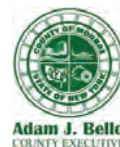


Research Paper #3 (11/21/2023)

Root Cause Analysis: Why Did Services Move Out of Rochester Neighborhoods?



**BRING
MONROE
BACK**
Monroe County, NY Recovery Plan



This project is supported, in whole or in part, by federal award number SLFRP0206 awarded to Monroe County, New York by the U.S. Department of the Treasury.



Prepared by Nicole Pratt, MS, Research Associate, and Janelle Duda-Banwar, PhD, Founder and Director (onthegroundny.com/about)



In the last fifty years, services like housing assistance, workforce development, and emergency assistance shifted from being located in Rochester neighborhoods to a more centralized service delivery model, but more recently there has been a shift to bring services back into neighborhoods. This paper explores the changing tides.



Introduction

The Neighborhood Collaborative Project (NCP) brings services back into Rochester neighborhoods to create an agile, responsive services system, build resident capacity to problem-solve, and meet community needs. Why aren't these services in the neighborhoods to begin with? Why were many services shifted out of neighborhoods, to central locations decades ago? How did centralization affect neighborhoods? What has changed so that services can return to neighborhoods? We attempt to answer these questions through an exploration of the centralization of services in the '90s, understanding the impact of that shift, and what led to the return of neighborhood-based services.

For more information on the NCP, please see our website, rocncp.org

Methods

On the Ground Research staff conducted a literature review and scan of relevant news and media articles to understand the shift in service provision. Additionally, an interview was conducted with a local key informant, Andy Carey (co-founder of MC Collaborative). Andy has been a social worker in the greater Rochester area for more than two decades. He has extensive experience navigating social services and other systems, especially medical and housing. This interview was conducted in August 2023, and focused on the centralization of services in the 1980s and 1990s. Andy was also asked about the origin of the NCP and the problem it is addressing. This paper will focus on the centralization of services in Rochester, as well as the root causes of some of the problems that led to the need for these services.

Background

Providing services to those in need goes back centuries, but during the 19th century, Europe and the United States started providing services to marginalized individuals in a more coordinated way. Before these organizations were created, services were usually provided by churches and the local government, and public funding was more decentralized. In the 1960s, human services greatly expanded in the U.S, with more federal dollars being spent on services like job training, child care, rehabilitation and transitional housing, and child protection. However, during this time, the New Public Management (NPM) approach changed the mindsets of governments in how to fund non-profit organizations. New Public Management (NPM) has its origins in the UK, but spread to many other countries, including the US. The rise of NPM's are linked with 4 administrative megatrends:

1. Attempts to slow down or reverse government growth in terms of open public spending and staffing;
2. A shift towards privatization and alleged-privatization and away from core government institutions;
3. The development of automation, particularly in information technology, in the production and distribution of public services; and
4. The development of a more international agenda.

Once NPMs spread to the US, the focus on human services shifted to contracts with nonprofit organizations and competition for funding, which also led to an increased demand for performance and accountability.

Findings

“Why were services taken out of neighborhoods and centralized in the 1980s and 90s?”

There was a desire at the national and state levels to focus on reducing the costs of services by making everything more efficient, which included social services and nonprofit services. In response to this call, local governments across the U.S. began to centralize services in key locations. Thirty years ago, client information was maintained in large paper files, stored in physical file cabinets. If information was needed from a file, then staff had to physically find the case and dig through the file to find the paperwork. Information storing and sharing during this time was different from the electronic databases and cell phones that we have today. Multiple office locations were inefficient for accessing client information, in addition to the increased overhead and staff required for multiple locations. However, over time, technology evolved, and the need for these physical case files became obsolete. While Andy believes that centralizing services was not ill-intended, the reality is that:

“Systems take on a life of their own. And in order to sustain themselves, they have to become more and more complicated.”

On a federal level, this shift was in part due to budget shrinking in an attempt to make processes cheaper. There was also hope in the concept of compassionate capitalism, where individuals with higher levels of income would step in and contribute with donations and help out the community. These reduced budgets trickled from the federal level to the state and county. In addition to making things cheaper, there were concerns such as the drug epidemic and poverty. Andy believes that in an effort to gain control over those issues, centralization was one way of trying to deal with it:

“I think that's what they thought, is that everything felt pretty wacky and crazy. And if we can centralize everything, we can get control of it.”

Besides federal dollars being more tightly managed, independent funders such as United Way placed more restrictions on grant usage to prevent organizations from improper spending. The intention was to prevent the misuse of grant spending from organizations, as scandals were coming out nationwide about upper management employees embezzling funds. Ironically, United Way was involved in its own scandal in 1990, when CEO William Aramony used the charity's money to pay off two women he had affairs with to keep them silent. Meanwhile in Rochester, Robert Howe, the finance director for the Landmark Society of Western New York Inc., embezzled over \$1 million from the organization in 1997. While the number of organizations that were misusing funds was small in comparison to the ones who weren't, locally, Monroe County used it as one of the reasons to justify centralization.

Because of these funding shifts in the 1980s and 1990s, there became a strain in the amount of funding dispersed, leading to a more competitive market for grants. Major independent donors such as United Way changed how they awarded grants to organizations. Potentially in part due to the Aramony scandal, donors of United Way modified their funding allocation from “undesigned” funding to donating to specific organizations. Undesignated funding meant that the donors trusted United Way would use the money where the organization determined it was most needed. Unfortunately, this change negatively affected urban organizations, as donors chose to spend more on suburban-based organizations than on urban ones.

Findings



How did services centralization impact the neighborhoods?

This centralization led to a major loss of relationships within neighborhoods, and without those relationships, the widespread level of service provision faded. Andy explained that one of the vital aspects of social services and social work is how relationship heavy it is:

“It’s all relationship-based. And if you lose that relationship with individuals, you’re also going to lose it at a macro level.”

Before services were centralized in Rochester, Andy noted that there was a wider variety of programs, as well as a stronger sense of community within neighborhoods. Organizations such as the Montgomery Neighborhood Center offered social services, and there were more community health centers in neighborhoods. Churches had more capacity and services were considered more open-door than it is now, and police presence was more community-based rather than militaristic. Officers conducted more walking street patrols and were therefore more connected to the neighborhoods and people in the neighborhoods; whereas now they stick more to their vehicles and are often considered outsiders of the neighborhoods they serve.

“Officers, they lived in the neighborhood, they walked around the neighborhoods, they played ball with the kids, they hung out. It felt like a neighborhood police force. Now it feels like this invasion force.”

In the 1980s and 90s, more Rochesterians owned their homes instead of renting, and even those who rented were often long-time renters of their home. But after services became centralized, homeownership decreased and renting increased. As seen in the table below, In 1990, of the roughly 407,200 housing units in Rochester, 64% (258,600) owned their home, 29% (117,400) rented their home, and 7% (21,200) of the homes were vacant. From 2007 to 2011, less than half of households owned their homes, and this downward trend continued from 2017 to 2021, with 37% of households owning their homes. Also note the increase in vacant housing during these time periods as well.

Rochester Home Ownership Across the Years		
Year	Home Ownership	Vacant Housing
1990	64%	7%
2007-2011	40.58%	15.79%
2017-2021	37.04%	11.06%

Findings

While centralizing services was more efficient and cost-effective at the time, this new way of service provision contributed to the destabilization of neighborhoods. However, this did not occur in a vacuum. Additional contributors include the criminalization of mental illness, deinstitutionalization, and redlining.

The rise in mental health awareness in recent decades has exposed the mental health crisis in America and the lack of government support to adequately address the need. In the prison system, the number of prisoners with mental health issues has increased, despite the decreasing prison and jail population, with nearly half of those in jails and more than a third in prisons having some diagnosed mental illness.

While there are many potential explanations, a popular one is deinstitutionalization, which is the emptying of state psychiatric hospitals that began in the 1950s but continued through the 1990s. At that time, deinstitutionalization was driven by three mindsets: (1) Mental hospitals were cruel and inhumane; (2) The hope that newly developed antipsychotic medication was a cure for mental illnesses, and (3) Cost savings. Many psychiatric hospitals closed their doors, resulting in patients getting discharged with nowhere to stay. This led to many patients ending up on the street homeless, trying to survive, and some turned to committing crimes to stay afloat.

Deinstitutionalization played out locally with the closing of the Rochester Psychiatric Hospital's Terrence Tower in 1996. The Terrence Tower had over 1,000 beds for patients with mental disabilities ranging from mild to extreme. These patients would be admitted and restricted to one of the 16 floors within the building, and were often considered to be the "undesirables" of society. While remaining patients were moved to various parts of the Rochester Psychiatric Center campus, patients in other hospitals across the U.S were often left to fend for themselves as a result of this deinstitutionalization.

Redlining in the United States has also had an impact on the quality of life in neighborhoods. Redlining is a form of discrimination that denies mortgages to people- mostly people of color- preventing them from buying a home in certain neighborhoods, leading to more segregated neighborhoods. In Rochester, the Federal Home Owners' Loan Corporation determined which areas would receive government insurance for mortgage refinancing. The areas that got this funding had deed clauses that explicitly forbade black people from owning the land. Racial covenants in Rochester contributed to dividing and controlling Monroe County, and black families were forced to live in unsafe housing in the Upper Falls and Corn Hill neighborhoods. Further, vibrant Rochester neighborhoods, like Clarissa Street, were destroyed by redlining under the guise of the city's Urban Renewal Program. Clarissa Street, once known for its jazz and other live music clubs, was divided by the inner loop in 1965.

These neighborhoods at one time had stability, but destabilizing forces like incarceration (removing young men from their families), redlining (blocking wealth-generating activities like home ownership for black and brown residents), deinstitutionalization (higher service needs in communities already competing for funding), and centralizing services led to neighborhood instability.

Findings

“What did the shift look like? Who was impacted by the shift?”

Once services became centralized, smaller organizations lost funding and capacity, and those that did survive were barely getting by. Andy described it as a “grants game”, with organizations being pitted against one another for an already reduced pot of money. The funders that had previously restricted their grant distribution were now making the grants harder to keep up with. Andy described challenges associated with the funding, where grant funders heavily dictated the usage of funds and what an organization could do with them. This shifted the conceptualization, development, and planning of interventions away from the neighborhood experts onto grantmakers, many of whom did not live in the neighborhoods themselves. Andy noted that it was likely harder for these organizations to notice this shift at first, and while there were probably some non-profit administrators who did notice this change and advocated against it, their voices were not heard.

After funding was heavily reduced, some non-profits disappeared entirely, while others became more streamlined with limited services. This was because many of them shrank considerably in capacity, and staffing was reduced to executive directors and a handful of front-end workers. Many organizations then shifted their focuses from more widespread services to education-based programs such as summer camps and after-school programs. As stated by Andy,

“They just really just shrunk. And then that’s the real trick of it and why the neighborhood collaborative project is so important is because once you shrink, there is no way you have the capacity to administer any funding.”

Locally, social services became centralized to a few geographic areas: St. Paul St/Westfall Rd, and various hospitals in the City of Rochester. St. Paul St and Westfall Rd are where the Department of Human Services is located, while hospitals are where people go for healthcare, especially people without health insurance. Moving from neighborhoods to hospitals for health support removed service provision from smaller, trusted family practices that were accessible to community members to the less trusted and more difficult to get to larger health system providers. This meant that those with lower incomes frequently utilized emergency departments to get routine medical care and treatment for less urgent injuries, on top of emergency medical care.

“What are the pros and cons of centralization?”

Initially, there were some positives to centralizing services, such as being cheaper to maintain, more staff oversight, and efficient. As mentioned earlier, twenty years ago, paperwork was kept in large file cabinets that could be easily grabbed when needed, which made keeping track of documents most efficient when all stored in the same place. However, due to the advancement of technology, this is no longer an issue. On the other hand, the drawbacks of centralization are tenfold, as Andy describes,

“You’re not really helping people anymore. You’re starting to prescribe how people should live. You’re making decisions for people. And eventually, society just corrodes because there’s no support out in it. And it definitely becomes us and them instead of all of us.”

Reversing Course: Decentralizing Services

“Why are funders more open to neighborhood-based services now?”

Over time, Andy noticed changes to this approach, which he believes were largely motivated by COVID-19. During peak COVID-19, *“I’ve never seen so many politicians and system people suddenly just not have answers.”*

It became obvious that decision makers did not have strong relationships at the neighborhood level, so they reached out to service providers like Andy, not simply asking to help get messages and supplies out, but rather, asking how and what to do. Andy states: *“Everybody had money, and they’re just throwing it out at people like, how are we going to get people to vaccinate? And how are we going to do that? When the real issue is you lost the neighborhoods a long time ago and you don’t just regain them by these crazy programs you’re trying to do. And then actually having people’s ears open for a minute, and that’s all it takes.”*

With situations like Daniel Prude, police officers not showing up for work, and DHS employees quitting during the height of the pandemic, politicians began to realize that the city was becoming unsustainable with its lack of services.

“You take something traumatic, like COVID and then there’s the realization that, Oh, our city is out of control. We have Daniel Prude killing, police officers aren’t showing up for work anymore, DHS workers are leaving.”

Despite these issues however, Andy believes that things are beginning to shift:

“I think the tide is turning. And I think we’re getting to the point where if they don’t utilize the neighborhoods, the Neighborhood Collaborative Project, if they don’t really start pumping money into the neighborhoods that stay in the neighborhoods, it’s completely unsustainable.”

Conclusion

While the idea of centralizing services may not have had ill-intentions, the reality is that pulling these needed services out of neighborhoods has had a detrimental effect on communities in Rochester. Communities that were more stable in the past have been shaken by issues such as incarceration, redlining, deinstitutionalization and mental health crises. Because of these issues, there has been an increased need for services in Rochester, but the effects of these challenges is often greater than what community organizations can provide. Coupled with the demand from the federal and local government for services to be more efficient and to hold organizations accountable, the impact on Rochester’s marginalized residents is detrimental. However, this does not mean that there is no hope. Local governments have begun to recognize the impact of community organizations, and have been investing more money in these local organizations after COVID. The NCP is an example of how services can be brought back to neighborhoods, coupled with adequate resources, staffing, and capacity-building supports.