

## What Works

### Polishing Up the Diamond

**How did the Jacobs Foundation help revitalize a neighborhood? By listening to its residents.**

By Anne Stuhldreher

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## GRANTMAKING

### Polishing Up the Diamond

How did the Jacobs Foundation help revitalize a neighborhood? By listening to its residents

by Anne Stuhldreher

The word “foundation” usually evokes the same stereotypes.

Swanky offices on the upper floors of downtown buildings. And power-suited program officers who write checks to organizations that “serve” people the foundation staff will never meet, but are neatly categorized as “underprivileged,” “homeless,” or “teen mothers.”

But the Jacobs Family Foundation, a \$21 million family fund created to revitalize a southeastern San Diego neighborhood called “The Diamond,” wanted to turn that model upside down. Frustrated by the limited results they achieved by providing grants and technical assistance to nonprofits, President and CEO Jennifer Vanica and the Jacobs family – Dr. Joe, Vi, and their three daughters and son-in-law – decided to work directly with the community. Instead of just funding the 200 nonprofit agencies that are located in the Diamond’s two square miles, they wanted to go straight to the neighborhood’s 80,000 multiethnic residents to better determine their needs and priorities.

“Foundations do a lot of things well, but neighborhood revitalization isn’t one of them,” says Vanica. “We tried to

improve the flawed design of foundations, which disconnects the person who *pays* for the service from the person who *receives* the service.”

Neither Vanica nor the Jacobs family knew how to implement this high-minded notion. “How do you begin to communicate with 80,000 people?” asks Vanica, who, in a Guatemalan jacket and jeans, does not look the part of an intimidating foundation director. The foundation’s effort to develop direct communications with residents, and to allow that input to drive their work, has allowed it to achieve results rarely seen in the community-development field. Its journey may become a blueprint for other foundations and community groups working with neighborhood revitalization.

#### Moving into the Diamond

Uncertain how to begin, Vanica knew how she did *not* want to start, as others might – by developing a “comprehensive plan” from their offices in northern San Diego. “The neighborhood had been studied to death by outside organizations

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and little had come from it,” she says. She wanted the foundation to be perceived as “doers,” not “studiers.” As she puts it, “If we were going to encourage others to invest in the neighborhood, we needed to do it ourselves.”

And so, the foundation moved in. They rented an abandoned grocery store, and paid \$4 million for 20 acres of weeds that included an abandoned factory site that had been undeveloped for years. Then they set off to figure out how to ask the residents – not the nonprofits that serve them – what they wanted built on the property.

They hired Roque Barros, a successful organizer with Los Ninos, an international community-development organization, to gauge the residents’ needs. “I did exactly what I did in any other organizing job,” he says. “I started knocking on doors.” He told residents that the Jacobs Foundation, which had just moved into the neighborhood, wanted their help in figuring out what to build on the land they had just bought.

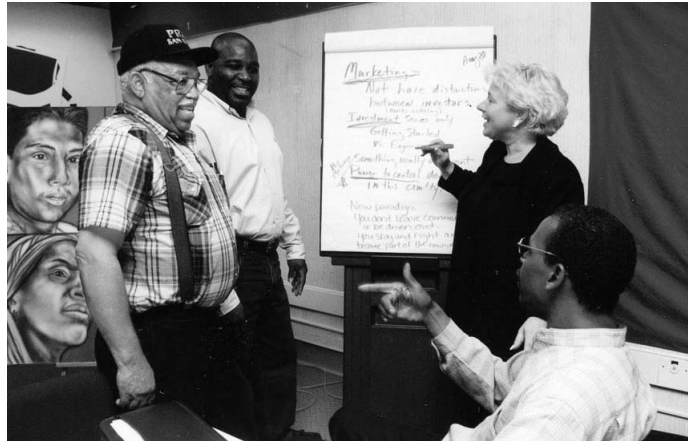
“We used an old tool – community organizing – in a new setting, a foundation,” says Vanica.

## Residents Didn’t Need What Nonprofits Said They Needed

Barros became a regular in the neighborhood, joking with residents and their kids in the streets. He built a level of trust so he could start holding “living room meetings.” He would ask a resident – Bevelynn Bravo was one of the first – if he could rent their living room for two hours for \$100, and he’d provide food and door prizes. The hosts would invite 10 friends and Barros would ask the group to describe what they liked about the neighborhood, what they didn’t like, and what they’d like to change.

Bravo – a Latina mother of four and lifetime neighborhood resident – didn’t know what to expect. “It was fun,” she says. “Like an Avon or Mary Kay meeting.”

Vanica was surprised at what emerged at the 200 or so meetings. People often didn’t know the name of the neighborhood, their council members, or more than a handful of their neighbors. They lacked basic public services – streetlights, curbs, sidewalks, and trash pickup. They most wanted



Jacobs Foundation representatives would end each living room meeting held the community by challenging residents to take ownership of their neighborhood’s revitalization.

a grocery store and a nice sit-down restaurant in the neighborhood. Hardly anyone said they needed more of the social services – gang or teen pregnancy prevention, for example – that Jacobs’ grantees had said the community sorely needed.

The living room meetings often ended with the same question: “What are you going to do about it?” Barros would turn that question around: “No, what are *you* going to do about it?” He wasn’t there to solve their problems, he said. He was

trying to build their abilities to “own their own change,” which would become a mantra for the Jacobs Foundation.

## Let Them Be the Experts

Barros’ approach was an eye-opener for Vanica. “It’s hard to stop trying to solve people’s problems and let go of being the expert,” she says. “But you undercut their ability to find their own solutions.”

The living room meetings allowed Barros to identify the natural leaders in the community. He hired 20 of them, all women, and trained them to be neighborhood coordinators. Most had limited professional experience and education, but when they told him they didn’t know how to organize, he explained that they do – it’s just like planning a birthday party.

A neighborhood consensus began to emerge: Jacobs should use their land for commercial development, which could include a grocery store, restaurant, performance spaces, and other shops. The foundation called for communitywide meetings to discuss what should be included in the center. From those crowded meetings, they formed eight working teams of residents, which met regularly to determine every aspect of the commercial development, which were often controversial. Community residents – not Jacobs – eventually decided to name the development Market Creek Plaza.

In the business development and leasing team, for instance, there was an ongoing debate about how Market Creek Plaza could create both stable jobs with benefits and business opportunities for local entrepreneurs. Foundation



staff often had a laptop computer attached to a large screen so residents could view the financial implications of including different tenants – from Starbucks to a local taqueria. On the art and design team, the residents worked with the architect to infuse the development with the vibrant look and feel of the neighborhood’s many cultures. Select members of the working teams were paid modest stipends to implement the work.

## New Businesses and New Attitude

Today, after seven years, Market Creek Plaza is open for business, but is still a work in progress. Food 4 Less – a major grocery – has opened, creating 110 union jobs with benefits – 90 percent of which went to local residents. Magnolias, a sit-down restaurant with a full bar and outdoor patio, is owned by local restaurateurs Charles and Bessie Johnson and offers authentic Southern cuisine such as fried catfish and black-eyed peas. Wells Fargo and Starbucks have recently opened. Local entrepreneurs have started stores such as “Business Matters,” a box, ship, and copy shop, and “Where the World Meets,” a multicultural gift shop. A 500-person outdoor amphitheater will overlook the creek at the rear of the property.

As the project developed – and team coordinators knocked on doors – the neighborhood began to change. People started showing up for neighborhood cleanups and council meetings, and stopped throwing trash on the streets. “I didn’t have a purpose before this work,” says Bravo, who had dropped out of high school. “I didn’t care. No one cared. Everyone else was throwing trash in the street, why shouldn’t I? Now I know that this is my neighborhood and is where I will raise my children.” Bravo’s children talk about what they’ll pursue after high school, and she has gone back to get her GED.

Like Jacobs, nonprofits and foundations can use community engagement much more broadly, according to Judith Bell, president of PolicyLink, which is conducting several case studies of the foundation’s work. “I am always struck by how community engagement leads every aspect of their work,” she says. “They are never out of sync with the community or out of step with them.”

## Dramatic Moments

The Jacobs Foundation faced significant challenges along the way. Initially, there were tensions between the several ethnic groups in the community: residents would say everything was the fault of those Laotians, or those blacks, or those Latinos down the street. As the neighborhood coordinators cre-

ated opportunities for interaction, these tensions began to dissipate. The Jacobs Center also hosted a widely attended series of ethnic nights, culminating with a “Unity Night” filled with food, dances, and traditional costumes.

Resident anger at nonresponsive outside foundations, nonprofits, and governmental agencies had built up for years and was often directed at Jacobs staff. Staff members would let angry residents have their say, listen for what was useful, and then “dust off and come back every day,” says Vanica.

The biggest challenge was one they did not anticipate. By purposefully engaging those least involved in the Diamond, Jacobs inadvertently sidestepped neighborhood powerbrokers used to calling the shots. These people – sometimes nonprofit leaders or council members – tried to undermine Jacobs’ work, either directly (by telling them to leave) or indirectly (by spreading false rumors about the foundation’s intentions). Jacobs did not waver in their commitment to work with all residents. Their steadfastness eventually silenced many of these disgruntled powerbrokers.

Their approach also had significant risks for the foundation. Financially, the foundation had bet the farm on Market Creek Plaza, and had \$50 million tied up in it at one point. Other investors eventually came in, reducing this investment to \$4.5 million. They also regularly confront various legal challenges, such as the ones resulting from what will be the country’s first community development initial public offering, to sell ownership shares in Market Creek Plaza to neighborhood residents.

The foundation, which calls itself a “support staff” to the neighborhood, also experienced significant organizational confusion. “We didn’t know what our role was,” says Vanica. “Were we a mainly a facilitator, or should we try to lead?” As the foundation staffed up with people in construction, development, and leasing, staff members no longer spoke each other’s language. They spent a significant amount of time working in teams, learning each other’s lingo, and building a common understanding of the work. “We really needed to change ourselves, too, not just others,” says Vanica.

But when Dr. Joe Jacobs, the foundation’s founder, passed away in October 2004, it was clear how much progress the foundation had made. Over 500 people across all cultures attended a tribute celebration thrown by the foundation, to share their memories about the “No Ordinary Joe” who had inspired them over the years.

“It’s like Dr. Joe came and put his arms around the neighborhood,” says Doris Anderson, executive director of the Elementary Institute of Science. “He took steps that no one else was willing to take.” □