Launch Event
May 3, 2013
Connecting Communities to Capital

• New approach to the work of creating impact in low income communities
  – Aligns with collective impact, much interest in philanthropy, public sector.
• One response to the challenge of getting resources to smaller places in need.
• Suggests enhanced/different roles for organizations, businesses and community leaders:
  – Convener
  – Backbone
  – Champion
Resurgent Cities
Collaboration & Economic Recovery

• Engagement in Springfield MA leads to national research on economic development approaches of mid-sized cities with high levels of manufacturing.
  • Lessons from Resurgent Cities, Kodrzycki and Muñoz, 2009
• Comparison group of 25 similar cities across the nation identifies 10 “resurgent cities” with substantial progress in improving living standards for residents.
• **Results?** Industry mix, demographic composition, and geographic position are **not** the key factors distinguishing the resurgent cities.
• **Most important factor, across the board, is leadership and collaboration.**
Key Working Cities Challenge Goals

• Support **bold promising approaches** that have the potential to transform the lives of **low-income people**, including people of color, and the communities in which they live.

• **Build resilient cross-sector civic infrastructure** that can tackle the complex challenges facing smaller industrial cities and achieve population level results.

• Move beyond programs and projects to **focus on transforming systems**; promote integration across multiple systems and issues.

• Drive **private markets** to work on behalf of low income people by blending public, private and philanthropic capital and deploying it in catalytic investments.

• Collaborate with Challenge partners at the state and regional level to **broaden support for collaboration and leadership**, focused on low-and moderate income communities.
The WCC Collaborative: Being the Change

• Prize funding provided equally by philanthropy, public and private sectors.
• State Steering Committees of powerful aligned actors creates system to support local collaboration.

National Philanthropy
Doris Duke Charitable Foundation, the Kresge Foundation, Living Cities, NeighborWorks

Public
State Govts: Commonwealth of MA, MassDevelopment, State of CT, State of RI

Private
Incl. major employers, Mass Competitive Partnership, Partners Healthcare (MA), Suffolk Construction (MA), Delta Dental (RI), United Illuminating (CT), Boehringer Ingelheim (CT)
What is the Working Cities Challenge?

Key Features

• Competition for **3 year grant funds**. Prizes contributed by partners. 3 year awards of $300-500k.

• Aimed at **smaller post industrial cities**.

• Proposals must be ambitious and
  
  • unite **public, private, non-profit sectors and community members**.
  
  • focus on **improving lives of low- and moderate-income people and people/communities of color**.
  
  • create **systems change**.
What is the Working Cities Challenge?

- **One proposal per city**: must create shared vision and team to carry out effort.
- **Design phase** convenings and six month planning period aid cities to design their efforts.
- **Merit based**: Winners chosen by independent, expert Jury based on public criteria (Fed not on Jury)
- **Eligibility**:
  - Low-income cities (below median family income, above median poverty)
  - Small to mid-size: population of 15,000, 25,000 or 35,000 (depending on state) up to 250,000
- Currently underway in Massachusetts, Rhode Island and Connecticut.
- Aligned with **collective impact** approaches
More than Funding

1. **Learning Community**
   - Design phase to support teams in developing their efforts prior to application.
   - Coaching, technical assistance and capacity building convenings, and initiative directors network available to winning cities for three years.
   - Funder network and convenings.

2. **Research & Evaluation**
   - Professional evaluation of the Challenge via Mt. Auburn Associates
   - Fed and partner economists to conduct randomized control trial on one city initiative.
   - Dedicated Boston Fed & Clark University research to include research on collaboration, civic infrastructure, workforce conditions and best practices

3. **Replication**
   - Round 2 in MA, Round 3 in Rhode island, Round 4 in Connecticut underway
   - Effort being explored for Northern States (VT, ME, NH) focused on rural as well as urban areas
   - Other Fed actively planning for WCC efforts.
Winning Cities

Of the 20 eligible cities (all applied), six cities received a total of $1.8 million in prize funds

1. Lawrence
   - Increase parent income by 15 percent in the Lawrence Public School system over a 10 year period;
   - Plan to provide families with access to resources and opportunities to facilitate employment and economic security.

2. Fitchburg
   - Transform the North of Main neighborhood into a place where residents choose to live, work, and invest over the next 10 years.
   - Develop an in-depth neighborhood report card to help residents and partners prioritize investments and track effectiveness.
Winning Cities

3 Holyoke

Raise percentage of Latino-owned businesses from its current 9 percent to 25 percent in 10 years;

Coordinate services and opportunities across organizations and sectors.

4 Chelsea

Decrease crime and increase resident perceptions of safety by 30% in 10 years through focus on crime prevention, youth opportunity, resident engagement.

Cutting edge collaborative crime prevention model, multi-tiered effort including focus on trauma.
City-Level Results, Year 2

LAWRENCE. Goal: Increase parent income by 15% and dramatically increase parent engagement in the public schools.

- Jobs & training: 240 parents training, 70 placed in jobs. Major new pay for success effort recruited to Lawrence, to more than double parent training and placement in year 3.
- Deepened parent engagement, connecting over 600 parents to schools, training, approach adopted across school system at its own expense.
- Connecting with employers: major new CEO group formed through WCC, Lawrence Partnership, driving citywide local employment pledge, investigating and incorporating employer needs and best practices for non-English speaking workforce.
- Follow on grants now total more than $750,000.

FITCHBURG: Goal: Transform struggling neighborhood using neighborhood report card, community engagement.

- 300 community residents, business leaders and others involved year long planning process. New initiatives focus on early childhood education, public safety, housing, integrated services.
- Follow-on grants of $5 million over 5 years from Health Foundation of Central Massachusetts, EPA.
- City shifting economic development strategies to coordinate, implementing new distressed property systems.
- Fitchburg State University launches major focus on engagement in revitalizing Fitchburg, including rehab of major downtown properties.

HOLYOKE Goal: Raise percentage of Latino-owned businesses from 9 to 25% over 10 years.

- Launched business and social venture accelerator SPARK, has now produced 2 classes of 27 students (70% Latino), 16 startups, 50 jobs; named a top start-up city by Popular Mechanics.
- Restructured the city’s permitting and licensing systems.
- Supporting efforts: Launched English for Entrepreneurs effort, new $75,000 microenterprise loan fund funded by city.
- Follow on grant of $250,000.

CHELSEA Goal: Reduce crime and increase residents perceptions of safety by 30%.

- Implementing cutting edge collaborative crime prevention initiative -- Hub and COR – imported from Canada changing leaders understanding of crime, city systems. Over 100 families helped.
- City safety dashboard created for decisionmaking, includes crime trends, youth opportunity, condition of social fabric.
- City investing deeply in WCC priorities, including: full time community engagement officer at Police Dept to run Hub and COR, city-paid treatment beds, commitment to fund more youth rec/opportunity.
Initiative Level Impact, Year 2

• Application process creates important new work in cities that win and cities that did not win. Major new efforts underway in 89% of cities that participated, including those that did not receive funding.

• MassDevelopment has adopted collaborative leadership as a threshold criteria for $15 million Transformative Development Initiative.

• State has created $3 million Urban Agenda initiative to fund collaborative leadership efforts in Gateway Cities. Second round proposed for FY 2017 budget.

• Legislature passed funding for second round of Working Cities in MA, tripling initial investment. Private sector also increases investment.

• More philanthropic investment in smaller MA cities, including national philanthropy, with $5.3 m in leverage from nat’l and local funders.

• Other Feds actively planning for expansion of Working Cities model.