Activating the Power of Place: A Case Study of Market Creek

Elizabeth Castillo
University of San Diego

Angela Titus
Jacobs Center for Neighborhood Innovation

Follow this and additional works at: http://scholarworks.gvsu.edu/tfr

Recommended Citation
DOI: http://dx.doi.org/10.9707/1944-5660.1252
Available at: http://scholarworks.gvsu.edu/tfr/vol7/iss3/4
Activating the Power of Place: A Case Study of Market Creek

Elizabeth Castillo, M.A., University of San Diego, and Angela Titus, M.B.A., Jacobs Center for Neighborhood Innovation

Keywords: Place, innovation, collaboration, development, community, theory

RESULTS
Key Points
· This article tells the story of a placed-based initiative to develop well-being and wealth in the historically underserved Diamond Neighborhood in San Diego, and discusses the place-based philosophy of the Jacobs Center for Neighborhood Innovation and the foundation’s motivation for place-based work.
· Its theory of change is presented through examples, along with the entry points the foundation chose for engagement and how it developed community capacity to engage effectively in this change work.
· The article also discusses plans to transition ownership to the Diamond Neighborhood community when the foundation sunsets in 2030.

Introduction: From Space to Place
Space and place are frequently used as synonyms, yet those words can also signify profoundly different things. Space can be thought of as a geographic location made up of natural and man-made elements. Place emerges when space is entwined with human values and goals through individual thoughts, group interactions, and cultural processes that create meaning (Creswell, 2004). Social construction and individual agency are at the heart of this transformation – a person chooses the meaning she gives to space, often as a result of interactions experienced with other people in that space (Entrikin, 2000; Sack, 1997).

These interactions can occur in variety of spheres, including economic, family, organizational, and political (Sack, 1997).

At its core, we believe place is rooted in relationship. Over time people become connected to the land, strengthened through neighborly interactions, and affirmed through local customs and narratives. These symbiotic interactions help people forge identities, develop a sense of belonging, and create meaningful experiences throughout their lives. Given the power and profundity of these relational outcomes, it is not surprising that place-based initiatives have emerged as a potent strategy for community and social change through philanthropic action.

This article tells the story of a placed-based initiative to develop well-being and wealth in a historically underserved neighborhood in San Diego. Specifically, it describes the transformation of a space into place through the development of Market Creek. It also explains the place-based philosophy of the Jacobs Center for Neighborhood Innovation and the foundation’s motivation for place-based work. Its theory of change is presented through examples, along with the entry points it chose for engagement and how it developed community capacity to engage effectively in this change work. The article also discusses plans to transition ownership to the community when the foundation sunsets in 2030.
The Evolution of Placemaking

Using place as an organizing principle to guide philanthropic investments emerged formally in the 1960s as a strategy to combat poverty in slums (Hopkins, 2015). At its core, the goal was to fix communities perceived to be broken. When federal policies in the 1970s shifted primary responsibility to local governments, community development corporations and local initiative support corporations were established as coordinating entities. Over time these agencies promoted comprehensive, multiagency approaches to coordinate and professionalize community revitalization efforts (Hopkins, 2015).

Yet even these coordinated efforts produced marginal results, spurring many to acknowledge the role that larger social forces, especially race and class, play in sustaining poverty. Accordingly, some foundations began to adopt a multilevel perspective, working at both the macro and micro levels, or what Robert Ross of The California Endowment describes metaphorically as a grassroots and treetops strategy (Hopkins, 2015).

With this widening perspective of intervention points, there also emerged growing awareness that neighborhood redevelopment was not a cookie-cutter proposition. Although notions of scale and replication are logically appealing because they promote efficiency, experience with place-based initiatives showed that different communities need to be approached in different ways because each has unique assets and requirements (Hopkins, 2015). Experience also enabled funders to recognize commonalities shared by successful projects, patterns that have gained acceptance as design principles to guide philanthropic work. They include giving local residents a formative role in planning and implementing the work, aligning efforts to support existing resources and initiatives, using data and analytics to guide decision-making, and creating a national network of place-based initiatives to share learning and promising practices (Ferris & Hopkins, 2015; Hopkins, 2015).

Central to current thinking about placemaking is the role of the market. Economic development has become integral to community development through initiatives such as job training, small-business lending, and attracting industry to create local jobs through regional initiatives (Hopkins, 2015). Yet some scholars argue that markets are actually part of the problem rather than the solution, because a market economy promotes income inequality (Dreier, 2015) and the artificial creation of scarcity (Atkinson, 2013).

This article explores, integrates, and builds on these concepts by sharing examples, lessons learned, and future plans of the Market Creek Neighborhood and the Jacobs Center for Neighborhood Innovation. After providing examples, we connect this case study to relevant theory, lessons learned, and implications for the field.

The Jacob Center’s Placemaking Initiatives

Like most place-based funders, the people behind this place-based initiative think deeply about questions like those posed by Kubisch, Auspos, Brown, Buck, and Dewar (2011): What is the appropriate way to launch community change
What is the appropriate way to launch community change initiatives? How should the work be divided among the various levels of the resource system (local, regional, state, national)? What level of resource investment should be expected from the public, private, and nonprofit sectors? How should evaluation and learning be undertaken? And how can a placemaking initiative achieve scale while producing collective impact?

In 1998, to help fulfill residents’ vision of a “village center” that would serve as the catalyst for future development, the JCNI began to acquire blighted, unused, or underused land contiguous to the identified hub. The intent was to hold the land in trust for community planning and thereby mitigate the gentrification that would occur in the absence of an intentional, resident-centered approach to revitalization. With support from the Annie E. Casey Foundation and working lines of credit provided by Pacific Western Bank and U.S. Bank, the JCNI was able to acquire 45 acres on the Euclid-Market corridor. Although the area was not zoned for mixed-use development, residents and the JCNI appealed to the mayor for help obtaining a zoning change that resulted in the completion of Market Creek Plaza in 2004. More than 2,000 adults and 1,000 youth then participated in the planning, design, and development of the 20-acre site. Today, the foundation owns 60 acres of land that it intends to develop into the LEED-certified neighborhood and vibrant cultural destination envisioned by local residents.

The nearly 88,000 residents of the Diamond represent a rich mix of cultures and ethnicities. Since the foundation’s work began, the area has seen high levels of mobility with dramatic impact on the demographics of the residents. What was formerly a predominantly African-American community has shifted to a mix that now includes 53 percent Latino, 21 percent African American, and 13 percent Asian and Pacific Islander. Within area schools, the percentage of Latino students is even higher. This shifting population base is also younger than the rest of San Diego, with an average age of 29, signaling the need to engage the next generation of leadership.

Under the banner of “Resident Ownership of Neighborhood Change,” the people who live and work in the community create the vision, lead the implementation, and own the change in their community. The JCNI board and staff maintain the core belief that no real impact can be made or sustained without the full participation of residents. Through a network of nonprofit and for-profit partners, locally owned businesses and
The Power of Place

Results

Over the past two decades, the JCNI evolved from grantmaker to nonprofit-strengthening organization to active community partner. The Jacobs family felt a strong need to achieve deep impact in one community, as opposed to a broader effort that did not address the root causes of issues evident in the Diamond – low educational attainment and lack of economic opportunities being two of the most obvious. Its place-based focus requires the foundation to comprehensively address these underlying conditions. However, there was a keen recognition that bringing the same prosperity to the Diamond that existed in other San Diego neighborhoods would not be easy and would require strong partnerships with local nonprofits, policymakers, other funders, and, most important, residents.

Innovation

The board and staff also recognized that traditional approaches had not yielded enough impact in the 20 years the JNCI had been conducting its work. It would require a different approach to live up to the “innovation” in its name. While innovation has traditionally been associated with high-tech suburban regions such as Silicon Valley, a new urban model is emerging that brings together residential and commercial tenants, business incubators, and the arts to foster research, invention, and economic development (Katz & Wagner, 2014). The foundation now frames its approach to urban revitalization through the lens of a Neighborhood Innovation District (NID), defined as a geographic area “where leading-edge anchor institutions and companies cluster and connect with startups, business incubators, and accelerators. They are also physically compact, transit-accessible, and technically wired and offer mixed-use housing, office, and retail” (Katz & Wagner, 2014, p.1). A diverse array of partners typically participate in such innovation districts, including governments, landowners and developers, universities, large firms, medical providers, philanthropists, and social-networking organizations (Katz & Wagner, 2014), similar to the variety of stakeholders that the Market Creek build-out will bring together through its space-to-place transformation. The value of an innovation-district approach is that it creates jobs in ways that capitalize on local niches while activating discovery and creative disruption within the economy, fostering entrepreneurship, reducing carbon impact by creating local jobs, and creating networking assets that build weak ties by promoting novel cross-sector relationships (Katz & Wagner, 2014).

The key to success in creating lasting community value through Neighborhood Innovation Districts is to build collaborative leadership, create a compelling vision for development, pursue human capital and technological advancements, increase access to financial capital, and foster inclusive growth by involving diverse stakeholders in the potential for economic opportunities.
or along historic waterfronts, where industrial or warehouse districts are undergoing a physical and economic transformation to chart a new path of innovative growth. This change is powered, in part, by transit access, a historic building stock, and proximity to downtowns in high-rent cities, which is then supplemented with advanced research institutions and anchor companies (Katz & Wagner, 2014, p. 3).

The three assets critical to the success of innovation districts – economic, physical, and networking assets – are already present in the Diamond, albeit not at equal levels. Its physical assets lie in the acres it already owns. Market Creek has excellent transit access and is the second busiest Metropolitan Transit System hub in San Diego. What the foundation seeks to build are the economic assets that will drive innovation and, consequently, economic opportunity. It has a starting point with educational institutions already engaged in its community programs and is now working to maximize the benefits that can come from these partnerships. The intent over the next few years is to build out this holistic approach to urban revitalization that comes from the NID framework. (See Figure 1.) The framework in reality is a more modern take on the original vision of residents for physical, economic, and human transformation.

Developing Community Capacity
The core areas that comprise the JCNI’s work – physical, economic, and networking assets – will be fully integrated whenever possible to maximize community benefit. One example is the restoration of Chollas Creek, which cuts through the heart of the neighborhood. (See Figure 2.) Years of neglect and drought had left the creek a dumping ground for trash, with invasive species crowding out native plants. With federal funding, the JCNI is restoring the creek’s natural beauty, partnering with local agencies to hire local residents for creek cleanup. A gateway project that places public art and trails along the creek will provide a further opportunity to employ residents, this time local artists. Once the project is completed, the intent is to foster community
pride and ownership of this asset. And, in fact, since the groundbreaking residents have already formed a volunteer creek-cleanup team with the intent to make this a sustained effort.

To address residents’ desire to increase the educational success of students, the foundation serves as the backbone of the Diamond Educational Excellence Partnership, a collective-impact initiative focused on third-grade reading proficiency. The partnership brings together partners including the school district, parents, the local library, nonprofits, and funders. In this role, the Jacobs Center helps bring together disparate groups in the community to focus on a shared goal of improving children’s reading skills. The partnership has been a catalyst for parents to increase their participation with the school district and create literacy-rich home environments.

The Diamond Parent Leadership Learning Series helps parents become more active in their children’s success. Topics include understanding the school system, preparing children for success, critical milestones for success and overcoming barriers, building a parent-leaders network, and connecting to community resources. Parents who complete the series receive a certificate endorsed by the University of California-San Diego Extension, a foundation partner. Outcomes associated with this programmatic effort include building a network of parents who are supportive of one another and more connected to regional groups. Several parents have joined advisory committees or working groups that are part of the San Diego Unified School District or other education efforts. And the most important outcome is clear improvement in children’s reading skills.

A newer education initiative that was piloted in 2014 exposed ninth- through 12th-graders to science, technology, engineering, arts, and math (STEAM) summer programs that offered a combination of classroom and community-experiential learning. More than 90 percent of participants completed the program in 2014. For the summer 2015 course, 70 students applied and 53 enrolled, with 47 of those students completing the program (88.7 percent).

Writerz Blok, an arts and culture program, is helping youth who are on the margins of educational institutions or who have been part of the juvenile justice system. (See Figure 3.) Writerz Blok is a collective of graffiti artists who also run a social enterprise selling apparel, paint supplies, and commissioned art pieces to local

![FIGURE 2 Nature Trail Near Chollas Creek](image-url)
museums, individuals, or groups. Youth learn screen printing, graphic design, and other skills in the creative industries. The foundation serves as an incubator, funder, advisor, and resource for the young leadership of Writerz Blok with the aim of helping them to be self-sustaining.

In addition to Writerz Blok, the Jacobs Center presents a yearlong performing arts series that features national and internationally known performers and local cultural celebrations. The Jacobs Presents series draws San Diegans from outside the community, bringing tens of thousands to spend time and money within the Diamond. Equally important, it offers residents entertainment in their own neighborhood. The Diamond is quickly becoming known as a cultural destination and gathering place, and driving spending at the businesses in Market Creek Plaza. Underpinning all the foundation’s urban revitalization work is the imperative to build the capacity of residents through workshops, active participation in planning, and opportunities to practice leadership skills. This intense level of resident participation began years earlier with their involvement in the development of the plaza. Today residents are still at the center of decision-making. From June through December 2014, nearly 40 residents worked side by side with JCNI board and staff to develop a three-year strategic plan. Working groups that formed after this process keep residents engaged with this plan, which serves as a road map for shared goals and how to achieve them. To continually build capacity at the individual level, a small group of emerging leaders is receiving leadership training, hands-on project experience, and opportunities to participate in program design. The goal is to expand the numbers of emerging leaders that are engaged with the foundation, in light of the demographic shifts noted earlier.

Stakeholders Who Transform Space into Place
The foundation’s early engagement strategy included outreach to key community groups...
and an intense listening campaign, including more than 600 one-on-one conversations. Today the foundation uses a combination of town hall meetings, social media, online surveys, standing community meetings, and old-fashioned door-knocking to reach residents across generations, ethnicities, professions, and economic circumstances. (See Figure 4.)

In spring 2015, the JCNI’s community engagement team embarked on an initiative to find the optimal way to combine online and offline community organizing. While many seniors are best reached through traditional means, younger residents increasingly rely on mobile phones and digital platforms for their news.

To get a better handle on optimizing reach, but more importantly to move people from online to offline action, the Jacobs Center in April 2015 convened a group of national thought leaders in digital and traditional community organizing. The goal was to build a framework that could be tested in San Diego, with the goal of sharing any success or failure with others doing place-based philanthropy. This effort is aligned with a collective-impact data-collection and data-sharing initiative to equip local organizations and residents with a shared understanding of the health, education, and economic well-being of the neighborhood. The hope is that by creating a common understanding of key metrics of community success, the foundation can play a role in driving cohesion and movement toward shared goals. In practical terms, access to these data will aid local nonprofits that may be applying for grants or looking for ways to improve service delivery or measurement and evaluation of their work.

Outcomes
Overall, the JCNI has active relationships with nearly 300 community leaders and organizations, relationships that are nurtured and include local parent-leaders who work to help the Latino community organize itself. The foundation’s staff works with UC-San Diego and a data scientist
To reflect its multifaceted role as funder, convener, facilitator, and capacity builder, the foundation also tracks community-engagement and capacity-building metrics, leveraged dollars, and redevelopment progress. Results are widely shared with neighborhood residents and the broader San Diego community. The foundation will also produce an annual Social Impact Report that captures progress across all three dimensions of its community revitalization work: building physical, economic, and networking assets.

Aspirations
The vision for the foundation’s work is a vibrant, economically strong community where members of the next generation not only succeed, but also actively participate as leaders in building their future. The physical redevelopment assets, where the JCNI is strongest, include planned mixed-use, commercial, light industrial, residential, and gathering places that will encourage collaboration among businesses and residents. Each project will use sustainable building practices and be architecturally significant, continuing the transformation of a town center at Market Creek.

Addressing infrastructure deficiencies is one of the first steps in the JCNI’s master redevelopment plan, through the creation of a Community Facilities District. The foundation will partner with residents to advocate for and bring in the sidewalks, improved lighting, bike lanes, and other necessary elements to support construction projects and improve neighborhood livability. The Jacobs Center’s holistic approach to creating a culture of collaboration, fostering innovation in its civic engagement strategy, and committing to sustainable redevelopment embodies the three elements of Neighborhood Innovation Districts. By incorporating elements of creative placemaking, the foundation is blending the traditional cultural assets of the community with the newest thinking on urban revitalization.

Sunsetting of the Foundation
With a 15-year deadline – short in terms of redevelopment timelines – there is a sense of urgency among the foundation’s board and
senior leadership to accelerate capacity building and complete construction projects. The redevelopment team has worked closely with city leaders to attract new businesses to the area. While only five minutes from downtown, the Diamond has not benefited from the development boom occurring in the rest of the city. However, the foundation’s cultivation of new partners and its increasingly coordinated efforts with city government have resulted in several projects that have broken ground or are nearing completion.

In addition to the tenants that are thriving in Market Creek Plaza, the JCNI recently celebrated the opening of Walgreens, the first pharmacy in the neighborhood. Groundbreaking for a 52-unit affordable apartment complex, located next to the public transit center, is imminent. The JCNI is also nearing completion of lease negotiations with two fast-casual restaurants, addressing the lack of these amenities in the area. Several other projects are in the predevelopment stage, including an entertainment complex. The accelerated work on physical assets should begin to shrink the nearly $1 billion retail leakage to surrounding communities, keeping more of the residents’ spending power in their own community.

As real estate assets are built, residents’ knowledge of what it takes to bring projects to fruition will also build. Meetings of the redevelopment working group and local planning groups will serve as a forum to educate residents. Over the next several years this will help build the leadership required for community oversight of the resulting real estate assets. On the human development front, all programming is designed through the filter of long-term sustainability, with each program having an exit strategy. Frequent and transparent communication with residents about how the foundation views its role in the revitalization partnership is beginning to change expectations and build understanding of the complexities involved in redeveloping what is mostly urban infill.

Equally important, the board and leadership of the foundation are creating a plan to bring residents onto the board, enabling high-level knowledge transfer regarding governance of JCNI assets. By building a pipeline of leadership from young adults to established leaders, the foundation is on its way to fulfilling the Jacobs Family plan to cede control of all assets when the organization sunsets in 2030.

Theoretical Framework

The place-based programming at Market Creek concretely illustrates three conceptual perspectives: the role of organizations as place builders (Thomas & Cross, 2007), resource-based theory (Arya & Lin, 2007), and effectuation theory (Sarasvathy, 2001). Together, these scholarly lenses help to explain why the community, in partnership with the JCNI, has been able to achieve its outcomes to date. These theories also inform future aspirations for Market Creek and its envisioned sustainability.

Organizations as Place Builders

Place building is a socially constructed phenomenon, and organizations are fundamental to this process; organizations tend to interact...
Resource-based theory (RBT) focuses on wealth creation through the development of sustainable income, with resources as the starting point, and recognizes leadership and processes as being central to resource activation. Core elements of leadership include generating trust, providing meaning to stakeholders, working with partners, and communicating values (Ireland, Hitt, & Vaidyanath, 2002).

with place in four ways: exploitive, instrumental, contributive, and transformative (Thomas & Cross, 2007). Exploitive organizations are isolated from community values and see themselves only as occupants of the space (Vogel, 2005). While such organizations benefit from a neighborhood’s economic, cultural, social, and political resources, they view the space solely as a commodity (Sagoff, 1996; Entrikin, 2000). Their decision-making frameworks focus on cost effectiveness, short-term gains, and profit maximization, with little consideration for accountability to local residents (Thomas, 2004).

Contingent organizations take a competitive and instrumental approach to doing business (Thomas & Cross, 2007). They see corporate social responsibility in terms of complying with regulations and view philanthropy as a means to promote their own interests. They value the three realms of place as commodities: specifically, nature for natural resources used in production; the material environment for supplying the built infrastructure that undergirds their operations; and human capital for supplying their labor force (Thomas & Cross, 2007). In contrast, contributive organizations see themselves as members of a networked business community. They view their philanthropy in terms of contributing to, rather than feeling genuine responsibility for, community well-being (Thomas & Cross, 2007).

The fourth type is the transformational organization. These organizations act collaboratively, recognize their interdependence with other stakeholders and sectors, and invest in the ongoing well-being of community (Thomas & Cross, 2007). Their corporate cultures emphasize team learning and building partnerships. They hold themselves accountable to the community and see themselves as enduring partners in the evolution of their neighborhood, taking a long-term perspective to guide their decision-making (Thomas & Cross, 2007). The JCNI strives to embody this role and, perhaps more important, it seeks to inspire this ethos in its commercial development and social-enterprise initiatives, thus giving birth to more transformational organizations.

Resource-Based Theory

Initially referred to as the resource-based view of the firm when it emerged in the late 1980s, this concept has gained sufficient prominence over the last two decades to become accepted as a theory. Empirical studies show it to be a powerful tool for explaining and forecasting organizational relationships and success (Barney, Ketchen, & Wright, 2011). Resource-based theory (RBT) focuses on wealth creation through the development of sustainable income, with resources as the starting point, and recognizes leadership and processes as being central to resource activation. Core elements of leadership include generating trust, providing meaning to stakeholders, working with partners, and communicating values (Ireland, Hitt, & Vaidyanath, 2002).

Traditionally, RBT strategies center on exploiting opportunities others have not identified or taken advantage of. Competition is the primary
tactic (Ireland et al., 2002). Because a focus on competition may promote scarcity rather than prevent it, the RBT lens described by Arya and Lin (2007) may better explain resource dependence in place-based initiatives. Their study of 52 networked organizations is one of the few empirical investigations examining RBT from a nonprofit perspective. They found that resource acquisition motivated collaboration and enabled these organizations to develop capabilities and competencies at the individual, interorganizational, and network levels. The collaborative work at Market Creek similarly demonstrates this dynamic of multilevel capacity building.

**Effectuation Theory**

In 2001 a cognitive scientist (Sarasvathy) introduced a conceptual paper on the principles of entrepreneurship. Where the literature had previously described entrepreneurs as creating wealth by finding and exploiting niches, she suggested that entrepreneurs actually generate (effectuate) opportunities that had not previously existed. She laid out a series of propositions confirmed by subsequent empirical testing (Sarasvathy & Dew, 2005; Sarasvathy, 2003; Read, Song, & Smit, 2009). These include: (1) the future is designed by willful agents; (2) the basis for their decision-making is “who am I,” “what do I know,” and “who do I know”; and (3) markets can be intentionally co-created with customers, partners, and even potential competitors (Read, Song, & Smit, 2009). Steinberg’s assertion (2006) that nonprofits create social capital that enables the subsequent production of collective goods and joint action can be seen as a third-sector example of effectuation theory in action. In terms of Market Creek, the JCNI has worked with individuals, organizations, government agencies, and networks to bring into existence opportunities, relationships, and economic resources that did not exist before this collaboration.

**Lessons Learned**

Smith (2015) asserts that the Market Creek initiative has implications for the place-based programming field as a whole, and that these lessons that are “worth distilling and sharing” (p. 76). Key lessons from recent work there include the importance of redevelopment partnerships and accountability, the transformative power of arts and culture, and the adoption of a multilevel, long-term approach to capacity building.

---

Where the literature had previously described entrepreneurs as creating wealth by finding and exploiting niches, Sarasvathy suggested that entrepreneurs actually generate (effectuate) opportunities that had not previously existed. She laid out a series of propositions confirmed by subsequent empirical testing (Sarasvathy & Dew, 2005; Sarasvathy, 2003; Read, Song, & Smit, 2009). These include: (1) the future is designed by willful agents; (2) the basis for their decision-making is “who am I,” “what do I know,” and “who do I know”; and (3) markets can be intentionally co-created with customers, partners, and even potential competitors.
The team has also learned that the diversity that is such a strength of the community can also be a challenge in finding agreement on the details of how this translates to on-the-ground work. As an example, managing expectations regarding local hiring in a neighborhood that has lower educational preparation, and where job-seekers sometimes lack some of the skills needed for construction jobs, is a challenge. What targets are realistically achievable before residents’ educational preparation is improved? This quandary has indicated a strong need for pre-apprenticeship and job-skills programs to ensure more resident are benefitting from both temporary and permanent jobs.

its goal of building out its 60 acres of land. As redevelopment work accelerates, foundation staff is seeing the payoff to relationship building with policymakers and other influencers. The JCNI has been working with the city of San Diego to formalize a public–private partnership that would maximize the synergistic impact of city redevelopment and the foundation’s own work. City investment in infrastructure enhancements in the district, for example, would allow the foundation to address more of the hundreds of millions in deficiencies that exist within the Diamond.

The redevelopment team has also pursued federal, state, and local support for building out the remaining 50 plus acres in its portfolio. With the economic downturn and demise of state redevelopment agencies, construction had stalled on physical redevelopment. As it sought to jump-start this effort during the economic recovery, the foundation learned the difficulty in persuading businesses and developers to invest in a historically underserved area. Labeled as having limited consumer-spending power and high crime, the Diamond actually has a broad range of income levels and low crime rates. Strikingly, a 2015 report by San Diego’s Economic Development Corp. reveals that nearly $1 billion is spent in surrounding neighborhoods due to the lack of amenities within the community. In spite of this, perceptions have yet to catch up with reality, making it imperative that foundation staff craft clear, factual, and compelling messages to its potential investment partners.

In addition, the JCNI has learned that residents will be vigilant in holding the foundation accountable to the shared vision and the implementation of that vision. It understands the value of deep and open relationships with the community. It seeks to foster not only communication, but also the self-empowerment of a community that feels free to come directly to foundation staff with concerns and questions, and even functions as our eyes and ears on what can be altered, improved, or created. With a history of participating fully in early redevelopment such as Market Creek Plaza, residents expect that this high level of engagement will continue.

As part of developing its Community Benefits Agreement (CBA), the team has also learned that the diversity that is such a strength of the community can also be a challenge in finding
agreement on the details of how this translates to on-the-ground work. As an example, managing expectations regarding local hiring in a neighborhood that has lower educational preparation, and where job-seekers sometimes lack some of the skills needed for construction jobs, is a challenge. What targets are realistically achievable before residents’ educational preparation is improved? This quandary has indicated a strong need for pre-apprenticeship and job-skills programs to ensure more resident are benefiting from both temporary and permanent jobs. As it attempts to finalize a CBA that is acceptable to most residents, the JCNI has learned that transparent, frequent communication will be an equally important element in the success of its redevelopment goals.

**Arts and Culture as Transformation**

While creative placemaking figures prominently in the foundation’s work, the benefits of programming beyond public art have become apparent. As it built out its arts and culture series Jacobs Presents, the foundation has seen the power of the arts to make a significant impact on the local economy. Tens of thousands of San Diegans annually attend the yearlong series of events at the Jacobs Center’s Celebration Hall, outdoor amphitheater, and Festival Park. In total, its own events and those held at its venues bring more than 106,000 visitors to the area each year. This increased traffic benefited the restaurants, coffee shops, and other retail tenants of Market Creek Plaza, in addition to introducing the broader San Diego community to the possibilities of the Diamond. Now staff is proactively working to best leverage this flow of outside traffic to support the economic health of local business owners.

**Multilevel Capacity Building for Long-Term Sustainability**

There is broad consensus that a nested-systems approach, where actions at one level produce and reinforce impact at other levels, is an essential element of effective place-based programming (Burns, 2015; Cisneros, 2015; Hopkins, 2015). An important lesson the JCNI learned relates to the capacity-building goals that are part of the three-year strategic plan. On a broader level, low levels of civic participation, lack of a well-organized Latino community, and a group of community leaders moving closer to retirement all point to the need for cultivating the next generation of leaders. As mentioned earlier, the foundation is only now beginning efforts to scale up its support for emerging leaders.

At the macro level, it became evident that the JCNI needed to embrace the responsibility of its role in seeing a larger, communitywide picture of assets and opportunities, sharing that vision with others, and acting as convener for powerful collaborations locally, regionally, and nationally. This needed to be balanced by the disparate views that sometimes existed within the community. Achieving this blend of a strategic vision that could be shaped by what residents want, without losing the focus needed to accomplish the work,
Place-based organizations are locally attuned, their close relational and proximate connection to their operating environment fosters grassroots leadership and decision-making, interpersonal and inter-organizational connections, and caring. Similarly, because place is multidimensional (e.g., natural and built environment, social relationships, economic resources, individual and collective meanings), an investment in place is able to benefit multiple levels of a system simultaneously (Thomas & Cross, 2007). This phenomenon can be thought of as a novel conceptualization of leverage.

has proven to be a delicate balancing act. It also became evident that there was a need to clarify for board, staff, and residents what the foundation’s role should be in programmatic areas. As part of the strategic plan process, it was made clear that it should play the role of convener, funder, facilitator, connector, and strategic advisor but not drift into direct service. Rather, it will support the capacity building of the various community-based organizations that are already serving the Diamond Neighborhoods. If a gap exists, the team has realized it should play the role of incubator, and only with a clear exit strategy that ensures sustainability of the program or initiative beyond sunset in 2030.

The importance of this role clarification was made clear during its annual process for awarding cultural grants. It became apparent that capacity building for local arts organizations and cultural groups are a necessary element to the overall success of the Jacobs Center’s arts and culture programming. To that end, it began a series of technical-assistance workshops aimed at enhancing the event planning, marketing, and implementation of the events that are part of Jacobs Presents and put on by local arts and culture organizations. This type of advice and support was being requested more and more by local groups that lacked the capacity to successfully implement events. As it continued to lift up the cultural traditions of area residents, the foundation also wrestles with the need for creating more community cohesion, not just in this realm but also at the macro level.

Conclusion

Place-based programming represents a major philosophical shift from traditional philanthropic models. This case study outlined the advantages of a place-based approach, both theoretically by offering insights as to why placemaking works, and at a practical level by sharing lessons that can be applied in other communities.

For foundations, a place-based approach gives funders a systemic view of how social problems are interrelated (Delfin & Tang, 2006). Rather than focusing singly on an issue or demographic over a wider geographic range, place-based funders seek to improve specific neighborhoods, deploying a variety of resources such as charitable support, technical assistance, social and political connections, and direct services (Murdoch et al., 2007).

In economic terms, the longer temporal commitment gives foundations time to seek cooperation and resources from other sources (Sojourner et al., 2004), and to foster innovative organizational investments in place that often lead to higher profitability and return on investment for local businesses (Vogel, 2005). Because place-
based organizations are locally attuned, their close relational and proximate connection to their operating environment fosters grassroots leadership and decision-making, interpersonal and inter-organizational connections, and caring. Similarly, because place is multidimensional (e.g., natural and built environment, social relationships, economic resources, individual and collective meanings), an investment in place is able to benefit multiple levels of a system simultaneously (Thomas & Cross, 2007). This phenomenon can be thought of as a novel conceptualization of leverage.

Place-based initiatives offer a comprehensive, logically coherent strategy for integrating social, political, and economic behaviors and aspirations in a way that allows for innovation, emergence, and public benefit. Along with the creation of market opportunities described by effectuation theory, a place-based approach can produce immediate and long-term gains for neighborhoods, such as jobs, resident ownership, and increased political power. Further, the creation of locally attuned social enterprise promotes the development of transformational organizations (Thomas & Cross, 2007).

This new ethos offers a path to transcend the insightful critiques of market economies made by Dreier (2015) and Atkinson (2013). The blurring of sector boundaries can be seen as the emergence of a fourth sector, one that integrates social benefit with business (Sabeti, 2009). Beyond responding to the market, place-based philanthropy becomes a transformative power to reshape the market (Hopkins, 2015), thereby reshaping our traditional conceptions of economics as well.

**References**


California.


Elizabeth A. Castillo, M.A., is a doctoral candidate and research assistant at the University of San Diego’s School of Leadership and Education Sciences, and teaches fundraising at USD’s School of Professional and Continuing Education. Before returning to academia, she worked as a development officer for 20 years. Correspondence concerning this article should be addressed to Elizabeth Castillo, University of San Diego, School of Leadership, 5998 Alcala Park, MRH 273, San Diego, CA 92110 (email: eac@sandiego.edu).

Angela Titus, M.B.A., is executive vice president of the Jacobs Center for Neighborhood Innovation.