

Community Development INVESTMENT REVIEW

FEDERAL RESERVE BANK OF SAN FRANCISCO

Building on What Works: Cross-Sector Community Development

The *What Works* Book Sparked an Ongoing Conversation about Better Interventions for Low-Income Communities

A Hole in Our Vision: Race, Gender and Justice in Community Development

Reflecting on What Works: Disruptive Leaders Are Essential

How Collaboration Drives Community Development Innovation in Los Angeles

Building on the Ambitions and Aspirations of Newcomers

Sparking Change in New England's Smaller Cities: Lessons from Early Rounds of the Working Cities Challenge

The SPARCC Initiative: Fostering Racial Equity, Health, and Climate Resilience in the Built Environment

Sustainable Little Tokyo: Resisting Gentrification and Displacement Through Holistic Community Engagement and Development

Rural CDFIs Give Voice to a Brighter Future in Rural Regions

The Role of Community Development in Supporting People in Reentry from Prison

The Evolution and Future of the Healthy Communities Movement

Profiles of Community Quarterbacks: Partners in Progress Case Studies

Building on What Works and Investing in Progress

Bridge Housing

CASA

Community Solutions

East Bay Asian Local Development Corporation

Fairfield Community Foundation

Neighborhood Housing Services of South Florida



Community Development INVESTMENT REVIEW

The Community Development Department of the Federal Reserve Bank of San Francisco created the Center for Community Development Investments to research and disseminate best practices in providing capital to low- and moderate-income communities. Part of this mission is accomplished by publishing the *Community Development Investment Review*. The *Review* brings together experts to write about various community development investment topics including:

Finance—new tools, techniques, or approaches that increase the volume, lower the cost, lower the risk, or in any way make investments in low-income communities more attractive;

Collaborations—ways in which different groups can pool resources and expertise to address the capital needs of low-income communities;

Public Policy—analysis of how government and public policy influence community development finance options;

Best Practices—showcase innovative projects, people, or institutions that are improving the investment opportunities in low-income areas.

The goal of the *Review* is to bridge the gap between theory and practice and to enlist as many viewpoints as possible—government, nonprofits, financial institutions, and beneficiaries. As a leading economist in the community development field describes it, the *Review* provides “ideas for people who get things done.” For submission guidelines and themes of upcoming issues contact Ian Galloway, Federal Reserve Bank of San Francisco, 101 Market Street, Mailstop 215, San Francisco, California, 94105-1530. For all other inquiries and subscription requests, please contact Esther.Fishman@sf.frb.org. The material herein may not represent the views of the Federal Reserve Bank of San Francisco or the Federal Reserve System.

Community Development Investment Review

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Foreword

Laura Choi

Federal Reserve Bank of San Francisco, September 2017

This year marks the fifth anniversary of *Investing in What Works for America's Communities: Essays on People, Place & Purpose*, a book jointly published by the Federal Reserve Bank of San Francisco and the Low Income Investment Fund (LIIF). *What Works* brought together over forty authors from across sectors and disciplines to explore the past, present, and future of community development. Despite their varied expertise and backgrounds, many of the authors made similar calls to action for cross-sector approaches that focus on the integration of both people- and place-based interventions. *What Works* gave rise to three subsequent books and collectively, the series has sparked new dialogue and partnerships across the country, challenging readers to be bold and ambitious in upending the status quo and reimagining how our nation can foster opportunity for all.

This issue of the *Community Development Investment Review* celebrates and builds on the themes of *What Works* and explores innovations and lessons learned from cross-sector practice across a range of issues. The first section begins with reflections from some of the original authors and early adopters of *What Works*. It then examines two place-based, multi-site initiatives designed to strengthen collaborative leadership and effect systems change, and also highlights innovative approaches from across the country, such as addressing displacement in LA's Little Tokyo, supporting people in reentry from prison, seeding innovation in rural Maine, and the new frontier of healthy communities efforts.

The second section of this issue presents case study profiles of "community quarterbacks" from the Partners in Progress (PIP) initiative, a joint effort between the Citi Foundation and LIIF to provide flexible support and technical assistance to 14 community-based organizations. PIP was a direct outgrowth of the community quarterback concept introduced in *What Works*, and the Citi Foundation played a pivotal role in both supporting LIIF's involvement in the book and the subsequent implementation of the initiative. The case study profiles provide concrete examples of how community quarterbacks are working to marshal resources, build trust with residents, and break down silos, offering hard-won lessons learned for others in the field.

In the long arc of social change, five years may feel like a trifling milestone, yet the community development field has made important strides in that time and has invited many new partners to the table. Collaboration is messy, difficult, and not for the faint of heart. But challenging the status quo requires nothing less. Carol Naughton, President of Purpose Built Communities, sums it up in her essay in this issue by saying, "It is easy to do more of the same, and it can be uncomfortable to question the systems that have created the oppression that leads to chronic poverty... Leaders must be willing to endure, listen, and work through or around resistance." I hope this issue of the *Review* inspires you to endure in the face of challenging times and serves as a reminder that much can be accomplished when we work together, even in the span of just five years.



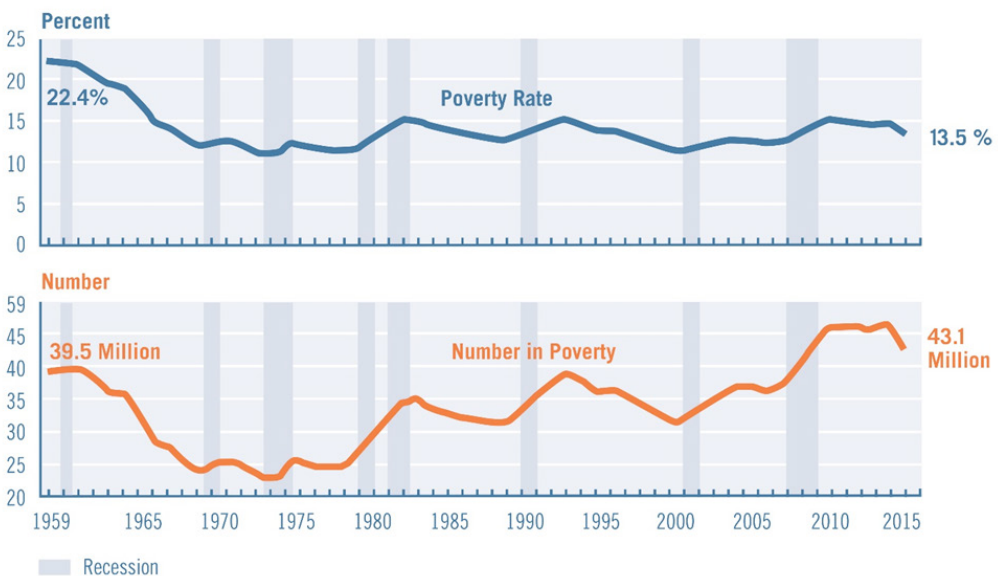
The *What Works* Book Sparked an Ongoing Conversation about Better Interventions for Low-Income Communities

David Erickson
Federal Reserve Bank of San Francisco

The idea for the book *Investing in What Works for America's Communities* started with a challenge from the Citi Foundation to Nancy Andrews in 2011: write a white paper on what we have learned in 40 years of community development finance. Nancy reached out to Ian Galloway and me from the Federal Reserve and we quickly recruited Ellen Seidman as a visiting scholar to the Federal Reserve to help answer that call. That team met every Friday for several weeks to brainstorm ideas and in short order the white paper turned into a 419-page book with 41 authors.

The first *What Works* book rested on dual motivations: 1) a recognition that community development had made amazing strides deploying hundreds of billions of dollars to improve thousands of communities across the country, and 2) that accomplishment was not enough to push down the poverty rate. We seemed to be winning battles and losing the war (see Figure 1 below).

Figure 1. Poverty Rate and Number in Poverty: 1959 to 2015



Note: The data for 2013 and beyond reflect the implementation of the redesigned income questions.

Source: U.S. Census Bureau, Current Population Survey, 1960 to 2016 Annual Social and Economic Supplements.

Community development’s “theory of change” from the 1980s, as Nancy Andrews explained, was a belief that if we built the right high-quality real estate in disinvested neighborhoods, we would trigger a positive feedback loop that would generate more economic investment, create jobs, improve schools, and help stabilize families. Among the many accomplishments of this work was the construction of more than three million high-quality affordable homes for low-income Americans using the Low Income Housing Tax Credit. That’s a remarkable achievement—more housing built since 1987 than all the other federal housing programs dating back to the 1930s.¹

Millions of people are better off thanks to the work of community development. But we still have nearly 50 million fellow citizens living in poverty. The positive feedback loop theory didn’t work. In those early brainstorming sessions, we tried to think about what new ideas, new partners, and new resources might be brought to bear on a new approach to community revitalization. When it came time to recruit authors, we cast a wide net to get experts with knowledge in health, transportation, education, asset building, banking, affordable housing, and more. We were asking authors to speculate on what innovations were necessary to create interventions in low-income communities that were commensurate to the challenges they faced. And, to our surprise, there was a good deal of integrated work underway outside of community development finance. Many social service providers were already finding ways to piece together cross-sector and place-based interventions. We learned a great deal from them.

Nancy Andrews and Ellen Seidman, two senior stateswomen of the community development movement, brought a mountain of connections, experiences, and insights to this debate. Both had 30-year careers with high positions in government, foundations, the private sector, and community development organizations. As we tried to cast the widest possible net for ideas and authors, they had the ability to make sure we could get those far flung perspectives into our project.

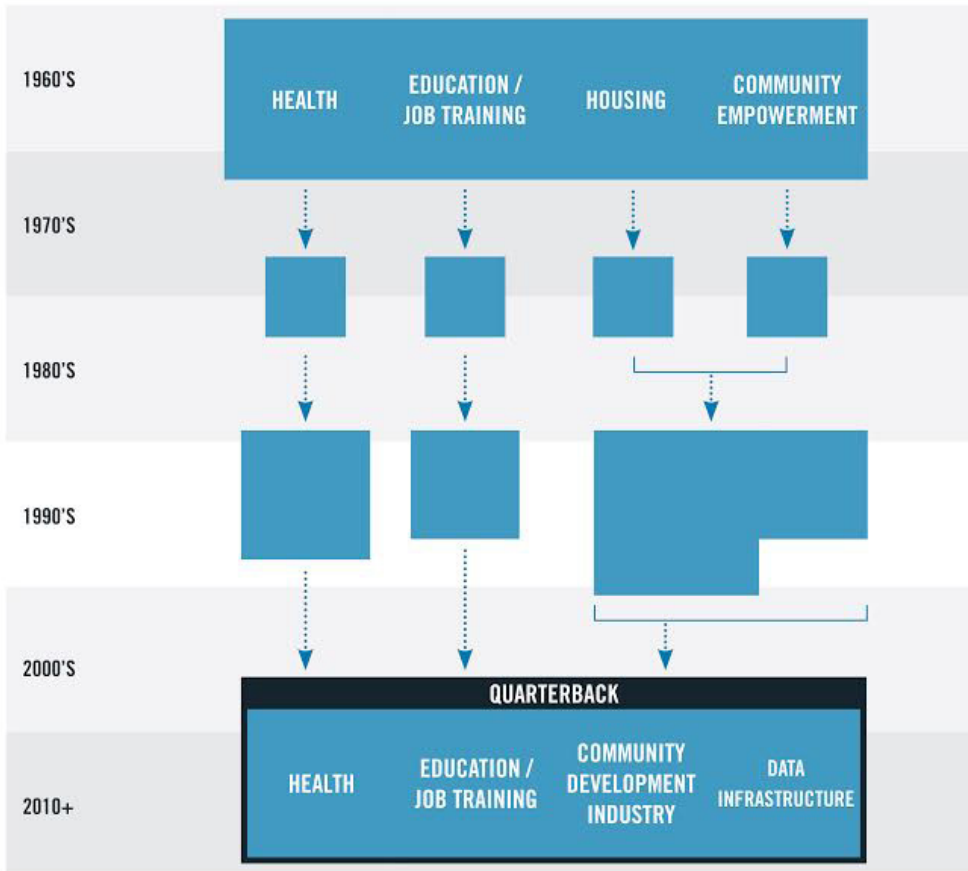
The Idea for the Community Quarterback

The idea for the “community quarterback” came out of our brainstorming sessions and we always recognized that the term was controversial. It’s gendered male. It claims credit for success when many “players on the field” contribute to the quarterback’s success. And yet what was abundantly clear in so many essays in the *What Works* book was a need for better coordination of cross-sector and place-based interventions to benefit low-income people. That coordination seemed to need one entity in charge. In long Friday conversations we speculated on other terms—wedding planner, symphony conductor—but in the end, quarterback stuck.

1 David Erickson, *The Housing Policy Revolution: Networks and Neighborhoods* (Washington, DC: Urban Institute Press, 2009).

It may be cliché to talk about “back of the napkin” idea sketches, but this really happened for us in the cafeteria of the San Francisco Federal Reserve Bank. The initial concept was a visual depiction of the transition from the War on Poverty to today, and is formalized below in Figure 2.

Figure 2. The Quarterback as Integrator



In the 1960s, it was well understood that social exclusion in general was the product of multiple and overlapping social exclusions. In order to combat this, it was necessary to “grab the web whole,” in the powerful words of Robert Kennedy, from a speech he gave in 1966. And that is why the first bar (at the row of the 1960s) shows a cross-sector intervention in low-income neighborhoods. The vision was right; the implementation was not. Creating social interventions that are choreographed among multiple players, in the right sequence, with the right intensity is hard now. It was probably even harder 40 years ago without the stronger community-based organizations and improved communications technology that we have today.

The period in the 1970s and 1980s was a time of “silos,” where the many sectors of social policy became isolated from each other. Federal Qualified Health Centers started out steeped in the philosophy of Community-oriented Primary Care where they adopted the whole neighborhood as the “patient.” By the 1980s, however, these clinics were mostly just medical offices—billing Medicaid for medical procedures. Similarly, the community development and community empowerment aspects of the War on Poverty narrowed to focus more on real estate construction (apartments, stores, clinics, schools, etc.) and spent less time on the community building that was part of the “maximum feasible participation” of residents called for in the War on Poverty effort.

While the scope may have narrowed during this time, one positive development was improved capacity and sophistication, which is represented by the growing size of the boxes in the images above. What many of the essays in *What Works* were calling for was a marrying of the vision from the War on Poverty, with the increasing capacity of the social sector that developed during the 1980s onward, into a new whole where vision met capacity to meet the needs of low-income communities. Our belief was that could not be achieved without the coordination of a specific entity—the community quarterback.

Five Elements of the Community Quarterback

Our better-coordination model to social interventions was based on examples highlighted in the book, such as the Harlem Children’s Zone, Strive Partnership, Purpose Built Communities, and Neighborhood Centers Inc. (now BakerRipley). We found that successful interventions had five common characteristics. Namely, they are: 1) built on a foundation of trust from the community they serve, 2) cross-sectoral (health, education housing, etc.), 3) place-based, 4) data-driven, and 5) led by a “community quarterback,” an organization that has as its main objective the overall managing and coordinating of the intervention.

Others have come to similar conclusions. The consulting firm FSG developed their idea about a “backbone” organization that would help execute a cross-sector intervention. And Don Berwick’s work around the “Triple Aim” in medical care proposes the need for an “integrator” that also serves a coordination function.

What’s Next?

There is still much more to be learned about the community quarterback concept and the many ideas about cross-sector/place-based interventions raised in the *What Works* book. Even so, there are some limitations of the quarterback idea that are surfacing. The quarterback certainly provides better coordination but that may not be enough for a successful intervention. Success often requires much more than working more collaboratively or even having an entity—quarterback, backbone organization, or integrator—owning the project and managing it skillfully.

For example, I am thinking more about the need to create an “ecosystem” or “market” that incentivizes the creation of many community quarterbacks without as much top-down

direction as we describe in the original formulation. I imagine a system where many hundreds of community quarterbacks might be coordinated by an entity I have been referring to as a “community entrepreneur” even higher up the system.²

In all cases, two systems that cry out for an innovation breakthrough are: 1) data and measurement, and 2) new financial vehicles that finance outcomes and not simply outputs. Community quarterbacks (and community entrepreneurs) need better data, and as we wrote in our essay five years ago:

[T]he quarterback needs a sense-and-respond system that has at its core reliable, frequently updated data that are consistently assembled and aligned from myriad sources. Ideally, these data could be flexibly organized into a number of analytical frameworks, each useful for different reasons. Using the data in a neighborhood indicators framework, for instance, would allow the quarterback to ‘diagnose’ community conditions and monitor multiple dimensions of change over time. Further assembling these data into a community dashboard would allow the quarterback to evaluate a community at a specific moment in time to determine its standing along a specific dimension of change, and to compare progress across similarly situated communities and build community support for change. These data could also be employed by academic researchers investigating the still-vexing questions of which community development interventions work best and why.³ That concept was the central organizing principle for the second book in the What Works series, *What Counts: Harnessing Data for America’s Communities*.

The third book in the series, *What It’s Worth: Strengthening the Financial Future of Families, Communities and the Nation*, takes the anti-poverty discussion to the household level and makes the case that every household’s financial health matters for the U.S. economy to thrive. Although household financial health may seem like a narrow idea, it is foundational to almost all other interventions; no matter what issue you care about (improved health, better education outcomes, safe affordable housing) there must be a strategy to stabilize individuals and families financially. It’s an essential arrow in the quiver.

Finding ways to pay for outcomes was the topic for the fourth book in the series, *What Matters: Investing in Results for Strong, Vibrant Communities*. This book explores social impact bonds and the many other tools that allow governments and philanthropy to pay for an outcome rather than an output; this is an inherently silo-busting tool and one that requires better cross-sector coordination along the lines of the community quarterback and the community entrepreneur.

2 David Erickson, “The March Toward Outcomes-Based Funding,” *What Matters: Investing in Results to Build Strong, Vibrant Communities*, eds. Valerie Bartlett et al. (San Francisco, CA: Federal Reserve Bank of San Francisco and Nonprofit Finance Fund, 2017), pp. 29-54.

3 David Erickson, Ian Galloway, and Naomi Cytron, “Routinizing the Extraordinary,” *Investing in What Works for America’s Communities: Essays on People, Place, and Purpose*, eds. Nancy O. Andrews and David Erickson (San Francisco, CA: Federal Reserve Bank of San Francisco and the Low Income Investment Fund, 2012), pp. 377-406.

Population health business models are also promising silo-busting finance tools. In this new arrangement, one entity is paid per person/per year to keep that individual healthy, rather than paying per medical procedure. This creates a cash flow for interventions that can fund the fundamental building blocks of health—most of which are not medical procedures. If this new business model catches on, it may generate significant funds to finance the improved upstream social determinants of health—a job, good education, safe affordable place to live. And as this business model grows, you might actually see a new “market that values health” where there will be “buyers” of health (hospitals, health insurers, Medicaid and Medicare) looking for “sellers” of health—teachers, builders, small business owners and other employers—who will rely on “connectors” to provide the mechanisms for the marketplace. The connectors are likely to be banks, community development financial institutions, and other financial intermediaries, and the many players that are helping individuals and families stabilize their household finances.

Building a Bigger Tent

Be forewarned, don’t ever write a book that has “What Works” in the title; people will expect that you have the answers. In all the pages written since 2011 we haven’t found any silver bullets. But we have witnessed a more robust and nuanced conversation around best practices and next steps. *What Works* turned into something more than a book. It was a platform for ideas and it inspired three subsequent books (and another one in production that will explore what elements of a neighborhood promote opportunity for low-income residents). It’s an ongoing conversation about the new ideas, new partners, and new resources that are necessary to help create opportunity in struggling communities.

Today public health professionals routinely talk about the need for affordable housing and building household financial well-being as a strategy to improve health. Transportation engineers are thinking of ways to incorporate affordable housing construction near train stations as a means of improving opportunity, increasing ridership, and limiting harmful greenhouse gasses. The Police Department in Milwaukee was the moving force behind a *What Works* book event in that city.

There are no easy answers in the *What Works* books. But they did inspire a vigorous debate and dialogue about what works with a much larger community that shares similar concerns. I hope that some of the experiments in community quarterbacking that are highlighted in this issue of the *Community Development Investment Review* spark a new round of debate with a sharper understanding of “what works.”

David J. Erickson is director of community development at the Federal Reserve Bank of San Francisco. In this role, he leads the community development team in its mission to advance economic opportunity for lower-income Americans. Erickson’s book on the history of community development, The Housing Policy Revolution: Networks and Neighborhoods, was published in 2009 by the Urban Institute Press. He also co-edited all four books in the What Works series. He has a PhD in history from the University of California, Berkeley, and an undergraduate degree from Dartmouth College.

A Hole in Our Vision: Race, Gender and Justice in Community Development

Nancy O. Andrews, *Low Income Investment Fund*

Five years ago, *Investing in What Works for America's Communities* was enthusiastically welcomed by community development practitioners. A million social media hits, 60,000 copies out, four more books and dozens of conferences later, community development's intellectual pursuit found a natural expression. Today, with five years of hindsight, it's fair to ask: what would we do differently? What would we add to our original vision?

I can answer that without ambiguity: I would add racial and gender equity more thoroughly into our vision, our paradigm and our practice. This is no small thing. When we wrote *What Works*, we got a lot right. But, we left a hole in our vision by failing to include an equal focus on racial inequity, and the laws, traditions and institutions that support it.

Today, I would say to my colleagues: It doesn't matter how many houses we build, how many billions of dollars we invest in transforming communities, how many schools we finance, or child care centers we support or jobs we create. If the people living in these communities wake up in the morning, knowing that society is tilted against them, the power of our work is undone. If the people we set out to help live 24 hours a day, seven days a week uncertain that they can trust society, uncertain they can count on civil institutions, laws, their fellow citizens for fair treatment, our investments are undone. We *cannot* achieve our mission of poverty alleviation without simultaneously including a focus on the system of laws, rights, institutions and social practices that condemn most of those we work with to second class citizenship and a lack of opportunity.

What Works called for people and place integration. Today, I would make that a three-legged stool: people, place and justice. How we go about adding this third leg is the work of the next decade in our field.

In 2012, we gave voice to a paradigm shift that had been dawning across the field. We said that the age old debate between people and place based strategies was over, and both sides had won. We criticized ourselves, arguing that community development had focused too much on place alone, leaving people out of the equation. Even then, we understood (but failed to point out) that this was rooted in sexism. Community development had become mesmerized by the buildings we invested in, by the 'muscular' vision of investing for economic growth. The 'soft stuff,' the social supports so deeply associated with women and female leadership – like child care, early learning, education, basic social services – were seen as second class, second to the more important business of changing economies. Pulling a page from classical economics, some of us even saw human capital strategies as dependency creating.

But science was rapidly proving that the soft stuff mattered just as much, if not more, than economic determinism. Even back in 2012, when *What Works* came out, some of us understood (but were hesitant, even fearful, to articulate) the impact of gender inequality in the community development paradigm. But we failed to draw a line between this and race, as well as the broader system of fair laws, rights, and institutions.

Community development grew out of the civil rights movement in the early 1960s. Improving local economies through investments in jobs, neighborhoods and basic services seemed like a natural partner to the cause of equality and justice. But, it was probably inevitable that a division of labor would naturally arise between the part of the movement that focused on laws and rights, and the part of the movement that focused on community organizing, community investing and community building. The necessary division of labor led to a series of splits among practitioners – and over time, the splits yawned into chasms. The splits arose between those who focused on investing in the built environment (community development), those focused on investing in human capital (social services) and those who advocated for equal treatment by laws and institutions (civil rights organizations, legal services, the national law projects). And over time, the agendas of these broad groups diverged to the point that it was not always clear we were each other’s natural allies.

Let me be clear: the work we do in community development changes lives. Investing so that a child can go to school, not prison, changes his life—for good. Investing in homes that create safer neighborhoods means that families feel more secure at night, so that parents and children stay healthier, can get up in the morning to go to work and school. This changes the world—for good. It creates real value for all of us. But it is not enough. We, in community development, can do a better job of integrating rights and justice into our everyday work, into our program strategies and our annual work plans.

My organization, the Low Income Investment Fund, has been driving down this path for a couple of years now. For us, it has meant a complete re-thinking of our programs and goals. We are worried about the cost of good intentions in how we historically have conceived of our programs. We have come to believe that many of our traditional ways of working inadvertently promote discrimination and segregation. Ours is still a work in progress, but so far, it has meant opening up to new ways of working. We are embracing a ‘both/and’ approach:

- We no longer prioritize only those projects that serve the poorest of the poor, but now also embrace mixed income models in higher income communities;
- We no longer invest only in schools that serve low-income kids, but we give ourselves permission to invest in intentionally diverse schools, even if that means that some of our resources are supporting middle-income kids – still controversial in many circles;
- It means focusing on non-traditional strategies that promote mobility, like transit oriented development and the Strong, Prosperous, And Resilient Communities Challenge

(SPARCC), which aims to ensure that large-scale local investments in transportation and other infrastructure incorporate equity, particularly by empowering residents to ensure that those affected are part of decision making about how places are built.

LIIF is putting social justice at the heart of everything we do, and it changes the way we work toward mission. There remains much discovery before us.

In 2013, then President Obama urged us to think back 50 years and remember what was going on in Selma, in Watts, in Chicago, in Detroit. We can think back and feel proud of the progress we've made in 50 years, and how far we've come as a society. But the news coming from Charlottesville, Ferguson, Baltimore, Charleston, Cleveland and every major city in the United States reminds us that we cannot stop. In 2016, Matt Desmond's *Eviction* shined a harsh light on the overwhelming, systemic unfairness in the way laws and rules can be used against poor women and their children, of all ethnicities, pushing them into homelessness and desperation. We should be proud of how far we've come in 50 years. But in 2017, we have much more work to do.

In the long run, we all lose from a tilted system. The United States exists in an increasingly competitive global economy, and we need every mind to work at its highest potential, we need every spirit to be nourished, not blemished, by racism or sexism. We all do better when there's a fair deal on the table; when everyone has a fair shot at reaching their full potential. For those of us in community development, we need to find better ways of adding these insights into our programs, strategies and practice. We need to bridge the chasms that formed naturally as we pursued the vision of the War on Poverty. Just as *Investing in What Works* urged us to integrate people with place, we must integrate justice more deeply into our work.

Nancy O. Andrews is the President and Chief Executive Officer of the Low Income Investment Fund (LIIF), a Community Development Financial Institution. Ms. Andrews serves on numerous community development and environmental boards and committees, including Bank of America's National Community Advisory Council, Morgan Stanley's Community Development Advisory Committee, Capital One's Community Advisory Council, the National Association of Affordable Housing Lenders, the National Housing Law Project, Rail~Volution and the International Center for Tropical Agriculture. She was also previously a member of the Federal Reserve Board's Consumer Advisory Council. Ms. Andrews' 30 years in community development include positions as Deputy Director of the Ford Foundation's Office of Program Related Investments and Chief Financial Officer of the International Water Management Institute, a World Bank-supported development organization. Ms. Andrews also consulted for the Department of Housing and Urban Development and the Department of Treasury during the Clinton administration. She received an M.S. in Urban Planning with a concentration in Real Estate Finance from Columbia University.

Reflecting on What Works: Disruptive Leaders Are Essential

Carol R. Naughton, Purpose Built Communities

It is easy to do more of the same, and it can be uncomfortable to question the systems that have created the oppression that leads to chronic poverty.

It has been five years since Shirley Franklin and David Edwards lifted up the Purpose Built Communities Model in the book *Investing in What Works for America's Communities*. Those intervening years have reinforced the importance of a fundamental element of community development that defined our own beginning—the presence of leaders who are willing to be disruptive to accelerate change in struggling neighborhoods.

During the neighborhood revitalization planning process, there are decision points that either advance or halt progress. The civic and business leaders who often initiate neighborhood revitalization run in the same circles as those who lead the government agencies, companies, and social institutions that are actively and passively limiting revitalization. Are you willing to stand up to a school superintendant who might be in the pew across from you on Sunday morning to demand change in a failing or mediocre school? Can you keep going until city planners who relax in the same park as you understand the need for greenspaces in neighborhoods other than their own? Tension will arise. Conversations might get heated. But to achieve the success that these communities demand and deserve, leaders must be willing to endure, listen, and work through or around resistance.

In Atlanta, that disruption began in 1995 when legendary developer and philanthropist Tom Cousins put his reputation on the line to revitalize East Lake, a neighborhood where violent crime was commonplace and failing schools were the only option. Cousins partnered with civic and community leaders to create the East Lake Foundation to work with private, public, and nonprofit stakeholders to transform the area from a sinkhole to a springboard. The revitalized neighborhood included deep, broad, and durable pathways out of poverty for low-income families. A model focused on cradle-to-college education, mixed-income housing, and community wellness emerged. The Charles R. Drew Charter School was built from the ground up to give students unique opportunities for hands-on learning. Families across a broad range of incomes were able to move into beautiful new homes. And young people learned life lessons and wellness on the Charlie Yates public golf course while revenue from the private, historic East Lake Golf Club supported the programs that neighbors used to lift themselves up the economic ladder. As the East Lake neighborhood grew stronger, leaders from around the country sought to learn and bring the approach to their own communities, leading to the formation of Purpose Built Communities in 2009.

While every neighborhood in which we work is different, we have found that the existence of a coordinating organization like the East Lake Foundation is an essential element. This “community quarterback” orchestrates the many moving parts of a changing neighborhood.¹ The same mix of solutions—housing, education, and community wellness—has been tried before, but success is often limited without the presence of a community quarterback to view the neighborhood holistically and empower existing change agents to work together and achieve more.

Early on in Purpose Built Communities’ evolution, we struggled to articulate the importance of creating a new organization when we began working in a neighborhood. Initially, we used the term “lead organization” to describe that critical role but found that it inadvertently set the coordinating organization above the many others already working in neighborhoods, which created tension that took time to dissipate. The term “community quarterback” described that organization’s work much more clearly, and it resonated with others who quickly recognized that their work was less effective without intentional coordination. As we have grown, leaders from other communities have asked for advice on how to set up an effective community quarterback, and that role is now seen as necessary infrastructure.

Each time we are invited to work in a new city, we refine our approach in order to make swift progress toward improving the lives of the millions of Americans living in concentrated, chronic poverty. In the past five years, we have learned several lessons about the role of the community quarterback, which has strengthened Purpose Built Communities’ collective ability to contribute to healthier, more resilient neighborhoods. In addition to a willingness to be disruptive, coordinating organizations must set clear boundaries with other change agents, include the voices of people who live and work in the neighborhoods that are being revitalized, and be committed for the long haul.

Omaha, Nebraska: Why a New Community Quarterback Matters

The historic segregation of African Americans in northeast Omaha still reverberates today in this area of concentrated poverty. The African American Empowerment Network, an organization dedicated to transforming North Omaha into a vibrant place to live and work, was having bold conversations with residents to set priorities and create a plan to build a neighborhood that places cradle-to-college education at its center.

Taking a plan from concept to reality requires skill and determination. When the time to act arrived, the African American Empowerment Network didn’t wait; representatives from the organization literally came knocking on Purpose Built Communities’ door. After a great deal of dialogue, it became clear that despite the many strengths and the unquestionable passion of the Empowerment Network, with a broad geographic focus and agenda, the organization wasn’t well positioned to implement the strategies necessary to create change at the neighborhood level.

1 David Erickson, Ian Galloway, and Naomi Cytron, “Routinizing the Extraordinary,” in *Investing in What Works for America’s Communities: Essays on People, Place, & Purpose*, ed. Nancy Andrews et al. (San Francisco: Federal Reserve Bank of San Francisco, 2012).

As a result, local leaders, including supporters of the Empowerment Network, created 75 North, a nonprofit organization that became the community quarterback for its patch of North Omaha—the Highlander neighborhood. 75 North, made up of committed board members, developers, ambassadors, and community members, acquired the vacant site of the former Pleasantview Homes public housing development to create an entirely new neighborhood in North Omaha—a place with homes, schools, and gathering spaces to support a culture that respects and raises up diversity.

Hundreds of units of mixed-income apartment homes and townhomes are under construction in this changing neighborhood. Purpose Built Communities helped 75 North identify exactly the right developer to construct high-quality, market-rate homes while layering in complex financial structures that are critical to making housing affordable for people across income levels. Not all developers understand how to work within layered financing, and among those who do, fewer still know how to leverage those resources to build housing that will create broad demand. Purpose Built also supported the creation of an agreement between 75 North and Omaha Public Schools so that Howard Kennedy Elementary serves as an anchor for the Highlander neighborhood, much like the Charles R. Drew Charter School does in East Lake. Carefully planned greenspaces and innovative areas for fellowship and life-long learning are in progress, and after building on the commitment and strengths of many people and partners, this area of Omaha is transforming into a community of opportunity.

Spartanburg, South Carolina: An Inclusive Community Quarterback

Just seven years ago, the Northside of Spartanburg was struggling. At least half of the homes in this 400-acre area were in foreclosure, condemned, or unoccupied. The neighborhood school was not structured for success. Employment rates and incomes were low, while crime rates were high.

The turning point came when Virginia-based Edward Via College of Osteopathic Medicine decided to build a campus on an abandoned textile mill site. An infusion of new energy and jobs gave local leaders and residents a reason to begin wondering, “What if?” At the request of city leadership, former Mayor Bill Barnet convened stakeholders from across the city to pick up the conversation, which led to the creation of the local community quarterback, the Northside Development Group (NDG). With a small federal planning grant and support from Purpose Built Communities, the community created a plan to revitalize itself using the Purpose Built Model. While there is still much to do, there is now much to celebrate. The Northside Harvest Park, home to a weekend farmer’s market and a community garden since 2014, provides healthy food options and jobs. Plans to build hundreds of residential units and a state-of-the-art recreation facility are becoming a reality. Neighborhood children attend the only elementary school in South Carolina with a 205-day student calendar.

All of this widely embraced progress was possible only as a result of purposeful engagement with local residents. In the Northside community, early organizers insisted (and we

wholeheartedly agreed) that neighborhood residents be represented in planning and decision-making. To fill this need, a leadership group, self-named the Voyagers, was created. A cohort group of residents was brought together for a year-long training process designed to empower their voices. Today, two of the nine voting members of the NDG Board of Directors are Voyagers, and the Voyagers themselves are an authority on the revitalization plan.

“Building a nice apartment complex is not going to change lives,” says Bill Barnet, CEO and board chair of NDG. “Our goal is a stable neighborhood with less crime, great schools, and rising incomes. But also, it’s about people finding a value in the journey itself and the ultimate result.” Barnet believes that growing capacity within the neighborhood has a lifting effect: The knowledge and skills gained through the Voyagers program not only increase the relevance of the changes being made in the community, but also show others who live there that their voice matters.

“When someone comes up with an idea—a community art project, a housing issue, improvements to a park, whatever it may be—the Voyagers are part of the decision-making group. Their input is critical in terms of making sure the project is relevant to the needs and interest of the community and well executed. An added benefit is that change is not perceived as coming from well-intentioned people who are from the outside,” Barnet said. “That’s what the Voyagers represent for us. They are recognized and valued contributors to the journey.”

History, geography, political structures, cultural centers—and on and on—all influence the rate at which change can occur. It can take years to build trust between external change agents and local people. In Spartanburg, involving local voices at every step was, and continues to be, a critical element. Investing in growing capacity within the community ensures that new leaders can, will, and must emerge.

Atlanta, Georgia: Community Quarterback Renewal

With 1,300 people living in 542 high-quality, mixed-income housing units and more than 900 young people participating in a skills and leadership development program at the Charlie Yates Golf Course, the East Lake neighborhood of Atlanta is thriving. The Charles R. Drew Charter School, opened in 2000, was the first charter school in the city of Atlanta. Now a Pre-K through 12th-grade school serving nearly 1,900 students, the school’s first graduating class will walk across the stage in 2017, and every single student in the class is projected to earn a high school diploma. It took more than 20 years to get here, but this community has arrived.

At the same time, in the neighborhood where it all began, we discovered another layer of necessary support that the community quarterback needs to provide. The local YMCA had a new executive director. The East Lake Golf Club had a new general manager. The Villages of East Lake had a new manager. The Drew Charter School had a new head of school. And due to organizational growth, the East Lake Foundation had new leaders as well. All of these

leaders were dedicated to the health and potential of the residents in East Lake, but as new employees in their respective roles, they had not lived the history and had not set new goals for collective work. It was time to pause and potentially disrupt individual goals for the sake of the collective good.

The East Lake Foundation convened these and other partners to renew our commitment to the long-term viability of this neighborhood. “We spent four months creating the East Lake Compact, a document that states unequivocally that ‘we are all still in this together,’” said Daniel Shoy, Jr., president of the East Lake Foundation. “We are now set up to adapt, to plan over time, and to support individual organizational and collective goals.” The community quarterback was thus critical for integrating the new leadership and strengthening the existing infrastructure, improving our collective ability to make progress.

The Next Five Years: Where Are We Going?

The Purpose Built Communities Model is refined every time we are invited to work in a new neighborhood or reexamine the evolution of places that are well on their way to revitalization. Regardless of where we go, Purpose Built holds true to the fundamental elements of a cradle-to-college education pipeline, mixed-income housing, and a focus on community health and wellness. A community quarterback organization ties those pieces together and never hesitates to be disruptive if it is required. It is a formula that works.

Looking across our network, we are seeing exciting ideas adding new layers to the model. One example is the meaningful partnerships being developed with colleges and universities. The president of The Ohio State University in Columbus had the forethought to use growth for good. Working with partners and the city government, the university received an exemption from a citywide payroll tax, and the funds that would have been generated from the expansion of the university medical center and staff were set aside to invest in the Near East Side neighborhood. These investments have leveraged \$29.7 million in implementation grant funding from the U.S. Department of Housing and Urban Development’s Choice Neighborhood program to the City and Housing Authority. The plan on which that grant was based was the brainchild of Partners Achieving Community Transformation (PACT), a community quarterback organization formed by the university, the city of Columbus, and the Columbus Metropolitan Housing Authority before Purpose Built Communities was invited to Columbus. The Columbus City Schools and the university have created a new feeder pattern that shares a vertically aligned curriculum with a health sciences theme to expose young people to in-demand career opportunities right in their own neighborhood. University professors are teaching electives to high school students, and the full-circle connection between the neighborhood, its schools, the university, and employment is coming together.

Similarly, in Spartanburg, the partnerships between the community quarterback and different types of strong local organizations—the Mary Black Foundation, the Spartanburg Regional Medical Center, and the Edward Via College of Osteopathic Medicine—are

providing resources and leadership to the Northside Development Group's efforts. Representatives from each of these local institutions serve on the Northside Development Group's board of directors.

The new opportunities presented by innovative partnerships, such as those with institutions of higher learning, give us hope for the coming years. We see new challenges as well—in particular, the lack of resources to fund the work happening in struggling neighborhoods. The volatility of federal funding is a risk to the future of our work; it is unclear what funding sources will be available and at what levels, and keeping up will require technical skills and tenacity. Our organization and the many community quarterbacks we have helped create will have to adapt to this changing funding climate.

Disruption Today and Tomorrow

When Social Security began in 1940, our country was very different. With longer life expectancy, generational trends, and other changes, the number of workers paying into the system for every person who is in retirement has drastically declined.² We need to equip the 16 million American children currently living in poverty to succeed in an increasingly knowledge-based job market and contribute to our nation's economic growth. As our population expands and our economy shifts, we must come together to secure a sustainable future for every person, neighborhood, and region across the country. Being disruptive is now more important than ever—and Purpose Built Communities is dedicated to collaborating with leaders, agencies, organizations, and all partners who want to come together to amplify our voices toward meaningful, lasting change.

Carol Naughton has been a leader in comprehensive community revitalization for more than 20 years and was a founding staff member of Purpose Built Communities. She leads the consulting teams that support revitalizations across the country. Previously, Carol served as the executive director of the East Lake Foundation, the community quarterback organization that developed and continues to implement the model of community revitalization that Purpose Built Communities is charged with replicating around the country. Previously, she was general counsel and deputy executive director for Legal and Nonprofit Affairs for the Atlanta Housing Authority and an attorney with Sutherland, Asbill & Brennan's real estate group. She is a graduate of the Emory University School of Law and was executive editor of the Emory Law Journal, and graduated cum laude with an AB in Political Science from Colgate University.

2 Gayle Reznik, Dave Shoffner, and David Weaver, "Coping with the Demographic Challenge: Fewer Children and Living Longer," *Social Security Bulletin*, 66(2005).

How Collaboration Drives Community Development Innovation in Los Angeles

Helmi Hisserich
City of Los Angeles

In 2012, affordable housing in Los Angeles was at an all-time low. Federal HOME funds had been cut by 44 percent, federal stimulus funds were gone, public redevelopment agencies in California had been shut down, and the California state housing bond had been exhausted. In a single year, funds for developing new affordable housing in Los Angeles shrank from \$150 million to under \$30 million. The massive cuts in affordable housing funds had gutted the city's housing development program.

To make matters worse, as housing funds dropped precipitously, the cost of housing in Los Angeles continued to rise. By 2013, Los Angeles had the highest median rent burden in the nation.¹ The average renter in Los Angeles was paying 47 percent of his or her income on rent, and the proportion of people spending more than half of their income on housing was the highest in the nation. In 2013, the Los Angeles homeless count showed a 16 percent increase in the unsheltered populations, with an unprecedented 58,000 people homeless in LA County on any given night. It felt as though we were battling a wildfire with a garden hose. It was clear we needed to take action, but what?

Investing in What Works

Luckily, during this same year, the Federal Reserve Bank of San Francisco and the Low Income Investment Fund published *Investing in What Works for America's Communities*,² a book of essays by experts in the fields of affordable housing, community development, and other disciplines. Each chapter offered up new ideas and successful strategies for investing in communities, and more than one of the authors made a pointed critique of the status quo. One of the book's underlying themes was that we must reject complacency because there is simply too much work still to be done. It called for a forward-leaning attitude and a bias toward innovation. "We have become technical experts on transactions when we need to lead a new way of adaptive problem-solving," wrote Ben Hecht, of Living Cities.³ It was an

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- 1 Rosalie Ray, Paul Ong, and Silvia Jimenez, "Impacts of the Widening Divide: Los Angeles at the Forefront of the Rent Burden Crisis" (Los Angeles: Center for the Study of Inequality, UCLA Luskin School of Public Affairs, revised September 2014).
 - 2 Nancy O. Andrews and David J. Erickson eds., *Investing in What Works for America's Communities* (San Francisco: Federal Reserve Bank of San Francisco and Low Income Investment Fund, 2012).
 - 3 Ben Hecht, "From Community to Prosperity." In *Investing in What Works for America's Communities*, edited by Nancy O. Andrews and David J. Erickson (San Francisco: Federal Reserve Bank of San Francisco and Low Income Investment Fund, 2012).

inspiration and a call to innovate at a time when we were reeling from staggering losses in our affordable housing finance system. I called the Federal Reserve Bank of San Francisco and asked for 150 copies of the book to give to my staff.

Not Standing Still

“Successful organizations do not stand still in times of disruptive change. They maintain their core goals and values, but readjust their strategies and tactics to reflect new realities.”⁴

We printed the above quote from Bruce Katz, of the Brookings Institution, on a bookmark and handed it out, along with a copy of *What Works*, to the entire team. This quote became the ethos of our team as each division manager looked for new strategies to deploy in the face of our new reality. By January 2013, we developed a plan to restructure the housing development financing system in Los Angeles so that we would be less reliant on large federal subsidy programs to achieve our goals. We weren’t looking for a short-term fix, and we wanted to think strategically about the city’s assets and put in place the systems for long-term change.

Reducing Uncertainty for Affordable Housing Developers

One idea that emerged from *What Works* was to reduce uncertainty in the affordable housing development process. As funding becomes scarcer, affordable housing developers are forced to look for multiple new sources of funding for their projects. Each layer of financing carries with it different rules and requirements, adding complexity to the financing and the long-term management costs of the project. In their essay, “Getting to Scale,” Sister Lilian Murphy and Janet Falk, of Mercy Housing, describe how financing projects with small amounts of funding from multiple sources is not only inefficient, but it also inhibits innovation. “The current system focuses on avoidance of risk by encumbering government programs with rules and regulations. Banks and other lenders are also very risk-averse. We must build in some tolerance for failure, as all new ideas are not going to be successful.”⁵

After reading the essay on getting to scale, I called Janet Falk to learn from her vantage point what the city could do to improve the efficacy of the development community. For years, the City of Los Angeles’ policy was to be the last dollar in the project. Although this strategy reduced the city’s risk of failure, we began to see this was contributing to stress and uncertainty for the affordable housing developers. So, we decided to change our approach by making early financial commitments to projects that met the city’s goals. To do so, the City of Los Angeles needed to better align its Affordable Housing Trust Fund investment with the Low-Income Housing Tax Credits (LIHTC) that were allocated to projects by the state.

4 Living Cities, “2011 Annual Report.” (New York: Living Cities, 2011), p. 24.

5 Sister Lilian Murphy and Janet Falk, “Getting to Scale: The Need for a New Model in Housing and Community Development.” In *Investing in What Works for America’s Communities*, edited by Nancy O. Andrews and David J. Erickson (San Francisco: Federal Reserve Bank of San Francisco and Low Income Investment Fund, 2012).

By June 2013, we worked with the State of California to establish the City of Los Angeles as a region for LIHTC, which created a predictable flow of roughly \$86 million in LIHTC to the City of Los Angeles. Doing this immediately created alignment between city and state funding and enabled us to create a two-year pipeline of affordable housing projects in Los Angeles. We worked with the New Generation Fund—a privately managed acquisition fund in the City of Los Angeles—to enable all projects in the city’s pipeline to have access to predevelopment loans, creating a clear path for projects to move from acquisition, to construction, to permanent financing. These steps created a more predictable and transparent financing process and resulted in strong support by the affordable housing development community in Los Angeles. By shifting some risk to the city, and away from developers, we were able to align resources more effectively and collaborate with affordable housing developers as projects moved through the predevelopment process.

City Collaboration on Transit-Oriented Housing

The housing pipeline also strengthened the capacity for collaboration between the housing department and other departments of the city. In their essay, “Transit-Oriented Development Is Good Community Development,” John Robert Smith and Allison Brooks make a compelling case for active collaboration among housing and transit agencies.⁶ But implementing such a policy in Los Angeles was difficult when we could not forecast which housing projects were going to be funded. Transportation planning needs a longer lead time than housing projects, so it helped to have a list of projects that were in the early planning stages.

The housing pipeline opened doors for city collaboration around placed-based strategies, such as transit-oriented development. This played out noticeably when the state made funding available for transit-oriented affordable housing projects through the Affordable Housing and Sustainable Communities grant, which is funded through the auction proceeds of California’s Cap-and-Trade program. In the first year of funding, Los Angeles had difficulty linking transportation investments to housing developments. But after the city established the affordable housing pipeline in 2013, the housing department began proactively working with the Department of Transportation, City Planning, Bureau of Street Services, Bureau of Street Lighting, Los Angeles Department of Water and Power, and others to identify infrastructure investment for the eligible housing projects in the pipeline. In 2016, Los Angeles was awarded \$64.6 million in funding for six transit-oriented development projects—more than any other jurisdiction in California and more than double the city’s previous awards.

6 John Robert Smith and Allison Brooks, “Transit-Oriented Development Is Good Community Development.” In *Investing in What Works for America’s Communities*, edited by Nancy O. Andrews and David J. Erickson (San Francisco: Federal Reserve Bank of San Francisco and Low Income Investment Fund, 2012).

Using Land as an Asset

While restructuring the finance process, we combed through our portfolio to identify public land that could be used to create opportunities for affordable housing. Using land acquired by the former community redevelopment agency, land taken back through foreclosure, land donations from banks, and land owned by other city agencies—such as underutilized city parking lots—we compiled detailed zoning information on more than 40 public properties and made them available for affordable development. We wanted to limit the demand for additional subsidies, so we gave developers wide latitude to develop innovative strategies. Within three years, we had added over \$100 million of value to the affordable housing system through the contribution of public land; we also had added about 1,000 new units of affordable housing in the city’s pipeline of projects, including over 500 units of permanent housing for homeless people.

Poised for Rapid Growth

In November 2016, an extraordinary thing happened in Los Angeles: 77.14 percent of LA City voters passed Measure HHH, a \$1.2 billion bond to fund housing for homeless people. Passing this funding measure by a super majority, the voters of Los Angeles created the city’s first major local revenue stream for affordable housing development. Although in some respect these funds are filling the gaps left by state and federal funding losses of prior years, the passage of Measure HHH is a remarkable achievement for the City of LA. Measure HHH is the largest investment of local funds Los Angeles has ever made in affordable housing. Because we took action to align our funding sources, create a pipeline, and identify public land for development, we have a structure in place to rapidly grow the housing production system in Los Angeles. Our pivot toward the future put us on the right foot to ramp up production quickly with new funding streams.

Inflection Point

In the final essay of *What Works*, Nancy Andrews and Nicolas Retsinas describe the current state of community development in America as “an inflection point, propelled by the magnitude of change in the world around us, and the hard-won knowledge of the past five decades.”⁷ They acknowledge that despite the many successes in community development, the question of impact remains unanswered. I would say the same is true for Los Angeles. Los Angeles has built powerful institutions inside and outside of government that are committed to advancing residents’ economic prosperity and quality of life. But despite our best efforts, income disparity continues to grow, as does the number of people facing economic hardship. What we need, Andrews and Retsinas write, is a “twenty-first-

7 Nancy O. Andrews and Nicolas P. Retsinas, “Inflection Point: New Vision, New Strategy, New Organization.” In *Investing in What Works for America’s Communities*, (San Francisco: Federal Reserve Bank of San Francisco and Low Income Investment Fund, 2012).

century model of community development”: one that is built on evidence-based strategies, networks of learning, adaptive organizations, and strategies that can scale with impact. The future of community development will draw on the lessons of the past and innovate with the technological advances of the future.

For me, this has taken the form of a project called the Los Angeles Housing Research Library, a virtual think tank for housing in Los Angeles. Though still in its nascence, the Los Angeles Housing Research Library is an archive of LA’s history in housing and community development efforts, an aggregator of big data, an alliance of researchers from academia, and a tool to empower communities to engage in problem-solving on their own. I believe the future of community development depends on our ability to speed up learning, measure results more effectively, and share information more rapidly. Technology is good at that, and the Los Angeles Housing Research Library is a laboratory we can embed in the city’s public library system.

My takeaway from *What Works* is that we must not be put off by draconian funding cuts at the federal level or daunting challenges. Rather, we must keep investing in people, pursuing new ideas, learning from the past, and strengthening our networks. After all, it is through our connections to one another that we remain optimistic, and it is by sharing knowledge and experience that we discover what works.

Helmi A. Hisserich is a distinguished leader of affordable housing and community development in the City of Los Angeles. Since 2009, Ms. Hisserich has managed the Housing Development Bureau of the Housing & Community Investment Department of Los Angeles (HCIDLA). Prior to joining HCIDLA, Helmi served as Deputy Mayor for Housing & Homelessness in the Administration of Los Angeles Mayor Antonio Villaraigosa, and was the Redevelopment Director for the Hollywood and Central Region of Los Angeles. Ms. Hisserich works with leaders in all levels of government to address the affordable housing needs of the City of Los Angeles. She also works closely with affordable housing developers, financial institutions, and housing advocates in the City of LA. Ms. Hisserich earned a BA in Comparative Literature from the University of Southern California, and a MBA from Cornell University in New York. In 2011, Ms. Hisserich attended Harvard Kennedy School of Government program for Senior Officials in State and Local Government. In 2016-17 the Durfee Foundation awarded Ms. Hisserich a \$100,000 Stanton Fellowship to support her thought leadership on major housing policy issues facing the Los Angeles Region.

Building on the Ambitions and Aspirations of Newcomers: An Interview with Angela Blanchard

Angela Blanchard, President of BakerRipley (formerly Neighborhood Centers Inc.) shares her reflections on the past five years since the publication of Investing in What Works and her outlook for the future in an interview conducted by Laura Choi of the Federal Reserve Bank of San Francisco.

Your essay in What Works¹ touched on some key themes like the influence of the Settlement House movement in welcoming newcomers to America, the characteristics and role of Houston as a city, and the power of people as a community asset. Reflecting on these themes five years later, what has changed for your organization, your city, and the people you serve? What remains the same?

We believe strongly at BakerRipley that the Settlement House movement and its underlying values—the importance of connection and opportunity for everyone—are needed now more than ever, and will be for decades to come. There are two worldwide trends that intersect in the highly functioning and welcoming city of Houston and they illustrate the continued need for onramps to opportunity. The first is mass migration. We are living in the most migratory period in human history. According to the United Nations High Commission on Refugees, nearly 65 million people have been displaced because of war, weather or wealth.² That’s 1 out of every 115 people on earth who doesn’t have a home, a job and in many cases has been separated from their families. The second trend is mass urbanization. For the first time in history, more people live in cities than in rural areas.³ Approximately 3 million people are moving to cities each week.⁴ For Houston, immigration from across the globe has contributed to the city’s tremendous diversity and rapid growth. Today, 1 out of 4 Houstonians is foreign born and the region will continue to attract people seeking stability and opportunity.⁵ We are pretty far along in this globalized, connected, migratory, urbanized period and there's no way to stop that movement.

1 Angela Blanchard, “People Transforming Communities. For Good,” in *Investing in What Works for America’s Communities*, eds. Nancy Andrews et al., Federal Reserve Bank of San Francisco and Low Income Investment Fund, San Francisco, CA 2012.

2 United Nations High Commission on Refugees, *Global Appeal: 2017 Update*.

3 United Nations, “World’s population increasingly urban with more than half living in urban areas,” *World Urbanization Prospects, 2014*.

4 International Organization for Migration, *World Migration Report 2015 Overview*.

5 U.S. Census. Quick Facts Table, Harris County.

In the five years since *What Works* was released, we've been sought out by cities and other countries who are also trying to find their way to long-term welcome and integration. Every city in the world is in need of landing places for the newly arrived. Leaders everywhere are working to figure out the balance between addressing the immediate challenge of welcoming newcomers and establishing long-term solutions that allow people to find a way to earn, learn, and belong. The successful cities of the future will be those that can most quickly turn desperation into aspiration, and aspiration into participation. The economy of cities depends on flow and connection; not only the movement of goods but also the exchange between people. There will always be a need for people to have the opportunity to work together, learn together, build and create together. We see cities as a container for the ambition and aspirations of people, and we must nourish these aspirations and foster meaningful opportunities for people to reach their full potential.

BakerRipley grounds its work in an approach called Appreciative Community Building. Can you explain what that means, and what you have learned through this approach?

For more than ten years, BakerRipley has used Appreciative Community Building to remain closely connected to our neighbors and inform our holistic community development approach. It's a rigorous application of appreciative inquiry principles, which are rooted in lifting up and leveraging strengths as a force for positive change. Through extensive one-on-one interviews and community meetings we conduct a relentless search for the strengths and aspirations that exist within a community. We believe the leaders we need are already in the community, so part of the search identifies the individuals others turn to when they need guidance or help. By identifying what's working, and who is already committed to helping the community, strengths and assets form the foundation for plans and investments. A narrative about how people are broken is not going to help us because you can't build on broken. People aren't the problem, they're the solution. That's a powerful tenet that is needed more than ever.

Appreciative Community Building doesn't ignore struggle, injustice or inequality. By marrying appreciative inquiry to asset based community development we can study and document what's working in every community and use these strengths to drive investment. We work with people to determine and assemble the available resources to "do what you can, with what you have, where you are, right now." We used this approach in building our Gulfton Neighborhood Center and now we're applying those same principles to our new project, the East Aldine Economic Opportunity Center. This new three-building eight-acre site will contain elements born out of what we heard from the people there. Aldine residents told us what they'd already accomplished on their own, what they wanted to learn from one another, and what they wanted to achieve.

Our inquiries revealed a story about a very cohesive community with a clear identity—a community that was intentionally excluded as Houston annexed more well-off surrounding areas and was left to fend for itself for all municipal services. Aldine residents had their

own theories about what made them able to move forward. We heard again and again the stories of neighbors working together, small businesses lending to each other, volunteers providing essential services and successful residents who returned to “give back.” In the face of uncertainty, people were making it up as they went along, which we found to be an incredible strength. We thought the best thing we could do is enable that improvisation and entrepreneurial energy. We built on their desire to take their small businesses to the next level by designing programs that provide the training and resource connections needed to grow family owned businesses. Community members spoke about the dwellings, products, and services that they've been able to create, invent, and fabricate on their own. Hearing of these existing strengths, Chevron and FabLab Foundation stepped up to build a fabrication laboratory (FAB Lab) as a part of the town center. It will serve as a place where people can do what they're already doing, but with better tools and more opportunities to learn from one another and from professionals within the larger community.

In East Aldine, the lessons we re-learned are twofold. First, assumptions, even when they're based on reliable data, rarely capture the story that we're after. When we went into East Aldine, the data painted a similar picture to the data we had on the Gulfton neighborhood—high poverty, with an extremely high dropout rate. We had all the same data and assumed that something was wrong in the schools. Rather, we learned that the kids who dropped out were going to work in the family business. Middle schoolers were serving as translators and working cash registers. These kids were working alongside their parents in a home-based or family-owned business because they were needed. It then became a question of how do we create an educational experience that recognizes what these children are doing and what they are contributing? The other lesson Aldine taught us once again is that the people in the community know the real story. They know exactly what's going on in their lives. They have a clear set of priorities. They really do know what the next steps need to be, and when we take the time to chronicle what they've accomplished on their own, and to create resources and programs that enable more of that, then we succeed.

A persistent challenge in community development is the lack of available resources, especially in light of the complexity and scale of poverty in this country. How are you approaching this challenge and what insight do you have for the broader community development field?

Over the years I've found that the three-legged stool of the public, private and non-profit sectors working together is really the answer to how to create good sustainable efforts. Different sectors bow in and bow out at various times. We see constructive action on the part of government sometimes, and then sometimes they're nowhere to be found. Then the corporate structure, same story—they're invested, extremely helpful, and then a shift happens and they're not available and not investing. In the future for BakerRipley, we're going to see projects look like the three-legged stool. Every effort will have a philanthropic leg, it'll have a business leg, and it'll have a public sector leg, either enabling efforts or providing direct support. That's really the key to sustainability and long-term impact.

Just as important is the activation of community voices and aiming the energy of the community—that's the fuel that propels all efforts forward. People have asked us about the time that we spend on our projects for doing this type of work. Isn't it expensive to spend all that time on the front end talking to hundreds of people, recording everything, digesting it all? Creating and publishing the “new story” of the neighborhood? And I tell you, nothing is more expensive than building something people don't need, won't use, and can't sustain. That's tremendously wasteful. We avoid that. I stand by what we said in the first go-around. The transformation is multi-year. It's not two years, and it's certainly not one grant cycle. So when we make a commitment to a neighborhood, it's a “come hell or high water” commitment. And it's Texas so we will have both.

A related challenge in the field is the difficulty of measuring impact and outcomes. What have you learned about effective measurement in your work?

Like many of our colleagues in the community development field, we feel a great desire to deliver results to those who support our work. We want to provide evidence that demonstrates it was worth the investment and stories that show appreciation. However, one advantage of having decades of experience is you begin to look over the patterns of the past, including the metrics. What we see again and again are funders falling into and out of love with one measurement model after another. They're interested in measuring what matters to them now, but that particular evaluative measure didn't matter to them last year. And next year it won't matter because they've moved on to something else. Logic models. Common outcomes. Collective impact. Randomized Control Trials. We've seen it all—documenting inputs, outputs, and short, medium, and long-term outcomes along the way.

While we have learned a great deal from these models, we have also learned the limitations of measurement. How do we best measure programs that help our neighbors identify their strengths and put those strengths to work in pursuit of their own aspirations? How do we capture the impact of continuously cultivating a community leader over the years, decades even? How do we measure the social capital created through the everyday interactions that happen at our centers? And how do we ensure that we avoid treating our neighbor as a test subject in the process? These are tough questions. Here's what we've decided.

We provide any data required by any funding agreement, otherwise we don't take the money. But as we sought dollars for this region, from national funders especially, we found that the models of measurement became too divorced from measuring those things that our neighbors most wanted to accomplish, and we often built upon intervention models that did not reflect our communities.

After struggling with a particular foundation requirement, we met and decided that beyond the agreed-upon metrics owed by contract, any additional measurement resources would be spent tracking only those things that mattered most to the people we serve. We're not going to spend hundreds of thousands of dollars, as many agencies have, coming up with elaborate systems and tools to have a collective impact examination of what our work

has meant, because in two years there will be some new method for measuring that impact.

On the other hand, what we find—neighborhood to neighborhood, city to city, country to country—are people with three universal yearnings: to earn, learn and belong.

Earn

Every family we talked to either wants to hang on to more of their earnings or earn more. So when we measure whether or not that's happening, we're actually measuring something that matters to them and therefore it matters to us. Through the 11 career offices we operate, we helped 127,294 people who were unemployed find employment in 2016; 82 percent of those people were still employed six months later, and more than half were earning 20 percent more than what they were making at their previous jobs. That matters. At Gulfton, we opened the Promise Credit Union to help people hang on to more of their money instead of being gouged by check cashers or pay day lenders. We encourage saving through a matched savings program. In 2015, we saw 462 families open saving accounts and save a total of \$1.6 million dollars in one year—that's an average of \$3,463 per family. That makes a difference.

Learn

We have yet to meet anyone who didn't want their children to have a good education. And once their children are in school and doing well, the parents are more comfortable learning for themselves. Again, we ask, what does that mean to them? Is that a welding certificate? Is that the next level of English language acquisition? What did you set out to learn? Are you learning it? Are we connecting you to resources that allow you to advance in the way you want? This varies for every person, every aspiration. In 2016, we supported 1,047 adult learners make significant gains in English language proficiency, which we know enables gaining higher income, as well as better advocacy for one's child. We provided high-quality early education to 3,000 children, with 97 percent of applicable children demonstrating Kindergarten readiness. And, through a third-party study conducted by Houston Independent School District, BakerRipley Head Start students were found to have higher test scores than their similar peers in 3rd grade—showing lasting impact on academic success. That matters to everyone we serve.

Belong

The third one is harder to measure. We're measuring things like how engaged people feel and how trusting they feel of their neighbors. Are they coming to the centers to organize community meetings? Are they participating in more groups or activities outside of the centers? Do they know what the challenges are in their neighborhoods? Are they able to speak out and act on their own behalf?

In our Pasadena Neighborhood Center, the Community Engineers program is designed to help people learn how to exercise their voices on civic matters. Pasadena is now overwhelmingly Latino yet the decades-old power structure in place has not changed to

reflect the shifting demographics. This program takes people who are highly engaged and teaches them specific skills so they can become better community volunteers, and move into civic leadership like city councils or school boards. There was a recent story in the *New York Times* about a court battle in Pasadena because of what the courts found to be an intentional set of decisions that were meant to exclude Latino voices. One of the co-plaintiffs in that suit was a graduate of our Community Engineers program. The beauty of this approach is that it lasts, because once a mom knows she can run for school boards or fight a battle in court for the right to vote, these are the things that get handed down.

So: Earn, learn, and belong, and measure what matters to the people we serve. If you stopped anybody on one of our campuses and ask "What are you here for?" they'll tell you they're here for one of those three things. The rule of thumb for measurement is that we meet the standard for information that a prudent business person would need to make an investment decision. We found many of our investors didn't need some elaborate, costly research study. We found again and again that these were people who didn't want a mountain of data. They needed information they could understand. Information that spoke clearly to the actual services provided and what we were measuring. So it became much more straightforward to build a case for what we're doing and why we're doing it. I think that was one of the healthiest decisions we ever made.

What are you anticipating and how are you preparing for the next decade of community development work?

We sit in the fourth largest city in the country, emblematic of every demographic, economic shift that the nation talks about. The Urban Institute has identified Houston as one of eleven southwestern cities that will birth 75 percent of the nation's children in the next ten years.⁶ It's not Chicago, New York, or DC. It's cities like Tucson, Phoenix, San Antonio and Houston. That's the future of the country. I'm stunned that some national funders cannot find their way to see that what happens here is relevant to our country's future. Perhaps other city leaders will learn from our experiences. We work to learn from theirs.

We need to expand the lens of the places and solutions that we study. That lens needs to be broad enough to embrace new ideas about what makes a city great. Right now, the community development world has a set of unspoken implicit assumptions about what makes up great cities. I say the best cities are the ones where you can start at the bottom and work your way up. Cities where you have an opportunity to earn, learn, belong. That is how to define a great city. There's no question that every headline now feels like a threat. However, there's something you cannot kill off in this country, and that's the narrative about how we can begin at the bottom and work our way up. It is so appealing because it's the story of so many people.

⁶ Rolf Pendall and Margery Austin Turner, *Expanding Access to Economic Opportunity in Fast-Growth Metropolitan Areas*, Urban Institute White Paper, May 2014.

I find this globally connected, interdependent world that we're in now fascinating and thrilling. I think it's a great decade for cities. It's also enormously challenging. Over the next decade, the success or failure around community development is almost completely in the hands of regional and metro leaders. I like to say, "No one's coming," and what I mean by that is the future of a region is in the hands of the leaders that are already there. Waiting for the enabling investment, legislation, or whatever tends to come from elsewhere at the state and federal level—they're not likely to come in the ways that we need them, nor in time to make a difference. Leaders in key institutions and sectors that drive the economy—education, business and government—must be the ones who make sure their metros work for everyone. They're going to have to be the chief knowledge brokers so that the right things get done. The next decade will be defined by the rise of cities, where people will come for opportunity and learning. City leaders just have to make sure that wherever people start, they're not facing a dead end, but rather a landing place and onramp for their ambitions and aspirations.

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Sparking Change in New England's Smaller Cities: Lessons from Early Rounds of the Working Cities Challenge

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Federal Reserve Bank of Boston*

Between 2008 and 2011, a team from the Federal Reserve Bank of Boston joined with state and local leaders to study the many issues facing the smaller industrial city of Springfield, Massachusetts, with an aim to develop strategies to engage more low-income residents in the city's economy and revitalization efforts.¹ Among the questions the study team sought to answer was whether a city like Springfield could even achieve revitalization after so many years of economic decline and population loss and, if so, what would it take to get there? The team investigated the factors that facilitated resurgence in 10 peer smaller industrial cities and determined that effective leadership and collaboration among local institutions were the key factors that distinguished "resurgent" places from struggling cities like Springfield.

Putting into practice the lessons of the Springfield research, the Boston Fed developed the Working Cities Challenge (WCC) to advance leadership and collaboration in New England's smaller, postindustrial places.² The Boston Fed, in partnership with a team of private-, public-, and philanthropic-sector leaders, offered competitive grants of up to \$700,000 to teams from smaller cities in Massachusetts that committed to working collaboratively across sectors on initiatives that would improve outcomes for low-income residents.

From our close work with those first-round cities and our examination of the independent evaluation of this groundbreaking effort,³ we at the Boston Fed have learned a great deal about what it takes for cities to lead collaboratively, engage community members, inform decisions with data, and change systems to better promote opportunities for their residents. Capturing and sharing these lessons is particularly important to the ongoing WCC effort as additional rounds of the competition are now being replicated in Massachusetts, Connecticut, and Rhode Island, as well as to the larger community development field as it increasingly moves toward an emphasis on developing effective cross-sector solutions to longstanding

1 For a thorough discussion of this work, see Lynn Browne et al., *Towards a More Prosperous Springfield, Massachusetts: Project Introduction and Motivation* (Boston: Federal Reserve Bank of Boston, August 2009).

2 To learn more about the Working Cities Challenge, www.bostonfed.org/community-development/smaller-industrial-cities/working-cities-challenge.

3 To view the evaluation, see "Mt. Auburn Associates Mid-point Evaluation of the Working Cities Challenge First Round in Massachusetts Complete," Boston Fed Working Cities Challenge website, May 4, 2016.

community problems. For cities that are ready to revitalize through efforts like WCC, what will it take to make lasting change? What can they learn from the cities that have come before them? And what is the Boston Fed doing to adapt its model in response to these lessons? Here, we share four key lessons learned from the WCC process to date, along with the ongoing questions we are focused on as the initiative moves into new states and further funding rounds.

1. It starts with a team of cross-sector leaders committed to finding new ways to work together.

One of the key predictors of a city's resurgence identified in the Boston Fed's study is the presence of high-level leaders able to work across sectors and assume shared responsibility for making progress on common goals for their community. Based on this finding, the WCC model supports the development of collaborative leadership as a foundational element for effecting transformative change in its participating cities. Collaborative cross-sector efforts create an opportunity to pool diverse resources and leverage a range of expertise to generate, test, and refine promising strategies. Incubating and normalizing this new style of leadership is particularly important for organizations and residents of smaller cities. With shrinking municipal budgets and a relatively thin landscape of institutional capital, places that develop a culture of cross-sector collaboration strengthen their capacity to adapt to changing conditions and overcome unanticipated challenges.

Building and growing cross-sector collaborations is easier said than done. The four winning teams in the first round of the challenge (the cities of Chelsea, Fitchburg, Holyoke, and Lawrence) entered the competition with varying levels of experience in managing multi-stakeholder tables and establishing effective processes for working toward shared goals. One of the toughest challenges facing the groups right out of the gate was how to gain a deeper understanding of the existing team dynamics, including the motivations, contributions, and histories of the partners that could either promote or impede active trust building. Superficial commitment, turf issues, poor communication, and suspicion of others' motives are some of the relational issues that teams needed to work through in order to maximize their members' engagement.

Authentic stakeholder engagement and trust building is a process requiring continuous attention and care that collaborations have to manage alongside the implementation of their work on the ground. The teams faced a constant tension in balancing their time between developing a strong, collaborative process and demonstrating timely, tangible progress on their work plans in order to establish credibility for the initiatives. This challenge of having to "prove yourself" often seemed like a catch-22: the fastest way to build credibility is through small victories generated by the collaboration, but these wins are difficult to accomplish without significant engagement and trust between the partners. Even though the WCC model required each partnership to identify a "backbone" organization to steward both parts

of work, we quickly discovered that cross-sector collaborations require an initiative director—a dedicated, senior-level staff person tasked with coordinating the planning, implementation, and communication across multiple partners to advance the collective vision.

Hiring an initiative director to focus on managing the partnership and the day-to-day work of the effort critically transformed the teams' partnership structures from large and unwieldy groups to much more focused teams of core, decision-making members. For instance, the Fitchburg team started out as a less mature collaboration, aiming to improve a broad set of economic and social outcomes in one of the most disadvantaged neighborhoods in the city. Because of the initial breadth of their priorities, the partners felt that their roles were unclear, which made it difficult for some of them to take responsibility for concrete parts of the work. Bringing an initiative director on board had a significant impact on the quality of stakeholder engagement and collective problem solving to refine priority issue areas for the initiative. The director dedicated time to building consensus around shared values and goals and helped create a robust organizational structure of core and advisory partners who felt joint ownership of the work. One of the foundational values that strengthened members' commitment was the notion of "give and get." Applying this principle of reciprocity helped partners understand how their individual commitments contributed to the effort's broader goals for the neighborhood and the resulting added value for the participating organizations.

In addition to managing and aligning the work of various subgroups within the initiative (such as the executive committee, steering committee, or action teams), it is common for initiative directors to lead or assist with fundraising, data collection and analysis, program design, sustainability planning, and other critical elements that energize this work. Given the important functions that initiative directors perform, we have adjusted our model to require competing grantees in subsequent rounds to include a job description for an initiative director in their proposals so that if they won, they could start the hiring process immediately. As the WCC expands its cohort of initiative directors, our staff will continue exploring ways to support the individuals in this role and deepen our understanding of the challenges that tend to arise at various phases of the initiatives. Having a forum to discuss the issues associated with this job has proven to be an important form of support, helping initiative directors to stay grounded, and we will work on creating other opportunities for peer-to-peer exchange in addition to the workshops in our learning community.

Beyond establishing an initiative director, another important element for successful collaborative initiatives is the development of a new type of leadership among the broader group of stakeholders. Many of the WCC team members are exceptional organizational leaders who are skilled at exercising power and influence within the clearly defined authority structures of their institutions; they have been trained to focus on the specific outcomes of a single program or organization. However, there are no established organizational charts or work flows to direct cross-sector collaboration. Within these volunteer-based partnerships, there is no hierarchy of authority, and power is shared when stakeholders take responsibility for making a contribution to the shared goal. In this case, the frame of reference relates to the

outcomes for and understanding of a specific system, as opposed to an organization.

In Holyoke's initiative, which focused on increasing the share of Latino entrepreneurs from 9 percent to 30 percent over 10 years, the partnership grew reliant on two or three members to carry the workload. The initial governance structure supporting the effort set the stage for this imbalance by establishing a more traditional nonprofit management approach in which the initiative director served in a CEO role while the partners functioned as an advisory board. An authentic collaborative-leadership model relies on stakeholders to co-create the work of the partnership and agree to change the way their individual organizations do business based on the new learning emerging from joint action. For Holyoke's team, the initial management structure worked well for supporting its new small-business accelerator program, but it struggled to generate any substantial improvements in the city's system for nurturing local businesses at various levels of development. As the partnership evolved in scope to cultivate a more comprehensive system for assisting promising entrepreneurs, the stakeholder organizations exercised greater leadership by working to coordinate and bolster their existing service offerings while sharing the responsibility for addressing key gaps in what they began calling the "entrepreneurial ecosystem."

Noticing that nascent collaborations often struggled to distribute leadership and change habits and beliefs that stood in the way of progress, we offered training sessions in a framework known as adaptive leadership. This training has since become the best-received form of technical assistance among those the Boston Fed offers. Many grantees stressed that this training would have been even more powerful if offered at the very beginning of the implementation or design phase. Based on this feedback, we are making adaptive-leadership training mandatory for winning teams in expansion rounds of the WCC initiative and using it to anchor the learning community in the first year of implementation for the cities in those rounds.

A final key lesson to share on cross-sector collaboration is that smaller cities seem to have more volatile political and economic environments than larger or wealthier communities. Over the past two-and-a-half years, we observed frequent turnover among leadership at key partner organizations, as well as mayoral transitions at the city level. While we cannot expect teams to be prepared for all of the unexpected changes in their political and economic landscapes, their experiences with managing turnover helped us identify promising strategies to minimize the negative impacts.

For example, in the first year of implementation, Lawrence's WCC team suffered a loss of four individuals due to turnover at institutions that were valuable allies in supporting the initiative's aim of increasing economic opportunities for parents of public-school students. Once these representatives moved on from their positions, the organizations would either drop out of the collaboration or drastically reduce their level of engagement. To reduce the risk of such capacity loss in the future, the Lawrence team invested in building and maintaining multilayered relationships with each partner organization, increasing the chance of keeping institutions engaged for the long haul even after individual staff turnover. Based on this lesson, we are encouraging winning teams to create additional relationships with high-level leaders at partner

organizations and to promote the institutionalization of new practices that are discovered in the process of developing and testing solutions to shared challenges in the system. In this way, when one person leaves, there is some established institutional alignment.

2. Improving outcomes for low-income residents requires their voices.

The need to engage community members is implicit in the framing of the WCC, which emphasizes improving outcomes for low-income residents. How can we be sure that low-income residents are benefiting from an intervention if their voices are not included in its design or implementation? Authentic and relentless outreach to groups affected by a city's initiative—and those groups' resulting involvement—lead to a deeper understanding of issues on the ground, build public will for the effort, and allow residents to hold a team accountable for results. A key hypothesis in the WCC model is that development of broader community ownership of the work is important for an effort's sustainability beyond the life cycle of its grant. If these initiatives can mobilize support from both the grassroots and grass tops in the community, they will be less vulnerable to changes in the political and economic climate, such as mayoral transitions or shrinking public resources.

The teams' efforts to involve residents and other stakeholders in an authentic dialogue about issues and priorities for change seem to be leading to new perspectives about opportunities in the targeted communities. Fitchburg's experience offers one example of this positive outcome. At the outset of implementation, some of the partner organizations that had worked in the city for many years had developed a mind-set that residents of poor, transient neighborhoods are hopelessly disengaged from community life and that this dynamic was not going to change. After learning about new approaches and tools for quality community engagement at our learning community workshops, the team tested them at their subsequent neighborhood events. The skeptics on the team were surprised to see hundreds of people attending community design sessions and neighborhood clean-ups and contributing to productive dialogues about what change should look like in their city. This level of energy from community residents encouraged Fitchburg State University—located in the neighborhood but historically isolated from it—to engage in the WCC collaborative working to improve the quality of life in this area.

While the Round 1 teams have made substantial progress in strengthening their mechanisms for including residents in authentic dialogue about community issues, we recognize that these cities entered the competition with higher levels of capacity and skill to do this work effectively. In general, cities in subsequent rounds will need more up-front support and technical assistance to be successful community engagers, which is why we are placing this topic front and center in design-phase workshops that precede implementation.

We expect community engagement to become increasingly robust as teams move from conceptualizing to implementing their initiatives, and as we build in support along the way in the form of a learning community and targeted technical assistance. We have also developed an opportunity for select members of each team to participate in a cross-team

cohort that spends a year getting coaching and peer support to strengthen their approaches to engaging community members.

3. Teams are empowered to learn and adapt when data becomes a tool for learning and not just compliance.

Teams need to track the long- and short-term outcomes of their efforts in order to gauge the effectiveness of their interventions, change course as needed to maintain progress, and be held accountable for results. But when that tracking feels like an exercise in compliance, it can be hard to move away from traditional indicators and approaches that may be easier for teams to gather and toward a place where data promotes collaboration and learning—exactly where teams need to be in order to sustain the work needed to achieve results.

We saw Round 1 teams struggle to track progress against indicators from sources like the American Community Survey because such sources were not updated frequently enough to reflect the positive stories coming out of their early implementation efforts. As a result, we realized that our message to the teams concerning the use of data needed to be less technical and more accessible and empowering. After all, teams were already collecting and responding to data; it just didn't always come in the form of an externally generated metric. For example, the Lawrence team gathered information on hiring needs via one-on-one meetings with employers and deployed a survey to team members' organizations to gauge the level of coordination among service providers. This effort provided the team with evidence to inform its decision making and strategy, and it was important for the Boston Fed to recognize that work as data collection.

In order to encourage this kind of learning-oriented data collection and use, we shifted our language and messaging around data: it is now nested within our core element of “evidence-based decision making,” a reframing that teams have responded to with enthusiasm (and a sigh of relief). This concept not only makes data feel more accessible to non-wonks on the teams but also promotes creative thinking about what kinds of information can be used to measure and describe progress. The shift in our collective reframing of data is evident in the way that many teams have de-emphasized secondary data and taken data collection into their own hands: every Round 1 team has developed and launched a survey of its own, and teams in the Round 2 and in the Rhode Island rounds have used surveys and focus groups to inform the planning of their initiatives.

4. Population-level impact and sustainability depend on changing systems.

Like many funding sources for collective-impact efforts, the three-year duration of WCC implementation grants is much shorter than the amount of time we expect teams will need to realize their shared goals. Moreover, the problems our teams have taken on are anything but technical; they are affected by a complex set of actors, institutions, policies, practices, relationships, and norms that cannot be addressed by the traditional approach of expanding,

enhancing, or developing new programs. For this reason, the need for early assessment and possible restructuring of local processes and procedures—what is often referred to as “systems change”—is at the forefront of the WCC.

While we feel that systems can be more readily changed in smaller cities with correspondingly smaller systems, even deciding what system to start with is hard work. One lesson that has emerged from the Holyoke team is that experimentation makes the concept of systems change much more accessible. To test the hypothesis that the city’s business-permitting process presented a barrier to entrepreneurship, team members followed an entrepreneur through every step. Because the city is a core partner in this work, the opportunities for streamlining the bureaucratic process were quickly put into place, giving the team an important win. As a result of the lesson that early experimentation can accelerate systems change and enhance the ability of teams to shift away from programmatic approaches, the Boston Fed presented teams with a results framework that pushes teams to develop systems-change hypotheses, test those assumptions early, and collect evidence to determine if and how those changes affect the conditions on the ground.

As the Holyoke team demonstrated, systems change need not start with a major overhaul. Instead, small, focused efforts can provide important early victories that serve as key moments for learning about what larger-scale efforts will require. The Haverhill team, a Round 2 winner focused on improving the lives of residents in the city’s Mt. Washington neighborhood, identified the career center as the target of a number of systems changes in order to help neighborhood residents gain employment and increase their incomes. As the team was getting its feet wet, it learned that the bidding process for operating the career center was about to begin, and the career center featured strongly in the team’s strategies for improving the employment prospects of neighborhood residents. The team responded by briefing members on the Workforce Investment and Opportunity Act and participating actively in the Workforce Investment Board’s process for developing requests for proposals. Their active participation helped ensure that Haverhill and the needs of Mt. Washington residents were recognized in the request for proposal. Not only did this give the Haverhill team an important early victory—just four months into the implementation grant—but it also helped members learn a tremendous amount about workforce development and the key actors they will need to influence in order to achieve larger-scale changes for the community.

Moving forward: what questions do we hope to answer in future WCC rounds?

As the WCC expands to additional states and tests its model in additional cities, we can learn and share more about effective and ineffective approaches, particularly in the context of smaller cities. By extending the challenge to three different states, we will have the opportunity to connect different city teams engaged in similar efforts and create issue-specific peer networks. For each of the core elements in our model, we still wrestle with a number of big-picture questions that could improve our intervention model but require a larger sample of

sites in order to validate our findings. The priority questions for our staff include the following:

- What level of progress, particularly on systems change, can we realistically expect over a three-year grant period?
- How can we scale the lessons we have learned at the local level into systems change at the state level to influence policies, practices, and funding flows that affect smaller cities?
- What elements do successful teams and initiatives have in place when they start?
- Are the capacities built through the WCC (community engagement, collaborative leadership, systems change, data use) being mobilized for other purposes in the city?

Our team will continue to reflect on the lessons we learn as we partner with new city teams to advance their collective visions for meaningful change benefiting low-income residents. We are pleased to see strong progress from the first round of winning cities in creating collaborative teams, strengthening community engagement, and using data to track progress and make informed decisions. These capabilities are the fundamental components creating the platform needed to transform the broken systems WCC teams set out to improve.

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The SPARCC Initiative: Fostering Racial Equity, Health, and Climate Resilience in the Built Environment

Chris Kabel, Kresge Foundation

Amy Kenyon, Ford Foundation

Sharon Z. Roerty, Robert Wood Johnson Foundation

The Strong, Prosperous, And Resilient Communities Challenge (SPARCC) aims to create opportunities for low-income people and communities of color by fostering integrated strategies that promote equity, better health outcomes, and climate resilience. SPARCC is fueled by a theory of change that says all three goals can be realized by empowering communities and recasting systems to amplify regional public investments in housing, transit, and other impactful infrastructure so that their benefits can be shared equitably. By demonstrating how the built environment can be transformed to allow all of its residents to thrive, we aim to rewrite the national playbook on community development and public infrastructure investment.

SPARCC is co-funded by the Robert Wood Johnson Foundation (RWJF), the Ford Foundation, The Kresge Foundation, The JPB Foundation, and The California Endowment. (The authors of this article represent the first three foundations, which were the original funding partners.) The initiative builds from our shared history of grantmaking, designed to tackle the root causes of economic, health, and social disparities; stretches each of our institutions in new ways; and gives us fresh opportunities to collaborate.

The work is underway in six regions: Atlanta, Chicago, Denver, Memphis, Los Angeles, and the San Francisco Bay Area. As we support and evaluate a pipeline of new projects in those locations—and the local policies and capacities that make them possible—our intention is to build a compelling approach that other regions and new partners will want to replicate.

Beyond a regional impact, we think that SPARCC can have an enduring influence on how the health, environmental, and community development sectors approach their work. The synergies in these intersecting fields can make all of their efforts more formidable. To drive that forward, we are supporting four creative and dedicated implementing partners—Enterprise Community Partners (Enterprise), the Low Income Investment Fund (LIIF), the Natural Resources Defense Council (NRDC), and the Federal Reserve Bank of San Francisco—who have impact across all of these sectors. Each one operates at a national scale.

This article explains why we, as funders, came to the table to develop and support SPARCC, why we remain there, and what we expect our collective power to achieve. Together, we aim to reverse a series of policy and programmatic decisions that have resulted in decades of disinvestment in low-income communities across the nation, fueling enormous dispari-

ties in health and economic opportunities across zip codes that are often just a few miles apart. We expect that by building partnerships, emphasizing local engagement, and fostering leadership that brings disadvantaged populations into development decisions, SPARCC will help give all residents the opportunity to thrive.

The Evolution of SPARCC

SPARCC owes its birth to the braiding of several strands of activity. Over the past several years, LIIF, Enterprise, and NRDC had been talking to one another, and to Ford and Kresge, about how to address climate change challenges and regional inequities via the urban development process. Meanwhile, responding to recommendations from its Commission to Build a Healthier America,¹ RWJF began working with the Federal Reserve Bank of San Francisco to articulate the connections between health and community development.

RWJF saw the potential for synergy between these related efforts and pursued conversations with all of the players about how best to integrate them. By July 2016, following an in-depth planning and development process, the three national foundations had agreed on the design for SPARCC. Later that year, two others—the JPB Foundation and the California Endowment—joined as funding partners.

The problems we set out to tackle are deeply interwoven: Racial injustice, poor health, and the impacts of climate change are burdens that fall disproportionately on the same disenfranchised populations, and the economic opportunities and costs associated with public infrastructure investments are not shared equitably.

The cumulative burden of spatial injustice reflects, in good measure, past discriminatory policies and practices. Communities of color may be segregated to low-lying flood plains that are more susceptible to storm surges. Asthma rates are higher in poor neighborhoods that have greater exposure to environmental toxins. Extreme heat disproportionately injures those who cannot afford air conditioning or live in urban areas devoid of shade-producing tree canopy. Failing water systems threaten the nation's most vulnerable children. Substandard housing is more susceptible to mold and infestation, which can worsen chronic respiratory conditions. All of this is most likely to be found in communities isolated from transportation and jobs, where it is difficult to earn the livelihood so crucial to health.

Without deliberate effort, new infrastructure will not necessarily alter these patterns. Indeed, a huge influx of resources can do just the opposite, as major development projects in nearly every region in the United States attest. As funders, we feel a sense of urgency to support, accelerate, and highlight new approaches.

We designed SPARCC to capitalize on a catalytic moment—that rare time in the life of a community when it is ripe for action. Although a significant infrastructure initiative is often that catalyst, new leadership, population shifts, strong public will, policy overhauls, or

1 Robert Wood Johnson Foundation Commission to Build a Healthier America, “Time to Act: Investing in the Health of Our Children and Communities” (Princeton, NJ: RWJF, January 1, 2014).

even efforts to recover from a natural disaster can also attract a significant pool of private and public capital and accelerate opportunity. When a community reaches that catalytic moment, early commitments to collective problem-solving and optimal outcomes for low-income residents are essential to safeguard against decisions that can otherwise drive some combination of gentrification, displacement, disinvestment, sprawl, and racial and economic inequity.

SPARCC pursues a multiplier effect, recognizing that intersectional problems cannot be tackled in isolation. Nor can they be addressed by the tools of a single field or an individual champion, no matter how creative or dedicated. Persistent and ingenious collaborators who can drive multi-directional learning are key to SPARCC's design. We want to be thinking together, and from the outset, about how best to alter established practices, mitigate unintended consequences, and allow a catalytic moment to expand into an unprecedented and enduring opportunity as the built environment is changed.

SPARCC at once draws on the many assets of our implementing partners and stretches them in new ways. Enterprise and LIIF are community development financial institutions (CDFIs), which direct hundreds of millions of dollars in capital to affordable housing, transit-oriented development, community facilities, and other infrastructure through financing mechanisms, such as loans, investments, and guarantees. As these organizations ground themselves more deeply in the SPARCC theory of change, they can expand beyond a transactional approach and do more to enable low-income neighborhoods and communities of color to flourish. Likewise, SPARCC is pushing NRDC, which has historically focused on protecting natural resources, further into environmental justice advocacy in urban areas, where the human consequences of the built environment are of central concern. And the Federal Reserve Bank of San Francisco, which is deeply engaged in community development research and outreach, has moved into new territory by participating as an implementing partner of a multisite initiative and testing new approaches to cross-sector collaboration.

Ultimately, SPARCC is about changing the systems that shape our built environment and impact people's lives. By focusing on the underlying causes of disparate outcomes, the initiative seeks to transform the ways in which individuals and institutions approach complex social and economic problems, alter the flow of public and private funding, and redesign policies and practices that can sustain improvements over time.

On the Ground: The Six Regions

During the intensive, year-long planning for SPARCC, we identified and considered several dozen regions as potential partners, invited 10 to apply for the initiative, and selected six through a competitive, two-stage application and review process.

We looked carefully at the catalytic moment that was driving their planning, the pipeline of projects they proposed to take advantage of it, their capacity to influence broader policy discussions, and the SPARCC “but for”—the added value SPARCC's engagement in a region could deliver to low-income residents. A number of applicants had already evolved fertile, cross-sector partnerships and were working aggressively to advance equity in their regions, so we wanted to understand where additional resources, technical assistance, and

peer exchanges could further their work. We were also interested in places that were beginning to emerge from decades of disinvestment but had not yet fully focused on racial equity, health, or climate resilience in ways that would allow for truly comprehensive revitalization.

After thorough deliberation, we selected a geographically and politically diverse mix of collaborators in December 2016²:

- In **Atlanta**, which has among the nation’s highest levels of income inequality, according to a 2014 Brookings Institution study,³ Interstate 20 separates vast pockets of prosperity and poverty, echoed by patterns of investment and disinvestment. In what has been called the most comprehensive transportation and economic development effort the city has ever undertaken, billions of dollars in capital investment are flowing into Atlanta as a result of recently passed ballot measures. The **TransFormation Alliance** has developed a model for equitable transit-oriented development, using an arts-centered community engagement process to nurture an inclusionary approach.
- **Chicago** has a long history of community disinvestment and segregation, and rising real estate markets have only amplified its disparities. Pushed to act by the acute challenges of substandard housing, poor health outcomes, joblessness, and violence, the city is targeting structural inequities through a number of public policy and planning activities. **L-Eevated Chicago** will leverage a growing sense of urgency by connecting neighborhood-generated visions to implementation resources and decision-making structures. Four communities near transit will provide a scalable model to lift up low-income residents and people of color as influential leaders.
- Since 2004, a \$7.8 billion public investment in **Denver’s** regional transportation system has created 122 miles of new rail and 18 miles of bus rapid transit, which has been accompanied by aggressive development around the new stations. At the same time, measures to reach ambitious climate goals are being put in place, influencing planning decisions that will reshape land use, transportation, and growth patterns in Denver for decades to come. **Mile High Connects** brings together leaders from low-income communities and communities of color to identify the systems, policies, and place-based strategies that can revitalize newly transit-rich neighborhoods without displacing current residents and longstanding businesses.
- **Los Angeles** is beset by a crisis of housing insecurity at the same time that the region is being transformed by landmark state climate legislation and a transit system expansion that will add light rail, subway extensions, and bus rapid transit across the region. Growth and investment are likely to concentrate in areas where the most marginalized Angelenos currently reside. SPARCC brings together three partners, the California Community Foundation, **LA THRIVES** and **ACT-LA**, to promote local land use and equitable development strategies; policies to prevent displacement and build capacity; capital investments; and climate resilience.

2 The Federal Reserve Bank of San Francisco did not participate in the selection of the sites at any stage of the process.

3 Alan Berube, “All Cities Are Not Created Unequal” (Washington, DC: Brookings Institution, February 20, 2014).

- Disparities in **Memphis** have fostered poverty rates that approach 60 percent in some parts of the largely African American northern section of the city. Long burdened by governance challenges, Memphis’s recent participation in the Greenprint planning process, a tri-state effort to restore floodplains and guide open-space infrastructure, signals that effective new leadership is emerging. At the same time, multiple, large-scale redevelopment projects promise dramatic change. **Neighborhood Collaborative for Resilience** is promoting equitable strategies for using these investments to produce shared economic benefit, prevent displacement, and enhance community connectivity.
- According to one estimate, the unprecedented growth in the **San Francisco Bay Area** has created some 450,000 new jobs—but only 54,000 units of housing—between 2010 and 2014.⁴ As housing costs skyrocket, low-income residents of color are being pushed out of the region’s urban core in dramatic numbers. Recognizing a looming crisis, voters approved some \$12.5 billion in bonds for transportation, housing, and infrastructure. As this is occurring, new public policies to reduce greenhouse gas emissions and advance racial equity are also being implemented. The **BAY AREA FOR ALL (BA4A)** coalition is seizing on these opportunities to develop community-driven development models in urban and suburban settings that focus on preserving existing affordable housing and using public land for community benefits.

To propel provocative and game-changing innovations, each region sets a “collaborative table” to advance shared goals. These tables bring together leaders with track records in advancing racial equity, health, economic opportunity, and climate resilience; institutions with the capacity to gather and analyze data; and organizations that engage the lived experience of the community. Their work builds on, and adds to, a rich body of research documenting the importance of that kind of cooperation to achieve regional change and inclusive economic growth.⁵

Through SPARCC, each region’s collaborative table will be awarded \$1 million in direct grant and technical assistance funds over three years. Collectively, the regions will benefit from an additional \$14 million for programmatic support in data systems, policy, communications, and other areas. A \$70 million pool of investment capital—some from the participating foundations, some leveraged through institutions that finance community development—will also be available for community-based projects.

We recognize that SPARCC’s ambitious, systems-change goals will require more than three years to accomplish. Our intent is to support cross-sector leaders and accelerate change so that the six regions are equipped to carry out the vision over the long term and share their learning with communities across the country.

4 Sarah Karlinsky, “Oakland’s Plan for Facing the Housing Crisis Head On” (San Francisco, CA: SPUR, March 7, 2016).

5 C. Benner and M. Pastor, *Just Growth: Inclusion and Prosperity in American’s Metropolitan Regions* (New York: Routledge Press, 2012).

SPARCC Tools to Build Local Capacity and Influence Change

LIIF and Enterprise are leading the capital strategy for SPARCC. Capital is generally said to flow downhill in the private sector, where it is likely to be invested in projects that offer more return for less risk. Too often, that approach fails to meet the needs of low-income neighborhoods with significant populations of color. SPARCC uses a different calculus because it is pursuing a social return on investments, as well as a financial one. Through credit enhancements, loan guarantees, new market tax credits, program-related investments (PRIs), and other innovative vehicles, SPARCC can fill financing gaps and test innovative ideas that infuse an equity framework into infrastructure decisions.

Our hope is that over time this will allow us to highlight sustainable projects that have the potential for scale and, in some cases, to create markets of interest to private capital, such as Community Reinvestment Act (CRA) bank investments. Along the way, it will be crucial to change the policies that guide public and private investments because these play such a fundamental role in determining who will benefit from them.

Nuts-and-bolts technical assistance—such as guidance on deploying capital most effectively and tools to strengthen communications and data use—will help the regional sites move from vision to implementation. Learning Communities, intended to foster a community of practice that brings together peers across regions, are another key accelerant of change. In-person meetings, site visits, and online forums will encourage risk-taking, create enduring ties, and attract attention from additional stakeholders.

Creative Placemaking is one of the unique strategies through which we are operationalizing SPARCC, and it is of particular interest to The Kresge Foundation. An approach that integrates art, culture, and community-engaged design into local development and urban planning, Creative Placemaking is used to influence the built environment, foster meaningful engagement, give residents a sense of agency, and contribute to the narrative of a place.⁶ All six regional sites plan to incorporate diverse and innovative Creative Placemaking strategies into their work.

The Seattle-based Center for Community Health and Evaluation will partner with Raimi + Associates to conduct a developmental evaluation of SPARCC. Deliberately designed to be flexible, the early phases of the evaluation will provide feedback about what is working and what can be improved in “real time” so that lessons learned can inform ongoing activities. Later evaluation components will highlight SPARCC’s contributions to key outcomes. The Federal Reserve Bank of San Francisco will enhance the evaluation by drawing on its extensive data-analysis capacities. A measurement framework is being designed for a qualitative component that tracks critical elements of systems change, such as increased community engagement and civic infrastructure. Another set of data will measure quantitative outcomes on people and place, such as health disparities and renter affordability, creating a baseline for assessing outcomes over time.

6 National Endowment for the Arts, “How to Do Creative Placemaking: An Action-Oriented Guide to Arts in Community Development” (Washington, DC: National Endowment for the Arts, November 2016).

As a body of best practices and policies emerges from local experiences in the six regions, SPARCC will share these exemplars across regions and with practitioners in other locales, drawing on the power and credibility of our implementation partners and their substantial nationwide networks. Our intention is to alter “business as usual” for public, private, and nonprofit actors and rewrite the rules for planning and executing catalytic infrastructure investments so that they generate long-term scalable and equitable impacts on a population level.

The Power of Collaboration

Let’s be clear: Collaborations are never easy, and SPARCC is built on scores of them—within each regional site, across all six regions, among the implementation partners, among the funders, and across regions, partners, and funders. The arrows signaling the many ways in which people and organizations interact point in multiple directions. Fully engaging all of the players is an intricate process that demands compromise and negotiation. Power dynamics are impossible to ignore, no matter how often consensus is the stated goal. Yet we are absolutely convinced that SPARCC is a far richer initiative because it integrates multiple relationships, viewpoints, and framing approaches.

From the funder perspective, the capacity to bring more resources to the work is perhaps the most obvious benefit of our collaboration, and it is a very consequential one. Reaching our goals requires dollars, personnel, and complementary expertise beyond what is available to any one institution. One of the intents behind investing for social impact is to start a ripple that attracts additional funding, and SPARCC is already seeing that happen with new commitments from other funders.

SPARCC also allows each funder to showcase its unique strengths while learning from one another. RWJF, for example, has a particularly well-established reputation for building evidence in a field, as it has done in tobacco control and childhood obesity, but it has less muscle in the social investment arena. Kresge is the smallest of the three founding philanthropies, but it has substantial experience with climate resilience, Creative Placemaking, and social investments, deploying a dedicated pool of capital through equity stakes, loans, and guarantees (with a \$350 million commitment from 2015 to 2020).⁷ Challenging inequality and promoting racial equity, while high on all of our agendas, is at the center of Ford’s programs. Ford’s recent commitment of \$1 billion from its endowment to mission-related investments, including for affordable housing,⁸ is another example of how all of the funders are expanding their toolkits and recognizing the importance of private capital, in alignment with the SPARCC agenda.

From the outset, we have reminded ourselves of the need to be very intentional in considering how our program design will affect low-income communities of color, and to include

7 The Kresge Foundation, “Social Investment Practice” (Troy, MI: The Kresge Foundation, 2017).

8 Ford Foundation, “Ford Foundation Commits \$1 Billion from Endowment to Mission-Related Investments.” Press release (New York: Ford Foundation, April 5, 2017).

their voices and priorities in everything we do. Our three foundations spent considerable time constructing a shared vision for SPARCC on the front end of this partnership. In the planning phase, that meant seeking more clarity about points of intersection, working through our differing goals and priorities, and aligning our thinking about change. We each had to be explicit as to where we could compromise and what we were unable to negotiate, given the priorities of our institutions. Reaching common ground was time-consuming, and sometimes difficult, but the payoff was the connective tissue of rapport and trust and the ability to learn from one another.

Our implementing partners had to make a parallel journey so that all of us could eventually arrive on common ground and provide the best possible support to the regional collaboratives. Articulating core principles, signing Memoranda of Understanding, developing criteria for site selection, and putting a governance structure in place all proved essential, as did the development of a logic model and results framework, which remain central to the work.

As funders, co-creators, and advisors, we are committed to ensuring that our partners are empowered, respected, and influential. They bring substantial resources of their own to this initiative, which enhances the collaborative spirit that undergirds our work together. But it would be naïve not to recognize the potential imbalance between entities that provide most of the funding and the intermediaries. There is no question that SPARCC became more complicated than the early conversations that inspired it. We raised the bar on racial equity and incorporated issues that had not been core to the mission of some of our partners.

We think it takes that type of engagement to make big changes happen. Along the way, funders need to be vigilant against being unduly proscriptive, and every partner has to speak up and push back where necessary. Certainly ours have done so. It was their idea to create a matrix that defines SPARCC management responsibilities across the four implementing partner organizations so that we could draw more fully on the breadth of staff talent, rather than taking the more conventional approach of establishing a separate program office or new organization. Partner input also influenced the timeline for regional site proposal submissions and the criteria we used for selecting the funded regions. All of us recognized the value of staying nimble as we co-created SPARCC and learned to accept a design process that was far from linear. Going forward, input from the six regions will also be critical as they work on the ground and combine their local expertise into a national repository of best practices.

Conclusion

To our knowledge, SPARCC is the first multi-region, multi-funder initiative that puts racial equity, health, and climate resilience at the center of major investment and development opportunities. As regional work gains traction, the collaborative tables will be cementing partnerships with the low-income residents most affected by catalytic investments. This is the SPARCC pathway to integrated and enduring solutions. Ultimately, we hope to influence community development and social impact investing far beyond the provenance of the six regions.

We are already seeing our implementation partners apply SPARCC-inspired principles to

other work. For example, our Enterprise colleagues tell us that they are using their recently acquired knowledge to root new initiatives in a theory of change. Similarly, after our partners began to work with the Center for Social Inclusion to better understand how to integrate racial equity into SPARCC, LIIF used its own funds to repeat the training for its entire staff and board. At the Federal Reserve Bank of San Francisco, specifically identifying race and equity in core program objectives was new; most of its previous work fell under the rubric of low-income or disinvested communities. Given the national scale of these organizations, these early signs of SPARCC influence could achieve far-reaching effects.

As funders, we will continue to seek opportunities to pool resources and perspectives to drive systems and policy changes at the regional, state, and national levels. Although we expect SPARCC to plant the seeds of transformation in the near term, it will take much longer to bear the fruit of equitable access to opportunity and improved quality of life. As we journey toward that goal, we will have to maintain our big ambitions and shared sense of purpose, accept the challenges and failures that sometimes accompany risk-taking, and continue to pursue the boldest possible vision of a more just society. We have much to do together.

Chris Kabel, MPH, serves as Deputy Director of Kresge's Health program, while also directing the foundation's efforts to invest more effectively at the intersection of its six programs and two practices. Chris is responsible for managing a \$30 million grant portfolio; leading the development and implementation of key initiatives; and developing and implementing grantmaking and investment strategies that promote health equity by addressing conditions that lead to poor health outcomes. Prior to joining Kresge, Chris was a senior program officer at the Northwest Health Foundation (NWHF), where he led a \$28 million partnership with Kaiser Permanente and led NWHF's work to promote healthy eating and active living. Chris earned his Master's in Public Health from Portland State University and his bachelor's degree in journalism from the University of Southern California.

Amy Kenyon, MS, is Program Officer, Equitable Development at the Ford Foundation. She has focused on reforming the rules that shape regional development in U.S. metropolitan areas in order to expand economic opportunities for low-income people. She has more than 15 years of experience in the nonprofit and public sectors, with an emphasis on developing and implementing finance and community development solutions for low-income communities. Amy earned her master's degree from the New School for Public Engagement's program in urban policy and management, where she concentrated in organizational effectiveness and community development finance. She holds a bachelor's degree in international business from Messiah College.

Sharon Z. Roerty, AICP/PP/MCRP, is Senior Program Officer at the Robert Wood Johnson Foundation. Sharon is an urban alchemist who has spent a lot of time at the intersection of health and transportation. She has an affinity for environmental justice issues and community planning. At RWJF, she has worked on portfolios to reverse childhood obesity and create healthy communities, seeking solutions at home and abroad. The community development and community development finance sectors have become a special area of focus—one where she sees the potential for transformative change. Sharon has a Master's degree in City and Regional Planning from Rutgers University and a Bachelor of Science in Environmental Science from Stockton State College.

Sustainable Little Tokyo: Resisting Gentrification and Displacement Through Holistic Community Engagement and Development

*Josh Ishimatsu, National Coalition for Asian Pacific American Community Development
Dean Matsubayashi, Little Tokyo Service Center*

Founded in the 1880s, Little Tokyo is among the oldest neighborhoods in Los Angeles and is the largest of three remaining “Japantowns” in the United States. Throughout its history, the neighborhood has survived waves of displacement that threatened its very existence. Those included the forced removal and incarceration of people of Japanese descent during World War II and the demolition of whole tracts of housing, businesses, churches, and temples that occurred during the city’s urban renewal and Civic Center expansion of the 1950s through 1970s. Today, what remains of Little Tokyo is roughly nine square blocks. The neighborhood continues to serve as a cultural center for Japanese Americans across Southern California and home to a diverse, low-income residential base.

The latest threat to Little Tokyo’s cultural and historic identity comes in the form of intense pressure from a hot real estate market, which is making the neighborhood less accessible to individuals and families of all incomes. In units not designated as “affordable,” residential rents are increasing dramatically. One example is Wakaba LA, a 240-unit, mixed-use building in Little Tokyo, where rent for a studio starts at approximately \$2,200 a month. Commercial rents have also risen, forcing out longtime small-business owners. Over a dozen Little Tokyo small businesses closed between 2015 and 2016. New luxury housing continues to be built and occupied, drastically changing the demographics of the residential population.

What is occurring in Little Tokyo is happening throughout Downtown Los Angeles. The Los Angeles metro region is one of the hottest and most expensive real estate markets in the United States. An extended building boom has produced thousands of new, market-rate units over the past five years.¹ During the third quarter of 2016, there were 11,797 residential units under construction. Of those units, only 71 will be affordable. Apartment occupancy is currently at 91.5 percent, and the average apartment rent is \$2,584 per month. Developers broke ground on 1,600 units during the third quarter of 2016, and over 6,000 new units have been proposed.²

1 Andrew Khouri, “As new apartments flood downtown L.A., landlords offer sweet deals,” *Los Angeles Times*, August 3, 2016.

2 Downtown Center Business Improvement District, “*Downtown LA Market Report*,” Q3 2016.

With its combination of expensive, rising rents and large populations of people in poverty, Los Angeles is the most rent-burdened market in the country.³ Further, of all the metropolitan areas in the United States, Los Angeles has the second-highest population of Asian Americans, Native Hawaiians, and Pacific Islanders (APIs) in poverty.⁴

Little Tokyo Service Center (LTSC), a community-based organization (CBO) in Little Tokyo, is working holistically and across sectors to fight against gentrification and displacement and to ensure greater community control over the future development of its neighborhood. LTSC takes a multi-pronged approach that includes services, development, organizing, and planning and involves multiple stakeholders, including residents across a diversity of incomes, other community-based partners and institutions, neighborhood small businesses, and allies across the region. This article distills LTSC's approaches to address gentrification and displacement into a set of lessons that are applicable to the community development field as a whole. The core lessons from LTSC are as follows:

- Organizing and community planning should drive development (not the other way around).
- Organizing and community planning efforts should center around a shared vision of community that is both open to change and rooted in existing values.
- Approaches to community empowerment should be culturally specific even when tied to broader movements.
- For maximum impact, build locally and connect regionally (and nationally).
- Arts and culture help define our neighborhoods and serve as a strategy to engage multiple communities and to tie everything together.

These lessons, on their face, may not be groundbreaking. But, as described below, when applied in an integrated manner with sensitivity to the nuance and detail of local context, they can be transformative and demonstrate how community development can be effectively mobilized against gentrification and displacement.

Gentrification and Displacement Among API Communities

Gentrification and displacement are particularly acute challenges for low-income and working-class APIs, who, more than any other racial group, disproportionately live in central cities in the hottest, most expensive real estate markets, where incomes have not risen at the same pace as housing costs.⁵

3 Rosalie Ray, Paul Ong, and Silvia Jimenez, "Impacts of the Widening Divide: Los Angeles at the Forefront of the Rent Burden Crisis," UCLA Luskin School of Public Affairs, September 2014.

4 Josh Ishimatsu, "Spotlight on Asian American and Pacific Islander Poverty," National Coalition for Asian Pacific American Community Development, June 2013.

5 Chris Fuchs, "Squeezed by rents, stagnant incomes, communities find solutions," NBC News, May 11, 2016.

AAPI Poverty and Wealth Increase

From 2011 to 2015, after five years of modest economic growth, the total number of people in the United States living below the federal poverty line decreased from 48.4 million to 46.1 million, a drop of almost 5 percent.⁶ Over the same period, the number of AAPIs living in poverty increased from 1.99 million to 2.14 million, a rise of over 7 percent. All other major racial/ethnic groups, as tracked by the U.S. Census—non-Hispanic whites, Hispanics, African Americans, American Indians, and Alaskan Natives—saw decreases in the total number of people in poverty that were comparable to the national trend. Of all major racial/ethnic groups in the United States, only AAPIs saw an overall increase in poverty from 2011 to 2015.

Over this same period, AAPI median household income grew at a rate greater than the household income of any other racial/ethnic group.⁷ With many AAPIs enjoying economic success and the AAPI poverty population growing, there is significant economic inequality within the AAPI community. Many fail to recognize this inequality, rendering invisible millions of poor and working-class AAPIs.

Low-Income AAPIs and Hot Markets

The majority of poor AAPIs live in the most expensive and hottest metropolitan rental markets.⁸ Overall, those markets house roughly 30 percent of the U.S. population but only 26 percent of the nation's poor people. In contrast, 55 percent of poor AAPIs live in the nation's hottest and most expensive markets. In general, most other racial/ethnic groups tend to have higher proportions of poor people who live in rural areas or in less expensive and cooler real estate markets (e.g., metropolitan areas, like Detroit).

The geographic distribution of AAPIs concentrated in the Pacific Coast and urban Northeast/Mid-Atlantic correlates with poor AAPIs being concentrated in the most expensive urban markets. This overrepresentation of poor AAPIs in expensive and hot markets means that they are disproportionately burdened by high housing costs and rising rents, and that AAPI communities are especially at risk for gentrification and displacement.

AAPI CBOs as Anti-Displacement Innovators

Because AAPI economic need is largely invisible and generally not recognized as a problem, CBOs serving low-income AAPIs themselves tend to be under-resourced and invisible. Out of necessity, AAPI CBOs have become creative and resilient in how they

6 Poverty data from U.S. Census, 1-Year American Community Survey (ACS), 2011 and 2015.

7 Median household income data from U.S. Census, 1-Year ACS, 2011 and 2015.

8 "Most expensive" is defined as median gross rent equal to or greater than \$1,000 (2015 U.S. median gross rent was \$959 per 2015 1-Year ACS), and "hottest" is defined as an increase equal to or greater than \$100 in median gross rent over the past five years (increase of \$88 in U.S. median gross rent from 2011 to 2015, per ACS). Of the 100 largest U.S. metropolitan statistical areas, 23 fit this definition of expensive and hot. These 23 markets contain approximately 30 percent of the total U.S. population and 26 percent of the U.S. poverty population but 55 percent of all AAPIs in poverty. That is, the majority of poor AAPIs live in the hottest and most expensive housing markets.

innovate to survive and serve their communities. This generalization is true for the current displacement crisis facing low-income AAPI communities. In 2016, the National Coalition for Asian Pacific American Community Development (CAPACD) and the Council for Native Hawaiian Advancement released the report “Asian American & Pacific Islander Anti-Displacement Strategies,” which profiled different anti-displacement strategies from more than 25 member organizations located in seven different states and the District of Columbia, including LTSC.⁹

LTSC and Sustainable Little Tokyo

Founded in 1979, LTSC is a social service center and community development corporation whose services reach over 18,000 persons per year. LTSC is the primary bilingual Japanese social service provider in Southern California, but it also provides a diverse array of services in five languages to low-income individuals and families in Los Angeles. As a community developer, LTSC preserves and strengthens Little Tokyo’s physical, cultural, and social assets through real estate development, community planning, small-business assistance, and community organizing. LTSC also collaborates with other organizations across the Los Angeles region to develop community-driven, service-enriched affordable housing. To date, LTSC has partnered with over 15 CBOs to develop 25 projects with over 950 units of community-driven, service-enriched affordable housing and over 130,000 square feet of nonprofit community space and community-oriented retail.

In 2012, in response to gentrification and displacement pressures on the neighborhood, as well as proposals for new transit infrastructure to be developed in the neighborhood, LTSC built upon decades of community organizing and engagement to play a lead role in convening neighborhood residents and community partners in the development of the Sustainable Little Tokyo plan. Sustainable Little Tokyo is also anchored by the Little Tokyo Community Council and the Japanese American Cultural and Community Center, with technical and resource support from the Natural Resources Defense Council, the Low Income Investment Fund, the Local Initiatives Support Corporation, Enterprise Community Partners, Global Green, NeighborWorks America, Mithun, and others.

The Sustainable Little Tokyo plan is a deep, layered, and living document. It represents the community’s aspirations around equity, affordability, transit, arts, culture, environmentalism, commerce, and growth. It spans modest, small-scale goals (e.g., plans to increase residents’ use of energy-efficient light bulbs) to ambitious, large-scale plans for major infrastructure (e.g., a neighborhood-wide system for storm-water reclamation and processing). There are trackable goals around small-business and job creation, asset mapping, affordable housing creation and preservation, development of new community and recreation space,

⁹ National Coalition for Asian Pacific American Community Development (CAPACD) & Council for Native Hawaiian Advancement (CNHA), “Asian American & Pacific Islander Anti-Displacement Strategies” (Washington, DC and Kapolei, HI: National CAPACD and CNHA, May 2016).

emissions reductions, and reduction of the neighborhood’s carbon footprint. These efforts are already impacting the neighborhood, as shown by over 2,000 pounds of surplus produce donated to a local food bank, a dozen utility boxes painted with public art, over 300 residential households and small businesses receiving energy-efficiency consultations, and the activation of the historic Azusa Street alleyway, which once served as the home for the first Pentecostal church. But most important, the Sustainable Little Tokyo plan represents community consensus around the future of the neighborhood and is a tool to guide the neighborhood’s inevitable development and growth. The plan itself is a model in terms of the scope of its coverage and the ways in which it scaffolds larger, more ambitious goals from easily achievable initial outcomes. However, the real lessons here are not so much about the product but the process.

The Core Lessons

Organizing Drives Development

“It is more important to control development than it is to be a developer. If you’re a developer, you do one property at a time, but if you control development policy, you affect all the properties in your city.”¹⁰

—Gordon Chin, former executive director of the Chinatown Community Development Center

LTSC’s earliest experiences with real estate development were driven by organizing. During the periods of urban renewal and Los Angeles Civic Center expansion, whole blocks of the neighborhood were razed, and hundreds of low-income people and dozens of small businesses and community organizations were displaced. LTSC became involved in its first real estate development project—the San Pedro Firm Building—as a result of the community’s protesting the planned demolition of the building for City Hall expansion. And even though LTSC has since rehabilitated three more properties on the same block as the San Pedro Firm Building, the preservation of the historic core of Little Tokyo owes more to its designation as a National Historic District than to the development of any individual property or set of properties. The designation itself was a product of community organizing and community pressure.

Likewise, during this current wave of development and displacement, LTSC understands that, by itself, it can’t possibly buy, preserve, and develop enough properties to define the community. It requires a larger exercise of community power—the power to affect policy and to change the framework in which development and resource allocation decisions are made. It requires organizing. It requires a shared vision and set of values for the community.

10 Josh Ishimatsu, “Interview: Gordon Chin, Founding Executive Director of the Chinatown Community Development Center,” *Shelterforce*, January 29, 2016.

A Shared, Open Vision of Community Change

“Welcome to Little Tokyo; please take off your shoes.”

—Christina Heatherton, *J-Town Voice*

Anti-displacement and anti-gentrification movements can easily become antagonistic as people’s justified anxiety and anger over the threat to their homes channels into fear and hatred of any perceived outsiders. Negative emotions often translate into hostility toward newcomers. For LTSC, the challenge was to frame a vision of anti-displacement work that did not reify NIMBYism (“Not In My Back Yard”) and that moved beyond a culture of “no” and an insular vision of a neighborhood that never changes, never grows. There is an inherent tension between a vision that recognizes that history must be preserved and remembered and one that acknowledges that culture is always changing, that cities are always changing, that newcomers are not enemies, and that Little Tokyo has always been diverse.¹¹ How do we honor the past, prevent erasure, AND welcome the new in respectful ways, and how must we adapt and change? And, most of all, how can we do all of this in ways that are equitable, sustainable, and empowering?

Many Japanese Americans (and many other AAPIs) have retained the cultural practice of taking off shoes at home or when entering somebody else’s house. The slogan “Welcome to Little Tokyo; please take off your shoes” expresses the ethos that newcomers are welcome, but people need to acknowledge and respect that they are entering a place with a pre-existing identity and normative culture. In this spirit, the Sustainable Little Tokyo planning process not only includes the participation of longstanding community stakeholders but also involves new residents who appreciate the role that the neighborhood has played (and continues to play) as a cultural hub and in supporting the community’s most vulnerable.

Culturally Specific Movement Building

“Start where people are at.”

—Shelley Poticha, former director of the HUD Office of Sustainable Housing and Communities, giving advice on community engagement to promote sustainability¹²

LTSC, as a CBO working in a historically Japanese American community, constantly innovates new ways to apply culturally relevant concepts in its work. These culturally relevant concepts apply both to how LTSC works internally (i.e., informs the manner and approach of LTSC’s work) and externally (i.e., applies to the content of messaging and outreach).

For example, as an operating value, *nemawashi* is a Japanese term that Evelyn Yoshimura, director of Community Organizing, likes to use. It literally means to work around the roots to help a plant grow. In Japanese corporate culture, *nemawashi* is about the process to build

11 See, for example, Scott Kurashige, *The Shifting Grounds of Race: Black and Japanese Americans in the Making of Multiethnic Los Angeles* (Princeton, NJ: Princeton University Press, 2010).

12 Ben Brown, “The revolution will not be organized (but the food and drink will be pretty good),” *New Urban Network*, July 22, 2016.

consensus in which a proposed change or new project is circulated through the corporate structure. Applied to community organizing, LTSC-style, *nemawashi* means the grassroots always need to be involved, that good process is at least as important as a good result, and that those affected by a policy always need a voice in that policy.

As an example of how this culturally relevant approach works in outreach and messaging, consider *mottainai*, which comes from a Buddhist concept about showing respect for the interconnectedness of all things by not being wasteful. Japanese American grandmothers say “No *mottainai*” when they fill their cupboards with empty tofu containers or save (pre-plastic-bag ban) and re-use plastic bags from the grocery store. For Japanese Americans, *mottainai* is instantly recognizable, instantly resonant. It’s a holdover from the immigrant experience, the community history of living through war, dislocation, and economic hardship, of having once needed every little thing to get by, which shows up today as a pack-rat mentality. LTSC is creatively applying the concept of *mottainai* to environmentalism. For some segments of the Japanese American community (and likely for segments of other communities of color), environmentalism is not resonant. For these individuals, environmentalism is perceived as what crazy white hippies and hipsters talk too much about. Talk about carbon footprints and global warming makes folks tune out. But say “*mottainai*,” and people instantly understand. It re-contextualizes why sustainability is something that Little Tokyo should care about as a community. It connects to deeply held values of respect for life (and all things) and to the value of modest, frugal living.

This type of culturally specific messaging and engagement—this intimate knowledge of what themes and narratives move a community—is essential to building authentic and durable movements. And this cultural knowledge relies on being of and from the community. This comes naturally to LTSC because of its longstanding bond to its community, which has been cultivated over decades.

Build Locally, Connect Regionally

“We can begin by doing small things at the local level, like planting community gardens or looking out for our neighbors. That is how change takes place in living systems, not from above but from within, from many local actions occurring simultaneously.”

—Grace Lee Boggs, *community activist*

In a city as large as Los Angeles, one neighborhood—even if that neighborhood is organized—can’t change city policy by itself. And, increasingly, important decisions about resource allocation and infrastructure development are happening on a regional level and require regional advocacy, not just at the city level. For these reasons, LTSC actively participates in a number of different coalitions across the city and the region (and also in national coalitions, such as National CAPACD) and has a well-deserved reputation as a strong collaborator.

As an example, associated with its Sustainable Little Tokyo initiative, LTSC is a founding member and the fiscal sponsor of the Alliance for Community Transit–Los Angeles (ACT-LA), a regional coalition for transit advocacy, with an emphasis on assuring that transit and

transit-oriented development promote sustainability and equity. A big win for ACT-LA was the recently passed Measure JJJ, a voter initiative to create affordable housing and encourage local hiring. The measure also requires that a percentage of any new project that needs a discretionary decision around entitlements also needs to provide a minimum threshold of affordable housing.

Through city-wide and regional policy, LTSC has established a new floor, a new starting point from which to negotiate the future of its neighborhood. And, through local, regional, and national coalition building, LTSC connects its intensely local movement building to broader struggles, such as environmentalism, racial justice, and economic justice.

Arts and Culture Tie Everything Together

our community dies faster than our identity
 when we lose sight
 -not of old country
 nor eye contours nor even blood-
 but the way of our hearts' history
 beating alongside the struggle of
 the other

-traci kato kiriyama, Little Tokyo artist

For Little Tokyo and many other ethnic enclaves, arts and culture are deeply woven into the fabric of the communities and play a huge role in defining who lives there and what they represent. Local artists and cultural institutions/practitioners also represent a huge economic driver, drawing people to the area who, in turn, support the local economy by eating at restaurants and shopping at stores.

For LTSC, arts and culture are vehicles not only for defining its community, but also for connecting people while fostering empathy and inspiring action. Art, therefore, is an effective tool for activism and for community-building—for creating and preserving a progressive sense of place. In Little Tokyo, art connects the community to its past, defines the boundaries of the present, and empowers the imagination of the future. Art has always been a part of LTSC's strategy. With recent support from ArtPlace America, LTSC started a new program called +LAB, which deepens integration of arts and culture into its broader community development agenda of empowering neighborhood stakeholders and ensuring greater community control over the future development of Little Tokyo. The Sustainable Little Tokyo planning process includes specific focus groups for the participation of artists, and the overall plan includes public art, space for arts and cultural production, and affordable housing for artists.

Organizing Around a Vision of Social Change

People's decisions to participate in public life are driven by intensely personal reasons, which may or may not relate to a vision of the common interest. Community organizing is about helping people understand how their personal reasons relate to the larger public

action and how both motivations can work together to achieve community goals. In coming to scale, it is about coalescing smaller communities of identity and interest into larger movements for social change.

Resistance to gentrification and displacement is about community self-definition and control. Sustained resistance to gentrification and displacement requires more than antagonism. It requires a community organized around an open, positive alternative vision that has both big ambitions and achievable, intermediary steps. Building a shared vision that has both lofty goals and concrete specificity requires organizing rooted in local knowledge and local relationships. Effectuating such a vision requires persistence, creativity, and the ability to build and work within larger coalitions.

LTSC embodies these principles in its work and commitment to the community. And these lessons are not to say that every CBO in every gentrifying neighborhood across the country should start talking about *mottainai*. Rather, CBOs need to find the messaging and approach that will resonate locally and build their own strategic, open-hearted vision for empowering and sustaining their community. These efforts must build the power (and obtain the resources) to advance this vision in the context of the local community and the CBO's participation in broader coalitions and collaborations. These are the local building blocks that we need, now more than ever.

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Dean Matsubayashi is executive director of Little Tokyo Service Center (LTSC), a 36-year-old, neighborhood-based social service and community development organization. With a staff of over 130 employees, LTSC provides a range of social services and youth programs to tens of thousands of clients per year. LTSC has also developed over 950 units of affordable housing and over 130,000 square feet of commercial and community facility space. Dean currently serves on a number of boards of directors and advisory boards, such as the National Coalition for Asian Pacific American Community Development (National CAPACD), Western Center on Law & Poverty, and Federal Home Loan Bank of San Francisco Affordable Housing Advisory Council. Dean received his BA from the University of California, Irvine, and his Masters in Public Policy from Harvard University.

Rural CDFIs Give Voice to a Brighter Future in Rural Regions

*Betsy Biemann and Keith Bisson
Coastal Enterprises, Inc.*

In many ways, the current economic and social context of rural states and regions has remained constant during this decade. Rural regions account for approximately two-thirds of the nation's land mass, yet only 14 percent of the U.S. population, or 46 million people.¹ By most measures, these regions remain older, whiter, less well-educated, and poorer than metropolitan areas.

That said, the context for rural community development has experienced significant changes. Unemployment rates have decreased nationally, including in rural regions. Despite the apparent decrease in the numbers of people looking for work, there are clear signs that the lower unemployment rate is not yielding greater economic opportunity, as worker productivity gains over the past two decades have not translated into higher wages. Increasing numbers of people between the ages of 16 and 64 are out of the workforce, particularly middle-aged white men. Opioid use and domestic violence are on the rise. Poverty rates and children qualifying for free and reduced lunch have increased. And finally, rural voters vaulted their economic frustrations onto the national electoral stage by voting in larger numbers for economic populist candidates in 2016. Throughout the campaign season, the national conversation was about how the U.S. economy was not working well for most people—and was particularly not working well for people living in rural regions. These changes present new challenges, as well as new opportunities, for community development financial institutions (CDFIs) working in rural regions.

In her *What Works* essay on rural community development, Cynthia “Mil” Duncan, research director at AGree, referenced the idea that people in underdeveloped economies have three choices: exit, loyalty, or voice.² Based on the work of economist Albert Hirschman, the choices reflect the generalized notion that people in rural communities can leave for opportunity elsewhere (exit), accept conditions as they are and uphold the status quo (loyalty), or stay and speak up and act for change (voice). As a rural CDFI, Coastal Enterprises, Inc. (CEI) has chosen to stay and be a voice for change. In this essay, we summarize some of the lessons we have learned from working at the individual client level, the systems level, and from related fields, and we reflect on the future of community development in rural regions.

1 D.J. O'Brien and M.C. Ahearn, “Rural Voice and Rural Investments: The 2016 Election and the Future of Rural Policy,” *Choices* 31 (4) (2016).

2 Cynthia Duncan, “Community Development in Rural America: Collaborative, Regional, and Comprehensive.” In *Investing in What Works for America's Communities: Essays on People, Place, & Purpose*, ed. Nancy Andrews et al. (San Francisco: Federal Reserve Bank of San Francisco and Low Income Investment Fund, 2012).

Supporting Community Development in Rural Maine

CEI was incorporated in Bath, ME, in 1977 with no balance sheet and ambitious goals for investing in communities in rural, mid-coast Maine. Today, CEI grows good jobs, environmentally sustainable enterprises, and shared prosperity by integrating finance, business and industry expertise, and policy solutions. It has almost \$700 million in capital under management across the United States.

Early on, CEI's team realized that rural regions were not monolithic. Although relatively racially and ethnically homogeneous, many of Maine's rural towns have important differences based on historical industries. There are also obstacles based on legacies of exploitation of both the natural world and Maine's first residents, the Wabanaki people. Some communities are shallow economies, dependent on single industries and employers; others have more diverse economies and a mix of residents who grew up there and others who come "from away." CEI approached this diversity by developing industry expertise and connections to communities to meet the needs of businesses and people where they are. CEI's fisheries and aquaculture work in mid-coast Maine expanded to programs serving farmers, loggers, manufacturers, child care providers, women, and immigrants. For example, CEI developed a seminar series for women in business, with the participation of Maine's technical college system, and continues to manage a statewide Women's Business Center, serving 850 women annually with one-on-one advising and workshops. In addition to providing targeted services to women, CEI targets similar services to immigrants and entrepreneurs in economically distressed parts of Maine.

CEI also built on its original natural resources-based programming. Since 1977, CEI has channeled investment in natural resources-based industries, partnering with capital providers, state agency and university scientists, food-system nonprofit organizations, and businesses to support innovative farmers, fishermen, value-added food processors, and distributors. CEI believes that the future of the Maine economy will continue to be fueled by growth in our natural resources-based industries, as they are the state's competitive and comparative advantage economically. Natural-resources programming is core to CEI's efforts to create opportunity for people often left outside the economic mainstream in predominantly rural communities—communities that rely on their natural-resources assets for economic productivity.

A hallmark of CEI is innovation, in both the products and services it uses to meet its mission and the evolving needs and challenges of the communities it serves. In its food-system work, CEI aims to support the creation of new food businesses. Its long-term strategy is to help weave these individual enterprises into integrated value chains, whereby Maine producers source raw inputs from Maine vendors, Maine value-added processors source ingredients from Maine producers, and Maine distributors supply high-quality and traceable Maine-made food products to local, regional, national, and international markets. This requires more than individual transactions that add impact. CEI is now exploring more integrated approaches to multiply impact. It is also working to fill infrastructure gaps, such as capacity to process and add value, that constrain growth and profitability of small- and mid-sized businesses operating along the food and beverage value chain, from the grower to the consumer.

A key lesson from CEI's work is that the market on its own will not always provide the products and services necessary to create and maintain healthy communities, especially for low-income, underserved, or marginalized populations in rural areas. This "market failure" creates a need for alternative strategies, such as community development finance. However, transactions are not ends in themselves: investment is one of the most powerful tools in CEI's toolbox, it is often insufficient on its own. Looking beyond the transaction is critical to having impact, which is why robust business advising and workforce development partnerships remain central to our work. In addition, we engage in policy research and advocacy to improve the systems that drive economic opportunity and strategic investment, such as aligning training with the needs of growing industries to help people secure good jobs and advance in their careers.

The Role of Innovation and the Emergence of Technology-Based Economic Development

The Nobel Prize winning economist Robert Solow has estimated that innovation has been responsible for 80 percent of job growth during the modern age. In Maine, two of the three companies that earned over \$1 billion in 2016 were WEX and IDEXX—companies with information technology at their core. The third was L.L. Bean, the venerable sporting-goods, clothing, and housewares company synonymous with Maine's outdoorsy, Yankee brand. At its founding in 1912, L.L. Bean itself was based on two innovations: a hunting boot with a rubber bottom and a leather side, and the notion that marketing by mail to the list of people who had bought hunting licenses would yield interested buyers. Today, the company has global sales and retail outlets from Freeport, ME, to Tokyo, Japan. Most of its products are manufactured outside of the United States, but its iconic boots continue to be stitched locally.

On the surface, rural regions appear to be at a disadvantage in the innovation and technology arena. They have fewer large, wealthy research universities and lower rates of patenting, a traditional measure of innovation. They often have higher concentrations of industries that traditionally have invested less in research and development (compare the biotech industry with the paper industry, for example). However, some rural regions have invested intentionally in the ingredients needed to support a culture of innovation and entrepreneurship; as a result, they are punching above their weight. They have learned that it requires a long-term view; identification of their regional, industrial, comparative advantages; investment in entrepreneurship, as well as technology; connecting the dots between invention and successful commercialization; and, once a critical mass of activity is taking place, the promotion of the region's strengths in that industry cluster.

Oklahoma is one rural state that has taken this approach. According to Scott Meacham, the CEO and president of i2e, a nonprofit partner of Oklahoma's Center for the Advancement of Science and Technology (OCAST), Oklahoma's preferred direction is to "invest in new companies that add homegrown jobs that take less state dollars per job to create and

are more likely to remain in Oklahoma long-term.”³ Other examples of initiatives investing in rural innovation include Minnesota’s Agricultural Utilization Research Institute, North Carolina’s BioNetwork, and the Maine Technology Institute—all of which are pursuing innovation as a strategy to grow good jobs and economic opportunity in less-populous regions.

The Business of Entrepreneurship

A region needs more than inventive ideas to translate new discoveries into economic benefits. It needs the capacity to evaluate these ideas for their commercial potential. It also needs people with the business skills and experience to develop them into marketable products and—importantly—into profitable companies. To achieve this at a scale that generates meaningful new jobs and wealth requires an ecosystem that fosters these connections, provides early-stage capital, and nurtures a critical mass of entrepreneurs with the drive and experience to succeed in running the gauntlet from high-potential invention to profitability.

The past decade has seen a proliferation of efforts to expand entrepreneurship in rural states. Merriam-Webster defines entrepreneur as “one who organizes, manages, and assumes the risks of a business or enterprise,” which sounds a lot like any small-business owner. However, people use the terms in different ways. Small-business owners are seen as having great ideas, but at a community scale, growing at an incremental pace. Entrepreneurs are viewed as having big ideas, embracing risk, and focusing on big ideas and disruptive growth. Small-business owners are seen as being committed to, or even sentimental about, their companies. Alternatively, entrepreneurs are viewed as working to grow their companies fast, with the goal of achieving an “exit”: selling all or the majority of the company to a larger investor—a strategic partner that is usually a larger company with a complementary product mix—or, in a rare instance, to the employees of the company through an employee stock ownership plan.

Over the past decade, the interest in entrepreneurship development as a springboard for economic growth and opportunity has exploded. Company accelerators and initiatives, like StartUp Weekend, have proliferated across the United States and around the globe.⁴ National philanthropies, such as the Kaufmann Foundation and the Blackstone Charitable Foundation, have funded research on entrepreneurship, supported entrepreneurship development activity, and promoted public policies to catalyze entrepreneurship. This investment in entrepreneurship as a strategy for economic development has even turned global. The U.S. Agency for International Development’s Partnering to Accelerate Entrepreneurship initiative was launched to build economies and create jobs in nations where high unemployment contributes to poverty and hopelessness that might provide a breeding ground for radical action. And leading universities have gotten into the game; for example, the Regional Entre-

3 Scott Meacham, “Innovation Can Boost Oklahoma Economy from Within,” *The Oklahoman*, January 24, 2017.

4 StartUp Weekend ran in over 1,000 cities around the world in 2016. Globally, GUST surveyed 387 accelerators that worked with 8,836 startup companies, investing over \$190,000,000 in their growth.

preneurship Acceleration Program of the MIT Sloan School of Management works with cross-sector groups from regions and countries around the world to develop and execute entrepreneurship development initiatives.

However, the popular image of an entrepreneur as a 21-year-old college-dropout-turned-billionaire is belied in rural regions. Many individuals starting their first business in rural regions are mid-career, not recent college graduates, and a higher proportion of these startups are bootstrapped, meaning they don't receive financing from venture capital sources, but grow using their revenue base, savings, credit cards, friends, and family members. Where possible, they also tap grants or investment from state, nonprofit, or private mission-investors, such as CDFIs. Programs cultivating entrepreneurship have sprouted not only in Boston and San Francisco, but also in Portland and Bangor, ME (Top Gun), Mountain Village, CO (Telluride Venture Accelerator), and Danville, VA (The Launch Place).

Often ignored in this debate is that regions have and depend on a diversity of small-business types.⁵ In a recent paper, Karen Mills, former administrator of the Small Business Administration and now a faculty member at Harvard Business School, described the different types of small businesses and the different roles they play in the U.S. economy.⁶ Twenty-three million are sole proprietors; they provide income to their owners but don't have employees. Four million are "Main Street" companies that serve consumers and other local businesses. They are the local pizzerias, dry cleaners, and auto repair shops that make up the fabric of our communities. Most focus on maintaining or boosting profitability more than expansion and significant jobs creation. One million are suppliers to other businesses in the trades sector. And approximately 200,000 are fast-growing, innovation-driven businesses. The latter two categories of small businesses focus more on growth and have a disproportionate effect on the U.S. economy by anchoring and nourishing supply chains in the United States and by contributing to job growth.

CDFIs that focus on small-business development have typically dedicated their financing and business advising activity to the first two categories: sole proprietors and steady-growth, "Main Street" companies. Data increasingly show the importance of extending supply chains, adding value, and boosting value chains to grow industry clusters, boost productivity, and increase wages and job quality. Rural CDFIs have an opportunity to leverage their industry knowledge to identify industry-wide barriers, partner with industry leaders and trade associations to find industry-wide solutions to barriers that are constraining growth, and advocate for policy and regulatory changes that can help these industries to grow.

A recent example was an effort organized by CEI and its partners in the Maine Woods Consortium, an open association of nonprofit organizations, businesses, and government agencies dedicated to advancing a "triple bottom line" approach (economy, environment, community) to development and conservation in the Maine Woods region. In 2015, the

5 The Small Business Administration defines small businesses as firms with fewer than 500 employees.

6 Karen Mills, "The 4 Types of Small Businesses, and Why Each One Matters," *Harvard Business Review*, April 30, 2015.

Consortium conceived of legislation to create Rural Destination Areas and a criteria-based process for rural regions to develop plans and secure this designation. The Consortium also proposed the delivery of targeted technical and financial assistance to Rural Destination Areas. The idea was to direct the Maine Department of Economic and Community Development to lead an interagency initiative to identify, develop, and deliver a package of targeted technical and financial assistance to leverage private investment and accelerate development of high-quality, marketable Rural Destination Areas.

After discussions with legislative and relevant agency leadership, the state committed to supporting the concept with existing resources and creating a position that can work with rural tourism businesses on destination development. This was a good outcome that aligned with the original goal of expanding economic development through a network of marketable Rural Destination Areas where clustered amenities—natural attractions, trail systems, water access, service-oriented businesses, transportation infrastructure, and vibrant downtowns—attract visitors, businesses, and new residents.

From Transactions to Rural Business Growth: The Role of Workers and Workforce Development

As a rural CDFI that channels \$15-20 million annually into micro- and small businesses in Maine, CEI has a front-row seat in the process of job creation. Companies come to us seeking financing when they are poised to invest in their operations and grow. This is the very same time when these businesses often need to hire additional front-line workers and middle managers. Yet the average small-business owner or entrepreneur does not have a deep bench of human resources staff, networks with organizations that provide skills training or employment-related supports, or knowledge about public resources available to fund apprenticeships, training stipends, or English as a Second Language programs. CEI's Lending and Investment team can reach out to our Workforce Solutions staff to assist individual companies or coordinate training resources in support of multiple employers in a region.

One of CEI's wholly-owned subsidiaries, CEI Capital Management LLC, is a New Markets Tax Credit Financing CDFI that financed the addition of a new tissue paper machine at Woodland Pulp and Paper, adding over 80 new papermaking jobs in Baileyville, ME, a town of approximately 1,500 near the Canadian border. The company needed new employees with both hard skills to operate state-of-the-art papermaking equipment and soft-skills, such as teamwork and communication. Woodland Pulp and CEI, as well as partners that included Washington County Community College, Maine Department of Labor, and other organizations, came together to launch a Maine WorkReady "soft skills" training program and a 20-week, fully paid High Performance training program. Washington County Community College delivered the training in standardized skill blocks, which instilled a uniform set of pre-operational vocational competencies among all workers. Entry-level positions at the company pay higher-than-average wages and benefits, and workers receive increases in their hourly pay as they complete subsequent training modules.

CEI has also coordinated the Portland Jobs Alliance, a partnership of service providers, employment practitioners, educational institutions, and businesses building a coordinated approach to providing employment services that help low- and moderate-income job seekers find work. This initiative, funded by the John T. Gorman Foundation and a Community Development Block Grant from the City of Portland, helps Portland companies to meet their hiring needs by creating an integrated and customized job training, referral, and retention support system.

As unemployment rates have fallen, companies are more and more willing to partner with others to solve their workforce needs and hire workers from new populations. CEI has increasingly served as a bridge to populations with higher unemployment, such as new immigrants and refugees. When equipped with language and skills training, mentors who can provide assistance with job applications or transportation solutions, or internships to build experience in a new type of workplace, these new entrants to the labor force can become highly productive employees. Supporting these workers requires us to collaborate with practitioner partners and to develop and advocate for policy solutions that help build ladders to good jobs and economic opportunity, such as a liveable minimum wage, public funding for skills training, and other employment-related support.

The Lure of Impact Investing: Mirage or Accelerant?

Pioneers of the community development finance field motivated by the civil rights movement and the War on Poverty were the early mission or triple-bottom-line investors, although the term “impact investor” was coined more recently. Community development pioneers in the 1960s and 1970s saw economic empowerment as a fundamental driver of social justice and viewed community development finance as a battering ram to break down systemic disinvestment and other barriers that keep people of color, women, immigrants, and other underserved groups from fully participating in American society.

Over the past five years, the field of impact investing has grown and evolved, as people and institutions have increasingly sought to invest their resources more consistently with their values. According to the Global Impact Investing Network (GIIN), survey respondents dedicated over \$15 billion to impact investment in 2016. These investments are financing companies and social enterprises whose activities span community development, as well as the fields of education, social enterprise, health and wellness, climate-change mitigation, energy, and water. For the past five years, a constant theme within community development finance circles has been how CDFIs can better tap these investment dollars and channel them into investments in their communities—to yield a financial return, help low-income people earn a better livelihood, or boost environmental sustainability.

In 2016, with the help of a graduate student from Yale University, CEI interviewed investors, consultants, and foundations to understand how the impact investment industry views CDFIs, what hurdles exist in terms of further CDFI investment, and what roles CDFIs fulfill in the impact investment environment. Challenges that surfaced during these inter-

views included: 1) the lack of large-scale investment tools and portfolios that hinder CDFI growth; 2) an understanding of risk and impact that limits investment flow, particularly at the advisor/intermediary level; 3) the growing need for blended funding, which, without playing a role in meeting this demand, will limit CDFIs' ability to secure capital; and 4) impact metrics that are not sufficiently standardized, with the corollary that standardization may not be possible or easily accomplished.

These challenges are magnified for CDFIs working in rural regions. Large-scale investment opportunities in rural regions are less common and more geographically dispersed. Risks are sometimes higher—and are often perceived as being higher—both of which deter investment. There are fewer available and sophisticated investors, so building a capital stack of investments with varied risk and return thresholds can be more difficult. That said, CEI and other CDFIs that specialize in rural community finance have developed specialized knowledge (which can mitigate risk) about natural resources based industries, such as agriculture, fisheries, food manufacturing, nature-based recreation, and bio-based and renewable energy.

Until larger flows of impact investment from foundations, banks, and other investors are channeled to businesses in smaller towns across America, capital from federal agencies, such as the Community Development Financial Institution Fund, the Economic Development Administration, the Department of Agriculture, and the Small Business Administration, will remain critical sources of community development financing in rural regions. Similarly, the New Markets Tax Credit Program and other financial tools will continue to be needed to leverage private capital—both impact and traditional. CEI's subsidiary, CEI Capital Management LLC, has deployed New Markets Tax Credits in rural states, including Maine, Georgia, and Hawaii, yielding good jobs with benefits, contributing to thriving arts institutions that then attract tourism as well as new residents, and retaining families in small communities that otherwise would have suffered from depopulation.

The Evolution of Metrics

In the movie *It's a Wonderful Life*, Clarence the angel shows George Bailey how his Bedford Falls neighbors' and community's destiny would have been different if his savings and loan had not existed. This alternate reality is stark. The Savings and Loan has closed, Bedford Falls is a dark place full of poverty and pain, and relatives and neighbors have been in prison and mental institutions. Why? Because the people of Bedford Falls are unable to access the capital they need to pursue opportunity. The challenge facing CDFIs is to show how their investments, partnerships, business counseling, affordable housing development, and policy advocacy make a difference in the lives and communities they serve. The old way of raising investment and grant dollars based on stories and trust is no longer sufficient. The diverse group of investors in CDFIs are demanding better, more credible metrics that show how CDFIs are translating their dollars into impact (i.e., improving livelihoods through affordable housing and quality jobs) rather than outputs, like numbers of loans made to small businesses, or units of affordable housing built or maintained.

Rural CDFIs are often playing multiple roles to address the diverse needs in rural communities, so the activities and impact they need to track are varied. The needs in their communities require financial and nonfinancial assistance, as well as harder-to-quantify activities, such as convening partners, workforce intermediation, informing public policy and regulatory reform at the state level, startup support, and capacity-building of new organizations. Tracking the impact of these functions in ways that are accurate and can help connect the dots along a theory-of-change logic model requires investment in information systems, metric development, staff capacity, and communications skill. We have seen firsthand how difficult—and expensive—it is to collect, aggregate, analyze, and communicate credible impact data that demonstrate the value of our work, but that also inform our work as practitioners. CEI’s strategic priorities for the next three years are to grow good jobs, environmentally sustainable enterprises, and shared prosperity in Maine and—through our regional and national subsidiaries—in rural communities across the United States. Developing internal data management capacity and information technology infrastructure to measure and communicate our impact will be the next step in our journey. We are confident that it’s possible.

Looking Forward to a Brighter Future for Rural Regions

The future is not a zero-sum game between urban and rural America. Rather, the future will depend on rebuilding and recognizing the connections and interdependence between the two and the continuum of communities that grade from urban to rural. As we continue to remind ourselves, the 2016 election season emphasized the chronic reality that the economy is not working for everyone. Also, as Kentucky-based writer Wendell Berry reminds us, without prosperous local economies, the people have no power. We can argue over the definition of “local,” but the important reality is that healthy economies are diverse in size and scale and need to work for everyone, not one socioeconomic class or one scale of community. In addition, economies must ultimately work within the constraints imposed by Earth’s natural systems—another topic ripe for further exploration by the community development field.

Betsy Biemann is the chief executive officer of Coastal Enterprises, Inc. (CEI). Before joining CEI, Betsy led “Growing Maine’s Food Industry, Growing Maine,” a project of the Mossavar-Rahmani Center for Business and Government at Harvard University, and advised businesses, nonprofit organizations, and social enterprises in Maine and nationally. From 2005 to 2012, she served as president of the Maine Technology Institute, investing in Maine companies and initiatives seeking to grow high-potential sectors of Maine’s economy. Prior to her move to Maine, Betsy was associate director at The Rockefeller Foundation, where she managed a portfolio of grants and investments aiming to increase employment and boost skills training in low-income neighborhoods across the United States. She joined Rockefeller in 1996 after working in international development, principally in Eastern and Southern Africa. Betsy is a graduate of Harvard College and the Woodrow Wilson School at Princeton University and serves on the board of the Elmina B. Sewall Foundation and the advisory board of the Alford Leaders program.

Keith Bisson is the president of Coastal Enterprises, Inc. (CEI). Prior to that, he was the senior vice president for Program Management and Development, where he managed CEI’s small-business counseling, natural resources, and workforce development programs. He was also responsible for developing and managing CEI’s \$12 million Northern Heritage Development Fund and \$5.5 million Working Partners Initiative, winner of the 2011 Wells Fargo NEXT Award for Opportunity Finance; monitoring and participating in federal rural development policy; and developing and managing foundation and investor relations. A graduate of McGill University and the Yale School of Forestry & Environmental Studies, Keith is active in the community and currently serves on the Board of Directors of the Opportunity Finance Network, the CDFI Coalition, and the Family Focus Early Learning Center. He also serves on the advisory board of Four Directions Development Corporation, a CDFI serving Maine’s four Native American tribes.

The Role of Community Development in Supporting People in Reentry from Prison

Lena Robinson, First Republic Bank

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In 2011 with the passage of AB 109, a.k.a. The Public Safety Realignment Act of 2011, California embarked on one of the greatest experiments in the nation. With state prisons filled at approximately 200 percent capacity, and under federal court order to reduce to 137.5 percent capacity, this realignment effort called for the reduction of overcrowding of state prisons by committing people convicted of lower level offenses to local county jails instead of state prisons, and shifting greater control and responsibilities of incarceration and community supervision to local county governments. The public safety system's reaction to this new law provided an opportunity to understand and determine how to best serve people convicted of lower-level offenses—would we re-incarcerate them in local jails or allow them back in the community to rebuild their lives?

This article will discuss some of the lessons learned and progress made now six full years into implementation AB 109. It will also shed light on the role that community development can play not just in California, but also nationally to choose to support people in rebuilding lives disrupted by incarceration through investment in reentry.

The Three Legged Stool of Investment in Reducing Mass Incarceration: Preventative, Restorative and Constructive

A cross sector partnership between the public safety and community development sectors can have a positive effect on reducing recidivism. The United States has the highest rate of incarceration among developed countries. Over the 40 years between 1972 and 2012, the U.S. prison population grew over 700 percent from 175,000 state inmates to almost 1.4 million,¹ representing a cost of \$53.5 billion to state governments.² The emphasis on incarceration, which disproportionately affects communities of color and poor people, is a moral and economic crisis that needs to be addressed conscientiously.

A thoughtful coordination of investments that target restorative, constructive, and preventative interventions is critical to lowering overall incarceration rates in the U.S., as well as eliminating the disparate impact experienced in particular by socially marginalized and economically disadvantaged communities.

1 Bureau of Justice Statistics (BJS), Prisoners in 2011 (Washington, DC: BJS, 2012).

2 National Association of State Budget Officers (NASBO), State Expenditure Report 2010-12 (Washington, DC: NASBO, 2012), 52.

Preventative: Shifting Investments Upstream

Preventative investments can target early interventions to improve upstream outcomes like the likelihood of finishing high school. Poor academic performance and school disengagement are early indicators for youth who are at risk of engaging in anti-social behavior, and punitive school policies that similarly suffer from bias become pipelines for young people into the criminal justice system. However, preventative investments are not limited to K-12 education. Successful programs seek to engage not only the youth but also their families and the broader community in which they live. Improving academic performance, involving at-risk youth in pro-social activities, and connecting them with positive role models and mentors are proven strategies to redirect youth onto a positive track towards adulthood. Many community and faith-based programs demonstrate evidence of rehabilitating and motivating youth at the greatest risk of police contact. Reducing the number of youth in the juvenile justice system is less costly than incarcerating adults and creates healthier and more vibrant communities. Further, incarcerated youth are more likely to be later incarcerated as adults, compared to youth who commit crimes but are not detained.³

Youth programs such as Boys and Girls Clubs, Big Brothers Big Sisters, Conservation Corps, Youth Build, as well as neighborhood-based strategies that involve sports, arts, literacy, and job training, are just a few examples of programs that can generate a positive return on investment. Shawn Riggins, director of youth programs at Fresno EOC, noted that the cost of enrollment in a Youth Build or Conservation Corp program is about \$25K⁴ compared to over \$233K spent annually to detain a youth in Los Angeles County juvenile hall.⁵

Restorative: Investing in Rehabilitation

Restorative investments focus on rehabilitation while people are in custody. Although incarceration serves a community's goal of punishment and removing the person from the public sphere, incarceration alone fails to seize the opportunity to invest in people in order to increase their chances of success upon release and decrease recidivism in our communities. For example, diagnosing and stabilizing people with mental illness or addressing substance abuse issues can be more beneficial to public safety and individual health than incarceration alone. But if individuals who are incarcerated are to have a chance at successful reentry, investments must be made in education, vocational skills, cognitive thinking and effective reentry planning prior to release. In addition, the individual needs to be effectively linked to a continuation of services and resources once they return to the community. This is even more critical for individuals who are returning to communities that are the most economically vulnerable as a result of long term disinvestment, segregation and poverty.

3 Anna Aizer and Joseph Doyle, "What is the long term impact of incarcerating juveniles?" VoxEU, Center for Economic Policy Research.

4 Email correspondence with Shawn Riggins, March 2017.

5 Garrett Therolf, "L.A. County spends more than \$233,000 a year to hold each youth in juvenile lockup," *Los Angeles Times*, February 23, 2016.

This type of evidence-based restorative approach is used in Germany and the Netherlands and may be instructive for the United States' corrections system. These two European nations view incarceration as an opportunity for re-socialization and rehabilitation, favoring various forms of diversion over incarceration, shorter sentences that include vocational training and education, and very limited use of solitary confinement. Prison staff undergo extensive training of no less than two years to learn the skills that will reinforce an environment of rehabilitation. In 2013, an American delegation representing three states (CO, GA, PA) visited these countries to observe their facilities and practices and hopefully identify ideas for reform here.⁶ Although the United States is far from the scale and style of these European models, they demonstrate that restoration of mind and spirit portend better outcomes upon release.

In California, prior to 2011, this responsibility to restore adult offenders fell within the purview of the California Department of Corrections and Rehabilitation (CDCR). It is worth noting that the "R" is a more recent addition to the name of this state agency only since 2005. However, with the passage of AB109, responsibility is either shared or now rests with the 58 counties in California. The premise for this shift in responsibilities is that communities, if properly resourced, are better equipped to understand and address their own local issues and develop tailored strategies, thereby delivering better outcomes than one large statewide agency.

Constructive Investments for Long-Term Reintegration

Constructive investments fund resources and programs that facilitate successful reentry and form the foundation for long term reintegration following incarceration. This is also where the greatest opportunity exists for cross-sector collaboration between public safety and community development, given the expertise and infrastructure that exists within the community development field. Many community development nonprofits have numerous years of experience financing, developing, and managing housing and other facilities for low-income communities and can immediately deploy investments from public safety organizations.

The most important opportunity for constructive investments is housing. Many men and women leave incarceration without a stable housing arrangement. The reasons are numerous and complex but often hinge on two key challenges: a scarcity of affordable housing and discriminatory renting practices. Most cities already struggle to provide sufficient housing to existing residents and are often unequipped for the added challenges of housing people who are in reentry from incarceration.

It is our personal view that more of the money from state legislative fixes such as AB 109 and Prop 47 should be prioritized for housing programs and services that benefit the formerly incarcerated. Not with the goal of open-ended housing provision, but in conjunction with

6 Ram Subramanian and Alison Shames, "Sentencing and Prison Practices in Germany and the Netherlands: Implications for the United States," Vera Institute of Justice, October 2013.

other programs and services designed to increase the client's opportunity to become self-reliant and independent. Unfortunately, too many communities lack the capacity to develop such programs, and the partners and organizations available to manage these programs are very few and often unsophisticated. But it's a Catch-22; without funding, programs can't get started. Investment from state and local officials must lead in order to develop the provider capacity for housing development.

A study from Stanford Law School found that in fiscal year 2011-2012, California's counties spent an average of 23 percent of their AB109 realignment allocation on programs and services, and an average of 34.9 percent on Sheriff and Law Enforcement.⁷ One factor in this spending disparity was the uncertainty of the impacts of realignment on local public safety. Now, six years into realignment, counties have a better understanding of not only the impacts on crime rates, but also the needs of the formerly incarcerated as they attempt to re-enter their communities. As a result, counties are constantly assessing their local needs and adjusting resources accordingly. Alameda is the only county in California that has taken the bold step of allocating 50 percent of its AB 109 funding for community-based programs. This funding has provided critical support for the expansion of programs that are helping men and women get reestablished in communities and reconnected to family.

Funding for housing facilities and programs is not the only barrier for people in reentry, statutory rules and limited information are significant challenges that perplex housing seekers and providers alike. To address this very specialized issue, Root & Rebound (R&R), based in Oakland, provides legal resources, tools, and education to people in reentry and preparing for release, as well as to the family members and loved ones, community-based service providers, supervision agencies, and other advocates who support them. R&R offers reentry support through three key programs: direct services (including the only reentry legal advice hotline in the country); public education;⁸ and systems and policy reform. Of the thousands of phone calls and letters received through R&R's direct service programs since 2014, approximately 38 percent have questions related to housing access, discriminatory landlords and tenancy policies, residency restrictions imposed on people on parole and people who have to register as sex offenders, and other housing issues. Clearly, the demand for affordable housing information, resources, and legal support for individuals with criminal records is an essential and grossly under-resourced issue in the reentry landscape. If stable housing isn't secured for people returning to their communities from prison and jail, obtaining employment, going back to school, and reunifying with family members can be difficult or impossible.

Steady employment is also critical to reentry success. In California, discretionary dollars could be invested in nonprofit social enterprises which often prioritize men and women

7 Joan Petersilia and Jeffrey Lin, "Follow the Money: How California Counties Are Spending Their Public Safety Realignment Funds, 2013." (Stanford Criminal Justice Center Report, Stanford, CA, 2013).

8 R&R's public education includes its flagship *Roadmap to Reentry* legal guide that teaches users how to navigate legal barriers to reentry across nine key areas of life including housing, employment, getting ID, family reunification, parole and probation, and more.

with a criminal record and limited skills, providing a credible reference and employment history. One such organization, Rubicon Programs based in Richmond, CA, provides pathways for people reentering the community to develop skills and move out of poverty. Their multi-pronged approach focuses on achievement in four areas: assets, income, wellness, and connections. Rubicon prepares and connects recently incarcerated men and women with transitional employment, on-the-job training, and other experiential opportunities that allow individuals to stabilize their lives by earning immediate income and acquiring professional experiences. The majority of the 350 clients that Rubicon serves annually are people who were formerly incarcerated. Once individuals achieve stable employment, Rubicon helps them work on other critical aspects of long-term mobility such as: identifying a career goal and the appropriate educational training to achieve it; addressing legal barriers to employment; improving physical and emotional health; and developing personal and professional networks to weave a safety net that can help in times of trouble. This kind of holistic engagement takes time—up to three years—and considerable resources. The return is well worth it, creating self-sufficient tax-paying income earners versus the cost of housing, health care, food, and other services that the government pays for incarceration.

On a national level, REDF is the only venture philanthropy in the U.S. that invests exclusively in the growth of social enterprises—double bottom-line businesses that provide jobs and support to people who want to work but face formidable barriers to employment. Since 2011, REDF has invested in the Center for Employment Opportunities (CEO) which provides comprehensive employment services to men and women with recent criminal convictions to help them regain the skills and confidence needed for successful transitions to stable, productive lives. In a random assignment evaluation conducted by the independent research firm MDRC, after three years of follow-up, CEO was shown to create statistically significant reductions in all measures of recidivism for individuals recently released from prison, including arrests, convictions, and incarceration.⁹ The findings showed a 20 percent reduction in reconvictions and returns to incarceration. In addition, the study also found that CEO created total taxpayer benefits of up to \$3.85 for every \$1.00 spent, primarily in the form of reduced criminal justice expenditures. REDF has actively partnered with CEO to expand into California, enabling them to provide hundreds of jobs for people coming out of the criminal justice system, demonstrating the scalability of social enterprise and the CEO model. Since joining REDF's portfolio in 2011, REDF's work and investment has helped CEO employ nearly 900 more people, and open up three additional offices. REDF continues to work with CEO to explore and develop new business and financing opportunities in California to further demonstrate the positive benefits and cost savings of social enterprise employment for people coming out of incarceration.

9 Cindy Redcross, Megan Millenky, Timothy Rudd, and Valerie Levshin, "More Than a Job: Final Results from the Evaluation of the Center for Employment Opportunities (CEO) Transitional Jobs Program." OPRE Report 2011-18. Washington, DC: Office of Planning, Research and Evaluation, Administration for Children and Families, U.S. Department of Health and Human Services.

But, the public and nonprofit sectors can't shoulder the entire burden. The private sector also has a role to play. Historically, the private sector has relied heavily on background checks which have a less favorable impact on individuals with a criminal record, especially because most background check companies are not mandated to update their databases when an individual has successfully cleared or expunged their record, and inaccuracies are plentiful. In many cases, otherwise qualified job candidates are unable to overcome the rejection of the background check. This inability to find stable employment increases the likelihood of returning to criminal activity. Without access to employment and opportunity, people and communities suffer.

If this nation is serious about lowering the rate of incarceration in America, we must strike a balance between the needs of employers and the needs of those with a criminal record. Employers should be able to appropriately disqualify job applicants with a criminal record that is relevant to the job for which they are applying; yet those with a criminal record must have a fair and equitable opportunity to obtain meaningful employment in order to support themselves and their families. Organizations like Rubicon, REDF and CEO can reinforce these efforts by supporting the development of soft skills such as teamwork, communication, conflict resolution, and problem solving that companies hope their employees will bring to the job. Additionally, Root & Rebound's recently launched Employers' Fair Change Hiring Initiative, which includes a toolkit for employers and supplemental in-person and online trainings, teaches potential employers and community members about the benefits of hiring people with records, as well as ways to protect themselves against negligent hiring lawsuits and Equal Employment Opportunity Commission's protections for people with records against discriminatory hiring practices.

Moving Forward, Making Progress

In an effort to highlight promising models and encourage investment of AB 109 dollars for restorative activities, the Federal Reserve Bank of San Francisco hosted the first state-wide cross-sector conference on reentry solutions in Sacramento in 2015, spearheaded by Lena Robinson, who was the Northern California Community Development Regional Manager at the time. This was followed by a larger second conference in 2016 which brought together almost 500 practitioners from across sectors. These two statewide conferences coincided with similar efforts of the Federal Interagency Reentry Council which was formed in 2011 under President Obama to assist those who return from prison and jail in becoming productive citizens. These examples of state and federal level coordination signal that efforts toward collaboration have already begun. They highlight the opportunity for every private employer, government agency and nonprofit organization to be deliberate about creating explicit policies for dealing with the formerly incarcerated. If not, unconscious stigma and unintentional bias will continue to unnecessarily marginalize this population. Many funders may be unaware of how many programs explicitly or circumstantially serve ex-offenders and how important their charitable contributions can be for enabling successful reintegration.

These types of programs could potentially be considered eligible to receive positive consideration under the Community Reinvestment Act given that formerly incarcerated clients are highly likely to be low-income. Robinson would like to see more explicit acknowledgement of ex-offenders as a target population for community development efforts, as she believes expanded CRA investments are critical for supporting individuals in successful reentry.

The Federal Home Loan Bank of San Francisco (FHLBSF), a government-sponsored enterprise, and co-sponsor of the California reentry conference, is a great example of how one agency is adapting programs to serve the formerly incarcerated. It expanded the definition of “Housing for the Homeless” for its very competitive Affordable Housing Program to include formerly incarcerated individuals, who could potentially be housed in these projects. Additionally, the FHLBSF has awarded AHEAD economic development grants to a number of programs targeting ex-offenders with various services. For example, Planting Justice, a nonprofit based in Oakland, CA, received an AHEAD grant to help train and hire formerly incarcerated individuals from nearby San Quentin prison into living wage jobs in a landscaping social enterprise. Another grantee, Asian Neighborhood Design, received an AHEAD grant to support a successful construction workforce training program for reentry populations in San Francisco, CA. Finally, the East Bay Community Law Center in Berkeley, CA was awarded an AHEAD grant to support the Clean Slate program, which provides direct legal assistance to the formerly incarcerated to help erase past records which can lead to better employment prospects.

The grand experiment kicked off by federally-mandated reduction of prison overcrowding, a.k.a. Realignment, remains a long way from fully embracing the restorative and constructive investments that would preclude additional investments in jails. Although the responses from counties may vary, the engagement of diverse organizations and individuals continues to expand and become better integrated. Organizations such as the California Reentry Council Network have emerged to break down silos and foster better coordination of local programs and resources that counties can turn to as community partners. Elevating the issue of reentry beyond the purview of parole and probation enables other sectors, agencies, and industries to engage in the systemic changes and broad investments that are necessary for a comprehensive reentry strategy.

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Mark A. Hake was appointed Chief Probation Officer of Riverside County in 2013 and has nearly 28 years of experience within the Riverside County Probation Department. He began his distinguished career in 1989 as a Group Counselor at Riverside Juvenile Hall. He gained experience as a Deputy Probation Officer, Senior Probation Officer, Supervising Probation Officer, Assistant Division Director, Division Director, Chief Deputy Probation Officer, and Assistant Chief. His leadership was instrumental in the implementation of SB 678, Evidence Based Probation Supervision Program; and AB 109, Public Safety Realignment. Chief Hake is chairman of the Riverside County Community Corrections Partnership Executive Committee and a current member of the Chief Probation Officers of California, Association of Riverside County Chief of Police and Sheriff, Riverside County Law Enforcement Administrators Association, Community Connect Advisory Board, and CA Forward Justice Systems Change Initiative Executive Steering Committee. Chief Hake holds a Bachelor's Degree from the University of California, Riverside.

The Evolution and Future of the Healthy Communities Movement

Renee Roy Elias and Alison Moore
Build Healthy Places Network

Over the past four decades, the Healthy Communities movement has transformed traditional definitions and approaches to health. Driven by the disconnect between health spending and health outcomes, growing awareness of the importance of the social determinants of health,¹ and the need to address poverty as a means of improving health, philanthropic organizations, nonprofits, and government agencies are leading efforts to ensure that good health is happening where we live, learn, work, and play.

Since it began, the Healthy Communities movement has been driven largely by public health. However, the movement's efforts in the past two decades have been marked by a convergence of sectors that are collectively revitalizing communities with health equity and economic opportunity in mind. Healthy Communities 2.0—what we are calling the current era of place-based efforts to improve health—marks a transition from a previous focus on multi-sector movement building to cross-sector action with broader definitions of health. “Community quarterbacks,” or backbone organizations, are still critical to implementation and are bringing new partners to the table, while innovations in community development finance are enabling neighborhoods and regions to leverage public and private financing in new ways. However, current efforts only scratch the surface of the system-wide changes necessary to truly reverse inequities in health and well-being. Challenges remain in meeting needs for funding, ensuring sustainability of efforts, and approaching community health improvement in a context-specific, sensitive way.

In looking ahead to Healthy Communities 3.0, local and regional initiatives play an important role in moving their health equity goals forward in light of changing political and economic environments. Key priorities for the field include coordinating efforts across cities and regions, connecting rural and non-urban communities to capital, routinizing measurement, and leveraging private investment. This article draws upon an environmental

¹ This paper defines social determinants of health in line with the World Health Organization's definition: “the conditions in which people are born, grow, live, work, and age, including the health system.” Specific social determinants of health include economic and housing stability, employment status, educational attainment, access to health care, access to healthy foods, exposure to crime and violence, and environmental conditions (see healthypeople.gov). By improving neighborhood conditions, community development addresses multiple social determinants of health, thus providing a pathway and means to finance the neighborhood changes required to achieve health equity (Jargon Buster, Build Healthy Places Network).

scan of 38 Healthy Communities demonstration programs² and provides an overview of the history, progress, and future implications of the Healthy Communities movement.

The Origins of the Healthy Communities Movement

The Healthy Communities movement in America has its roots in the international Healthy Cities movement, spearheaded by the World Health Organization in the 1970s and 1980s (see Figure 1). Early efforts emphasized cross-sector collaboration, community participation, and empowerment of communities to build healthier cities, with a critical role for government agencies in particular.³ By the late 1980s and early 1990s, federal agencies, national nonprofits, health foundations, and health care systems formalized the Healthy Communities concept through initiatives of varying scale but with a common focus on “place” and the impact of neighborhoods on health. It is important to note that these early efforts, what we call Healthy Communities 1.0, aspired toward cross-sector collaboration but often resulted in parallel efforts without integration across sectors.

Truly coordinated cross-sector efforts proliferated in the 2000s under the leadership of health foundations, such as the Robert Wood Johnson Foundation (RWJF), and health care systems, such as Kaiser Permanente. RWJF’s Commission to Build a Healthier America, established in 2008, and the Foundation’s subsequent grantmaking to support cross-sector Healthy Communities efforts nationwide nurtured collaboration across the community development, public health, and health care sectors. A case in point is the Federal Reserve’s national Healthy Communities Initiative, which convenes community development financial institutions (CDFIs) and health practitioners to strategize cross-sector collaborations. In addition, philanthropic organizations and the community development sector have emerged as leading partners in Healthy Communities work. For example, The California Endowment’s Building Healthy Communities Initiative (launched in 2010) set the stage for numerous grant programs nationwide that support the development of local coalitions to implement Healthy Communities efforts.⁴

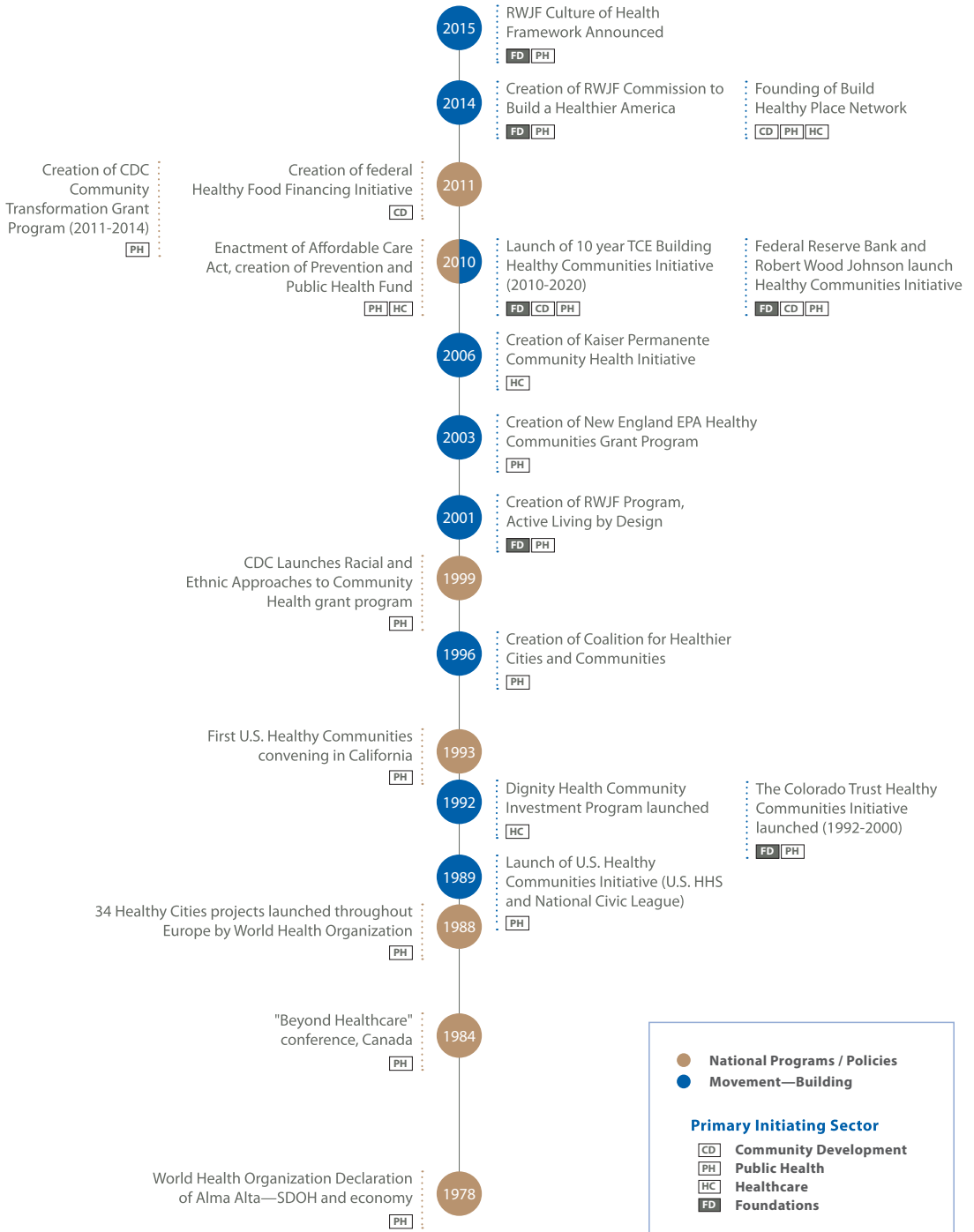
Health care reform has also played a key role in bridging sectors for place-based health initiatives. Most notably, the Affordable Care Act of 2010 catalyzed Healthy Communities efforts across sectors through its focus on health care access, preventive health, and its new requirements for hospitals to engage with and reinvest in the communities they serve. Leveraging the momentum of expanding cross-sector collaborations and significant policy reform, RWJF established the Build Healthy Places Network (BHP Network) in 2014 to actualize the Commission’s goals to “fundamentally change the way we revitalize neighborhoods by fully integrating health and community development.”

2 Refer to the larger report for additional details: Colby Dailey, Renee Roy Elias, and Alison Moore, “Summarizing the Landscape of Healthy Communities: A Review of Demonstration Programs Working Towards Health Equity.” A Report for The Colorado Health Foundation by Build Healthy Places Network (2016).

3 See Jason Cornburn, *Toward the Healthy City: People, Places, and the Politics of Urban Planning* (Boston: MIT Press, 2009).

4 The California Endowment, “Building Healthy Communities.” (Los Angeles: The California Endowment, 2016).

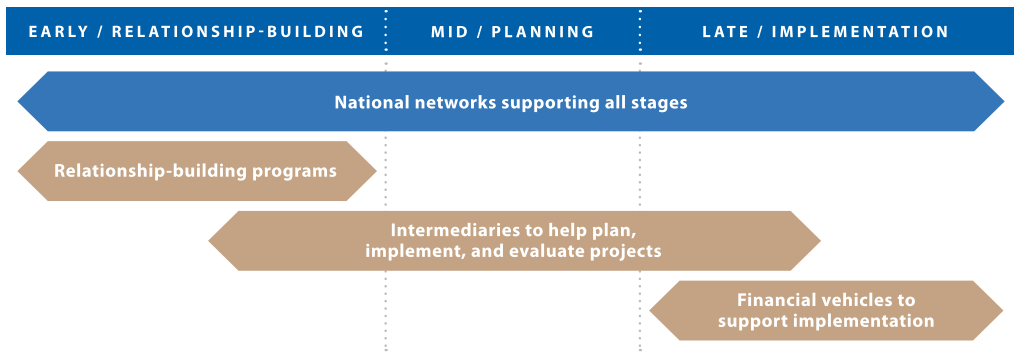
Figure 1: Selected Healthy Communities Milestones, 1970s-Present



Healthy Communities 2.0: Cross-Sector Action as a Pathway

Healthy Communities 2.0 reflects the idea that no one organization has all the assets, resources, knowledge of—and relationships in—the community, and expertise needed to fully achieve Healthy Community goals. Cross-sector partnerships are crucial to the success of these efforts. Although the specific goals of Healthy Communities initiatives vary widely, the efforts can be broadly categorized by their relative position along an “implementation pathway,” which is divided into three stages: (1) early stage, which focuses on relationship-building; (2) middle stage, where intermediaries help to plan, implement, and evaluate efforts; and (3) late stage, where financial vehicles play a role in supporting implementation (see Figure 2). Across all stages, national networks are critical for sharing learning, connecting partners, and generating new ideas.

Figure 2: Healthy Communities Implementation Pathway



Early Stage: Relationship-Building Programs

In the early stages, collaborative partners benefit from supports that help them collectively define problems, create a vision, and build relationships. Such efforts can take many forms. For example, the BUILD Health Challenge funds neighborhood initiatives that strengthen existing partnerships among local nonprofit organizations, health systems, and local health departments. Relationship-building could also involve cultivating trust and mutual understanding across key individuals in a more decentralized fashion. For example, the Kate B. Reynolds Charitable Trust’s Healthy Places NC program invests in efforts to deepen relationships across local, regional, and state-level stakeholders with the goal of developing a diverse infrastructure to address health-related issues. Healthy Places NC tailors its relationship-building approach to the unique context and availability of human capital within small rural communities.

Middle Stage: Intermediaries Support the Work

Once communities have built relationships across the health and community development sectors and established commitment to a shared vision, intermediaries can help to plan, implement, and evaluate projects. For example, Purpose Built Communities supports communities that have made a commitment to implementing the Purpose Built model, initiated or secured a community quarterback to coordinate the program, and have assets like land or other real estate available for development.⁵ Another intermediary program, ReThink Health, engages more developed regional coalitions who have the capacity to move from aligning stakeholders to “altering current business models, redesigning core practices and policies, allocating resources, and forming new partnerships.”⁶

Late Stage: Financial Vehicles to Support Implementation

Larger investment programs (namely, new financial vehicles)—for example, Dignity Health’s Community Investments—support the implementation process, such as capital investments for affordable housing or grocery stores. Another example is Equity with a Twist, which provides flexible capital to grantees that are already in the middle to late stages of planning and implementation and must demonstrate “exceptional organizational capacity, a stable financial history, and strong financial position.”⁷ The Healthy Futures Fund provides grant, loan, and equity capital to build co-located affordable housing and community health centers. Finally, Invest Health is a new initiative that helps leaders of mid-sized cities leverage private and public investments to accelerate health improvements.

Across All Stages: National Networks

National networks, such as BHP Network and County Health Rankings and Roadmaps, provide general support across all stages through technical assistance and the production of tools and resources. Although technical assistance varies across programs, frequently mentioned activities include data collection and evaluation; convening, facilitation, and network support; and measurement. A critical component of national networks is the formation of learning communities, which are an invaluable part of the Healthy Communities process, even beyond program or grant terms. Learning communities aid in relationship-building, help partners establish trust with funders, and provide a place to share best practices as communities progress along the pathway.

Although Healthy Communities efforts generally fall at different stages of the pathway, it is important to note that cross-sector action is dynamic—communities and their initiatives may need to cycle back to earlier stages as the vision and planning for Healthy Communities evolves.

5 See the article by Carol Naughton in this issue for more on Purpose Built Communities.

6 ReThink Health, “Pathway for Transforming Regional Health.” ReThink Health Tools.

7 Low Income Investment Fund, “The Low Income Investment Fund and JPMorgan Chase Pilot Innovative \$6 Million Social Investment in Nation’s Distressed Communities.” Media release (San Francisco: Low Income Investment Fund, February 2, 2016).

The Role of the Community Quarterback

The continued leadership of community quarterbacks, “trusted and established organizations that can articulate a vision, marshal funding sources, and align the efforts of multiple efforts towards common goals” is a hallmark of Healthy Communities 2.0.⁸ Many early community quarterbacks represented the community development sector (such as community development corporations, community foundations, or social service providers), but increasingly, representatives from the public health and health care sectors are stepping into this role.⁹ For example, the Harris County Public Health and Environmental Services Department in Pasadena, TX, received two national investment program grants: BUILD Health Challenge and the BHP Network’s Joining Forces Grant. Both grants are supporting the department’s efforts to lead the development of a Healthy Food Financing Plan that explores alternatives for scaling up commercial urban farms in Pasadena.

Additionally, hospitals and health care systems are expanding their role as anchor institutions to assume a community quarterback role in local and regional health equity efforts.¹⁰ Not unlike community quarterbacks, hospitals and health care systems are rooted in their local communities by mission, invested capital, or relationships. For example, the Cleveland Foundation continues to serve as an anchor and convener of other anchor institutions—bringing together the Cleveland Clinic and University Hospital, Case Western Reserve University, and other community groups to implement neighborhood revitalization efforts. Providing a neutral platform and leadership for a common vision, the Cleveland Foundation enabled an innovative partnership among institutions that might have otherwise been competitors in the project’s early relationship-building stages. Anchor institutions are powerful potential partners in a community quarterback’s network. They can demonstrate leadership through real estate development, workforce training and local hiring, local procurement practices that impact local economies, investment, potential for capital, and low-interest loan financing to CDFIs, and other functions that address a community’s social determinants of health.

However, the community quarterback’s ability to marshal resources and align multiple efforts depends heavily on the local context and organizational infrastructure present in a region. For example, many community development and Healthy Communities efforts tend to focus on urban areas; these examples of community quarterbacks must be adapted to the local context of rural Healthy Communities efforts. The Kate B. Reynolds Charitable Trust’s Healthy Places NC program tailors its relationship-building approach to the specific needs of small, rural communities in North Carolina. As an alternative to traditional funder-driven approaches, Healthy Places NC instead facilitates a more spontaneous collaboration,

8 Partners in Progress, “The Community Quarterback Model: A Valuable Asset for Cities.” 2016.

9 Dailey, Elias, and Moore, “Summarizing the Landscape of Healthy Communities.”

10 Tyler Norris and Ted Howard, “Can Hospitals Heal America’s Communities?” (Washington, DC: Democracy Collaborative, 2015).

building upon long-standing, informal relationships that already exist in communities and helping individuals and organizations decide if partnership is feasible.¹¹

Community Development as a Partner to Public Health and Health Care

In contrast with the early days of the Healthy Communities movement, today the community development sector is increasingly at the table, both as an investor and an implementation partner. For example, CDFIs are now serving as co-investors alongside private banks, health foundations, and hospitals and health care systems. The BHP Network's Joining Forces grant program has supported partnerships between CDFIs and BUILD Health Challenge grantees in the middle stages of their efforts, which have largely involved closing deals and financing for new development. Finally, the Healthy Futures Fund is a partnership between the Local Initiatives Support Corporation (LISC, a national CDFI), Morgan Stanley, and the Kresge Foundation, which helps close funding gaps and leverage new capital in the late stages of Healthy Communities implementation.

With new awareness of the importance of measuring the health-related outcomes of community development efforts, the sector is increasingly partnering with public health on measurement strategies. For example, BUILD Health grantee East Bay Asian Local Development Corporation is partnering with the Alameda County Department of Public Health to devise a measurement strategy as it implements a commercial revitalization effort in Oakland, CA. At the federal level, the Centers for Disease Control (CDC)'s subcommittee, the National Committee on Vital and Health Statistics (NCVHS), is working to develop a measurement framework that incorporates the social determinants of health. This framework seeks to align federal initiatives and investment to support communities working with data at the neighborhood level. Additionally, the recently released 500 Cities Project provides city- and census tract-level, small-area estimates for chronic disease risk factors, health outcomes, and clinical preventive service use for the largest 500 cities in the United States. A project of the CDC Foundation and RWJF, these new data will help cities and local health departments understand health outcomes at the neighborhood level, and how they fit in a larger context of social determinants.¹² There are still opportunities for the public health sector to understand how community development can be part of its ongoing efforts, but these pilot initiatives are a significant step in the right direction.

11 The idea of a more spontaneous collective impact comes from Douglas Easterling's article, "Getting to Collective Impact: How Funders Can Contribute Over the Life Course of the Work," *The Foundation Review* 5 (2) (2013).

12 Centers for Disease Control and Prevention (CDC), "500 Cities: Local Data for Better Health." (Atlanta, GA: CDC, 2017).

Looking Ahead to Healthy Communities 3.0

Though the Healthy Communities movement has evolved significantly over the past four decades, the basic principles remain: Place matters, health is influenced by social determinants, and everyone must work together to truly build a healthy community. Looking ahead, Healthy Communities 3.0 must build on the successes of past efforts and confront new challenges and opportunities that come with changing political and economic times. Key priorities for the movement include coordinating efforts across cities and regions; connecting rural and non-urban communities to capital; routinizing measurement; and leveraging private investment.

Coordinating Efforts Across Cities and Regions

There are often multiple Healthy Communities efforts taking place within cities and regions, often with untapped opportunities for coordination. For example, BHP Network’s environmental scan found that 20 cities nationwide have three or more sites that are part of national Healthy Communities initiatives. Local leaders can support Healthy Communities work by coordinating and aligning the work, perhaps even introducing communities at certain stages of the pathway with organizations that could help carry the work forward. For example, the Colorado-based Pueblo Triple Aim Corporation (PTAC) was established after an inspiring Triple Aim workshop facilitated by the Institute for Healthcare Improvement (IHI), a key entity providing early- to mid-stage program support. In 2010, after its visioning and partnership-building process, PTAC began work with ReThink Health to understand the impacts of various interventions on its “triple aim” of improving population health, patient experience, and cost of care. Now a full-fledged nonprofit backbone and support entity for health efforts in Pueblo, PTAC is participating in Invest Health to learn new strategies for increasing and leveraging private and public investments.

Although awareness of other organizations is a first step, the resources included in most grants are not sufficient for organizations to invest in partner relationships and collaborative work. Funders can help by introducing funded demonstration programs to each other; building in resources that support collaborative work; providing a “roadmap” for successful collaboration; and, in some cases, serving as a convener.¹³ Other entities, such as the regional Federal Reserve banks, are increasingly sharing programs’ best practices, opportunities, and regional connections with one another. For the community development sector, especially CDFIs at the regional and national level that fund multiple cities, there are perhaps even more opportunities to play a role in connecting like-minded organizations and forming new partnerships.

13 U.S. Department of Agriculture (USDA), “USDA Announces Investments in Rural Community Facilities to Enhance Rural Health and Public Safety.” Press Release, November 17, 2015.

Connecting Rural and Non-Urban Communities to Capital

As we learned from Cynthia (Mil) Duncan's chapter in *What Works*,¹⁴ the conditions surrounding rural poverty are unique in that communities are geographically isolated and human and financial capital are often limited. Nationally, from 2005 to 2010, only 6–7 percent of foundation grant money went to rural towns.¹⁵ Traditional financial institutions are also largely absent in rural communities, and approximately 40 percent of American rural counties do not have a bank branch.¹⁶ At the same time, residents tend to experience higher rates of disease, lower life expectancies, and disproportionately poor access to health care services and coverage, compared with their urban counterparts.¹⁷ How can under-resourced communities be better connected to the human and financial capital necessary to improve health and well-being? Where will new investments come from, especially in under-resourced, high-need communities that are not within the traditional catchment areas of existing investors?

To be sure, the U.S. Department of Agriculture (USDA) has made significant investments to improve the health and well-being of rural communities. For example, since 2009, the USDA's Rural Housing Service has leveraged \$6.2 billion to build or revitalize nearly 86,000 rural rental housing units and has helped more than 1.2 million rural families (many of whom are first-time homeowners) to buy, repair, or refinance their homes.¹⁸ During this same period, the program awarded \$9.7 billion in grants and loans to CDFIs and other financial institutions through its Community Facilities program.¹⁹ This initiative has helped fund health clinics, schools, libraries, day care centers, and public safety facilities.

However, ever-changing policy and economic environments underscore the need for diverse cross-sector financing strategies to address long-term health equity. Program-related investments (PRIs) might be one mechanism for doing so. Unlike grants, PRIs are below-market loans from foundations that require repayment only if an income stream is available. Once repaid, foundations can reallocate funds into new charitable investments.²⁰ PRIs deployed to CDFIs can be particularly impactful by increasing the flow of low-cost financing programs to projects that address the social determinants of health, from affordable housing with onsite services to health clinics and grocery stores.

14 Cynthia M. Duncan, "Community Development in Rural America: Collaborative, Regional, and Comprehensive," in *Investing in What Works for America's Communities: Essays on People, Place, & Purpose*, ed. Nancy O. Andrews et al. (San Francisco: Federal Reserve Bank of San Francisco, 2012), 162–69.

15 John L. Pender, "Foundation Grants to Rural Areas from 2005 to 2010: Trends and Patterns" (Washington, DC: Economic Research Service, United States Department of Agriculture, June 2015).

16 Meredith Covington and Josh Courtney, "Banking in Rural America: Insight from a Community Development Financial Institution (CDFI)." (Little Rock, AR: Southern Bancorp, 2014).

17 Rural Health Information Hub, "Rural Health Disparities." (Grand Forks, ND: Rural Health Information Hub, 2014).

18 U.S. Department of Agriculture (USDA), "USDA Results: Rural Economic and Community Development." (Washington, DC: USDA, 2016).

19 USDA, "USDA Announces Investments."

20 Lucia Benabentos et al., "Strategies to Maximize Your Philanthropic Capital: A Guide to Program-Related Investments (Primer)." (Seattle, WA: Mission Investors Exchange, 2012).

For example, as part of its 10-year Building Healthy Communities program, The California Endowment provided a PRI to Capital Impact Partners (a CDFI) to increase access to community clinics, catalyze economic development, and encourage innovation in health care delivery.²¹ Another example is Kresge Community Finance, a \$30 million PRI introduced as part of the Kresge Foundation's impact investing portfolio. Piloted in 2016, the program provides PRIs to certified CDFIs and quasi-public or private Development Finance Agencies to expand opportunities for low-income people in U.S. cities. Finally, Village Capital Corporation is a CDFI that was established in 1992 with leadership and long-term PRI funding from the Cleveland Foundation. Over its history, Village Capital has provided over \$65 million in loans to support over \$873 million in total development costs for more than 200 separate real estate projects in Northeast Ohio. These types of strategies could be replicated by other regional foundations and CDFIs outside of urban centers. Further exploration is necessary to determine appropriate PRI models for foundations and CDFIs of all sizes and scopes.

Routinizing Measurement

As the Healthy Communities movement matures, measurement and evidence of impact is essential to make the case for future investment. Because changes in health outcomes sometimes take decades to realize, funders will need to monitor progress of their grantmaking with a long-range view in mind. Actionable data are critical in helping community quarterbacks to monitor the progress of this work. However, challenges remain, such as the lack of appropriate data (particularly local health data), limited experience with impact measurement (namely, the community development sector), and the extra time and resources required to thoroughly monitor progress and outcomes.

The field is making progress on all of these fronts. The aforementioned 500 Cities Project provides neighborhood-level health data that will strengthen communities' capacity to devise cross-sector measurement strategies. Efforts like the National Neighborhoods Indicators Partnership and networks like Data Across Sectors for Health (DASH) are enabling better and more effective use of health data. Launched by RWJF, DASH supports multi-sector collaborations to connect information systems and share data for community health improvement.

Additionally, BHP Network has launched a number of programs to support collaborative measurement strategies involving the community development, public health, and health sectors. For example, MeasureUp is a resource offering successful case studies, measurement tools, and data sources linked to the health value of investments in at-risk, low-income neighborhoods. Further, BHP Network is working with national experts in metrics and measurement to align indicators for social determinants of health across community development and health sectors, contributing to a national metrics framework for measuring

21 Mission Investors Exchange, "The California Endowment and Two CDFIs Search for California-Based Community Clinics and Health Centers to Provide PRIs." (Seattle, WA: Mission Investors Exchange, 2014).

the health value of neighborhood-level interventions. Finally, initiatives such as the Strong, Prosperous, and Resilient Communities Challenge (SPARCC) will help communities connect the dots between social, environmental, economic, and health equity goals and outcomes.²²

The tools for effective measurement are taking shape, but more evidence is needed to show whether existing efforts are working. Such baseline evidence is necessary in forging new cross-sector partnerships that produce measurable economic and health outcomes.

Leveraging Private Investment

Healthy Communities investments from leading sectors represent a small fraction of annual U.S. health care expenditures, which amounted to \$3.2 trillion in 2015.²³ Although exact figures are not available, annual investments by the sector's leading Healthy Communities efforts amount to less than 6 percent of total health care expenditures, not including public investments in transportation, infrastructure, housing, and city planning.²⁴ How can efforts be sustained over time, particularly those dependent on grant and/or public funds subject to fiscal changes? Overall, existing investments must be more strategically aligned through cross-sector partnerships, but there also must be a strong business case for Healthy Communities work. Similar to the way the sustainability movement has monetized environmental returns through mechanisms like cap and trade and energy incentives, Healthy Communities 3.0 must build a market that values health. Private investment is key to this approach, and CDFIs and impact investors play a particularly important role.

By design, CDFIs leverage private investments to revitalize low-income communities. But beyond their own operations, partnerships with private investors are essential to developing creative financing strategies to sustain efforts over time. As previously mentioned, a growing number of Healthy Communities investment programs involve collaborations among CDFIs, private banks, and/or philanthropic arms of private banks. Impact investors—which include both private and nonprofit entities—already fund various Healthy Communities efforts through mechanisms such as Pay for Success financing and social impact bonds. Although their market size has not been fully quantified, it is estimated that impact investors managed \$77.4 billion in assets as of 2015.²⁵ Moving forward, impact investors must continue to engage in Healthy Communities work through national networks, like the Global Impact Investing Network (GIIN), and new investment platforms, like the ImpactUs Marketplace, which help connect investments to social and health-related causes.

22 See the article by Chris Kabel, Amy Kenyon, and Sharon Roerty in this issue for more information.

23 Centers for Medicare & Medicaid Services (CMS), “NHE Fact Sheet.” (Baltimore, MD: CMS, 2015).

24 This is based on the latest data on annual investments in community development (\$200 billion), public health (\$75.4 billion), and hospital community benefit investments (\$2.7 billion).

25 These numbers are based on 158 respondents to the Global Impact Investing Network (GIIN)'s annual survey, which includes 60 percent fund managers, 13 percent foundations, and the remaining banks, development finance institutions, family offices, and pension funds/insurance companies. For further details, see: GIIN, “Annual Impact Investor Survey,” (New York: GIIN, 2016).

Conclusion

The Healthy Communities movement is inherently complex and multifaceted, due to the underlying causes of health disparities, and it may take decades to see the fruits of these efforts in the form of improved health outcomes. As the movement continues to evolve, challenges and questions remain around how to best address unmet needs and leverage resources to sustain efforts over time. Community development is a fairly new partner in these efforts but will be increasingly important as the movement transitions to Healthy Communities 3.0., where regional coordination, addressing the needs of rural communities, routinizing measurement, and leveraging private investment will be key. Moving forward, the sector will continue to play a vital role as an action arm for advancing health equity and creating opportunities for all.

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Building on What Works and Investing in Progress

*Brandee McHale
Citi Foundation*

Six years ago, the Citi Foundation decided to make a grant to the Low Income Investment Fund (LIIF) to explore innovations in the field of community development. We wanted ideas for improving low- and moderate-income communities—and the lives of the people who live there—and we were interested especially in initiatives with the potential for significant impact and scale. We got them. Those initiatives eventually became the foundation for the book, *Investing in What Works for America's Communities: Essays on People, Place & Purpose*.

As I was sitting across a table from LIIF President Nancy Andrews that day six years ago, I could not have imagined the impact this book would have on the field because, quite frankly, it was not a happy conversation. I remember feeling frustrated and disheartened as I looked at statistics that showed the percentage of Americans living in poverty had steadily increased from 11 percent in 2000 to 15 percent in 2011. This was equal to what it had been in 1964 when President Johnson first launched the “War on Poverty”—and actually even worse in absolute terms, since the nation’s population has grown significantly since the mid-1960s. This means millions more Americans are struggling to make ends meet.

It seemed to me that we as a nation and an industry were running into growing, complex challenges and that progress was slowing. And I wondered if we should completely rethink how we invest in the field of community development if our current work wasn’t really making a difference. Nancy appreciated my frustration and expressed some of her own. But she was also quick to point out a few shining lights across the country that were doing things differently and getting results—groups like the Harlem Children’s Zone in New York City, Purpose Built in Atlanta, and BakerRipley (formerly Neighborhood Centers, Inc.) in Houston. She openly pondered what the secret of their success was and if it could be replicated at scale across the country. Based on that conversation, the Citi Foundation decided to provide LIIF with a grant to research these groups’ “secret sauce” and to write a paper about it, so that others might learn from their example.

Anyone who has had the pleasure of working with Nancy knows that she does nothing in half measures. So it was no surprise when we checked in a month later to learn that LIIF would be partnering with the Federal Reserve Bank of San Francisco (FRBSF) to expand the research paper we had discussed into an anthology of community development from different perspectives, written by some of the field’s greatest thinkers and released in book form. Thus, *Investing in What Works for America's Communities* was published in 2012.

What did surprise me was the immediate and positive response this book received. The FRBSF distributed more than 50,000 hard copies of *Investing in What Works for America's Communities*, and readers from across the country downloaded many more e-copies. The text was adopted as required reading in public policy classes at colleges and graduate schools around the country and reached more than two million people on social media. Apparently, the field of community development was just as frustrated as I was with the status quo—and just as eager for breakthrough solutions that would achieve different results.

Clearly, we had hit on something big. We felt the need to respond in a way that would sustain the powerful momentum that *Investing in What Works for America's Communities* had unleashed. So instead of just talking and writing about the status quo and the need to shake things up, the Citi Foundation decided to actually test some of the book's key ideas. One of the core messages is that persistent poverty has multiple, tightly intertwined, and mutually reinforcing causes, and that tackling any one of them in isolation will not work in the long term. Instead, efforts to battle poverty must be integrated across multiple sectors. The book argues that people-based efforts, such as education, health care, and workforce development, and place-based efforts, such as housing, transportation, and community safety, must be coordinated around shared goals and joint accountability. The book further posits that by working together across sectors to achieve a common goal, partners would be more effective than they would be separately. In the chapter "Routinizing the Extraordinary," the authors had challenged the field of community development to create a new cadre of "Community Quarterbacks" who could lead the charge in breaking down the artificial silos that had created the status quo.¹

So that's exactly what we did. In 2013, the Citi Foundation again partnered with LIIF to launch Partners in Progress, a two-year, \$5 million pilot initiative that provided flexible support and technical assistance to 14 community-based organizations to help them become Community Quarterbacks. They were charged with:

- Mobilizing a shared vision for community-based change to improve the lives of community residents;
- Developing a comprehensive strategy, integrating the best of people- and place-based approaches, to implement that vision;
- Building a cross-sector collaborative of partners to support the vision and strategy;
- Providing the collaborative with timely, useful data to guide continuous assessment and improvement.

What follows this chapter is a series of case studies highlighting the experience of six organizations that participated in our Partners in Progress initiative. I'm proud to say that during this two-year pilot, our Partners in Progress grantees became living examples of how

1 David Erickson, Ian Galloway, and Naomi Cytron, "Routinizing the Extraordinary," in *Investing in What Works for America's Communities: Essays on People, Place, & Purpose*, ed. Nancy Andrews et al. (San Francisco: Federal Reserve Bank of San Francisco, 2012).

the Community Quarterback model can lead catalytic change. **Fairfield County Community Foundation** championed a resident-driven community development process at PT Barnum Public Housing in Bridgeport, CT, that gave residents a voice in negotiating with the city for economic development projects that affected their neighborhood. **East Bay Asian Local Development Corporation's** San Pablo Avenue Revitalization Coalition highlighted the link between environmental causes and health disparities and inspired new partnerships between public health and community development in Oakland, CA. **CASA** mobilized thousands of residents of Langley Park, MD, to engage with regional planners of the Purple Line, the planned 16-mile light-rail line, to minimize its potential to displace low-income families or small, immigrant-owned businesses and to ensure that its benefits will be equitably distributed. True to its name, **BRIDGE Housing Corporation** in San Francisco has made remarkable progress building a bridge over the economic and class divide that has long separated the North and South Portrero neighborhoods. It is pursuing a community integration strategy informed by a major innovation, “trauma-informed community building,” which recognizes that all of BRIDGE’s work must take into account the psychological battering that long years of poverty and social isolation have taken on Portrero’s public housing residents. **Community Solutions** conceived a bold campaign to bring 5,000 jobs to Brownsville, one of New York’s poorest neighborhoods where nearly 40 percent of people live below the poverty line and whose two square miles contain 18 public housing projects—the highest concentration in the country. **Neighborhood Housing Services of South Florida (NHSSF)** proved the cross-silo approach in an especially compelling way: Its work in the 79th Street Corridor did not conform to any generally recognized neighborhood but instead spanned portions of five jurisdictions between two separate cities, Miami and Hialeah. Through patient engagement with justifiably skeptical, long-neglected residents of the corridor, and with all the different officials, NHSSF is on its way to bringing jobs, affordable housing, small-business services, and perhaps most important, a sense of hope and buy-in to the Corridor for the first time in decades.

Across the country, Partners in Progress organizations are leading the charge on reimagining how the field should “do” community development—seeking out new partnerships, breaking down silos, and driving results while guided by data-rich decision-making—a true embodiment of the best ideas that emerged from *Investing in What Works for America’s Communities*.

Beyond the national dialogue it sparked and the example we set for front-line practitioners with the Partners in Progress pilot, the Citi Foundation’s involvement with the book also had a tremendous impact on us as a funder. As we designed our Partners in Progress initiative around the spirit of the book, we realized that we ourselves needed to work smarter, to reexamine our approach to grant-making and grant administration. We wanted to better harness the energy and excitement that is out there all across the country demanding change, and to focus the Foundation’s strategy on replicating the innovations that are getting real results.

So three specific takeaways will inform our community development grant-making going forward:

1. **General operating support**—The unrestricted nature of the grants the Citi Foundation provided proved to be extremely important. As you will read in the CASA case study, nonprofit finances are a complicated jigsaw puzzle—and jigsaw puzzle pieces are not interchangeable. CASA itself relies on more than 150 funders to assemble its \$7.5 million operating budget, and those include public-sector sources that place tight restrictions on overhead costs, limiting the availability of necessary staff resources to pursue new initiatives. The flexibility of the Citi Foundation’s support gave grantees the “glue money,” as CASA put it, to work in cross-sector collaboration. It also provided the latitude to innovate as well as pivot in the face of unexpected challenges—nothing is static, and situations can change after the grant is awarded. Our Partners in Progress grants truly functioned as “seed money” that enabled our grantees to take risks and explore new areas, and account for what worked and what didn’t.
2. **Peer-to-peer engagement**—At our kickoff event for Partners in Progress, we quickly realized that the groups in the room had more to learn from each other than we could ever offer through paid experts. So we prioritized grantee interaction and encouraged the frequent sharing of best practices and lessons learned. The resulting connections that grantees made led to grantee-initiated conference calls, site visits, information exchanges, and true friendships that bore fruit beyond the Partners in Progress initiative.
3. **Data measures and management**—Becoming a data-driven organization requires much more than just choosing a software platform. The Citi Foundation actively encouraged Partners in Progress grantees to develop the internal capability to collect and use data on behalf of their community collaborations. But we underestimated the dramatic organizational changes that accompany a more data-driven approach and the technical complexities, steep learning curve, and cost and time commitment required for success. Data are ultimately meant to be a tool to support projects, not a project in themselves. Organizations need to realistically assess their data capacity and potential before launching a data-dependent strategy for any given project.

Taking these lessons to heart, when the Partners in Progress pilot ended in 2015, the Citi Foundation decided to take the best ideas that we had learned from both *Investing in What Works for America’s Communities* and the Partners in Progress pilot to launch a new initiative at a much larger scale. Our new Community Progress Makers Fund is a \$20 million, two-year initiative designed to support 40 high-impact community organizations that are driving economic opportunities in their communities. These 40 change agents are addressing a range of urban challenges, from economic development and affordable housing to environmental sustainability and urban infrastructure. In addition to providing core operating support, Community Progress Makers includes a grantee learning collaborative to share best practices, as well as support for grantees to assess and improve their data-using capacity.

The most successful community innovators have long understood that there is no one-size-fits-all solution to complex social and economic issues. Thanks to *Investing in What Works for America's Communities* and Partners in Progress, there is increasing evidence that working comprehensively and collectively across silos—with nonprofit partners, businesses, government, and residents themselves—can dramatically increase the pace of progress for all.

The Citi Foundation is looking forward to continuing to lead this charge by supporting the next generation of transformative local solutions through Community Progress Makers. One of the greatest satisfactions a funder can have is the chance to work steadily over time to nurture good ideas and the people who execute them—testing approaches, identifying what works, refining, adjusting, testing again, and going to scale. It's the model the for-profit sector calls "patient capital." And as I reflect on the Citi Foundation's work during the past six years, I am reminded that the word patience has the same root as the word passion. Patience originally described the kind of passion that does not burn itself out from its own intensity but rather the kind that is grounded in commitment and only grows stronger over time.

Five years ago, *Investing in What Works for America's Communities* captured some of the best thinking from the field that has long been the Citi Foundation's passion—expanding economic prospects for low-income families. Then two years ago, the Partners in Progress pilot tested those ideas. Now Community Progress Makers will take them to scale, and we will know even more about what works best to build vibrant communities. The Citi Foundation will evolve accordingly, our patient capital guided by our genuine passion for the values of equality and opportunity for all Americans, wherever they live, wherever they came from, and whatever their economic circumstances.

For now, it is my honor to join in celebrating *Investing in What Works for America's Communities*, the book that started it all. On behalf of all of us at the Citi Foundation, I hope you find these stories as informative and inspiring as we do.

Brandee McHale is president of the Citi Foundation and Director of Corporate Citizenship at Citi. She oversees the Citi Foundation's global grantmaking strategy and leads Citi's citizenship efforts, including volunteerism and environmental sustainability. For over three decades, Brandee has dedicated her career to philanthropy and developing a forward-thinking portfolio of grant initiatives that connect low-income residents to onramps of economic opportunity and a secure financial future. As the board chair of Prosperity Now (formerly CFED) and a member on the board of directors of the Local Initiatives Support Corporation (LISC), Living Cities, and America's Promise Alliance, Brandee helps chart the direction of numerous efforts to create lasting change in communities across the country.

Partners in Progress Case Study: BRIDGE Housing Corporation

Thu Banh stood in front of the auditorium holding a microphone in one hand, and a stack of certificates in the other. As she read the names on each Certificate of Achievement, she handed it to Uzuri Pease-Greene. Both work for BRIDGE Housing Corporation. Banh serves as the organization's Program Director and Pease-Greene is its Community Builder at Potrero, one of San Francisco's public housing complexes. Constructed in two phases beginning in 1941, Potrero Terrace and Annex (known also by the acronym PTA) is isolated from the surrounding neighborhood. The buildings are terraced into Potrero Hill's steep south-facing slope. On this December evening, BRIDGE Housing, the developer selected by the city to rebuild Potrero, was hosting a yearend dinner for the Community Building Group, which has been meeting bimonthly since 2009 when the city designated BRIDGE Housing to completely rebuild PTA. The group's meetings attract PTA residents and their neighbors on the prosperous north side of Potrero Hill, community organizations and other neighborhood stakeholders. Long banquet tables faced Banh and Pease-Greene in the Potrero Hill Neighborhood House auditorium. Each had holiday decorations. The room buzzed with young children playing with the decorations and with each other.

As their names were called, residents came forward to accept their certificate from Pease-Greene and to line up for a group photograph. The first twenty-one certificates recognized residents who had participated in at least 100 of BRIDGE's community-building activities during 2015. After distributing the certificates to the "100 Club," Banh next read the names of another fifteen residents, each of whom had become members of the "200 Club" because they had participated in at least 200 activities over the course of the year.

As each group took their places in front of the stage, Peter Linenthal, a longtime resident of Potrero Hill's north side, snapped photographs. Linenthal, a children's book illustrator and afterschool teacher at the nearby Daniel Webster Elementary School, directs the Potrero Hill Archives Project which chronicles the neighborhood's history through photographs and oral histories. "In the 30 years I lived here on Potrero Hill," Linenthal said in an online video interview, "I never even visited the public housing myself. The Hill is really divided in many ways." Then, reflecting on the BRIDGE Housing's redevelopment plan, Linenthal added, "But all that is about to change very dramatically in the next 12 years."

The most obvious change will be BRIDGE's demolition of the 606 units of public housing and its replacement with 1,600 units of mixed income housing, including units for all of PTA's current public housing residents. Another noteworthy change, however, is BRIDGE's community building activities, like those being recognized at the dinner. Among other notable characteristics of its community-building work has been BRIDGE's inclusion

of residents living on both sides of the Hill. Both the physical plan and BRIDGE's community-building activities are designed to reunite the north and south sides of Potrero Hill into a single well-functioning mixed-income neighborhood, an effort launched years before the first demolition and construction crews descend on the neighborhood.

Echoing Linenthal's comments, Pease-Greene, a public housing resident also observed that before BRIDGE began its community building work "people from North Potrero would never step foot in PTA." As the Community Building Group's yearend celebration dramatized, people from both sides of the Hill have begun to cross the economic border separating the two sides of the Hill. Breaking down the barriers between the two sides has been one of the objectives of BRIDGE's emerging community-building practice.

While the city designated BRIDGE Housing as the developer in 2008, a Citi Foundation Partners in Progress (PIP) grant in late 2013 provided the resources to approach the project more ambitiously as a "community quarterback." The PIP grant spurred BRIDGE to formalize its innovative approach to community building, invest more heavily in recruiting organizations to partner with it on the Potrero project, and enabled BRIDGE, one of the nation's largest and most successful nonprofit affordable housing developers, to figure out how to realize an intention articulated in its 2013-2017 strategic plan: to develop communities as well as housing.

Building Community

BRIDGE's effort to rebuild Potrero is part of a larger city-led initiative in San Francisco called HOPE SF. The city plans to redevelop four of the San Francisco's most distressed public housing developments into mixed income communities and, moreover, to do so without displacing any of the housing authority's current tenants. Not only does HOPE SF plan to rebuild affordable housing, create mixed-income neighborhoods and retain its current residents, it aims to spur resident participation in the planning and induce greater social mobility.

Redevelopment of distressed public housing has been successfully completed since the early 1990s through the HOPE VI program. The Obama Administration replaced that program with Choice Neighborhood grants that require cities to marshal local resources, such as nonprofit organizations, the public school system, and the police, to address the challenges in the surrounding neighborhood. HOPE SF has made a point of engaging residents as one of the resources it must mobilize to transform these neighborhoods. For example, construction will be phased so as to dramatically reduce the possibility that residents will need to move off site temporarily during construction. Off-site relocation makes return much less likely and it enhances the likelihood that resident will become and remain engaged. Also, to enable residents to effectively participate in deliberations about the projects, including the design, permitting and finance, HOPE SF established a Leadership Academy. The city rewarded residents who successfully completed the Academy with a discount on their rent for the month.

Although HOPE SF requires the developers to focus on “community building,” the term has been ill-defined. When Emily Weinstein joined the BRIDGE team in 2010 as director of Rebuild Potrero, BRIDGE was “doing outreach and involving residents in a master planning process.” It created the Community Building Group as a vehicle for resident participation. To engage more substantively with the public housing residents BRIDGE decided to hire a community builder. Weinstein and others at BRIDGE had noticed Uzuri Pease-Greene. She is “a natural born community organizer,” Weinstein observes, as well as a graduate of HOPE SF’s Leadership Academy. BRIDGE hired Pease-Greene. As the community builder she served as BRIDGE’s full-time representative at the development. The bulk of her time is spent planning and overseeing activities designed to prepare residents for both the disruptions that will accompany the construction phase and the opportunity to improve their economic circumstances and the quality of life. The first step involved strengthening the fabric of community on the Hill.

With Pease-Greene on the team, BRIDGE re-launched its community-building effort with small community get-togethers. “We’d get a host who could invite five to ten of their family and friends,” Weinstein explained. These were “listening sessions. We met with over one hundred residents in a one month period,” she continued. Noting that “it takes a lot to get people out,” these “little parties were the hook: a way to engage the community and identify other leaders and to build a distribution list.” At these get togethers residents described a very loosely connected community. Public safety is an issue that discourages people from going out more. Many residents have disabilities. Living on a low income is stressful and demanding. Like many of the other PIP grantees the Bridge team also encountered a skeptical population accustomed to grandiose plans that either don’t materialize or live up to the promises. Typical of this skepticism are a PTA resident’s comments in a short on-line video about the plans for Potrero Hill:

We want our house rebuilt. We want it to be beautiful. We want a new home. Once it is built, we don't want to have to worry about whether we are going to have a home or not. We were promised a lot. Will you keep your promise or will you lie to us like the rest... We trusted people and they took over our other home and now here we go again... All I can do is pray and hope that it all falls into place and everything will work out and we don't have to worry.

BRIDGE realized it needed a different approach in order to build trust, engage residents in the planning, respond to the cumulative effects of concentrated poverty and nurture a resilient community out of the social isolation that often settles over those living in distressed public housing.

The Birth of a New Community Building Practice

As they worked to build trust and nurture a resilient community, members of BRIDGE’s Rebuild Potrero team began to incubate methods “that take into account residents’ emotional needs” which time-honored “models of community building may ignore or exacerbate.”

Uncertainty about the future, the disruptions associated with even a temporary relocation within PTA, and other stressful changes that will accompany the physical redevelopment were likely to aggravate, rather than mitigate, the day-to-day hardships of poverty.

The team immediately began to apply this insight. The team launched a walking club as its first activity. Walking is a health-promoting activity and it is an inexpensive one to organize. Weinstein, however, saw other benefits:

We needed something different and visible to show that change was happening. Walking is an equal opportunity activity. It meets people where they are. People joining are a symbol of change. Walking with a group also brings a sense of safety. Everyone knows about the walking club now even if they don't participate. They can't deny that people are participating in something different.

The Walking Club exhibited the characteristics BRIDGE wanted to achieve with its community-building activities. They had to feel different from typical programs and services for public housing tenants. Too frequently such programs and services are deficit-driven and have restrictions that become barriers to participation. “We wanted activities that would invite people and create a fun environment.”

In addition to the Walking Club, Bridge now runs several other “Healthy Living” activities including a monthly cooking workshop, a weekly sober living support group, and twice weekly meditation and Zumba classes. Importantly, BRIDGE distributes the monthly calendar of activities to North Potrero residents as well to the public housing tenants on the south side of the hill. Reflecting on the historically low levels of interaction between North and South Potrero residents, Pease-Greene observed that these Healthy Living activities “have broken down some of those barriers.” One particularly noteworthy example is Zumba. “It is like a rainbow,” she explained, “you wouldn’t know who lives at PTA and who doesn’t.” She estimates as many participants come from the north side as the south side of the Hill.

Sensing it was on to something, BRIDGE began to build on this new model. It added two community gardens to the programmatic mix, including family workdays twice a week, an apprenticeship program, monthly children’s workdays and adult gardening classes. Weinstein helped conceive and launch the Healthy Generations Project, a peer-to-peer program focused on protecting children birth to age 5 from toxic stress frequently experienced by children raised in the midst of concentrated poverty. Healthy Generations Project recruits Community Health Leaders from among PTA’s tenants, trains and pays them to run parent workshops, parent-child activities and the daily “walking school buses” to two elementary schools.

The monthly calendar lists all these activities (in English, Spanish and Cantonese) as well as meetings of the Community Building Group and various community-wide events BRIDGE organizes several times a year. As Weinstein notes, tenants “are getting the calendar and know stuff is happening whether or not they are participating.” So in addition to improving participants’ physical health and their sense of belonging, the activities demonstrate to even non-participants that things are changing for the better and that BRIDGE and

HOPE SF can be trusted to follow-through with their commitment to transform the quality of life for PTA residents.

In addition to the immediate health benefits, skill acquisition and social connections they generate, BRIDGE’s staff describes the cumulative outcome of its community-building as “readiness for change.” What does that mean? It means that residents have the resilience and hopefulness required to assist in, cope with and ultimately benefit from the challenges they will face during and after the coming years of construction. Readiness for change means that they will be able to take advantage of the transformational opportunities that come with living in well-maintaining housing, in a safe community with neighborhood amenities and improved public services, and with the myriad blessings associated with living in an economically integrated community.

In trying to figure out BRIDGE’s role as a community builder, Weinstein had been doing a great deal of reading. She found the field of public health influencing her program development work at Potrero. Then Jessica Wolin, a member of the faculty at San Francisco State University’s Health Equity Institute and a member of a HOPE SF task force with Weinstein, remarked, “You have developed a new model in your head. You should put it down on paper.” Shortly thereafter the two began to pool their experiences: Wolin as an academic and Weinstein as a practitioner. The exchange of perspectives gave Weinstein a label to apply to what she was functionally doing: trauma informed community building (TICB). The two of them, working with Sharon Rose, a writer with a public health background, wrote *Trauma Informed Community Building: A Model for Strengthening Community in Trauma Affected Neighborhoods*.¹

As this white paper was being printed, Susan Neufeld, who directs BRIDGE’s recently established Community Development and Programs Department, attended a convening of PIP grantees in Los Angeles. She made a passing reference to the forthcoming publication. The concept of TICB instantly resonated with the grantees. Their reaction seemed to confirm the prediction Robert Wood Johnson Foundation’s Risa Lavizzo-Mourey’s made in her essay for *Investing in What Works*: “We are likely to look back at this time and wonder why community development and health were ever separate industries.” Trauma informed community building sits in the middle of the intersection where those two fields meet.

A Community-Building Partnership

TICB became a significant factor in BRIDGE’s choice of partner organizations. As a quarterback, TICB has also helped the organization conceive of the structure its emerging partnerships was taking. BRIDGE graphically depicts its partnership as a Venn diagram. It displays the organizations that have committed to participating in BRIDGE’s holistic vision of community change. At the center of the diagram are the partners that have fully embraced

1 Emily Weinstein, Jessica Wolin, and Sharon Rose. *Trauma Informed Community Building: A Model for Strengthening Community in Trauma Affected Neighborhoods*. San Francisco: BRIDGE Housing and Health Equity Institute, 2014.

BRIDGE's core strategy to accomplish that change. That vision is the product of three types of investment:

- Housing and infrastructure partners are those focused primarily on the physical capital investment portion of the rebuilding. Some are contractors, such as the architect. Among the other housing and infrastructure partners is the city's Planning Department, which helps BRIDGE navigate the environmental and land use requirements and the Mayor's Office of Housing and Community Development, which provides the majority of the project's funding and designated BRIDGE as the developer for Potrero.
- Program and services partners are those organizations that provide human capital investments. Urban Services YMCA, for example, provides job training, readiness, and placement services, youth programming and other services. These are all services to individuals and families.
- Trauma informed community-building involves social capital capacity building investments BRIDGE makes through Zumba, the walking club and other activities that strengthen the bonds between people and strengthens the ability of neighborhood institutions to meet residents' needs. While individuals benefit personally from their participation in these activities, the larger purpose is to strengthen the community by creating a more trusting and dependable social environment where residents are more likely to know and have positive interactions with their neighbors, and are better prepared to engage with the programs and services that will help improve their long term outcomes.

A defining characteristic of the PIP quarterback model is the integration of place-based development activities, which we associate with physical capital investments, and people-based approaches, which we think of as human capital programs. With its pioneering work in trauma informed community building BRIDGE has isolated a third strand that needs to be braided into comprehensive community development strategies: community-based social capital investments.

Its partners support BRIDGE's activities at Potrero in a variety of ways. Some, like the architect, operate in only the physical development sphere of the Venn diagram whereas Economic Opportunity Child Care resides exclusively in the human service circle. These are BRIDGE's "program partners." Their contributions complement the overall partnership goals. At the center of the Venn diagram are BRIDGE's "strategic partners." These are the partners at the intersection of all three dimensions of Rebuild Potrero because they share BRIDGE's comprehensive goals and its strategy of combining social, human and physical capital investments. HOPE SF is a strategic partner. So is the Campaign for HOPE SF, a public-private partnership between the city and several foundations to support the redevelopment of the city's public housing by leveraging financial resources that support HOPE SF's goals. HOPE SF developers such as BRIDGE are required to provide service connection services for residents, especially around relocation. Service connection normally sits in the program and services

sphere. BRIDGE, however, has partnered with the Shanti Project. Its highly successful family coaching/case management approach supported by its volunteer peer support model adds a measure of social capital to the traditional service delivery model. Shanti's volunteers supply consistent one-on-one emotional support and practical assistance. The Shanti staff leverages the existing community building activities and framework to develop relationships with residents and integrate themselves into the Healthy Generations Project, the program Weinstein started at Potrero along with Jennifer Dhillon, the program's executive director. Although Health Generations has since become independent, BRIDGE counts it as another one of its strategic partners because of the way it is embedded in the Potrero community, mimics its trauma informed community building approach and relies on developing and supporting peer leaders.

A few partners have feet planted in two of the circles -- the intersection between TICB and either housing and infrastructure or programs and services. In content, the Community Building Group, which BRIDGE convenes regularly to update residents and neighbors about the physical redevelopment plans, belongs in the housing and infrastructure sphere. From a process perspective, by bringing both sides of the Hill together, as was evident at the yearend dinner where Banh and Pease-Greene distributed the certificates of recognition, the Community Building Group also contributes to trauma informed community building. Similarly, Leah's Pantry is more than a service provider. With its monthly healthy-living cooking workshop and catering team for the Healthy Generations Projects's parent/child activities at Potrero it has become a valued partner for its contributions to BRIDGE's TICB Healthy Living program.

Lessons for Community Development Quarterbacks

BRIDGE issued three "learning briefs" during the course of the PIP funding. These were prepared with its evaluation consultant, Harder+Company. One of the briefs explores the challenge quarterbacks face in engaging residents as partners in the community building process. Not surprisingly, the most important lessons relate to the TICB model. "Developing and maintaining trust with residents are challenges faced by all quarterbacks, regardless of the community in which they work," according to the brief. "Quarterbacks working in highly impoverished communities are very likely to encounter residents who have experienced a lifetime of trauma." The brief identifies five trauma-related challenges to traditional community building practices:

- Lack of trust and social cohesion;
- Lack of stability, reliability and consistency in the lives of residents;
- Disempowerment and lack of sense of community ownership;
- Inability to vision the future, and
- Breadth and depth of community needs.

In the brief BRIDGE and its evaluation consultant make the case that "without the trauma informed lens even commonplace activities in the lifecycle of a project can shake trust and impede community building." Without this perspective, the brief continues, community quarterbacks "risk not truly engaging residents in the redevelopment process."

Despite its remarkable successes, the field of community development has fallen short of its transformational aspirations because it has failed to recognize and address the cumulative effects of poverty's persistent hardships, vulnerabilities and traumas on the social ecology and resilience of the community as a whole. In effect BRIDGE argues that the problem is not limited to the difficulty integrating people- and place-based framework – the physical and human capital strategies. Trauma informed community building is about rebuilding the fabric of community.

Applying a TICB frame alters the affordable housing development process. Traditionally, real estate development begins with a gestational period that can take years, depending on the complexity of the proposed project. During this predevelopment phase the developer acquires site control, prepares the physical design and cost estimates, secures public approvals, conducts environmental tests and assembles construction and permanent financing. In some cases, residents are consulted during this phase. But because of the backdrop of trauma, residents are unlikely to participate meaningfully or trust that they can influence the proposed project. For BRIDGE, TICB is a parallel and contemporaneous with the traditional predevelopment tasks. They are, moreover, as essential to the project's ultimate success if, by success, one means that existing residents avoid displacement and the damage done to the community's social fabric as a result of years of neglect and persistent and concentrated poverty is mitigated. Even if they accepted BRIDGE's community building premise, few developers could afford to do it. BRIDGE, however, recognized the intrinsic value of community building to its redevelopment goals for Potrero. Consequently it worked with HOPE SF to treat the initial community building expenses as a routine predevelopment outlay: Now the cost of community building staff is funded through a combination of City of SF Community Development Block Grant Funds and private foundation grants.

The hope is that with consistent, non-judgmental relationship building among residents and between the developer, its partners and the residents, the Potrero Hill tenants will be more receptive to the promise of a safe, stable and affordable mixed-income neighborhood; one in which they will be less socially isolated and better able to take advantage of the opportunities such a community makes available to them. Those opportunities are described in a companion plan BRIDGE developed with Potrero's existing public housing tenants: the "PARADISE Plan." PARADISE stands for Practical And Realistic And Desirable Ideas for Social Enrichment. It describes "positive, real and desirable strategies for achieving a range of social outcomes" in education, economic security, health and wellness, and public safety. The plan outlines the next variable in BRIDGE's community building equation. As explained in the PARADISE Plan:

Trauma Informed Community Building is... both a precursor to a successful Rebuild Potrero transformation effort and a practice that runs through the life of the project. TICB is not a discrete activity, program, or service; rather, it is a framework that reflects a value for engaging the community throughout the transformation of South Potrero in a way that acknowledges cumulative effects of stress and trauma on individual, family, and community functioning.

BRIDGE has also learned that it is difficult to maintain residents' and partners' levels of engagement in the face of unpredictable setbacks and changes in plans, personnel and timelines. Every significant project inevitably encounters hurdles like these. BRIDGE has discovered that burden for maintaining the motivation of its partners and residents falls to the quarterback as the party that is ultimately responsible for holding the long term vision.

BRIDGE also brought a different and useful perspective concerning the structure of its cross-sector partnership. Not every partner is or needs to be committed to the totality of the vision and TICB practices as the strategic partners are. Program partners make significant contributions to the ultimate outcome. Moreover, partners need not be either program or strategic partners. Some fall in between and could eventually evolve into strategic partners as the inter-organizational relationships mature.

The Promise of Working in an Integrated Way

Trauma informed community building is not turf belonging to any established discipline. In Potrero, it has become a core practice embraced by BRIDGE's strategic partners. It is a tool that has helped these partners align their efforts without the quarterback's day-to-day coordination. It is noteworthy that the city's HOPE SF initiative and the philanthropically-driven Campaign for HOPE SF have embraced TICB. Based on two early evaluations of TICB, there are encouraging signs that the TICB-driven Healthy Living activities are already showing signs that they increased the level of social cohesion.

The partnership has also made important progress in removing the economic class divide separating North and South Potrero. Residents on both sides of the Hill participate in BRIDGE's Healthy Living activities and participate in the Community Building Group, which provides a forum for monitoring progress and continued dialogue about Potrero Hill's future, and community wide events.

Finally, because of BRIDGE's expansive approach and its disciplined commitment to TICB, it has found new and unlikely partners. For example, the Shanti Project developed a unique volunteer-driven service that provides emotional support and an on-going link to case management services for clients living with chronic diseases. It became most well known during the height of the AIDS crisis. Thus, Shanti operated outside of the orbit of typical program partners delivering services to low-income households. Yet Shanti's peer-support model adhered to a set of principles reflective of trauma informed practices. As Weinstein explained, "You could say that the TICB activities provide a platform for Shanti to engage with residents and that therefore the services Shanti provides are likely to be more effective."

In its work in Potrero Terrace and Annex, BRIDGE has piloted a major paradigm shift in how affordable housing developers conceive of their role, their goals, their partners, and their engagement with the communities in and near the housing development. In the original paradigm, BRIDGE's role was primarily the physical development of affordable housing, with the goal of creating safe, attractive and affordable housings units that meet the needs of the current residents and other individuals qualifying for affordable housing. In the

new paradigm, BRIDGE's community development role includes both physical development and community building, with the goal of both creating safe and attractive affordable housing units as well as deeply engaging long-term residents in and near the public housing in a vibrant community. In its new role, BRIDGE has engaged a wider variety of partners, and engaged them more deeply, than a traditional housing developer would.

This case study was prepared by Carl Sussman of Sussman Associates and John Weiser of BWB Solutions.

Partners in Progress Case Study: CASA

As a member of CASA's staff translated, Lidia Rivas described her bewilderment when she arrived in this country from Guatemala six years ago. "I had no friends or family. A lot of neighbors were afraid to open their doors; afraid the government would take away their kids."

Rivas lives in Langley Park, Maryland, an unincorporated neighborhood on the western edge of Prince George's County just outside the District of Columbia. Between eighty to ninety percent of its 18,000 residents are immigrants, overwhelmingly from Central America, representing over 45 countries and speaking over 25 languages. Almost three of every four residents speak a language other than English at home and more than half of adults living in Langley Park never attended high school.

CASA provides a wide range of services to Langley Park residents. When Rivas, who earned a modest living doing cleaning, began to have "a lot of issues and problems," people suggested she contact CASA. She began to attend CASA's activities on weekends. "I would ask CASA staff questions and they would come and visit." Among other things, CASA worked with Rivas and other tenants to deal with their landlord about his failure to properly maintain the buildings.

CASA is over thirty years old and serves as a leader in addressing difficult and complicated issues, and bringing together community members and public, private and nonprofit partners. It advocates on behalf of, and provided a growing list of services to, a membership of over 68,000 individuals living throughout the state of Maryland. Recently it even established an office in Virginia. And it has become increasingly active as a voice in the national debate about immigration policy.

In November, 2013, CASA was awarded a grant from the Partners in Progress (PIP) Initiative, a national program funded by the Citi Foundation and managed by LIIF. The PIP funding was designed to enable CASA to build a cross-silo collaborative, to work with these partners to develop a shared vision of lasting improvements for the residents of the Langley Park community and, during 2014 to work together to create a plan that combined people- and place-based strategies and identify resources to support the resulting multi-year blueprint.

Langley Park

To really appreciate CASA's approach and strategies, it's important to understand the Langley Park neighborhood. Community development organizations typically serve urban neighborhoods that have grown organically over long periods of time. Their built environments reflect a succession of architectural styles and an intermingling of building types and uses.

Langley Park is different. While it sits within the Capitol Beltway and just three miles

from the District of Columbia, in most respects it is suburban. Residents live in a community of two-, three- and four-story low-rise garden apartment complexes build over just 15 years following World War II. Before being subdivided, the land was part of the 540 acre Langley Park estate. Today, it is like a walled village: an uninterrupted landscape of multifamily apartment buildings, cut off from its surroundings by major arterial roads, the backyards of single family homes, and the blank cinderblock wall of the outward-facing Langley Park Plaza strip mall along the heavily-trafficked intersection of two six-lane state highways, New Hampshire Avenue NE and University Boulevard E.

On a hill at the center of the former estate sits the McCormick-Goodhart Mansion, a Georgian Revival style structure built in 1924. After the owners subdivided and sold-off the land, the mansion became a seminary, then a Montessori school before standing vacant for almost two decades. CASA acquired and renovated the mansion in 2010, establishing it as the organization's new headquarters. It is physically, and in most other respects, the center of the community.

Relocation of its administrative offices and some of its services to the mansion prompted CASA to see itself and the Langley Park community differently. Zorayda Moreira-Smith, CASA's senior manager for place-based initiatives and community development, observed that "our new building has become a community hub." Being in the community "has allowed us to engage in real conversations with residents and physically it has made us an anchor organization." CASA could not address all the community needs. "There were gaps." CASA recognized that the Langley Park community needed a comprehensive place-based approach and that CASA needed partners to supplement its activities. The organization's strategic plan completed a year after the move acknowledged these insights: It describes the Langley Park neighborhood as "the ideal location to create a comprehensive, place-based model of community-based transformation." CASA felt the obligation to serve as an institutional anchor tasked with attracting the resources and partners that could meet those needs. Without using the term, CASA had adopted the framework of being a community development quarterback.

Developing the PIP Collaborative

CASA's work in developing its cross-sector, cross-silo collaborative began well in advance of the PIP grant. Embracing the functions of what is now being referred to as a community development quarterback, CASA marshaled resources and mobilized a group of partners to help prepare an application for the US Department of Education's Promise Neighborhoods program. Promise Neighborhoods' locally-led, community-focused and comprehensive services approach to improving educational outcomes in high-poverty neighborhoods afforded CASA the opportunity to bring partners together around a coherent place-based effort to address the neighborhood's poverty, language barriers, lack of health services, low-performing schools, lack of early education, youth violence and high dropout

rates. This framework began to change CASA's work in Langley Park. "The place-based focus has helped us coordinate our work better," observed George Escobar, CASA's director of health and human services. In addition, he continued, "the reality of Promise Neighborhood is that it has focused us on leveraging existing resources to achieve outcomes."

CASA applied for a Promise Neighborhood planning grant and just days before Christmas 2012 it received word that it was one of ten awardees. Based on two previous Promise Neighborhood funding rounds, CASA assumed only six months to land an implementation grant for the following year.

CASA branded its Promise Neighborhood, SOMOS (Spanish for "we are") Langley Park. To move forward in a way that engaged partners in the planning, built commitment to working together, and reached an agreement on an implementation proposal in six months, SOMOS Langley Park formed a governing steering committee on which every partner sits. They organized four "Design Working Groups" to carry out day-to-day planning and later to implement each strategic initiative. These inter-organizational teams focused on health access; workforce and economic development, housing and community development, and education. One unique structural feature of SOMOS Langley Park's four Design Working Groups is that each has co-chairs – a practitioner from one of the partner organizations with relevant content expertise and a Langley Park resident leader with knowledge of the community.

Engaging Residents

Each PIP grantee has had to adopt a way to engage neighborhood residents in setting the strategic direction, planning and governing the collaborative's work. The co-chair structure naturally occurred in Langley Park because in 2010 CASA became a membership organization. This had been one goal it set for itself when it adopted its previous strategic plan. As part of this transition, CASA also recognized it needed to elicit "authentic voices in leadership," according to Jenny Freedman, the organization's senior director of development and finance. CASA amended its by-laws and set aside four board seats for members of the community. To ensure equal participation, every board meeting includes simultaneous English and Spanish translation. Resident engagement is "core to all our work," according to Moreira-Smith. "That is why we are a membership organization. It is important that Langley Park residents join CASA and have a voice in our work. We don't want our community to think of us as a charity. It is a partnership. We are open to their feedback. From any planning process to service delivery to the board of directors we have community input."

CASA's membership was one of the key resources that it brought to the partnership's work. CASA is first and foremost a grassroots advocacy organization, and membership is a power-building tool. Since becoming a membership organization over 68,000 people have paid the \$25 annual fee to become members. That membership base gives CASA political clout it would not otherwise have.

Membership reflects a strategic shift in the way CASA relates to residents of the community. Today resident engagement is woven into everything the organization does. It is a shift

that surfaces in almost every conversation with the organization's staff. As one senior staff explained, "disrespecting a community member will get you fired right away." When the Urban Institute conducted its Promise Neighborhood needs assessment as part of the planning grant, in addition to quantitative data analysis, its researchers conducted numerous focus groups with residents recruited by trusted members of the community who receive stipends from CASA to serve as outreach workers. When the researchers completed their work CASA organized a "share-back" with the community conducted entirely in Spanish. "We did a data walk," explained the Urban Institute's Molly Scott. "We posted the data on the wall and literally walked around and facilitate a sense-making discussion: 'Are you surprised by this or not? Participation looked low in this month; do you know why?'"

PIP Grant Activities

The Promise Neighborhood planning grant inspired CASA to pull together a cross-silo collaborative. But ironically, one of the biggest challenges CASA faced in its capacity at the very beginning of the PIP grant period was Congress' decision not to fund a third round of Promise Neighborhood implementation grants. Receipt of the planning grant had encouraged many organizations to join the collaborative with CASA. They anticipated that Federal implementation funds, along with matching grants, would generate tens of millions of dollars and the expectation that a broad cross-sector partnership could have a profound impact on conditions in Langley Park and the opportunities available to young children growing up there. Without other resources of that scale, the steering committee seemed less relevant and some partners dropped away to focus on other priorities.

CASA addressed this challenge by postponing further Steering Committee meetings. Instead CASA concentrated its efforts on maintaining the Design Working Groups' momentum. Relying on existing or newly identified resources the Design Working Groups began to implement elements of the SOMOS Langley Park strategy.

For example, the housing and community development team working on the goal of making Langley Park a vibrant neighborhood where families are engaged, took advantage of CASA's community organizing and advocacy to strengthen the Fair Development Coalition. The state of Maryland planned to build a 16-mile light rail line. The Purple Line route would replace the median strip along University Boulevard, which is Langley Park's southwest boundary. CASA favors construction because, among other things, it will improve access to jobs for area residents. However, the transit line will likely raise property values leading to displacement of residents and immigrant-owned small businesses on the south side of University. It also anticipates both positive and negative construction period impacts including safety concerns, employment opportunities and disruptive effects on small businesses. The design team coalesced around the Fair Development Coalition to negotiate a Purple Line Community Compact with state and local government officials. CASA eventually enlisted 40 partners in the campaign. One of the unique assets at CASA's disposal is its membership base – thousands of members of the community who will be directly

impacted by the Purple Line's construction. It organized rallies and workshops for residents and hundreds of them signed a petition. Although CASA was close to an agreement with the state that included a housing trust fund – Maryland's newly elected governor has indicated he wants to scrap the Purple Line. So the battle continues.

Similarly, the education design team continues to work on a new bilingual community high school in Langley Park with comprehensive wrap-around services, such as afterschool programming, that CASA and its partners will deliver. The education design team also supported CASA's application to the US Department of Education's Investing in Innovation Fund (i3). One of the most important findings of the Promise Neighborhood needs assessment is that Langley Park children enter elementary school inadequately prepared. Despite making progress, when they reach middle school Langley Park students encounter a "cliff." The Urban Institute team found high levels of "disconnected youth; not working and 39% not in school." Family economic pressures contribute to the high dropout and low graduation rates. "Because so many parents are undocumented," Urban Institute's Molly Scott explains, "they are not connected to the safety net. They are also transnational, supporting families in both countries. So there is an economic need and pressure for children to become adults...There is an economic rationality to having kids leave school and work." Except, many dropouts cannot find work. CASA sees this as a two generation problem that requires early intervention and greatly improved communications between the schools and parents.

Partnering with the School Department, three elementary schools that serve Langley Park, and the University of Maryland, CASA secured a \$3 million i3 grant for Learning Together (LT). The University of Maryland's School of Education was a new recruit to CASA's design team, and has become a key partner, helping to develop the Learning Together curriculum and working with the Urban Institute to design the evaluation.

In the i3 grant as with the work on the Purple Line, CASA's commitment to community organizing and leadership development pays off. The campaign for the Purple Line Community Compact adopted classic Alinsky-style community organizing. Residents demonstrated their support and confronted public officials at rallies organized by the coalition. In the case of Learning Together, resident engagement is built on the peer-to-peer "promodores" model. As the proposal narrative explains the concept:

Creating a new, trusted, socially-robust scaffolding for the exchange of knowledge is the work of LT's parent-promoters, trained neighbors hired from the community. Public health organizations increasingly use promoter models, which are proving effective in improving health outcomes as well as decreasing costs. Health promoters employ door-to-door outreach in areas of dense residential concentration...to engage residents. As members of the communities they serve, health promoters function as peer educators and are more likely to engage community members in honest discussions about sensitive matters. Although health promoters have been active with children and families for many years, there is little application of neighborhood-based parent promoters. The LT promoter program will be modeled after CASA's highly-successful health promoter program that in 2012 alone provided information to more than 10,000 people.

CASA hired Lidia Rivas, the Langley Park resident and CASA member quoted earlier in this case study, to coordinate Learning Together. The program includes training for parents to help them understand and navigate the school system and training for teachers to improve their communications with Langley Park families.

This approach has succeeded in advancing the SOMOS Langley park vision despite the Promise Neighborhood funding setback. And a year later CASA has regrouped, reconvening the Steering Committee. The progress that was being made by Design Working Groups created energy and excitement. Members experienced the value of having an overall vision and plan for Langley Park, and the Steering Committee is reemerging as the appropriate structure for coordinating the Working Groups' activities.

Working To Build Quarterback Capacity

Implementing a comprehensive people- and place-based approach created new challenges, in particular the need to reorient CASA's data management system. "The membership database has been used to enroll individuals coming for a particular service – a singular reason – a campaign, a legal service," Escobar explains. "It is quick. We are focused on immediate needs." Now, however, with SOMOS Langley Park CASA is interested in information about families, not just individuals, across services and campaigns. So it has designed a registration process that captures far more information about a family's circumstances and how members of the household interact with various CASA and partner programs. Learning Together parent-promoters are equipped with tablets. They create a record of every contact they have with a family. According to Freeman these data along with registration information "allows us to ask, 'How can we improve the circumstances of the family unit regardless of status, rather than focusing on individuals?'"

It also created demands on administrative staff. CASA has a two person technical support staff who maintain the organization's computer infrastructure and troubleshoot user problems. In order to meet the increased need for data and reporting across the collaborative, CASA hired its first data manager.

Another challenge faced in managing a cross-silo collaborative is the cost associated with the community quarterback role. On the surface, nonprofit finance looks simple: You conceive a program and search for funders who will underwrite it, at least for a year or two. In reality, it is a complicated jigsaw puzzle of matching sources with uses. To assemble the resources to fund its \$7.5 million operating budget CASA relies upon 150 to 200 funders, according to Freeman. This includes several large government-funded contracts. Jigsaw puzzle pieces are not interchangeable. The public sector sources place tight restrictions on overhead costs, limiting the nonprofits ability to generate unrestricted funds for new initiatives. Most foundation grants restrict the application of money to specific activities, too. It isn't easy to squeeze out of the resulting budget money to perform as a quarterback. CASA's development director explains that foundations operate in silos, just as their grantees usually

do. “Yes,” she continued, “funders might respond that they like the comprehensive framework, ‘but we’re a health funder.’” Consequently, raising funds for the costs that are specific to the quarterback role – coordinating the collaborative activities, collecting and analyzing data, and communicating about the collaborative to the public and funders – is quite challenging. After all, Moreira-Smith noted, “Real collaboration takes real time.” The Promise Neighborhood planning grant helped with these costs initially. But when that ended, the PIP grant was critically important in funding those costs and enabling the collaborative to move forward.

CASA’s experience highlights a number of potential insights about taking on the role of a community quarterback and building a cross-sector, cross-silo collaborative:

Nimbleness in the face of changing realities

It is tempting to think of the process of building a collaborative as smoothly transitioning through recognizable stages, from identifying the partners, to building trust and commitment, creating a shared vision, etc. But CASA’s experience shows the need for nimbleness and perseverance as realities shift. By the time the PIP grant award arrived at CASA, it was apparent that the federal Promise Neighborhood implementation grant NOFA would never be issued. This was a significant setback. Without hope for a well-resourced federal grant, as noted earlier, some of those who had been attending steering committee meetings refocused attention on their own individual organizational priorities. With PIP’s support, CASA was able to maintain the attention of key partners on near-term, achievable goals. Despite the waning engagement of some of the original partners, new ones have signed on. And now, fortified with fresh recruits, the Steering Committee is reconvening.

Need for increased capacity

Even for organizations with the high level of capacity that CASA has, taking on the quarterback role creates new demands, which require building additional capacity. For CASA, this meant both having to build out the functionality of its core database, as well as adding its first data manager.

Complexity of funding the quarterback role

While many funders encourage nonprofits to collaborate, there is often not a clear understanding of the extra work it involves, nor a willingness to fund it directly. The Citi Foundation’s leadership in providing funding dedicated to supporting the QB role can provide an example to other funders of both the need for, and the benefit of, providing the “glue money” that enables cross-sector, cross-silo organizations to achieve meaningful results.

CASA’s experience also provides evidence of how and why organizations working together in the community QB model have the promise of achieving more than if they all worked independently in separate silos.

Resident engagement + cross-sector collaboratives

All the PIP grantees have sought to engage community residents. CASA is the only membership organization among the PIP cohort. One of the striking themes that emerges in CASA's PIP project is the power of its 68,000 members when combined with the activities of a cross-sector cross-silo collaborative.

Funding

While the challenge of raising sufficient QB funding persists, it is worth noting that CASA's membership generates several hundred thousand dollars a year in unrestricted income. While there are many competing internal claims on those funds, CASA demonstrates that organizations, even those serving very low-income constituencies, can generate revenue from the communities they serve and need not be entirely dependent on public sector contracts and philanthropic grants.

Purple Line Compact

The SOMOS Langley Park collaboration was critical to making the progress to date in advancing the Purple Compact. But being able to mobilize thousands of residents to rally behind the Purple Compact cause gave this effort far more influence in negotiations with governmental bodies.

\$3 million i3 grant for Learning Together

CASA's commitment to community organizing and leadership development enabled the collaborative to put forward a peer-to-peer "promodores" model, which was a key element in the successful grant application.

This case study was prepared by Carl Sussman of Sussman Associates and John Weiser of BWB Solutions.

Partners In Progress Case Study: Community Solutions

In November, 2013, Community Solutions was awarded a grant from the Partners in Progress (PIP) Initiative, a national program funded by the Citi Foundation and managed by the Low Income Investment Fund. This grant funded Community Solutions's work in Brownsville, a deeply distressed neighborhood located almost seven miles Southeast of the Brooklyn Bridge; far enough from Manhattan to be untouched by the tidal wave of gentrification that has swept across the East River driving up rents and displacing low-income residents in neighborhoods closer to Manhattan.

An article in the *New York Times Magazine* described Brownsville as “one of New York’s poorest neighborhoods, with nearly 40 percent of people living below the poverty line. It has been that way for decades, even as lawmakers tried one anti-poverty program after another.” The article continues:

Nearly half of those 16 and older are not in the labor force; thousands more are looking for work and unable to find it. A steady barrage of violence punctuates their idle hours. There were 72 shootings last year and 15 murders — in an area spanning about two square miles that many people never leave.

The neighborhood’s most distinctive physical feature is the number of public housing projects. There are eighteen, the highest concentration in the nation according to a 2012 article and photo essay on *Time* magazine’s website. In other respects, it looks and feels characteristically like other un-gentrified New York neighborhoods with ground floor commercial activity along the busier thoroughfares but without the pricey boutiques and high-end retail chains found in more prosperous Brooklyn enclaves.

Creative Problem-Solving: The Road to Brownsville

Indeed, Community Solutions selected Brownsville as the site of its first neighborhood initiative – the Brownsville Partnership – because of these extraordinary challenges. To understand the most novel and intriguing aspects of the Brownsville Partnership, the story needs to start twenty years ago as the growing problem of homelessness became evident on the streets of many cities. Just a few years earlier the growing urgency prompted Congress to enact the McKinney Homeless Assistance Act. Community Solutions’ roots are in the movement to end chronic street homelessness, and the McKinney Act provided new support and impetus for action. The organization grew out of Common Ground, a pioneering nonprofit founded by Roseanne Haggerty. In 1993 that organization gained prominence when it acquired the Times Square Hotel, a dangerous and financially troubled property in a notoriously seedy section of Midtown, and converted it into 652 apartments, including many supported housing units for the homeless.

The goal was to get people off the streets, out of the shelters and into permanent affordable housing. The expectation was that a project of this scale would have a visible impact on the homelessness problem in the twenty blocks around Times Square. Haggerty and her staff were surprised that the homeless population in the Times Square area remained persistently high. This started the organization on a journey into the phenomenon of homelessness and ultimately into what arguably became Community Solution's core competency: its distinctive approach to solving complex social challenges.

To figure out why their efforts were not having greater impact Common Ground created its Street-to-Home team to reach out to and get to know people living on the street. According to one of its publications:

We learned quickly in our conversations...with homeless individuals that the greatest stumbling block to individuals ending their homelessness was the dizzying complexity of the programs existing to assist them. The rules, requirements, and separate operating spheres of public and not-for-profit programs highlighted a reality that was seldom acknowledged: no coherent process existed to assist vulnerable people in resolving multi-dimensional problems.

Community Solutions also encountered this pattern of systemic dysfunction in subsequent projects, including Brownsville. Understanding this pattern helped explain the frustratingly intractable character of other intractable social problems: They are caused by bewilderingly complex circumstances to begin with and do not yield to disjointed responses from a labyrinth of organizations and agencies operating in their insular orbits. In other words, the only way to untie the Gordian knot of failed interventions was to elicit from the people affected by the problem insight into the challenges they face – what Community Solutions calls their “user driven design process” – and to use that knowledge to craft highly targeted and integrated strategies. This approach to problem solving became one of Common Ground's legacy contributions to Community Solutions.

Community Solutions tests the ideas it derives from this user-driven design process by launching small scale pilot efforts. It subjects these prototypes to frequent, on-going and rigorous evaluation to figure out what works. To continue to evolve its approach to problem-solving, Common Ground formed an innovations team headed-up by the Streets-to-Home director; a step that foreshadowed a strategic fork in the organization's path. By this time Common Ground had become an efficient developer and manager of supportive housing in and around Manhattan. The decision was made to separate these business lines. It spun-off the innovations team's portfolio into a new organization – Community Solutions – with Haggerty as its president. It would apply and scale the problem-solving techniques Common Ground had used so successfully. As a separate organization the innovations team would be freer to expand its geographic scope and explore initiatives to prevent homelessness and persistent poverty. The reorganization allowed Common Ground to concentrate on developing and managing supported housing.

The recently completed 100,000 Homes Campaign was Community Solutions' tour de force demonstration of its methodology. A team of Community Solutions' employees coordinated public-private partnerships in hundreds of communities across the country to find permanent housing for the most vulnerable homeless individuals. It not only declared its startlingly ambitious numerical goal, it was time-bound: Four years. *New York Times* OpEd writer David Bornstein described the campaign as "the human welfare equivalent of the race to put a man on the moon," and asked, "Was it achievable?" Ultimately it was. But it did not look that way for a while.

"When you looked at the data," Andrew Haupt, Community Solutions' senior director for operations, admitted, "it was only going to be a 30,000 homes campaign unless something was different." The 100,000 Homes Campaign staff members had read about the Rapid Results Institute, a nonprofit that works in developing countries on intractable problems, and, as its name suggests, achieves results in short periods of time. Working as partners, the two organizations together built a hybrid methodology that combined the best insights of each organization into a strategy that would move the needle on homelessness. This hybrid methodology enabled the campaign to achieve its goal and would become pivotal to the Brownsville Partnership's approach to the neighborhood's persistent poverty.

The Institute's approach to large-scale change begins with an unreasonable goal, a small and tightly focused cross-sector team and an unrealistic 100-day completion date. Community Solutions has repeatedly demonstrated that when the goal is important, the participants are able to track it in real time, and the teams are motivated and properly coached, they are able to gain a comprehensive understanding of all the factors that create obstacles. That enables them to rapidly develop and test ways to overcome obstacles and achieve the goal. In the process, the participants develop the know-how and confidence to do the same at a far larger scale.

Putting Down Stakes in Brownsville

Although building robust cross-sector partnerships may require extra time and commitment, they are crucial to fulfilling the community quarterback role and dramatically improved community development outcomes. So Citi Foundation selected grantees like Community Solutions that embody characteristics of a community quarterback. The PIP grant and peer learning community enabled Community Solutions and the other PIP grantees to accelerate the partnership development process and test the assumption that community quarterbacks could overcome the limitations of traditional community development practices. In Community Solutions' case, it is possible to track that trajectory back to Common Ground's effort to house homeless individuals in Times Square. Each twist and turn in its evolution built organizational capabilities to serve as an effective community quarterback.

Even before its metamorphosis into Community Solutions the innovation team began to see its work with the Times Square homelessness population as part of a process of neighborhood transformation. This inspired the team to explore opportunities to re-imagine its

future course. A funder concerned with the growing problem of family homelessness created an opening to attack this crisis in a neighborhood context. Sifting through data on families entering the homeless system in New York City, “one place glowed bright red,” Haupt explained: “The two Brownsville zip codes.” That placed the Brownsville in Community Solution’s sweet spot. “We begin with the places and people in the most extreme distress,” one of its publications explains. Getting to know people and their circumstances exposes the systemic failures that thwart well-intentioned efforts to ameliorate social problems. . The extreme outliers “reveal most clearly the failures of existing systems,” the Community Solutions document concludes.

Thus the first step in Brownsville involved outreach to neighborhood residents to better understand the community and the challenges that contribute to family homelessness. This was not easy. There is a great deal of distrust of organizations promising change. “It is a community cast aside so many times,” Rasmia “Ras” Kirmani-Frye, Director of the Brownsville Partnership at the time, observes. “No one believes anything can change and that organizations promising to do so are there to take advantage of them.”

The organization launched HomeLink, an intervention program to prevent evictions. As it built its relationship with families struggling to stay housed in Brownsville, Community Solutions discovered a complicated confluence of circumstances drive a family’s downward spiral toward homelessness. A scarcity of resources and nonprofit human services organizations in the neighborhood compounded the challenge of preserving tenancies. To address this, as early as 2009, Community Solutions started to approach high performing organizations in New York with an offer that must have seemed easy to refuse: Create a presence in Brownsville; raise whatever funding you need to service neighborhood residents, and commit to work collaboratively. On the other hand, to these organizational recruits, the need was manifest, as was Community Solution’s commitment to drive change. The resulting alliances matured and became the Brownsville Partnership.

The Brownsville Partnership developed over multiple years. SCO Family of Services joined the partnership and over five years launched eight early childhood and family programs in Brownsville. The Center for Court Innovation, an organization sponsoring alternatives to incarceration, joined. So did a leadership training program: East Brooklyn Congregations. Over time, many more joined. Describing this relationship-building process Kirmani-Frye resorts to a dating metaphor. With some prospective collaborators, it was a long slow courtship, gradually getting to know and feel comfortable with each other. In other cases, the chemistry was immediate.

5,000 Jobs Campaign

The Partnership’s mission to make Brownsville a safer, healthier, more prosperous neighborhood advanced on many fronts over the past five years. During this period, a consensus viewpoint among residents and partners began to crystallize: If Brownsville could overcome its residents’ pervasive disengagement from the workforce, it would have a positive spillover

effect and drive a lot of other positive change in the neighborhood.

Low labor force participation rate is a complicated problem. “The concentration of generational poverty impedes creating inroads into a workforce development system,” Kirmani-Frye observed. “For most of us, we find jobs through our networks. That kind of networking doesn’t exist in Brownsville. We need to build a network to the outside. There are not a lot of jobs in Brownsville. That is a barrier. What the New York City economy needs is not always the same as what Brownsville residents have to offer. That is a skills barrier.”

She cited two additional and more elusive barriers: First, “What is missing in the workforce is a culture of work. Most people don’t see their neighbors getting up and going to work.” Second, Kirmani-Frye asks, “Why is it that in so many...people have a hard time leaving the community for training or to work? What would crack that open?” By way of explanation, Kirmani-Frye describes Brownsville as “urban in its density and rural in its disconnectedness. We need to connect Brownsville to the mainstream networks.”

This understanding framed the PIP grant proposal from Community Solutions. Community Solutions had many partners at the table who had committed in-kind resources. The partners had already agreed on a bold outcome – 5,000 jobs for community residents in four years. But what was missing was the funding required for the Community Solutions staff person who would coordinate, motivate, advise and celebrate the teams as they worked on piloting, prototyping, and scaling the innovative solutions that would enable them to reach the goal of 5,000 jobs.

With the PIP grant in hand, the partners turned to focus on the details of the workforce development system, which was not working for Brownsville. In New York City workforce development is a function of the Department of Small Business Services. It has established Workforce1 Career Centers throughout the city. “We learned that Brownsville is the second highest user of workforce services in the city,” Kirmani-Frye explained. “This indicates that people are very motivated to work.” On the other hand, citywide one in four Workforce1 users land a job whereas only one in six Brownsville users do so. The Partnership plans to track that statistic to see if the campaign shrinks that disparity.

As the campaign planning proceeded, the Partnership continued to recruit new partners and solicit commitments of time and talent. The City’s Department of Small Business Services was among the new partners signing-on to work on the 5,000 Jobs Campaign. “Huge” is the way Kirmani-Frye described that agency’s decision to join the effort. Moreover, the department’s deputy commissioner for workforce development, Jacqueline Mallon, volunteered to personally participate. This ensured the campaign’s ability to tap the department’s expertise; gain access to its data, and learn about training and employment opportunities.

Community Solutions agile problem-solving approach involves careful, but not prolonged, planning. Most of the planning went into designing and launching the first phase of the campaign: a 100-day prototyping process. The benefits of the “just do it” approach are three fold. First, using resources that exist within the partnership, it is possible to generate outcomes quickly, thus building the confidence in the partnership’s capacity to achieve its long term

goal. Second, urgency to achieve 100-day goals, forces the team to innovate. When the implementation teams encounter barriers, there is too little time to work through a bureaucratic chain of command; they need to rely on their own wits to invent a better solution. Finally, members of the partnership learn how to work together to achieve results. This is what the Rapid Results Institute calls “implementation capacity – the ability to make the hundreds or thousands of changes at the grassroots level that must occur for large-scale change to succeed.”¹

Community Solutions formed a design team to plan the 100-day prototyping phase culminating in a two-day “boot camp.” The boot camp introduced the Brownsville partners to the 100-day exercise. Participants were divided into three teams of 8 to 9 people culled from partner organizations and neighborhood residents. Each team had responsibility for one of the 16-story buildings at Tilden Houses – a 998-unit public housing development. The teams chose one member to serve as its leader, a day for their weekly meetings, a name – Job Mob, Success Express and DO-Mont (named after Tilden Houses Dumont Avenue address) – and set its own 100-day goal for job placements and number of residents providing employment-related information for the campaign’s jobs database. Together they committed to 175 jobs and 400 database entries.

In addition to weekly reports of progress, they scheduled a full-day review with the members of all three teams after 30, 60 and 100 days. With the 100-day review fast approaching, it is clear the three teams will fall short of their numeric goals. Yet the three teams do not seem to be deflated by that. “We have created a culture where people do not perceive failure as failure but an opportunity to learn,” Kirmani-Frye reports. “Our focus is on learning. Maybe we picked the wrong number. Maybe if we had done x instead of y. Without the emphasis on learning, we would feel defeated but the point is to figure out how to be successful.” She then gave some examples of how the process has worked.

“When we started we were all about outreach,” trying to bring residents and employers together. “We did not know what we could provide to these people or employers beyond bringing them together.” However, without a resume in hand and without interview preparation, residents were not being offered jobs. That led to another innovation. The Center for Court Innovation, one of the partners, has a computer lab. “We got Workforce1” to staff the computer center twice a week with people who are able to coach candidates and prepare them to meet with employers. The next time the teams hosted a recruitment event in the neighborhood for Dollar Tree, a retailer, “thirty residents showed up and nineteen had jobs within 24 hours.” This is precisely the point of prototyping according to Kirmani-Frye: “We don’t have to wait until we have the perfect model.”

The iterative problem-solving that characterizes the prototyping process enables the partners to figure out what they need to do to achieve their goal and how to get better at it. The 100-day exercise generates an urgency and visibility. In such a high stakes environment

1 Schaffer, R.H. & Ashkenas, R.N. (2005). *Rapid Results!: How 100-Day Projects Build the Capacity for Large-Scale Change*. Jossey-Bass: San Francisco, CA. p. 1.

with clearly defined success or failure, the teams become intensely engaged. This produces a collaborative working relationship that encourages creativity. And in fact one of the striking developments Kirmani-Frye points to is the evolution between the 30- and 60-day reviews. At the first review, people were still a bit tentative. Thirty days later, the team participants were highly engaged, solutions were being developed and tested, and “everyone was swimming in the same direction.” This bodes well for the partnership’s success.

Community Solution’s experience highlights a number of potential insights about the role of a community QB and building a cross-sector, cross-silo collaborative:

Bold, time-limited goals

Community Solutions’ experience in the 100,000 Homes Campaign, followed by the 5,000 Jobs Campaign, shows the galvanizing effect that a bold goal with a clear timeframe and easily understood metrics can have. This bold goal has helped to attract attention, energy and resources at the scale that a more modest approach would have had a hard time achieving.

Achieving the intense focus on a single outcome takes time

While the numeric goal was the product of Rapid Results’ specific methodology, the focus on employment is the product of time and shared effort. For Community Solutions, and many other PIP grantees, the PIP collaborative relationships and shared focus grew out of a history of work in the community. The Brownsville Partnership’s work over five years provided the time for trust to develop and a consensus viewpoint on jobs to emerge. If the Brownsville Partnership hadn’t had the time to engage the residents and stakeholders deeply, and hadn’t been able to establish itself as a trustworthy partner, coming to such a sharply defined goal would have been much more difficult.

The power of concentrated energy

Like a hurricane passing over warm water, the Brownsville Partnership, and especially the 5,000 jobs campaign, attracted energy and resources. The Jobs Campaign intensified the collaborative relationships previously formed and, attracting new partners, most notably the city’s Department of Small Business Services. In short, concentrated effort generates its own momentum.

Focus on results

Organizations working within the constraints of their own silos often overlook the many ways in which their mission intersects with other organizations operating in other spheres. However, as the 5,000 Jobs Campaign demonstrates, when they come together without those restrictions, success becomes more likely. Indeed, when the problem is a dysfunctional system, like the employment system, the only way to have impact is to see and address the totality of the system. That’s what this partnership is doing.

This case study was prepared by Carl Sussman of Sussman Associates and John Weiser of BWB Solutions.

Partners in Progress Case Study: East Bay Asian Local Development Corporation

An April morning in Oakland, California, is reliably sunny. In a conference room in the East Bay Asian Local Development Corporation's (EBALDC) newly redeveloped office building, representatives from eight organizations gather for a full-day retreat of the nascent San Pablo Area Revitalization Collaborative. EBALDC's two-story office building anchors the southern end of that corridor. The San Pablo Hotel, a 144-unit single-room occupancy residence for seniors, sits on the next block. It is just one of the twenty-one affordable multi-family residential buildings EBALDC has developed over its 40 year history. Many of the properties it owns and manages are historic structures in what were disinvested neighborhoods at the time that the developments were built.

The Neighborhood

The San Pablo Hotel stands in stark contrast to most of the real estate along the 1.5 mile West Oakland segment of San Pablo Avenue – a major north-south thoroughfare that extends north through six San Francisco Bay Area communities. This West Oakland stretch of the road is defined by an overpass carrying Interstate 580 to the north and another carrying Interstate 980 to the south. To the North of the 580 lies the economically prosperous city of Emeryville and, downtown Oakland, which is on the cusp of a wave of gentrification, sits on the South side of the 980. EBALDC has focused on the stretch of road sandwiched between those two freeway overpasses – the San Pablo Corridor – because it is the severely distressed spine of West Oakland's McClymonds and Hoover neighborhoods.

EBALDC has been active at both ends of that corridor. Its most recent project was another former hotel, the California Hotel, at the northern most end of the corridor adjacent to the I-580 overpass. EBALDC's purchase and redevelopment of the California Hotel provides an example of a project that includes an innovative cross-sector partnership that presaged its PIP-funded activities.

The California Hotel is an architectural landmark. Its history traces the neighborhood's trajectory. It was once "a beacon for African-American travelers who experienced discrimination elsewhere" according to the *Contra Costa Times*. In its heyday James Brown, Ray Charles, Billie Holiday, Sly Stone, Aretha Franklin and Big Mama Thornton performed there. In the 1970s, however, after the blighting effects of the elevated 580 freeway construction just yards from the hotel, the building fell into disrepair. It became subsidized housing in the 1980s before finally being foreclosed and placed under court-ordered trusteeship. At that point the building housed very-low income and formerly homeless residents, many with chronic physical and mental illnesses. The prospect of homelessness and displacement led residents

to organize and institutions to mobilize to save the building and its tenants.

EBALDC raised \$43 million in financing to completely rehabilitate the building, creating 137 units of mostly studio apartments, thirty-four of which are set-aside for people with special needs. To operate successfully, EBALDC recognized the need for supportive services. Before proceeding with the project, EBALDC partnered with Alameda County Behavioral Health Services (ACBHS) and LifeLong Medical Care, a community-based Federally Qualified Health Center with sites throughout the East Bay, to provide on-site support services to residents. Through innovative financing, EBALDC and its partners fashioned a mechanism to supplement the resources that ACBHS and LifeLong Medical Care had to provide services on site. EBALDC also worked with a food justice organization, People's Grocery, to support a community garden that it had started on the site.

EBALDC also realized a change in strategy was necessary. Like many other community developers, EBALDC reflected on decades successfully developing affordable homes for 4,000 low-income people and, despite their expanding portfolio of resident services and other programs to improve the quality of life in distressed East Bay neighborhoods, these communities remained centers of concentrated poverty. The persistence of neighborhood poverty demanded more comprehensive strategies.

The Social Determinants of Health Framework

As EBALDC was considering the need for change, the media ran stories linking the geographic concentration of chronic health problems to economic inequality, social conditions and other larger social forces. This “social determinants of health” framework is evident in “Shortened Lives”: a remarkable five-part series of in-depth reports published in 2010 in the *Oakland Tribune* based on Alameda County Public Health Department research. The first installment compared two middle-aged Alameda county residents: one living on a tree-lined street in ZIP code 94597, where life expectancy is 87.4 years – well above the 78.4 average for California men – and the other living in West Oakland’s 94603 ZIP code. Life expectancy in West Oakland plunges to 71.2 years. The county’s data corroborates a significant body of research showing that where you grow-up and live has an overwhelming effect on your health and life expectancy. The poverty, crime, lack of services, and other characteristics of chronically distressed low-income neighborhoods like West Oakland’s 94603, contribute to a range of chronic health problems and shortened lives.

Having developed deep roots and relationships in these neighborhoods over many decades, EBALDC was primed for the social determinants of health framework. The organization embraced this comprehensive neighborhood health perspective and, in the process, transformed its approach to community development. The phrase “social determinants of health” appears in EBALDC’s successful 2011 grant proposal to nurture an age-friendly community along San Pablo Avenue. The evolution was completed with the organization’s strategic plan for 2013-2016: *Health Begins in the Neighborhoods Where We Live, Learn,*

Work and Play. The document makes it explicit:

... We have woven years of experience, programs and projects into a comprehensive “Healthy Neighborhoods” approach, organized around the interconnected social, environmental and economic factors that determine the length and quality of an individual’s life. We are shifting our focus from individual properties and programs to comprehensive solutions that improve the health and wealth of neighborhoods...

Building the Collaborative

In November, 2013, EBALDC was awarded a grant from the Partners in Progress (PIP) initiative, a national program funded by the Citi Foundation and managed by LIIF. These grants were made to organizations that LIIF and the Federal Reserve Bank of San Francisco described as community development “quarterbacks” in their book of essays, *Investing in What Works for America’s Communities*. The PIP grant provided the wherewithal to pull EBALDC’s new strategic vision from the printed page and to embark on the time-consuming process of building the cross-sector, cross-silo collaborative in the San Pablo Avenue Corridor.

During the months preceding this April retreat, EBALDC’s executive director, Joshua Simon, and chief operating officer, Charise Fong, worked to build interest in the San Pablo Area Revitalization Collaborative. They met individually with various organizations and agencies serving the neighborhood to explore their interest in developing a collaborative neighborhood improvement strategy. A few of these meetings were with established partners, like LifeLong Medical Care. But many were casual organizational acquaintances. Among the organizations which made preliminary commitments to the effort and attended the retreat were:

- LifeLong Medical Care;
- Saint Mary’s Center, a faith-based organization that serves homeless seniors and runs a preschool at its building on San Pablo;
- People’s Grocery, a spirited organization working to improve equity and access in the food system, including operating a community garden on the California Hotel property and programming for its residents;
- Alameda County Public Health Department, which conducted the health disparities research reported by the *Oakland Tribune*;
- East Bay Housing Organization, which conducts grassroots campaigns to expand the supply of affordable housing;
- City of Oakland’s planning department, which had recently prepared the West Oakland Specific Plan outlining the city’s vision for redeveloping vacant land in the neighborhood; and
- The Federal Reserve Bank of San Francisco, which has been a national convener and thought leader on how community development and health fields can work together.

In subsequent months two residents of the neighborhood and another community

based organization, Healthy Communities, joined the collaborative. Each partner shared the primary statistical data sources they use to inform their work. Through this process, Life-long Medical Care introduced EBALDC to Sutter Health, a nonprofit healthcare network that operates the nearby Alta Bates Summit Medical Center, which serves many residents of West Oakland. “We are really impressed with the work and the methods EBALDC is using,” according to Mindy Landmark, Sutter’s regional lead for community benefits. “They are thoughtful, open to learn and to feedback.” In December Sutter joined on as a partner and sent a \$25,000 check, its “initial community benefits contribution.” Additionally it offered support to access Sutter’s data and evaluation resources.

The Partners in Progress (PIP) grant also enabled EBALDC to add a critical new role for its healthy neighborhoods approach. EBALDC hired Romi Hall as its Healthy Neighborhoods Manager to coordinate its San Pablo Area Revitalization Collaborative work. As the participants filtered into the April retreat, they found the conference room lined with “heat maps” displaying the education, crime, business investment, transportation, and other indicators of community well-being in West Oakland compared with the city as a whole. Handwritten signs under each map highlighted one or more of the disparities: 15 percent unemployment in West Oakland compared to 7 percent; five times more likely to be locked up as a youth for overwhelmingly nonviolent offenses, etc. EBALDC created the maps for two reasons: It wanted to provide a compelling illustration of the social determinants of health framework, and, from the outset, it wanted to nurture a culture that values data as a programmatic driver. Seeing all of the data together in one room painted a more complete view of the neighborhood stressors and assets.

The Quarterback Role

The process of assembling its team of partner organizations and planning the retreat surfaced some of the organizational challenges inherent to serving as a community development quarterback. Charise Fong, EBALDC’s COO, reflected on the delicate inter-organizational dynamics:

One of the things we initially struggled with was to define what the quarterback role actually consists of. There are lots of roles in exercising leadership. Some partners told us, “We are glad you want to take this on.” But it is a tricky dynamic in leading and facilitating a collaborative, which is one of the reasons we brought on a consultant as a neutral facilitator. We are still the convening organization. So we have been very aware about stepping carefully around those roles. We hold the backbone role now, but other groups may play that role in the future. What matters to us is that the work gets done and the outcomes are being achieved.

An influential series of articles published in the Stanford Social Innovation Review on “collective impact” describes a “backbone” organization as one of the five conditions for successful cross-sector partnerships. The backbone supplies much of the management,

facilitation, coordination and data collection and analysis required to adequately support these partnerships. The articles depict the backbone as the back office or infrastructure collaborators needed to operate smoothly, share data and coordinate activities. Fong recognized how different EBALDC's role was at this formative mobilization stage. The kind of leadership competencies EBALDC was drawing upon to assemble partners and forge a shared agenda at the beginning of the project may not be the ones the San Pablo Area Revitalization Collaborative will need in the future.

In its capacity as the quarterback EBALDC sensed the delicate inter-organizational dynamics at play among a group of such diverse organizations and institutions that have never before tried to achieve the envisioned level of integration: The neutrality essential to effective facilitation of retreat and other partnership meetings potentially conflicted with EBALDC's organizational self-interests as a participating partner. So, at the recommendation of a colleague at the Federal Reserve Bank of San Francisco, EBALDC hired Marian Urquilla as a consultant and facilitator. Urquilla directed a family support collaborative in Washington, DC for 12 years and had most recently finished a four year stint as director of program strategies for Living Cities, helping to oversee its Integration Initiative, which supported an early cohort of cross-sector community development collaboratives. Thus, in addition to her skilled group facilitation at the April retreat and subsequent meetings and retreats, Urquilla had the experiential wisdom necessary to guide the retreat participants through the process and address any content ambiguities that accompany early collaborative meetings. She also served as a coach as EBALDC navigated the unfamiliar terrain of serving as quarterback to a broad and aligned collaborative.

Use of Retreats To Build Alignment

The retreat involved both a focus on the human alchemy of building and strengthening personal relationships among organizational staff unfamiliar with each other and also a focus on a structured process of building agreements about how to work collectively and how to construct a shared and holistic strategy out of the chaotic conditions depicted in the heat maps arrayed around them. The participants agreed to constitute themselves as the steering committee with the expectation that other organizations would be identified in the future and gradually added to the collaboration. They agreed to meet monthly. And they grappled with an issue that was not on the formal agenda: How to engage residents in the planning? They observed that West Oakland residents had grown cynical about a succession of ambitious initiatives that later achieved little if anything. This history, the legacy of racism and disinvestment in the neighborhood and the increasing threat of gentrification and displacement made it imperative that residents be partners in the development of the collaborative's action plan. It was less clear how to achieve this. Who could speak for the neighborhood? How would they prevent resident participation from disintegrating into factional disagreements? Was it fair for those seated around the table to be paid for their participation while residents were unlikely to be?

They agreed to add four residents to the steering committee; two now and two more over time. They formed an ad hoc committee to propose a process for identifying, recruiting, orienting and supporting resident members of the steering committee. Acting on that committee's advice, at a subsequent meeting they agreed to pay residents \$17 an hour, the living wage rate for Alameda County, for their preparation and participation in meetings and to cover any related child care and transportation expenses they might incur. By September, when the San Pablo Area Revitalization Collaborative held its second all-day retreat, two residents had been selected and were in attendance.

During the second half of the April retreat Tejal Shah, another member of EBALDC's staff, led an exercise exploring the social determinants of health framework. Participants settled on four key determinants: affordable housing, public safety, economic development and health and wellness. These struck the participants as the most salient issues for the neighborhood based on a review of neighborhood data and initial input from longtime residents during a senior summit meeting in 2013. During subsequent meetings and the September retreat the collaborative fleshed out a theory of change. They called it the San Pablo Area Revitalization Collaborative Health Resiliency Model. Their embrace of "resiliency" reflects the partners' growing sense of the larger economic and political forces continuously buffeting the neighborhood and the health and wellbeing of its residents. Successful community development builds a neighborhood's internal capacity to cope with on-going change and adversity.

A few weeks after the retreat, EBALDC began the process of engaging residents. At a community event they set up a photo booth. Residents gathered around the booth and completed surveys while EBALDC staff took pictures of them holding signs on which they had written their hopes and dreams for the community. Reflecting back on the day, Romi Hall said:

Let me just say, it was a hit! We met a lot of people that day. Sixty-six folks completed surveys. More than 300 pictures were taken and the community members really appreciated the simple questionnaire, asking them about their hopes and dreams, and getting a free picture. I'd actually like to build out this strategy next year and host a photo booth at other community events. It was such a win!

Most gratifying, the surveys echoed the four priorities that emerged from the April retreat – health and wellness, safety and community, housing affordability, and jobs and income. During the next five months, working groups met to explore these four priorities. The working groups reported back to the steering committee at SPC Collaborative's second all-day retreat. At the end of the day Urquilla, the facilitator, assigned one of the priorities to each corner of the room. She asked the participants to physically move to the corner he or she believed the collaborative would be most able to impact. With the exception of three people, everyone found themselves in the health and wellness corner. The exercise provided a surprisingly clear dramatization of how partners' thinking had

coalesced around a shared neighborhood health framework. The partners left the retreat resolved to treat health and wellness as the leading edge of their collective work.

As noted in the summary of their plans, the Steering Committee has adopted core strategies for 2015-2017 that integrate the collaborative's efforts across silos. Like the partnership between EBALDC and Lifelong at the California Hotel, these strategies bring together collaborative members in innovative ways that leverage the strengths and resources of each for better outcomes. For example, research has shown that combining affordable housing plus on-site health services can help to improve the quality of life and reduce public sector health costs, particularly for populations that are in poor health and are homeless. The partners are now engaged in discovering and implementing similar strategies across their silos.

This outcome also demonstrates the role a quarterback organization can play when it has the time and resources to support the partnership formation process. Monthly meetings and check-ins have enabled partner organizations to build the trust, organizational commitment and momentum to implement the core strategies described in SPC's resiliency model represent proof that the quarterback approach works. Equally important EBALDC has been changed by the process. Its community development approach reflects its own transition from a primary focus on real estate to serving as the quarterback for a multidisciplinary people- and place-based agenda where progress is measured by the collaborative's ability to reduce the neighborhood stressors which result in health disparities.

EBALDC's experience highlights some of the initial insights about the community quarterback's role and the process of building a cross-sector, cross-silo collaborative:

Building commitment and trust

For collaboratives to be effective in integrating people- and place-base strategies, they need to bring together organizations that often have little or no experience with each other. The process of building trust and commitment takes time and face-to-face engagement. This includes both initial one-on-one meetings and group retreats, in this case led by a neutral and seasoned facilitator.

Quarterback vs. backbone

The literature on collective impact describes the backbone organization as essential infrastructure for the collaborative. But the QB's role in building the collaborative highlights a qualitatively different role. A QB needs to be entrepreneurial and proactive in identifying potential partners, establishing trust, building commitment, and forging a shared agreement on the key focus for the collaborative's work. This goes well beyond the backbone's function as the infrastructure and logistics to support the collaborative's coordination, decision-making, implementation and reporting.

Data used for understanding and decision-making

Presenting data in a clear, graphic form helps prospective partners reach a common understanding of the challenges and the forces driving those challenges. EBALDC used heat maps and other infographics to foster a culture of using data to inform action.

The grantee's experience also provides promising indications that the community quarterback-driven model for the San Pablo Area Revitalization Collaborative's cross-sector and cross-silo partnership is likely to achieve more together than each member could otherwise accomplish working independently in their traditional siloed mode:

Strong evidence-based theoretical framework

The research supporting the social determinants of health framework manifests the extent to which housing, employment and public safety issues, for example, are intertwined and impact health outcomes. For instance, one study has shown that the best predictor of whether children with asthma will need to be hospitalized is the percentage of homes that have code violations in their immediate surroundings. Similarly, there is abundant evidence that higher levels of chronic illness (particularly for children) can impact the ability of single parents to get and hold jobs. Organizations face significant obstacles trying to address problems in isolation from the complex interactions that cause them.

Collaboration as a framework for discovering opportunities for synergy and leverage

The interaction of factors across silos means that changes in activities in one silo affect outcomes in other silos. The collaborative is the setting in which partners discover opportunities for attaining improvements in outcomes through the synergistic effect of coordinated action, and by being able to better leverage existing resources.

Unique resource development opportunities

The Robert Wood Johnson Foundation and Kresge Foundation, along with a group of other funds, have formed the BUILD Health Challenge to support cross-sector community partnerships, like the San Pablo Area Revitalization Collaborative, to improve the overall health of local residents. EBALDC applied on the Collaborative's behalf to implement the plan it developed during the PIP planning year and was selected to be one of eighteen community partnerships in the BUILD Health Challenge, providing external affirmation for the quality of the partnership and the promise of its plans.

This case study was prepared by Carl Sussman of Sussman Associates and John Weiser of BWB Solutions.

Partners in Progress Case Study: Fairfield County Community Foundation

“Can’t find a handyman? Hire a handywoman!” So read the business cards that Shaquana Shaw uses to promote her general contracting business. Described by friends as fearless and unflinchingly optimistic, Shaw is a businesswoman, mother of two, and resident of the Bridgeport Housing Authority’s PT Barnum Apartments, which are named after the famed showman who was the mayor of Bridgeport, Connecticut, in the 1870s. She came to PT Barnum in 2005, soon after high school graduation and the birth of her first son. Now a leader in PT Partners, Shaw is on the path to upward economic mobility and has helped to improve the quality of life at PT Barnum Apartments.

PT Partners is a collaborative group launched by Fairfield County’s Community Foundation (FCCF) in 2011 to engage residents in an integrated strategy to improve the quality of life at PT Barnum Apartments. In 2013, FCCF was selected as a grantee and community quarterback in the Partners in Progress (PIP) initiative, a national program funded by the Citi Foundation and managed by the Low Income Investment Fund. FCCF used PIP funding to hire the project director Kate Kelly, who is located on site at PT Barnum Apartments. Together with its partners in the collaborative, the foundation also used PIP funding to fortify PT Partners’ collaborative governance structure, to raise additional funding for training that aligned the partners around a common vision and set of goals, and to provide training to bolster resident leadership. The lessons learned throughout FCCF’s experience as a PIP grantee demonstrate how working in an integrated way provides the promise of improved outcomes for community residents.

The PT Partners Approach

Inspired by a movement among peer community foundations and the Council on Foundations’ Framework for Community Leadership by a Community Foundation, FCCF staff evolved beyond the conventional grant maker role when they formed PT Partners. The partnership integrates resident leadership, cross-sector social service provision, and land use advocacy to provide PT Barnum residents with improved economic stability, health, safety, and education. The program is intended to create a community of opportunity for a group of chronically disadvantaged families living in Bridgeport, Connecticut, which has the highest level of income inequality of any metro area in the nation.

PT Partners staff supports residents in taking ownership over improving their lives and their community in the face of multiple barriers including geographic isolation, high unemployment, and poverty. Separated from the majority of Bridgeport by a major freeway, PT Barnum is adjacent to industrial land uses including a wastewater treatment facility and a

cement plant. Despite being located in one of the wealthiest counties in America, only 53 percent of PT Barnum's 350 households (1,200 individuals) have earned income. The average annual income for a family of four is just under \$15,000, and 93 percent of households are female-headed. Historically, conditions within the PT Barnum development led residents to keep to themselves, afraid to leave their homes, but by late 2015 that was beginning to change. Kate Kelly had recruited seven resident leaders who were active in the governance of PT Partners, plus approximately 15 more who participated in PT Partners gatherings as their schedules allowed.

With PT Partners, the foundation engaged these leaders and the broader PT Barnum community to define and solve the daily hardships of poverty for themselves. The approach itself emerged from a collaborative idea generation process, which was facilitated by FCCF and included several community partners, about ways to proactively reach and serve families in public housing who were at risk of eviction. In a similar spirit to those discussions, the activities of PT Partners are governed by the Governing Committee, which is comprised of PT Barnum residents, FCCF, and civic, municipal, and social service partner organizations. The Governing Committee meets monthly, decides on the strategic direction of PT Partners, and oversees implementation of all activities, including community development, social services, advocacy, policy review, and outreach. Resident leaders on the Governing Committee control 51 percent of any vote taken by the Governing Committee, which assures resident ownership and leadership of the initiative even though PT Partners typically governs by consensus. Additionally, the Executive Committee chair and any other officer positions are shared between one resident and one partner agency representative. By the end of 2015, the Governing Committee had established governance procedures, subcommittees, and working groups. The Governing Committee had also directed its attention to defining, analyzing, and creating solutions to the challenges that PT Barnum residents had identified and prioritized.

The PT Partners Proof of Concept

This resident-driven approach helped to illuminate the unexpected yet fundamental challenges around limited access to healthy food. "Healthy food access was a key concern, but we couldn't figure out why," noted Cass Shaw (no relation to Shaquana Shaw), president and CEO of the Council of Churches of Greater Bridgeport. "We were focused on the wrong end of the equation. We knew that people had at least some limited choices beyond local bodegas. Stop 'n' Shop is within walking distance, though expensive, and fresh vegetables are available, though certainly costly." To determine why residents faced barriers to fresh food access, the resident leadership team and partner agencies collaboratively designed and administered a resident survey. The results demonstrated that, among other problems, there was an unanticipated concern with residents' refrigerators. Refrigerators throughout PT Barnum, even on the warmest setting, were too cold and would ruin tender produce, especially lettuce and fruit. This insight demonstrated that PT Partners' resident-centric approach

could produce more effective diagnoses of residents' daily challenges, which in turn would help PT Partners craft more effective solutions.

FCCF further affirmed the effectiveness of a grassroots-centric approach through its participation in the What Works Challenge. Organized by the Citi Foundation, the What Works Challenge was an opportunity for PIP grantees to use crowdsourcing technology to solicit and evaluate ideas from constituents. FCCF used the What Works Challenge as a platform to engage in direct dialogue with youth age 16 to 24 at PT Barnum and elsewhere in Fairfield County. The process and results of this work informed FCCF's initiative called Thrive by 25, where the foundation works directly with youth to identify, create, and implement solutions to issues affecting youth such as employment and housing. Most recently, the young leaders organized a summit with 200 youth from across Fairfield County, the outcomes of which the young organizers are using to shape upcoming roundtable discussions. The successful launch of this initiative demonstrated that foundations—not just direct service organizations—can revolutionize their work by actively engaging people at the grassroots level.

Balancing and Leveraging the Foundation's Role

Funding

FCCF's novel role as both funder and partner created the potential for conflicts with PT Partners' partner agencies. At the inception of PT Partners, the foundation took a lead role at the request of the collaborative because the foundation was best positioned to lead the realization of PT Partners' shared vision. In doing so, the uneven power dynamics inherent in FCCF's dual role required the foundation and the partner agencies to renegotiate their relationships with each other. This task was especially delicate because some partners were also FCCF grantees. "It is tricky to play both roles—that of a funder and of a partner. It required us to understand the roles people wanted us to play versus the roles we wanted or needed to play," said Nancy von Euler, vice president of programs at FCCF. "If you want to do this work, do it with great humility and find the delicate balance between ownership in terms of commitment, but not ownership in the sense of 'this is ours.'" Over time, according to von Euler, FCCF hopes to continue to support PT Partners with patient capital, a commitment to fundraising, and by encouraging leadership and ownership to grow within the partnership.

Progress toward these aspirations was already evident in late 2015, by which point the PT Partners collaborative had obtained grants from the Robert Wood Johnson Foundation and the ZOOM Foundation totaling into the six figures. Additionally, the entirety of PT Partners' following year of operations was funded by a mixture of funding from other sources, and FCCF was working to raise more grant capital. At the same time, PT Partners was establishing a finance and fundraising committee to enable resident and non-resident leaders to assume increased responsibility for these critical functions, thereby growing partner ownership and accountability for the sustainability of PT Partners.

Program Delivery and Evaluation

At the outset of the PIP partnership, the foundation used its PIP funding to drive PT Partners' adoption of a shared approach to social service delivery. FCCF made PIP funding available for training in trauma-informed community building, which PT Partners as a group had decided was important. Trauma-informed community building is an approach to social services intended to "de-escalate chaos and stress, build social cohesion and foster community resiliency over time."¹ The approach called on partner agencies to develop authentic relationships with residents based on realistic expectations. Through these relationships, the usual power dynamic present in social service delivery would equilibrate and set the foundation for improved outcomes. "Trauma training is important," said Kristina Foye, program director of Child First at Bridgeport Hospital. "It helps all partners identify and acknowledge the effects of trauma and gives service partners a framework to work with residents and each other in a more effective, respectful way." Cass Shaw echoed Foye when she said that a key lesson for partner agencies is that the unequal power dynamics inherent in the relationship between service providers and their clients always affect client interactions, whether or not the service providers are conscious of them. "If you are attentive to [power dynamics], it allows you to become more compassionate and more clear about how to do this work effectively, and how to re-examine your own role and relationships with your partners."

More recently, at the suggestion of FCCF, PT Partners decided to adopt the Results Based Accountability (RBA) methodology for setting and evaluating program goals. "RBA will provide focus to service providers and an accountability structure. It will provide accountability to residents, which is unheard of," said von Euler. While implementation of RBA was in its early stages in late 2015, the trainings in RBA and trauma-informed community building had already influenced Child First to rethink its service delivery model at PT Barnum. Furthermore, the trainings helped resident and non-resident partners develop a shared language to address the challenges they are determined to solve. Said von Euler, "I wish we had introduced RBA sooner."

Political and Community Connections

Furthermore, FCCF's position as a funder provided PT Partners with political connections in the wider community that created unforeseen opportunities. For instance, FCCF intervened on behalf of PT Partners when the PT Partners project director Kate Kelly discovered the City of Bridgeport's plan to install green technology to expand the wastewater treatment plant next to PT Barnum. The foundation had provided a grant for the City's green initiative, BeGreen 2020. As an informal condition of the grant, FCCF asked city officials to collaborate with the residents of PT Barnum Apartments if any work was to take place near

1 Emily Weinstein, Jessica Wolin, and Sharon Rose. *Trauma Informed Community Building: A Model for Strengthening Community in Trauma Affected Neighborhoods*. San Francisco: BRIDGE Housing and Health Equity Institute, 2014, p. 3.

the apartment complex. When the City proceeded with plans for the treatment plant after soliciting only minimal public input, FCCF politely reminded city officials of their understanding. Representatives of PT Partners subsequently attended meetings with officials from the city and Anaergia, the company under contract for the plant expansion. Ultimately, the City agreed to provide PT Partners with a low-cost, long-term land lease to a parcel of land adjacent to both the treatment plant and PT Barnum Apartments. PT Partners plans to sublet the land to a local hydroponic farmer. The farm will, in turn, generate rental income for PT Partners, create job opportunities at the farm for residents, and increase access to local, fresh, healthy food. “This was a great partnership,” said von Euler. “Residents were very involved. They created an advocacy paper, went to all the meetings, learned about the pros and cons of the project, and sat at the same table as the city’s political leadership.”

Developing Resident Leadership

Kate Kelly, who works on-site and is trained as a clinical social worker, focused on recruiting resident leaders as well as developing their leadership skills. Her efforts supported residents’ personal growth and engagement in community activism that, in turn, started to fuel further changes for individual resident leaders, the neighboring school under construction, partner nonprofit agencies, and the community at PT Barnum Apartments.

Residents’ personal growth came from what Kelly described as the “problem solving techniques, expanded friendships and connections, and feelings of relevance and empowerment” that helped resident leaders learn to trust in one another and to overcome the trauma-induced isolation that is common at PT Barnum. In 2015, resident leaders were regularly working together, speaking out in circumstances wherein previously they had been silent, and honing additional leadership skills through community meetings and activism. Outside of the regularly scheduled Governing Committee meetings, resident leaders met twice weekly together with Kelly in “community meetings” to talk about their lives and ways to improve their community. Kelly provided a flexible structure for these meetings and helped the residents problem-solve.

At a heated community meeting in October 2015, the five resident leaders who were present expressed their frustration with school officials who were not paying adequate attention to their hopes and concerns for the new Longfellow School (pre-K to 8)—subsequently renamed the Geraldine Claytor Magnet Academy—that was under construction adjacent to PT Barnum Apartments. To guide the conversation, Kelly encouraged the residents at the table to “distinguish between emotion versus facts,” both for themselves and in their conversations with officials. “You are unassailable when you use ‘I feel’ language,” she counseled. Kelly offered the residents tools to frame their grievances in a way that was grounded in their experiences—facts that could not be misunderstood, disputed, or dismissed.

As the conversation continued, one resident said that she was scared to approach a high-ranking school official about an issue that really mattered to her. Kelly asked, “What would you do to make yourself less scared in that situation?” Through continued dialogue, the

residents created options that the individual and others in the group could use to quell fear and boost confidence in similar situations. Over time, ongoing leadership development opportunities helped resident leaders—many for the first time in their lives—directly engage and remain engaged in the politics of community change.

Key Outcomes of Resident Leadership

Personal and Political Transformation

The resident leader Tawanda White described the community meetings as “a safe haven that teaches you how to handle life’s hurdles. PT has helped me find my voice and express myself.” When asked how she felt about being a resident leader, White declared, “I’m overwhelmed with happiness and joy.” Shaquana Shaw reinforced White’s sentiments. “PT Partners gets residents to want more for themselves and gives them a sense of personal worth.”

Within a few years, Shaw had emerged into an active community leader. She was one of the 10 PT Partners representatives on the Geraldine Claytor Magnet Academy Committee (GCMAC), which was comprised of school officials and interested community members and was established to formulate and oversee the new direction of the school. One of her greatest successes in this role was when, at her behest, GCMAC adopted the Early Language and Literacy Initiative in order to guide the pedagogy and learning outcomes at the new school. Furthermore, she had also been elected co-chair of the PT Partners Executive Committee, and she was president of the PT Barnum Apartments Resident Council, which is an official organization of PT Barnum Apartments that mediates the relationship between Bridgeport’s public housing authority and PT Barnum tenants. Shaw also found a business mentor through PT Partners, and she was scheduled to testify in the state capitol with the PT Partners-affiliated organization Mothers for Justice regarding concerns about affordable housing, domestic violence, and welfare programs. Yet, even with two children, she found the time to cater the occasional breakfast or dinner for PT Partners meetings. “Shaquana is a firecracker,” said Kelly, “who serves her community with style, elegance, and humanity.”

Engaging Hard-to-Reach Families

These dramatic changes among the residents, coupled with the collaborative environment of PT Partners, inspired residents to ask for changes to the nature of the social services provided through PT Partners. The case of Child First at Bridgeport Hospital illustrates how one provider acted on that feedback. Child First provides pre- and peri-natal care to ensure family well-being and promote early childhood development. For PT Partners, Child First developed and operated a drop-in center to serve families with young children at PT Barnum Apartments’ Gary Crooks Community Center. Child First staff initially offered activities for parent-child relationship building, but attendance was near zero. Through meetings made possible by PT Partners, the resident leadership team suggested that Child First should offer yoga. Yoga would help caretakers care for themselves and meet one another. Once the yoga

workshops started, Child First saw an increase in attendance and, as a result, the organization had created a new way to connect families with its pre- and peri-natal services. “PT Partners is helping us reach families who are difficult to reach and otherwise would have fallen through the cracks,” said Kristina Foye.

Resident leaders were also instrumental in large scale community efforts, as exemplified by a summer backpack drive. The backpack drive was a three-day event intended to engage even the most difficult to reach families. Resident and non-resident leaders organized the drive and in total distributed \$10,000 worth of school supplies such as brand-name backpacks, pencils, crayons, index cards, and protractors to children at PT Barnum Apartments. On day one, volunteers from PT Partners and approximately 15 non-affiliated households at PT Barnum Apartments received and sorted the shipment of materials donated by the organization High Watermark Women. On day two, the volunteers set up an assembly line to fill the backpacks, and on day three, volunteers assembled and distributed the bags. The effort culminated with a celebration with free hamburgers and hot dogs, live music, games, and prizes. In the end, roughly 30 volunteers distributed 350 backpacks full of supplies. Prior to this event, residents rarely left their homes to participate in back-to-school drives because of tendencies to isolation and because previous events served only a limited number of families at PT Barnum. The backpack drive marked a significant departure from the status quo and helped establish a foundation for future successes in resident engagement.

Conclusion

In PT Partners’ two years of Partners in Progress funding, the program’s resident and non-resident leaders together established a resident-led collaborative and achieved tangible successes. These achievements were a direct result of Fairfield County’s Community Foundation’s community quarterback role and the trauma-informed approach that enabled and influenced residents’ leadership. The experience of PT Partners’ implementation and management of its integrated strategy demonstrates how employing an integrated strategy provides the promise of better outcomes.

There are four general lessons for community quarterbacks:

Expect and respect resident leadership.

When establishing a program with grassroots leadership, don’t define the problems and their solutions up front. Instead, set shared expectations in terms of governance, social service delivery, and outcome evaluation. Bring groups to the table and facilitate but do not direct the conversation. Unexpected problems and solutions may become apparent, as happened when PT Partners endeavored to expand access to fresh, healthy food. The resident-led survey quickly diagnosed a root cause of the problem. A conventional, top-down process would have been lengthier and costlier and still might have failed to identify poor refrigeration as a significant barrier to healthier diets.

Effective resident leadership can be supported by careful attention to governance and a willingness to support leadership development.

FCCF worked alongside its resident and non-resident partners to structure the governance of PT Partners to ensure that the residents would always be able to control PT Partners' mission, strategy, and implementation. The bylaws for the formal governing body, known as the Governing Committee, gave residents a 51 percent vote on all Steering Committee matters regardless of the number of resident leaders present. Additionally, the Executive Committee chair and all officer positions are shared by one resident and one partner agency representative. In its role as funder, FCCF also provided significant support for resident leadership development, both in staff time and in funding formal training.

As a result, engaged resident leaders helped to strengthen PT Partners. For example, resident leaders successfully advocated for Child First at Bridgeport Hospital to offer yoga classes, which increased regular attendance at Child First's workshops and helped connect families with Child First's array of pre- and peri-natal services. Questions to ask when evaluating the effectiveness of resident governance and leadership development might include: How are residents included in the formal rules of governance? How are residents engaging in or disengaging from governance and project planning? Are non-resident partners in the collaborative seeking out and acting on suggestions from resident leaders?

Leverage relationships to secure patient capital.

The structure, goals, and initiatives of an integrated strategy will evolve in the program's early years, and integrating grassroots leadership adds a new layer of complexity to this evolution. As the philanthropic equivalent to venture capital, patient grant capital is required to support the early stages of this work. FCCF's established relationships and reputation helped the foundation secure patient funding such as the PIP grant. The foundation subsequently leveraged the PIP grant to attain additional funding from sources including the ZOOM Foundation.

Advocate for the program's interests and act on unexpected opportunities.

PT Partners project director Kate Kelly notified PT Partners of the wastewater treatment plant expansion next to PT Barnum Apartments, and FCCF subsequently helped PT Partners bring the necessary people to the table to negotiate community benefits from the expansion. FCCF used its political traction and funding influence within the City of Bridgeport as a means to secure the interests of the PT Partners collaborative.

There are three lessons on resident leadership:

Focus leadership development on problem-solving techniques, expanded friendships and connections, and instilling feelings of relevance and empowerment.

At PT Partners, these trauma-informed methods have helped to recruit and retain resident leaders who were previously disengaged. One especially important resident-led victory was

when, at the behest of PT Partners, the Geraldine Claytor Magnet Academy Committee adopted the Early Language and Literacy Initiative in order to guide the pedagogy and learning outcomes at the new school. Another success was the backpack drive, where resident leaders recruited their neighbors to volunteer and participate—neighbors who otherwise might have kept to themselves and have been disconnected from the opportunities afforded by PT Partners.

Participating in leadership roles can directly improve residents' social and emotional health.

While advocating for changes in the nearby public school, residents developed problem solving abilities, self-confidence, and an expanded network of friends.

The need for investment in leadership development changes over the course of implementing an integrated strategy.

At the start of the work, leadership development is critically important. The need for investment in leadership development diminishes but does not disappear as resident leaders become more confident and skilled in the community change process, as suggested by PT Partners' progress in resident capacity building. Continued investment in leadership development is key to retaining resident leaders, and when on-boarding new leaders, program staff may need to renew their focus on resident capacity building in order to bring new leaders up to speed.

This case study was prepared by Matthew Singh and Rachel Bluestein of the Low Income Investment Fund.

Partners in Progress Case Study: Neighborhood Housing Services of South Florida

In 2009 the Miami-Dade County Commission declared the 79th Street Corridor a Community Redevelopment Area (CRA). The CRA designation was the first indication that the county acknowledged the decades-long decline in the neighborhoods surrounding this two mile thoroughfare between the cities of Miami and Hialeah. In all, the CRA covers three and a half square miles. The county's declaration caused its planning department to issue a Community Redevelopment Plan the following year.

Eric Burnside remembers going to a public meeting about the plan. A long-time resident of the neighborhood, Burnside was unimpressed. "People who live within the [CRA] boundaries were not involved [in the plan's preparation] but the people who lived outside the boundaries were." Emphasizing the disregard of the corridor's residents, Burnside added, "This started long before the '70s and goes back to everything I have experienced as a child and growing up: the system of exclusion."

Neighborhood Housing Services of South Florida (NHSSF) had long identified the 79th Street Corridor community as one in desperate need of stabilization and reinvestment. A member of the NeighborWorks® network, NHSSF is a well-established community development organization that delivers a spectrum of housing related services and supports community building. Decades of official neglect and racial segregation, however, created significant barriers to improvements around the 79th Street corridor. Then, in late 2013, Citi Foundation and the Low Income Investment Fund selected NHSSF to receive one of 14 Partners in Progress (PIP) grants to serve as a "community quarterback." The grant provided an opportunity to catalyze the corridor's redevelopment and to test the efficacy of the new community quarterback model of neighborhood development.

The Neighborhood: "There Is No There There"

Community quarterbacks emphasize the need to include residents in all aspects of the community development process. Moreover, they start with the assumption that only comprehensive cross-sector, people- and place-based approaches can address the complex circumstances that cause disinvestment, failing schools, health disparities and similar conditions associated with chronically distressed neighborhoods. It is essential, therefore, that quarterback organizations build a broad partnership of organizations, institutions, neighborhood residents and governmental agencies. Achieving such cooperation across systems is an enormous challenge in and of itself. NHSSF faced three distinctive hurdles initially:

- It had to engage with and win the trust of residents, like Burnside, who had been excluded and seen promised redevelopment efforts evaporate as quickly as they were announced.

- Unlike most PIP grantees who serve well-recognized neighborhoods such as Brownsville in Brooklyn or Little Tokyo in Los Angeles, NHSSF's challenge included a further complication: the CRA boundaries did not conform to any generally recognized neighborhood. Instead, it was carved out of portions of the Arcola Lakes, Model City, Gladeview, Liberty City and West Little River neighborhoods.
- Finally, the 79th Street neighborhood is not even part of a municipality. It sits in the unincorporated void surrounding Miami-Dade County's planetary system of self-governing municipalities that includes Miami, Hialeah and 32 other local jurisdictions. Yet, almost half of the County's 2.6 million population resides in unincorporated areas, making the NW 79th Street CRA's 20,000 residents, according to Arden Shank, NHSSF's long-time president and CEO, "a tiny drop in the bucket" that must struggle to get the attention of governmental officials.

The corridor's unfamiliar boundaries and the lack of municipal government led NHSSF's Arden Shank to observe, "There is no there there." Shank continues:

There is no city government we can go to. This area is split between two county commission districts out of thirteen; we occupy only a small portion of those two districts. And county government is huge. It is one of the largest employers in South Florida. If I were to walk into the County Mayor's office now he probably won't know we exist. But my colleagues in Chicago and LA have significant relationships with elected and appointed officials in their city government....The whole political arrangement militates against success.

The CRA declaration and the boundaries drawn around NW 79th Street originated with one of NHSSF's sister organizations, the 79th Street Corridor Neighborhood Initiative, Inc., not with county government. Frustrated with the lack of effort to revitalize the area NHSSF and two other nonprofit organizations, the Urban League of Greater Miami and the Dade Employment and Economic Development Corporation, formed the Initiative ten years before the county's CRA designation. The Initiative's goal is to transform the three and a half square mile community surrounding the corridor "from a fragmented set of residential, commercial, and industrial sites with a reputation as dangerous and undesirable into a cohesive neighborhood conscious of its...assets and directing its future." NHSSF, which serves two massive South Florida counties, Miami-Dade and Broward, had identified the corridor as one of a few target areas where it focused its organizational resources and energies. For that reason, it helped form the Initiative in 1999.

While NHSSF received the Citi's PIP grant, the 79th Street Corridor Neighborhood Initiative functions as "co-quarterback." Shank describes tailoring the quarterback model to the unique circumstances and capabilities that exist in this community. That meant working as co-quarterbacks with the Neighborhood Initiative. This team combined NHSSF's housing and community development experience with the Initiative's knowledge of this particular neighborhood and its role in securing the county's CRA designation for it.

The Initiative commissioned the very first planning study for the corridor in 2001. Two

more studies in 2003 and 2004 highlighted the same challenges and opportunities cited in the first report. Yet it wasn't until 2009 that the county, with the Initiative's prodding, created the CRA. The county's 2010 CRA plan affirmed the themes of the earlier reports. Nonetheless, no action ensued. By default, therefore, the PIP grant enabled NHSSF to assume a catalytic role. It formed a steering committee that eventually included representatives from 36 organizations, businesses and government agencies to formulate a community-level agenda for revitalizing the NW 79th Street Corridor.

The Challenge

While jurisdictional and geographic issues created challenges for NHSSF as a community development quarterback, there is a powerful economic logic to gathering the residential, commercial, and industrial areas on either side of NW 79th Street. The Action Plan NHSSF developed with its partners during the first year of PIP funding notes:

The 79th Street Corridor's central location to employment and manufacturing centers; inventory of valuable and underutilized industrial land;...particularly along key transportation and commercial corridors; and extensive transit and rail infrastructure are a few of the assets rarely found elsewhere.

While the Interstate Highway system siphons some traffic from NW 79th Street, also known as Florida State Road 934, it remains a major east-west thoroughfare. It contains a great deal of vacant and underutilized land on the eastern edge, right where it abuts the border with the densely-developed City of Miami. Greater Miami's proximity to Latin America and the Caribbean, moreover, makes the region an important center of international trade. The land along NW 79th Street targeted by NHSSF for its PIP-funded activities is just miles northeast of Miami International Airport and northwest of the Port of Miami, the 11th largest container port in the United States. It is also rich in transportation infrastructure. The Metrorail rapid transit system has 3 stops in the neighborhood. It is also served by Tri-Rail, a three county commuter rail system. Amtrak's East Coast line terminates in the neighborhood. Moreover the industrial portion of the corridor is served by Florida East Coast Railway's freight service which connects up with South Florida's busy ports and other national freight systems.

One important lesson from the last half century of community development activities is that physical revitalization is far more likely to succeed when there is a robust regional economy, and neighborhoods can connect to it. If community developers can connect residents to employment opportunities throughout the region, it provides the foundation for equally robust people-based community development strategies. In those more prosperous locales, instead of facing a headwind of disinvestment, the market provides an invigorating tailwind. The NW 79th St. Corridor's nearness to Miami and its airport; its developable land and its transportation infrastructure, attest to the compelling rationale for treating the neighborhoods abutting this thoroughfare as a coherent economic development target.

There are, however, additional historic and legacy reasons for focusing on the corridor. The area developed rapidly following the World War II and became a stable middle-class African American neighborhood. In 1959 the intersection of NW 79th Street and 27th Avenue became a major retail hub with the opening of the Northside Shopping Center – one of South Florida’s first – anchored by a Sears Roebuck department store. It sits at the center of the CRA. LaTonda James, NHSSF’s community building manager, grew up in the neighborhood and remembers the “movie theater across the street from the Northside Shopping Center and the drive-in theater just two blocks north of it.” According to James “That intersection was the epicenter of Black Miami.”

The neighborhood’s liveliness eroded after the civil unrest that followed the acquittal of four Miami-Dade police officers in the beating death of Arthur McDuffie, an African-American insurance executive, in 1980. Sears and other businesses either decided not to rebuild or abandoned the neighborhood. The theater and drive-in that James remembers from her childhood are long gone. With the continuing process of disinvestment middle class blacks moved to Broward County. Homes began to deteriorate along with the vitality of the commercial sector. In the quarter century that followed, little was done to reverse the tide. Today the corridor’s population continues to decline and is estimated to have fallen below 20,000. Two-thirds of the residents are African-American or Haitian. Per capita income for the CRA is \$13,142, almost half of that for the county as a whole.

Building a Collaborative

With the award of the PIP grant Arden Shank, along with Ron Butler of the 79th Street Corridor Neighborhood Initiative, Inc., began to reach out to neighborhood organizations, regional institutions and Miami-Dade County officials as they pulled together a steering committee to spearhead a renewed drive to revitalize the 79th Street CRA area. Having NHSSF emerge as the quarterback with the resources to drive a revitalization effort, Butler reported that “organizations that had not previously participated in planning processes” began to gravitate to this effort, “most notably the Beacon Council, an economic development arm of the County Commission.” Butler continued:

Having the Beacon Council, which is like the Chamber [of Commerce elsewhere], raised the profile of the effort. A lot more community groups that were operating independently came together under one roof. That had never happened before – the public and private sectors working together toward the same goals.

These partners formed a steering committee that met monthly for the purpose of developing an implementation plan to revitalize the corridor. Initially though the most important part of the process was breaking down silos and building bridges. Those representing “government agencies admitted that they had never worked with a neighborhood on a specific set of projects,” according to Shank, “and many of the community agencies did not know about each other even though they had worked in the same community for years.”

This group, in turn, met quarterly with a “stakeholder’s group” of interested residents to report on their activities and collect feedback from the community. The steering committee commissioned an economic, market and strategic planning study to gain a better fix on the most feasible activities to incorporate into their implementation plan. The latter document, known as the “Community Action Plan” and prepared by an arm of the South Florida Regional Planning Council became the Steering Committee’s implementation blueprint. With its publication the Steering Committee adopted a new name – “the 79th Street Coalition for Change” – to highlight its commitment to transforming the corridor and its members subdivided into four Action Groups:

- Housing and Supportive Services
- Health, Safety and Quality of Life
- Community Engagement and Education
- Economic Development and the Built Environment

The plan is to focus on four leverage points in the corridor. The first is to brand the neighborhood to project a positive and coherent sense of the community. The coalition has adopted a logo and prepared banners to be erected on light poles at the “gateway” to NW 79th Street, where it intersects with NW 7th Avenue so that travelers driving west out of the City of Miami on NW 79th Street will understand they have entered an identifiable neighborhood. Another set of banners will mark the gateway for travelers from the east. The hope is that this branding will help instill a perception that this is a coherent neighborhood with untapped economic potential.

Another target of opportunity is a twelve block residential neighborhood along NW 18th Avenue. It is a residential neighborhood with numerous vacant lots, a poorly maintained pocket park and a few corner stores. It is also a route young children walk daily to reach schools at either end of the corridor. The coalition’s Housing and Supportive Services Action Group has helped launch a first-time homebuyers club and has been accompanying the county commissioner on monthly walks through the neighborhood to identify needs. They have scored a couple of quick victories. The county followed through with improvements to the Broadway Park and a grant allowed another organizational partner to recruit volunteers to plant 100 trees in and around the corridor and at the local elementary school.

The central commercial intersection at NW 79th Street and 27th Avenue where the Northside Shopping Center sits is a third site slated for improvement. Business owners are being canvassed about their interest in establishing a business improvement district.

To advance the jobs and economic development agenda, the coalition has targeted the Poinciana Industrial Park. In addition to the existing businesses and good rail access, the area includes significant county owned land that could accommodate new and expanded businesses. The economic development Action Group is in conversations with a manufacturer of modular housing about locating there and is promoting a Free Trade Zone to spur job growth.

Resident Engagement

Each Action Group is co-chaired by a community resident and a representative of an organization or agency with relevant substantive competencies. A member of NHSSF's staff serves as a liaison to each group, helping to schedule meetings, coordinate activities among the Action Groups and provide other support. The co-chairs, in turn, meet once a month to ensure that the all parts of the Coalition are making satisfactory progress.

At a recent meeting of the co-chairs the Community Engagement and Education Action Group reported among other things about the team's emphasis on employment and, more specifically, their conversations with Miami-Dade College about certificate programs offered at the North Campus in high labor demand fields including entrepreneurship, computer repair, graphic design and accounting. Marvin Weeks, an artist and resident of the 18th Avenue corridor, one of the focal points for the Coalition's Health, Safety and Quality of Life Action group updated the co-chairs on their recruitment of volunteers to paint murals. "We are trying to engage the community in the mural project," he reported, "to transform and give another image of the neighborhood." The Housing Action Group updated the co-chairs on the first meeting of its newly organized homebuyers club and preliminary plans to use credit scores to determine its effectiveness and the group's longer term struggle to address infrastructure barriers to infill housing construction to cope with the vacant lots along 18th Avenue.

Eric Burnside gave the report for the Built Environment and Economic Opportunity Action Group. Not surprisingly, Burnside, who had been so incensed by the lack of resident input into the county's CRA plan for the corridor, was a regular at the Coalition's quarterly stakeholder meetings at the early stages of that collaborative's planning. He would sit in the back of the room, listen, and sometimes ask questions. "Neighborhood Housing reached out to me on a personal level by the way they were operating and what they were saying," Burnside explains.

It made me think that what they were doing might be an opportunity to bring about effective change. I made it my business to keep a close watch and ear on what Neighborhood Housing had to say.

Shank and Burnside were apparently sizing each other up. Burnside's assessment of Shank suggests the type of attention required to build trust with residents of the community, many of whom feel excluded when non-residents assume leadership of a neighborhood change process.

I observed Arden Shank from the beginning. Even when he doesn't appear to be paying attention, he doesn't miss it, even if he makes no comments. He brings it up later...When he talks to me he looks me straight in the eye and speaks...It makes sense. His facial expression and eyes say the same thing that comes out of his mouth. That's why I think this is a chance for effective change.

Shank remembers a conversation with Burnside as a stakeholder meeting was about to convene. “I said, ‘You ought to be sitting at the table.’ But he took a seat in the back as usual. When I turned around later, he had taken a seat at the table.” He has been at the table ever since, now co-chairing the Built Environment and Economic Opportunity Action Group with the Beacon Council’s vice president, Sheri-Colas-Gervais. Ron Butler, NHSSF’s “co-quarterback” from the NW 79th Street Initiative serves as that committee’s staff liaison. The action group is focused on creating a Free Trade Zone in the hope that it will stimulate growth among the manufacturers in the Poinciana Industrial Park, creating new jobs and spurring ancillary business activity in the retail and housing sectors.

Meanwhile LaTonda James, the staff liaison to the Education and Community Engagement Action Group, and Rachel Walker reported on work of that committee, which includes residents of Northpark at Scott Carver, a large HOPE VI development that replaced two public housing projects. As Northpark’s residents service coordinator Walker knows many of the tenants. She and James recruited six residents to participate in a NeighborWorks® leadership development program. The group spent a long weekend in Louisville and returned committed to starting a walking club to strengthen the social bonds among residents and promote healthier lifestyles.

Lessons for Community Development Quarterbacks

Below are the lessons that can be gleaned from NHSSF’s efforts as a community quarterback to build a cross-sector coalition to revitalize the NW 79th Street Corridor.

A community quarterback can help pull together residents and key organizations into an effective coalition

Fragmentation is a barrier to development in many communities. The quarterback model addresses this barrier to community revitalization. The Urban Land Institute convened a Technical Assistance Panel to make recommendations about the development of the 79th Street Corridor just as Citi announced its PIP grant to NHSSF. In its report the panel wrote:

The 79th Street Corridor has been the focus of numerous plans and committed organizations and community leaders. Taking the next step in improving the corridor and bringing jobs and new economic investments to the corridor will require that the relevant organizations come together and work toward a shared plan. They also need to speak with one unified voice when communicating the assets of the corridor and speaking to public officials, funders, and the development community.

A major boost in unifying the voices and places along the corridor is the recent announcement of a Citi Foundation...grant to Neighborhood Housing Services of South Florida (NHSSF)...The initiative will work to advance...a quarterback model of community development by building the capacity of trusted organizations that align their resources, objectives, and efforts.

After two years it is apparent that the quarterback model was precisely what this neighborhood needed to move beyond decades of reports and inaction. While it is too soon to conclude that NHSSF's vision of "a vibrant, safe, and economically sustainable community with rising incomes and property values that is attractive to families of mixed incomes, businesses, and entrepreneurs" will be realized, there is convincing evidence that progress is being made.

Building a Cross Sector Coalition is Labor Intensive

Being a quarterback makes heavy demands on the time of the organization's staff, especially senior leaders because it involves strategic relationship building. As a result, the Citi Foundation funding was essential to NHSSF's capacity to serve as the corridor's quarterback. NHSSF buttressed its capacity by serving as co-quarterback with its sister organization, the 79th Street Corridor Neighborhood Initiative.

Trust and Respect are a Quarterback's Indispensable Currency

Arden Shank has the personal qualities required to build trust and cooperation across barriers. He has worked in the community for almost 15 years. He not only led NHSSF during that period, he helped organize and served on the boards of the South Florida Community Development Coalition, the 79th Street Corridor Neighborhood Initiative and the Community Reinvestment Alliance of South Florida. Shank earned a reputation for placing NHSSF's mission above organizational self-interest. Moreover, in his quiet way, he reached out to people, listened carefully and has been unfailingly inclusive.

The Promise of Working in an Integrated Way

The 79th Street Coalition for Change is still young. Nonetheless, it has brought disparate interests to the table to revitalize an area that has been largely ignored for decades. It has won the attention and cooperation of resident leaders, the business community, numerous nonprofit organizations and representatives from a number of departments of the Miami-Dade County government and the Florida Department of Transportation.

The Coalition has provided a structure that has enabled residents to assume leadership positions in guiding the development agenda. This has legitimacy to the Community Action Plan and created a virtuous cycle of inter-organizational cooperation.

The Coalition's Community Action Plan has in fact been used as the blueprint for the efforts of the four Action Groups during the past year so that complementary initiatives are moving along in parallel. As a result, the efforts of many organizations are coordinated and producing better results.

The work of NHSSF and its partners in the 79th Street Coalition for Change has been able to successfully overcome a key challenge to improving the Corridor. From 2001 until the start of the PIP Initiative, four planning studies were completed but few if any of the

recommendations were implemented. Why? In large part, as the Urban Land Institute noted, because there was no unified voice speaking for the neighborhood and taking action to help ensure the recommendations were implemented. NNSSF and its partners have been able to overcome this challenge and create a coalition that has strong resident participation as well as representation from key organizations critical for planning and implementation. The key steps on the way to this achievement:

Gain trust and engagement of residents

NHSSF and its partners reached out to community residents, encouraged them to participate in the coalition meetings, developed a governance structure that is co-led by residents, and provide leadership training for residents.

Get the right organizations to the table

Because the 79th Street corridor sits in an unincorporated part of a large county and is part of multiple jurisdictions, getting the right players to the table was challenging. But by consistent, persistent work in helping all key organizations understand how participating in the coalition can help them achieve objectives important to them, NHSSF and its partners were able to slowly and steadily build a coalition that include key organizations required for planning and implementation.

Build a commitment to a shared vision and action plan

NHSSF and its partners took the time needed to allow the Coalition members to determine the scope and focus of the market study, fully digest its findings and recommendations, develop an action plan with short, medium and long-term goals and gain commitments from Coalition members to take specific actions to implement the plan. The work on the action plan is still relatively young, and so the progress that has been made is modest. Nonetheless, the Coalition has made concrete achievements including:

Creating a sense of place

The logo and tagline for the gateway banners have been designed and are now in the process of being sited.

Gathering and reporting meaningful data

The coalition includes three universities that are engaged in providing hands-on advice and guidance in choosing the right indicators, data sources, and data collection methodologies

Home ownership

NHSSF has reactivated lending and brokering activities suspended during the recession and, in partnership with OneUnited Bank, the nation's largest black-owned bank, has launched homebuyer training.

Small business

The coalition has begun a small business lending program and is planning a business improvement district.

Residents

A group of residents has participated in NeighborWorks' leadership training program and community residents are co-chairing each of the Action Groups.

Active discussions with housing manufacturer and food processing plant

To spur growth in the industrial area and generate more jobs, the Coalition is working with a housing manufacturer interested in locating in the neighborhood and detail planning on a foreign trade zone is likely to enable an existing food processor to expand production.

But the simple fact that there is a group of residents and key organizations engaged, advocating and pursuing implementation for the first time in many decades is perhaps the most promising sign of future improvements for the 79th Street Corridor community.

This case study was prepared by Carl Sussman of Sussman Associates and John Weiser of BWB Solutions.