiving school classes as if they were residents of the local school district." The sense of crisis hanging over the city eased, and Norton was able to chuckle a little about the tense and sleepless night he had endured, remembering that when he had arrived at the hotel and had asked for directions, he had been pointed, appropriately, he felt, toward the Saints and Sinners meeting room.

Dolph Norton could be forgiven for feeling as though he were on the side of the angels. In the fall of 1964, as the city's militant blacks put Cleveland's educational system on notice, Norton's long labor with his board to produce a coherent program for the Associated Foundation had finally begun to show concrete results. Not coincidentally, the biggest strides at GCAF had been made in the field of education.

In September, the first publicly supported junior college in Ohio had opened its doors in Cleveland with an enrollment of 1,000 full-time students. The planning for Cuyahoga Community College had been paid for by grants from both the Cleveland and Associated foundations. Because the legislation that enabled the creation of state community colleges had neglected to provide funding for predevelopmental activities, the grants had been a matter of considerable urgency. They also represented acts of courageous leadership, given that the new school had been viewed as competition by Cleveland's private colleges and universities. After much lobbying by Norton and Rawson, Case Institute of Technology loyalist Kent Smith had been convinced of the need to open up the possibility of advanced technical and vocational education to Cleveland's working-class and minority populations. Smith had solicited his peers in the business world so fiercely for contributions to the start-up of Cuyahoga Community College at a meeting he had convened for that purpose, that James A. Rhodes, at the time governor of Ohio, would later call him a "one-man gang" on its behalf.
Even more important, according to Norton, Smith's successful fund raising had marked "the first moment that conservative Republican businessmen ever gave to a 'public' institution." The breaking of this old taboo against private-public partnerships would be of immense importance to the future of Cleveland (as will be seen in subsequent chapters).

The PACE Association, yet another citizens' effort to improve education opportunities in greater Cleveland that the Associated Foundation championed, had also opened for business in September 1963.

The not-for-profit corporation was the first of several program advisory committees that the Associated Foundation would eventually create, in keeping with its proposal to the Ford Foundation. In each instance, these committees consisted of volunteers representing a cross section of the community, selected for their energy and expertise (here longtime resident and civic activist Barbara Rawson had been an invaluable resource), who acted in effect as substitutes for the staff the Associated Foundation chose not to afford. They conducted investigations into problems GCAF had identified as critical, made recommendations to meet them and took responsibility for implementing those recommendations. The foundation paid for their work, but did not control it. As Norton saw it, the foundation's role vis à vis these advisory committees was to be supportive but nondictatorial. "You get them going and you make sure they don't suffer for lack of anything," he said. "You criticize them, you evaluate them and you bring in new ideas. But you're gambling on their performance. When you no longer feel comfortable gambling on them, you get out."

Because GCAF's various program advisory committees became the most important vehicles by which the foundation advanced its objectives, by examining the work of each at some length one can gauge the Associated Foundation's influence on public affairs in Cleveland in the mid-to late sixties. Take the Plan for Action by Citizens in Education (PACE).

If the origins and accomplishments of GCAF's first advisory committee had not been all but forgotten by the eighties, the PACE Association could have served as a model for the broadly based school-improvement movement some hoped that the Cleveland Initiative for Education would become. The PACE organization had evolved naturally out of a citizens' report analyzing the needs of all the area's elementary and secondary schools, which Norton had asked the Associated Foundation board to underwrite in the fall of 1962 with an $18,000 grant.
The idea for the investigation, whose primary target was the Cleveland public schools, had come from Hugh Calkins, a partner in the Cleveland law firm of Jones, Day, Cockley and Reavis, who had taken a leave of absence in 1960 to serve as deputy staff director of President Eisenhower's Commission on National Goals. Education, in general, and the deteriorating conditions in the nation's urban schools, in particular, had been high on the commission's agenda. Calkins had decided to set up a local education commission in Cleveland and had approached Dolph Norton for advice.

Calkins's conception of the Cleveland commission's role, as summarized in a grant proposal he had later authored, was ambitious:

to enlarge the concern of residents of Greater Cleveland to include supporting (without interfering in) the education of children in school districts other than their own; . . . to assist school boards in satisfying the voters, and groups which influence the voters, of the reasonableness of requests for funds; to investigate and report on the [issue of whether] the quality of education in Greater Cleveland [affects] the community's ability to attract and hold business; . . . to inform the public [about] the quality of public education in Greater Cleveland and programs and innovations employed elsewhere; to call attention to ways to minimize cost in providing quality education.

Given the boldness of Calkins's vision, a credible appointing authority for the commission was an absolute prerequisite, Norton had informed him. Norton had someone in mind.

On November 26, 1962, at a breakfast at the Mid-Day Club downtown, Kent Smith had announced that the Associated Foundation was forming a citizen's committee, chaired by Hugh Calkins, whose charge was to report to the foundation on "A Plan for Action by Citizens in Education." "No institutions in our society have been as important to the development of our nation as our schools," Smith had said on that occasion, in explaining GCAF's action. "No institutions are as important to our future. Employment, technical advance, economic and social development will bear a high correlation with the efforts we make to make our schools great."

Privately, the Associated Foundation had seen the need for the PACE report in grittier terms: "There is a growing agreement in Cleveland on the magnitude and importance of the job of the public schools in those parts of the metropolitan area, central city and suburbs, where are found a high proportion of culturally deprived children," Norton had observed in a memo to the board. "A close correlation has been established be-
tween high welfare costs, unemployment, lack of training, inadequate motivation and underachievement in school from the earliest grades.”

Two dozen county residents had personally been invited by Kent Smith to participate on the PACE committee (an honor, thus hard to decline). Their report was released to the public the following April. In urgent tones it described the conditions the committee had found in the Cleveland public schools—a system so hard pressed by the Northern migration of Southern blacks that it could “barely man the classrooms,” let alone seek solutions to the “overwhelming” social problems of the “in-migrants’” children.

Undaunted by the grim picture it had painted, the report confidently set forth a detailed outline for “making our schools second to none in the country by 1970.” The plan relied heavily on the volunteer efforts of ordinary citizens. Some of its 26 recommendations had boldly encouraged political activism. Recommendation 1, for example, called for better qualified citizens to run for the school board in each district, while Recommendation 4 supported a 25 percent increase in per-pupil expenditures in the Cleveland public schools, whose subsidy from the state was the lowest of any district in Ohio. Recommendation 4 also suggested that, over and above the standard per-pupil expenditure, an additional 35 percent be spent on each child living in what it termed the “culturally disadvantaged” areas of Cleveland, the extra funds to pay for special psychological, medical, vocational and guidance services. To meet these increased expenditures, the report had challenged the Greater Cleveland Tax Policy Study Commission, a recently appointed political action committee of the Citizens League, “to seek the sources of additional local revenue which will be most fair and will interfere least with economic growth.”

To coordinate the PACE report’s implementation, the PACE committee had called for the creation of an ongoing organization. Buoyed by the report’s reception in the public prints and Cleveland public schools superintendent William Levenson’s private assurances of cooperation, the Associated Foundation had readily agreed to provide the newly formed PACE Association with three years’ operating support—a commitment of $110,000 that would be supplemented by generous grants in support of various PACE programs.

One of the first tasks undertaken by the new organization was the preparation of an impressive report (that was largely ignored) examining
how meaningful integration of the schools could be achieved without busing. Issued in the spring of 1964 by PACE's committee on intergroup relations, it recommended changes that might have made unnecessary the forced desegregation of the Cleveland public schools, a divisive and expensive process begun in the late seventies that still (even its staunchest supporters will admit) adversely affects the quality of education locally.\textsuperscript{3} The Cleveland Board of Education received and filed this thoughtful and dispassionate document without comment. However, in private conversations with National Education Association personnel who were in town to investigate the reasons why superintendent Levinson had abruptly announced his resignation in early 1964, some board members referred to the PACE volunteers as “meddlers,” pointing out that “they don’t even live in Cleveland.”

Associated Foundation support was also to prove critical to a third major educational initiative, launched in the fall of 1963. Community Action for Youth (CAY) brought together the city, the county, the Cleveland Board of Education and the juvenile courts in an unprecedented attempt to deal with the dropout and delinquency problems at a single junior high in Hough, where the rate of youths who got into trouble with the law had increased by 125 percent between 1953 and 1961, as compared to a 22 percent increase for the city as a whole.

On paper, CAY looked to be exactly the type of innovative enrichment program that the PACE committee believed should be established in all central-city schools. The demonstration project had been in the planning stages since 1958. That year, in response to Cleveland Foundation director J. Kimball Johnson’s suggestion that the tangle of social service agencies operating in Hough ought to be organized into a coordinated program, the Welfare Federation of Cleveland had appointed a committee to consider the matter. The result had been the creation of the Greater Cleveland Youth Services Commission. It was under the auspices of that entity that Community Action for Youth was to be operated.

The Cleveland Foundation had already contributed $106,000 to the planning process when the Associated Foundation had entered the picture in April 1962, making its first grant ever: a modest but timely $7,000 award. A request for operational support for CAY having recently been turned down by Paul Ylvisaker at the Ford Foundation, GCAF’s grant had given the Youth Services Commission time to explore other possible sources of funding.
The Cleveland planners had next approached the President's Committee on Juvenile Delinquency and Youth Crime (PCJD, for short), which had been formed to tackle some of the unfortunate by-products of the nationwide poverty that John F. Kennedy had witnessed for the first time while campaigning for the Presidency in West Virginia and the big cities of the North. The planners had been met with a receptive ear. In June 1963, the Greater Cleveland Youth Services Commission had won more than $1 million in first-year funding from PCJD to implement the CAY program at Hough's troubled Addison Road Junior High School—a staggering sum, in pre-inflationary dollars, to which the Associated Foundation had contributed an additional $100,000 as part of the required local match.

Community Action for Youth was the second of six such demonstration projects launched under PCJD's aegis. Conceived by David M. Austin, a Welfare Federation staff member whose previous experience had included working with street gangs, CAY had proposed to shower the Addison Road school district with a battery of preventive and remedial services designed to keep children moving in productive channels at each level of their development. CAY teachers and social workers were supposed to set up nursery schools to prepare toddlers for kindergarten; tutor elementary students in reading and take them on enriching field trips; start Boy Scout troops; and provide potential junior high dropouts with occupational counseling, vocational testing, work-study opportunities and job placement services. CAY was also to be the Cuyahoga County Welfare Department's first experiment with decentralizing its operation. Staffed by a half-dozen caseworkers supervised by a 26-year-old social worker named Steve Minter, the department's first branch office, which it had set up in Hough at CAY's behest, had served as both a processing and a training center, offering teenage mothers and fathers courses in parenting, for example. Similarly, the county juvenile court would set up a district probation office whose staff members were given reduced caseloads so that they could devote more attention to each delinquent under their supervision.

Unlike the Ford Foundation, the Associated Foundation had been excited about the prospects for Community Action for Youth. Believing that here, at last, was a way of getting a reading on how to solve the troubles of the central-city resident, Norton and two GCAF board members who had participated in CAY's planning agreed to serve as trustees.
Fannie M. Lewis, a welfare mother whose PTA activities had propelled her onto the Hough Community Council, landed a position as the sole grass-roots representative on the predominantly white professional, male board. “It was fascinating,” she would say of the experience. “You know that millions of dollars are being spent, but you have no concept of what’s going on. It was like chewing on raw meat and not being able to swallow. All I could contribute was my presence.” A high school graduate, she decided to enroll in a university without walls in order to further her education. Sixteen years later Lewis would be elected to Cleveland’s city council, where, among other contributions, she would help smooth the way for Lexington Village with her constituents, arguing that the market-rate town houses represented renewed economic vitality for the ailing ward, not the first signs of its gentrification.

CAY may have served to introduce Lewis to the fine art of reading multimillion-dollar budgets, “but as far as moving the community from A to B—no,” she would later observe. “They were supposed to teach Wayne Lewis how to read. But when my son entered college, I had to spend $5,000 on remedial reading courses.”

CAY planning director David Austin also came to believe that Community Action for Youth failed to accomplish its intended goals. “Bailing out the ocean with teaspoons” is how he would later describe the project. Part of CAY’s lack of impact could be attributed to the intractability of cultural dislocation, racial prejudice and educational disadvantages. The fragmentation of power in Cleveland also helped to undermine the outcome. Once funding was obtained from the federal government, Austin had been forced to relinquish operational control of the program he had conceived to the Cleveland Public Schools, whose administrators and board, he would later claim, viewed the involvement of outsiders in school affairs as a threat and the program itself as an opportunity to dispense patronage. In theory a model of interagency cooperation that even provided for the involvement of Western Reserve University in a research and evaluation component, in practice CAY disintegrated into a squabble over turf and a scramble for federal dollars. Finding himself unable to implement even the research, of which he had been put in charge, by December 1963 Austin would be gone. Norton himself would resign from the CAY board after two years in a move to make room for more grass-roots representatives.

With periodic infusions of federal and foundation funding CAY sur-
vived until 1966, when it was folded into the Council for Economic Opportunity (CEO), Cleveland's new antipoverty agency, which had been created by a task force of the city's traditional welfare bureaucrats (chaired by Dolph Norton) who had wanted to be prepared to qualify for federal funding when the Economic Opportunity Act of 1964 took effect. Although it, like CAY, would be attacked as ineffective, white-dominated and politicized, CEO would at least ensure that Cleveland got its fair share of War on Poverty monies. Between 1964, when it was established under the directorship of Ralph Findley, and 1969, CEO would funnel $43 million into the city's most neglected neighborhoods. But the new services provided would do little more than temporarily ease some of the discomfort of those who lived there, Norton was to realize. Although written about his experience with CAY, a letter Norton sent to Kim Johnson in 1966 serves as an apt summary of the obstacles the Associated Foundation would almost invariably find blocking its path when it tried to work on the issue of central-city poverty:

The problems facing CAY surprised even those among us who knew that the salvation of Hough was almost impossible. Lack of cooperation among sponsoring organizations, personal politics and the complexities of the Civil Rights movement which had just begun when Community Action for Youth was established served to exacerbate problems of . . . attracting competent people to work in the least attractive surroundings and of translating good ideas into productive action.

Norton would later cite the grooming of a generation of neighborhood leaders as CAY's most important accomplishment. Their subsequent involvement in running the local initiatives of the federal War on Poverty programs that followed in CAY's wake would round out their education. Indeed, some sociologists would link the fact that the Kennedy administration included a clause providing for "maximum feasible participation" of the poor in its antipoverty legislation (which Lyndon Johnson would go on to promote so enthusiastically) to the lessons learned from the mixed success of the white-run PCJD experiments in effecting real change.

For those looking for such signals, the grants to CAY, PACE and the tax study (see Note 2) flagged the Associated Foundation's most basic concerns. Education, race relations and municipal governance were the problems that over the years Norton would bring to the board for dis-
cussion again and again. Norton believed that they were at once the severest and most neglected challenges facing Cleveland. "They were also interrelated," Ford's evaluators would later observe, explaining that "in order to improve education . . . and in order to improve race relations you need public money . . . [as well as] leadership and imaginative and competent public officials."

These early grants also revealed something of the approach the Associated Foundation would take to problem solving. Its techniques would later become standard in the community foundation movement. The grants encouraged consensus building and the coordination of effort. They served as a magnet for other resources—intellectual as well as monetary. They held the promise of great reward (and, consequently, risked failing miserably). In short, the grants had been the philanthropic equivalent of jujitsu, a strategy Norton would later explain he had learned from Paul Ylvisaker. "We watched for trends," Norton said. "It's only by trying to identify what the problem is going to be that you can make an investment of a small amount of money and hope to have an impact. Paul used to talk about philanthropy as social jujitsu, jujitsu being the form of self-protection that uses an opponent's weight against him. Essentially, you just try to set the direction of the tremendous forces in society."

As promising as the attempts by GCAF to generate educational reform may have seemed to some, they did little to dissipate the black militants' intense dissatisfaction with the Cleveland public schools. Even the reliability of the informal agreement Norton's and Findley's ad hoc negotiators had wrested from the school board late in the afternoon of the Murray Hill riot had been questioned by the United Freedom Movement. "This is not enough," UFM coordinator Harold B. Williams had argued at a mass meeting that evening. "The board must more fully commit itself." To ensure that it did so, the coalition decided to begin conducting sit-in demonstrations at the board of education building beginning on January 31, 1964. The pressure tactic worked. On February 10, the board agreed in open session to integrate the receiving schools immediately.

The day after the board reaffirmed its intention to integrate, school board president McAllister wrote superintendent Levenson a letter. It instructed that the board should be kept fully informed of all details of the planning for integration and that it should also be made aware of
any communications from groups or individuals seeking to influence the planning. McAllister, a 35-year-old attorney who was widely believed to be preparing for a run for mayor, sent a copy to Levenson and a copy to the newspapers. When the letter was published, Levenson saw it as a public affront and resigned.

The situation was further inflamed in March, when the board let the first contract for three new elementary schools it had promised in 1961 it would build in black East Side neighborhoods. Prior to the sixties the Cleveland public schools had been on a pay-as-you-go plan for capital needs; consequently, the system’s physical plant was in deplorable shape. A Civil War-era school from which pupils had been dismissed to go meet the train carrying Lincoln’s body to Illinois for burial was still in use. At other schools toilets were little more than holes emptying directly into sewers. In November 1962 voters had been sufficiently persuaded of the need for new construction that they had passed a $55 million bond issue—the first capital indebtedness the system had ever incurred. The United Freedom Movement saw the capital campaign from a different perspective, however. Convinced that the new East Side schools were a tool to perpetuate segregation, UFM leaders had called in late February 1964 for a moratorium on construction, which they believed was being speeded up by the board so that it would not have to carry out its promise to integrate certain schools. Speaking through reporters, McAllister had promptly dismissed the concept of a moratorium, saying that it hadn’t originated with “a responsible group.”

When the first construction contract was let, UFM’s education subcommittee was directed to come up with an action plan. On April 6, coalition members began picketing the three anticipated construction sites. During the second day of demonstrations at the site of the proposed Lakeview Elementary School, the Reverend Bruce W. Klunder lay down behind a bulldozer. A Presbyterian minister affiliated with University Circle’s Church of the Covenant, Klunder was among the dozens of whites who had joined the coalition. Unaware of Klunder’s action, the bulldozer driver backed up and accidentally crushed the 27-year-old minister to death.

The news of Klunder’s demise frightened and horrified Dolph Norton. Now something had to be done! Once again Norton, who had for months been trying to persuade the Chamber of Commerce to organize a meeting of his members with their black counterparts to discuss the city’s dis-
integrating race relations, turned to Kent Smith. Norton believed that "Kent was a realist. He might have been unable to empathize—that wasn't his strength—but he could work with you and he could understand the rationale behind your feelings. Kent knew something had to be done. He knew that the world was in crisis."

Norton suggested to Smith the idea of arranging a meeting with John (Jack) W. Reavis. Then managing partner of Jones, Day, Reavis and Pogue, Jack Reavis was a specialist in corporate law who sat on the boards of a half-dozen large local firms and was soon to chair the Cleveland Chamber of Commerce. Norton believed that the 65-year-old Nebraska native, who had served with Smith on the Case Institute board in the fifties, could be a powerful ally in persuading the business community that it had to come to grips with the explosive tensions threatening to tear apart the town.

On Monday, April 13, Norton and Smith met with Reavis at Jones, Day's offices in the Union Commerce Bank Building downtown. This was their second meeting. At the first, Norton had argued that Reavis should convene a meeting of the Chamber of Commerce to address the problem of race relations. Reavis, Norton remembered, had vetoed that plan on the grounds that chamber members were too conservative, but had agreed instead that selected white businessmen should be assembled at the invitation of Keith Glennan and Kent Smith. The get-together had occurred on Sunday, April 12, at Kulas Hall on the Case campus. There they had attempted to assess the troubles that had led to Klunder's death. ("Cleveland is a center of Negro pressure because Negroes favor concentration on communities with reputations for good relations so that results are likely," someone in attendance suggested. That reputation for liberality in racial matters rested largely on the fact that Cleveland had been the first city in the country to establish, in 1945, a Community Relations Board as a part of its municipal government.)

At the second conference with Reavis, Norton pushed for a joint meeting of the white and black leaders. (The previous day GCAF's director had met with black Cleveland councilman Leo A. Jackson to solicit his advice on which black leaders should be invited to attend.) At first Reavis had wanted Norton alone to speak to the blacks, but eventually he saw the wisdom of others also sitting down with them. "Tempers and tensions were very high indeed," Reavis would recall. "I thought it quite possible that Cleveland would be the first of the Northern cities where
savage violence might break out." Reavis recognized that such a volatile climate was not good for business, and what was bad for business was bad for the community.

Notes of the April 13 meeting taken by Reavis's colleague, Seth Taft, would further illuminate the nature of the deliberations:

1. The interests of the Negro relate to employment, education, housing and (to some degree) police services, with the conservative Negroes privately approving the demonstrations, picketing, and boycotts typified by the activities of the Committee on Racial Equality [sic]. . . . The Negro push is a revolution, and therefore reason and law do not necessarily apply. CORE has been successful because the conservative Negro has not been helped by [white] business people.

2. There should be a group of businessmen organized to seek communication, a "dialogue," with an equal number of leading Negroes, with the hope that joint understanding and improvement of the situation might result.

. . . A tentative list of people to be invited to a joint meeting to be held Sunday, April 19, was reviewed. Mr. Reavis undertook to call the businessmen and Mr. Norton the Negroes.

Norton had been given explicit instructions not to invite anyone from the local chapter of CORE, especially not "that woman." That woman was Ruth Turner, executive secretary of Cleveland CORE. As an articulate and dynamic black woman and a leader of the most militant of the UFM member organizations, Turner, Norton figured, scared some people to death. Nonetheless, he believed that the upcoming meeting for which he had lobbied so hard would not have credibility without the presence of a representative of CORE, which had been active in Cleveland off and on since 1946. He took it upon himself to invite CORE chairman Arthur Evans, Jr.

On Thursday, April 16, news of the Sunday session broke in the local newspapers. "It is simply a meeting to try to establish . . . communication," explained Reavis, who had just that week been elected to chair the board of the Cleveland Chamber of Commerce. "There doesn't seem to be a great deal of it right now. There will be no action taken or any decisions made if I can stop it. That's not to be the purposes of it. . . . We want to talk and see what we can find."

Some 40 persons attended the dramatic first meeting of the black and white civic leaders at the Sheraton-Cleveland Hotel at 3 p.m. that Sunday. Except for those with ties to the NAACP or CORE, the majority
of the blacks in attendance were not members of the United Freedom Movement coalition of civil rights groups. Rather, they were middle-class professionals who called themselves the Negro Leadership Committee, an ad hoc group that had been organized before Bruce Klunder's death for the sole purpose of speaking privately with school board president Ralph McAllister about how to end the school crisis. They and the white businessmen conferred for two hours. The session, which had been presided over by Jack Reavis and moderated by Dolph Norton, was "the first time the bulk of the white business sector came in contact with the problem [of race relations]," Reavis would later acknowledge. Again Seth Taft took notes, reporting afterward:

Professor John Turner spoke of the school crisis being a symptom of racial injustice. . . . Leo Jackson spoke of the Negro receiving poor police protection and the law being less enforced against [black crime].

. . . Others spoke of the need for . . . improvement in employment, education and housing. The failure of the unions to admit Negroes to apprentice programs was commented on. There was also comment on the Chamber of Commerce having more Negro members.

. . . It was left that Dr. Norton would call each person present to see if there existed a consensus that the dialogue should continue. . . .

Taft's matter-of-fact account did not capture the powerful emotions expressed that day. Only three whites spoke, Dolph Norton would recall, and their comments were brief. The rest of the time the white businessmen listened. Every black rose to speak, all sounding the same theme as Western Reserve University sociology professor John B. Turner, who made the opening statement. "The dissatisfaction of the Negro comes from years of injustice," Turner stated. "He feels he's been kicked around, politically, economically, socially. You become desperate, like a drowning man, and you strike out in all directions. The American Negro is saying . . . that life without equality is futile." One of the blacks in attendance would later assert that the session had been the first time in his memory that the city's white business leaders had heard from black leaders "not what they wanted to hear, but the real facts."

Afterwards Jack Reavis would describe the session to a reporter as fruitful. "We have established initial lines of communication," he said. If so, they were somewhat tenuous. "We didn't speak the same language," was Oglebay Norton Company president Edward (Pike) Sloan's memory of the meeting. "The blacks would take off on long speeches.
First one of them would speak for half an hour, then another would feel he had to say something, and he would get up for a half hour. Half the time I couldn’t understand their pronunciation. You see, they finally had an audience. It took a lot of forbearance.”

The following Wednesday Norton reported to Reavis that his canvassing of those in attendance at the Sheraton-Cleveland meeting had indicated a desire on both sides to meet again. That Sunday, April 26, at 4 P.M. Reavis convened a meeting of only the white businessmen at Kulas Hall to report the formation of subcommittees on employment, education and housing. Consisting of five whites and five blacks, each subcommittee would “continue the dialogue, arrive at possible actions, and report back [to the white business leaders as a whole] for information and instructions.” Norton reported that “the Negroes he had called concurred in this undertaking; agreed with the three committees; but several mentioned that the subject of police (both protection and brutality) should be included.”

There would be no action taken on the blacks’ request that an additional subcommittee on public safety be formed. After talking with Mayor Locher and Cleveland Press editor Louis B. Seltzer and Plain Dealer editor and publisher Thomas V. H. Vail, Reavis had decided that taking on the reform of the police department would be a losing proposition because of the business community’s lack of influence with that group, according to Norton. A memo Reavis wrote of his discussions dryly observed, for example, that Locher had been “allergic to the suggestion that he meet with the activist Negro group with respect to ‘police brutality’.” Norton had personally been disappointed by Reavis’s decision; his private belief was that blacks were being continually harassed by Cleveland police in “every way.” Every 12 months or so during Reavis’s seven-year-long involvement with the businessmen’s group, Norton would again bring up the idea of forming a subcommittee on police, but the chairman never relented from his original decision.

On Sunday, July 12, 1964, the entire Businessmen’s Committee on Civic Affairs, as it came to be called, met again at Kulas Hall. As before, the Negro Leadership Committee, which was still viewed as a separate entity, was absent. The three subcommittees had been busy throughout the spring and early summer, though none of their activities had been publicly reported, Reavis having secured an agreement from editors Seltzer and Vail “that they will give us no publicity except as we asked
for it because everybody in the group thought we could work together better privately." The education subcommittee, in particular, had substantial progress to report, having met with newly named Cleveland superintendent Paul W. Briggs to brief him on the school controversy. As a result, the subcommittee had concluded that "the time may come when [we] will need to take a public position on certain issues (as opposed to working only behind the scenes) since our failure to do so may undermine the influence of our Negro leaders. The most immediate occasion for such a public statement may be when Supt. Briggs announces his policy and plans for dealing with school problems, and when our prompt support may be especially critical."

On August 5, the day after Paul Briggs met with the school board for the first time as superintendent, the Businessmen's Committee on Civic Affairs and the Negro Leadership Committee gathered at 7:30 p.m. in Kulas Hall. Briggs, who had been invited to make a brief presentation, told of winning the school board's agreement to a 30-day moratorium on purchasing property for new school construction to allow "a chance to look at the direction the schools are headed in and to decide if it might be revised." After the superintendent had departed, Reavis produced a statement that had been drafted by the education subcommittee. The work of "meeting after meeting, on weekends and holidays and way into the night" (as Reavis would later describe the effort), it read, in part:

While there was some difference of opinion as to priorities and emphasis, all members agree that [Briggs's] proposals, as announced Tuesday, are in the right direction and that their attainment will result in marked improvement in the quality of education for all Cleveland children.

... Mr. Briggs will require time to implement his program. We call upon our fellow citizens to help insure the success of Mr. Briggs' administration by granting him cooperation and support.

For our part, we pledge ourselves to continue to meet and work together and to support Mr. Briggs in his efforts to attain the main objective of equality and quality education at the earliest possible time.

The statement was then signed by 31 members of the Businessmen's Committee and 20 members of the Negro Leadership Committee in person and three in absentia. (The two groups would finally be united at summer's end as the Businessmen's Interracial Committee on Community Affairs [BICCA]. The second of the Associated Foundation's pro-
gram advisory committees, BICCA would be provided space in the foundation’s offices and its full-time director and operating expenses paid for in part by annual grants.)

So impressive had been Briggs’s and the businessmen’s performances that even the CORE militants had been mollified. The next day CORE chairman Art Evans announced that Briggs—“a wonderful and forthright man”—should be given an entire semester to develop “a specific program for quality integrated education, to get the school board to approve it and to start putting it into effect.”

“This virtually guarantees the peaceful opening of the schools on September 9th,” the Cleveland Press concluded. “Cleveland’s new school superintendent may have as long as six months to put into effect some major solutions to the integration issues that have plagued the system for almost a year.”

As it turned out, Paul Briggs’s honeymoon would last considerably longer than six months. Due, in part, to the Associated Foundation’s behind-the-scenes efforts to ensure peace in the Cleveland public schools, the issue of integration would not be taken up again for a decade. With the assistance and support of the foundation’s program advisory committees, BICCA and PACE, the schools’ master politician would instead focus community attention on passing bond issues to pay for renewing the system’s physical plant. During Briggs’s administration more than 40 new neighborhood schools would be built, cementing into place the patterns of segregation that finally prompted the NAACP in 1973 to bring suit against the system in the federal courts.

For five long years Paul Briggs fought the desegregation case. So heated was the litigation that The Cleveland Foundation, fearing violence would erupt when the buses inevitably rolled, had been compelled to mount a $1 million campaign to educate the community about the issues. By then the philanthropy’s working relationship with Briggs had been irreversibly damaged. But in the beginning, back in 1964, there had been a productive collaboration between the superintendent and the person who had recruited him: the executive director of PACE.

When he heard the news of William Levenson’s resignation as Cleveland school superintendent in the winter of 1964, Robert B. Binswanger, the executive director of the PACE Association, had called Dolph Norton. “We’ve got to get involved in this business of picking the new
Binswanger had exclaimed. (Since the Associated Foundation was paying his salary, it was only prudent to discuss the idea with Norton beforehand.)

Binswanger had been on the job for just a few months, but Norton believed that he had already justified the Foundation's faith in him. (Norton had enthusiastically supported Binswanger's hiring, finding the former Peace Corps staffer a little, well, \textit{offbeat}, but also potentially the most creative candidate under consideration by the PACE Association.) Shortly after he came aboard in the fall of 1963, the "Barnstormer"—as he had been dubbed by Barbara Rawson, who had a nickname for everyone—had learned that there were 400 children on the waiting list to get into the Cleveland public schools' overcrowded kindergartens. Binswanger had promptly set up free kindergartens operated by volunteers so that the out-of-school children would not fall behind. Out of embarrassment—as then PACE chairman Hugh Calkins saw it—the Cleveland Board of Education had eliminated the waiting list the following year.

Binswanger, who had served the Peace Corps by training teachers headed for work in Africa, had next turned his considerable recruiting skills toward encouraging central-city mothers to run a preschool program he believed would be beneficial for their toddlers. Eighteen preschool centers in all were established on a one-year trial basis in 1964. At PACE's suggestion, the Cleveland Council of Churchwomen prepared 2,000 "preschool bags" containing washcloths and soap, as well as crayons, paper and puppets, all of which the mothers were shown how to use with their children as learning tools. PACE's experiment proved so successful that it would later serve as one of the models for the federal Head Start Program. Before the year was out Binswanger had assembled another impressive volunteer army, this one consisting of 600 greater Cleveland high school students who during summer vacation had helped some 2,000 third to fifth graders from the central city catch up on old lessons and prepare for new work in the fall. He called them the Tutor Corps.

Levenson's resignation had represented an opportunity for PACE to accelerate its imaginative programs—if a sympathetic and dynamic administrator were chosen to replace the outgoing superintendent. Binswanger and Calkins had a candidate in mind: Paul Briggs, the superintendent of the Parma (Ohio) Board of Education, one of six ed-
ucation professionals who had served as advisors to the PACE committee. Briggs, Binswanger had explained to Norton, possessed the political savvy to handle the job. Not only had Briggs once taught political science at the University of Michigan in his home state, but he had survived seven years as superintendent in a working-class Catholic suburb of Cleveland, whose postwar growth had far outstripped the capacity of its parochial and public schools to cope. Norton, who knew the Parma superintendent from Metro days, also believed that "Briggs was absolutely first rate. He had taken the Parma schools, which were a disaster, and made them pretty good, and he did it in spite of the fact that there was tremendous parochial school pressure."

So Norton had encouraged Binswanger to "go to it." Binswanger began mentioning Briggs as the best possible candidate for the Cleveland superintendency in conversations with various well-placed Clevelanders and influential out-of-towners. Invariably he would add that it might not be a bad idea if the Cleveland Board of Education were to avail itself of the services of Professor Herold C. Hunt, who was in charge of the placement office at the Harvard School of Education, where Binswanger had taken both his master's and his Ph.D.

Hunt (with whom Binswanger had already chatted about the Cleveland situation, again mentioning Paul Briggs as the best qualified candidate) had previously consulted with school boards in Philadelphia and Boston on their search for new superintendents. In the spring of 1964, school board member and former PACE trustee George Dobrea, who chaired the search committee, had hired Hunt as a consultant to the Cleveland board. Hunt had produced a short list of nine candidates, including Briggs and Cleveland's deputy superintendent, the odds-on favorite for the job, given the board tradition of always promoting an insider. Binswanger would later explain how pressure to hire an outsider had been brought to bear on the board in a behind-the-scenes telephone campaign orchestrated by Associated Foundation trustees Kent Smith and Tom Burke (the latter having been brought on to replace an ailing Harold Clark). Briggs, the only candidate besides the deputy superintendent who was up to speed on the challenges facing the Cleveland system, had been tapped in a four-to-three decision. There was now in place a new superintendent with whom the PACE Association believed it could work effectively to improve the Cleveland public schools.

With all PACE's previous programs based outside the school system,
Binswanger now looked for a project that would have a visible impact on the system. But it had to be readily achievable, according to what Calkins would come to call the “Binswanger theory”: Tackle the easy stuff first. Binswanger settled on carrying out Recommendation 17 of the PACE report: “By 1965 every school in Cuyahoga County should have a well-equipped library.” Shockingly, having in a simpler era relied on the Cleveland Public Library to serve students, none of Cleveland’s 33 elementary schools had such a facility, and by December 1964 PACE had set up a gift drive under the able direction of board member Helen Bond that would allow individuals and organizations to establish and furnish a school library for $7,500 to $10,000 (federal funds purchased the books).

The project was, as Binswanger recognized, an easy sell, and more than $300,000 was raised, a sum sufficient to establish libraries in all Cleveland public elementary schools and eight Catholic and three Lutheran elementary schools located in the central city as well. The Cleveland Foundation sponsored two libraries, while the Associated Foundation donated $28,000 to place a selected bibliography of books on race relations in the library of every school operated by the Cleveland Board of Education. Because the schools lacked the funds to staff the new facilities, PACE also undertook the challenge of finding and training library assistants, a program that mobilized 1,900 volunteers.

Among the first to sponsor libraries were Cleveland’s May Company department store, the East Ohio Gas Company and the Kulas Foundation. Their commitments were made on the spot by their respective officers at the end of a meeting of the Businessmen’s Interracial Committee on Civic Affairs, at which Paul Briggs gave a progress report on his first six months as superintendent. The meeting marked the beginning of a tradition that served the cause of better public relations for the Cleveland school system well: Briggs began making annual state-of-the-schools addresses to the business community, first to BICCA and later to the Chamber of Commerce, where his remarks were often greeted with a standing ovation.

Briggs’s first report to BICCA was made on January 23, 1965, at which time he briefed the businessmen on his plans to establish a magnet Supplementary Education Center, one of the few attempts at integrating students made during his 14-year administration.

When Briggs concluded his report, BICCA reaffirmed its vote of con-
fidence in the superintendent and pledged its continuing assistance. Briggs subsequently invited four members of BICCA’s education subcommittee to sit on the advisory committee for the Supplementary Education Center (the first in the nation). The advisors helped in obtaining a temporary location for the center in the Erieview urban renewal area, as well as in persuading BICCA members from industry to donate science exhibits. Subcommittee member (and Associated Foundation trustee) Frank Joseph, whose affiliation with the Kulas Foundation brought him in contact with every musical organization in greater Cleveland, single-handedly set up the center’s chamber music concert series.

The concept of a magnet school had first been introduced in the PACE report on integration—a reflection of the trust that Paul Briggs had come to place in Bob Binswanger.

The director of PACE had lost no time in establishing his organization as a source of assistance for the new superintendent. Because the school system had no public information officer, it was Binswanger who had drafted and disseminated the press release officially announcing Briggs’s appointment. Recognizing that the job of school superintendent is a lonely one, Binswanger had also moved quickly to establish himself as a friend, sending Briggs a clever note of congratulations four days after the superintendent was hired. (“As that internationally renowned group of singers known as the Beatles would say, ‘Yeah!’ ‘Yeah!’ ‘Yeah!’”) The note marked the beginning of a three-year-long private correspondence between the two men (who soon had taken to addressing one another, jokingly, as “the Man from PACE” and “the Man from the Establishment”) in which Binswanger paved the way for the implementation of PACE’s school program with a steady stream of inside information, banter and praise. Binswanger soon learned that the best tactic for improving the Cleveland educational system was to let the superintendent take credit for PACE’s ideas.

PACE’s behind-the-scenes coaching resulted in many of the reforms Briggs initiated in his early years as superintendent. Speaking to the business community on the achievements of his first five years on October 15, 1969, Briggs would offer the following list:

The system has 1,000 more teachers; in 1964 it had 400 classrooms without teachers. Kindergarten classes are available to every child. There are 3,000 volunteers as against none in 1964.
In 1964 there were no elementary school libraries. Last year 134 such libraries [system-wide] circulated 3.25 million books. The system established free breakfast and lunch programs.

It has built more than 800 new classrooms housing 25,000 children. The Supplementary Education Center has opened. Vocational education has jumped 500 percent, summer school enrollment 800 percent, college enrollment by inner-city youth 100 percent.

Most of the advances could be traced back to PACE.

Take the teacher shortage. Recognizing that the Cleveland public schools faced this problem, Bob Binswanger had in 1965 conceived of an internship program in which returned Peace Corps volunteers were recruited to teach full-time while working toward master of arts (MAT) degrees in a special urban education program initiated at Western Reserve University. The program brought 75 Peace Corps volunteers to Cleveland. More importantly, it served as a prototype for the training of liberal arts graduates at several other local colleges that produced another 300 teachers for the Cleveland system. (Grants from the Associated and Cleveland Foundations subsidized the original program.)

Free school meals? Again, it had been the PACE Association, working with the Committee to Support Our Schools, that won approval from the Cleveland Board of Education in 1964 to start a pilot hot lunch program in 10 Cleveland schools. The program had been launched before Briggs was hired. In 1965, PACE's Vocational Information Program counseled thousands of junior high schoolers in Greater Cleveland on career opportunities through seminars, field trips and observation days at various local businesses, undoubtedly fueling the students' increased interest in seeking vocational or college educations.

Even the schools' Office of Volunteers, set up by a former PACE trustee, was originally Binswanger's idea. In October 1965 he had been invited to make his first official appearance before the Cleveland Board of Education. Since he had already been on the job some two years, Binswanger wasted no time in sticking his foot farther inside the door, successfully urging that the school administration be empowered to explore the possibilities of a dynamic volunteer program. "The school system does not have enough money to provide the 'extras'—the person-to-person attention, the new and innovative programs, the unusual enrichment experiences," he observed, "... but we do have a reservoir of talented, capable, responsive citizens who desire to share in the
process of education." The Barnstormer knew whereof he spoke. By the
time he left Cleveland for a position as an assistant professor of education
at Harvard in the spring of 1966, approximately 20,000 volunteers had
participated in PACE programs.

Although the Associated Foundation was to provide the PACE As-
association with operating support for another three years after Binswan-
ger's departure, Norton suspected that the organization had peaked.

Fueled by its success in winning a truce with the United Freedom
Movement for the Cleveland schools, the Businessmen's Interracial Com-
mittee on Community Affairs had moved quickly to remedy another
source of frustration in the inner city: the inability of blacks to live
wherever they chose.

At the very first meeting of BICCA's housing subcommittee in 1964,
the blacks had identified their principal problems as discrimination by
banks, real estate brokers and home builders; the city's urban renewal
policies; absentee ownership of central-city housing; and the need for fair
housing legislation.

Given the ties of commerce between the Cleveland banks and the
businessmen on the committee, resolving the first problem had been the
matter of a few months' negotiation. On August 28, barely three weeks
after the school truce was forged, Jack Reavis announced at a news con-
ference that BICCA had won a pledge from all eight of the city's com-
mercial banks that each would make residential loans to any creditworthy
customer regardless of color, race or religion. Reavis hailed the agreement
as "another Cleveland first"—a claim the NAACP's Harold Williams,
a member of the housing subcommittee, substantiated.

"The proof of the pudding is in the eating, of course," Williams
explained to the newspapers, "but this obviously is an unprecedented
step—a forward stride in the whole field of housing. I don't think any
other city has gone this far. The majority of Negroes perhaps will not
benefit immediately from the banks' pledge, but more housing will be-
come available all along the line."

Indeed, the day before the news conference, the housing subcom-
mittee had taken its first step toward helping to open up the entire
greater Cleveland housing market to blacks—an unpopular and lengthy
crusade, of which both BICCA and its silent partner, the Associated
Foundation, were early leaders. To begin its investigation of why 95
percent of all black families in the county lived within city boundaries, the subcommittee had invited one of its own members, state representative Carl Stokes, to speak at its August 27 meeting. Stokes, who had in 1962 become the first black Democrat to be elected to the Ohio House of Representatives, briefed the committee about a fair housing bill that he had sponsored, which had been defeated by the Ohio legislature. Only one person commented on Stokes's presentation, expressing his opinion that "property rights are the cornerstone of our system of private enterprise and [that fair housing] laws tend to undermine individual initiative and rights."

Jack Reavis later informed Stokes that if the legislator would make certain modifications to his bill, Reavis would push for its enactment. As part of the strategy, the retooled bill exempting owner-occupied single- and two-family dwellings was introduced in the 106th General Assembly not by black Democrat Stokes but by a white Republican. Also part of the strategy was Stokes's concurrent sponsorship of a much tougher bill to draw the fire of opponents. Reavis's partner, Seth Taft, went to Columbus to testify on behalf of the more moderate measure, which passed.

Several days prior to the law's taking effect on October 30, 1965, Reavis again went to bat for it, releasing a statement to the press urging compliance in an attempt to quash a movement then afoot in the real estate industry to place a referendum on the ballot to nullify the new fair housing act. Behind the scenes, Norton recalled, Reavis "got on the telephone and called in chips around the state, explaining to people: 'You're going to cause more trouble in the long run than you will if you go through with it.'" The referendum never materialized.

In the meantime the housing subcommittee, having decided after months of meeting with various experts in the field that it needed help in putting together a coherent program, approached the Associated Foundation for a modest grant to hire consultants to conduct a comprehensive study of the greater Cleveland market. Begun in late 1965, the $2,000 study reached two simple but energizing conclusions: If the living conditions of Cleveland's blacks were to be improved, somebody needed to push, and push hard, for fair housing to be carried out, especially in the all-white suburbs; and somebody needed to work in earnest on rehabilitating the city's dilapidated housing stock. Deciding to focus its energies on the former, BICCA set about organizing and fund-
ing the Fair Housing Council, a professionally staffed coordinating agency for the more than 40 community and neighborhood groups it had discovered working on open housing, largely independently of each other; while the Associated Foundation decided to tackle the latter by the tried-and-true means of forming a citizens' task force called PATH.⁷

Concurrent with these developments in Cleveland, the Urban League had approached the Ford Foundation with a proposal for a national demonstration project to improve minority housing opportunities called Operation Equality. When Dolph Norton, a longtime Urban League member, had caught wind of the proposal, he made it his business to coordinate efforts to ensure that Cleveland was included as one of the eight test cities (the promise of matching funds being a critical part of the coordination); and when Ford had announced that it was committing $1.6 million to Operation Equality, it was he who had brought BICCA's Fair Housing Council together with the Cleveland Urban League to ensure that each would have a complementary role in carrying out the local demonstration project (the promise of funding for the Housing Council's work on the project again being critical to the negotiations).

On November 3, 1966, the Associated Foundation and The Cleveland Foundation announced that they would match a Ford Foundation grant of $180,000 over three years to launch Operation Equality in Cleveland. (A side grant of $67,500 was made to the Fair Housing Council for the same period.) Four field offices were immediately set up in Cleveland to provide "assistance" to black families eager to find homes (and financing) in white areas. In actuality, the field workers were supposed to locate blacks brave enough to move onto an all-white street and then serve as their unofficial real estate agent, according to Norton, who worried about the pressure that might be brought to bear on the Associated Foundation's trustees for supporting such activities.

"This was blockbusting, this was forced integration," he explained. "It was a bold step for this group. After the grant was passed and the committee had gone out with some trepidation, Kent Smith and Barbara Rawson and I started talking about what's going to happen when Ellwood Fisher is at a cocktail party and somebody comes up and starts giving him hell."

It was decided that Kent Smith would send a letter to his fellow board members, stating (as Norton remembered its contents) that "you're going to be asked at cocktail parties about this grant, and when I'm
asked, I'm going to explain it and say I'm proud of it." Rawson drafted the letter in language as strong as she dared and was pleasantly surprised when Smith sent her back to the typewriter to strengthen the statement. "That took courage," Norton would later say of his chairperson's stand. "Took more than most people nowadays would even recognize."

Ironically, after two years in business, Operation Equality had helped to relocate only 200 black families. Walk-in traffic at the field offices had been lighter than expected, and most of those who dropped by were looking for apartments for under $100 a month. (The Fair Housing Council had met with greater success in its work, conducting a campaign that saw 45 out of the county's 60 municipalities pass fair housing resolutions.) With the enactment of the 1968 Civil Rights Act containing a national fair housing provision, Operation Equality decided to shift its focus from providing services to individual clients to attempting to bring the real estate industry into compliance with the new law. Locally, the new campaign would start at ground zero; only a year before, the Cleveland Area Board of Realtors had rejected all the recommendations made by a committee that it had created expressly to develop human relations guidelines for its members.

By 1970, when both Ford and The Cleveland Foundation renewed their grants to Operation Equality, some progress toward integrating the suburbs could be discerned. Whereas 10 years before only one out of every 40 minority families in the county lived outside the city of Cleveland, now one out of eight lived elsewhere. Some would argue that the ghetto's walls had merely been expanded, given the fact that five contiguous suburbs had absorbed 88 percent of all blacks in the county living outside the city's boundaries. But Operation Equality continued to fight on, joining in the early seventies with the U.S. Department of Justice to file fair housing suits against several area apartment management firms. The suits resulted in consent agreements governing more than 10,000 units. By 1973, when its local foundation support finally expired, Cleveland's Operation Equality was the last of the eight original demonstration projects around the country that was still in existence.
THE subdued mood at The Cleveland Foundation as the summer of 1987 drew to a close could be discerned from the theme of the annual staff retreat, a time reserved for the professional staff to deliberate without being interrupted by meetings and ringing phones. The traditional three-day getaway to a location far removed from the Foundation’s offices was to be entirely devoted to the pressing matter of “The Allocation of Scarce Resources.”

In the months following the announcement of the Special Initiatives, a trend had become clear. The Foundation’s willingness to invest millions of dollars in two civic ventures it deemed of critical importance had only served to increase community expectations of it. Already other grant seekers were anticipating a similar level of commitment, one example being Case Western Reserve University, where a new president had recently taken office. The Foundation had received indications that the college would soon be seeking a multimillion-dollar grant for new presidential initiatives to combat plummeting undergraduate enrollment and erosion of federal support for its scientific research. Because Steve Minter had been one of a handful of outsiders asked to advise the university’s search committee on its selection of a president and had participated in the decision to hire former Dartmouth College provost Agnar Pytte to rebuild CWRU—a challenge that had serious implica-
tions for the continued economic recovery of Cleveland—the Foundation could hardly ignore any reasonable request from Pytte for assistance.

For three days in late August the program staff addressed the question of how to balance the rising tide of demands with what now seemed very limited resources. There were some obvious answers. Greater scrutiny of the quality and feasibility of requests was suggested, as was a stricter adherence to a stated policy of not funding operating costs of established agencies or supporting debt-reduction or capital programs. But Minter came away from the discussion sessions convinced that a more disciplined approach was needed than the informal policing that had been suggested. He asked associate director Susan Lajoie to begin working with the program officers to set annual quotas on their use of unrestricted dollars. By retreat's end, he had also reached another conclusion: A principal distribution was an administrative imperative.

Useful as staff retreats now were in prompting The Cleveland Foundation to make mid-course adjustments, they had become a regular annual event only during Homer Wadsworth's tenure. There had been precious little time for self-examination at The Cleveland Foundation before his coming, given a two-person staff too swamped to review the outcome of even the most important projects and grants. For that reason the Ford Foundation's 1966 evaluation of the Greater Cleveland Associated Foundation stands as the only formal analysis of the GCAF's first few years of work.

Ford’s generally positive appraisal of the philanthropic demonstration project contained one small but troublesome note of caution: Now that the Associated Foundation had carved out a useful role as catalyst, convener and civic leader, the temporary status of its existence and the finite nature of its resources must somehow be addressed. Otherwise GCAF would have to close down its widely valued operations when it ran out of funds. The prospect of that disappointing day had already prompted Kent Smith and Dolph Norton to take actions that would not only strengthen the practice of philanthropy in Cleveland, but change the complexion of the community foundation movement in America.

Prepared in order to determine whether to renew its grant, Ford's prescient evaluation was based on a detailed summary of all GCAF grants, which had been submitted by the GCAF staff, as well as inter-
views Ford had conducted during a three-day site visit to Cleveland in early December 1965. The GCAF staff summary was heavy on statistics. It reported that, as of October 1965, $1,808,096 had been dispersed in 52 separate grants. 1

Ford's own evaluation dealt more with the significance of the Associated Foundation's work. It read, in part:

The Associated Foundation has done a remarkable job in a short time of establishing itself from scratch as an organization of stature and influence in Cleveland. It is not widely known in the community, but it is known by the people who count. We heard an impressive amount of testimony as to the role it has played in awakening Cleveland business, intellectual and civic leaders to various crises in their metropolitan affairs and to the necessity of doing something about these problems. The type of philanthropy it represents seems widely to be regarded as a valuable, perhaps essential addition to the Cleveland scene.

. . . Norton has gained universal and high respect among leaders in Cleveland civic affairs for his ability to generate ideas or to help in their generation, and to devise means of getting them translated into action.

. . . We have heard his praises sung by a wide range of people in business, local government, education, and the Negro community. The general tenor of these comments is that Norton is a man with a comprehensive knowledge of Cleveland's problems and an extraordinary flair for thinking up imaginative ways of attacking these problems or of helping other people develop their own ideas about what to do about them. A notable characteristic of many of the projects he has developed or helped develop is that they involve lots of people, including people of influence in the community, and by this means they have created an awareness on the part of community leaders of Cleveland's problems and the necessity of doing something about them to a degree that many people do not believe existed before the Associated Foundation came on the scene.

The favorable review assured the Associated Foundation's continued operation, but only through the end of the decade. In 1966, the Ford Foundation formally renewed its grant, awarding GCAF a second $1.25 million to be reallocated within five years.

Four years earlier, in April 1962, at the same time that they had paid out their original grant to the Associated Foundation, the trustees of the soon-to-be-liquidated Leonard C. Hanna, Jr., Fund had handed over another $1.25 million for its second five years. Because the Hanna monies had long been assured, Ford's evaluators observed, "the Associated Foundation's Board has . . . taken a relaxed view of the future. We
queried the Board as to what would happen when the next five years were up, and it was clear that this was a matter that had not given the Board members much concern. . . . When queried, however, they rallied to the cause and said—as nearly as we could tell quite sincerely—that the Associated Foundation represented an effort that must not and would not be allowed to die.

Behind the scenes, Dolph Norton and Kent Smith were already moving on a plan to ensure the continuation of the Associated Foundation’s work after its funding dried up. The plan was based on an idea that had been in the backs of their minds since GCAF’s creation. Why not merge the Associated Foundation’s operation with that of The Cleveland Foundation? After all, had the Associated Foundation not been established to set an example of philanthropic experimentation and innovation for the munificently endowed but traditionally run older organization? To be sure, The Cleveland Foundation had backed several of the younger foundation’s projects, though that had been the extent to which the GCAF had influenced the Foundation’s grantmaking. Since The Cleveland Foundation’s executive director, Kim Johnson, would be celebrating his 65th birthday in 1966, didn’t it make sense for Johnson to retire and for the energetic, experienced and visionary Associated Foundation staff to be brought in to tackle all The Cleveland Foundation’s grantmaking? Of course, there was the unresolved matter of what would happen to the trustees of both foundations, but couldn’t they theoretically be merged into one larger board?

This was roughly the scenario Norton proposed to John Sherwin, Sr., who had succeeded Ellwood Fisher as Cleveland Foundation chairman. Norton had made a point of keeping Sherwin, who had become head of the Distribution Committee in 1963, periodically apprised of the younger foundation’s work and objectives, and in a confidential memo dated January 10, 1965, he had suggested to Sherwin that The Cleveland Foundation and the Associated Foundation form a new, more broadly representative foundation in the name of improving the quality of local civic leadership.

As Norton explained it in the memo to Sherwin, the new foundation would “provide the splintered leadership of Cleveland with a . . . base that currently does not exist [where] the major policy issues facing the city can be discussed among peers, choices can be made, and action can be initiated with the support of very substantial philanthropic resources.
and good staff.” He recommended that the boards of both foundations be merged and supplemented with “at least one Negro, a woman in addition to Mrs. [Royal] Firman [Jr., then filling the single slot on the Distribution Committee it was unofficially agreed would always be reserved for a woman], and at least one younger person from outside the ranks of those usually considered for such posts.” Norton’s suggestion to include outsiders in the private meetings of such an elite group—whose monthly deliberations were held at the white business community’s exclusive Union Club in downtown Cleveland—was as pioneering as the Apollo space program then under way to land a human on the moon.

For the chair of the new foundation, Norton diplomatically proposed a member in good standing of the traditional power structure, either Kent Smith or John Sherwin himself: “It was the hard work of Kent Smith that provided the vital force in the development of the Associated Foundation and I could imagine no better person. However, Kent [who was then 70] has already given the tremendous effort to get one new organization under way. I would urge you to take the post at the outset if you feel your business commitments would permit it.” However, in the same memo, Norton also lobbied for his real preference for chairman: Carter Kissell, the head of BICCA’s subcommittee on housing, whom Norton favored because Kissell was retiring from business in 1965 and could theoretically devote himself to the job full-time.

“[Kissell] is an excellent person, widely respected in business circles and skilled in the patient, firm tactfulness that is so effective in civic leadership in Cleveland,” Norton observed in the memo. “If he would take this post for about two years he might establish it as a civic honor and duty that could cap the career[s] of newly retired business executives and give us a tradition of leadership such as we sorely need.”

Norton had gone on in his memo to explain that the operation should be organized as three divisions headed by “foundation associates” who reported to the president: the Community Development division, concerned with the fields of health and welfare, education, public service, metropolitan affairs and race relations; the Physical Development division, concerned with the fields of city planning, urban renewal, transportation, housing and economic development; and the Foundation Development division, concerned with such internal staff functions as finance, asset development and services to other foundations.
Norton envisioned a small staff—about seven professionals in all, supported by an appropriate number of clerical persons. He recommended that there be at least one training position filled on an annual basis and two or three posts for summer interns. In an era when the majority of community foundations had either no full-time employees or only one, Norton’s vision for a professional staff hierarchy was novel and progressive. But would the 64-year-old Sherwin agree to any of it?

A lesser person might have been unwilling to share the prestige and power that accompanied membership in the most exclusive club in Cleveland, the five-member Distribution Committee. But Sherwin came from a long line of civic leaders, most notably his aunt, Belle Sherwin, who, like him, had served on the Distribution Committee (1917–24); and he personified the tradition of noblesse oblige. During his rise to chair of Cleveland’s Pickands Mather and Company, one of the four largest iron ore producers in the country, John Sherwin had found time to be a member of the board of organizations as diverse as the Horace Kelly Art Foundation, the Cleveland Museum of Natural History, the Cleveland Chamber of Commerce and the Cleveland Clinic Foundation (he would ultimately serve as a trustee of the internationally known medical center for a record 57 years).

In October 1961 he had joined the Distribution Committee at the invitation of George F. Karch, a member of the executive committee of the Cleveland Trust Company, whose president was chairman of The Cleveland Foundation’s Trustees Committee and thus an appointing authority. Karch, as Sherwin recalled it, had pulled him aside at a board meeting of the Clevite Corporation, of which they were both directors.

“I just found out that we have to appoint a member of the Distribution Committee of The Cleveland Foundation,” Karch had said. “Will you take the job?” At first Sherwin had declined, saying, “No, I have enough to do.” But Karch had persisted, claiming, “It doesn’t take any time at all, what with a couple meetings a year.”

Sherwin had acquiesced only to find out that the job wasn’t as negligible as it had been painted. In fact, so seriously had he taken the responsibility of helping to decide how The Cleveland Foundation’s millions would be dispensed that, like Clark and Smith before him, he had become troubled by the unimaginative nature of most of the grantmaking. As he would later bluntly put it: “. . . I got tired of [receiving] applications to buy a new station wagon for some institution. I didn’t
think that was our purpose. . . . I always felt that the Foundation was not there to be another community fund and just support ongoing budgets of existing things. I felt it was our job to start things . . . to look into matters of civic interest. . . .”

In 1964, the year The Cleveland Foundation turned 50, Sherwin had taken the first step toward addressing his concerns: He had written a memo to the files documenting his opinion that grant requests were not being adequately evaluated before being presented to the Distribution Committee for approval. The document had expressed Sherwin’s growing belief that The Cleveland Foundation’s staff needed to be upgraded and expanded. Given his private assessment of the needs of the older organization, that Sherwin had ultimately decided to accept Dolph Norton’s proposal to join forces with the flourishing younger foundation would come as no surprise. From the vantage point of his place on BICCA’s housing subcommittee, Sherwin had been favorably impressed with what he had seen of the Associated Foundation’s work. At the invitation of Kent Smith, he had also been given the opportunity in late 1965 to sit in on a meeting of its board.

But other close observers had been surprised when, on July 6, 1967, John Sherwin and Kent Smith publicly announced the alliance of the two foundations they respectively chaired, a move taken to “help make both foundations even more responsive to community needs by combining the great resources of The Cleveland Foundation with the innovative approaches developed by the Associated Foundation.”

Among the astonished bystanders was Robert D. Gries, whose paternal grandfather had been an original trustee of the Beaumont Foundation, one of the cosponsors of the Associated Foundation. Gries would later conclude that the affiliation would never have taken place had it not been for the unhappy events of a year before, when an angry crowd gathered on the evening of July 18, 1966, outside a tavern at Hough Avenue and East 79th Street after its white owner refused to give a black customer a glass of water. Incensed, the crowd began smashing the bar’s windows. The incident had sparked four days of looting, vandalism and arson during which four persons died and property damages mounted into the millions. The violent outpouring of anger and frustration had come to be known around the world as “the Hough riots.” In Gries’s view, prior to the riots the Cleveland establishment in the main had regarded the work of the Associated Foundation as liberal do-gooding.
"The business community sort of viewed the Associated Foundation as okay as long as it was kept over there for those who needed it," Gries said. "But the riots scared the hell out of everybody. They wanted to know how do you buy peace? All of a sudden Dolph looks like he has the answers. People start looking at him in a different light."

Although Norton had broached the idea of joining forces in early 1965, negotiations between the two foundations had not, in fact, begun in earnest until shortly after the Hough riots. Instead, Sherwin had first sought to reinvigorate The Cleveland Foundation by luring Keith Glennan away from the presidency of the Case Institute of Technology to become the Foundation's director. After Glennan had declined the job offer, Sherwin had begun thinking more seriously about Norton's suggested alliance. On August 23, 1966, Seth Taft, who was now the Associated Foundation's attorney, finished drafting an expanded version of the proposal that Norton had first submitted to John Sherwin some 17 months before. Taft's version had been passed along to Cleveland Foundation attorneys at Thompson, Hine and Flory, who by December 12th had produced a draft of a legal resolution that provided for the merging of the two foundations' boards. This document was reworked by Taft and resubmitted for consideration by Sherwin, Smith and Norton at a meeting held on December 30. Whatever complex motivations each brought to the table, an agreement in principle to merge operations was reached at that time. Norton's later assessment of the December meeting was that "the Associated Foundation . . . persuaded The Cleveland Foundation that its structure was outdated."

Since Smith was a member of the Distribution Committee, its remaining three members were the only persons left to persuade. In early January, Norton had met separately with these individuals, but it was no doubt Sherwin's influence that proved decisive in winning their consent. "Sherwin was an outstanding leader," the Foundation's counsel, Malvin (Mal) E. Bank, would later say of Sherwin's management style. "He knew that leadership means getting things done, not leaving things to chance. In preparation for an important meeting, he would sound people out beforehand; then at the meeting he would let everyone have his say. Then at the end he would say, 'Well, I think this is what we've decided.' He was very smooth. He always got his way."

On April 14, 1967, the Distribution Committee and the Trustees Committee had voted to amend the 1930 Resolution and Declaration of
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Trust Creating The Cleveland Foundation under the Multiple Trusteeship Plan. The amended resolution allowed for the temporary expansion of the Distribution Committee from five to fourteen members; on April 1, 1971, the committee would be reduced to eleven members. At the same time it was agreed that the nine members of the board of the Associated Foundation not previously members of the Distribution Committee would be appointed to the latter. A similar resolution passed by the Associated Foundation board saw the three members of the Distribution Committee not then trustees of the Associated Foundation appointed to the latter's board.

In actuality, what had been created was an identical board for two separate legal entities. Board members would thereafter meet on a quarterly basis to approve recommended disbursements from each foundation's separate pool of funds. Each foundation would maintain its original name to identify, among other things, the source of funding for subsequent grants, but staff and headquarters would be consolidated. The Associated Foundation staff had already moved in December 1966 into quarters with The Cleveland Foundation at 700 National City Bank Building. Although he knew he would soon be named director of The Cleveland Foundation, Norton (who would retain the title of president of the Associated Foundation) had taken pains to ensure that Kim Johnson was installed in the largest office, which Johnson occupied until his official retirement on December 31, 1967.

In addition to Barbara Rawson, who was promoted to assistant director, the Associated Foundation staff consisted at the time of three talented young associates: former attorney Bruce L. Newman, who served as staff to the PATH Committee; former Welfare Federation planner Seymour Slavin, who coordinated summer programming for the city's youth; and former PACE staffer Roland Johnson, the Associated Foundation's first black professional employee, who specialized in primary and secondary education. As was its practice before the alliance, the program team would continue to meet with Norton every Monday morning to receive individual assignments to new grant proposals and discuss progress in evaluating previous requests. But now the staff was recommending the allocation, not of a mere $250,000, but of almost $5 million annually to five newly created subcommittees of the Distribution Committee (youth, education, cultural affairs, public affairs and health and welfare), which would further examine the grant proposals before
they were sent on to the full board for approval. (The expanded Distribution Committee met to make grant authorizations for the first time in July 1967.)

Now they were truly a community foundation—a change in status that would inspire Dolph Norton and his staff to try to be even more responsive to the needs of the city. Bruce Newman would observe this sea change with great interest. A native of Shaker Heights, Ohio, he had given up the lucrative practice of law at age 29 to accept a one-year internship with the Associated Foundation in 1965 based on his perception that philanthropy was where the action was in Cleveland. Newman would go on to become director of the Chicago Community Trust—a career path that was greatly influenced, he later explained, by Norton’s transformation of the role of the community foundation. Newman recalled:

Community foundations prior to Dolph’s time were hidden. Literally. For its first 50-odd years the Chicago Community Trust consisted of two guys—the director and his part-time secretary—sitting in a dingy back office somewhere. They didn’t want people to know they were there, ’cause they might come in and ask for money. What they did was relate to donors. It was a very closed world. And Dolph opened it up. One of his real tactics was to be out in the community talking to people. Dolph was everywhere. It got to the point that whenever anyone had a problem, they called Dolph.

A steady flow of newly hatched community groups, their members clad in bell-bottoms and dashikis, began to appear at the Foundations’ door. Barbara Rawson especially made it her business to ensure that “no good idea or person escaped.” If the hopefuls lacked the skills to put together a grant proposal, Rawson would help them draft it. “Okay, let’s assume you get the money. Now what are you going to do Monday morning?” she would prompt them. The question became celebrated around the office for its directness and simplicity. If meritorious, their answers would ultimately be presented to the combined boards of the Foundations (which is what the two philanthropies will be called hereafter when referred to in the aggregate).

Presiding over what became quarterly meetings of the expanded Distribution Committee, which at Norton’s quiet insistence were held in the Foundations’ offices rather than at the exclusive Union Club, was John Sherwin, who had retained for himself the position of chairman of
The Cleveland Foundation. Within a year of the alliance he was named chairman of the Associated Foundation as well, with Kent Smith becoming chairman emeritus. (Because of restrictions in The Cleveland Foundation's charter limiting service after the attainment of age 75, Smith would retire from both boards in 1969.)

In time Sherwin would come to view the alliance as a nonevent. It had simply been the natural thing to do, he would explain, leaving to others the observation that from this propitious marriage had been born the community foundation as a modern organization, with its professional staffing, subcommittee structure and active involvement in the "urban problem."
STEVE Minter seized the occasion of a fall Distribution Committee/staff retreat to place the issue of a principal distribution on the upcoming year's agenda. The retreat took place on the last Saturday in October 1987 in the community room at Lexington Village (a location chosen in part for its symbolism of the advantages of thinking big). Minter's presentation on "Management Strategy for Cleveland Foundation Resources" came at 2:45 in the afternoon, the last session of a day devoted to briefings by the leaders of three prominent civic enterprises on the challenges facing their institutions or projects.

"Homer Wadsworth instituted retreats for the Distribution Committee in order to bring in big outside thinkers and talk about cosmic future trends," noted Mary Louise Hahn, the Foundation's special projects officer, during a break between the briefings. She generalized in order to make a point. "Steve is more concerned that the Distribution Committee has a better understanding of the realities of the community in which they are making decisions."

For Minter, the pressing business of the day was to impress upon the committee the fact that, as he stated in his presentation, "our activities have created rising expectations about our capacity to fund many projects at substantial dollar levels." The squeeze could be seen in the present docket, he noted. With only $1.6 million in unrestricted funds at its disposal, the Foundation had been presented with no fewer than nine proposals for $150,000 or more that, if granted, would consume $5.5 million in unrestricted dollars. "We're trying to whittle that down to $900,000," Minter said optimistically.

The process of tempering grantees' expectations, Minter reported,
would be ongoing (and inevitable, given the fact that the Foundation expected to have 1.7 million fewer unrestricted dollars to distribute in 1988 than it had in 1987). But he also recommended taking several other aggressive actions, if possible, by the end of the calendar year. These included establishing for each program area two-year target allocations of unrestricted dollars; developing a new investment policy to ensure an acceptable total rate of return and predictable enhancement of income; and assessing the feasibility of a one-time principal distribution.

The Distribution Committee greeted the recommendations with little comment. The first hurdle in winning approval for a one-time invasion of principal to enable the Foundation to continue and perhaps expand its high-risk, high-impact Special Initiatives program was now cleared.

Not coincidentally, the retreat speakers had been useful in sealing the committee’s agreement to consider a principal distribution. All came looking for multimillion-dollar assistance. Agnar Pytte, the new president of Case Western Reserve University, informed the group of his belief that “we really can build an absolutely first-rate university here,” an important key, he argued, to Cleveland’s economic revitalization. Ticking off a list of four areas of the university that needed strengthening—undergraduate education, research facilities, campus-wide computerization and business-university collaborations—he added: “I have lots of ideas about how to get these initiatives rolling, but I don’t have any money.”

The president of North Coast Development Corporation reported that downtown Cleveland’s new Inner Harbor would be completed by Labor Day 1988, fulfilling the first phase of the Foundation-underwritten master plan for the redevelopment of the lakefront; and that planning was under way for Phase II and III construction, which called for the private development of one or two hotels, office buildings and retail facilities on land surrounding the newly created seven-acre harbor. “The commercial development is dependent on the presence of an aquarium and maritime center,” Gary N. Conley observed, “and what we need from The Cleveland Foundation is a clear signal of support for these two projects [which the master plan envisioned would have to be publicly owned and operated], a signal that we can take to the other necessary participants in this urban revitalization strategy.” Conley suggested that if the Foun-
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dation were to award $5 million or so to predevelopment planning for these two amenities, it could leverage $900 million in total project investments.

"Thank you very much," Foundation chairperson Dick Pogue said when Conley completed his presentation, adding only semi-facetiously: "I'm glad you only asked for half a percent [of the project's total cost]."

The Distribution Committee also heard from Richard H. Shatten, the executive director of Cleveland Tomorrow, who provided an overview of his organization's second five-year strategic plan, which had recently been completed. After assessing what Cleveland CEOs could do to improve the quality of life in the region (a study component that had been underwritten by the Foundation), Cleveland Tomorrow had reaffirmed its commitment to supporting physical development efforts, Shatten reported. The upshot was a decision to create the Cleveland Development Partnership, a $50 million equity pool designed to serve as a private-sector catalyst for high-priority projects consistent with the recommendations in Civic Vision, the master redevelopment plan for downtown Cleveland and the neighborhoods that both The Cleveland Foundation and Cleveland Tomorrow had helped to fund in the mid-eighties to replace the City Planning Commission's outdated General Plan of 1949.

During the Distribution Committee retreat, Shatten called the Development Partnership "Cleveland's happy bank," because Cleveland Tomorrow privately conceived of it in terms of a tax-exempt corporation that had the wherewithal to purchase land, undertake necessary site improvements, take equity positions in specific projects or provide guarantees and, if necessary, serve as the developer of last resort. And the association of CEOs was already laying plans to ask The Cleveland Foundation to provide a good chunk of the equity in the form of a $5 million investment. "We believe Cleveland has an opportunity to remake itself into a different city—both downtown and in the neighborhoods—by focusing on a limited number of high potential projects that might include downtown sports facilities, hotels and housing and neighborhood commercial and housing developments," James M. Biggar, chairperson of Cleveland Tomorrow's physical development subcommittee, would assert in a March 1988 letter to Minter and Pogue that suggested the investment.

Once before, Cleveland's business community had committed to an
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ambitious plan to "remake" Cleveland in a manner that The Cleveland Foundation had helped to shape. The year was 1968, and Carl B. Stokes had just been elected mayor.

All eyes had focused on Cleveland throughout the summer leading up to the mayoral elections of 1967. While some observers had waited edgily to see whether Hough would once again erupt, others had taken an interest in a political contest that seemed destined to make international headlines. For the first time in history it looked as if a major American city might elect a black mayor.

Realizing that the future of the city depended on inspired, perhaps even heroic, political leadership, the heads of the newly combined Cleveland and Associated Foundations were not content merely to watch the drama unfold. Smith, Sherwin and Norton all played active, if behind-the-scenes, roles in the mayoral campaign to ensure that whoever emerged victorious, he would not be another caretaker mayor. Once the outcome of the race had been decided, however, they laid aside partisan differences and placed the full resources of the two foundations at the disposal of the winning administration. Whatever the new mayor needed in the way of supplementary personnel, discretionary funds, advice or connections to heal the social and economic wounds of the city, they stood ready to provide. Carl Stokes called on all these proffered resources in conceiving and attempting to implement his civic vision, a $1.5 billion master plan called Cleveland: NOW! that was conceived in the wake of the assassination of Martin Luther King, Jr., and subsequently adopted by the corporate community as its strategy for rebuilding the city.

Had not a black nationalist manqué by the name of Ahmed Evans used monies he earned in running a NOW!-sponsored youth program to buy guns, the public-private partnership that the Foundations helped to assemble around NOW! might indeed have set into motion elements of Cleveland's physical and social revival. But when, in the summer of 1969, Ahmed (formerly Fred) Evans and his followers engaged in a gun battle with police, during which three officers were slain, they also killed prospects for the success of Cleveland: NOW!

Given the disastrous outcome of one of their many collaborations with the Stokes administration, some might call the Foundations' willingness to go out on a limb in support of a politician injudicious at best. Others might find, in the perilousness of the times, ample justification for the philanthropies' decision to work arm-in-arm not only with Cleveland's
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political leadership, but also with the city's militants. However, there
is no disputing the fact that by attempting to find a useful role for the
Foundations in improving the city's governance, the staff and trustees
renewed the precedent for involvement in public affairs on which suc­
cessive generations of Foundation leadership, operating in a less volatile
atmosphere, could build more lastingly.

The 1967 campaign marked the second time that Stokes, the grand­
son of a slave, had run for Cleveland mayor. Two years before, the Dem­
ocratic state legislator had come very close to being elected, losing a
four-way race (in which Stokes had campaigned as an independent) to
the Democratic incumbent Ralph Locher by 2,548 votes. The election
had dashed the mayoral ambitions of the inflammatory school board
president, Ralph McAllister, and it had brought about the demise of the
United Freedom Movement, which had splintered over a debate about
whether to endorse a mayoral candidate. But it had also demonstrated
to Stokes that he could be elected mayor the next time out if he could
combine his strong base in the black community with support from
white voters, only 3 percent of whom had voted for him in 1965. To
increase the white vote, Stokes had decided to run in 1967 as a Democrat
rather than an independent.

The city's painful memory of the Hough riots gave Stokes's second
race a further boost, propelling him forward as the only mayoral aspirant
who might have the answers to the causes of inner-city violence. In the
eyes of certain powerful members of the white establishment who had
come to know him fairly well from their mutual involvement in BICCA,
Carl Stokes represented the city's best hope for racial peace. The private
blessing of his candidacy by Jones, Day managing partner Jack Reavis,
Stokes would later agree, had been the key that opened the door to other
conservative white businessmen's support.

Although federal tax laws prohibited the Cleveland and Associated
Foundations from playing a direct role in political activities, their officers
and trustees were not constrained from doing so as private citizens, and
several were to figure importantly in Stokes's campaign.

Having recently poured hundreds of thousands of dollars into an ex­
haustive study of the management of city hall that had exposed all sorts
of inadequacies, the business and philanthropic communities had lost
faith in Mayor Ralph Locher. In an apparent effort to siphon votes from
the incumbent in his Democratic primary battle against Stokes, both
John Sherwin and Kent Smith made contributions to the campaign of a third Democratic candidate, Frank Celeste, the former mayor of the West Side suburb of Lakewood, whom pundits believed unlikely to win. When Stokes, whose campaign was being managed by Foundations board member Kenneth Clement, emerged victorious from the October 1967 primary, local Democratic party regulars rushed to endorse him in a tightly contested runoff against Republican Seth Taft, whose grandfather had been the 27th President of the United States.

Having helped to ensure the city an acceptable mayor, no matter who won, Smith backed Taft, becoming one of the Republican challenger's two main financial supporters. Sherwin stood behind Stokes, cohosting a luncheon at which the heads of many of the city's major corporations, banks and department stores were introduced to and allowed to question the Democratic contender. Campaign contributions from those attending the gathering averaged $500 per giver, Sherwin's cohost reported, adding: "I could not get that much money for the Boy Scouts." Such new backing permitted Stokes to quintuple the expenditures of his previous race.

Another boost to Stokes's campaign came that summer from a voter registration drive conducted in three Glenville wards by the Cleveland chapter of CORE (Congress of Racial Equality). The drive and several other local CORE initiatives to develop leadership abilities among black youth and adults had been underwritten by a $175,000 grant from the Ford Foundation at the recommendation of several consultants, including Dolph Norton. Although no less a civil rights activist than Martin Luther King, Jr., spent week after week in Cleveland during the summer organizing the city's East Side neighborhoods (as did scores of Stokes's campaign workers), it would be the Ford-underwritten CORE drive that would gain national notoriety as the contributing factor in Stokes's victory over Taft by fewer than 2,500 votes that fall.

The CORE grant had been part of a new $4.7 million Ford program to "support . . . national organizations dedicated to the improvement of the status of Negroes through positive action programs." National CORE's proposal to make Cleveland its summer of 1967 "Target City" had originated with Ruth Turner, who had left the city in 1966 to work in the organization's national headquarters in New York City and was looking for a way to revitalize the Cleveland chapter (which had dwindled
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Intrigued, the Ford Foundation had in the spring sent Dolph Norton and two other consultants to Baltimore, which had been CORE's 1966 Target City, to evaluate the organization's activities there. Ford also sent a consultant to investigate racial problems in Cleveland, where, according to the national news magazines, summer was expected to bring another outburst of violence. In mid-May 1967, Norton drafted his report to the Ford Foundation, declaring that "on balance, the 'target city' proposal would be valuable [although] this judgment does not find unanimous support either in the facts or with the public." To head off potential local criticism of the national foundation's involvement with perceived militants, Norton recommended that Ford consider expanding its grant to include "a responsible bi-racial organization . . . [to] add stature to the CORE project . . . [and] give a picture of leadership support" for it.

Ford's National Affairs staff accepted Norton's advice. When the CORE grant was announced in July, Ford also made public an award of $127,500 to the Businessmen's Interracial Committee on Community Affairs in support of its programs to improve economic opportunities for blacks. "This committee of top business leaders and spokesmen from several segments of the Negro community has proved its worth as a place for direct confrontation . . . ," noted a Ford memo recommending the grant. The memo explained:

The . . . staff knows of no large city, with the possible exception of Chicago, where so many of the major businessmen meet on a regular basis with such a variety of Negro leaders. These businessmen may have been frightened into this activity in the first place by the apparent reluctance of the current mayor of Cleveland to move constructively on race issues; but, whatever their original motive, they have stayed on to build a modest record of progress. . . . Now they want to go further.

BICCA's employment subcommittee planned to use the Ford monies mainly to supplement federal support for an ambitious program, begun the previous month, to train and find jobs for 2,000 chronically unemployed black youths.1

The campaign against central-city joblessness, grass-roots organizing
in the black neighborhoods and Stokes's growing viability as a candidate were all developments that leaders of The Cleveland and Associated Foundations had helped foster and that would contribute to Cleveland's exemption from the major disorders that rocked eight other cities in the summer of 1967. So the New York Times theorized in an analysis published in August. When Stokes was elected mayor two months later, many Clevelanders were convinced that racial disturbances would be a thing of the past, that now, as Dolph Norton would later describe the mood, there was a chance that the city's problems would at last be solved.

A letter that Paul Ylvisaker (who had resigned from Ford and was currently the Commissioner of Community Affairs for the State of New Jersey) sent to Norton shortly after Stokes's victory reflected Norton's excitement at the Foundations' being in an excellent position to help Stokes deal with the plight of the central city, where unemployment among blacks had climbed to 15.5 percent, the highest such statistic in the country:

Dear Dolph:

Great to hear from you, and I guessed that the election would spring you further loose. You may well have been created for this moment in history. The nation will be watching.

While Norton may have seen the election of a mayor well acquainted with the Foundations as an opportunity to work more closely with city hall on municipal problems, he did not assume that all the members of the Distribution Committee shared his understanding of the benefits of pursuing such a collaboration. In early January he took the precaution of sending each member a packet of reading materials on the history and philosophy of governmental-philanthropic partnerships. He convened a special Saturday session of the Distribution Committee to discuss the implications of the articles the members had read and to answer questions about the necessity or wisdom of supporting publicly funded institutions.

The discussion was a timely one, for the optimistic glow surrounding Stokes's ascension to power had already begun to dim, especially after the Cleveland newspapers published reports that a former political advisor to Stokes now working as one of his executive secretaries was involved in running an after-hours club. Earlier news stories had focused
on the new administration’s difficulty in clearing the streets after a violent snow storm (which occurred while Stokes was away on vacation for two weeks in the Virgin Islands). It seemed as if Stokes’s administration would be permanently damaged by this succession of mini-scandals before it was even 100 days old.

In a move that would have wide-ranging repercussions, Stokes decided to ask William Silverman to come to work as his public relations consultant. Stokes felt that he needed expert advice “in dealing with how public reaction to [his] conduct would be formed, since all of [his] actions would reach the public through the interpretative structure of the white media.” Silverman, a vice president of Edward Howard and Company and Seth Taft’s campaign manager, had impressed Stokes with his image-making abilities in turning a blue-blooded Republican suburbanite into a formidable political contender without resorting to mudslinging. But Silverman was not initially interested in the offer of employment. He finally relented on the condition that he be allowed to start his own firm and serve as a freelance consultant—an arrangement that would enable him to avoid political entanglements.

In forming his administration the previous fall, the mayor had often turned to Dolph Norton (among others) for personnel suggestions and program advice, and it was to Norton that he now went for help in paying for the arrangement with Silverman. Because the next Distribution Committee meeting was some time away, Norton made appointments with the individual members to discuss the possibility of a Foundations grant to Silverman. Norton would remember that Tom Patton had best expressed the members’ general feelings. After listening to Norton’s outline of the problem and its solution, Patton had said, simply: “We cannot afford to have this mayor fail. Do what you can to help.”

The Associated Foundation subsequently funnelled a grant for $68,100 through the Governmental Research Institute, the not-for-profit research arm of the Citizens League, to pay Silverman’s fees and expenses for one year. In words echoing a recommendation of the recently completed Little Hoover Commission study of city government, it was announced that Silverman would design a program to improve city hall’s communication with the neighborhoods and better the city’s image outside Cleveland. Although it would later appear to some observers as an act of political favoritism, the Associated Foundation’s grant derived from Norton’s long-standing dedication to strengthening the public-
service sector—an interest that had led the Foundations to provide direct assistance to Cleveland's mayor once before by helping to underwrite the Little Hoover Commission.

Financed by the corporate and philanthropic communities (the Cleveland and Associated Foundations would contribute $181,000 of the approximately $500,000 total cost), the Little Hoover Commission had been established in December 1965 by Mayor Locher, at the suggestion of a group of businesspeople led by Jack Reavis. To be chaired by Reavis's former partner, Carter Kissell, the commission had been created to study the city of Cleveland's operations and make recommendations for improvements and financial savings in the wake of the defeat at the polls in May 1965 of a proposed municipal income tax, which, ironically, had been opposed by the commission's principals—the Cleveland Chamber of Commerce (which Reavis chaired) and the Citizens League (whose executive director was named commission secretary). Cleveland's civic and business leaders had wanted to see a county income tax enacted instead, basing their preference on the findings of "Time for Decisions," the Governmental Research Institute's tax policy study, which the Associated Foundation had underwritten in 1964 and then helped to publish and distribute in pamphlet form in the spring of 1965. They had worked to defeat the proposed municipal tax out of a conviction that the burden of municipal services ought to be shared on a regional basis, as well as out of fears that the city had not sufficiently explored other sources of revenue and cost-saving, had not considered the proposed tax's impact on the pressing needs of other taxing entities (such as the Cleveland public schools) and would probably postpone needed personnel and policy changes if the tax were passed.

The defeat of the tax proposal, the business community had realized after the fact, did nothing to resolve the financial ailments of the city, which had "fallen behind its competitor central cities in the amount of tax support for local government services," as "Time for Decisions" had framed it. Setting up the Little Hoover Commission had seemed an appropriate next step. In time the commission's business leaders would come to see the wisdom of a city income tax. (A .5 percent tax was enacted by councilmanic action in the course of 1966.) However, they would argue publicly with Mayor Locher over many of the study's other findings, including its conclusion that community relations was the city's major problem. In the end, fewer than half of the commission's 500-plus recommendations would be implemented, mostly during the
Stokes administration, which heeded the study's call for such improvements as grouping the welter of 30 city divisions into 12 departments (with the director's salary in certain instances to be set higher than the mayor's); establishing a port authority; creating a police academy; and providing formal management training for the city's 500 supervisory personnel—the latter two programs made possible with grants from the Foundations.

The Little Hoover report on city hall's communications problems, one of 21 studies by professional analysts covering every aspect of the city's operation from purchasing to the judiciary, had been written by Edward Howard and Company executive William Silverman. "The city has been under heavy attack from both the local and national news media for some time," Silverman had noted in his report, citing unfavorable stories in publications as diverse as *Time*, the *Saturday Evening Post* and the *Wall Street Journal*. He added: "Favorite targets are race relations and urban renewal. The extent of negative publicity on the national scale has reached such proportions that many businessmen and civic leaders are concerned it might be seriously harming their ability to attract new industry and capable people to the area." To combat the bad press, Silverman's report had recommended the creation of a public relations department at city hall. "Traditionally, public relations in local government has been considered press agentry for the officials in power," he had written prophetically. "This kind of personal public relations work is a questionable expenditure of public funds. [But] providing [that a city's PR department] is established in good faith . . . this isn't a legitimate reason to forego the public relations function."

His position justified by a Little Hoover Commission recommendation he had coincidentally written, the Foundations-sponsored consultant to city hall would very shortly establish himself as more than a public relations expert. "... Bill [Silverman] went on to become close to me," Stokes was to say. "He became, in fact, one of the handful of those I always called on to sit around and brainstorm when a particularly difficult situation arose."

On April 5, 1968, the day after Martin Luther King had been assassinated, Bill Silverman received a call at his office from Carl Stokes, who had spent the previous night walking the streets, urging King's mourners to keep the peace. Although blacks in other cities had exploded
in violent anger over the loss of the civil rights champion, so far Cleve­
land's East Side residents had stayed relatively calm.

"Get over here immediately," the mayor instructed Silverman, who
had been on the job less than a month.

When Silverman arrived at Stokes's inner office, the mayor asked his
consultant to step into the next room, take a seat and listen. Gathered
around the conference table in the adjacent Tapestry Room were 20 or
so of the city's most prominent corporate executives, among them
Reavis, Sherwin and Patton. When the mayor was seated, William
Adams II, the president of the Greater Cleveland Growth Association
(formerly the Chamber of Commerce), stood up.

"Mr. Mayor, we're completely behind you," Silverman would recall
Adams as saying. "Whatever you need to deal with this situation, you
just call on us."

"Is there anything else?" Stokes responded, somewhat abruptly, Sil­
verman thought. When the businessmen replied no, the mayor imme­
diately excused himself and left.

Joining Stokes back in his office, Silverman found the mayor hopping
mad at the businessmen's unspoken assumption that simply because
Stokes's skin was black, he should be able to prevent King's mourners
from rioting.

Silverman sized up the situation differently. What causes riots? he
asked the mayor rhetorically: substandard housing, unemployment, poor
police protection. "So let's get the bastards back in here," Silverman
counseled Stokes, "and tell them there is something they can do."

Thus was born the boldest initiative of the Stokes administration.

"$1.5 Billion Is Asked to Rebuild Cleveland," read the 72-point-sized
front-page headline in the Plain Dealer on May 2, 1968. For those who
had missed Mayor Stokes's half-hour broadcast on all three local tele­
vision stations the previous night, the accompanying story broke the
news of his ambitious plan to turn the city around in 10 years through
new programs in the areas of employment, neighborhood rehabilitation,
youth development, health and welfare and downtown revitalization. In
its first phase, the plan called for the expenditure of $177 million on
training 11,000 of the city's hard-core unemployed; rehabilitating or
building 4,600 low-income housing units; creating 10 new multiservice
health centers, 10 new day-care centers, and a variety of summer youth
programs; and pushing the completion of the city's stalled urban renewal
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projects. While Stokes envisioned that the federal government would pick up most of the tab, he had explained to the television audience that he expected Clevelanders to contribute $11.25 million in seed money.

"To stop the downhill slide, to start the city moving forward, to create a climate in which our city can become someday a great one, we must take that first difficult step," Stokes had apprised his constituents. "I am going to ask you to join me in making that step by participating in a program that has been developed to meet the urgent needs of the city. . . . Each one of you will have to play a key role. I am serious about this. This is not an idle request. We must all participate or we will not succeed."

To underline the urgency of the massive redevelopment task, the plan had been called Cleveland: NOW!

In its broad conception and shrewd mass marketing, Cleveland: NOW! had been Silverman's brainchild; but to lead the impromptu task force charged with developing the specifics of the plan in the frantic days following King's death, Stokes had picked Irving Kriegsfeld, the former head of community relations for the city of San Francisco's urban renewal department. Kriegsfeld had moved to Cleveland the previous summer to become executive director of the Greater Cleveland Associated Foundation's program advisory committee on housing, the PATH Association, and had soon favorably impressed the Stokes administration. In a series of crash meetings, Kriegsfeld, working with some of Stokes's cabinet officers and other knowledgeable Clevelanders, had thrashed out the details of Cleveland: NOW! in 96 hours.

On April 12, with the city safely out of danger thanks to Stokes's coolheaded decision to enlist an army of influential black Clevelanders to join him night after night in the neighborhoods to talk with potential troublemakers, the white businessmen had been reassembled in the Tapistry Room. After the details of Cleveland: NOW! had been presented, the mayor informed the gathering that he would like the business community to contribute $10 million. Bill Adams, John Sherwin and George S. Dively, the chairman of the board of Harris-Intertype Corporation, went into a huddle and emerged with an agreement to make that commitment. Sherwin and Dively were put in charge of the corporate fund-raising drive.

The response to the challenge the mayor issued on May 1 was immediate. While corporate fund-raisers laid plans to make calls to 4,000
greater Cleveland businesses, schoolchildren sent in nickels and dimes, unions solicited their members to donate "an hour's pay for a better day," and seven major banks agreed to accept contributions from the public at any one of 200 participating branch offices. By fall, $5.2 million had been pledged to Cleveland: NOW!, which had been incorporated in June as a not-for-profit Ohio corporation. Its trustees, Reavis, Sherwin, Patton, Dively, George J. Grabner (president of the Weatherhead Company and chairman of the board of the Growth Association), and Richard T. Baker (managing partner of Ernst and Ernst, the city's largest accounting firm), were charged with approving all disbursements recommended by the mayor, who would confess that even he had been surprised by the outpouring of enthusiasm.

But the hopes for a better day that Silverman's plan had inspired in the hearts of black and white Clevelanders alike were to be quickly and brutally dashed. Cleveland: NOW! self-destructed within 90 days, the victim of good intentions gone haywire in the playing out of its first major grant. Yet the beneficiary of the grant—a comprehensive program of summer jobs, recreational activities and free entertainment for central-city kids coordinated by the Associated Foundation—had seemed as wholesome as milk.

It was at the request of the Businessmen's Interracial Committee on Community Affairs that the Associated Foundation had first become involved in early 1966 in planning summer youth programs, then typically organized on a scattershot basis by branch libraries, settlement houses or "rec" centers for the residents of their neighborhoods. Fearful of the consequences of the "long, hot summer" ahead, BICCA had asked GCAF to underwrite the assembling of an inventory of activities available to teenagers in five impoverished sections of the city. Findings from the $5,000 study conducted by Welfare Federation planner Seymour Slavin had been used by Cleveland's antipoverty organization, the Council for Economic Opportunities, in attracting almost $1 million in federal funding for new summer recreation and employment programs.

In the wake of the Hough riots, Slavin, who had worked primarily with settlement houses in his seven years with the Federation, had become convinced that existing youth services were no longer adequate to the needs of the times. He sensed he could be a catalyst for change through the Associated Foundation, where he had accepted an appointment as a staff associate. There, with Norton's encouragement to be
creative, he had hatched the idea of sharing with the neighborhoods the city's much-vaunted cultural riches (chief among them the world-renowned Cleveland Orchestra and Cleveland Museum of Art). Slavin had traveled to New York City to confer with director Joseph Papp about his popular Shakespeare in Central Park series and had enlisted the assistance of Howard Whittaker, director of the Cleveland Music School Settlement, in planning an elaborate outdoor arts festival for Cleveland.

Launched on June 19, 1967, with $130,000 in donations of in-kind services and facilities from the city and contributions of $230,000 solicited by the Associated Foundation from local businesses and philanthropies, the Cleveland Summer Arts Festival was a 10-week extravaganza. It featured workshops during the day and, staged at 10 locations throughout the city, free orchestra and jazz performances, light opera, ballet and modern dance concerts and drama productions at night. Attendance had reached 120,000 during the first year and soared to nearly 300,000 in 1969, when, to assuage criticism that the festival's fare was elitist, 33 neighborhood arts committees were formed to produce their own shows as a supplement to regular programming. Before the festival (which the Associated Foundation had spun off as a separate entity in its second year) was abandoned in 1971 as the result of monetary and managerial disputes between its private-sector and government sponsors, it had spawned similar programs in 60 cities throughout the country.

Watching the community start from scratch each winter to pull together that summer's youth programs had opened Norton's eyes to the need for a central body to coordinate planning and fund raising year-round. With a new mayor in office who was receptive to innovative ideas, Norton was able to "loan" Slavin to Stokes to set up such a body within city hall. By the end of 1967, Slavin had assembled the Mayor's Council on Youth Opportunity (MCYO), whose 53 members representing a cross section of the city were to review all proposals for summer youth programs and recommend those to be funded from a pool of corporate donations, foundation grants and government monies administered by the Associated Foundation. The pool was dramatically enlarged when the mayor awarded $344,436 in Cleveland: NOW! funds to MCYO for the summer of 1968, assigning former Cleveland Browns defensive back Walter Beach III to replace Slavin as staff coordinator and field investigator.

Among the 37 summer programs funded in 1968 with Cleveland:
NOW! monies at the recommendation of the MCYO was, fatefuly, Project Afro. A proposal of the Hough Area Development Corporation (HADC), Project Afro must have seemed fairly innocuous. It sought to develop "self-identity, self-pride, self-respect and positive ambitions among youth in Negro poverty stricken areas" through a 12-week cultural and educational program offering courses in black history, art, creative writing, drama, Afro-American dance and music and even sewing and design. "For the Negro youngster to succeed, to discover and to express himself and to find black beauty and worth and freedom and recognition within the American way of life is the first and most crucial step in his mental preparation for a productive life in the American system," the proposal argued. The total cost of the program was $31,000, to be used primarily to purchase art supplies and provide employment to 23 youths at $50 per week and 12 adults at pay ranging from $75 to $150 per week.

The Project Afro proposal had been presented by Beach at an open meeting of the council on June 27 and approved on the strength of HADC's reputation alone. The names of the three storefront operations that HADC had recommended for funding—African Cultural Center, African Cultural Shop and Afro Set—had been mentioned at the MCYO meeting. But their respective leaders—Boyd Roberts, Ahmed Evans and Harllel X Jones—were not identified. Evans's name might have been recognized. An astrologer with a cult following known as the Black Nationalists of New Libya, Evans had come to the attention of the nation in a Wall Street Journal report on racial tensions in Cleveland that was published in the spring following the Hough riots. "To Ahmed, the high priest of Negro militancy here, the white man is the 'beast' to be overcome," the story began. "He predicts May 9th will be the 'terrible day' that the anger of this city's black ghetto erupts into violence—partly because, by his calculations, that will be the day when an eclipse of the sun darkens the sky. . . . Ahmed’s warnings that ‘blood must flow’ and ‘some must die’ are gospel to a small but growing number of followers. . . ."

In hindsight, some in the black nationalist movement, such as Harllel X Jones, came to regard Evans and his followers as immature: Black nationalism was dedicated to creating a viable black nation within a nation, Jones would later remark, not to astrology or violence. Carl Stokes would ultimately declare Evans a petty hustler who spouted rev-
olutionary nonsense in order to build a following. But at the time many saw Ahmed Evans more sympathetically; Seymour Slavin, for example, remembered him as a guy who let homeless kids sleep in his astrology shop at 11105 Superior Avenue.

Whatever the truth about Evans's character, the police took his vague threats seriously, padlocking his storefront in early 1968 after it had been repeatedly cited for sanitary violations. When Project Afro was funded, DeForest Brown helped Evans locate a new shop at 6609 Hough Avenue. However, after the New Libyans had cleaned out the refuse littering the former tavern and painted its walls, the landlady reneged on her verbal agreement to rent the place. (Jones, for one, believed that the police had poisoned her thinking.) In the meantime, acting on a tip that Evans was stockpiling arms, the police began a surveillance of an apartment building on Auburndale Avenue in Glenville where the New Libyans had barricaded themselves.

During the evening of July 23, shots rang out on Auburndale Avenue. When Ahmed Evans surrendered at 12:30 A.M., four hours after the shoot-out between the police and the New Libyans had begun, seven persons lay dead, including three policemen, and 15 individuals had been wounded. Although it never would be established who had fired the first shot, Evans was tried for murder the following spring, found guilty and sentenced to life in prison (where he would die of cancer in 1978). The four days of arson and looting that followed the shoot-out, during which time Stokes removed all white policemen from Glenville for 24 hours, fearing that they might cause mayhem, caused $2.6 million in damages.

The Glenville shoot-out also fatally wounded Cleveland: NOW! During his questioning by police following his arrest, Evans mentioned that he and his associates had used monies from the $6,000 they had earned for their participation in Project Afro to purchase guns. When news of this connection leaked to the newspapers, donations to Cleveland: NOW! dried up immediately. "The businessmen, against my constant reminder that I was no insurance against violence, had continued to believe it anyway. Glenville was their rude awakening," Stokes later observed, "and when they found out that they had risked an independent mayor as an insurance policy to no avail, they turned away. . . . Many businessmen who had made pledges to the Cleveland: NOW! program quietly turned their backs, and we could see that there would be no support for its continuance."
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Fallout from the tragedy also splattered the Associated Foundation. Several news stories on Evans's arrest implied that GCAF had authorized the grant to Project Afro. Norton promptly released to the press a statement that he believed successfully distanced the Associated Foundation from anything more than a technical relationship with Ahmed Evans. "The Associated Foundation has served as a banking agent for funds used in the summer program, accepting donations and disbursing them under the direction of the Mayor's Council on Youth Opportunity, which determined priorities among the many summer youth service programs submitted by agencies and individuals in Cleveland," it said.³

Because it had been designed to head off criticism of the Associated Foundation, Norton's press release was less than forthcoming. It did not point out that the authorizer of the Project Afro grant, the Mayor's Council on Youth Opportunity, was an invention of the Associated Foundation. Nor did it mention the Foundations' traditional role in actively soliciting funds for summer youth programming. It also neglected to acknowledge that, philosophically, the Foundations were in favor of supporting efforts to provide constructive programs for the most severely alienated elements of the black community.

In fact, while the Associated Foundation may not have put any money directly into Project Afro, it had been the originator and cosponsor of an even more ambitious outreach program called PRIDE, which had employed 700 so-called "hard-core" teenagers during the summer that the shoot-out occurred. For having the conviction to work with Cleveland's most disaffected (and, consequently, most volatile) residents, the Foundations would periodically be flayed during PRIDE's two-year life span and for some years thereafter. The public attacks would come both from those who saw summer youth employment programs as attempts to co-opt the most militant members of the civil rights movement and from those who viewed them as empowering rabble-rousers. But only after the Glenville crisis had cooled would Dolph Norton feel free to respond to such criticism forthrightly.

The idea for PRIDE had actually been a matter of serendipity. During Norton's 1967 trip to Washington, D.C., to discuss launching AIM-JOBS, BICCA's proposed youth employment initiative, Secretary of Labor Willard Wirtz had mentioned that he was surprised that no other city had applied for federal funding to start a program similar to one in the capital called Pride, which was begun by a former national chairman
of the Student Nonviolent Coordinating Committee named Marion Barry to channel the energies of some of Washington's most intractable militants. "We took Secretary Wirtz's remarks as an opportunity," Norton would explain in a memo to the Distribution Committee recommending the creation of a Cleveland PRIDE.

Upon his return Norton had discussed Barry's program with members of the employment subcommittee of BICCA, out of which conversations the name of Cleveland CORE member Baxter Hill had emerged as a possible director for the program. A former grocery clerk turned Baptist street preacher, Hill had worked for the Inner City Action Committee, a small action team assembled by BICCA education subcommittee member (and Cleveland Electric Illuminating chairman) Ralph Besse two weeks after the Hough riots in July 1966.

Funded by the Associated Foundation and charged with finding "ways and means of preventing a recurrence" of such violence, as Mayor Locher described its mission in announcing the group's formation, the Inner City Action Committee had immediately gone to work on eliminating two vexations of ghetto life. It had persuaded the banks to cash welfare checks without charge, and it had launched a rat extermination program in Hough (city hall having had no funds for rodenticide). In addition, Ralph Besse had arranged for an extension of the federal government's summer employment program, which kept 250 central-city youths and supervisors on the payroll through the spring of 1967. Then he had personally raised $40,000 to continue employment of a number of teenagers and young adults for another 10 weeks under the auspices of a program called Peace in Cleveland that was administered by Baxter Hill, who moved easily among the dozen or so black nationalist groups operating on the East Side.

In 1968, in Point of View, his biweekly newsletter of media criticism and political commentary, Cleveland journalist Roldo Bartimole would excoriate Peace in Cleveland as a "social control" mechanism—a charge he would often level against neighborhood programs supported by the Foundations over the course of the next decade. The way Bartimole saw it:

Cleveland business leaders last summer "bought peace" in the ghetto by paying some black activists about $40,000 in a 10-week period to do what they had decided to do already—keep it cool.
Obviously, to topple Mr. Locher, a peaceful summer was essential.
Black activists too saw peace necessary to elect a black mayor.
The program ended, predictably, the weekend of the Democratic primary.

The autumn of the 1967 primary, BICCA had sent Baxter Hill to Washington to observe the Pride operation there; afterward, a proposal for a similar effort in Cleveland had been prepared, a board assembled (among whose members were DeForest Brown, Walter Beach and Harllel X Jones) and the program launched with $250,000 funneled from Cleveland's Council for Economic Opportunity and additional grants from the Associated Foundation and Cleveland: NOW! According to the proposal, PRIDE would be a vehicle for “grass root leaders to assume their role of leadership by recruiting grass root hard core men to clean up and maintain their neighborhoods, learn a trade (skill), or be put into existing [job] programs.”

PRIDE's first-year performance was reviewed by the Council for Economic Opportunity (CEO), which uncovered some bookkeeping irregularities. After all program expenditures had been placed under CEO's direct fiscal control, PRIDE's three cosponsors refunded its operation for 1969. CEO's second-year review of the program, whose enrollees sodded front yards and tree lawns in the burned-out central city, set traps for rodents and built playgrounds, would praise its substantive nature. "Many of these [summer youth employment programs] were too often hastily planned, utilizing make-work . . . with little provision for their continuance beyond the summer period," the reviewers would observe. As a result, summer employment programs "were often seen as 'buy offs' by the young people, who felt that such programs were not really concerned with their own self-improvement . . . but . . . rather with 'keeping the summer cool.' Cleveland PRIDE provided the framework to facilitate the development and operation of youth initiative in planning and implementing employment programs."

In the late summer of 1969 PRIDE would display some initiative that met with considerably less applause. Observing the parade of white suburbanites who drove into the central city on the weekends to patronize black streetwalkers, the Reverend Hill decided to turn his uniformed recruits into vigilantes. On Thursday, Friday and Saturday nights, PRIDE members would patrol Euclid Avenue until dawn, writing down the license-plate numbers and taking photographs of white
The patrols made headlines, prompting councilman Leo Jackson, who had questioned the Associated Foundation privately about its support of PRIDE, to more vigorous action.

That fall Jackson (in whose Glenville neighborhood one of PRIDE's four centers was headquartered) took his criticism public. In a speech accepting the 1969 Brother's Keeper Award from Cleveland's Jewish Community Federation, Jackson expressed his fierce disagreement with what he saw as the white community's ill-considered peacekeeping strategy following the Hough riots. "The establishment then began pouring torrents of money into a hectic effort to douse the fires," the councilman stated.

But instead of making these resources available to the genuine and dedicated leadership of the Negro community, they decided to pay what amounted to blackmail to a new breed of fanatical black racists. They poured money into the pockets of rabble-rousers and charlatans who were more interested in fomenting hatred and disunity than in building a better community—or, for that matter, in building anything. It has been the white establishment which has been feeding the fires of hatred and potential violence in the black community. [And] the principal victims of this policy have been . . . the [black] men and women who are willing to work hard for everything they get, the people who go to church, who believe in brotherhood and decency.

Norton had responded to Jackson's initial questioning with a ringing defense of PRIDE (a passionate statement of the Foundations' philosophy that could have applied equally to Project Afro). "I recognize that not everyone understands the problem in reaching the young people with whom PRIDE works," he had stated in a letter to Jackson in June of 1969, "and that there may be certain risks in supporting [such] projects . . . but I strongly [believe] . . . that we must attempt to reach the militant elements and introduce them to constructive effort within the American framework. To exclude them entirely from such support is, in effect, ostracizing them and driving them farther out of society."

Twenty years later Seymour Slavin could still tick off with ease a list of the benefits—some admittedly intangible—that he believed PRIDE and other Foundations-supported youth employment programs had provided. "How many kids went back to school with some money in their pockets, a preliminary orientation to the world of work and some meaningful mentoring?" he enumerated. "More importantly, the programs
created a sense that these young people wanted to work, that the stereotypes were not accurate. This raised the consciousness of business and political leaders that the community had to do more planning for young peoples' occupational futures." Indeed, the person who replaced Slavin as the Foundations' liaison with the Mayor's Council on Youth Opportunity persuaded the Distribution Committee to fund a two-year demonstration project aimed at coordinating the programs and resources of all the community's youth service agencies on a year-round basis—an experiment that led to the establishment of a formal (but short-lived) Youth Planning and Development Commission.

Though significant additional funding would not be forthcoming after Glenville, Cleveland: NOW! had raised sufficient monies to allow the mayor to pursue some of its announced programs vigorously. None was more important to Carl Stokes, who had grown up in a public housing project on Cleveland's East Side, than providing decent shelter for his constituents who lived in substandard dwellings (an estimated one of every four city residents). In its first two years, Cleveland: NOW! made good on its promise to stimulate the construction or rehabilitation of at least 4,600 housing units.

The period between 1968 and 1970 was a frenzy of activity. More than 4,100 new units of public housing were added to the 7,500 units extant, compared to the 1,500 units that had been created in the preceding seven years. The last two years of the decade also saw the private sector produce 1,309 new and 927 rehabilitated units, a record that bested its performance in any of the preceding 19 years. Although the total production of 6,400-plus new units did not come close to being sufficient to replace the 50,000 homes believed to be substandard, Cleveland: NOW!'s record of solid accomplishment proved that the mechanisms were in place to meet the challenge of providing decent, affordable housing for every Cleveland family—a goal that had been rearticulated for the community by the "Plan of Action for Tomorrow's Housing," a report issued in March 1967 by the Associated Foundation's so-named program advisory committee. Unfortunately, it would also become clear that the mechanisms worked only as long as they were fueled by a driving will. While Carl Stokes was in office, he provided the intense determination, if not always the necessary political clout, to work on remedying the city's shortage of low-income housing.
Stokes's way in improving housing conditions had been smoothed by various initiatives of the Associated and Cleveland Foundations.

Both foundations had first become involved in housing issues in the early sixties, making grants to support the Ludlow and Moreland community associations that sprang up to encourage the integration of neighborhoods straddling the boundaries of Cleveland and suburban Shaker Heights that were on the verge of becoming all-black. Less successful in their concrete results were a series of grants the Associated Foundation made starting in 1965 to a housing rehabilitation demonstration in Mt. Pleasant, a lower-middle-class black Cleveland neighborhood that the foundation hoped to prevent from becoming another ghetto like Hough. Despite the foundation's having poured $65,000 into the operation of a program designed to tackle the maintenance problems of absentee-owned apartment buildings, an economic analysis of the neighborhood in 1969 found "a spiralling trend of . . . deterioration coupled with an increasing business mortality rate." Something intangible had been gained, however: a precedent for hands-on involvement by the corporate community. With the assistance of Carter Kissell, who at the time chaired both the BICCA subcommittee on housing and the Cleveland Development Foundation (which had also provided the rehab program with operating support), the Associated Foundation had been able to persuade six Cleveland corporations to contribute a total of $200,000 to a revolving fund to help finance the necessary maintenance work.

When the Cleveland Development Foundation in 1966 decided to start the Hough Housing Corporation to rehabilitate 10 apartment buildings on both sides of a two-block stretch of East 90th Street in Hough, it approached the Associated Foundation for a grant to provide the future tenants with the services of their own social worker. The first significant housing rehabilitation project in Hough, the corporation eventually ran into difficulties meeting its Federal Housing Administration (FHA) subsidized mortgage. Yet something intangible had again been gained: knowledge that educating low-income tenants about their responsibilities as renters and assisting them in solving their problems could help to reduce the number of move-ins and -outs, vandalism and maintenance and utility costs.

Not everyone in Hough welcomed the involvement of the white business community in its redevelopment. The Hough Area Development
Corporation had been the residents' way of placing control of the neighborhood's economic revitalization in their own hands. For a time it looked as if the stratagem would succeed and succeed big. Between 1968 and 1972 HADC received more than $5 million in federal funding, as well as $100,000 in operating support from the Associated and Cleveland Foundations, allowing it to buy or start three minority-owned businesses, develop 600 low-income housing units and build a $3.2 million shopping center that it claimed was the first enclosed mall to be constructed in any inner city in the country.

With the exception of the housing, all of HADC's projects proved in the end to be financially unprofitable, and the community development corporation itself never succeeded in raising the local funding required to match federal support. HADC lingered on into the eighties, concentrating on two undertakings of significance: Crawford Estates and Midtown Industrial Park. A small subdivision of single-family homes that sold for $35,000 to $68,000, Crawford Estates paved the way for Lexington Village by demonstrating that there was a market for new housing in Hough, according to its project director, Hunter Morrison, who went on to become director of Cleveland's planning commission. Midtown Industrial Park, for which HADC assembled 10.5 acres of land that it was never able to develop, became the impetus for the previously mentioned MidTown Commerce Park, which was conceived in the late eighties.

Still, HADC's initial success had encouraged imitators. By the time Irving Kriegsfeld arrived to take up the reins of the PATH Association in August 1967, there were some 20 or so community development organizations in varying stages of sophistication at work on solving the housing problem in Cleveland.

With its operating expenses covered for three years by a $210,000 grant from the Cleveland and Associated Foundations, the PATH Association had opened its doors in May 1967. In its original incarnation as the PATH Committee, the organization had been asked by the Associated Foundation to "determine the nature and extent of housing problems in the . . . area; determine to what extent those problems were being met by the public, private or nonprofit sectors of the community; establish goals for Greater Cleveland in the field of housing; [and] recommend how those goals can be effectively implemented." Now it
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was up to Kriegsfeld and his board to implement the 46 recommendations of the PATH Committee.

Recommendation 22 had called for the Cleveland Development Foundation to assume a leadership role in stimulating production of housing for low- and moderate-income families. When Carl Stokes had asked for Kriegsfeld’s help in designing Cleveland: NOW!’s housing program, Kriegsfeld had decided to build Recommendation 22 into the plan, calling for the creation of a Community Housing Corporation to provide technical and financial assistance to neighborhood housing groups.

After the Cleveland Development Foundation (the initial repository of all Cleveland: NOW! funds) had made a commitment in 1968 to raise a total of $6 million for the Community Housing Corporation (CHC), the organization was established a year later with $1.2 million in NOW! monies. Among the services it planned to offer Cleveland’s low-income housing providers were assistance with site selection, financial planning and FHA paperwork; land banking; and access to a revolving loan fund.

Within a year CHC had opened a subsidiary: the Cleveland Design Center, whose operation was underwritten by a $74,000 grant from The Cleveland Foundation. In its first 18 months the center would provide $1 million worth of free architectural advice and blueprints to individuals and groups. Also in 1970, with the support of a $225,000 grant from the Ford Foundation, the PATH Association established the Cleveland Contractors Assistance Corporation to supply construction experience, accounting services, estimating assistance and bond guarantees to minority-owned contracting firms, who it envisioned would work synergistically with Cleveland’s neighborhood housing groups.

On paper it seemed that at last the city boasted all the not-for-profit programs necessary to rehab or replace its aging private housing stock. Unfortunately, the director of the Cleveland Housing Corporation expended so much energy fighting with the neighborhood groups over resources, strategies and turf that the entire support system collapsed within two years. “These agencies . . . have not viewed themselves as part of a total delivery system. All . . . need to work more effectively at coordinating the housing development process,” the Foundations staff concluded in 1971.

The mild tone of the criticism masked the Foundations’ considerable disenchantment, which quickly spread by means of the Distribution
Committee to the business community. In 1971 the Foundations declined to authorize second-round funding for the Design Center, which, the staff decided, had, “as a reaction to the Community Housing Corporation’s lack of involvement with community groups . . . , acted as a sponge, absorbing many requests from the community with little regard to organizational priorities.” The staff concluded, “This may have diluted its strength and potential effectiveness.” The Foundation urged the center to merge operations with CHC.

But within six months the Greater Cleveland Growth Association (which had taken over responsibility for fund raising for CHC) had pulled the plug on that operation, too. Point of View’s Roldo Bartimole would later charge that the business community “reneged” on its promised $6 million commitment to building low-income housing because it didn’t want to turn control of CHC over to a more broadly representative board. CHC’s indifferent record, on the other hand, had hardly inspired confidence. According to the Foundations’ 1971 review of CHC’s performance, its “sponsorship of housing . . . [had] been limited to a very costly program of moving 32 housing units from the City of Shaker Heights to the City of Cleveland and to the construction of six units in a small experimental modular housing program . . . . Through the use of a portion of its funds a number of loans and grants were made to community-based nonprofit sponsors which facilitated the construction of an additional 250 units.”

Kenneth W. McGovern, a planner in Stokes’s community development department, who was to help found Doan Center Incorporated in the eighties to carry on redevelopment activities in Hough and Glenville, viewed the demise of the top-down housing delivery system as inevitable, given the ticklish dynamics of neighborhood politics in the sixties. “There was a naivete on the part of those who set up Community Housing Corporation,” he observed. “They didn’t have the ability to say no to the black community, and this was a time when every third block club was going to be a CDC and there was a lot of Mau-Mauing going on. Community Housing Corporation was nailed from day one.”

In the arena of public housing, the key to success had been a lot simpler. Stokes’s strategy was simply to turn loose Irving Kriegsfeld, the energetic executive director of PATH, whose appointment as director of the Cleveland Metropolitan Housing Authority (CMHA)—the city’s public housing authority—the Stokes administration had engineered in
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May 1968. (Ernie Bohn, CMHA’s previous director for 35 years, had pioneered in creating the first public housing authority in the country in 1937, but by the late sixties he had, in Stokes’s eyes, outlived his effectiveness. Bohn’s decision to retire was facilitated by a timely appointment as a lecturer at Case Western Reserve University—an opportunity that the PATH Association and Dolph Norton helped to arrange.) Unlike his predecessor, Kriegsfeld was willing to commit political suicide, he would later confide, if that’s what it took to get more public housing built. The new director soon discovered that CMHA had received authorizations from the city council for 4,000 units that had never been built because of what Kriegsfeld believed had been the council’s quid pro quo: CMHA’s tacit agreement not to erect public housing in a ward without the councilor’s permission. Determined to remove the logjam, Kriegsfeld was assisted by the Johnson administration’s Housing Act of 1968, which called for the federal government to build an unprecedented six million public housing units within 10 years. When a panicked official from the regional HUD office called Kriegsfeld to offer funding for as many units as he could handle, Kriegsfeld had said: “I’ll take 4,000.”

The $88 million commitment from HUD had given the Stokes administration a big stick with which to persuade the council to honor its prior commitments. Kriegsfeld then proceeded to buy entire apartment buildings to be used primarily as high-rises for the elderly, as well as beginning construction on such new multifamily housing projects as the King-Kennedy estates built on urban renewal wasteland in Cleveland’s Central neighborhood. By shrewdly picking sites or occupants that were the least likely to upset counciloric sensibilities, Kriegsfeld had been able to meet his Cleveland: NOW! quotas.

It was when he began talking about locating public housing in middle-class wards that he ran into heated opposition. The flames of controversy that Kriegsfeld ignited would singe Dolph Norton.

Acting in compliance with a 1968 rewrite of HUD regulations that forbade new large-scale construction in areas of “racial concentration” and, instead, mandated that all future projects consist of small numbers of units dispersed on scattered sites throughout the community, Kriegsfeld proposed that low-income town houses be built in, among other neighborhoods, a middle-class black district on Cleveland’s East Side called Lee-Seville and two white West Side wards, including that of city
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council president James V. Stanton. (Although he was a Democrat, Stan­
ton was no ally of Stokes, who had blocked the council president’s own path to the mayor’s office.) Even in Lee-Seville, “‘homeowner’s’ and ‘tax­
payer’s’ associations sprang up with the announcement of new units planned under the scattered-site concept,” a PATH Association news­
letter reported. “Confrontations occurred at CMHA board meetings, at city council meetings, at the building sites themselves.” Once Kriegs­
feld let the construction contract for the last remaining units Cleveland’s city council had authorized (or would authorize, Kriegsfeld believed, for the foreseeable future), he asked the CMHA board for a vote of confidence on his continuing the fight for scattered-site housing, but in the suburbs. It did not surprise the CHMA director when the vote came back three to two to fire him. He cleaned out his office and left the same day, January 4, 1971.

The PATH Association carried on the battle. To combat the fact that “public housing has become the most incendiary, communitywide racial and political issue in Greater Cleveland,” PATH in March 1971 filed a federal lawsuit against the Cleveland suburbs of Euclid, Garfield Heights, Parma, Solon and Westlake for allegedly refusing to enter into public housing agreements with CMHA. A second PATH lawsuit filed in federal court in early 1972 challenged the constitutionality of a HUD provision requiring cooperative agreements between public housing au­
thorities and municipalities before public housing could be built in those municipalities. Pursuing the lawsuits would exhaust PATH’s remaining resources, and in July 1974, when a federal appellate court reversed a previous district court ruling that the five suburbs had violated the civil rights of blacks, PATH closed its doors.

The issue of scattered-site housing also led to an ugly showdown be­
tween the mayor and Stanton, who had broken publicly with Stokes over his decision to remove white policemen from Glenville in the wake of the shoot-out. The showdown centered on the passage of zoning legis­
lation needed by the proposed Lee-Seville project, for each man saw Lee­Seville as a test of his political clout. Not surprisingly, Stokes was finally unable to persuade eight white councilors to join their nine black col­
leagues in voting for the legislation’s passage. But Stanton had been sufficiently scared by Stokes’s challenge to his authority in council that he had lashed out in a way no one could have predicted. His target was the Associated Foundation’s renewal of its grant to support the work of
Bill Silverman, a $72,000 award that had been announced by Stokes on May 19, 1969, at the same time that the mayor had been intensely lobbying the white council members.

On May 23, Stanton held a press conference to announce that he had sent telegrams to the Internal Revenue Service and to U.S. congressman Wright Patman requesting a federal investigation into the tax-exempt status of the Greater Cleveland Associated Foundation. He had asked the IRS and Patman, an outspoken critic of foundations as tax dodges for the rich, to look into why taxpayers' dollars were paying the salary of a known political operative. "It is a well-known fact that Mr. Silverman is and has been functioning as a speechwriter, publicity man and political adviser for Mayor Carl B. Stokes," Stanton said. On May 26 the Plain Dealer reported that Patman had said he would ask the House Ways and Means Committee to launch a probe.

Little could have concerned the Distribution Committee more than the thought of the Foundations' losing their tax-exempt status. Since February the House Ways and Means Committee had been conducting hearings on tax reform, the focus of which had been to close loopholes for the wealthy. That the kickoff witness had been none other than Wright Patman signaled to some observers that the continued operation of American foundations could be at stake. A populist Texan, Patman had made a national reputation railing about self-dealing transactions between private foundations and their donor families or associated companies, as well as criticizing insufficient charitable disbursements by private foundations that he claimed had been created solely to avoid paying taxes. At the 1969 hearings Patman had also introduced the topic of improper philanthropic involvement in political activities, citing the example of the Ford Foundation's grant to CORE to support a voter registration drive in Cleveland. "Have the giant foundations made or do they plan to make grants that will aid certain candidates to run for national, state and local office?" he had questioned. "Does the Ford Foundation have a grandiose design to bring vast political, economic and social changes to the nation in the 1970s?"

Given their heightened awareness of the vulnerability of foundations to federal control, it is perhaps understandable why the Associated Foundation board considered withdrawing the Silverman grant—a development Norton shared with Mayor Stokes after the brouhaha began. Norton also contacted Silverman to ask him to turn over his files for the
foundation staff to inspect. In them was a 20-page report that Silverman had prepared on his first-year’s performance. "Cleveland is the first major city to use . . . a public relations firm to help keep the public informed," the report noted, "and Cleveland has never been better informed." In addition to his role in formulating Cleveland: NOW!, Silverman had by his own count assisted the mayor in preparing for 50 press conferences, organized eight town hall meetings in various neighborhoods at which the mayor had spoken, helped to convince city council of the need for a .5 percent increase in the city income tax and served as part of Stokes’s crisis-management team in the aftermaths of King’s assassination and the Glenville shoot-out. He had accompanied the mayor not only to the U.S. Conference of Mayors, but also, somewhat more questionably, to the 1968 Democratic National Convention. In the crush of all this activity, the report concluded, "very little was done toward the accomplishment of one goal. This was to develop a program to inform Cleveland’s 12,000 municipal employees about the administration’s programs and involve them as a knowledgeable, positive communications force within the community."

Although he believed the mayor would be much less effective without his assistance, Silverman decided to spare the Associated Foundation the embarrassment of asking for its money back. At a press conference on May 27 he announced that he was returning the grant and leaving the city’s employ. He had made the decision of his own volition, but would later come to regret it as having been tantamount to admitting that he had something to hide. At the time of his departure Silverman said he was leaving largely to protect Dolph Norton and the Associated Foundation. "So long as I continue to work on behalf of the city, the attacks will continue—politically motivated attacks—against the Stokes administration and more specifically against the Greater Cleveland Associated Foundation," Silverman explained at the press conference. "I cannot allow this to happen because it is tearing down one of the most constructive forces that is working on behalf of the city."

While accepting Silverman's resignation with relief, Norton remained convinced about the wisdom of the grant. In private he confessed that his only mistake had been in not awarding it for two years in the first place. In public he was even more assertive, telling reporters: "Foundations must continue to make such grants. If we do not do so, we will fall back into an old-fashioned kind of philanthropy in which we aren't
able to explore the causes of urban problems. We cannot succumb to the charges now being leveled against us by the local politicians and members of Congress.

Indeed, Norton had been among the first to act to counter the damaging testimony presented by Patman and other unfriendly early witnesses at the tax reform hearings. The director of The Cleveland Foundation had appeared before the Ways and Means Committee as early as February 19, 1969, to make clear the distinction between community foundations and certain private philanthropies. "In our operations we have not been worried with some of the abuses reported . . . ," Norton had stated. "The public character of our board of trustees and our operation probably has been the reason for this. As a foundation we deeply regret the abuses that do occur . . . Indeed, we are indignant with those who abuse the privileges of foundations not only because of the moral lapses, but also because of the very practical concern that foundation philanthropy may be injured with restrictions intended merely to correct abuses."

With his early appearance before the Ways and Means Committee, Norton was rushing to fill a leadership vacuum created by the belief of many of his colleagues across the nation that the hearings would end up another failed federal attempt to regulate philanthropy—as had similar dog-and-pony shows put on by Congress in the past. Norton and his board, by contrast, had taken the latest threat to foundations' tax-exempt status so seriously that they had decided to lead the national fight against it. Norton had persuaded 10 other community foundations to join The Cleveland Foundation in employing counsel to represent the special needs of all community foundations before Congress. And Kent Smith, who had accepted the chairmanship of the board of the national Council on Foundations after his duties with the Foundations officially ended in 1969, had personally commissioned and underwritten the $14,000 study, "The Effects of Organized Philanthropy upon Educational Projects, Programs, Institutions and Systems in One Industrial-Commercial Metropolitan Area." Researched and written by Edward Howard and Company, it would be presented to Congress in July to rectify a lack of testimony from the not-for-profit sector about its growing reliance on foundation funding.

In spite of the thoughtful opposition that Norton, Smith and others had mobilized, Congress passed a tax reform act with teeth in December
1969. It required a privately held foundation to pay out annually the
greater of two alternatives: either all of the previous year's net income
on investments or 6 percent of the fair market value of its endowment.
It placed restrictions on the kinds of business investments a private foun-
dation could make and tightened the regulation of transactions among
donors, their families, foundation personnel and other related persons.
It forbade private foundations from engaging in activities that might
influence elections or legislation. And it assessed an annual tax of 4 per-
cent on the net investment incomes of private foundations in order to
raise monies for increased Internal Revenue Service surveillance of them.
The operation of community foundations such as Cleveland's, on the
other hand, was left pretty much as before, with the notable exception
of a provision requiring them to attract new financial support from the
public on a continuing basis.

In spite of their happy outcome for the Associated and Cleveland
Foundations, the hearings left a lasting scar on some Clevelanders who
had been caught in the line of fire. Bill Silverman would go on to build
a successful public relations company working for political and urban-
affairs clients, among the first of which was the Associated Foundation's
final program advisory group, called the Administration of Justice Com-
mittee. However, his firm would never make any significant inroads in
the lucrative field of corporate communications, Silverman believed, be-
cause of his connection with Cleveland: NOW!, the program that had
backfired so disastrously on its business supporters, and his association,
however slight, with the 1969 Congressional crackdown on tax advan-
tages for the well-to-do. Foundations staffers would later suspect that
Dolph Norton's stock had fallen in the eyes of the powers-that-be for the
same reasons.

The second-year Silverman grant had been part of a larger award of
$185,000 to the city of Cleveland from the Cleveland and Associated
Foundations to support continued improvements in municipal gover-
nance (a reflection of their abiding concern with the caliber of local gov-
ernment). In addition to communications, the monies were to be spent
on management training and new initiatives in the field of criminal jus-
tice. At long last the Foundations had found a way to work on the prob-
lem of the Cleveland police.

The opening had been provided by the President's Commission on
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Law Enforcement and the Administration of Justice, spawned in 1967 by years of civil rights and antiwar demonstrations and domestic riots. The commission had reported that without federal help American cities would be hard-pressed to effect major reform of their criminal justice systems, prompting Congress to pass the Omnibus Crime and Safe Streets Act of 1968. Once again recognizing that new federal resources would soon be showered on those communities that had a jump on preparing plans to use them, Dolph Norton had recommended that the Distribution Committee create yet another program advisory committee to determine what should and could be done in the field.

Consisting of only eight citizens—three attorneys, four businesspeople and one educator—the Administration of Justice Advisory Committee (AJAC) had been formed in October 1968 under the full-time management of Bruce Newman, now the Foundations' assistant director. Its charge was threefold: to promote community support for coordination of and improvements in the system of criminal justice in Greater Cleveland, to undertake research and demonstration projects, and to provide consultation, upon request, to agencies working in the field. The Ford Foundation had provided an initial operating grant of $45,000, followed by a two-year commitment of more than $155,000 to pay for expanding the staff to four professionals and certain programs. And the Cleveland and Associated Foundations were to add another $150,000 in operational support over the course of the next three years.

Rather than issue a preliminary written report, Newman and AJAC chairman Thomas H. Roulston had decided that the best tactic for working with such an entrenched system was to be nonconfrontational. (Most of the deficiencies identified in the 1921 Frankfurter-Pound survey had still to be rectified more than 40 years later.) Newman and Roulston had begun by talking informally to representatives of the police department, the courts and the correctional institutions about their needs, no matter how small. The president of a Cleveland investment firm, Roulston had soon developed a rapport with Cleveland's new chief of police, Patrick L. Gerity. As luck would have it, both men were ex-military police, and they had enjoyed exchanging war stories at periodic lunches at the Hollenden House hotel downtown.

Deputy inspector Gerity had been promoted to chief of police shortly after the Glenville shoot-out. The mayor had given Gerity complete authority over the department in an attempt to counter police dissatisfac-
tion with Stokes's handling of the Glenville riots. The new chief was reported to have been eager to improve operations and to find the best possible recruits. According to Estelle Zannes in *Checkmate in Cleveland*, her history of the Stokes administration, Gerity "acknowledged that in previous years a policeman's shooting ability influenced his chances for promotion. 'We had some great shots,' he recalled, 'but not that great in the brain department.'" Gerity shared his interest in upgrading the caliber of his men with Roulston and Newman.

No project could have been more welcomed by Dolph Norton, who had become intensely aware of the failings of the police department when the Associated Foundation in 1966 had paid for an outside consultant to evaluate the police as part of the Little Hoover Commission's investigation of city government. George Eastman's subsequent report—the only one of 21 undertaken by the commission that had been deemed too complex to be handled by a volunteer local analyst—had criticized the Cleveland police on 65 counts. With the exception of a pointed emphasis on the need to improve the department's "meager" involvement in community relations, many of the report's recommendations had echoed those suggested 44 years earlier by Raymond Fosdick. Dealing with everything from recruitment and training practices to facilities and equipment, they had constituted a call for a complete reorganization of the department from the top down. The preferred plan was that these reforms should be brought about, when the old chief retired, by a new management team "to be recruited nationally for the purpose of revitalizing the department, making it into an efficient and effective agency, and training and indoctrinating personnel within it to again assume the reins when they have demonstrated their [competency]." The minutes of the meeting at which the report had been considered by the Hoover Commission board had noted that "the Police Report was unique as compared to other Commission reports in that it did not have [the] general agreement [of] the concerned city . . . personnel." In other words, the police had flatly rejected it.

Eager to capitalize on the new mood within the police department, the Foundations had inundated Gerity with monetary and technical assistance funneled through the Administration of Justice Advisory Committee. AJAC had brought in consultants to help the chief revamp recruitment and hiring procedures and design model new-recruit and in-service training programs. It had hired and paid for a coordinator of
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police training and professional development. Newman had located and rented a new facility for the police academy—what little ongoing training the department previously offered had been conducted in a single room on the second floor of a district stationhouse—and had advised on the selection of an entirely new academy staff. He had arranged to enroll the department’s commanding officers in three two-week management training seminars. AJAC had even picked up the tab for an administrative assistant to the chief—the first ever in the department’s history—and had launched an in-house newsletter to lift morale.

Only later would Newman understand the comment made by a policeman at the opening of the new training facility. “It’s not going to work. It’s too nice. They’re not going to do this for us,” the officer had said to Newman, implying that once the Foundations’ money dried up, so would the splendid new police academy. The beat cops, Newman would later realize, had seen well-intentioned police chiefs come and go, but nothing ever really changed. Thus their attitude was: Let’s just try to get through the day.

Lack of trust, energy and vision were not problems of the police alone. A dank cloud of inertia hung over the entire system, the Administration of Justice Advisory Committee had soon learned as it continued its round of informal talks. A mechanism was needed to shake everybody up and, as usual, Norton had something in mind.

“One day he showed me a New York Times article about something in New York called the Vera Institute of Justice,” Newman was to recall. “It wasn’t long before I was on a plane to New York, charged with finding out more. . . .” Newman learned that Vera and also the Mayor’s Criminal Justice Coordinating Council, two private-public partnerships supported by the Ford Foundation, were instigating and implementing innovations throughout New York City’s criminal justice system. After Newman reported back, Norton wondered whether Mayor Stokes would be interested in leading a move to set up a similar coordinating body in Cleveland. “This was Dolph’s way,” Newman would later explain. “He was a master at seeing opportunity, convincing others, and using the Foundation’s resources to bring the opportunity to fruition.”

Stokes’s response was positive. “It gave him a flag to wave,” Newman would say. The beleaguered mayor, still smarting a year after Glenville from the charge of being soft on rioters and looters, had immediately recognized the public relations value of creating a high-profile crime
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council. There was also the matter of greater Cleveland's needing a co­ordinated plan to go after new federal crime monies—a carrot that had been used by the Administration of Justice Advisory Committee to bring the rest of the necessary players into line.

On July 23, 1969, Stokes, in conjunction with the presiding county commissioner and the chair of the Growth Association, announced the formation of the Greater Cleveland Criminal Justice Coordinating Council (CJCC). To be staffed initially by Newman and his AJAC team, the council consisted of business leaders and professionals representing all agencies involved in the administration of justice, who immediately set to work preparing a comprehensive 1970 Criminal Justice Plan for Cuyahoga County. The following March the plan was awarded $1.25 million from the new federal Law Enforcement Administration Agency (LEAA), which had been created by the Omnibus Crime Control act. These mon­ies represented the first of nearly $50 million that the council would attract during the next decade as LEAA evolved into the federal government's largest give-back program, thanks to the law-and-order stance of the Nixon administration. City hall under Stokes's Republican successor, Ralph J. Perk, who won office in 1971 on a promise not to raise taxes, “lived off” these (and other) grants, as AJAC associate director Alan D. Wright would later observe.

A former prosecuting attorney in adjoining Lake County, Wright had an idiosyncratic view of the criminal justice system; he likened it to a garbage can. He saw AJAC's job in similar terms: “You try to keep the lid on and sanitize enough to keep the stink from penetrating outside.” Aware, for example, that the system of manual record-keeping employed by the common pleas court contributed to the number of judges who felt free to play golf while their unresolved cases piled up unnoticed, Wright collaborated with the Bar Association of Greater Cleveland on a program to computerize the docket and otherwise improve efficiency. Underwritten by federal and Foundations funds, the Court Management Project proved a considerable boon to citizens desirous of a speedy trial. Now John V. Corrigan, the court's chief justice, could ascertain a colleague's timeliness in adjudicating his cases at the drop of a printout. With individual performance reviews now possible, Corrigan saw the common pleas caseload decrease by approximately 25 percent in the three years following the project's announcement.

At the direction of the Criminal Justice Coordinating Council, AJAC
staff members implemented a variety of other programs in the early seventies that went beyond mere sanitizing. To demonstrate the role a citizen could play in combating crime, CJCC’s public education and information subcommittee launched with AJAC’s assistance a community-wide assault on auto theft, a crime that had increased 100 percent in Cuyahoga County in only two years. The campaign, which was co-sponsored by the Associated Foundation and the insurance industry on a one-to-three matching basis, was called “Lock It or Lose It.” By means of in-school seminars that eventually reached 200,000 students, as well as newspaper ads and billboards (even the Union Commerce Bank clock—a prominent downtown landmark—sprouted a cautionary sign), it mobilized awareness of the costs of carelessness. At the end of the campaign’s first three years, the incidence of auto theft in the county had been reduced by 20 percent.

The Free Clinic of Greater Cleveland, a no-cost health center that would become a national model of indigent medical care, resulted from the advisory committee’s research into the nature and extent of the local drug problem. Conducted at the behest of the criminal justice council’s drug use and abuse subcommittee, the investigation took Bruce Newman on a fact-finding mission from San Francisco’s hippie haven of Haight-Ashbury to Cleveland Heights. Along the way Newman made the surprising discovery that youthful drug users, out of a fear of being arrested, were avoiding seeking treatment not only for their habits, but for other ailments as well. He also learned that Clevelanders were unprepared to cope with the rising tide of drug use among suburban youth.

Lacking places in town to turn for assistance, a white public health nurse named Jeanne H. Sonville and her black friend, registered nurse Elizabeth L. Reid, had begun sheltering freaked-out kids in Sonville’s home and ministering to their medical needs. It was out of this relationship of trust that AJAC, in consultation with these two nonjudgmental care givers, constructed the Free Clinic. Staffed by volunteer medical personnel, the clinic opened in University Circle in June 1970 with the support of grants from The Cleveland Foundation and two other local philanthropies. The need for indigent health care on the East Side was so great that the Free Clinic soon began treating anyone who walked in—drug abuser or not. In its first six months it attracted more than 3,500 patients—and the attention of the Cleveland police, who took to parking in front of the clinic to scare off drug users until Newman
phoned his good friend Chief Gerity. The police cars disappeared, and 20 years later the Free Clinic would still be dispensing care to all who crossed its threshold, no questions asked.

Perhaps AJAC’s most important contribution arose from its behind-the-scenes work for CJCC’s criminal justice facilities subcommittee. Led by Jones, Day senior partner H. Chapman (Chappie) Rose, then president of the local bar association, the members of the subcommittee took on a task that had eluded all attempts at completion for better than 50 years. They would build a new justice center.

Provision for an adequate home for the county courts and jail had first been approved by Cleveland’s voters in 1917. The basement had already been excavated when the county commissioners had determined that the $1.25 million authorized was insufficient to complete the construction job and had thrown in the towel. With a push from the Frankfurter-Pound crime survey, centralized facilities had finally been built on East 21st Street in the twenties. By the seventies the county jail, which had been constructed to hold 300 inmates, warehoused double that number, mixing prisoners accused of vicious crimes with those serving for lesser offenses. Inhumane conditions at the county jail and a similar overcrowding of the courts notwithstanding, as recently as 1968 voters had defeated a proposed bond issue to build a new justice center—the sixteenth such proposal placed on the ballot since the end of World War II.

Formed nine months after the latest defeat, CJCC’s criminal justice facilities subcommittee had rushed to regroup the center’s proponents, persuading Stokes and the board of county commissioners to contribute $25,000 apiece to prepare an assessment of the system’s space needs through the year 2000 and the necessary downtown traffic study. In the interim, AJAC staff began laying the groundwork for a mass meeting of municipal and common pleas court judges, Cleveland and suburban police, the sheriff, the prosecutor’s and public defender’s offices, and even parole and probation functionaries to discuss the space consultants’ recommendations. More than 45 elected officials and countless civil servants had to be prodded into tentative agreement on the site and components of the new complex before a proposal on funding could again be taken to the voters.

Once again, AJAC’s strategy for winning over the politicians had been to befriend them. Special attention was paid to the county’s chief law enforcement officer, Sheriff Ralph E. Kreiger. The first Republican to
win county office in 42 years, Kreiger was in particular need of allies if he was ever going to improve working conditions for himself and his men. The votes had barely been counted in the 1968 election when The Cleveland Foundation awarded the new sheriff a $5,300 grant to visit Miami, Los Angeles, Chicago and Minneapolis to evaluate the country’s outstanding sheriff’s departments. “It is important that persons in the position to make vital public decisions have a clear understanding of the nature of the problem and the alternative approaches to solutions which are available,” the grant evaluation observed. “It is anticipated that this small expenditure will have a major long-term payoff.”

The trip bore fruit more quickly than anticipated. Kreiger returned so unhappy about his cramped and dingy administrative quarters that he pleaded with Alan Wright to find him a new office. Wright called CJCC cochairman Hugh A. Corrigan, the presiding county commissioner, who agreed that the sheriff could move into an unused suite in the board of election building—provided that Wright paid the rent. He and Newman decided to approach a well-known contributor to Republican causes and came away with a personal check for the needed amount from Kent Smith. The favor cemented AJAC’s relationship with Kreiger.

Conducted on a systemwide basis, this kind of hand-holding (as Newman would later call it) paid off. At a retreat held the first weekend in May 1970 that representatives of all the requisite criminal justice agencies attended—a major accomplishment in itself—a consensus was reached that a state-of-the-art “corrections center” and courts tower should be built in the heart of downtown Cleveland, rather than on less-congested East 21st Street, as the suburban police would have preferred. A bond proposal was prepared for the general elections in November; factored into the cost estimate were both preliminary architectural drawings (underwritten by an Omnibus Crime grant) and the proponents’ perceptions of the figure the voters would tolerate. A construction cost of $61 million (which no one believed was truly adequate, according to Newman) had been settled upon. Voters were told the $61 million would buy a 2,000-bed jail. They were not told that the figure did not include land acquisition or building demolition costs.

With Chappie Rose rallying the support of the business community, AJAC orchestrated what Wright would later agree was a scare-tactics media campaign, the centerpiece of which was a 60-second TV spot showing a man emerging from the Terminal Tower only to be whacked
on the skull by a mugger, while the voice-over urged the bond’s passage with the grim admonition: “Use your head before someone else does!” The hard-hitting ad—screened in advance by Stokes and other black leaders for potentially offensive racial overtones—may have accomplished what years of pleading for humane reform could not: The bond issue was passed.

Shortly after the first of the year, the Associated Foundation announced a $50,000 grant to establish the Cuyahoga County Corrections Program, to be operated under the auspices of the Administration of Justice Advisory Committee. Concerned that passage of the bond issue did not automatically guarantee that a satisfactory jail would be built, GCAF had decided it wise to assemble a panel of five national corrections experts to advise the county on state-of-the-art developments in jail management, design and programming. The press release announcing the program made clear the Foundations’ high expectations for the new correctional facility, and also underscored a shift in priorities. “No problem is more central to our nation’s urban crisis than crime and the apparent inability of our cities’ criminal justice systems to control it,” stated Chappie Rose, whom the county commissioners had appointed chair of a citizens’ committee to advise them on the justice center. “This project could make Cleveland the first American city to resolve its basic prisoner rehabilitation crisis.”

The experts who were hired (among them, a former director of the U.S. Bureau of Prisons and a former associate administrator of the Law Enforcement Administration Agency) would operate on a basic premise. “It would be a serious mistake to design the new facility around an ancient, time-discredited system,” Serapio R. Zalba, who chaired the department of social services at Cleveland State University, had stated. By the end of the panel’s first year of consultation, the experts’ concept of what constituted a jail of the future could be partially discerned in changes made at the old facility, where the sheriff had willingly relinquished his old office suite and freed up some space to test out a few new programs. A legal census of the inmates had permitted the rehousing of prisoners according to the seriousness of their offenses and the speedier processing of those charged with minor crimes. Volunteer physicians had been brought in to assess and attend to the inmates’ medical needs. The guards had been trained in new human relations skills. The chapel had been converted into a multipurpose recreation room, and
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arts and crafts activities had been initiated in the women's dorm. To allow sufficient space in the new jail for these and other improvements in rehabilitation programming, the panel had already determined that its inmate population must be limited to 1,200 persons, instead of the 2,000-bed capacity promised the voters. It was the first worrisome note in a planning process that would soon go seriously awry.

The design of the complex had been based on the assumption that the Cleveland municipal courts would be housed there, as promised by Stokes. But on April 17, 1971, at a private dinner party in his home to which 50 guests (John Sherwin, among them) had been invited, Carl Stokes had announced that he would not seek a third term. That November, he had been succeeded by Republican Perk, who immediately made clear that the city's participation in the justice center would be contingent on a favorable negotiation of its share of the construction expenses, which had by now increased to $76 million as the cost of land acquisition became clear. Faced with a multimillion-dollar budget deficit inherited from Stokes, Perk proved a tough bargainer, as Wright and Rose discovered the day they met with the new mayor to propose the city's acceptance of its fair share of the costs of maintaining the center's common areas. In the middle of their presentation, Perk rose from his seat and began pacing around the room, all the while humming a tune that sounded to Wright as if it were "Whistle While You Work." Rose and Wright took the hint and left. "Guess that's one we didn't win," Rose deadpanned on the way out.

The on-again/off-again nature of the city's participation further complicated a design process that saw Cleveland's Fine Arts Advisory Committee reject the first architectural renderings on aesthetic grounds, necessitating the hiring of a second architect to beautify the proposed building. The second firm added an atrium lobby and replaced the proposed steel-and-glass facade with pink granite—changes that increased construction costs another $15 million. The city's participation was finally won in April 1972, when the county commissioners promised to finance and build an $11 million parking garage behind the city hall and to allow the mayor a voice in the choosing of a general contractor for the project. Fast-track construction began a few days later, with the issue of whether the city would add a $25 million central police station to the complex still unresolved. (It was eventually built.) A month later the county commissioners, with the approval of the mayor, the city coun-
cil president and the council's majority leader, hired a New York contractor instead of the local firm favored by the justice center's citizens' advisory committee. According to Wright, the out-of-town firm, though beset at the time by $12 million in lawsuits, somehow provided "the glue that brought them all together."

Whether the Foundations' Cuyahoga County Corrections Program could have prevented the justice center (which came in $100 million over cost) from becoming a political football would, in retrospect, be debatable—especially since in the midst of the design process the program's leadership twice changed hands.

Two weeks before the Corrections Program was announced in mid-January 1971, Bruce Newman resigned. With Dolph Norton's blessings, Newman went to work for newly elected Democratic governor John J. Gilligan as director of the Ohio Department of Urban Affairs. Shortly thereafter the Foundations announced Alan Wright's promotion to director of the Administration of Justice Advisory Committee, the overseer of the Corrections Program. At the same time staff completed arrangements to transfer responsibility for overseeing AJAC to the Governmental Research Institute, providing a $167,000 grant to see the operation through to the end of 1973. Within 18 months of the organizational restructuring Wright, too, would move on. Although new leadership for AJAC was found, Wright's departure effectively left the quality control of the justice center in the politicians' hands.

The Foundations' staff had been looking for a new sponsor for AJAC (which was to be disbanded in 1975) for some time. Unlike the Foundations' other program advisory committees, which had been spun off as independent entities in their first 12 months, AJAC had continued to require Newman's full-time attention into its third year. "We are well aware that the Associated Foundation cannot go on forever operating the AJAC," staff reported to the Distribution Committee. "We must be free to work on the full range of urban problems."

The transfer was a bittersweet accomplishment for Norton. It momentarily reminded him of what had been lost—as well as won—in the alliance between the fast-moving Associated Foundation and the dignified Cleveland Foundation. After gaining responsibility for the older foundation's enviable resources, Norton had recognized the need to invent a formal bureaucracy to ensure their management on nothing less than, as he put it, a "Caesar's wife'' basis. By 1971 he was supervising
a staff of nine. Most of the personnel gains had been on the adminis-
trative side, with the addition of an assistant director for administration
(who, among other duties, compiled a reference manual on procedures
and policies that went into a second printing to accommodate requests
for copies from other foundations), a finance manager and an office man-
ger. Barbara Rawson had now been designated assistant director for
program affairs. (In the eyes of Gwill York, who had replaced Pamela
Humphrey Firman in 1971 as the lone woman on the Distribution Com-
mittee, Rawson graciously played the role of "earth mother" to the Foun-
dations' four staff associates, four staff consultants and student intern—
to say nothing of their 300-odd grantees.) For Norton personally, the
management of all this growth had a downside: it had resulted in his
inability to roll up his sleeves and dig into the latest municipal problem.

There were signs that the Distribution Committee did not share Nor-
ton's dissatisfaction with the lessening of the Foundations' hands-on role
in governmental affairs. That the Tax Reform Act of 1969 had had a
chilling effect on their tolerance for risk-taking experiments in such a
highly visible arena could be judged from an action Norton took in early
1971. Feeling a need to reaffirm the Associated Foundation's proactive
orientation, Norton suggested to John Sherwin that the Distribution
Committee empanel a Visiting Committee of national and local philan-
thropoids to review the Foundations' post-alliance performance. "Could
you recruit one of the Rockefellers to be chairman? Several of them seem
to be very thoughtful about philanthropy," Norton hinted, looking for
a leader whose likely stamp of approval of the Associated Foundation's
past work would be impressive. "Such a Visiting Committee might
either help change directions of the foundation," Norton concluded, "or,
perhaps, give the Distribution Committee some confidence in its work."

That the Distribution Committee's uneasiness arose from the new
atmosphere of tighter federal regulation could be surmised from the two
men's subsequent exchange. "I think we should be pretty specific in
what we wish to ask the committee to cover and [question] really
whether we should do this before we get through with the legal reviews
that are being made currently," Sherwin replied, resisting Norton's at-
tempt to bring a higher authority to bear on a determination of the
Foundations' mission. To which Norton countered: "I feel rather strongly
that the Visiting Committee should review grant programs and should
not be asked to concern itself with any questions connected with the
legal strictures within which the foundations operate.” Rather, Norton suggested, the panelists should examine such questions as “Have the foundations worked well with ongoing institutions such as schools, voluntary agencies, and established governments?” and “What are the most significant opportunities the foundations have missed?”

Norton never received a go-ahead from Sherwin, and in the press of other business the idea was dropped. Had there been an outside review, however, it might have come to the same conclusions as the Ford Foundation’s final evaluation of the Associated Foundation. The evaluator had compared the results of Ford’s “experiments in shared philanthropy” in Cleveland and Kansas City:

Kansas City is the kind of place where if you are as skillful and resourceful as Homer Wadsworth, the pieces can be assembled to create impressive new community institutions and facilities. Cleveland is the kind of place where one has to scratch away merely to uncover a small glint of civic hope beneath the grime and decay. . . . Confrontations among groups always seem about to flare up.

[Undaunted] the new foundation plunged almost immediately into Cleveland’s toughest issues. . . . Many of its forays repeated earlier efforts; some simply failed; some were counter-productive; some continued to feed and perpetuate the same ineffectual institutions that had been unable to deal with problems prior to [the creation of] GCAF. Nevertheless, and to its credit, most of GCAF’s grants were at the cutting edge of contact with major social problems plaguing Cleveland and all cities. At the very least, GCAF has been in the forefront of concern and action, and it is possible that Cleveland would be even more enmeshed in social disarray were it not for GCAF.

Noting that only 16 percent of the grants made by The Cleveland Foundation since GCAF’s creation had been awarded to action-research projects, Ford had predicted an erosion of the Associated Foundation’s slight but salutary influence on the older organization. “Now that GCAF has run out of funds,” the report concluded, “. . . the old Cleveland Foundation seems bound to lapse back into more routine giving. Continued presence of Dolph Norton at the helm should slow this process somewhat, but it seems inexorable.”

Although the Distribution Committee’s mood seemed to be one of retrenchment, the staff remained open to new possibilities. Yes, certain avenues of endeavor were now blocked. Further improvements in the caliber of city governance, for example, seemed unlikely—an unfortunate
development given the precipitous decline in Cleveland's tax base that had accompanied the previous decade's 16 percent drop in population. But the election of a white ethnic Republican as Cleveland's mayor in 1971 had signaled an end to the Foundations' close working relationship with city hall, at least until new lines of communication could be built. The Foundations' ability to make additional headway with the problems of the central-city poor also seemed limited, what with the Council for Economic Opportunity running out of federal funding, PATH wrapped up in its public housing lawsuits and even BICCA losing steam, now that Jack Reavis had resigned after seven years at its helm. As for the Cleveland schools, Norton had long ago decided that superintendent Briggs had calcified after his first five years in office and become an obstacle to meaningful change.

But, as Cleveland entered the seventies, the staff saw opportunities to focus on other objectives. The Foundations backed a number of innovative start-ups in fields where their involvement had previously been marked by more routine grantmaking, helping to create the Cleveland Area Arts Council (an effort to expand the average citizen's access to cultural experiences) in 1971, and the Women's Law Fund, a team of female attorneys dedicated to fighting for their gender's equal rights—in the courts if necessary—in 1972.

The start-up grant to the latter organization had been voted down by all the Distribution Committee members save Gwill York and Bob Gries the first time it was presented, although York had argued to no avail in its favor after one of the men had pointedly objected to it. York, a new-breed Junior Leaguer and emerging feminist for whose appointment to the Distribution Committee Norton had lobbied Mayor Stokes, had been prepared for this disappointment by Norton. Always the Southern gentleman, he had taken her out to lunch to break the news that some of her colleagues did not share her feminist philosophy. After the defeat York had asked Gries, whose sister had been one of the first Jews admitted to the Cleveland Junior League during York's presidency, to help her marshall a better case for making the grant. The second time it was presented, York and Gries had shrewdly couched their arguments for supporting the Women's Law Fund in terms of how it could assist their colleagues' daughters obtain credit or a well-deserved promotion. This line of reasoning had proved so persuasive that the grant's most vocif-
rous opponent (an industrialist whose company was then embroiled in a sex-discrimination lawsuit) ended up making the motion to approve it.

Not surprisingly, Norton encountered similar resistance when he stretched The Cleveland Foundation's long-standing commitment to higher education to new heights by presenting an unprecedented proposal to help bail out Case Western Reserve University, then awash in red ink occasioned in part by the long-sought but unwieldy federation of Case Institute and Western Reserve in 1967. After being approached by his old friend, CWRU board chairman Ralph Besse, who was looking for a pool of discretionary funds with which to lure a new president to the floundering school, Norton asked the Distribution Committee to award the university a $1 million grant. The then mind-boggling sum would provide the new president with "a special developmental and improvement fund . . . to insure that the University continues to be a major educational institution," as a Foundation newsletter described the grant's loose purpose. (Perhaps too loose, it would later be learned). 6

Furthermore, Norton suggested that the funds be drawn not from income but from principal—a creative financing tool that The Cleveland Foundation's 1914 charter gave the Distribution Committee (with the concurrence of two-thirds of the trustee banks), but one that had been employed only once before. 7 That the Foundation's money would, if forthcoming, serve as a magnet for a matching donation by an anonymous benefactor (Kent Smith) may have helped to counter objections to the thought of invading principal. Announced in the fall of 1971, the grant allowed the Foundation to flex new muscles in its ongoing development as a major force in shaping public affairs.

Another step in the Foundation's evolution was taken when the philanthropy became involved in what in hindsight would be seen more clearly as the economic redevelopment of Cleveland—a new interest prompted by the assumption of control of the Leonard C. Hanna, Jr., Community Development Fund. The $6 million asset had been turned over to The Cleveland Foundation in 1972 by Tom Patton and Elmer Lindseth when they came to the conclusion that the Cleveland Development Foundation, whose operation the fund supported, had outlived its usefulness. Income from the fund was to continue to be directed toward the redevelopment of downtown (a cause which the Cleveland Development Foundation had experienced little success in advancing),
even though, as Norton admitted at the time, it was "extremely difficult to choose among proposals which [came] before the Foundation [because] . . . there is no general agreement on a strategy. . . ."

Fate soon handed the Foundation a plan for helping the community articulate a comprehensive strategy for downtown redevelopment. In the fall of 1972 Norton had participated in an annual gathering of a dozen or so members of the world’s intelligentsia aboard the luxurious yacht of a Greek shipping magnate, Nicolas Doxiadis. There Norton met and was impressed by Lawrence A. Halprin, a noted urban planner whose redevelopment projects included Ghirardelli Square on San Francisco’s waterfront and Nicollet Mall in downtown Minneapolis. The following February the Foundations invited Halprin to Cleveland for a two-day visit during which time he conducted what was dubbed an "urban diagnosis." Halprin’s informal prescriptions for Cleveland’s recovery were later turned into a slide presentation that the Foundations screened for the newly created Downtown Council of the Growth Association and other interested civic groups to spark further discussion. Pleased by the reception given Halprin’s preliminary ideas, The Cleveland Foundation and the Growth Association commissioned his firm to conceive a master redevelopment plan for downtown Cleveland in 1975.

Halprin’s first visit to Cleveland elicited excited attention from the media. The Plain Dealer sent a writer to follow Halprin and Norton around town, reporting that

Halprin said restoring the Playhouse Square area "seems a valid idea."

But when Halprin got to the Cuyahoga River [in the Flats], he was elated.
"This is a tremendous resource," he said, taking pictures. "This is neat down here. If I had an office in Cleveland, this is where it would be."

(Halprin’s enthusiasm for Cleveland’s picturesque industrial valley would infect, among others, Herbert E. Strawbridge, the president of The Higbee Company, one of Cleveland’s major department stores. In the mid-seventies Strawbridge persuaded his board of directors to embark on a proposed $40 million office-retail development called Settlers Landing to be located on the banks of the Cuyahoga River in the Flats and designed by Lawrence Halprin. As is so often the case with pioneering projects, Settlers Landing would not itself be a success, but it would inspire a renewed interest in this undervalued section of town that
Defining a Civic Vision

led to the redevelopment of the Flats as a restaurant and nightclub district.)

The Plain Dealer ran two stories about Halprin’s 1973 visit, and both featured Norton’s name. One story told of Norton’s escorting the California-based planner to meetings with the mayor, various private developers and officials of the Growth Association and to a private dinner with unnamed business leaders. A preview story mentioned that Halprin’s visit had been underwritten by the Greater Cleveland Associated Foundation, which it described as a “community group . . . [that] last year . . . distributed $6.5 million.” The story unfortunately read as if The Cleveland Foundation and its Distribution Committee did not exist.

Although Halprin’s master plan ultimately remained unexecuted, the Californian’s positive assessment of the city’s potential served to uplift the spirits of Cleveland’s business and civic leadership, which had been seriously demoralized by the many confrontations of the Stokes years culminating in the mayor’s abrupt decision to abandon Cleveland for a new career as a television journalist in New York City. “Cleveland’s whole image was just so rotten,” Gwill York would later remember, “but now there was a sense that we could be a great city again.”

The gift of hope would turn out to be Dolph Norton’s last significant contribution to his adopted hometown. A month after Halprin’s visit he announced his intention to accept Governor Gilligan’s appointment to serve as chancellor of the Ohio Board of Regents. Norton would later attribute his decision to leave to his growing awareness that he was getting stale. “By 1973 I had been involved with foundations in Cleveland for almost 11 years, and I had begun to hear the same problems coming back,” he recalled. “The one thing you have to be careful of when you’re dealing with free money is getting to know too much. If you think you’ve heard it all before, and you don’t have the curiosity, energy or motivation to pay real close attention, you ought to be out of the foundation business.”

But Norton’s young admirers on the Distribution Committee wondered whether the resignation had more to do with Norton’s strained relationship with their older colleagues. Gwill York would later speculate that certain Distribution Committee members may have come to resent Norton’s visibility as a civic leader, which in many cases outshone their own. Bob Gries, on the other hand, would suggest that Norton might have begun to take for granted the approval of the Distribution Committee.
Committee, now under the low-key leadership of Raymond Q. Armington, who had succeeded Sherwin in 1972. "It would be easy to read the merger as a mandate to go ahead and do all the things you want to do," Gries would surmise. "Dolph forgot you have to sit down with each of these board members and explain what you're trying to do."

For whatever combination of reasons, the Foundations had lost a dynamic and dedicated leader. On June 1, 1973, the date Norton's resignation took effect, the Distribution Committee installed Barbara Rawson as interim director (making her the first woman in the country to hold such a position at a community foundation) and began the search for a successor to Dolph Norton.
A New Pragmatism

With the Distribution Committee now prepared to consider approving a principal distribution to fund the Special Initiatives, Steve Minter asked his financial officers to run a few numbers in the fall of 1987. Minter was interested in determining the optimal size for the distribution, optimal being defined as the largest sum it would be possible to remove from the endowment without seriously reducing the Foundation’s annual income and thus its grantmaking powers.

“J. T. sat down at the PC and went at it,” said Foundation treasurer Phil Tobin of the rigorous analysis subsequently performed by the Foundation’s controller, J. T. Mullen. A former manager with the accounting firm of Arthur Young and Company and a past director of accounting for the Cuyahoga County auditor’s office, Mullen had, since joining the staff several months earlier, designed a computerized financial model that allowed the Foundation to predict both its income and its cash flow with greater accuracy. Among other things, the model permitted the Foundation to take better advantage of the “float” of up to several years that often existed between the time a grant was authorized and the time it was fully disbursed by reducing the size of its cash reserve. Now Mullen was to turn in another piece of solid work.

To assess the financial ramifications of a principal distribution, Mullen first reviewed the terms of most of the Foundation’s 700-plus trust funds to determine which ones could be legally tapped. Then he studied whether it would make a difference if the distribution came from unrestricted, broadly restricted or designated funds. Finally he ran the numbers on principal distributions ranging upward from $10 to $20
million to determine the impact on projected income through 1992 of each. His conclusion: A $12 million principal distribution taken in 1988 from unrestricted funds would be the optimal move.

Such a one-time distribution would reduce unrestricted income by $3 million through 1992 at a rate of approximately $600,000 per year. This was far less painful a prospect, however, than trying to extract the entire $12 million for the Special Initiatives from unrestricted income a few million at a time over the same period, as had originally been the intention. Better still, a $12 million distribution would have no negative effect on the Foundation’s absolute income over the course of the next five years, given normal growth of the endowment. (Moreover, the plan already under way to establish annual target allocations of unrestricted income for each program area would help the staff cope with the projected $3 million reduction in flexible dollars.)

Mullen’s skillful number-crunching effectively removed most of the sting from the idea of invading principal, making such a move look increasingly feasible.

Determining the doable had also been an early priority of the person chosen by the Distribution Committee after a national search to succeed Dolph Norton as the sixth director of The Cleveland Foundation. The former president of the Kansas City Association of Trusts and Foundations (and for most of his 25 years there its sole program officer), Homer Wadsworth was one of philanthropy’s most respected veterans. "He had a national reputation and everybody was pleased to get him," said search committee member Bob Gries, who recalled that Wadsworth had declined the job when first approached because the 60-year-old father of seven did not want to uproot his life at an age when many begin to consider retiring. Indeed, in seeming contradiction to his chosen profession, Wadsworth was also a hard-eyed realist, and his pragmatism revealed itself immediately in how he chose to tackle his challenging new assignment.

Inclined by long experience not to jump into anything headlong, Wadsworth was content to spend his first few years on the job informally sizing up the Foundation’s options before he “kicked up any dirt” by recommending major new programs to the Distribution Committee. Maneuvering quietly and patiently behind the scenes to create opportunities to leverage positive change had been Wadsworth’s preferred way
of operating in Kansas City. He saw no reason to abandon this approach when he took up the reins of leadership at The Cleveland Foundation in January 1974, despite its 180-degree departure from the idealistic social commitments of Norton's tenure.

"I suppose I might have been here four or five years before most people knew I was here," claimed Wadsworth, who had been persuaded to come to Cleveland—when the Distribution Committee, after a fruitless national search, had approached him a second time—by The Cleveland Foundation's progressive reputation. "I didn't see any reason to present myself as the expert who knew all things about all matters. I was trying to get an assessment of what the community was all about and who among its leaders were people you could work with. This is not a process that happens in one day, unless you are willing to make a lot of errors."

Wadsworth had been given his recruiters' unwritten assurances that he could have at least 10 years at the helm—long enough to make a difference. And his unhurried and intuitive civic diagnosis would indeed prompt the Distribution Committee to refine the Foundation's program interests as much as would the formal strategic planning of his successor's administration.

For example, during the mid- to late seventies a new pragmatism would guide the Foundation's work in Cleveland's neighborhoods, many of whose residents had awakened to the decay going on around them and, following the lead of grass-roots activists in certain black wards such as Hough, were beginning to organize themselves to fight it. Although himself a product of the central city (having reached college age during the Depression, he had made his way through the University of Pittsburgh on a basketball scholarship and monies earned from coaching four nights a week and on Saturdays at a local YMCA), Wadsworth took an unsentimental view of the plight of the neighborhoods. He believed it best to "avoid the illusions that are always present in backing neighborhood affairs. There is no way you're going to save a neighborhood; the real arm that has to save neighborhoods is the public arm." Rather, Wadsworth believed that the Foundation's role should be that of "rewarding people who haven't given up." Providing promising neighborhood groups with modest operating support and funds for small bricks-and-mortar projects, the Foundation was to engage until the early eighties in a holding action aimed at limiting the spread of blight.

Although unforeseeable at the time, one of the new relationships the
Foundation established in the neighborhoods after Wadsworth's arrival would point the way toward a more aggressive strategy. After Wadsworth first began to "look around to see who could be counted on to do things" in the inner city, the Foundation had been approached by the Hough-based Famicos Foundation. Despite its dependence on charity for operating funds, Famicos had developed an innovative program of acquiring and rehabilitating substandard housing, which it rented at very reasonable rates to carefully screened low-income families, who had the option of taking title to the properties after 15 years. Finding the shoestring operation to be a success not only at transforming the poor into proud homeowners, but also at what he described as "seeding neighborhoods with people who could be expected in time to be good citizens and exercise a reasonable influence on the people that were around them," Wadsworth encouraged the Distribution Committee to support Bob Wolf, the director of Famicos, in his desire to train other neighborhood groups in his organization's production methods.

The Foundation's backing helped to give birth to the Cleveland Housing Network—in retrospect, the community's first important step toward a coherent neighborhood development strategy and infrastructure. It also marked the beginning of an association between Famicos and the Foundation that led to the construction of Lexington Village, the most significant Foundation initiative in the neighborhoods of the Wadsworth era (in part because it constituted civic affairs program officer Steve Minter's introduction to the concept of a "project of scale").

At the same time that it was redefining its objectives in the neighborhoods, The Cleveland Foundation began distancing itself from the Cleveland public schools, a system so morally and intellectually bankrupt, in Wadsworth's opinion, that it boasted few programs worth recommending to the Distribution Committee for support. But Wadsworth had no qualms about encouraging committee members to provide leadership on the toughest educational issue then "pressing on the public's nervous system": the NAACP's desegregation suit against the Cleveland public schools.

After a Foundation study group examining similar cases in other districts had determined that court-ordered desegregation was the suit's inevitable outcome, the Distribution Committee poured more than $1 million into a community-wide campaign to educate the public about desegregation in the hopes of preventing the violent protest that had
erupted in Boston when the buses finally rolled. As a result, Cleveland schools superintendent Paul Briggs and his president of the board, who had decided to fight the lawsuit because they believed that the system was not guilty of deliberately fostering segregation, as the NAACP had charged, publicly denounced the Foundation for sowing mass confusion. Despite the discomfort certain political and business figures felt over the Foundation's leadership on this volatile issue, the Distribution Committee withstood the heat and proceeded with its support of the awareness campaign, setting an important precedent for the Foundation's role as moral leader in the future.

Wadsworth's lack of enthusiasm for the Foundation's association with the Cleveland schools arose in part from his own, freely admitted "allergy" to politicians and politics. (This outlook had no doubt been forged when he held a series of administrative jobs with the city of Pittsburgh during the thirties and forties after completing a master's degree in social science and a stint in the navy.) As Wadsworth saw it, the Foundation's past attempts to improve city governance flew in the face of an immutable political reality: "Nobody can govern the city [because] . . . you have to . . . deal with power sources . . . interested [only] in the grubbiest kinds of things—jobs, contracts, money."

Fueling Wadsworth's belief that no other municipality was "more inhibited by inferior quality people in public office than Cleveland," neither Cleveland mayor Ralph Perk, the champion of ethnic Clevelanders, nor his successor, 31-year-old Dennis J. Kucinich, whose combative stance toward big business precipitated Cleveland's default in 1978, sought the Foundation's assistance. And, with the notable exception of a second-wind effort in the field of criminal justice, the Foundation did not volunteer its resources. The arm's-length relationship between the Foundation and city hall ended only when moderate Republican George V. Voinovich was elected mayor in 1979 and personally approached Wadsworth with a request that the Foundation underwrite a plan to lead the city out of its default (discussed later in this chapter).

But not all was a matter of crisis control or retrenchment. Wadsworth believed that foundations were in a better position than most organizations to nurture innovation. "This is hardly because we have superior brains and insight," he reasoned. "It is much more likely the result of our favored position. We have money to spend—a good deal of money. We are not encumbered by operational burdens and responsibilities. We
can draw upon the world at large for advice and consultation. We can afford to encourage those with whom we work . . . to think in larger terms than would normally be considered very practical from their standpoint." Thus, when Wadsworth realized that civic policymakers lacked adequate data on which to base their decisions (a problem, one may recall, that the Greater Cleveland Associated Foundation had specifically been created to redress), he began searching for ways that the Distribution Committee could support qualitative socioeconomic research.

A one-time vice president and dean of New York's New School of Social Research (a position he held briefly after leaving Pittsburgh in the mid-forties), Wadsworth had, upon his arrival at the Kansas City Association of Trusts and Foundations in 1949, helped to create an Institute for Community Studies; and he grew eager to see a similar independent research agency started in Cleveland. That dream was never to be fully realized. But the Foundation was able to arrange for studies that pointed out the precariousness of federal support for local governmental services; the insidious disintegration of Cleveland's capital plant; and the city's disproportionately low income tax—all of which information figured in Cleveland's gradual digging out from under municipal default. Perhaps the most important incarnation of the Foundation's sharpened interest in research would come in the early eighties, with its establishment of the Center for Regional Economic Issues, whose vigilant monitoring and sophisticated analysis of the business trends affecting Greater Cleveland's future would give teeth to the economic redevelopment campaign then beginning to take shape in the city.

Similarly, Wadsworth's appreciation of Cleveland's strength as a major cultural center—a stature attributable primarily to the quality of its orchestra and art museum—suggested to him that the Foundation ought to allocate more of its income to nurturing other developments in the arts. At his first annual retreat with the Distribution Committee in September 1974, the director began to make a case for a redistribution of resources. Wadsworth pointed out that during the preceding five years fully 49 percent of the Foundation's disbursements went to the fields of health and welfare, while cultural affairs claimed only 10 percent of all disbursements. By encouraging the Distribution Committee to elevate the arts to a full-fledged program area with its own program officer, the new director, among other things, made possible the Foundation's subsequent championship of the performance facility for ballet, opera and
classical theater companies that it had in the meantime helped to transform from struggling operations into nationally acclaimed arts organizations. In the process the Foundation helped to make the arts a major tourist attraction that would add another dimension to the new economic identity then being forged for the city—not that this serendipitous outcome had been Wadsworth's primary objective.

"I think that there is merit to the notion that, with appropriate promotion, Cleveland can call attention to what it has and can attract many people to come here," Wadsworth would later explain. "I don't think this should be the first order of business, however. The first order of importance is the people living in an area—not the people who will be passing through. You develop your natural assets in a manner that makes possible a lifestyle for people of moderate means that otherwise is not within their reach."

Just as it had driven the Foundation's work in cultural affairs, this philosophy motivated Wadsworth to promote an opportunity for the Foundation to do something about the city's neglected lakefront when it arose during his first year in the form of a $25,000 grant request. The proposal from a suburban garden club for funding to study Cleveland's run-down municipal parks was "one of those applications that once you receive it you see that there could be more involved than is intended," recalled Wadsworth, whose personal interest in the enhancement of public assets had been honed during his service as director of both Pittsburgh's planning commission and its department of parks and recreation. In what was to become a classic example of Wadsworth's adeptness at maneuvering behind the scenes, the Foundation used the completed study to effect a transfer of the ownership of several major lakefront parks from the city, which could not afford to maintain them, to the state. Largely through the Foundation's efforts, the Ohio Department of Natural Resources was subsequently persuaded to pour $40 million into the parks' renovation. The capital improvements prompted a spectacular increase in the parks' usage, with attendance skyrocketing from 750,000 visitors per year to more than 12 million; and this renewed interest in the lakefront sparked (with the Foundation again striking the match) a public-private partnership to redevelop the downtown Cleveland shoreline as a new recreational district.

Making a sustained commitment to strengthening or creating public assets and institutions was how Wadsworth believed the Foundation
could be most useful. (Steve Minter, who served as a program officer under Wadsworth for nearly 10 years, put it more succinctly: "Homer was big on projects.") In purposeful contradiction of the old philanthropic rule of thumb, "three years and out," the Foundation under Wadsworth's direction began to recognize the advantages of long-term planning and commitments, of patiently sowing the seeds for developments that might be years in the blossoming. To ensure the fruition of select projects, for example, the Foundation would nurture them with a steady stream of funds and staff assistance, its ability to do so abetted by the fact that unrestricted income now totaled more than $2 million annually. Although his encouragement of the Foundation's ongoing leadership of these programs would trouble some members of the Distribution Committee, who sensed that they were being asked to approve actions after the fact, the concept of guiding an important venture through to its conclusion—day after day, year after year—irrespective of the money or staff time consumed, was Wadsworth's most valuable contribution to the Foundation's evolution as a civic force.

Wadsworth's early determination to beef up the program staff enabled the Foundation to provide sustained leadership on a number of new fronts while maintaining its traditionally strong programs in health and social services. The Associated Foundation's origins as a lean-and-mean operation had affected the way The Cleveland Foundation was administered after the two organizations had joined forces, with post-merger budgets kept too low to allow Dolph Norton or Barbara Rawson to hire more than one or two experienced program officers. Both made do with lots of one-year internships (although even in this matter of necessity Wadsworth's predecessors were innovators, seeking out interns of different backgrounds and disciplines in order to open up what they perceived to be a closed field).

Wadsworth was not alone in recognizing that the operation now needed additional fine-tuning. "When I came here," Wadsworth said, it was fairly clear to me that [Distribution Committee chairman H. Stuart] Harrison was committed to change. A majority of the Distribution Committee were gently 'pushing' for change. I always read the whole matter as being one in which Dolph was paying the price for the uproar of the early sixties and seventies, for which he was not directly accountable. If he had made some questionable judgments—I think Dolph's decision to put a public relations man in Stokes's office cut very sharply—Dolph was a valuable citizen here, and he
carved a different direction in which things at the Foundation could flow. There was no question that his contribution here was very large and unappreciated.

If the contributions of the Norton era have largely been forgotten, responsibility can be traced in part to the decision to drop all acknowledgment of the existence of the Greater Cleveland Associated Foundation, which had long since run out of funds, from The Cleveland Foundation's annual report in 1975. The not-for-profit corporation that had been GCAF was, however, kept intact (and ultimately renamed Cleveland Foundation Incorporated) because it had certain powers—such as the ability to issue checks—that the older foundation lacked became it was not legally a corporation. The administrative structure that Norton had invented was, in fact, one of the contributions for which his successor was most grateful. "Dolph put in place a system that could grow up," Wadsworth said, with personnel first on his list of needed refinements.

Recognizing that the program staff must be expanded to meet the demands of disbursing what now amounted to more than $8 million annually, Wadsworth took advantage of the prevailing desire for change and began to assemble a team of seasoned men and women with impressive credentials in their fields. Within a year or so of his arrival Wadsworth had hired three top-notch program officers to handle cultural affairs, health and education, and social services, respectively: Patricia Jansen Doyle, a former manager of the public television station in Kansas City, whom Wadsworth had first met when she was the education reporter for the Kansas City Star; Richard F. Tompkins, a member of the faculty of the Harvard Graduate School of Education, who had once worked along with Wadsworth as an advisor to a national children's health-care project; and Steve Minter, who had turned down a second term as welfare commissioner in Massachusetts in order to return to Cleveland because he wanted to provide his wife and three daughters with a permanent home.

Given the caliber of his appointees, Wadsworth often likened the program staff to the faculty of a graduate school of which he was chairperson. An individual who enjoyed both grand rhetorical flourishes and down-home phrases, he backed up his metaphorical language by treating the staff as colleagues. Thus, though he provided each program officer with direction and feedback through weekly conferences and an open-
door policy, Wadsworth otherwise granted staff day-to-day autonomy. On issues that cut across program lines, however, he encouraged collegial discussion and criticism, believing that “when you create a division and you place a person in charge, he brings with him his own baggage. The offset is in the general pressure for collective activity and action.”

Wadsworth’s emphasis on collegiality prompted another important change in the Foundation’s internal operation. Prior to his arrival, the Distribution Committee had conferred only with the Foundation’s director. Wadsworth soon made clear that he expected the program officers to attend subcommittee meetings and participate in the deliberations. “In the first place it means that an executive doesn’t have to pretend knowledge about all subjects in the world,” Wadsworth later said in explaining why he had initiated this interplay between the Distribution Committee and staff. “He can draw upon others who know more than he knows. Secondly, if you have matters that go across the board, then you have the possibility of a collective judgment in terms of a recommendation made to a board.” There was another good reason for operating as much as possible as a collegium. “Most of the good things that I have seen in foundations came out of the fact,” Wadsworth believed, “that there were some people, at a given time and a given place, who had an idea and some guts.”

And no program the Foundation initiated during the Wadsworth years required more guts than its work to ensure the peaceful desegregation of the Cleveland public schools.

On the Sunday before court-ordered busing began in Cleveland in September 1979, some 1,200 marchers gathered at both ends of the Detroit-Superior High Level Bridge spanning the Cuyahoga River. Carrying placards and wearing T-shirts emblazoned with the word WELCOME, the two groups of demonstrators were members of an impromptu organization called West and East Siders Let’s Come Together (WELCOME). WELCOME was the culmination of three years of activities promoting peaceful desegregation sponsored by the Greater Cleveland Project, a coalition of 60 or so community groups that had come together as a result of The Cleveland Foundation’s initiative to educate key civic leaders about the ramifications of the federal lawsuit the NAACP had filed against the Cleveland schools in 1973. Interestingly, neither the mayor of Cleveland nor top representatives of the Cleveland public schools, nor leaders of the business community, were to be seen in the
crowd, although the Foundation and others had tried mightily to win their support for the court decision rendered in the fall of 1976 ordering the schools to take remedial actions to end segregation.

Taking to the sidewalk on the north side of the roadway, the WELCOME brigade began walking toward the center of the bridge from both sides of the watery divide that, starting the following day, would no longer symbolically block white West Side children from attending schools on the predominantly black East Side and vice versa. They sang "We Shall Overcome" as they marched. Reaching the center of the span, many of the demonstrators shook hands with their opposite numbers and embraced emotionally. Then they all joined in a prayer for peace led by the head of Cleveland's Catholic diocese, Bishop James A. Hickey, whose support of desegregation the Foundation had actively sought, deeming it critical in persuading Cleveland's white ethnic populations to accept busing.

The rare display of solidarity among residents from both sides of the river was closely watched by some 100 antibusing protesters. They were in turn scrutinized by about 50 Cleveland police officers (on horseback and motorcycles, in cars and on foot), whose planning and training for "D-day" contingencies had been underwritten by The Cleveland Foundation, as part of its collaboration with a Special Committee of Citizens Concerned about Criminal Justice in Cleveland. The protesters—members of Citizens Opposed to Rearranging Our Kids, the United White People's Party and even the Ku Klux Klan—carefully kept to the south side of the roadway. A few heckled the bishop during the prayer, but this outburst was the closest the two sides ever came to trouble.

When the crosstown buses set out the following day and then the next and the next without incident, other than some late arrivals to class, it became clear that Cleveland had escaped the street fighting that had attended school desegregation in Boston. No one was more pleased than Homer Wadsworth, who was quoted in the Plain Dealer the day after busing began as saying: "A nicer thing could not have happened to Cleveland under the circumstances. It is more important than winning football games in the last minute. The stage may be set for the improvement of the quality of education in Cleveland." Although the community would be disappointed on the latter count, Wadsworth's instinct that extraordinary measures would be needed to keep the peace had been borne out. Believing that "places like Cleveland and Detroit have a ten-
dency to regard rough-and-tough stuff as being the right way to go” in resolving conflicts, he had encouraged the Distribution Committee as early as 1974 to begin considering how the Foundation might help to dissipate tensions he was sure would develop out of Reed v. Rhodes, Cleveland’s controversial desegregation case.

The subject of the position the Foundation would take toward the suit filed against the schools in December 1973 was broached on September 7, 1974, at the first annual Distribution Committee retreat. As would so often be the outcome of its participation in this important new forum for board-staff information sharing and dialogue, the Distribution Committee took a small step at the retreat that would greatly influence the course of public affairs in Cleveland; it instructed the staff to become better informed about the issue.

In October the Foundation invited Robert Wheeler, acting deputy commissioner of the bureau of school systems of the U.S. Department of Health, Education and Welfare, to visit Cleveland to appraise the situation. An old friend of Wadsworth—he had been an assistant superintendent in Kansas City during Wadsworth’s tenure on the school board there—Wheeler met with Cleveland schools superintendent Paul Briggs and James O. Stallings, executive director of the Cleveland NAACP, among other community leaders. Wadsworth had set up the conference with Briggs by casually mentioning to the superintendent (whom he had first met during his Kansas City years, when both participated in a panel discussion on school governance at a national educational conference) that “the man in HEW who is handling desegregation affairs nationally is a friend of mine. I can get Bob to come in here and spend some time with you off the record and give you the benefit of what he knows.” Briggs had consented. The Foundation “brought Wheeler in and we spent two long days in two long meetings with Briggs, who never stopped talking,” Wadsworth recalled. “[Briggs] made no effort to find out what Wheeler knew.”

Paul Briggs, who was to resign in 1978 shortly after the federal court ordered the Cleveland Board of Education to hire an independent administrative team to carry out its desegregation orders, clearly believed he had integrated the schools. (In testimony to the U.S. Office of Education in February 1975, for example, the superintendent would point proudly to the fact that 40 percent of the teachers in his system were black, as were 45 percent of the principals, 55 percent of the assistant
principals and 48 percent of the clerical employees. But he neglected to mention the fact that, at the time, 91 percent of all black students in the Cleveland system attended schools that were more than 90 percent black.)

Robert Wheeler was the first of several national experts that the Foundation consulted during the fall and early winter in attempting to anticipate and assess the probable outcome of the Cleveland desegregation case. By January 1975, according to Wadsworth, the staff felt “reasonably prepared to say that, all other things being equal, there seems very little prospect that the federal court will do anything here other than order desegregation.” Having looked at Southern cities in which desegregation had been successfully carried out, the staff had also concluded that “the key element was the degree of cooperation that a school district was prepared to give. It was clear that Briggs and the school board were not prepared to give any measure of cooperation. We were in for a long and difficult period.”

“The only position that seemed to us to be reasonable,” Wadsworth continued, “at least in terms of how I tried to explain it to the board, was to emphasize that this was a major problem pressing on the public’s nervous system and to be sure the public knew and understood what the issues were.” Consequently, at the end of January the staff recommended to the education and civic affairs subcommittee that the Foundation spend $20,000 to research desegregation efforts in the North and to hire additional consultants, including attorneys who would observe and report on the Cleveland desegregation trial, which was then scheduled to begin in March (but would not actually get under way until November). But as yet the Foundation had no clear plan for publicly disseminating the consultants’ reports.

Acting independently, the education subcommittee of the Businessmen’s Interracial Committee for Community Affairs would soon provide one of the needed communications vehicles. On February 27, 1975, the subcommittee heard a report from BICCA staff that most of the “principal opinion-forming agencies in Cleveland were evading the issue” of how to prepare for the possibility of school desegregation. The subcommittee subsequently resolved to ask The Cleveland Foundation for $20,000 so that BICCA could create a study group or committee along the lines of a PATH or a PACE to “develop alternative means by which
substantial greater desegregation can be achieved in Cleveland, short of massive mandatory busing."

The resolution's antibusing sentiment can be attributed at least partially to the fact that Superintendent Briggs had maintained strong ties with BICCA over the years. "Paul regularly attended the monthly meetings of the education subcommittee," recalled BICCA's longtime director, Lawrence L. Evert, who had made a practice of having a breakfast meeting with Briggs several days beforehand "to discuss the agenda and get his opinion." Ironically, it had been at an education subcommittee meeting that the superintendent first learned of the desegregation suit. "James Stallings [Cleveland's NAACP director and a subcommittee member] came into the meeting and announced that the suit had been filed," Evert said. "Briggs got up and walked out of the room." Evert would later claim that the superintendent was "a little disappointed that we didn't take an active stand in support of him."

The Cleveland Foundation read the ties between Briggs and BICCA somewhat differently: The political alliance the Foundation had helped to forge a decade earlier had become too expedient. According to a National Institute of Education report describing Cleveland's efforts to prepare for desegregation:

BICCA wanted a select group to get together and study other desegregation plans in order to make "suggestions to the Cleveland School Board" or "react to the Board's plans." . . . They clearly saw a close relationship between the select committee and school officials.

. . . While the formation of a select group of established community leaders to study desegregation was an attractive strategy to Foundation staff, they did not think the group should be limited to providing advice to school officials. If school officials lost the suit, an unattached group could serve as middle ground where a sensible strategy for the entire community could be devised.

Education program officer Rich Tompkins would later describe the staff's concerns even more bluntly. As he saw it, BICCA's proposal had "Paul Briggs's fingerprints all over it." The program officer believed that the superintendent "had figured out how to work BICCA to his advantage. Like everyone else in town, BICCA believed Briggs's claims that every student who graduated from the system went on to college. The first year I was in Cleveland I attended Briggs's annual luncheon report to the Growth Association, where he made that claim to the thunderous
applause of all the businessmen in the audience. I remember Homer turning to me as we left and saying: 'Have you ever heard such horseshit in all your life?'"

At its March meeting the Distribution Committee deferred acting on BICCA's request and instead set aside $20,000 for the Foundation to use for "research, education and analysis of the problems of racial isolation and desegregation of Greater Cleveland schools. It is the intention of the Distribution Committee [their resolution continued] that . . . no position is to be taken on matters currently before the courts. . . . The funds [should] be expended to explore and develop a range of alternatives available to the community in responding to any of several possible court decisions on the issues."

At the same time the Distribution Committee authorized the staff to determine the best mechanism for achieving its ends concerning school desegregation. Sensing that the committee would be more comfortable if the Foundation worked on this sensitive an issue through an intermediary, Tompkins engaged in a series of conferences with the staff and chairman of BICCA to see whether the concept of a study group could be salvaged. With Foundation grants then covering nearly 40 percent of BICCA's operating expenses, the organization's leaders eventually saw the wisdom of the study group's remaining strictly neutral.

On June 25, 1975, BICCA sent letters to 11 civic organizations with large constituencies, ranging from the Growth Association to the Jewish Community Federation to the League of Women Voters, asking each to appoint a member of its board to a "study group on racial isolation in the public schools" whose charge was "to analyze the developing legal, political, and educational climate" surrounding the desegregation suit and to "assist in lessening the educational and social disruption that might follow any given decision." Their work, which was to be directed by Tompkins and Minter, would be underwritten by a $60,000 grant from the Foundation.³

Even though BICCA had assured the nominating agencies that the Study Group "would not issue any report or statement until after a court decision is reached," it was hoped that each member would take back to his institution a better understanding of the ramifications of the case. To that end, the Foundation hired three Cleveland State University professors⁶ to develop a curriculum and reading list for the group, which met every other week throughout the summer and fall. In October and
early November 1975, teams of Study Group members (whose numbers now totalled 19) made site visits to four cities whose school systems were undergoing desegregation—Boston, Denver, Detroit and Minneapolis—where they had a chance to talk with educational, political and business leaders about the experience. After Cleveland's desegregation trial started on November 24, an attorney with the firm of Thompson, Hine and Flory prepared weekly written summaries of the proceedings for the group, which was chaired by BICCA and Distribution Committee member George B. Chapman.

"We began with the history of other desegregation cases," said attorney Daniel R. Elliott, Jr., who chaired the Greater Cleveland Neighborhood Centers Association at the time and was an impassioned member of the Study Group, "sort of a 'Constitutional Law 101.' They explained: Here's how the cases are brought, how judges reach liability findings based on 14th Amendment protections, and that's why buses roll all over the country. It was really a pretty simple issue." Nonetheless, the intensive program to prepare key civic leaders for the probable outcome of the Cleveland case did not succeed in galvanizing the corporate community, according to Elliott—a failing that would have dire consequences when it came time to implement the remedial order, in his opinion. "Despite The Cleveland Foundation's best efforts," he recalled, "the business community remained monolithic in its views: Paul Briggs was the most wonderful guy in educating kids and to even suggest that he discriminated was heresy. The Study Group guys could have taken a sit-down quiz on what was going on with desegregation in Boston or Atlanta and gotten an A minus, but ask them what was going to happen in Cleveland and they'd tell you Briggs would be exonerated from all these wild charges."

The Study Group seems to have met with greater success in helping to neutralize the ever-present threat of political demagoguery; after the desegregation trial commenced, its community relations subcommittee quietly began setting up meetings with the mayor, members of the city council and the media, the community's black leaders and various appointed officials to urge support for whatever decision was rendered by the courts. The subcommittee also began flying in officials from other desegregating communities for a series of informal, off-the-record talks with Cleveland politicians.

"We brought in the police chief from Boston to meet with [Mayor]
Perk and [city council president George L.] Forbes," Tompkins said of one such confab. He recalled:

Afterward Forbes said: "Can you arrange to have the chief meet with some of my colleagues?" "Sure," we said. When Steve Minter and I showed up that evening [at a restaurant in a downtown hotel], we were astounded to find the council clerk taking roll. All 33 councilpersons were there, working on their second round of drinks. Steve and I looked at each other and said: "Does the $500 for dinner go on your docket or mine?" George didn't want to see the city torn apart, and this gave him an opportunity to have someone else lead the discussion and to have three or four hours of the council members' attention in a relaxed way without the press around. Prior to the implementation of the remedial order the elected politicians in town never did demagogue the issue.

At the same time that it was engaged in a little friendly persuasion behind the scenes, the Study Group went public with what it had learned about constitutional law and desegregation planning. Between early December 1975 and late April 1976 the Cleveland State University (CSU) consultants made more than 100 presentations to interested community organizations on behalf of the Study Group. Their scheduling was handled by the Greater Cleveland Interchurch Council, an association of 700 area Protestant congregations whose executive director, the Reverend Donald G. Jacobs, was a member of the Study Group and an outspoken advocate of desegregation. Wishing to expand the informational service provided by the Study Group, the Interchurch Council that winter submitted a proposal to The Cleveland Foundation asking for $250,250 to create a formal coalition of community agencies that would seek to promote public understanding of the issue of school desegregation by locating and training grass-roots speakers, who in turn would educate their neighbors. The Foundation had partially funded the proposal, creating the Greater Cleveland Project in the spring of 1976 with the stipulation that the coalition have no organizational ties to the Interchurch Council (which was widely perceived as being pro-busing) and that plans to train neighborhood advocates be dropped as premature (given that as of yet there had been no liability ruling by the court). Instead, the Greater Cleveland Project's first-year activities centered on recruiting coalition members—a mission statement in support of peaceful desegregation and quality education for all students was immediately endorsed by more than 20 community groups—publishing a newsletter and scheduling additional presentations by the Study Group's CSU con-
Almost from its inception, the Greater Cleveland Project came under attack from the leaders and allies of the Cleveland Public Schools. The district's attorneys, Squire, Sanders and Dempsey, were its chief loyalists, assuring school board members a few months before the trial had begun that "no admissible evidence has been uncovered by the NAACP during almost two years of investigation to substantiate the charge." Now they sought to head off those whom they perceived to be rallying to the NAACP's cause. "Attorneys for the school board called members of the Distribution Committee of the Cleveland Foundation to complain on behalf of school officials about the activities of the groups funded . . . ," noted the National Institute of Education report on Cleveland's desegregation efforts. "According to the attorneys, the presentations to community groups were not accurate and might prejudice the pending litigation. The senior school attorney also called David Parham, attorney for the Study Group, and complained that the presentations were . . . inflammatory." Although the Distribution Committee held fast, the firm's activities would exact a toll. "Squire, Sanders told the business community that this case was a loser for the NAACP," said Dan Elliott, who by this time had become the first chairman of the Greater Cleveland Project. "He really undid some of the work of the Study Group."7

Arnold R. Pinkney, the black president of the school board, made the system's differences with The Cleveland Foundation public on May 13, 1976, blasting the Foundation at a school board meeting for attempting to usurp the power of the board to plan for desegregation, if and when that day ever came. "Feud Periling School Peace," the Press headlined a front-page story published the following day that reported Pinkney's questions about the Foundation's motives in creating the Greater Cleveland Project. The story read, in part:

The Foundation group, involving three Cleveland State University professors, has been blamed by schools Supt. Paul Briggs and School Board President Arnold Pinkney for creating confusion in the minds of parents and encouraging them to think that school busing is inevitable.

Underlying the [situation] . . . is apparently a long-standing feud between Briggs and the Foundation, particularly its executive director, Homer Wadsworth.
Last year the Cleveland Foundation made two grants, totaling $28,918, to Cleveland schools, more than it has for several years... unlike the Martha Holden Jennings Foundation, which last year gave the schools several hundred thousand dollars and the Gund Foundation, which contributed about $750,000.

... Briggs told The Press there has been no controversy between himself and Wadsworth, but a source close to both Briggs and the foundation, however, notes the clash between Wadsworth and Briggs started eight years ago when Briggs visited Kansas City...

Briggs is reported to have observed that the Kansas City schools had only one black on its staff, a remark Wadsworth apparently did not like.

... Briggs' unhappiness with the foundation apparently soared recently when he saw some of the results of community meetings held by the three professors. ...

He saw kindergarten enrollments for the [autumn] fall off by some 40%.

"This is no time for endowing professors to hold a lot of meetings and make a lot of speeches if the presentations create an atmosphere that would appear to create confusion in the minds of Clevelanders," Briggs told The Press.

... Pinkney noted... "None of these professors has ever called me or discussed anything with me about the board's role in desegregation. ... I consider that to be a direct insult, or at least I question their motives."

Wadsworth hastily labeled the charge that he and Briggs were feuding as "nonsense," insisting to the Press that he regarded the superintendent as a friend. If Wadsworth's comments left some observers unconvinced of his charitable feelings toward the superintendent, there was no doubting where the Foundation stood. A letter to the editor of the Plain Dealer, quickly authored by Distribution Committee chair Stu Harrison, explained the Foundation's commitment to neutrality while declaring its determination to provide accurate information on desegregation to the community. At the Foundation's annual meeting on May 20 both Harrison and Wadsworth reaffirmed the Distribution Committee's position, with Wadsworth observing: "Although there is hardly any room for being neutral, that is where the Foundation must be." And the 1975 annual report left no doubt that the Foundation regarded its grants to the Study Group and the Greater Cleveland Project to prepare for desegregation as among the most significant it had recently made. "There is no matter of greater importance facing Cleveland today nor more worthy of the thoughtful attention of its leadership," the report stated.
In fact, the Foundation was already taking action to expand the circle of leaders working to promote peaceful desegregation by meeting privately with Bishop James Hickey. "The Catholic Church was the crucial point," Wadsworth later explained. "Not only did they reach into the ethnic neighborhoods in the city, they operated a very large school system of their own. This is what led us to open up discussions with the Bishop. I wanted to see the Bishop about the fact that people run to Catholic schools to avoid busing. The Bishop appreciated everything we produced for him." Well before the federal court issued its ruling against the schools, Bishop Hickey publicly announced that he would not permit the Catholic schools to become a haven for those fleeing court-ordered desegregation, declaring that children were to be admitted to parochial schools only at normal entry points, such as kindergarten and the first year of secondary school. (Given the fact that the diocese had suffered declining enrollments for more than a decade, the bishop's stand—scrupulously executed by the superintendent of the Catholic school system, Sister Frances Flanigan—seemed all the more courageous to the Foundation's director.) "He not only announced it," Wadsworth explained, "he enforced it. He simply said that these were the rules, and there will be no further discussion on the subject. His decision had a tremendous influence on the acceptance of busing here."

The bishop simultaneously announced the formation of a Committee on School Desegregation, whose activities the Foundation sponsored for four years. Led by Sister Brigid Griffen, the Bishop's committee trained nuns and priests to lead discussions of desegregation in their parishes, organized desegregation workshops for the 900 persons who taught weekly religion classes to Catholics attending public schools and held meetings with church groups, senior citizens and parochial school faculties, students and parents. Most remarkably, the committee's outreach workers (primarily nuns) arranged for nearly every Catholic family in the diocese to be counseled at home the week before court-ordered busing began, and they mounted ecumenical prayer vigils and recruited peacekeeping forces. "They really worked the neighborhoods to get the message out," Rich Tompkins said.

Also in the final days before school desegregation a flood of public service announcements urging peaceful compliance with the court order inundated the Cleveland airwaves and newspapers. The media blitz had
been organized by the Bar Association of Greater Cleveland with the support of two grants totaling $135,000 from The Cleveland Foundation.

The idea for the bar association's taking such a forthright public stand had originated with certain members of the Study Group, who, Tompkins would later assert, were concerned with the apparent reluctance of many business and civic leaders to accept the court's finding. The media project itself had encountered resistance. Efforts to raise the requisite funding from private sources floundered, necessitating the Foundation's grant (and even there the subcommittee's vote to recommend support had been very close). Then the bar association's first choice for chairperson of the campaign was not permitted to accept the assignment by his law firm, and executives from four or five major local corporations began pressuring individual attorneys in an unsuccessful attempt to block the entire effort. After Tompkins informed a gathering of the National Council on Foundations in Washington D.C. about these occurrences, a member of the Distribution Committee aired his concern over the program officer's public criticism of Cleveland's business community with Wadsworth. Ultimately, it was the quiet but steady leadership of bar association president Patrick F. McCarten, a Jones, Day litigator, that enabled the organization to carry out its plans for the controversial media campaign.

"To have major power sources opposing law and order was exemplary of the problems facing the desegregation movement," Tompkins had concluded. "The climate in the community made doing constructive things very difficult, everybody was so preoccupied with crisis and contention."

The Greater Cleveland Project's Dan Elliott, who went on to serve as cochair of the Office on School Monitoring and Community Relations (OSMCR), a watchdog agency charged with reporting to the court on the school district's progress in implementing the remedial order, shared Tompkins's sense of opportunities missed. "If the business community had been with us, we could have had a model school district," said Elliott of the remedial order written by the court-appointed Special Master on Desegregation with input from such community organizations as the Study Group. He explained:

The remedial order was one of the most thoughtful and most comprehensive of any ever written. In addition to busing, it had 13 other components gov-
erning student testing, teaching assignments, reading, discipline—item after item speaking to the quality of education. It could have been a good-government group's recommendations on improving the schools. Yet the pillars of the business community prided themselves on not reading it. They just wanted to argue with me at parties about the liability finding.

The Cleveland Foundation continued to support the operation of the Greater Cleveland Project as an information clearinghouse until 1981, long after it had become clear to Foundation staff and associates that the school district had neither the financial and intellectual resources nor the political will to comply fully with the court's orders. "I feel disappointed," Elliot would confess in 1989, "that we put so much time and energy into planning for desegregation and we still have so little to show in terms of the quality of the schools, although we can unabashedly take credit for keeping the lid on. At least no one got killed."

Compounding the community's troubles, the year before involuntary desegregation began, the city of Cleveland defaulted, becoming the first major American municipality to do so since the Depression. On December 14, 1978, the city's principal banks refused to roll over $14 million in municipal notes due that night at midnight, casting the city out of the bond market and its financial woes into the national spotlight. Cleveland Trust chairman (and Distribution Committee member) M. Brock Weir would tell a subcommittee of the House Banking Committee investigating Cleveland's default that he had insisted that the banks take this drastic action because they faced the prospect of an additional $100 million in obligations coming due in 1979, with the city having no apparent way to meet them. Other observers would claim that the banks, which had rolled over notes for previous administrations, had cried halt in a pique over Mayor Dennis Kucinich's anti-big business rhetoric, which grew especially vehement when the mayor, under considerable pressure from all quarters to sell the city-owned Municipal Light Plant in order to pay off its debts to the privately owned Cleveland Electric Illuminating Company, justified his refusal by pointing out that Muny Light provided inexpensive electricity to the "little people."

Cleveland's default did not come as a particular shock at The Cleveland Foundation, where program officer Rich Tompkins was engaged in a number of research projects attempting to make sense of the city's "ma and pa" accounting system, documenting its dangerous dependency on
federal grants and assessing the extent to which its physical infrastructure had been allowed to deteriorate. "Municipal financial stress doesn't occur overnight," Tompkins would observe more than 20 years later. "The signs are well-known in the literature; but in the early seventies there were a fair number of people in Cleveland with their heads in the sand. They didn't have a sense of the seriousness of the problems or their accumulation." That the Foundation was beginning to understand the roots of the fiscal crisis—and thus would be prepared to provide assistance in resolving it when a new mayoral administration took office in 1979—could be traced to Homer Wadsworth's unbending commitment to community studies.

At the first annual Distribution Committee retreat in 1974, Wadsworth had raised the question of the Foundation's replicating in Cleveland a research-action agency similar to the Institute for Community Studies, which the Kansas City Association of Trusts and Foundations had created to provide civic leaders with continuous and systematic social research and data, all directed toward improving planning for and coordination of community services. Although Wadsworth, upon his arrival at the Foundation, may have been "almost instantly satisfied that Cleveland did not have an adequate information base on which to manage its community affairs," the Distribution Committee had asked for an evaluation of the community's existing research capabilities before taking action.

Wadsworth assigned the evaluation to Tompkins, who spent a large part of the following year assessing the Foundation's past work in the field of community studies and conducting site visits at the city's major research institutions. On January 22, 1976, Tompkins sent Wadsworth a memorandum on his findings entitled "Points to Emphasize with the Board on Community Studies":

During the years from 1964 to 1974 the Board has allocated grants in excess of $7.3 million for activities of research, analysis and planning. Annual expenditures during the period have averaged $664,837.

... [One hundred ninety] grants have been made to 51 different institutions. The historical data suggests that... major foundation investments have been made... without any clear pattern of purpose or strategy and with limited overall effectiveness.

Many of the same issues and ideas have been considered again and again...
with little indication of success or progress. . . . The Distribution Committee has good reason to question support for "just another study."

. . . [However] it would appear that we could invest $500,000 annually for a studies operation, [and] still have $500,000 annually to invest in strengthening key existing agencies where it makes sense.

Wadsworth forwarded the memo to Stuart Harrison with a letter apprising the Distribution Committee chair: "We will move forward from this point, anticipating that within a six-month period we will have ready for review a proposal to establish some kind of research agency here . . . with relationships [to] other groups indicated." But the proposal never materialized because the Foundation staff was unable to resolve to the Distribution Committee's satisfaction the delicate issue of turf: Where did an independent research organization fit into what Tompkins would later describe as a crowded playing field? "When Homer set up Community Studies in the fifties," Tompkins explained, "Kansas City didn't have strong universities or a Welfare Federation or other organizations that viewed themselves as the rightful recipients of research grants."

When it became clear that the idea of creating a community studies institute in Cleveland was unworkable, the staff had recommended that the Distribution Committee declare four areas of research interest so that the Foundation could better target its own study programs, as well as begin evaluating the research proposals it received more strategically. Not surprisingly, given the mounting evidence of the city's fiscal distress, assessing the financial health of state and local government occupied a position at the top of the Foundation's research agenda.

"Solutions are not easy to conceive let alone implement," the Foundation's 1978 annual report observed of the city's financial straits. "Yet the beginning of all wisdom in community affairs, and particularly during periods of great stress, is sure and certain knowledge of the facts. This was the preoccupation of The Cleveland Foundation during 1978 [when] many important facts [were] obscured by rhetoric and by the politics of adversary relationships. So the Foundation attempted . . . to bring light where light was needed and to look for talent that could provide information and professional views on a continuing basis to those who govern this community's civic affairs."

After it became known in 1977 that the city's books were unauditable, for example, a Foundation grant paid for the development of a mu-
municipal balance sheet as a preliminary step in upgrading the city's accounting system so that the books could be subjected to a full audit by an independent certified public accountant. Completed by the Cleveland accounting firm of Ernst and Whinney in October 1978, on the eve of default, the balance sheet uncovered the fact that the city's single-entry cash accounting system hid interfund transfers and total accumulated debt, thereby issuing a warning that millions upon millions of dollars borrowed from various departments, special accounts and even bond funds to pay operating expenses would eventually have to be restored. Mayor Kucinich had cooperated with the effort because the city stood to lose federal revenue-sharing monies should it be unable to meet new federal audit requirements by 1980.

Indeed, a national study by the Brookings Institution of the "Impact of Federal Grants on Large Cities 1977-78"—which included Cleveland, thanks to the Foundation's good offices—concluded that without federal revenue sharing the city's financial house of cards would have collapsed long before. By agreeing to free Rich Tompkins from most of his grantmaking responsibilities for six months so that he could supervise the study in Cleveland and contributing nearly $80,000 in underwriting, the Distribution Committee had ensured the city's inclusion among the municipalities that were examined.

Tompkins and his team of six researchers examined the budgets and financial statements not only of the city, but also of the public school system and 17 major governmental agencies. They discovered that the city of Cleveland was virtually a ward of the federal government because of a $100 million annual federal subsidy of basic city services—an amount almost equal to that provided by local income and property taxes and by the state. Yet the city often ignored federal objectives, the study found. For example, the city used CETA (Comprehensive Employment Training Act) funds designed to hire the unemployed to retain city workers who otherwise would have had to be laid off. "LEAA [Law Enforcement Administration Act] money slated for new initiatives to make inner-city neighborhoods a safer place to live paid for the salaries of patrolmen already on the beat and even, somewhat imaginatively, purchased electricity for street lighting from the city-owned Municipal Light Plant," the Foundation's 1978 annual report noted.

"The point was the city wasn't able to stay afloat on its own," Tompkins explained. "The city was using federal money as a gimmick to avoid solving its fiscal problems."
As another cost-cutting measure, city administrations for years had deferred routine maintenance of Cleveland's capital stock. Recognizing the disastrous implications for the future economic health of the city if its physical underpinnings were allowed to crumble, the Foundation persuaded Dr. George E. Peterson of Washington's Urban Institute to include Cleveland in an assessment of the country's infrastructure, after Tompkins became aware that the U.S. Department of Housing and Urban Development had commissioned the analysis in 1978. Comparative case studies focusing on streets, bridges and water, sewage and transit systems were ultimately performed in five cities.

After three years of investigation, "The Future of Cleveland's Capital Plant" (a study to which the Foundation had contributed $5,000) concluded that the city faced a staggering backlog of needed physical improvements. "The city-owned water system . . . needs $250 to $500 million in replacements and renovations . . . ," Peterson reported. "The condition of 30 percent of the city-owned bridges has been rated as unsatisfactory or intolerable, and in need of more than $150 million in major repairs. The city's sewer collection system is plagued with frequent overflows and basement flooding; an estimated $340 million would be needed to alleviate flooding alone. . . . About 30 percent of the street system needs to be resurfaced or repaired. . . . " The total estimated price tag to bring Cleveland's physical plant up to snuff: $2 billion.

After former county auditor George Voinovich unseated Dennis Kucinich in November 1979, civic leaders began to mobilize for action. The following September, The Cleveland Foundation awarded the Greater Cleveland Growth Association $5,000 to commission George Peterson to work with local government to develop a master capital improvement and financing plan for Cleveland, with the implication that the Growth Association would then take responsibility for overseeing its implementation. "After default, heads came out of the sand," Tompkins said of the new spirit of cooperation. "The business community realized there were tough, accumulated problems, but they were solvable because we now had them clearly defined. By letting them see where their interest was in terms of economic redevelopment, we were able to take the infrastructure study and transfer it on to their action agenda."

Although it was never to meet its goal of financing $1.3 billion in physical improvements, the Growth Association's Community Capital Investment Strategy (CCIS) proved the efficacy of research-action plan-
ning. With relatively modest operating support from local government and the Cleveland and George Gund foundations, the project leveraged $107 million in non-budgeted governmental allocations for sewage, road and bridge work, including $34 million in federal discretionary funding to complete Interstate 480, which linked the East and West Sides of Cleveland. In addition, its leaders believed that CCIS influenced the sale of bonds or the return of federal dollars to the city for capital improvements totaling $240 million. Perhaps the most important of these improvements was the rebuilding of bridges carrying traffic around the Terminal Tower (financed with the help of a $2.35 million Urban Development Action Grant). Without this improvement, the Tower's new owners would have been unable to proceed with their plans to build a new shopping mall, two office buildings, a hotel and housing on the site—an unthinkable prospect since Tower City and Playhouse Square constituted the only hopes for downtown redevelopment at the time.

With Kucinich out of the picture, the business and political establishment also moved decisively to end default. The day after his election as mayor, Voinovich approached Homer Wadsworth with a proposal. In exchange for his agreement to run for mayor, Voinovich had extracted a promise from a small group of corporate leaders that they would provide him with volunteer experts from business and industry to conduct a massive city management assessment once he took office. Now he needed funding for what he was calling the Operations Improvement Task Force.

In less than a month the Foundation decided to go ahead with a grant of $150,000 to help create the Operations Improvement Task Force, provided that half of its money be set aside for implementation of task force recommendations and that its entire contribution be matched ($800,000 was ultimately raised). In early January some 90 loaned executives began fanning out in teams to every city department, observing procedures, asking questions, reading documents. By the spring of 1980 the Operations Improvement Task Force (headed by Eaton Corporation chair and chief executive officer E. Mandell de Windt, who had recruited Voinovich to run) had produced more than 800 recommendations, ranging from computerizing the city's record-keeping to amending the city charter to provide a four-year term for the mayor. The Voinovich administration implemented some 75 percent of the suggested cost-cutting and efficiency measures; and indeed, with additional guidance from the state-imposed Financial Planning and Review Commission, the city was
able to balance its budget and refinance its defaulted notes during Voinovich's first year in office.

Another critical turning point in Cleveland's financial recovery came when voters approved a .5 percent increase in the city income tax the following February. A Foundation-underwritten study of urban taxation showing that Cleveland's taxes were disproportionately lower than those of other cities figured prominently in the success of the campaign, as did the mayor's guarantee that half of the anticipated $35 million in annual proceeds would be reserved for capital improvements.

"Many projects of merit and substance are beginning to make a difference," a Foundation occasional paper subtitled "Helping the City Do Its Work" noted in 1982. It continued:

Cleveland did, after all, win this year's All-America City Award from the National Municipal League—an award not given lightly, nor granted for the creation of earthly paradises, but for "citizen action, effective organization and community improvement." What the award means—and what Cleveland is currently demonstrating, as Neal R. Peirce wrote in his recent column on Cleveland—is that "this country, at its grass roots, can still work magnificently well."
IN addition to recognizing the "transformation from financial default and chaos in municipal government" that had taken place in Cleveland, the National Municipal League singled out for praise efforts to rebuild Cleveland's housing stock and renovate the Playhouse Square theaters. Under Wadsworth's direction, The Cleveland Foundation had played catalytic roles in both endeavors, further enhancing its stature as a civic leader and problem solver.

While the Playhouse Square project was already under way when Wadsworth arrived in Cleveland, the Foundation's neighborhood redevelopment program had fallen into disarray. With the collapse of PACE and the Cleveland Housing Corporation, the Foundation's initiatives in the neighborhoods consisted largely of "talk," as Wadsworth remembered it. As always, when attempting to come to grips with any given program area, Wadsworth decided to find for the Foundation an expert in the field—a precaution that became, for him, a matter of self-defense in the case of neighborhood affairs. "Those neighborhood things can be fly-by-night operations," Wadsworth believed. "You are asking people to undertake responsibilities in areas in which they have no prior experience. One has to be cautious."

When Patrick J. Henry, then director of the community development department of the city of Cleveland, was appointed civic affairs program officer in 1976, Wadsworth believed he had found someone who could show the Foundation the ropes. Having set up the city's end of the new federal community block grant program, which provided technical assistance and project monies to local merchant groups who had banded
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into not-for-profit corporations to plan retail site improvements, "Henry was well wired in and knew the people in the neighborhoods who were doing some things," according to colleague Steve Minter. Not surprisingly, Henry encouraged the Foundation to provide operating support to the half-dozen or so community development corporations that the block grant program had spawned—a tidy stratagem given the fact that in order to receive federal technical-assistance funds to hire a full-time director, groups were required to raise a dollar-for-dollar match.

In funding community development corporations (CDCs) the Foundation reforged a precious link with the city's community development department. But the narrow gauge of the Foundation's interests exposed it to criticism behind certain doors. Because the CDCs concentrated primarily on rehabilitating commercial strips with new benches, street lighting, plantings and the like, the Foundation's neighborhood program took on a decided bricks-and-mortar cast—much to the dismay of Harry A. Fagan, the architect of a burgeoning if loose confederation of neighborhood advocacy groups, whose activities The Cleveland Foundation seldom funded.

Executive director of the Commission on Catholic Community Action, the social-action arm of the Cleveland diocese, Fagan found the Foundation's neighborhood program shortsighted and incomplete. "Any strategy that develops physical structures without developing people will fail," he believed. "The Foundation never understood that you've got to help moms and dads take responsibility for their neighborhood."

Formed in 1969 to seek creative responses to the problems of racism, discrimination and poverty, the commission had itself "backed into" grass-roots organizing, Fagan admitted, when a woman from Cleveland's Hungarian enclave on Buckeye Road came to him in the early seventies with a neighborhood problem.

As Fagan saw it: "In the old neighborhoods, parishes and neighborhoods are damn near the same thing. As the neighborhood goes, so goes the parish. At the end of the Mass the priest says: 'Go in peace.' But people can't go in peace if there's no water pressure for the fire hydrants, if the stray dogs are so bad their kids can't go to school, if they're afraid the abandoned house next door is going to catch fire."

When the woman, who had heard Fagan give a speech about applying the principles of the Gospel to the solution of social problems, demanded to know what Fagan was going to do about her needs, he responded passionately: "We don't do things for people, but with them."
Not knowing exactly how next to proceed, Fagan decided “we’d start a committee. We’d help 8 or 10 women get something done, like getting city hall to tow a junked car. Then once they got that accomplished, we’d move on to something else. This is how the Buckeye group got going; and then the Slovenians figured, if the Hungarians could find a way to deal with the lack of city services in their neighborhood, they ought to be able to, too.” By the end of the decade the Commission on Catholic Community Action had helped to launch 14 neighborhood or special-interest advocacy groups, employing 55 full-time organizers supported by more than $1 million a year in grants from the diocese, the LEAA and the George Gund Foundation. Without actually intending to, the commission had built a network in the neighborhoods that the diocese would employ “to keep the lid from blowing on desegregation. Because of our organizing efforts,” Fagan recalled, “people weren’t as panicked about the future of their neighborhoods, so they could discuss desegregation reasonably. Because they knew how to problem-solve, they didn’t have the feeling of helplessness that caused the rocks to fly in Boston.”

If advocacy groups in the city’s ethnic neighborhoods assisted the diocese in spreading the word to keep peace in the schools, it was not because they were unfamiliar with confrontation tactics. Indeed, many Cleveland residents had come to believe protest to be their most effective problem-solving tool. The mayoral administration of self-described urban populist Dennis Kucinich had especially drawn public ire because he made a lot of campaign promises that proved impossible to keep, according to Fagan. The first signs of the ethnic residents’ dissatisfaction with their champion came in October 1978, when the Citizens to Bring Broadway Back assembled outside the apartment of Kucinich’s community development director to demand that she discuss the construction of a new fire station in their neighborhood. She called the police instead. The following May the St. Clair-Superior Coalition demonstrated its unhappiness with refuse collection in its neighborhood by leaving bags of garbage in the office of Kucinich’s service director. The same month 500 members of the Senior Citizens’ Coalition marched on city hall, demanding that the mayor form a police unit to fight crimes against the elderly. Kucinich escaped through a back door, but a few days later he complied with the senior citizens’ demands.

Cleveland’s banks also came under attack from the neighborhood
groups for alleged redlining (the practice of automatically turning down loan requests that originated in declining areas of the city). "That was the issue that really radicalized the neighborhood movement," Fagan explained. As the city's largest bank, Cleveland Trust became an obvious target. "We did a lot of demonstrating at Cleveland Trust, singing, praying, depositing thousands of pennies at a single time," Fagan said. While Fagan appreciated that supporting such activities was obviously "risky," The Cleveland Foundation's lack of interest in funding neighborhood advocacy nonetheless disappointed him: "They didn't get into it very fully because they had a different agenda and they were chicken."

Steve Minter, who took over as civic affairs program officer after Pat Henry resigned in late 1978, would describe the Foundation's perspective somewhat differently. "I think there is no question that we leaned more toward what I guess would be physical renewal type of organizations," he explained, adding,

It had been pretty difficult to measure progress in supporting basic community organizing. I think that the Gund Foundation was able to fund more community organizing because that is something conceptually that their trustees were able to feel okay in doing. In point of fact there were only one or two Gund trustees who lived in the Cleveland area. There was some distance from some of the things that went on.

In hindsight, the divergent interests of the Cleveland and Gund foundations may have worked to the advantage of the neighborhoods, whose varying degrees of decline called for homegrown strategies rather than cookie-cutter remedies. No matter what its tactics, a group that boasted committed leadership, a strong understanding of the particular needs of its district and the backing of area residents was likely to win financial support from one foundation or the other. Consequently, a mix of activities bubbled in the neighborhoods from which formulas for further experimentation could and would later be brewed. Harry Fagan would acknowledge that "Cleveland's neighborhood movement in the seventies was incredibly sophisticated and large compared to most other cities. The Cleveland Foundation was a tough organization to deal with, but we wouldn't have had this scale of activity and creativity without them."

But others, such as Cleveland's gadfly journalist Roldo Bartimole, ascribed darker motivations to the two foundations' encouragement of the growth of the neighborhood movement. In the June 23, 1979, edition
of his *Point of View* newsletter, Bartimole observed that the record of philanthropic efforts to help improve conditions in the inner city has been a dismal one, pockmarked by self-interest, response to crisis and short-lived commitment.

In many ways foundations—led by the big Cleveland and Gund Foundations—are the firefighters of the Establishment, funding programs when a certain segment of the community becomes restless or a certain issue becomes too hot to ignore.

Kucinich now represents, in the eyes of the Establishment, an equal threat. . . . The only answer is to get rid of him.

. . . Politically, the foundations will attempt to draw the neighborhood groups close to them and their point of view and away from Kucinich in hopes that they can influence the upcoming election. . . .

Foundations have another strong purpose in moving to become the allies of neighborhood groups. They are closely allied with Cleveland banks, which certainly will be under more and more pressure to finance city housing.

If the Distribution Committee had such an agenda for the Foundation’s neighborhood program, Steve Minter did not discern it. Rather, he expected that someday committee members would begin questioning exactly what the Foundation *was* trying to accomplish by supporting so many different neighborhood groups. These were the kinds of questions he anticipated would be raised: “How many of these projects are we going to fund? Is there some kind of strategy that we are trying to pursue?” When, as he had expected, the committee requested a mid-course evaluation of the Foundation’s neighborhood work in 1979, Minter seized the occasion as an opportunity to broaden the organization’s program and perspective.

In partnership with consultant Susan Lajoie, a Ph.D. from Harvard’s Kennedy School of Government, whom Wadsworth would shortly thereafter hire as a full-time program analyst, Minter conducted assessments of eight community development corporations the Foundation had funded over the years, as well as a half-dozen other organizations that had recently submitted neighborhood development proposals. "The environment in which these groups operate changes . . . rapidly and unpredictably," Minter and Lajoie concluded. "This necessitates . . . making . . . ad hoc changes in program emphases. There are no 'tried and true' formulas at this point, and no two neighborhood groups are identical. In short, the name of the game is entrepreneurship. . . ."
Arguing that the Foundation should be similarly flexible, Minter and Lajoie recommended several broad guidelines for evaluating future proposals, the most important of which were new concepts that funding should not be limited to one particular type of neighborhood organization nor restricted to one year in duration.

Subtle though they may have seemed, these changes in neighborhood policy gradually redirected the Foundation’s resources and energies away from a single focus and toward a comprehensive program of enhancing the technical expertise and financial resources of promising neighborhood groups of all kinds.

At the same time, the George Gund Foundation began to expand its neighborhood interests to include physical redevelopment. In the early eighties Gund program officer Henry C. (Hank) Doll convened an informal group of neighborhood funders and activists to kick around ideas about how to increase the number of older houses being rehabilitated for occupancy by low-income families each year, which then hovered around the 30-unit mark citywide. Minter would trace the philosophical lineage of such watershed projects as Lexington Village and such important capacity-building tools as the Cleveland Neighborhood Partnership Program to these brainstorming sessions, in which he had been a participant. “This is the first time that we looked at the scope of what needed to be done,” he said. “This began to plant the seeds of the idea that we really needed to do something on a much larger scale if we were going to make a dent.”

Specifically, the discussion group kept returning to the question, “How do we manage to establish some links between groups?” Out of these conversations emerged the idea for the Cleveland Housing Network (CHN), a cooperative begun in 1981 under the auspices of the Famicos Foundation to train other groups to replicate its housing rehabilitation program and at the same time lower their costs and increase their productivity by pooling technical expertise and financial resources. “The affiliation which became the Cleveland Housing Network was really the first big step in terms of connection between neighborhood groups and funders,” Minter said. “As some of these groups got started doing low-income housing, they needed a place to turn for help. [Famicos’ director] Bob Wolf was a part of the discussion group, and this is where the Housing Network was put together.”

The Cleveland Foundation alone poured nearly $500,000 into the cooperative’s start-up, and by 1986 CHN had established ties with nine
neighborhood groups and rehabilitated more than 220 units of housing.
Perhaps more important, working with the cooperative had served to
spur the interest of the Standard Oil Company (now BP America) in
neighborhood affairs.

Today one of Cleveland's philanthropic "Big Three" in the fields of
housing and neighborhood development, Standard Oil had entered the
picture as a relative latecomer in 1981 when its top executives, flush
with earnings from the recent opening of a trans-Alaskan pipeline, de­
cided to expand the parameters of the corporation's then fairly traditional
charitable contributions program. As the inaugural project in its newly
established program area of urban development, Standard Oil cospon­
sored, along with the Cleveland and Gund foundations and others, a
$2.25 million energy conservation campaign, one component of which
(a program to weatherize older homes) CHN helped to implement. "The
energy conservation program was our learning curve about working in
the neighborhoods," recalled Lance Buhl, who had been brought in to
oversee the corporation's philanthropic activities in this program area.
"I thought the whole thing would be blown apart in the spring of '82
when Gale Cincotta [president of National Peoples Action, a coalition of
neighborhood activists in 100 cities] got a group together here [to pro­
test the high cost of energy, especially relative to the incomes of the
elderly and poor]. They disrupted our annual shareholders meeting,
picketed the home of the president and then disrupted the chairman's
Saturday lunch at the Hunt Club."

Although the incidents permanently put an end, Buhl believed, to
local philanthropic funding of neighborhood advocacy, they did not ex­
tinguish Standard Oil's newfound commitment to supporting neigh­
borhood redevelopment. When Bob Wolf approached Standard Oil some
months thereafter with information about an Indiana insurance company
that was writing off the losses from a wholly owned subsidiary devoted
to rehabilitating housing, Buhl asked the corporation's law department
to figure out if and how the program could be adapted to Cleveland
Housing Network's use. His colleagues' research of federal tax laws re­
sulted in the creation in 1984 of a prototype real estate syndication uti­
lizing an allowed five-year write-off of rehabilitation expenses.

Two years later President Reagan's Tax Reform Act made possible the
expansion of the prototype program into a multimillion-dollar equity
fund called the Cleveland Housing Partnership (CHP). Administered
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by the local office of the Enterprise Foundation, CHP allowed limited-partner corporate investors in low-income housing projects to take advantage of newly created tax credits. In addition to handling the legal work, Standard Oil helped in "pushing" the Cleveland Tomorrow association to encourage its CEO members to participate in both the syndication and the equity fund, according to Buhl. Finding the appeal to their profit-mindedness both innovative and persuasive, local corporations would invest nearly $4 million by 1989, making possible the rehabilitation of more than 400 units of low-income housing in three years, which was better than double the annual production rate of the formerly equity-strapped Cleveland Housing Network, the primary beneficiary of the fund.

Despite signs of an increasing commitment to the neighborhoods on the part of Cleveland's corporate and philanthropic communities (which would ultimately lead to the creation of the super-support agency Neighborhood Progress, Incorporated), certain grass-roots leaders remained envious of the energy and resources also being devoted to what they saw as an elitist campaign to restore three old theaters downtown. Harry Fagan, for one, interpreted The Cleveland Foundation's decision to become a major supporter of Playhouse Square Center and its performing arts occupants as placing downtown interests ahead of those of the neighborhoods. "I just about died when Homer went into Playhouse Square," Fagan said. "But his agenda and mine were different. Homer was going to rebuild this town, goddammit! You just felt it!"

The Cleveland Foundation had indeed recognized that the Playhouse Square project had the potential to spur downtown revitalization long before most Clevelanders appreciated that fact. Distribution Committee member Gwill York and interim director Barbara Rawson were among the earliest supporters of the efforts of Ray Shepardson, a young assistant to the superintendent of Cleveland public schools who launched a grass-roots campaign to save the theaters after he had "discovered" them while looking for a downtown space in which to hold a teachers' meeting. The Foundation had played no direct role in preventing the theaters from being torn down to make way for a parking lot in 1972—a rescue mission abetted by a $25,000 grant from the Junior League of Cleveland (of which York was immediate past president) that allowed Shepardson's followers to lease the Loew's Building housing the State and Ohio
Theatres only days before a permit was to be issued to demolish it. But
the Distribution Committee had, under Rawson's guidance, provided
the monies (from the Hanna Community Development Fund) to pay for
a master redevelopment plan of the "superblock" on which the theaters
were located. "Barbara's initial questions represented the attitude of the
business community in general: The hard-headed realists in town
thought the theaters had no utility," explained Oliver C. (Pudge) Hen­
kel, Jr., the founding president of Playhouse Square Foundation, the
theaters' not-for-profit management arm. "But Barbara is zealous in her
pursuit of things to benefit the community. She hung in there and per­sued the Distribution Committee."

The request for funding for the master plan had originated with Play­
house Square Associates, a limited partnership of a small band of civic-
minded visionaries (including York) seeking to buy and redevelop key
real estate in the area in order to produce profits that would subsidize
the operation of the theaters; but the Foundation staff's argument for
taking the extraordinary step of supporting a for-profit venture was
shrewdly couched in broader economic terms:

Playhouse Square is an "anchor" at the east end of Euclid Avenue. The redev­
elopment of the area, it is theorized, will benefit the entire end of Euclid, east
of East 9th Street.

It would be an activity area that would boost the "gateway to Cleveland
State University" idea.

It has more immediacy than any of the other two major downtown redev­
elopment packages (Tower City and the Higbee Company's Flats project).

Lastly . . . there is the notion of preserving these old historic buildings.
That idea by itself is not worth the investment; but only in combination with
the above factors is it important. . . .

The Foundation's foresight became clearer when contrasted with the
chorus of ho hums that greeted the unveiling of Cleveland architect Peter
van Dijk's master plan in 1974. Having worked on the design of the
Vivian Beaumont theater for Eero Saarinen, van Dijk had witnessed first­
hand how Lincoln Center helped to stimulate the redevelopment of New
York City's West Side, and he believed a similar revival could take place
on Playhouse Square. His plan envisioned a tree-lined shopping arcade
running the length of Dodge Court, a cobblestone alley behind the the­
aters, with the streets in front closed off to traffic to create a pedestrian
mall around which would be grouped a new hotel, office building and
a museum of light (commemorating Clevelander Charles Brush's invention of the arc light), whose dazzling neon displays would transform the entire district into a wonderland at night. For a year or so following its completion van Dijk explained his scale model and presented his concepts to a "parade" of Cleveland bankers and corporate leaders. "I felt like a fool," he recalled. "I would stand up and give my spiel and the reaction was a lot of blank faces."

In the audience at one of the presentations was Homer Wadsworth, though van Dijk was not aware of the presence of the new director of The Cleveland Foundation "because he was so quiet." Wadsworth had already formed a mixed impression of the theater restoration project. "About the time I came here they were struggling in a variety of ways to raise enough money to restore the buildings and to operate them," he said. "It was a highly worthy effort, although it had all the earmarks of what might be thought of as cocktail-party planning. That's where you talk about large ideas but the practical matter of putting it together wasn't exactly in place." But van Dijk's imaginative model touched a responsive chord in the former city planner, who was concerned about the fact that downtown Cleveland died after dark. "When I first caught sight of what Peter saw as possibilities," Wadsworth said, "I was instantly caught up with the fact that if you were to do something important here, this was the way to go about doing it. Otherwise if you're not very careful and don't do something about it, you can close the town down at six P.M. daily." When the cultural affairs program officer, Pat Doyle, joined the staff in January 1975, the Foundation found itself in a better position to appraise the project's possibilities.

On the surface it seemed that Shepardson's Playhouse Square Foundation (PSF) was nursing the theaters back to life. Volunteers armed with paintbrushes worked during the day repainting their cavernous auditoriums, while at night their marble lobbies rang with the sounds of popular entertainment. The organization's first production, Jacques Brel Is Alive and Well and Living in Paris, ran for more than two years; its second offering, a musical revue called Alice at the Palace! that was based on the story Alice in Wonderland, was attended by 6,000 persons for free—thanks to underwriting from The Cleveland Foundation. While PSF's stratagem of offering low-cost or free popular entertainment proved that Clevelanders could indeed be lured downtown after dark, the operating losses each succeeding production incurred slowly mounted to a $1 mil-
lion deficit. And, according to Pat Doyle, the rush of enthusiasm for the theaters disguised PSF's lack of a compelling plan for their restoration and use.

"They were not seeing the theaters necessarily as theaters," she recalled. "They were going to draw up a 10-year lease to rent the State Theatre to a Spaghetti Factory [restaurant]. They drew up plans for the Ohio Theatre—which had been somewhat damaged by fire—to cut it up into shops and restaurants. The leadership wasn't considering the use of these theaters for the arts."

When Playhouse Square Foundation approached The Cleveland Foundation in January 1976 with a request for $189,000 in operating support, the Distribution Committee deferred action on the proposal and instead decided to obtain an outside evaluation of the organization. In September, James Costin, the head of the performing arts center at the University of Missouri in Kansas City and an acquaintance of both Wadsworth and Doyle, spent three days in Cleveland before issuing what proved to be a pivotal report in terms of shaping the theaters' destiny. "A decision must be made," Costin insisted. "Are the theaters to be used as rentable spaces for any enterprise that will not destroy their restored interiors, or, are they to be used as performance spaces? . . . If space is to be committed to performance . . . one obvious approach would be to examine the possibilities of establishing a multi-theater performing arts center."

Costin's report may have served to confirm a concept for the theaters' reuse that the Foundation staff had already begun to formulate. Yet, even though Wadsworth and Doyle may have realized that (in Wadsworth's words) "if you wanted to preserve these theaters, you had to integrate them into the life of this community," the means for doing so was not yet clear. As a first step, the Foundation awarded PSF in December 1976 a $20,000 grant that enabled the organization to hire its first full-time executive director, Gordon E. Bell.

A friend of Shepardson's from the time they both lived in Seattle, Bell had a background in school administration and urban planning. He "understood how to deal with politicians," said Doyle. This skill would soon prove invaluable. While Shepardson continued to focus on programming (of the 13 commercial theater productions he mounted by the end of 1976, only Brel turned a profit), Bell turned his attention to surmounting a major obstacle to the theaters' successful reuse: PSF's
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tenuous control of the properties—a problem that Costin had been among the first to point out. When it became clear that the organization would not be able to raise the $475,000 needed to exercise its option to purchase the Loew's Building housing the Ohio and State when it expired on December 31, 1977, Bell persuaded the Cuyahoga County commissioners to acquire the property, renovate its 30,000 square feet of office space for government use and lease the theaters back to Playhouse Square Foundation at no initial charge. The following year PSF secured a long-term lease on the Palace Theatre, which Shepardson had been using as venue for big-name entertainment, thereby bringing the management of all three theaters under its auspices.

As Gordon Bell scrambled to put together the eleventh-hour deal with the county, The Cleveland Foundation embarked on a related effort to secure the financial futures and continued artistic development of Cleveland's major performing arts organizations that would contribute to the making of Playhouse Square Center as well. Concerned that the proposals the Foundation was receiving from the city's new ballet and opera companies and its more established theater groups were all built on the assumption of ever-increasing governmental funding at a time when the Foundation's research for the Brookings Institute predicted a leveling off of federal support in general, the Distribution Committee decided in June 1977 to allocate funds for six local performing arts companies and the Playhouse Square Foundation to conduct long-range planning.2 "Recognizing that their constant reliance on government money was going to be a wrong strategy and that they had no corporate support at all and they were just beginning to get private foundation support, we said in the letter of invitation to participate that if the long-range plans are good, it should help them find more support," Doyle said in explaining the Foundation's original objectives.

That November, when the Foundation convened a meeting of selected staff and trustees of the participating arts organizations to meet consultant Lawrence Reger, a former director of planning and development for the National Endowment for the Arts (NEA), whom the Foundation had hired to coordinate the project, these objectives expanded, serendipitously. "We asked each person what they were most concerned about personally," Doyle said. "As they went around the room, they all mentioned a facilities need. Even the orchestra [enthroned in University Circle's magnificent Severance Hall] said that they wanted other places to
perform. After the meeting was over, Larry [Reger] made the comment that we have six organizations looking for performance space and one organization with a surplus of performance space." The leap from Reger's cogent observation to the previously advanced concept of housing the city's performing arts companies under one roof at Playhouse Square was made in short order.

With a technical assistance grant from the NEA, The Cleveland Foundation hired architect van Dijk and two nationally known consultants, an acoustician and a theater/lighting designer, to work with the groups to determine what would be needed to transform the existing Playhouse Square facilities into suitable homes for theater, opera and ballet. At the same time Doyle encouraged the groups to continue working on individual five-year plans, for the Foundation staff had already conceived the idea of inviting six of the participants to form a consortium to pursue a joint $2 million challenge grant from the National Endowment. (Since the Cleveland Orchestra had recently been a beneficiary of an NEA challenge grant, it was not asked to participate.) Doyle also began assembling a committee of business leaders to review and critique the groups' plans, with an eye toward nurturing the interest of local corporations in supporting the arts.

Chaired by Jones, Day's managing partner, Allen C. Holmes, the committee "came in being very negative about Playhouse Square Foundation," according to Doyle. To counter the CEOs' skepticism about the stability of an organization key to the Foundation's hopes of transforming Cleveland into a national center of the arts, Doyle kept them informed of the progress of an economic feasibility study of van Dijk's master plan that the Foundation had commissioned in 1976. Conducted by American City Corporation, a research subsidiary of the Rouse Company, the developer who had revived Boston's Faneuil Hall and built Baltimore's Inner Harbor, the study when completed in April 1979 validated van Dijk's vision. Although the desired involvement of the Rouse Company in the redevelopment of the superblock did not occur, the developer's vote of confidence that the project was feasible proved helpful in persuading the 11-member Holmes committee of Playhouse Square's importance to downtown Cleveland's revitalization. By the time a Foundation contingent hand-delivered the challenge grant application in late 1978, Holmes felt so committed to the arts consortium's plans that he informed NEA officials that the $6 million the groups needed to raise
to meet the NEA's required three-to-one match was not "very much money."

In October 1979 the National Endowment awarded the Cleveland Consortium of the Performing Arts a $1.75 million grant. That spring the Holmes committee sent a letter to 180 corporate executives, urging that "special consideration" be given to the requests now flooding into their offices from the city's cultural organizations. "The challenge offers an extraordinary opportunity to maintain and enhance this civic asset," the letter argued. Cleveland corporations eventually donated in excess of $2.5 million, funds which constituted 33 percent of the organizations' contributed income during the three-year challenge period, as compared to only 9 percent raised from corporations during the year preceding the challenge. The participating art organizations raised nearly $13 million, all told, in new and increased donations from corporations and individuals, with each dramatically enlarging its base of support, making it possible for all to expand their artistic horizons.

The Cleveland Foundation's behind-the-scenes leadership of the city's cultural affairs also benefitted Playhouse Square Foundation. PSF's share of the challenge grant was $500,000, some of which it used to eliminate part of its deficit. More important to the organization's future, the long-range planning process prompted PSF's first serious capital campaign and provided the leadership to manage it. Because of his positive experiences with the Holmes committee, Joseph H. Keller, the chief operating officer of Ernst and Whinney accountants, agreed to lead a drive to raise $18 million. The monies would be committed to restoring the Palace Theatre for use by touring productions and constructing a new state-of-the-art stagehouse for the State Theatre so that it could become the permanent home of the Cleveland Opera and the Cleveland Ballet. The Cleveland Foundation provided a leadership grant of $710,000—at the time the largest single grant from unrestricted funds in its history—to help launch the capital campaign in 1980. In 1983, it awarded $500,000 to help kick off the campaign's second phase, for in the meantime costs had escalated to an estimated $27 million, in part due to the Ohio Theatre's rehabilitation—a fortuitous change in plans that the Foundation had also helped to set in motion.

Restoration of the Ohio had originally been put on hold because PSF had no foreseeable occupant. The situation changed when the board of trustees of the Great Lakes Shakespeare Festival (GLSF) decided not to
proceed with plans to build a new lakefront facility in Edgewater Park. A concept that had originated with GLSF managing director Mary Bill, who fondly remembered attending Cleveland Orchestra concerts in Edgewater Park as a child, the theater had been formally proposed as part of the Ohio Department of Natural Resources’ master plan for the lakefront parks. (Department director Robert W. Teater had been much impressed by a similar facility he saw in Helsinki on a Cleveland Foundation sponsored tour of Northern European urban parks.) In spite of the fact that the state had already allocated some $10 million to build the facility, Bill later explained, GLSF’s trustees eventually concluded that they would have a difficult time mounting a successful capital campaign for a new theater, given the community’s growing determination to restore those already in existence on Playhouse Square.

Learning of the board’s decision, Pat Doyle inquired of GLSF president Natalie Epstein the next time she chanced to encounter her whether Great Lakes had ever considered the Ohio as a possible home. “Natalie fell in love with the place as soon as she saw it and ran with the ball,” Doyle recalled. With a long-term lease of the Ohio in the offing, Playhouse Square Foundation rethought its construction plans; and in July 1982, the 1,000-seat Ohio reopened as the magnificently restored home of the Great Lakes Shakespeare Festival. Its eight-hour production of Nicholas Nickleby, made possible in part by a $125,000 Foundation grant, attracted national attention that summer.

The month the Ohio reopened, the strength of the Foundation’s commitment to the concept of a Playhouse Square performing arts center became evident even to those outside the tight-knit Cleveland cultural world. Days before PSF’s option to purchase the nearby Bulkley and Selzer Buildings expired, the Distribution Committee approved the Foundation’s acquisition of the option and purchase of the complex for $3.8 million as a program-related investment. In the opinion of the Foundation’s counsel, Mal Bank, who had negotiated the purchase, the Foundation’s first-ever PRI was made solely to acquire two small pieces of land needed to construct the State stagehouse. Without a new stagehouse, the State would not be suitable for professional ballet and opera productions, but the complex’s owners had steadfastly refused to sell the parcels, which they also owned, as a separate transaction.

“The purchase of the Bulkley was a necessary evil in order to do the stagehouse,” Bank explained. “That’s the basis on which it was sold to
the Distribution Committee. There was no chance the Foundation would have ever bought the Bulkley if the land could have been eminent domain—no chance it would have ever been bought except out of absolute necessity.” Yet, after reselling the land to the county, which leased it back to PSF, The Cleveland Foundation found itself in the unusual role of owner and developer of real estate that everyone believed to be the key to the redevelopment of the Playhouse Square superblock.

The purchase of the Bulkley Building complex on Playhouse Square had been financed primarily by means of a principal distribution—a precedent that would be cited by the staff in 1988 in arguing the case for so funding the Foundation’s Special Initiatives in Education and Housing and Neighborhood Development. But the decision to invest assets for what would be only the third time in the Foundation’s history had not been reached with ease in 1982. “We didn’t know if we had the philosophical authority to purchase the Bulkley with our assets,” said Stanley Pace, the president and chief executive officer of TRW Incorporated, who was chairperson of the Distribution Committee at the time. “There was a certain amount of discomfort, but we so needed to start a positive momentum downtown.” The way Steve Minter had observed it from the sidelines, “there were a couple of people who had felt strongly about it and carried the ball—Pace, Pogue, Homer and Mal Bank.” Because the varying understandings of the parties to the transaction, which arose from the haste of its completion, would later hinder the Foundation’s ability to redevelop the complex—a turn of events that came as a personal disappointment to Wadsworth and Doyle, whose private dreams were to see the van Dijk master plan realized—it is helpful to reconstruct the steps leading to the purchase.

Negotiated five years earlier, Playhouse Square Foundation’s option to acquire the complex was due to expire on July 11, 1982. By early summer it had become clear that a syndicate of PSF supporters would not be able to raise the purchase price. Not only did PSF stand to forfeit $100,000 in option monies that had been donated by the Cleveland and George Gund foundations, but, worse still, it would also lose the $7 million it had raised to construct the State stagehouse. The funds, which consisted of a $3.5 million federal grant from the Economic Development Administration that the Cuyahoga County commissioners had agreed to match, were tied to the acquisition of the land beneath the
stagehouse, and, as mentioned before, only through the purchase of the Bulkley Building could those parcels be acquired. Time was also running out on plans for the stagehouse's construction; winter 1983 was the latest that work could begin if PSF was to honor its commitment to the Cleveland Ballet and the Cleveland Opera to open the State Theatre in the fall of 1984. Moreover, the leaders of both The Cleveland Foundation and Playhouse Square Foundation feared that if the Bulkley fell into the wrong hands, the new owners might not be sympathetic to their dreams of seeing the entire district redeveloped.

More than a year before the option was to expire, the PSF syndicate had approached The Cleveland Foundation with a request for a loan to assist in its purchase of the complex, which, in addition to the eight-and-a-half-story Bulkley office building and shopping arcade, consisted of the Selzer office building; the Bulkley garage and garage annex facing Chester Avenue behind the theaters; the two small parcels of land; and an unused fourth auditorium, the historic Allen movie theater. The request was denied because Foundation policy prohibits making loans to individuals. PSF's uncertain financial resources also affected the decision, according to cultural affairs program officer Pat Doyle, in whose bailiwick the proposal fell. "It wasn't just the matter of having the money to buy the Bulkley," she said, "but money would have to be constantly put into it, and that took people with deep pockets, and they didn't have those."

As the clock ticked closer to July 11, according to Doyle, Distribution Committee member Brock Weir had a brainstorm. Weir suggested that perhaps Ameritrust could purchase the complex as part of the Foundation's portfolio—an idea that never came to fruition because the head of the bank's trust department desired more documentation of the soundness of the investment than time permitted. To avoid the trust department's worries about violating its fiduciary responsibilities, the Foundation then considered financing the purchase on its own by means of a principal distribution.

Initially opposed to the idea, Ameritrust was persuaded to approve the distribution in principle when Dick Pogue set up a meeting with Brock Weir, National City Bank chair Julien C. McCall and representatives of the Foundation. Distribution Committee chairperson Stan Pace presided. A successful outcome was assured when McCall announced that National City, the trustee bank with the second largest
Strategic Developments

The Gund Foundation portfolio, was willing to go forward. In the meantime, outside appraisers had pronounced the acquisition a sound investment, projecting that the Bulkley alone, if renovated and then held for five years, could be sold for a profit equivalent to an annual rate of return of 15 percent.

After extensive debate at its quarterly meeting on June 22, the Distribution Committee authorized the transfer of $2.925 million in assets to a newly created subsidiary, Foundation Properties, Incorporated, for the purposes of buying and operating the Bulkley complex. The Gund Foundation had tentatively agreed to pick up the remainder of the purchase price, but the following week its trustees decided not to become co-owners. On June 29 the Distribution Committee was hastily reconvened to authorize a grant of $975,000 to Foundation Properties in order to seal the purchase.

Two days later Playhouse Square turned over its option to Foundation Properties, whose chairperson was Dick Pogue. John Lewis, Pogue’s counterpart at PSF at the time, came away from the deal with the distinct impression that, despite the Foundation’s ownership of the Bulkley-Selzer property, PSF still had a financial stake in the complex. “From my side of the street I never had any doubt that The Cleveland Foundation was in league with Playhouse Square so that one day we could get the Bulkley Building and derive income from its redevelopment,” Lewis said. “It was known from day one that the theaters would not support themselves and that they needed income streams.”

Lawrence J. Wilker, who had been hired as president of Playhouse Square Foundation in the spring of 1982, formed a similar understanding of The Cleveland Foundation’s intentions. “The perception was that they were holding the building for future compatible development,” said Wilker, a former director of properties for the Shubert Organization. “The hope was that they would hold it until we could buy it.”

However, the Foundation’s July 8 press release announcing and explaining the acquisition used words carefully selected, as Dick Pogue would recall, to address the Distribution Committee’s internal questions about PSF’s ability to carry out such a complex project. “The Cleveland Foundation’s objective,” the press release stated, “is to provide the Playhouse Square Foundation and other parties enough time to come up with development plans and funding strategies compatible with community goals for Playhouse Square.” Issued the same day that the Foundation
exercised its option, the release “anticipated that the property will be held for from three to five years”—a deadline that had been suggested by Dick Pogue at the Distribution Committee meeting on June 22 in order to assuage the concerns of some of his colleagues about making such an uncharted investment. And the release was cautious in referring to any role for PSF in the redevelopment project. “Purchase of the Bulkley Complex will allow Playhouse Square and community leadership to address key property and facilities issues outlined in the area’s master plan,” it stated.  

Privately, Homer Wadsworth had his own ideas about the best way to see van Dijk’s master plan fulfilled. “The Foundation intended to find a private developer for that property,” he explained, “or develop it as a co-venture with a private developer, or—we didn’t attempt to cross all the possible roads here. We did feel that we could encourage a developer by holding the building as part of what we were willing to invest.” Doyle similarly described the Foundation’s intentions: “We wanted to hold this building until such a time as it could be developed,” she said. “PSF read that to mean something much more personally related to their advantage than people on our board meant it to be.”

The lack of agreement about the Foundation’s ultimate objectives in redeveloping the Bulkley complex complicated communications with Cranston Development Company, the private developer the Foundation and PSF jointly recruited after a national search. Best known for its redevelopment of Pittsburgh’s old train terminal into a specialty retail and entertainment center complete with new hotel, office buildings and garage known as Station Square, the developer was prepared to be flexible in putting together the financing for a project it believed previous marketing studies had already proven to be feasible. Its stance landed it the job, but would later come to be perceived as waffling. “You have a choice as to whether you want us to develop the project on behalf of Playhouse Square Foundation for a fee only, whether you want us to own part of the project, or whether you want us to develop it entirely ourselves,” Cranston president Arthur P. Ziegler, Jr., informed Doyle in March 1983, shortly after the Distribution Committee had authorized staff to negotiate a contract with the Pittsburgh firm. “... In any case, we’ll take the responsibility to raise the equity if the project warrants that.” Ziegler requested only that the Foundation cover Cranston’s preconstruc-
tion costs, advising Doyle to think of the monies "as a loan to be repaid in the financing of the project, if at all possible."

In his enthusiasm to be part of Playhouse Square's rebirth, Ziegler seemed to have underplayed the need for The Cleveland Foundation's continued active participation and investment in the superblock's re-development. His casual attitude about the Foundation's financial commitment to the project certainly contrasted with his experience at Station Square, which had been made possible only because a local private foundation had been willing to pour more than $10 million in equity into the restoration of the historic train station. Later he would admit: "If the Bulkley project were feasible on a traditional private basis, The Cleveland Foundation wouldn't have been needed in the first place." But that understanding was never made plain to the Distribution Committee, who approved a contract with Cranston and authorized a grant of up to $378,208 for the firm's preconstruction expenses in September 1983. The blue sheet reported that the contract had been rewritten several times with an eye to "minimizing the Foundation's financial exposure [and] maximizing Cranston's participation. . . ."

After Stan Pace announced that Wadsworth would retire at the end of 1983 (the Distribution Committee having interpreted the commitment to give Wadsworth 10 years at the helm literally), Wadsworth's successor, Steve Minter, discovered that some members still remained unclear about the Foundation's proper role and objectives in redeveloping the property when he had begun paying them courtesy calls. "It wasn't that they didn't feel good about the Bulkley purchase or didn't believe that the Foundation had made a big step, because they did," Steve Minter said of these conversations. "But they also had ambivalent feelings. They felt like they were rubber stamps in the grandest tradition. And what really surprised me—they had a lot of questions: What are we going to do; how long are we going to be in there; what are the possible liabilities?"

Less than one month after Minter's appointment as director, a special meeting of the Distribution Committee was convened at his request for the express purpose of updating members on the project's progress and winning their approval to purchase several parcels of land on which Ziegler wanted to build a new parking garage for the Bulkley complex. At the February 2 meeting Dick Pogue "made a recommendation that
we create a Playhouse Square Development Subcommittee and that its five members would be the four directors of Foundation Properties and Stan Pace," Minter said. "That's how we got moving again." Yet, at the same time that the Distribution Committee became more actively interested and involved in Playhouse Square's redevelopment, it also approved a "Statement of Policy and Objectives for the Bulkley Complex" that would limit the Foundation's ability to see the superblock project through to completion. Although the statement rearticulated the Distribution Committee's desire to help assure the economic viability of Playhouse Square Center and stimulate the compatible redevelopment of the theater district, it also affirmed the committee's expectation of a reasonable return on its investment and its intention of holding the complex no longer than five years.

By the time Cranston presented a formal development plan at the Distribution Committee's annual retreat in February 1985, nearly three years had elapsed since the Bulkley was purchased. The Distribution Committee acted favorably on Cranston's recommendations that the Foundation acquire land on Chester Avenue for a 510-car parking garage and commission independent retail and hotel market studies to validate the firm's plans for creating 49,000 square feet of shops and restaurants in the Bulkley and building a 164-room luxury hotel. But members of the Playhouse Square subcommittee were growing impatient with the lack of tangible progress. Not only had Cranston and the Foundation been unable to formulate a financing plan for the $32 million project, they had still to reach agreement on the issue of the Bulkley's ultimate ownership, with neither side willing to be the first to lay its cards on the table about a purchase price.

The consultants hired to conduct the retail study, Zuchelli, Hunter and Associates (ZHA) of Maryland, completed a preliminary report that summer. Having found Cranston's plans workable, ZHA offered to assist the Foundation in devising a funding approach for the project, and the Foundation signed a contract hiring the firm as its owner-representative that fall.

ZHA's hiring prompted Cranston to make an oral offer to purchase the Bulkley for up to $5 million, but the move came too late. By November Zuchelli, Hunter had developed nine separate financing plans, none of which required a large Foundation subsidy and several of which promised a significant net return on the Foundation's initial investment.
In terms of net return Cranston's offer was a wash, and ZHA recommended that the Foundation reopen the project to competitive bidding by other developers, which it did.

Late that spring the tenuous partnership between the Foundation, PSF and officials from the city's economic development department, who had agreed in principle to apply for an Urban Action Development Grant on the project's behalf, also unraveled—over the issue of the ownership of the parking garage. Since the summer of 1983, PSF had been pushing for the immediate construction of a garage to accommodate the expected onrush of State Theatre patrons. In fact, for better than six months PSF staff and trustees had seriously considered entering into a joint venture with a local parking lot operator to build a 1,000-car garage on East 17th Street, a north-south thoroughfare that constitutes Playhouse Square's gateway to Cleveland State University. In addition to pointing out that such an arrangement did not make the best use of East 17th Street, the Foundation had argued that it would jeopardize the success of Cranston's plans for the superblock, which were based on the assumption that profits from a Chester Avenue parking garage would subsidize early losses the developer expected to incur in reconfiguring the first two floors of the Bulkley as retail space. In August 1984, shortly after the Foundation's Playhouse Square Development Subcommittee agreed to commission a marketing study for the Chester Avenue garage, PSF decided to suspend its discussions with the codevelopers of the proposed 17th Street garage.

When the study confirmed that a Chester Avenue garage could be operated at a profit, The Cleveland Foundation quietly began to acquire the necessary parcels at a cost of more than $700,000, fully expecting that Cranston Development Company would proceed with its plans to become the garage's developer. But the acquisition process consumed a year, during which time Cranston had been relieved of its responsibilities. In the meantime, in their quest to find sources of income to subsidize Playhouse Square Center's operation, PSF's staff and trustees had persuaded the mayor of Cleveland that PSF should build and own the new Bulkley garage. "Actually, we had gone to the city to press for direct financial assistance," Larry Wilker said of the events that led up to George Voinovich's requesting that The Cleveland Foundation sell its Chester Avenue parcels to PSF. "The mayor said the city didn't have any money, but he would assist in our applying for a UDAG [Urban Devel-
opment Action Grant] for the garage, which Playhouse Square should own. The Cleveland Foundation felt that, without the garage as part of the package, it would be difficult to attract a developer for the Bulkley Building. Playhouse Square felt differently; now a developer wouldn’t have to front $8 million for a garage.”

Realizing the counterproductivity of a dispute with city hall, the Foundation ultimately conceded to the mayor’s request. The sale of the parcels prompted the Foundation to withdraw its request for proposals on the Bulkley, which Zuchelli, Hunter had issued in early 1986. “[Our] plan [for the Bulkley complex] was killed when the city made the decision that the parking garage was their best way of getting income for Playhouse Square Foundation,” Minter would later acknowledge in the Plain Dealer.

Actually, the final blow was administered by PSF’s request in 1987 for an easement that would allow it to snake an elevated pedestrian walkway from the parking garage through the Bulkley complex to the theaters. “That had us making a whole lot of decisions on how the complex was to be used . . . and nothing was there from a development standpoint,” Minter told the Plain Dealer. “Maybe if the garage wasn’t going up . . . maybe there might have been a lot more time to say: ‘Let’s figure it out and get a lot of proposals.’” But with the self-imposed deadline for disposing of the Bulkley complex at hand, the Foundation instead authorized attorney Mai Bank to find a buyer for the property. Having watched the Foundation dicker with real estate developers for some 60 months, the Thompson, Hine and Flory attorney decided to take a results-oriented approach. “I sent out letters to 15 local people looking for a sale, not a developer,” Bank said. “I had prepared a contract, which I also sent out, saying: ‘Fill in your price, no negotiating, take it or leave it.’”

Not surprisingly, Playhouse Square Foundation was the first to attempt to negotiate an acceptable bid, but in the end was unwilling to meet the minimum purchase price that the Playhouse Square Development Subcommittee had set. Instead the complex was sold for $6.1 million in September 1987 to a syndicate headed by William N. West, the president of a Cleveland real estate brokerage firm with headquarters located on Playhouse Square. To facilitate the sale the Foundation agreed to provide West with a three-year letter of credit for $1.6 million of the purchase price and committed to grants totaling $700,000 to assist in
the design of the walkway and the construction of a public park on the interior courtyard, which would be created by the long-planned demolition of the Selzer Building and old Bulkley garage. West's anticipated redevelopment stalled, however, when the developer's plans to demolish the 3,000-seat Allen Theatre to make way for the outdoor courtyard and a new restaurant were held up by local historic preservationists, who recruited Playhouse Square Foundation as an ally in their public demand for time to find a tenant for the old movie theater.

Whether the Foundation had lacked the skills, resources, patience or just plain luck needed to bring van Dijk's vision of Playhouse Square to fruition, Homer Wadsworth, for one, would be able to find consolation in the fact that at least the Foundation had helped to create a performing arts facility "of which the town could be very proud." Moreover, Playhouse Square Center had spurred revitalization of other parts of downtown. Besides, Wadsworth would observe philosophically, "you'd have to be a fool to expect 100 percent."

Like the campaign to create Playhouse Square Center, the Foundation's effort to revitalize Cleveland's waterfront—its other major physical redevelopment project of the Wadsworth era—had sprung from the vision and passionate commitment of a single Clevelander.

As recently as the mid-seventies the underdevelopment of the lakefront had been of concern to only a few Clevelanders, among them landscape architect William A. Behnke. As a boy Behnke had swum at Gordon Park beach; he took it personally when a friend, the Cleveland commissioner of shade trees, had informed him that the Perk administration was looking the other way at illegal dumping of trash and refuse there. The dumping symbolized for Behnke a general pattern of neglect of Cleveland's 3,000 acres of municipal parkland by an administration increasingly strapped for operating funds. First felt when Carl Stokes reduced property taxes in an unsuccessful gambit to induce voters to increase the municipal income tax, the city's financial bind had tightened during the Perk administration because of its leader's fealty to a campaign promise of no new taxes. Consequently, during Perk's first two terms in office, the parks and recreation budget (among others) had been slashed by approximately 40 percent; and Behnke, in his outrage, had begun speaking to various community groups about the unfortunate results of these cutbacks.
In the Shaker Lakes Garden Center, and especially in club president Barbara K. Scovil, the landscape architect found a most responsive audience. Stirred by Behnke’s comments, the club decided to commission, as its project for America’s upcoming bicentennial, a study by Behnke’s firm of the ways the city could improve its park services. In the fall of 1974 Scovil approached The Cleveland Foundation with a request for funding “Project Pride—Toward the Goal of Restoring and Revitalizing Our City Parks.” Former parks and recreation hand Wadsworth, with whom Scovil made her initial contact, recognized both the potential of the idea and the political problems inherent in its advocacy by a suburban ladies’ club, judging by a follow-up letter he received from Scovil reporting on the Greater Cleveland Growth Association’s willingness to become the study’s sponsor. “We see this as an important step since ultimate implementation and usage of the study will require cooperation of the city administration and city council,” she wrote on December 16. “... Since the name Shaker Lakes Garden Club seems at best a poor front for political bodies to accept, it seemed logical for us to ask the Growth Association to perhaps put the survey under the wing of [its] Cleveland Development Foundation.” On February 7, 1975, Scovil reported to Wadsworth that meetings had recently been held with Mayor Perk and city council president Forbes to secure their cooperation—the other requirement the Foundation needed to see fulfilled, according to Behnke, before it was to grant $40,000 for the study in March.

“This survey would seem to complement the Halprin study—indeed it answers the criticism by certain political groups ... in relation to Halprin’s development of a plan for the downtown core area only,” Scovil wrote of the meetings.

This survey will put special emphasis on the needs of the residential neighborhoods, their parks and recreation spaces. George Forbes in particular viewed this aspect of the Behnke survey [as] of utmost importance. ... One final thought—with the current exciting building in downtown Cleveland and with the completion of the Halprin study there is a possible dream of a ‘renaissance’ of Cleveland in future years. However, the inner city and ethnic neighborhoods encircling this downtown core cannot be allowed to decay from lack of concern. There seems to be no spokesman for the constituency of the parks in this relationship, and it would be our hope that the Behnke survey would act as a vehicle to bring in many forces from the private sector to fill this particular void.
From the outset Wadsworth, who acted as program officer for the study (to which the garden club contributed its own $10,000 grant), demonstrated an understanding of the tricky politics involved in what over time would turn into a full-blown lakefront redevelopment campaign serving both downtown and neighborhood interests. The "Cleveland Parks and Recreation Study," which found that the city’s once nationally regarded park system had been allowed to fall into a "tragic state of disrepair," was the public support for which Cleveland city planning director Norman Krumholz had been searching to reverse the decline. In 1973, after Hurricane Agnes had severely damaged the lakefront parks, Krumholz had suggested to the city council that they be placed under the auspices of a broader taxing authority with the means to repair them, a concept that had made its way into an emergency resolution. But Perk had refused to approve the transfer out of fear that "a Democratic Council and a Democratic governor up for re-election would have been sure to inflate their role in any take-over of Cleveland’s parks, and would have been likely to belabor the Republican mayor in the process," as Krumholz later explained. Now Krumholz used the Foundation-underwritten study to persuade Perk that the powers-that-be supported the appointment of a Lakefront Task Force charged with exploring various avenues for the development and maintenance of Edgewater Park on the west and Gordon Park on the east. "Perk appointed the task force because The Cleveland Foundation and Shaker Lakes wanted it; he never once said to me how important he thought the parks were," Behnke would claim.

On May 20, 1976, the mayor announced the creation of the task force at a press conference at which the study’s findings were also released. Chaired by Krumholz, the seven-person committee included Distribution Committee member Tom Patton, the retired chairman of the board of Republic Steel, whose appointment Wadsworth had encouraged because "he was very much involved in shipping . . . and it was fairly clear that this had to be put together with some people involved who understood what the vested interests of the carriers and the port might be." In the end the lifelong Republican’s political connections to Ohio governor Jim Rhodes (who had in 1974 staged a comeback in defeating Jack Gilligan, the Democrat who had temporarily retired him in 1970) would prove more valuable, however. At Krumholz’s urging, Patton, the former head of a major bond campaign Rhodes had initiated to build
a state college within driving distance of every young Ohioan, traveled to Columbus to persuade the governor of the sagacity of the task force's foregone conclusion that the ownership of Cleveland's lakefront parks should be transferred from the impecunious city to the state.

A tour of the parks cemented the governor's commitment to the idea, in Bill Behnke's opinion. "The transfer looked good politically to Jim Rhodes," Behnke speculated. "He saw it as a way of solidifying his support in [heavily Democratic] Cuyahoga County. Dick ['New Generation' Democrat Richard F.] Celeste was running for governor at the time, and he was trailing Rhodes around like a truth squad. Rhodes picked up immediately on the heavy black usage of Gordon Park, especially after this woman came up to him and pleaded: 'If you could just give us toilet facilities!'" (According to cultural affairs program officer Pat Doyle, who had joined Wadsworth in working on the parks project after the study's release, not a single toilet in any lakefront park worked at the time of the transfer.)

Documents that led to the state's acquiring Edgewater, Gordon and Wildwood Parks on a 50-year lease were signed by the mayor and governor during Perk's last week in office. Wadsworth would later say that he regarded the creation of the renamed Cleveland Lakefront State Park as his most valuable accomplishment as director. However, at the time of the transfer, he knew only too well from conversations with the head of the Ohio Department of Natural Resources (ODNR) that placing the three parks under state control did not automatically guarantee their improvement. ODNR director Bob Teater, frankly, had opposed the move. "I was not for it on jurisdictional grounds because it violated our policies about keeping parks only in rural areas," Teater said, adding wryly, "but the governor resolved the question for me. Though I'm not sure, after the governor told me we're going to develop the lakefront, that I put my whole self into it." Teater's suspicions about the complexities of operating urban parks had been confirmed at Cleveland city council hearings about ODNR's initial plans for improving the parks. "Several councilmen started accosting me about the things they wanted in their wards," he said. "I remember George Forbes rapped on the table and announced: 'If you want anything on the lakefront, you'll go through me.'"

Toward the end of January 1978, as the details of the transfer were being worked out with the administration of newly elected mayor Dennis
Kucinich, the president of the German Marshall Fund of the United States approached the Foundation. The Washington-based philanthropy (which had been created in 1972 by the West German government in appreciation of this country’s decision to launch the Marshall Plan 25 years before) was seeking to develop collaborations with other American foundations in areas of mutual interest, and president Robert Gerald Livingston offered to provide European travel/study grants to Clevelanders recommended by The Cleveland Foundation. It soon occurred to Homer Wadsworth that here was a way to capture the imagination of Teater, “who had come from a professorship in agriculture and was not a big-city guy.” Wadsworth “worked out a deal to send him to Europe to take a look at the stuff they did.”

ODNR had already spent $7 million to clean up the garbage, restore the toilets to working order and beef up security in the parks. It had also commissioned William A. Behnke Associates to prepare a $250 million, 25-year master redevelopment plan, and the European fact-finding mission arranged by the Foundation with the support of a $10,000 grant from the German Marshall Fund helped to guarantee its enthusiastic implementation. In 1979 a contingent of Teater, Doyle, Behnke, Krumholz and Clevelander Francine M. Panehal, Democratic majority whip in the Ohio House of Representatives and a member of its budget committee, toured mixed-use waterfronts in Switzerland and 13 Northern European port cities, where such public attractions as restaurants, marinas and housing added color and excitement to districts formerly reserved solely for the unloading of cargo ships. “Teater came back a real convert,” Doyle would recall. So did Panehal, who helped smooth the way for $40 million in capital appropriations that has since been spent to outfit the Cleveland Lakefront State Park with new fishing piers, boat launches, marinas, bike and jogging paths, restrooms, picnic areas and a swimming beach on the East Side, where there was none. (Now called Euclid Beach, the 16-acre tract was purchased by the state in 1981 from its former commercial operator, with the assistance of matching funds from The Cleveland Foundation and other local foundations and corporations.)

The movement to revitalize the lakefront received another boost in the spring of 1981, when the Cleveland Museum of Natural History approached the Foundation with a request for $12,000 to fund a study of the advisability of moving the small aquarium it operated on inner-
city parkland to its headquarters in University Circle. Although he declined to say so publicly, Wadsworth believed the proposed new location to be inappropriate—a sentiment shared by the city’s planning department, by then under the direction of Voinovich appointee Hunter Morrison, with whom Pat Doyle had conferred on the matter. In May the mayor sent Doyle a letter officially requesting that the lakefront be considered as a site for a new aquarium. "I would also ask the Foundation to consider supporting a broader planning effort . . . to develop an overall . . . strategy for the waterfront," Voinovich stated.

In light of the mayor’s request, the Distribution Committee declined to act on the museum’s proposal and instead appropriated $10,000 toward a comprehensive waterfront study. Also to be studied was the feasibility of relocating the Great Lakes Historical Society in Vermilion, Ohio, to Cleveland—a proposal then being considered by the trustees of the maritime museum. With Morrison’s department preoccupied with planning for the new headquarters tower Standard Oil proposed to build on Public Square, two years would elapse before the city submitted a request for $100,000 to prepare a master redevelopment plan for a site it called the Stadium/Inner Harbor District. Consisting of 59 acres of city-owned land, Inner Harbor was bounded by Lake Erie on the north, downtown Cleveland on the south, Municipal Stadium on the west and Burke Lakefront Airport on the east; and it was here that the city envisioned the construction of an aquarium and a maritime museum, as well as new marinas, parks, a shopping pier, hotel and town houses.

In March 1983 the Distribution Committee approved the grant request, contingent upon the creation of a mechanism to involve community leaders in the selection of consultants and upon the adoption of legislation by the city council authorizing the receipt and expenditure of the funds. The latter condition proved to be a sticking point when city council president George Forbes held up the legislation because Wadsworth had turned down a $5,000 grant request from an organization of black political and civic leaders to which Forbes belonged. (The black leaders had sought the Foundation’s subsidy of a Christmas food-basket program that Wadsworth regarded as politically motivated.) By heeding the politician’s summons to a private dressing-down, Wadsworth and Minter repaired the rift; and by the end of 1983 Wadsworth was able to report that the city had made some progress in meeting the
grant contingencies in a letter to a Foundation donor with a special interest in lakefront redevelopment:

Public business occasionally moves at a snail's pace... The City Council did accept our proposal, and with conditions [that the east-west boundaries of the study area be expanded to encompass the Cuyahoga River and East 55th Street] appended thereto, after many months of consideration of the subject and with the delay largely the result of quite irrelevant matters. The ball is now in the hands of Mayor Voinovich, who plans to appoint an advisory committee to work with the City Planning Commission in the development of future plans.

... My own sense is that some kind of development authority needs to be created to sponsor large-scale lakefront programs... Public authorities have key programs to foster, but... it will be private interest in the subject and the use of private capital that will in the long run open up real prospects that many of us have seen in this poorly used frontage.

Nearly two more years elapsed before the mayor announced in late spring 1985 that he was forming the North Coast Development Corporation (NCDC), a not-for-profit authority charged with managing the Inner Harbor District's redevelopment. Planting and nurturing the seeds for NCDC's creation had been one of Wadsworth's last contributions as director. After his retirement and up until 1990, Wadsworth would continue to participate in the lakefront redevelopment effort as a member of NCDC's executive committee.

NCDC's predecessor organization, the Mayor's Waterfront Steering Committee, had unveiled the Foundation-sponsored master plan in March 1985. A collaboration between Zuchelli, Hunter and Associates and William A. Behnke Associates, the "Cleveland Waterfront Study" called for a Phase I investment of $103 million to dredge an "inner lake" at the foot of East 9th Street as the setting for a new aquarium, maritime museum, winter garden and public promenade, a 2,500-car parking garage and 120,000 square feet of festival retail space. Having been impressed with a private presentation of the plan at its February retreat, the Distribution Committee in March awarded the citizens' committee an interim grant of $60,000 to enable it to set up NCDC, hire a director and begin fund raising.

Within weeks of its unveiling, the Inner Harbor was a done deal. By August the city's congressional delegation had secured $36 million in new federal funds for Cleveland's port, some of which would be diverted
to pay for bulkhead improvements and dredging for the new harbor. In October Ohio governor and Cleveland native Dick Celeste announced that the state would provide $8.4 million toward the construction of the Inner Harbor and a promenade around its circumference. (The funds came from monies allocated to the Ohio Department of Natural Resources to build Great Lakes Shakespeare Festival a theater in Edgewater Park, an idea adopted by ODNR after it participated in the Foundation-sponsored tour of Northern Europe, but abandoned after GLSF decided to move to Playhouse Square instead.) Using the state money as a carrot, the mayor’s office then persuaded the city council to appropriate more than $1 million for street improvements at the site. By December NCDC had been launched to oversee the planning and implementation of the unfinished portion of the master plan, its operation assured for three years by the Cleveland and Gund foundations and Cleveland Tomorrow.

The only hitch had occurred in June, when city inspectors closed the old Cleveland Aquarium after declaring the roof unsafe. The Cleveland Museum of Natural History subsequently informed the city that it could not renew its contract to manage the aquarium unless outside sources covered anticipated future capital needs and operating shortfalls. With the community in danger of losing an experienced aquarium staff and valuable specimens, the mayor sought the assistance of the Cleveland and Gund foundations and Standard Oil, whose representatives decided as a first step to ask the museum to prepare a five-year operating plan—the estimated time it would take to build a new facility on the Inner Harbor. The funders also met with the director of the Cleveland Metroparks System, which operated the Cleveland zoo, to discuss his interest in taking over the management of the aquarium. After studying the museum’s proposal, which they concluded was a holding action at best, the directors of the Cleveland and Gund foundations and Standard Oil’s corporate contributions program advised the mayor to invite the Metroparks System, which had its own taxing authority, to assume responsibility for the aquarium. The transfer of responsibility subsequently took place with transitional operating support from the three funders.

The staff had acted so decisively because the Foundation believed a world-class aquarium to be the key to the lakefront’s continued development. "[It is] the centerpiece of public amenities essential to transforming Cleveland’s Inner Harbor into a mixed-used development encompassing retail, hotel, housing and office spaces," staff argued in
1988 in recommending a $150,000 grant to NCDC to undertake detailed concept planning, cost evaluation and marketing analysis for the proposed aquarium. More than half of the monies in a proposed third Special Initiative to support lakefront development would be earmarked for the aquarium’s design and other start-up expenses, with capital underwriting expected to come from tax incremental financing (whereby the costs of public improvements built to attract commercial development are paid from the new tax revenues generated by the development). Although the maritime museum would also be slotted to receive Special Initiative monies, “The Cleveland Foundation . . . [is] convinced that [an aquarium] is likely to attract three to four times the attendance of a Great Lakes [maritime] Center and, therefore, [is] capable of leveraging far greater economic success for the entire Inner Harbor development,” Pat Doyle, the program officer in charge, contended in 1988 in supporting a Special Initiative on Lakefront Development. Noting that “the Inner Harbor Project has grown in a short period of time into the largest development project being undertaken in downtown Cleveland,” she explained its potential in graphic terms. “[NCDC president] Gary Conley has indicated that the project ultimately could result in capital investments . . . equivalent [to] four Tower Cities.”

While the Foundation’s interest in promoting Cleveland’s physical redevelopment had evolved gradually out of other, more traditional program concerns, its entry into the related field of economic development had been precipitated by a sharp nudge from the Distribution Committee. Upon being named to succeed Foundation chairman Stu Harrison in the summer of 1979, Stan Pace decided to meet individually with Distribution Committee members to solicit their comments on the Foundation’s current program. At a conference with Wadsworth on January 3, 1980, Pace reported that the Distribution Committee wanted the staff to devote more attention to “the conditions of our public school programs; the problems of the downtown area, including Playhouse Square; unemployment among black youth; [and] the marshalling of expert opinion on the northeast Ohio economy—the latter reflecting some disappointment with those now available in local universities as scholars in the economics area, and especially as their work relates to . . . Cleveland. . . .”

With nearly half its membership consisting of present or former chief
executive officers of major corporations, the committee's sensitivity to the decline in Cleveland's economic base could have been predicted. "The seventies were a difficult time for Cleveland," Pace later said, "one long, uncontrollable fall. The mass evacuation of manufacturing jobs had everyone concerned, and the Foundation was being prodded by a number of people, but especially the mayor, that we ought to be a player in this arena." Yet, given the scale of the problem and the national, and even international, pressures involved, the role the Foundation could play seemed less than obvious. Agreeing with the Distribution Committee that the reasons for the city's economic malaise remained clouded, the staff sought to provide a better understanding of the forces blasting the region before the Distribution Committee settled upon a course of action. Willis J. Winn, president of the Federal Reserve Bank of Cleveland, was subsequently invited to speak at the Distribution Committee's May 1980 retreat on the economic future of Cleveland.

"Winn's overview didn't crystalize a specific action," said Susan Lajoie, then the Foundation's program analyst, "but the staff did get a clear message from the Distribution Committee at the Winn retreat: Do something about economic development. It was on our minds, but we weren't doing anything proactive until the Rand Corporation approached the Foundation about the possibility of some sort of collaboration." Winn having stressed that inadequate data on the northeastern Ohio economy hampered the formulation of effective redevelopment strategies, the Foundation decided in September to commission the California-based think tank (best known for its studies of national defense) to conduct a year-long analysis of regional economic conditions and trends on an industry-by-industry basis. The resulting data base would become part of a permanent economic monitoring capability the Foundation hoped to establish in Cleveland to serve private and public policymakers.

Although Wadsworth would come to consider the Rand study to be as important as the landmark surveys of the Foundation's early years, "it was not a popular thing to do," said Lajoie, the staff member assigned to supervise the corporation's work. "There was a notion in the community that we had studied things to death." Disapproval grew in some quarters when the study's findings were published in March 1982. Even though the Foundation had assembled a blue-chip advisory panel chaired by Dick Pogue to review and question Rand's work-in-progress, the
Strategic Developments

$178,000 study would draw criticism from academics and business leaders alike. University professors (correctly) pointed out that Rand had relied on data several years old, while the fact that the study exploded several of their popular misconceptions did not sit well with various CEOs.

"The Rand study didn't automatically win acceptance, although in time its core assumptions came to be believed," Lajoie noted. She summarized some of these assumptions:

For example, Rand argued that the manufacturing sector was still critical to the Cleveland economy and that it needed to be nurtured, when popular wisdom held that the answer to our problems lay in expanding the service sector. Rand recognized that in our specialized manufacturing technology we had a comparative advantage and challenged the assumption that we had as strong a health care industry as everyone believed. They even questioned whether we had the demand to attract a major hotel, which was widely seen as a quick fix for the economy. Another controversial finding: Everyone felt that manufacturing jobs were leaving was because of high wages. Rand asserted that in many local industries wages were closer to the national average, a finding which was viewed as being pro-union.

The study's cool reception may have been exacerbated by a belief that Rand's analysis merely duplicated another recently completed economic study. Conducted by Cleveland management consultants McKinsey and Company and underwritten by the George Gund Foundation at the recommendation of its director, James S. Lipscomb, the second study had been commissioned by a handful of top corporate executives interested in devising achievable plans for the region's economic redevelopment. According to William R. Seelbach, who supervised the $650,000 study for McKinsey, Homer Wadsworth had declined to ask the Distribution Committee to participate in its funding when approached by the CEOs, and that decision may have contributed to the fact that, as Susan Lajoie put it, "McKinsey was perceived to be in competition with Rand." In any event, the two analyses produced distinctly different results. The McKinsey study would lead Gund to put up $200,000 to create the action organization Cleveland Tomorrow, while the Rand study resulted in a Cleveland Foundation investment of $407,000 in the design of a monitoring and research agency that would come to be called the Regional Economic Issues Program. Having started separately, the two new entities worked independently of one another for some time.
It was the foundering of the Playhouse Square theater restoration project that united these two important strands in the community's new economic redevelopment movement.

On June 9, 1984, the State Theatre had opened to national acclaim. New York Post columnist Earl Wilson hailed the new facility, which boasted one of the world’s largest stages (65 feet deep and 10 stories high), state-of-the-art lighting and sound equipment and a huge dance surface, as “Cleveland's super-rival to our Lincoln Center and Washington’s JFK Center... expected to help establish the Great Lakes city as a major show business venue....” But behind the scenes Playhouse Square Foundation’s fund-raising campaign had stalled short of the monies needed to restore the Palace, the final theater of the Playhouse Square Center triad. “The question 'Is the Palace really necessary?' was widespread,” an in-house history of Playhouse Square Center noted. (Among the doubters: Homer Wadsworth, who didn't believe there were sufficient high-quality touring productions to keep the Palace open year-round.)

Casting about for new funding sources, PSF chairperson John Lewis visited with Morton L. Mandel, who chaired Premier Industrial Corporation and was one of the eight founders of Cleveland Tomorrow. Prior to 1984, Cleveland Tomorrow had concentrated solely on projects related to job creation and retention, launching a manufacturing research center, a business incubator and a center for labor-management cooperation (all of which programs The Cleveland Foundation had supported with operating funds). Although Cleveland Tomorrow had displayed little interest in physical redevelopment projects as of yet, Mandel advised Lewis that the Playhouse Square Foundation might be able to reenlist corporate Cleveland's support in finishing the Palace's restoration if it commissioned an independent feasibility study of the project. In short order it was arranged for McKinsey to conduct the study on a pro bono basis.

Lewis also decided to place a call to Karen F. Horn, the new president of Cleveland’s Federal Reserve Bank, to request her help in analyzing the economic impact of Playhouse Square. Horn offered the services of the Regional Economic Issues (REI) Program, whose staff was being temporarily housed in the bank's research department while a permanent headquarters for the monitoring agency was sought. (REI's initial affiliation with Cleveland State University, made possible by a two-year operating grant of $425,000 from The Cleveland Foundation, had recently been terminated because of administrative conflicts.)
In the spring of 1985 REI issued its findings, which even PSF's supporters would describe as "surprising." In the five years since PSF's capital campaign had begun, the researchers reported, nearly 1,500 jobs had been created in the Playhouse Square area, which had also seen office occupancies rise from 75 to 89 percent. Since 1980 the district had enjoyed more than $100 million in new capital improvements—investments which were in turn generating $10 million in new tax revenues for the City of Cleveland annually. That revenue figure would jump to $16 million when and if the Palace opened—justification alone for raising the $12.4 million McKinsey had estimated would be needed to complete Playhouse Square Center.

"Our study was useful in getting Cleveland Tomorrow involved," said Michael S. Fogarty, REI's director. Indeed, the organization of CEOs agreed to take on responsibility for the Palace's capital campaign, which was successfully completed by the end of 1986. Cleveland Tomorrow's positive introduction to the field of physical redevelopment led directly to its later support of North Coast Development Corporation and Neighborhood Progress, Incorporated. The economic benefits study had happy repercussions as well for REI, which soon found a steady client. "Shortly after we completed the Playhouse Square study, Cleveland Tomorrow asked us to do all their economic analysis," Fogarty said. "This was a big step toward establishing our credibility and our self-sufficiency."

REI, which today has a new name (the Center for Regional Economic Issues) and a new home (at CWRU's Weatherhead School of Management), also went on to conduct applied research projects for the city's economic development and planning departments. These and other commissioned studies prompted Anita A. Summers, professor and associate chairperson of public management at the Wharton School of Business, to pronounce the agency "an invaluable asset to Cleveland—one that gives it an economic decision-making edge over . . . other comparable urban areas." 8

Similarly, Cleveland Tomorrow director Richard Shatten, who had initially dismissed the Rand study as "data not connected to strategy," would in time come to regard REI as his association's "brains." "Corporate leadership organizations," he explained, "distinguish themselves by being right, not by being powerful. Power gets people's attention, but success comes from being right, and we're often right because we now have an interactive relationship with REI."
For example, in 1986 REI was commissioned to help assess the strength of the city’s scientific and engineering research base as part of Cleveland Tomorrow’s mid-course evaluation of where the organization should now concentrate its attention and investments. The resulting report found that, while university research contributes greatly to the economic performance of a region because universities provide business and industry with employees, consultants, training services and new technologies, Cleveland had slipped in its national ranking as a research center. With the assistance of grants from The Cleveland Foundation and BP America, Cleveland Tomorrow created the Technology Leadership Council in 1987 to develop a comprehensive strategy aimed at stimulating local research and development funding and expanding and invigorating university-industry partnerships. As REI’s Fogarty later explained, “the technologically most innovative environments have more than one major research university. But 90 percent of the funded research here is done by Case Western Reserve University, and 60 percent of that is medical.”

That Cleveland was able to boast of a medical research base of some stature could be attributed in part to The Cleveland Foundation’s foresight in assisting the School of Medicine at Case Western Reserve University through a difficult transition in the early eighties, when the chairs of its departments of microbiology, anatomy, pathology and physiology all resigned or retired. How the vacancies were filled would affect the school’s ability to compete for national science funding well into the next century. Determined to reposition the medical school, which had long enjoyed a reputation for excellence in teaching, by recruiting preeminent researchers in such fields as molecular biology, genetics, basic immunology and neurohormonal regulations—biomedical research being a field in which CWRU lagged—retiring dean Frederick C. Robbins encouraged his successor, Richard E. Behrman, to approach the Foundation in the fall of 1980 with a request for assistance in rebuilding the school’s basic science departments. (Robbins had already broached the subject with Homer Wadsworth, who shared the Nobel Prize-winning physician’s belief that the medical school was critical to the strength of Cleveland’s health care industry.)

The Foundation was to give the proposal serious consideration, despite the fact that Behrman had asked for $3 million—three times the funding of the Foundation’s largest previous grant. Behrman argued persua-
sively that the ability of many Cleveland hospitals to attract topflight physicians depended on the vigor and reputation of the school at which the recruits would hold joint appointments to the faculty. "The cornerstone of their recruitment is [our] strong basic science departments," Behrman contended, "... which provide the research and educational foundation for many of the clinical care and education programs and the applied clinical research activities at our hospitals." The dean also stressed that biomedical research could have important economic spin-offs locally—an argument that Wadsworth personally did not care to push very far because of the unpredictability of the results of scientific inquiry.

By January 1981 The Cleveland Foundation had assembled a team of 11 nationally known basic scientists to conduct a site visit at the school. Led by cardiovascular-pulmonary specialist Dr. Alfred P. Fishman of the University of Pennsylvania (a medical consultant on whom Wadsworth had relied heavily in Kansas City), the visitors had reviewed the proposal in three days of intensive meetings with school personnel. They later recommended that the Foundation support the program, suggesting the rebuilding of the departments one at a time, with a new site review to be conducted prior to releasing funding for each additional department. With an initial grant of $500,000 awarded in March, Behrman recruited a nationally recognized specialist in gene expression to chair the department of microbiology, provided the new chair with the financial means to make several important additions to the faculty and outfitted his laboratory. In 1983 an additional $500,000 grant allowed the anatomy department to be similarly strengthened. By the time work began on restaffing the fourth and final department in 1986, the Foundation had awarded more than $2 million to the medical school, with each grant contingent on the successful completion of an on-site review by Fishman and other appropriate experts.

In addition to solidifying Behrman's commitment to raise a $25 million endowment for the medical school, the long-range planning the Foundation encouraged as a condition of its grants ultimately prompted the university to announce plans for a $76 million biomedical research center to accommodate its expanding medical faculty. The grants also leveraged "maybe $20 million" in federal research funds by the end of 1989, according to senior program officer Robert E. Eckardt, who, having taken over responsibility for the Foundation's health program when
Rich Tompkins left in late 1981, had guided all of the medical school grants but the first. Indeed, by 1988, the combined total of national grants to medical school faculty had helped to propel CWRU back into the ranks of the top 20 private research universities nationally. Perhaps equally important for the city's economic future, the State of Ohio decided in 1986 to capitalize on Cleveland's emergence as a leader in the field of biomedicine by launching the Edison Biotechnology Center. Also financed by 28 charter members—local biotechnology companies who pay annual membership dues—the center undertook to encourage the commercial application of biomedical research conducted at the medical school, its affiliated University Hospitals and the Cleveland Clinic.

In reviewing the impact of the Foundation's relatively modest grants to the $175 million operation that was then the medical school, the 1986 annual report aptly codified the unwritten strategy of the Wadsworth era. "Thoughtfully placed, such grants can sometimes provide, like a nudge from a tiny tugboat putting its shoulder to one of the great ore barges entering the Cuyahoga, the necessary leverage to help an important institutional effort gain momentum. . . ."
ON February 26, 1988, Steve Minter sent a memo to the members of the Distribution Committee regarding their upcoming annual retreat, which had been scheduled for March 4 and 5. In it he informed the committee that he intended at that time to seek their approval of a principal distribution.

Then the real work of consensus building began. Minter next met with many of the Distribution Committee members one-on-one, "to work through their various questions," he said.

In response to the comments received, Minter and Lajoie wrote and rewrote the retreat notebook, the formal presentation of the case for making the principal distribution. "I had an idea of where it was we wanted to go—the struggle was how to put it together," Minter explained. "Susan and I struggled back and forth in trying to put together the right notebook. We kept trying to sharpen our case for doing it."

A few days before the retreat began on Friday, March 4, "there was a point in which all our efforts came together," Minter recalled. "Once it was there, I had no doubt."

Minter and Lajoie's final proposal detailed how the Foundation's Special Initiative program could be strengthened if $12 million from a principal distribution were to be added to a reserve consisting of $4 million drawn from annual income and $2 million drawn from the Program-Related Investment Fund. Some $9.6 million of the resulting $18 million reserve could then be allocated to the existing Special Initiatives in education and neighborhood development, leaving the Foundation $8.4 million with which to make new commitments.

As examples of possible large-scale projects, Minter and Lajoie pro-
posed that the Distribution Committee might want to consider doing the following: make a $1 million equity investment in the Cleveland Development Partnership, Cleveland Tomorrow's pool of redevelopment monies; provide $2 million in grants to support new presidential programs at Case Western Reserve University and Cleveland State University; and award $600,000 to the planning effort for the Rock and Roll Hall of Fame and Museum.

And there would still be $4.8 million available to fund a third major initiative.

The State of Ohio having recently decided to commit significant funds to establish the Edison Biotechnology Center in Cleveland, the staff had determined that a Special Initiative in that area (as had previously been suggested by a member of the Distribution Committee) would be redundant. Instead Minter and Lajoie intended to recommend that a major campaign to promote lakefront development be established.

Going into the retreat, Pogue was less optimistic than Minter that the Distribution Committee would approve the principal distribution. At the cocktail reception preceding Friday night's dinner session he found himself "wondering if this was going to happen. People kept saying to me: 'What in heaven's name are you doing?'"

Minter and Pogue had agreed that Saturday morning should be reserved for an executive session of the Distribution Committee. No staff members other than Minter and Lajoie were to be present while the committee discussed the wisdom of a principal distribution. With committee members freed from having to worry about being politic in front of staff, a frank discussion ensued. "Everyone wanted to feel like they were on the same page—that is what the executive session did," Minter recalled. "We had done the homework, but you also have to catch the hearts and minds."

In that regard, the chairperson's forceful answer to the committee's question, "Why are we running down this path so hard and so fast?" (as Minter later rephrased it), proved helpful.

"A lot of people felt you should never invade principal," Pogue said of the session. "My argument was that we need the money now. They said you can always say that of any period. I said this is a unique time; Cleveland has been in the doghouse for a long time. The basic issue is: Are we just going to sit here or are we going to be a leader and help the city move ahead?"
The executive session, entitled “Looking Back/Looking Ahead” on the day’s printed agenda, began at 8:30 A.M. in the conference room at Jones, Day’s new lakefront headquarters, which Pogue had made available for the retreat. Around 10:30 in the morning Minter and Lajoie emerged from the room to usher into the next session the program officers and other staff members waiting expectantly outside. “When Steve and Susan walked out,” remarked Carol K. Willen, the Foundation’s program officer for higher education, “it reminded me of how they choose a Pope: Is it gray smoke or white smoke?”

Aware of the program staff’s eagerness to learn whether the principal distribution had been approved, Minter announced: “The executive session was first-rate. We reached consensus on the principal distribution, although maybe not on the size.” The discussion would be resumed that afternoon, he added, after the Distribution Committee had heard staff presentations on the proposed new Special Initiative on the Lakefront Development and the other large-scale projects being recommended to receive Special Initiative monies.

Having listened to the presentations, the Distribution Committee entered its final deliberations on the principal distribution at around 1:30 P.M. The issue at hand: If the Distribution Committee agreed in theory that all of the above projects were worthy of future support at the dollar amounts the staff had suggested, then the members needed to prepare for making those commitments by approving a $12 million principal distribution. Most of the committee had accepted the need to so fund the Special Initiatives, but some members remained concerned about withdrawing additional principal for projects for which the Foundation had yet to receive proposals.

“Essentially you’re asking us to approve programs before we know exactly what’s being proposed,” vice-chairperson Jack Dwyer observed. “Once we commit to this, there’s no way we’re going to pull the rug out from under it.”

“What we’re trying to get here is some flexibility, Jack,” Pogue responded. “This gives the staff some guidance on the Distribution Committee’s priorities.”

“It seems to me we’re withdrawing money, which makes it that much tougher to take it back,” noted real estate developer Harvey Oppmann. “The money will be put into a special agency account,” Foundation counsel Mal Bank assured Oppmann, “and they will hold it until you
decide to spend it. It will still be earning interest; you just won't have to liquidate it at what could be an inopportune time."

"If the rock and roll proposal isn't going to come to us until 1990, why do we have to make even a generic commitment on March 5, 1988?" asked Andrea Taylor, the president of a local marketing and public relations firm, who had recently announced she was leaving Cleveland to accept a position as media officer for the Ford Foundation.

"Let me answer in the most candid way," Minter said. "We may not have the same Distribution Committee members in 1990. Look at all the work we've gone through to get to the understanding that these are in principle good projects. We've also done this in response to your request not to be made rubber stamps. We've tried to say this is what we think you'd like."

"Half of this we've already done," Pogue said, reminding his colleagues of their previous commitments to Special Initiatives in education and neighborhood development. "Now we're saying: Is the lakefront a project we want to get behind and give a push? The higher education program is not a lot of money. And if the Rock and Roll Museum gives everybody the jitters, drop it out."

"The question is: What flexibility are we going to have to address the unknown?" retired steel executive Brad Jones remarked.

"I hear a discomfort here," said retailer Henry Goodman, summing up, "and I think it really revolves around whether there is a feeling of control, a feeling that we can change our minds."

"We're simply saying," Pogue assured everyone, "that we want to have the wherewithal to make commitments to projects of scale."

He then called for the vote and, in the next few minutes, months of concern about the Foundation's continued organizational growth and capacity to provide civic leadership came to an end. Ten of the eleven members of the Distribution Committee resolved to ask the trustee banks to approve a $12 million principal distribution—a resolution that the directors of each of the trustee banks later approved unanimously.

After most of the staff and Distribution Committee members had left for the day, Minter lingered in the Jones, Day parking lot, chatting with the Foundation's community relations officer, Dennis J. Dooley. Although he had just completed a journey of a thousand steps, Minter was already thinking aloud about the next major challenge facing the Dis-
tribution Committee: the selection of a new chairperson to replace Dick Pogue, whose allotted 10 years of service would expire in July. Still, before driving away, the director permitted himself a moment of celebration. "I think I'll go home," Steve Minter said triumphantly, "and take a nap!"
Appendix A

AUTHOR'S INTERVIEWS

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Appendix B

NOTE ABOUT ARCHIVAL SOURCES

Grant files of The Cleveland Foundation dating from the twenties to the mid-seventies and other Foundation papers from 1914 to the early eighties were donated to the Western Reserve Historical Society in Cleveland and are accessible to the public. Grant files circa 1975 to the present and other recent documents are on file at the Foundation's offices. While I was granted full access to these later papers, they remain otherwise closed to public review.

Documents cited in the source notes below that are housed at the Western Reserve Historical Society will be identified by the notation WRHS and their manuscript number. Manuscript number 3627 contains Foundation records from 1915 to 1968, primarily minutes, annual reports, grant files and files on individuals who had frequent contact with the Foundation during that period. Manuscript number 4092 primarily contains grant files from the mid-sixties to the mid-seventies. Documents will be further identified by their container number (C#) and folder number (F#).

Documents that remain the private property of The Cleveland Foundation will be identified by the notation TCF.

Notations for other archival sources I consulted are:


BIC: Annual Reports of the Businessmen's Interracial Committee on Community Affairs (BICCA), 1964–69. Western Reserve Historical Society.

Bohn: Bohn Housing and Planning Library. Special Collections, Case Western Reserve University, Cleveland.
CBS: Carl B. Stokes Papers. Western Reserve Historical Society.
Evert: Lawrence Evert, BICCA's former director, allowed me to review im-
portant committee documents in his possession, including the organi-
zation's minute books and a report entitled "Businessmen's Interracial
Committee on Community Affairs, Cleveland, Ohio: Its Beginning and
Early Activities 1964–1965."
Fed: The Federation for Community Planning Records, 1913–74. Western
Reserve Historical Society.
Klain: The Maurice Klain Research Papers: Cleveland Area Leadership Stud-
ies, 1956–65. Western Reserve Historical Society. During the fifties and
sixties, Klain, a political science professor at Western Reserve University,
interviewed dozens of Cleveland political, civic and business leaders on
the workings of the city's formal and informal power structures. This
collection consists primarily of the transcriptions of those interviews, in-
formation and insights from which may not be linked to any specific
interviewee.
Oral: Cleveland Families Oral History Project, 1982–85. Western Reserve
Historical Society. This collection contains transcriptions of 39 interviews
with individuals from or representatives of long-established Cleveland
families conducted by Jeannette Tuve, a history professor at Cleveland
State University, in order to ascertain why these families had been in-
volved so prominently in Cleveland's civic development. Pertinent inter-
viewees include Robert Gries, James Norton, Barbara Rawson, John
Sherwin and Homer Wadsworth.
PACE: The PACE Association Papers. Western Reserve Historical Society.
Press: The Cleveland Press Archives. Cleveland State University. Upon the
demise of the afternoon daily in 1982, its morgue dating back to the
teens and twenties was donated to the university. Clipping files are cited
below either according to subject name or the name of the newsmaker.


Appendix C

SOURCE NOTES

Prologue

Chapter 1

Chapter 2

Chapter 3


Chapter 4

Appendices


Chapter 5

Re-creation of March 1987 meeting and its outcome (Interview with Tobin). Previous consideration of principal distribution (TCF). Tobin’s June 12 memo

Chapter 6

Background on Lexington Village and Foundation's involvement (Beach, "Communities"; Interviews with Lombardi, Morrison, Wolf and Minter). Hough riots (Press). Background on Famicos (Interview with Wolf; Beach, "Right"). Hough demographics (Van Tassel, Encyclopedia, 525). Voinovich on Lexington Village; HUD award (1987 Annual Report. City of Cleveland Department of Community Development). PRI fund and Doan loan guarantee
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Chapter 10

City Image-Building Job." Plain Dealer, 28 May 1969; Mlachak, Norman.
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Chapter 11

Analysis of principal distribution (Interviews with Minter, Tobin and Mulllen). National search (Interview with Gries). Wadsworth biography (Dooley, "Power"). Wadsworth on sizing up the job and his recruiters' assurances (Interview). Wadsworth on neighborhoods and Cleveland public schools (Interview). Famicos's low-income housing program (Beach, "Right"). Wadsworth on Cleveland's governance and local office holders (Oral). Wadsworth's 18 Sept.
Appendices


Chapter 12


Chapter 13

February 26 memo (TCF). Minter on consensus-building and retreat notebook (Interview). Details and funding of expanded Special Initiatives program (TCF). Re-creation of March retreat (TCF; Interviews with Pogue and Minter; Author's observations).
Notes

PROLOGUE

1 The Foundation officially changed the title of chairman to chairperson in the mid-eighties. In subsequent chapters, titles will conform to usage at the time.

2 Because of its record of innovation and its position as one of the few community foundations that is larger than every other philanthropic organization in the vicinity, The Cleveland Foundation is also widely considered to be the most influential community trust in the country.

CHAPTER 1

1 At the time of the merger The Cleveland Foundation's endowment totaled nearly $115 million.

2 In 1989 the Foundation's assets surpassed the $500 million mark, making it the second-largest community foundation in the world. With assets that approached $840 million in 1989, the New York Community Trust is first.

3 Because of this record of accomplishment, many Clevelanders assume that the "Pogue" in the firm's name refers to Richard. Actually, it refers to his father, whose Washington practice Jones, Day acquired 10 years after the son's hiring.

CHAPTER 2

1 The beginnings of The Cleveland Foundation's close relationship with the leadership of Jones, Day, Reavis and Pogue can be traced back to Goff's friendship with Tolles, then with the firm Tolles, Hogsett, Ginn and Morley, a predecessor of Jones, Day.
CHAPTER 3

1 The task force was chaired by John McDonald, a vice president of BP America (formerly the Standard Oil Company of Ohio).

2 Tutela ultimately fared no better than his predecessors. In May 1990, after months of squabbling with the superintendent over issues of authority large and small, the Cleveland Board of Education agreed to buy out the remaining 14 months of Tutela's contract for $330,000. Frank J. Huml, Cleveland's deputy superintendent since 1985, was immediately appointed by the board as Tutela's successor.

3 The Roundtable eventually raised $18 million for CIE in a campaign chaired by TRW's chief executive, Joseph T. Gorman.

CHAPTER 4

1 Between 1900 and 1910 Cleveland's population jumped 56 percent, from 360,000 to 560,000. By 1930 the population would nearly double again, to 900,400 residents, one fourth of whom were foreign-born.

2 The 1914 Resolution and Declaration of Trust Creating the Foundation does not provide an official name for what came to be known in the forties as the Distribution Committee. Before that time, the Distribution Committee was referred to as the Foundation Committee. For consistency's sake the current appellation will be used here.

3 Goff provided that his estate would pass to The Cleveland Foundation upon the death of his grandchildren.

4 Charles S. Howe and Robert E. Vinson, respectively.

CHAPTER 5

1 In 1943, the Combined Fund was created to administer small gifts and bequests inexpensively as a single account. Originally referred to as the "basket trust" until a potential inaugural donor to it objected to the name as undignified, the Fund had grown to more than $27 million by 1990.

2 The new trustees were Union Trust, Guardian Trust Company, Midland Bank and Central United National Bank. Three of these banks were never to administer a bequest on behalf of the Foundation. Cleveland Trust (now Ameritrust) absorbed Midland Bank in 1931, and Union Trust and Guardian Trust fell victim to the banking crisis of 1933 and closed their doors. Other banks that eventually became Foundation trustees are National City Bank in 1937, Union Bank of Commerce (now Huntington National Bank) in 1955, Society National Bank in 1960, Bank One in 1983 and First

3 Ranked according to their 1931 endowments, the top five were New York, $8.58 million; Cleveland, $5.79 million; Chicago, $5.06 million; Boston, $4.82 million; and Buffalo, $1.99 million.

CHAPTER 7

1 The final award in the series went to the Hogg Foundation for Mental Health at the University of Texas.

2 Tom Patton, Raymond Q. Armington, vice chairman of the University Circle Development Foundation, and Edward H. deConingh, immediate past president of the Welfare Federation of Cleveland.

3 Lewis B. Williams, representing the Prentiss Foundation; Edgar A. Hahn, treasurer of the Beaumont Foundation; Frank E. Joseph, vice president and secretary of the Kulas Foundation; and James D. Ireland, president and trustee of the Mather Fund.

4 According to the 1960 edition of The Foundation Directory, published by the Russell Sage Foundation, the four local private foundations that “co-sponsored” the Associated Foundation alone had a combined total of approximately $38 million in assets: Beaumont ($18.5 million endowment; general interests), Kulas ($4.6 million; musical interests), Mather ($244,300; general interests) and Prentiss ($14.6 million; medical interests). However, a case could be made for setting their total assets at about $43 million, as the Mather Foundation, which had habitually dispersed its total principal—or approximately $200,000—annually, could technically be considered a $5 million operation in terms of its grantmaking ability. If the 100-plus other private and corporate foundations listed by The Foundation Directory as operating in Cleveland in 1960 are included, the city’s philanthropic endowments totaled some $143 million, including the assets of The Cleveland Foundation ($36 million) and the Hanna Fund ($11 million).

5 The grants, which will be discussed in detail in the next chapter, were $7,000 to the Greater Cleveland Youth Services Planning Commission and $18,000 to A Plan for Action by Citizens in Education (PACE).

CHAPTER 8

1 In 1965, two former PACE trustees—Calkins and Emmett E. Cooper, Jr., the black chief of personnel for the Cleveland postal service—were elected to the seven-member Cleveland Board of Education. Together with another
former PACE trustee, George Dobrea, who had been appointed to the BOE in 1963 to fill an unexpired term, the trio represented the acme of PACE influence on the Cleveland board. Once on the inside, however, Calkins found that the schools' problems were even more intractable than he had imagined and that the PACE supporters were constantly outvoted in their attempts to change board policy.

Not surprisingly, the commission’s research was to be paid for by the Associated Foundation; the insufficiency of all local tax revenues was a concern Dolph Norton had carried with him from his experiences with Metro. Even before the PACE report pointed out the inadequacy of the state’s property tax equalization formula, the Associated Foundation had moved to support a dialogue on the need for new taxes of all kinds. In March 1963 it made a $75,000 grant to the Governmental Research Institute, a subsidiary of the Citizens League, to conduct a study of the projected future income versus the projected future expenditures of all 105 governmental and educational entities operating in Cuyahoga County. “Greater Cleveland can benefit substantially from the understanding the people will have of their money problems, from the community discussion of the fundamental questions posed by the report and by, hopefully, the consensus and political action which will follow,” the project proposal observed.

These were measures that PACE suggested all schools in the county—public and private—should enact as a minimum: “adoption of a clear policy statement that a major school objective is acceptance of racial, religious and cultural diversity. . . .; appointment of a coordinator for human relations . . . to ensure that the policy statement is implemented; careful review of the entire curriculum . . . to secure maximum incorporation of intergroup relations teaching materials; . . . non-discrimination in all employment, assignment and [promotion] of personnel [and improved] recruitment procedures; maximum utilization . . . of extra-curricular activities . . . to promote creative encounters with those of different . . . backgrounds; in-service training programs for teachers to secure increased understanding of intergroup problems and increased utilization of intergroup teaching materials.”

In the case of the Cleveland public schools, the PACE report had two additional suggestions. Having rejected the concept of “reverse busing” (the involuntary transporting of white children into predominantly black schools) as unwise and having similarly discarded the “Princeton Plan” of combining two or more schools of different racial compositions into one as unworkable in a city in which whites and blacks were so thoroughly segregated on opposite sides of a river, PACE recommended the creation of both a Cleveland school campus and a supplementary education center. The
Cleveland school campus "would furnish instruction which is excellent and innovative to children of all ages and aptitudes [through] relationships with university ties and research organizations and assignment of highly competent personnel," with the result that "parents and students from all sections of the city will wish to avail themselves of such superior facilities. . . ." Similarly, students from all over the city would be drawn to the supplementary education center for "a particular program of excellent quality" in, say, music, art, literature, mathematics or reading.

Norton's choice of Reavis was hardly a shot in the dark. Syndicated political columnist Neal R. Peirce would identify the Cornell Law graduate (class of '21) as "perhaps the most powerful single individual in Cleveland" in his 1972 book, The Megastates of America: People, Politics and Power. In part Reavis's clout arose from his position as head of the city's largest law firm, which he had helped to form in 1938 by merging with Tolles, Hogsett and Ginn (Fred Goff's old firm) and Day, Young, Veach and LeFever. Jones, Day had grown from 43 attorneys to 110 in Cleveland and 40 in Washington, D.C., around the time Peirce's book was published. (By then it was also the city's best-connected firm, representing more than 25 major Cleveland corporations.) But Reavis's power also derived from his willingness to act—a decisiveness that was apparently deeply ingrained. Visitors to his office were often proudly shown a framed letter from Abraham Lincoln to Isham Reavis, Jack's grandfather. "If you are resolutely determined to make a lawyer of yourself," Lincoln wrote, "the thing is half done. . . . Always bear in mind that your own resolution to success is more important than any other thing." Isham Reavis went on to become the first federal judge in the Arizona Territory.

Vail and Seltzer later denied that they had entered any such agreement.

Reavis's death in 1984 prevented his confirmation of this and other events.

The PATH Association—named after the "Plan of Action for Tomorrow's Housing" that it prepared—became the Foundation's third unofficial advisory committee, which is discussed in Chapter 10.

CHAPTER 9

The report broke down the disbursements into the following categories: public affairs—$528,438, most notably, $160,000 over four years to the Cuyahoga County Mayors and City Managers Association to set up a paid secretariat in the hopes of forging a de facto regional government out of improved communication among the county's welter of municipalities, and $233,438 over three years to Western Reserve University to establish a graduate program in public management science in hopes of improving the
caliber of local public servants; education—$502,088, most notably, grants to Cuyahoga Community College and various PACE activities; community research and leadership development—$275,400, most notably, $157,000 over four years to the Welfare Federation of Cleveland to establish a central planning unit; youth development—$267,075, most notably, grants to Community Action for Youth; race relations—$150,355, most notably, grants to the Businessmen’s Interracial Committee on Civic Affairs; economic development—$84,740, most notably, $45,000 over three years to reactivate the Lake Erie Watershed Conservation Foundation.

For example: Community Action for Youth (operating support—$100,000 in 1963 and 1965); Cuyahoga Community College (planning grant—$50,000 in 1963); Governmental Research Institute (support for tax policy study—$11,000 in 1965); and Pace Association (operating support—$24,000 in 1964 and 1965, support for elementary school libraries—$15,000 in 1965).

The reduction was accomplished by the creation of a special class of members of the Distribution Committee, whose terms expired on March 31, 1971. The three members of this class were appointed on a one-time-only basis by the 11 other members of the Distribution Committee. The resolution provided that all Distribution Committee members thereafter were to be chosen in the following manner: one member each appointed by the mayor of Cleveland, the presiding judge of the Cuyahoga County Probate Court and the chief judge of the U.S. District Court (as before); one member each appointed by the chief justice of the Court of Appeals for the Eighth Judicial District of Ohio and the president of the board of trustees of the Welfare Federation of Cleveland; five members appointed by The Cleveland Foundation’s Trustees Committee (instead of two, as before); and the eleventh member named by the five Distribution Committee members not appointed by The Cleveland Foundation’s trustee banks to ensure that bank appointees would not have a majority.

One of those Distribution Committee members was Dr. Kenneth W. Clement, a respected black physician who had been named to replace a committee member who had resigned shortly before the alliance went into effect. Clement may have been the first black in the country appointed to the board of a community foundation; such a claim is difficult to document.

The expanded Distribution Committee consisted of Raymond Armington, Thomas Burke, Kenneth Clement, Edward deConingham, Pamela Firman, Edgar Hahn, Harvey Hobson, James Ireland, Frank Joseph, George Karch, Elmer Lindseth, Thomas Patton, John Sherwin and Kent Smith. Five years passed before Norton’s suggested “younger person from outside the ranks of those usually considered for such posts” would be appointed. In 1972
Bob Gries, whose grandfather had been spiritual leader of one of Cleveland's most prominent Jewish congregations, joined the Distribution Committee. And though it would be 1974 before two women would serve concurrently, the tradition of community foundation boards as white male enclaves would thereafter be ended, not only in Cleveland but throughout the nation.

Dorothy Ruth would retire on the same day after 40 years of dedicated service to The Cleveland Foundation. As part of a newly conceived pension plan, both she and Johnson were asked to become consultants; Johnson would serve another two years in this capacity, while Miss Ruth (as she was always called) continued to work part-time into the seventies. All told, Miss Ruth would ably assist four of The Cleveland Foundation's seven directors. To many grantees prior to the alliance, she was The Cleveland Foundation. As the Foundation's 1984 annual report noted on the occasion of her death at age 89, it had been Miss Ruth who at one time "reviewed all grant proposals, made follow-up phone calls, sent the letters notifying grantees of their awards, and personally processed each of the hundreds of scholarships given to deserving students, contacting the colleges, writing to the students and making sure they had received their checks." After her official retirement, she demonstrated her continuing loyalty to the Foundation by establishing the Dorothy and Helen Ruth Fund, named in honor of her mother. Every year until her death she contributed $1,000 or so from her modest pension. When the Distribution Committee gave her a cost-of-living increase of $600 in 1983, she contributed that as well. The Foundation, she explained in a letter, had "better use for it" than she did.

Perhaps most notable of these sixties activists was an antipoverty worker by the name of Russell Means, to whom The Cleveland Foundation would award a $9,000 grant in 1969 to start a storefront community center for Cleveland's 1,500 American Indians. Within two years Means would build the West Side center into the national headquarters of the American Indian Movement. Means became a household name in 1973 when federal agents lay siege to the hamlet of Wounded Knee, South Dakota, which had been taken over by Means and 200 members of the American Indian Movement to protest the federal Bureau of Indian Affairs' treatment of 11,000 Oglala Sioux living on the Pine Ridge reservation 15 miles away. Means's rise to national prominence would be accomplished without further assistance from The Cleveland Foundation, which had in 1971 declined his second grant request for $226,350 in operating support for the community center. "Russell Means has become very active in the national 'Red Power' movement and spends a good deal of his time traveling throughout the country in support of this cause," the staff evaluation of the grant request noted.
Given such absentee leadership, the evaluation questioned whether Foundation funds would be used effectively to meet the needs of Cleveland's American Indians.

CHAPTER 10

Dubbed Action in Manpower-JOBS (AIM-JOBS, for short), the program called for executives lent by Cleveland industries to identify and open up the requisite number of positions—an ability honed by the BICCA subcommittee in organizing, as its very first project, a Plans for Progress Council that had persuaded some 90 Cleveland companies to become equal-opportunity employers. In addition, the loaned executives would make themselves available to counsel AIM-JOBS enrollees as they moved from a two-week orientation period to their job training, placement and first few months as employees.

AIM-JOBS was the first and largest such effort launched as part of the federal government's new Concentrated Employment Program. Norton, who was by now an old hand at obtaining federal support, helped behind the scenes in lining up first-year funding of $5.4 million from the U.S. Department of Labor and the U.S. Office of Economic Opportunity, organizing a contingent of 20 or so BICCA members that traveled to Washington, where they met personally with Secretary of Labor Willard Wirtz and Vice President Hubert Humphrey in an attempt to persuade the pair that Cleveland could make good on providing the needed executives and jobs. Before AIM-JOBS was subsumed in the spring of 1968 into a larger effort to coordinate all the city's private and public manpower programs, it had enrolled approximately 3,000 youths, one-third of whom had been successfully placed, one-third of whom were still in training and one-third of whom had washed out.

As Slavin would later explain, the massive federal commitment made to implementing Great Society programs had attracted "lots of people who were not committed to honest leadership," and it was often difficult to tell the hustlers pushing bogus services from those providers who had genuine roots in the black community. HADC was believed to be an example of the latter. Formed in 1967 on a shoestring by a former hospital maintenance worker and ordained Baptist minister named DeForest Brown and other neighborhood activists to encourage the economic redevelopment of Hough, Cleveland's first community development organization had been embraced by the federal government as a model program. It soon expected to receive $1.64 million from the U.S. Office of Economic Opportunity,
a landmark grant that Vice President Humphrey would personally come to Cleveland in July 1968 to announce.

That defense did not extend to Associated Foundation trustees Sherwin and Patton, who were named, along with the four other trustees of Cleveland: NOW!, in a $3 million civil suit filed in 1970 on behalf of three policemen who had been wounded in Glenville. The suit, which charge that NOW! funds "were knowingly provided by the defendants to black nationalist and extremist groups . . . so they would not commit crimes or foment riots," was dismissed in 1977, along with a similar suit for $5.8 million naming additional defendants such as the Growth Association and DeForest Brown that had been filed at the same time. Both suits were defended by Jones, Day (because Seth Taft, extending an offer of help to the man who had defeated him, had drafted Cleveland: NOW!'s incorporation papers and served as its secretary) with fees paid from the balance in the NOW! account. The defense attorneys successfully argued the point that NOW!'s trustees could hardly be held liable for the way in which a grantee spent his legally earned salary. After paying their legal fees, NOW! trustees agreed in 1980 to turn over the remaining corporate assets, totaling approximately $340,000, to The Cleveland Foundation for disbursement to low-income housing and hiring programs.

Two days later, the Democratic congressman announced that the investigation would not take place until after the November elections, a move that effectively killed it.

Ford's grants were part of an increasing involvement in this field that saw the national foundation move from providing support for academic research to creating a Police Foundation to underwrite experimental projects that the police themselves wished to undertake. According to Mitchell Sviridoff, who replaced Paul Ylvisaker as the head of Ford's renamed National Affairs division, this new program area had arisen "... partially, if not substantially, [in] reaction to the Tax Reform Act of 1969. I think there had developed on the part of the [Ford] board an acute sensitivity to the need to vary our programs and pay attention to some of the big problems troubling the American people as they saw those problems. At one board meeting they discussed two program areas which they thought would be important in those terms and in terms of our capacity to do something. . . . And one was crime and the other was drugs."

Spurred by CWRU's infrequent and vague accounts of the expenditure of the funds, an investigation conducted by the Foundation in 1976 uncovered evidence that university officials had spent some grant monies in violation of the donors' wishes. The discovery prompted the Foundation to tighten its grant monitoring and reporting procedures.
7 In 1946 the Distribution Committee had authorized a principal distribution in the amount of $2,000 to pay for capital improvements at a summer camp for underprivileged boys.

CHAPTER 11

1 Wadsworth may have acquired this trait early in his life. A year before he was born in 1913, his father, who operated a modest steel-hauling business, had been crippled in a tugboat accident while working on the river in Wadsworth's native Pittsburgh; and his subsequent death required Homer, at the age of nine, to accept responsibility for supplementing the family's income by selling magazine subscriptions and delivering newspapers.

2 Distribution Committee retreats were a Norton innovation, but it was Wadsworth who would institutionalize them as a regular annual event—in the process making one of his most important contributions to the Foundation's governance.

3 During the same period, education grants accounted for 21 percent of total disbursements and civic affairs grants for the remaining 20 percent. Having independently arrived at the concern expressed in the Ford Foundation's final evaluation of the Greater Cleveland Associated Foundation about the predominance of The Cleveland Foundation's "routine giving" to health and welfare agencies, Wadsworth wanted to effect a more balanced allocation of income across all the program areas. Indeed, between 1974 and 1978, the Distribution Committee would authorize an average of more than $825,000 in arts grants each year, nearly tripling what the Foundation had given annually to cultural affairs before that time. Yet the fields of health and social services continued to command the lion's share of resources, averaging 46.6 percent of all disbursements during Wadsworth's tenure. The desired reallocation finally came about during the Minter administration as an outcome of strategic planning. For the period 1985-87, grant authorizations in each program area kept pace as follows: civic affairs, 14.5 percent of total income; cultural affairs, 11.6 percent; economic development, 14.3 percent; education, 27.2 percent (an uptick of more than 5 percent due to the $3 million commitment made in 1987 to Scholarship in Escrow); health, 13.9 percent; and social services, 18.5 percent. Health and social services grants combined constituted 32.4 percent of the total amounts authorized for the period.

4 Convened by The Cleveland Foundation in 1975 as a means to pick up and build on the work of the Administration of Justice Advisory Committee and the Criminal Justice Coordinating Committee, both of which efforts
had become moribund, the Special Committee issued a report in 1976, "Criminal Justice in Greater Cleveland: Strategies for the Private Sector, that served to reenergize and inspire the Foundation's work in this field over the course of the next seven years. Between 1975 and 1982 the Foundation committed nearly $5 million to supporting planning and programming in five areas the Special Committee had singled out for intensive assistance: the police department, the public defender's office, adult corrections, juvenile justice and allocation of federal resources.

The creation of the Study Group on Racial Isolation was to be BICCA's last hurrah. In late 1975 it came to the Foundation's attention that the person hired to replace retiring BICCA director Larry Evert had misused Foundation grant monies. Upon learning this news BICCA's board summarily disbanded the organization, which had been in decline ever since the resignation of Jack Reavis as chair.

The associate dean, Charles W. Case, who had helped to implement voluntary desegregation of the Rochester (New York) city and suburban schools, and Joseph E. Rogus and R. Jerrald Shive, both with similar experience.

After fruitlessly pursuing an appeal of the federal court's eventual decision against the schools, Squire, Sanders and Dempsey would reverse course and go on to help lead the school-improvement movement of the eighties. As has previously been noted, SS&D managing partner John Lewis helped to launch the Scholarship in Escrow program; he also served as the business community's chief proponent of Five Together for Quality Education, a slate of candidates for the Cleveland Board of Education who ran in 1989 on a platform promising full compliance with the court's still largely unimplemented remedial orders.

Brookings had suggested that Foundation personnel lead the local investigation because of the solid work performed by Steve Minter and his wife Dolores on a previous Brookings study of community development block grants in Cleveland and other cities.

CHAPTER 12

1 The city's largest private philanthropy, Gund did not harbor any "illusions about [the NDOs'] ability to turn around the community," program officer Dan Berry once stated. Rather, Gund had regarded supporting the groups' efforts as a means "to hold the line" until private market forces take over.

2 Cleveland Ballet, Cleveland Play House, Cleveland Orchestra, Cleveland Opera, Great Lakes Shakespeare Festival and Karamu House.
3 The Cleveland Foundation subsequently donated $250,000 to bring the challenge grant up to the requested $2 million total.

4 In 1976, the Cleveland Ballet, for example, had been launched as a small company of 21 dancers with the assistance of a $120,000 grant from the Foundation, which would later contribute more than a quarter of the Cleveland Opera’s extremely modest first-year budget of $45,000. A decade later the ballet and the opera had become multimillion-dollar operations, with the ballet mounting lavish storybook productions and touring nationally and the opera (which had started out in a junior high school auditorium) bringing to town accomplished singers for each of its three annual multi-performance seasons.

5 GLSF has since changed its name to Great Lakes Theater Festival.

6 The redevelopment goals included renovating the blighted Bulkley; connecting all the buildings within the superblock by means of interior arcades; transforming Dodge Court into a festival-retail space; building a parking garage on land between Dodge Court and Chester Avenue, which would offer patrons safe, weather-protected access to the theaters, shops, restaurants and offices; converting the Selzer Building into an atrium and new outer lobby for the Ohio Theatre, with balcony spaces housing restaurants and shops; converting the Ohio’s existing outer lobby into a banquet facility to be operated by the Playhouse Square Foundation as an income generator; and redeveloping the Allen as an additional entertainment space. To date only the first and fourth goals have been realized.

7 As it turned out, construction of a 750-car structure was financed primarily through the means of industrial revenue bonds. Completed in 1989, the garage is anticipated to generate up to $500,000 a year in income for Playhouse Square Center.

8 Having poured $1 million into REI by 1988, the Foundation had hired Summers to evaluate the operation before it decided to commit additional support.
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