

How the Federal Reserve Bank of Boston is Catalyzing Collaborative Leadership

Collective Impact Takes More than Traditional Collaboration

Unlocking the Power of the Public Sector



At the Table

INSIGHTS AND IDEAS FROM LIVING CITIES' INTEGRATION INITIATIVE

Volume IV, Summer 2013



LIVING CITIES
INNOVATE • INVEST • LEAD

Welcome to *At the Table*

The Integration Initiative supports cities that are harnessing existing momentum and leadership for change, overhauling long obsolete systems and fundamentally reshaping communities and policies to meet the needs of low-income residents. Participating sites through 2013 include Baltimore, Cleveland, Detroit, Newark, and Minneapolis-St. Paul. *At the Table* features reflections, conversations, profiles, articles and updates on what key stakeholders in the sites are learning at their tables (and beyond) through the initiative.

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Welcome to the fourth issue of *At the Table: Ideas and Insights from The Integration Initiative*. *At the Table* allows us to share key learnings from our work with our cross-sector partners on the ground in Baltimore, Cleveland, Detroit, Newark and the Twin Cities. In this issue, we reflect on what it takes for efforts to move from traditional collaboration to collective impact. We also take a closer look at the role of the public sector in this work. Additionally, we highlight the importance of unlocking its power as a partner including through innovative use of data and the burgeoning civic technology movement.

Building on the role of different players ‘at the table’, we are excited to announce a new partnership with the Federal Reserve Bank of Boston that has launched an effort, modeled on The Integration Initiative, that is bringing together cross sector leaders to improve the lives of low-income people in smaller cities in the state of Massachusetts. We look forward to learning how to adapt The Integration Initiative framework for smaller cities and how to spread these learnings more broadly.

These pieces reflect thinking during specific points in time in the midst of complex multi-year work. We invite you to join the conversation and hope you’ll share your own insights and ideas by commenting on our blog (www.livingcities.org/blog), posting a comment on Twitter to [@Living_Cities](https://twitter.com/Living_Cities) or #TIILC or emailing the Living Cities team—we’ve included an email address with each article. You can also check out past issues of *At the Table* on our website.

Thanks for your interest in The Integration Initiative. We look forward to learning with you!

Best,

The Living Cities Integration Initiative Team



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How the Federal Reserve Bank of Boston is Catalyzing Collaborative Leadership



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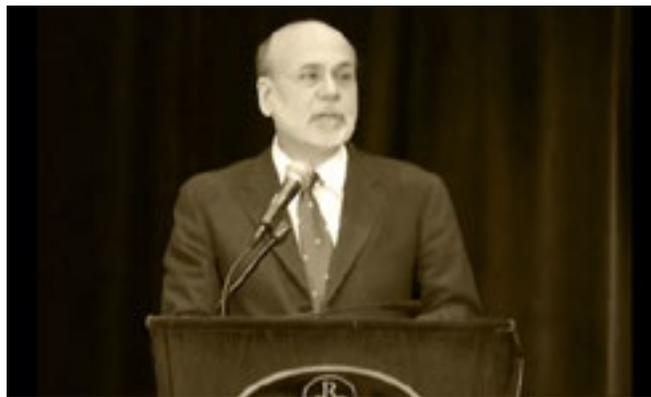
With [the announcement](#) on May 3rd of its Working Cities Challenge, the Federal Reserve Bank of Boston is catalyzing public, private and non-profit leaders across Massachusetts to come together to improve the lives of low income people in smaller cities in the state. This competition, modeled on the Integration Initiative, promises a total of over \$1 million in grants for the best collaborative efforts to change systems and ensure that smaller cities in Massachusetts are places of opportunity and prosperity for all their residents.

Living Cities is extremely excited about this effort as we believe that only through collaborative problem-solving can we fix seemingly intractable social and economic problems.

We are energized to hear that other leaders, including Federal Reserve Chairman Ben Bernanke, agree with us. This is an incredible opportunity to translate some of our Integration Initiative learnings about how to build a new kind of civic infrastructure to drive large scale results from large cities to smaller cities.

To advance these efforts, we are investing \$600,000, joining the State and private sector investors as key partners. We look forward to working and learning alongside the Federal Reserve Bank of Boston and Massachusetts cities as they take on this challenge to [fix what ails America](#).

For more information about the Working Cities Challenge visit their [homepage](#).



Federal Reserve Chairman Ben Bernanke addresses the crowd at the Working Cities launch.

Collective Impact Takes More than Traditional Collaboration

By Carmen Rojas
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After years of working in silos to solve the persistent problems facing low-income city residents, many leaders have concluded that no one organization or sector can go at it alone. These leaders are beginning to adopt a new way of working – one that is centered on a collective impact framework. As interest in collective impact grows, Living Cities, in partnership with the [Strive Network](#), is encouraging a rigorous scaling of this approach to see results shift at the population level for low-income people in cities.

This was the topic at a recent session of the Living Cities' Integration Initiative Learning Community, where Jeff Edmonson, Managing Director of the Strive Network, shared lessons from his experience in supporting collective impact partnerships across the country.

The Strive Network has been leading the application and refinement of a collective impact framework that



invites cross sector leaders to set big, audacious goals to improve the lives of city residents. Founded in the Cincinnati/Northern Kentucky region, Strive aims to improve educational outcomes for all children by aligning resources and strategies of organizations which engage with children from cradle to career. Using a collective impact framework, Strive in Cincinnati has led to results in just six years, including a 13% increase in school readiness, a 16% increase in 4th grade reading levels, and a 7% increase in college enrollment.

As Jeff described at the Learning Community, a successful collective impact partnership requires more than collaboration among different sectors. He pointed to four important distinctions between traditional collaboration and collective impact. These are:

Convene Around Programs vs. Work Together to Move Outcomes

In collaboration, people come together to design and implement programs and initiatives. Yet in collective impact, they come together to advance a better result for those impacted by the system to be changed. Leaders engaged in collective impact efforts work together with the intention of moving the needle for a significant percentage of a population within a specific system, such as employment or education.

Prove vs. Improve

There is also a distinction in how people use data. In collective impact, data is an accountability tool to track progress and help inform course corrections for increased impact. More traditionally, data has been used as a shaming tool for people engaged in systems change work. In a collective impact framework, data is not used to prove outcomes but to improve outcomes.

Happens in Addition to What You Do vs. What You Do

Meeting collective impact goals is integrated into everyday work of participants. Participation in a collective impact partnership is not just a part of your to-do list, but core to what you do every day.

Advocate for Ideas vs. Advocate for What Works

Evidence-based decision making is essential to collective impact. Instead of getting bogged down in politics or ideology, collective impact asks leaders to use data to keep supporting what is working and to stop supporting what isn't working.

Jeff and the Strive Network have been taking these lessons across the country to help places establish effective Cradle to Career partnerships. Today, they are working with over 80 communities to build and strengthen cross-sector tables that address regional educational outcomes. Through The Integration Initiative, we are learning about how this collective impact framework can be adapted to other systems, including transportation, healthcare, workforce, and economic development.

One of the early lessons from TII is that when collective impact efforts target specific systems, they often start somewhere yet go everywhere. For example, an emerging education-focused partnership in Newark had significant overlap with the Living Cities Integration Initiative site – the Strong Healthy Communities Initiative (SHCI). While SHCI started out by addressing the health system in Newark, the site has now begun to explore the adoption of the Strive framework to improve educational outcomes. As these connections strengthen, we will be well positioned to continue learning about how Strive's collective impact framework can be adapted to address different systems.

Collective impact is more than traditional collaboration. It requires alignment around a shared outcome, as well as the strategic use of data to both improve strategies and advocate for those that work. The promise it holds for substantially changing long-broken systems is enormous.

**Has this article spurred your ideas and insights?
Share them with us on the Living Cities blog
(www.livingcities.org/blog) or reach us on
Twitter at [@Living_Cities](https://twitter.com/Living_Cities).**

Unlocking the Power of the Public Sector

By Ronda Jackson
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Historically, the public has counted on government to play important roles in helping to address many of our most pressing problems. However, as city budgets have become strained, and our social and economic problems have become more complex, some have increasingly looked to sectors outside of government for solutions. Living Cities believes that in fact no one sector working alone has the power to change our inefficient systems, and that a collaboration across sectors is the most viable way to system change solutions. We also recognize the unique role the public sector plays given its authority and ability to set policy, invest significant resources and institutionalize and run programs that produce benefits for low-income people.

As part of The Integration Initiative (TII), five cities (Baltimore, Cleveland, Detroit, Newark and Minneapolis/St. Paul) have been engaging the public sector in new ways to address the systems affecting their low-income constituents. The first 18 months of the Initiative provided strong evidence that public sector leadership and the political context the sites are operating in are key factors affecting the success of each effort. Positive outcomes so far have included:

- **Strengthened** relationships between the public sector and other key players
- **Changes** in funding
- **New** policy outcomes

For all the successes observed, there have also been significant challenges in harnessing the power of the public sector, and relationships with public sector



*Joe Lewis Monument in Detroit
(by Mickey Champion, Creative Commons)*

stakeholders have varied from site to site. Some of the challenges that have surfaced in realizing the potential of the public sector to contribute to the work include:

- **Prioritization:** Strategically aligning the site work with key priorities of local, state, or regional governments
- **Funding Alignment:** Aligning funding streams between philanthropy and the public sector
- **Capacity:** Ensuring local governments have the internal capacity needed to effectively implement relevant pieces of the initiatives
- **Election Cycles:** Institutionalizing long-term work when political leadership generally works on shorter-term time horizons based on election cycles.

We continue to learn from the successes and challenges of the sites' work with the public sector in order to help us consider how some of the innovative ways of working that are emerging can become the norm. As with Living Cities' work more broadly, we see the potential to advance public sector innovation in at least three broad areas to produce better outcomes- innovative structures, innovative capital and innovative collaboration.

See page 8 for our breakdown of these areas and city-based examples of this type of work.

Three Ways to Advance Public Sector Innovation

Innovative Structures:

New ways of organizing the work of city government to overcome outdated bureaucracy, better engage city residents, and create structures that match the multifaceted complexity of the problems that cities face.

WHERE IT IS HAPPENING: DETROIT

Detroit is working to significantly streamline its small business services making it easier for entrepreneurs to open and expand local ventures. They are doing this by co-locating various department representatives for “one-stop” permit shopping, putting applications online, giving staff technology to issue permits and accept payment in the field, and reducing permit wait times.

Innovative Capital:

Combining public, private, and philanthropic dollars and roles in new ways that provide essential services at lower cost to the public without sacrificing important public values like social equity.

WHERE IT IS HAPPENING: NEWARK

In Newark, the Mayor’s office, Prudential Social Investments, and New Jersey Community Capital partnered to identify key neighborhoods for stabilization and properties at risk. They are now buying the foreclosed mortgages from the Federal Housing Authority together, and then refinancing the homes in order to keep the struggling homeowners in their home in targeted low-income communities.

Innovative Collaboration:

Between the public sector and problem-solvers in other sectors, new and more comprehensive models for tackling challenges will allow all sectors to be more effective.

WHERE IT IS HAPPENING: TWIN CITIES

In the Twin Cities, leaders combined their HUD Sustainable Communities and TII grants under one Policy Board with active leadership from public sector (four Mayors, two County Supervisors, and Chair of Regional Transportation Authority) in partnership with philanthropic, nonprofit, and business leaders to accelerate economic development and ensure equity throughout its transportation corridors.

Building on this learning, in the months ahead, Living Cities looks forward to continuing to deepen our understanding of how the public sector can innovate to address complex issues affecting low-income constituents and continuing to support The Integration Initiative sites as they work to engage the public sector in achieving site specific outcomes.

Has this article spurred your ideas and insights? Share them with us on the Living Cities blog (www.livingcities.org/blog) or reach us on Twitter at [@Living_Cities](https://twitter.com/Living_Cities).

Breaking Through Data Silos to Accelerate Collaborative Change

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We are increasingly seeing data being harnessed as a tool for collaborative change. [Indeed, data is central to some of the most effective collective impact initiatives across the country.](#) The Integration Initiative teams in Cleveland and Baltimore, for example, are gathering vendor and supplier data to help their anchor institution partners buy more of their goods and services locally. Additionally, data and tech are increasingly being used to engage the public directly in problem-solving, policymaking and service delivery. Using data for these purposes has become an area of increasing interest for Living Cities.

One significant barrier to these uses of data is data silos: the storing of important data in different databases – and agencies – that don’t talk to each other. These silos make it difficult for civic leaders and city residents to coordinate their efforts, maximize scarce resources and develop evidence-based strategies. In many (but not all) cases, these data silos reside within the public sector, often locked into proprietary software programs with poor interoperability – assuming they are stored digitally in the first place.

The issue of vacant properties illustrates this challenge. As we’ve learned from civic startups working on this issue, public data on vacant properties can be scattered across dozens of city departments, to the point that no one public official can see it all. Community residents and nonprofits can waste significant amounts of time recreating this data just so that they can figure out which properties they might acquire and which approaches to returning them to productive use might be feasible.

Recent innovations in vacant property data and technology have shown the promise for using data for deeper cross-sector collaboration and civic engagement. In addition to [troves of other data](#), Data-Driven Detroit has aggregated data on every parcel in the city (pictured below) and used that to build the community’s capacity to adopt evidence-based strategies. [BlightStatus](#), developed in New Orleans by Civic Insight, aggregates vacant property data across silos for easy use by anyone who’s interested. In a recent discussion between leaders in these organizations and local government leaders in our networks, several



Tool featured on datadrivendetroit.org

suggestions surfaced for moving this work forward:

1. Use Application Programming Interfaces (APIs), protocols for translating data from one system to another, to help aggregate data across silos. Cities can seek assistance from local groups of civic-minded programmers or national civic tech developers like Civic Industries or OpenPlans;
2. Talk to technology vendors about potential ways to make their data play better with data from other systems, or build open-source or API requirements into software contracts;
3. Recruit more open-source software developers into government to help relieve dependence on proprietary, closed-source solutions over time; and
4. Look into technology solutions, like [Local Data](#), which empower city residents to provide data on their own neighborhoods, supplementing or enriching what city staff can do on their own.

Sometimes, just starting these conversations can be difficult. The National Neighborhood Indicator Partnership's online piece: [Getting Data out into the Open](#), is a useful guide to getting started. Living Cities looks forward continuing to support and learn along with TII sites and others in the civic technology movement as they use data to accelerate collaborative change.

Living Cities' growing body of work on data, civic tech and collaborative change

- [Using Data to Drive Change: A Basic Primer](#)
- [Overcoming Barriers to Using Data](#)
- [Living Cities writings on civic tech, local governance and low-income people](#)

Capital Corner

By Amy Chung, Senior Investment Officer

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The last few months have been an exciting period for our TII borrowers. Please see below for highlights of their activity:

TRF (Baltimore)

In August 2012, TRF made its first draw of \$250,000 from the Catalyst Fund to support the Chesapeake project, which will renovate a long-abandoned, city-owned former restaurant in Station North for use by local small businesses. Total development costs are \$2.1 million. In addition to reducing blight, this project will create new amenities for the neighborhood, temporary construction jobs and many new permanent jobs. In November 2012, TRF drew an additional \$250,000 from Catalyst to support this project.

In early March, Catalyst funded \$250,000 to TRF to support the Remington Row project, the acquisition and rehabilitation of 10 row-homes on one block of the Remington neighborhood of Central Baltimore, south of the main campus of Johns Hopkins University. Total construction costs are \$1.5 million. In addition to reducing blight, this project will create construction jobs and help moderate-income residents such as young teachers and other public employees to build equity through affordable home sale prices. TRF expects to use \$500,000 in total from the Catalyst Fund to support this project.

GUCCC (Cleveland)

The GUCCC recently approved two Small Business Administration transactions that utilize senior debt. The first transaction is a \$633,000 loan to Ohio Mills, a used donated goods retail business with domestic operations in Ohio, Kentucky and Virginia. The loan will help the owners improve their current cashflow and reduce costs by adding new fuel-efficient vehicles to their existing fleet, paying off an existing loan to reduce debt service and purchasing and improving their facility to save on rental expenses. The second deal is a \$1,544,000 loan

to Contract Transportation Services (CTS), a contract bus transportation system that serves patients from the Greater University Circle anchor partners as well as other health facilities in the area. The financing will allow CTS to purchase additional shared-ride vans, fund working capital and refinance existing loans at more favorable terms.

Neighborhood Development Center (Twin Cities)

In November 2012, NeDC drew \$320,000 from the Catalyst Fund to support 4 projects:



Photo Credit: Asian Economic Development Association

Ha Tien Grocery

\$200,000 to help Ha Tien Grocery, an 8,000 sq. ft., one-stop supermarket, renovate and redesign their existing store. Improvements made to the Ha Tien Grocery are anticipated to encourage other development projects in the surrounding area and significantly contribute to the Little Mekong District as well as the Corridor of Opportunities' larger TOD strategy of helping local businesses capitalize on increased foot traffic with the development of transit.

X-Treme Beauty Salon

\$20,000 to help X-Treme Beauty Salon build out its new space in Frogtown Square which will offer complete hair care services for women and men.

A-1 Vacuum Cleaner & Appliance Co.

\$50,000 to help A-1 Vacuum Cleaner & Appliance Co. improve their existing building on University Avenue in preparation for potential higher foot traffic and visibility on the Central Corridor.

May Building

\$50,000 to help May Building, located on a busy intersection of Western and University Avenue, to make exterior repairs and other enhancements to complement the corridor and the Little Mekong business district. The architectural design was created in alignment with the Little Mekong District's vision and is anticipated to benefit the residents and businesses located nearby by making the community more inviting and deterring crime with additional lighting and security



Photo Credit: Asian Economic Development Association

amounts that will be shared among TCCLB, LISC and the Family Housing Fund.

The acquisition of Prior Crossing, a 0.9 acre site located one block from the Fairview Avenue Station on the Central Corridor, in the fall of 2012 was discussed in the previous edition.

Has this article spurred your ideas and insights? Share them with us on the Living Cities blog (www.livingcities.org/blog) or reach us on Twitter at [@Living_Cities](https://twitter.com/Living_Cities).

LISC and TCCLB (Twin Cities)

Since our last report, LISC and TCCLB have made significant progress on closing and approving loans in their joint pipeline. They recently approved a \$1,000,000 line of credit to the Everwood Company for the preservation of single-family homes. They also closed an \$850,000 bridge loan to Twin Cities Housing Development Corporation to acquire and rehabilitate the St. Alban's Park development in Saint Paul to preserve its affordability for low and moderate income households in the Twin Cities. Two additional new development TOD loans were approved in January 2013. The first is a \$1,000,000 predevelopment loan to Wellington Management for the construction of 103 units of affordable rental housing and 66 underground parking spaces. The second is a \$680,000 predevelopment loan to SCI Associates in partnership with Aurora St. Anthony to develop the proposed Old Home Plaza site. Please note that the figures above represent the aggregate loan

The Latest TII Site News

Baltimore

[Workforce training and inclusive hiring legislative victories in Annapolis](#)

Cleveland

[GCRTA HealthLine named 'Best BRT in USA'](#)

Detroit

[Detroit Future City: Detroit Works Project Strategic Long Term Plan Presents New Concept](#)

Newark

[White House Honors Wayne T. Meyer as a Hurricane Sandy Champion of Change](#)

Twin Cities

[NDC was awarded the 2013 Citi Microentrepreneurship Award for Capital Access](#)

Upcoming Events

[Social Impact Exchange Conference on Scaling Impact](#) (Date: June 18, Location: New York City)

At this fourth Annual Social Impact Exchange Conference, funders, advisors and leaders gather to share knowledge, learn about innovative co-funding opportunities and develop a community to help scale top initiatives and build the field.

[Meeting of the Minds](#) (Dates: September 9 – 11, Location: Toronto, Canada)

This event links urban leaders in the private, nonprofit and public sectors in order to identify tested and untested solutions that can help us build connected and sustainable cities and regions, and to share those solutions with each other

[Opportunity Finance Network Conference](#) (Dates: October 15-17, Location: San Antonio, Texas)

Join more than 1,000 CDFI practitioners, board members, funders, investors and policymakers from around the country who are all eager to learn, share, inspire, and be inspired.

[Rail-revolution](#), (Dates: October 20–23, Location: Seattle, Washington)

This is a conference for passionate people who want to engage in thoughtful discussion about building livable communities with transit.

ABOUT LIVING CITIES

Living Cities harnesses the collective power of 22 of the world's largest philanthropic and financial institutions to improve the lives of low-income people and the cities where they live. Our members are not simply funders. They participate at the senior management level on the Living Cities Board of Directors and contribute the time of more than 80 expert staff toward crafting and implementing our agenda.

ABOUT THE INTEGRATION INITIATIVE

Living Cities' Integration Initiative supports cities that are harnessing existing momentum and leadership for change, overhauling long obsolete systems and fundamentally reshaping communities and policies to meet the needs of low-income residents. The site teams participating from 2011 to 2013 are located in Baltimore, Cleveland, Detroit, Newark, and the Twin Cities. In aggregate, the sites receive an investment of \$85 million in grants, flexible debt, and commercial debt by Living Cities and its members. They also participate in an array of formal and informal partnership and knowledge exchange opportunities including one-on-one meetings, site visits, online collaboration tools, and cross-site convenings known as "Learning Communities."

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