



**working**cities  
challenge

[www.BostonFed.org/WorkingCities](http://www.BostonFed.org/WorkingCities)

# 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.**

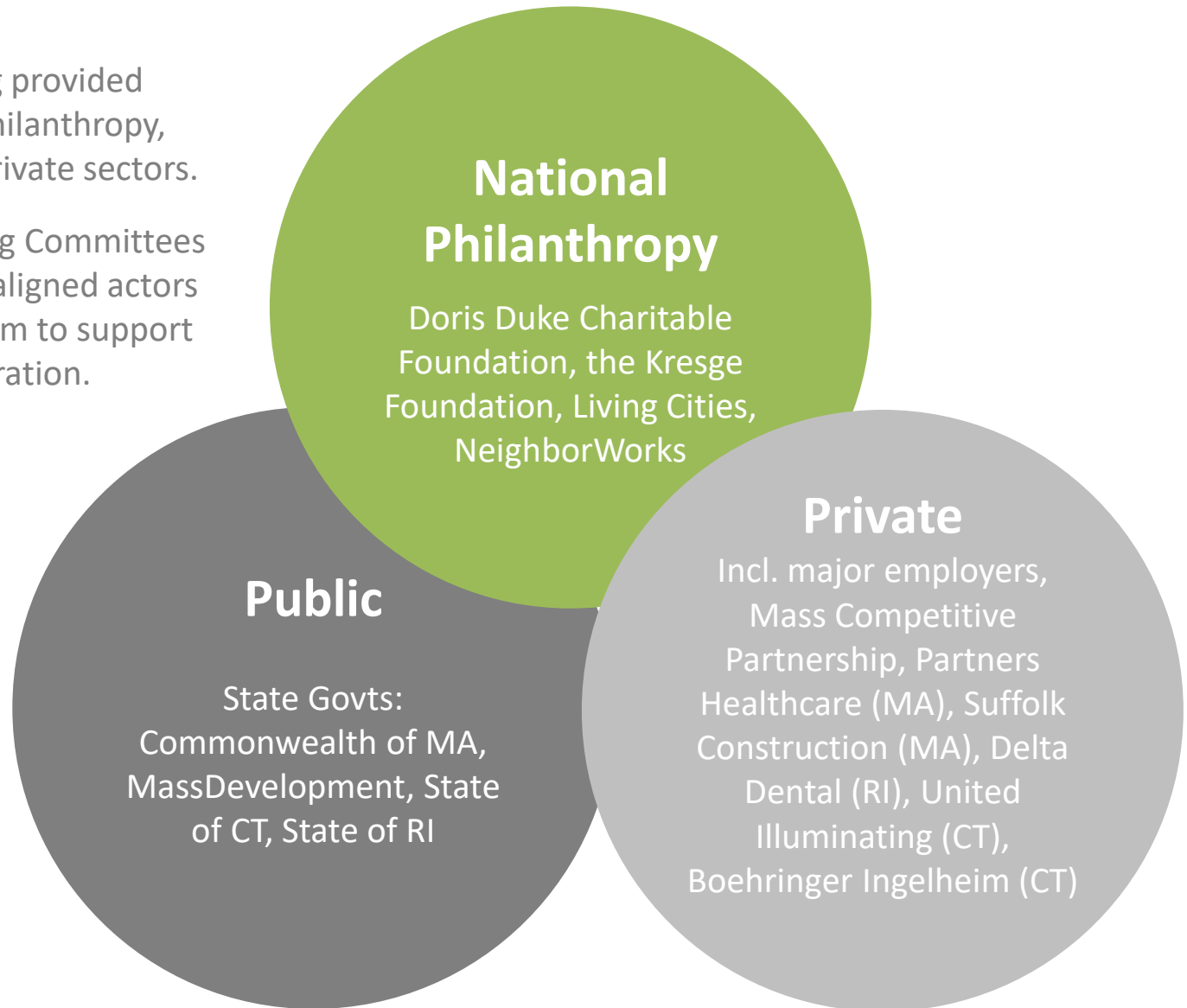
# Key Working Cities Challenge Goals

- 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.



# 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



## 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.



## 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**.

