NEW PARTNERSHIPS FOR DISRUPTING URBAN POVERTY: THE LIVING CITIES INTEGRATION INITIATIVE

Pittsburgh Community Reinvestment Group
Community Development Summit
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Chelsea Burket, Director of Sustainable Communities, Fourth Economy Consulting

Alison Gold, Assistant Director of Knowledge & Impact, Living Cities

Kurt Sommer, Director, Baltimore Integration Partnership

Walter Wright, Project Director, Greater University Circle Community Wealth Building Initiative
About Living Cities

Founded in 1991, Living Cities is an innovative philanthropic collaborative of 22 of the world’s largest foundations and financial institutions working to create lasting improvements in the lives of low-income people and the cities where they live.
“The only way to fix a system that is laid out wrong is to rebuild it, if you can.”

-Donella H. Meadows

*Places to Intervene in a System*
The Integration Initiative

The Integration Initiative supports teams in cities who are harnessing existing momentum and leadership for change, overhauling obsolete systems and fundamentally reshaping their communities and policies to meet the needs of low-income residents.
If we build a new civic infrastructure...
If we drive the private market to work on behalf of low-income people...
If we engage the public sector as a partner and support them to innovate...
Community Profile

Share Unemployed Residents 25 - 64 by Educational Attainment, 2009

- **Maryland**
  - Less than HS: 19.5%
  - High School: 25.1%
  - Some College: 34.2%
  - Bachelor's or Higher: 21.2%
- **Baltimore**
  - Less than HS: 28.6%
  - High School: 39.5%
  - Some College: 21.1%
  - Bachelor's or Higher: 10.7%
- **BIP Target Areas**
  - Less than HS: 39.5%
  - High School: 35.8%
  - Some College: 20.2%
  - Bachelor's or Higher: 4.5%

Baltimore City's 2008

Legend:
- Competitive
- Emerging
- Stable
- Transitional
- Distressed
The BIP Partnership

Coordinator
Association of Baltimore Area Grantmakers

Public
State of Maryland
City of Baltimore
Baltimore Metropolitan Council

College/University
Johns Hopkins University
Maryland Institute College of Art
University of Baltimore
University of Maryland - Baltimore
Baltimore City Community College

Philanthropic
Annie E. Casey Foundation
Associated Black Charities
The Goldseker Foundation
Baltimore Workforce Funders Collaborative
Baltimore Neighborhood Collaborative

Nonprofit
Job Opportunities Task Force
East Baltimore Development, Inc
Central Maryland Transportation Alliance
Central Baltimore Partnership

Community Development Financial Institution
The Reinvestment Fund
BIP Strategies / Activities

• Connecting Low-Income Neighborhood Residents to Family Supporting Employment
  – Neighborhood Pipelines/ Access Points
  – Bridge and Occupational Training

• Making Economic Inclusion Business as Usual
  – Capital Investments
  – Anchor Institutions

• Attracting and Deploying Capital for Building Communities and Expanding Opportunity
  – CDFI Capacity Building
  – Aligned Investment in Catalytic Projects
  – Small Business Supports

• Aligning and Accelerating Effort to Achieve Durable Change
  – Regional and State Initiatives
  – Policy and Systems Change
Connecting to Employment
Community-Based Workforce Pipelines

BIP Areas Eligible for Capital Workforce Pipeline
Connecting to Employment
Workforce Development Partners

Mayor’s Office of Employment Development
- WIA System

Greater Homewood / Central Baltimore Partnership
- Central Pipeline Partner

East Baltimore Development, Inc
- East Pipeline Partner

Job Opportunities Task Force - JumpStart Program
- Pre-Apprenticeship Construction Training

Episcopal Community Services of Maryland
- Construction/Deconstruction Training*

Baltimore Reads
- Accelerated GED Preparation

The Caroline Center
- CNA, GNA, and Pharmacy Technicians

St. Vincent de Paul**
- Culinary / Food Preparation

Humanim
- Retail/Hospitality

Biotechnical Institute of Maryland
- Laboratory Associate

Baltimore Alliance for Careers in Healthcare
- Career Coaching at Anchor Institutions***

*For individuals transitioning from incarceration
**Funded by Baltimore Workforce Funders Collaboration
***For participating employees at MICA and JHU
Attracting and Deploying Capital for Building Communities and Expanding Opportunity

Closed Living Cities BIP Projects as of 05/02/13
- Apples and Oranges
- Center Theater
- Center for Healthcare
- Chesapeake Restaurant
- Lillian Jones Affordable Rental
- Mi Casa Homeownership
- North Avenue Market
- Remington Village
- Telesis Homeownership (Barclay)

Pipeline BIP Projects
- Pipeline

Closed NMTC Projects
- East Baltimore Community School
- MICA Studio Center

2011 Housing Market Typology & LandUse
- Regional Choice
- Middle Market Choice
- Middle Market
- Middle Market Stressed
- Distressed
- Non-residential (<50 residential lots)
- >50 residential lots; >40 % vacant lots; >50 residential lots
- < 5 Residential Sales (2009-2010)
- < 5 Sales; MultiFamily (>65% of Housing Units)
- Non-Residential (Other)
- City/Private/Public
- Commercial
- Green Space
- Major Water
Attracting and Deploying Capital

Telesis - Barclay

Mi Casa – Johnston Square

Lillian Jones – Johnston Square

The Chesapeake – Station North
Economic Inclusion

Anchor Institutions

Anchor Institutions influence the BIP Target Areas

- Eastside (JHH)
- Central Baltimore (UB, MICA, and JHU)
- Westside (UMB, Coppin, Bon Secours).

Opportunity: Build on proximity of these institutions as influencing agents in the target areas for the revitalization and the workforce development opportunities that they may offer particularly through:

- Local hiring practices
- Procurement activities (local small /minority businesses)
- Capital investments (both revitalization and job opportunities)
Partner Policy & System Changes

Completed and Ongoing Policy and System Work

- CDFI serving Baltimore for Redevelopment Financing
- Employ Baltimore Executive Order
- Maryland Department of Transportation’s 0.5% ($1 million in workforce funding)
- MD DHCD New Sustainable Communities Requirements
- JHU Economic Inclusion Policies
- EARN Legislation ($4.5 million in workforce funding)

Other Key Developments

- Ban the Box Legislation
- Ease Drivers Restrictions for Adults
- Baltimore City Lets Get to Work Initiative
- New Microenterprise Lending
- Train Baltimore
- Anchor Local Hiring/Purchasing Practices

- CDFI Roundtable
- Baltimore City Anchor Plan – In Progress
- BRIDGE Workforce Development – In Progress
- Study of Anchor Food Sector – In Progress
- Small Business Ecosystem Study – In Progress
The Greater University Circle
Community Wealth Building Initiative
ANCHOR & CULTURAL INSTITUTION INVESTMENT

Cleveland Clinic - $1 Billion

University Hospitals - $900 Million

Veteran’s Affairs Medical Center - $300 Million

Cleveland Museum of Art - $350 Million
BUS & RAPID STATION at CEDAR HILL TIGER II Funded - $15.1 MM

Current Conditions, left

As completed, below
New Transit Station at Mayfield Road  TIGER III Funded - $14.5 MM
Uptown Phases I & II  $44 million investment for Phase I (compete), Phase II under construction
Buy Local

(Connect)

Hire Local

Live Local
Targeted Employer-Assisted Housing Program

$4 million pool

1. Anchor Home Buyer Forgivable Loan: Now $20,000

2. Foundation Forgivable Loan: Increased to $10,000

Total homebuyer benefit available = $30,000
$8,000 available for home renovation
$1,400 available for rental

Over 110 employees have taken advantage of the program!
University Hospitals Vision 2010:
Construction of major new facilities = $1.2 Billion

Results exceeded goals:

- 93% local contractors
- 17% MBE
- 7% FBE
- 20% of workers local residents
- Enduring results: worked with 110 small companies, now work with 30 on routine spend

Case Western Reserve University launches capital program with similar goals; Cleveland Clinic Supplier Diversity Advisory Council is a leader in this area
The Economic and Community Development Institute’s services began in 1998. In response to the difficulties people face in finding living wage jobs and integrating into the financial mainstream, they offer financial literacy and microenterprise development training courses.
The **National Development Council** is the oldest national non-profit community and economic development organizations in the U.S. It was founded in 1969 with one purpose: increasing the flow of capital for investment, jobs and community development to under served urban and rural areas across the country.
NewBridge is based on the belief that environment shapes behavior. Take the tour. >>
Neighborhood Connections is a grassroots community-building program created by the Cleveland Foundation in 2003. Neighborhood Connections awards small grants of less than $5,000 to fund citizen-led neighborhood projects, events, and activities that benefit Cleveland and East Cleveland.
Benefits of Local Procurement

Local Procurement benefit to anchors:
- Better vendor servicing/better access to critical goods and services in crisis situation/decrease carbon footprint/lower costs

Local Procurement benefit to community:
- Increasing local employment/stabilizing neighborhoods
- Building a network of inter-connected vendors, purchasers, financial institutions, training and higher education
“Increase Jobs, Income, and Ownership Opportunities for Low-Income Cleveland Residents”

**Buy Local**
- Anchor procurement – increase local
- Support City of Cleveland economic development
- Small business support and capital
- Marketing the Health Tech Corridor

**Hire Local**
- Anchor hiring – support pipeline from community
- City of Cleveland Community Benefit Agreements
- Better alignment of Workforce Investment Board
- Education and training

**Live Local**
- Greater Circle Living – employer-assisted housing program
- Neighborhood Connections – network-centric organizing
- Quality of life and sustainability, including transportation and resident health

“Connecting” organizations include: Neighborhood Connections, Towards Employment, National Development Council, ECDI, BioEnterprise, City, etc.
Living Cities

Living Cities – 22 of the nation’s greatest foundations and finance institutions

“Greater University Circle Community Wealth Building Initiative”

The Integration Initiative: $80 mm (grant and debt)
- Cleveland
- Detroit
- Baltimore
- Newark
- Twin Cities
Begins 2011

$14.77 mm award over 3 years - $12 m debt, $3 m grant

Cleveland Foundation - Greater University Circle Initiative (grant support)

Invest
“Greater University Circle Community Wealth Building Initiative”

Mission:
“Increase Jobs, Income and Ownership Opportunities for Low Income Cleveland Residents”

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“Buy Local” procurement small business capacity and capital

“Hire Local” workforce policy and practice

Economic Inclusion Management Committee

“Live Local” Greater Circle Living Engagement quality of life

Anchor and other partners

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Influence Invest
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MidTown

National Development Council

BioEnterprise

City of Cleveland

Community Benefit

Towards Employment

Sherwin-Williams HomeWork

CMHA

ECDI

CSU evaluation

Evergreen Green City Growers

Health Tech Corridor biotech / transit investment priority

NPI

Invest
The “University Circle Effect”

University Hospitals has made a commitment: all purchases greater than $20,000 must be competitively bid and should include at least three vendors, with one or more bid participants who are a qualified local, woman, or minority owned enterprise. UH led the way with Vision 2010, subject of a recent study by MIT and the Democracy Collaborative.

The Cleveland Clinic has exceeded goals for diversity and inclusion, and led the way in local food. All anchors now exceed 10% local food goals.

Case Western Reserve University has been able to drive 90% of $100 million of discretionary spend into Northeast Ohio in 2012, and is following Community Benefit Agreement for new construction.

The City of Cleveland established a certification for local and sustainable businesses and gives them a competitive advantage. Since legislation was enacted, over $85 million in contracts have been awarded to these businesses. The City is also committed to diversity, and to economic inclusion, and has recently established Community Benefit Agreements to put these principals into practice.

All anchors have committed to minority and female owned companies, and to hire local workers for construction projects. They are working together to increase local hiring internally as well.