PLACE-BASED INVESTING LEARNING TRIP SUMMARY REPORT

Candice Hampson & James Burrows

BIG SOCIETY CAPITAL – NOVEMBER 2018

8-10 NEW FETTER LANE, LONDON, EC4A 1AZ

BIG SOCIETY CAPITAL

Contents

Executive Summary – Overall Insights

Context

- Culture of home ownership in America. When you own a home, you've made it: The American Dream.
- The housing foreclosure crisis hit poor neighbourhoods badly – lots of blight, vacant deserted properties. One of the most common problems across the places we visited.
- There is systematic extraction of value from poor neighbourhoods in the form of fees and taxes:
    - Real estate agents and mortgage brokers make fee-based commission on day one, so don't care if someone defaults on day 100.
    - There is a ~70% success rate on property tax rise appeals. Only those who can afford lawyers get to appeal. And the use of property taxes often goes to the neighbourhoods who are not the most in need – continual dis-investment in the neighbourhoods that need investment most. They go to making mediocre ones better (i.e. in Detroit, target six up and coming neighbourhoods to attract more middle class people, get more property and income taxes. Chicago, historic investment into Milwaukee Avenue neighbourhood until it gentrified)
- Therefore, key outcomes for almost everyone we talked to are: reducing racial inequities, wealth building in deprived neighbourhoods and of small business, and workforce development and job training.

Insights

- **Systems Change**. Unless projects and initiatives are connected to the wider system, they will not achieve long-term impact. Deals that do wider systems change should be used as levers / exemplars. There will be things you *cannot* control within bigger systems. Don't worry about trying to change or control those, or demonstrate attribution, or which part of the impact is down to you. Think more about which are the key policy / strategy levers that can be pulled to make big systemic differences – both those that allow you to do your activity and those that provide ability to create impact.
- **Context, Mapping, Data.** Importance of data! Data and knowledge should inform future strategy, and can inspire local people by demonstrating how much their place is changing. Need a data budget for every project. Could be longitudinal studies planned in from the beginning, or local demographic data. Be deliberate about levels of change you are trying to measure: transaction level, neighbourhood level, or policy level. Find innovative, cheap ways of collecting informational data (e.g. Detroit's citizens texts in pictures of vacant deteriorated houses). Use existing studies to reduce impact measurement burden. If we know something works, consciously accept minimal output data. Use for analysis, measurement, tracking, knowing the change, as well as knowing what interventions are needed (e.g. building 'infrastructure' first).
- **Coordination of collaboration.** Full-time, coordination role is key, rooted in the local community. Building partnerships, spotting gaps, taking a long-term view. Also, collaboration on the ground is key: organisations are used to competing for grant funds. Need them to work together to ever achieve anything substantial.
- **Community Engagement.** The community can give you two key things: insight on the status quo, and insight on what they want. They may come up with viable solutions, but you shouldn't rely on that. Don't spend years developing strategic plans – do them in "two days" and get practical quickly. Capacity is required on the ground including competence, attitude, headspace, "sense of urgency". You will not be able to please everyone; people will always 'differ' slightly on what they want or think is 'best'; don't be paralysed by this.
- **Build Density.** Importance of layering & building density *rather* than distributing funding, investment, energy and effort too thinly across too many places.
- **Design.** "Even" low-income communities need good design. Midtown Detroit had the right balance of community engagement, design-thinking and bringing in the cash and resources to match projects. All three elements are needed to make good projects happen locally.
- **Templates for place-making.** What's the hierarchy of improving a place / improving lives in that place? Housing first? Employment second? Community voice and empowerment? It all goes together, and all at the same time. Fine balance of development. How much of the approach is standardised vs bespoke?
- **Flexibility.** Be flexible! Each place has similar big picture needs (i.e. good quality affordable housing, the right retail offering for the local people, appropriate jobs, skills training for those appropriate jobs, etc.) but the mix

of each will be different. For-profit small businesses may need funding in a particular place. Identify the common goal, and be open minded as to what you fund to accomplish that. Don't tie your hands or restrict yourself too much; if things shift, or you find alternative effective means of creating change later on you want *to be able to* shift.

- **Concessionary Capital.** Find new sources of capital that can be long-term, patient, and equity-like. Make better use of risk tranches (e.g. Fonds de Solidarité who return 7.5% net while including loss-making local micro funds). Consider all the ways you can flex (or compromise!) as a funder: flex to include for-profits, higher target return. Lower target return, remain solely focused on non-profits.
- **Risk.** Set specific risk tranches to be clear on where we are taking more risk and therefore expecting a concessionary return, and where we are expecting market rate returns. High-risk investments need full engagement, not less capital to "protect our exposure". They may need more capital, technical assistance, and a longer time horizon.
- **Partnerships.** Partners should come from a wide range of functions – when developing a housing strategy, involve the local police, local employers, etc. Ensure the coordinator knows what each partner is looking to get out of the partnership, and keep playing that back. This has to be cross-sector collaboration for all parties involved; i.e. all working together.
- **Assets.** Super important for local wealth building to gobble up land and housing before unscrupulous people do. Create wrap-around services (ethical realtors, mortgage brokers, etc.). Identify where there is leakage in a neighbourhood and create solutions. Acquisition, stabilising and refurb of property is a really important role.
- **Wealth Building.** This came out as a strong theme in all conversations. How can we preserve wealth locally? Help people into home ownership. Create SEs that can service our supply chains. Etc.
- **Just Do.** Don't wait until perfection (sized groups; final analysis; the 'good enough' / 'big enough' rule of thumb); learn by doing; encourage by succeeding.
- **Impact Measurement.** Not much on evidence yet of how or whether this works tangibly. How is this demonstrated? a) End change intended is clear; b) subset of ideas and activities are clear, but c) the pull through to actually achieving that is less well articulated and evidenced.

Glossary

New Markets Tax Credits

The NMTC Program attracts private capital into low-income communities by permitting individual and corporate investors to receive a tax credit against their federal income tax in exchange for making equity investments in specialized financial intermediaries called Community Development Entities (CDEs). The credit totals 39% of the original investment amount and is claimed over a period of seven years. As of the end of FY 2016, the NMTC Program has:

- Generated $8 of private investment for every $1 of federal funding
- Created 178 million square feet of manufacturing, office, and retail space
- Financed over 5,400 businesses[1]

Low Income Housing Tax Credits

The LIHTC is a dollar-for-dollar tax credit[2] in the United States for affordable housing investments. Created in 1986, LIHTC accounts for approximately 90% of all affordable rental housing created in the United States today. The maximum rent that can be charged is based upon the Area Median Income ("AMI", for definition see below), so LIHTC housing remains unaffordable to many low-income (<30% AMI) renters.

LIHTC provides funding for the development costs of low-income housing by allowing an investor (usually the partners of a partnership that owns the housing) to take a federal tax credit equal to a percentage (up to 70% or 30% of Property Value depending on the credit type) of the cost incurred for development of the low-income units in a rental housing project.

Development capital is raised by "syndicating" the credit to an investor or, more commonly, a group of investors. To take advantage of the LIHTC, a developer will typically propose a project to a state agency, seek and win a competitive allocation of tax credits, complete the project, certify its cost, and rent-up the project to low income tenants. Failure to comply with the applicable rules, or a sale of the project or an ownership interest before the end of at least a 15-year period, can lead to recapture of credits previously taken, as well as the inability to take future credits.[3]

Area Median Income (AMI)

The area median income (AMI) is the household income for the median household in a region. Each year, the Department of Housing and Urban Development (HUD) calculates the median income for every metropolitan region in the country. HUD focuses on the region, rather than just the city, because families searching for housing are likely to look beyond the city itself to find a place to live.

In DC, the region includes more than twenty nearby cities and counties, including Prince George's County, the city of Alexandria, and Fairfax County. Families in these suburbs tend to be wealthier than those in the District, so the AMI is higher than it would be if HUD calculated the AMI for the city alone. In the Washington region, the AMI is $109,200 for a family of four.

Three types of households:

- <80% of AMI are considered low-income households by HUD.
- <50% AMI are very low-income households and
- <30% AMI are extremely low-income households.

Housing vouchers are generally available for families earning 30% AMI. The poorest families in a region, who typically live in the city, can earn substantially below 30% of the AMI in the region. There is virtually no housing assistance designed specifically for those families.[4]

[1] https://www.cdfifund.gov/programs-training/Programs/new-markets-tax-credit/Pages/default.aspx

[2] Tax credits are more attractive than tax deductions as the credits provide a dollar-for-dollar reduction in a taxpayer's federal income tax, whereas a tax deduction only provides a reduction in taxable income.

[3] https://en.wikipedia.org/wiki/Low-Income_Housing_Tax_Credit

[4] https://ggwash.org/view/42671/the-area-median-income-ami-explained

Low income Census Tracts	Low-income census tracts either have poverty rates of at least 20% or median family incomes no greater than 80% AMI according to the 2011-2015 American Community Survey.
Inclusionary Zoning (IZ)	Inclusionary zoning (IZ) is an affordable housing tool that links the production of affordable housing to the production of market-rate housing. IZ policies either require or encourage new residential developments to make a certain percentage of the housing units affordable to low- or moderate income residents. In exchange, many IZ programs provide cost offsets to developers, such as density bonuses that allow the developer to build more units than conventional zoning would allow, or fast-track that allows developers to build more quickly. [5]
Housing Affordability Capping	Affordable housing developments cap rents below market rate to ensure that families can live in these units without spending more than 30% of their income on rent. Apartments are targeted at households earning up to a certain percentage of AMI, meaning only those families are eligible to live in the development. [6]
Redlining	In the United States, redlining is the systematic denial of various services to residents of specific, often racially associated, neighbourhoods or communities, either directly or through the selective raising of prices. While the best known examples of redlining have involved denial of financial services such as banking or insurance, other services such as health care or even supermarkets have been denied to residents. In the case of retail businesses like supermarkets, purposely locating impractically far away from said residents results in a redlining effect. In the 1960s, sociologist John McKnight coined the term "redlining" to describe the discriminatory practice of fencing off areas where banks would avoid investments based on community demographics.[8] During the heyday of redlining, the areas most frequently discriminated against were black inner city neighbourhoods.[7]
Community Reinvestment Act (CRA)	Law put in place in 1977 to address redlining. Encourages depository institutions (e.g. banks) to help meet the credit needs of surrounding communities (particularly low and moderate income neighbourhoods). Can include mortgages for homeownership in the community. Applicants who wish to qualify must have income that is 80% or below AMI. Alternatively, applicants can purchase a home located within census tract designated as low to moderate income. Critics of the CRA point to it as a contributing factor in the risky lending practices that led up to the financial crisis of 2008. Banks and other lenders relaxed certain standards for mortgage approvals allegedly in order to satisfy CRA examiners and to meet quotas.[8]
Opportunity Zones	Opportunity Zones are a community development program established in 2017 to encourage long-term investments in low-income communities. It provides a tax incentive (deferred tax on capital gains until 2026 or when assets are disposed, plus a step-up in basis that transforms taxable gains into principal by a certain % after certain lengths of time) for investors to re-invest unrealized capital gains into Opportunity Funds dedicated to investing in Opportunity Zones. Governors nominated up to 25% of all low-income census tracts in a state as Opportunity Zones. Eligibility is limited to concentrate capital and increase the likelihood of meaningful economic development taking root. The country has over 8,700 Opportunity Zones. Opportunity Funds are private sector investment vehicles that invest at least 90% of their capital in Opportunity Zones. American investors currently hold trillions of dollars in unrealized capital gains in stocks and mutual funds alone. [9]

[5] https://furmancenter.org/files/publications/IZPolicyBrief.pdf
[6] https://ggwash.org/view/42671/the-area-median-income-ami-explained
[7] https://en.wikipedia.org/wiki/Redlining
[8] https://www.investopedia.com/terms/c/community_reinvestment_act.asp
[9] https://eig.org/opportunityzones

Montreal

Fonds de Solidarité FTQ

The Fonds is a development capital fund with a mission to contribute to Québec's econ omic growth by **creating, maintain or protecting jobs** through investments in small and medium-sized businesses in all spheres of activity. It provides long-term, patient, unsecured capital not already provided by banks to businesses across Quebec. The Fonds provide both equity (around 70% of portfolio) and debt (quasi-equity around ~30%). All of its shareholders are individuals in Quebec, in fact 15% of the total workforce is invested, who get an immediate tax break of 30% on their investment when taken directly from their pay checks. Each individual can pay in a maximum of $5k CDN per year, which cannot be touched until retirement. The Fonds have $14.3 CDN billion AUM, invested 1/3 into global public markets, and 2/3 into Quebec small businesses. Both pots are currently delivering 9% gross, ~7.5% net returns.

Key Insights

- Consciously play a complementary role to banks: banks can provide senior debt alongside the Fonds and thus deploy more capital as a result of Fonds investments
- Strong relationship with unions: borne out of union members losing jobs and life savings when the Coop company they belong to went bust. The union wanted to diversify wealth of members beyond one company
- The team believe the critical success factors of the model to be:
    - People (investors) are not allowed to access their capital until they retire, allowing the Fonds to provide guaranteed long term capital in an evergreen structure
    - Cheap marketing: 2,000 union volunteers promote for them amongst their colleagues, bringing in 55% of capital each year, versus costly broker marketing
    - Evergreen fund, to allow patient long-term capital
- Have 50 investors in the team, structured by sector, and the Fonds takes an active role in developing sectoral strategies with the intent of building an ecosystem around each sector (e.g. Mining in Quebec had a lack of exploration for new raw materials, so they put in place a fund to provide money for new exploration). Invest and create the jobs of the future: leading the Just Transition agenda, replacing brown jobs with green.

- Lots of misunderstanding about profit among workers. See a key role as employee training and education in business skills. Company bosses are initially wary of this, but see the value in educating their workforces over time. Employees better understand their contribution to the business and its growth.
- Interesting view of coops vs co-ownership: in favour of diversified co-ownership, to make sure capital stays local but protects the worker as well.
- Not strict in impact threshold when selecting companies beyond ESG screen: Need to create or maintain jobs OR encourage local, Quebecker ownership (i.e. of the Montreal Canadiens ice hockey team)
- Have four risk tranches explicitly stated: low, medium, high and very high. Can make intentionally loss-making (usually equity) investments in the very high risk tranche as long as it strongly delivers on their mission to create and maintain jobs, encourages local participation in business creation (local people sit on regional investment committees), and stimulates pipeline for later investment (regional funds invest c. $35-40m CDN per year, 4% of Quebec portfolio). Some investments just break even, but create many local jobs.

Detroit

Midtown Detroit Inc.

Midtown Detroit Inc. is a non-profit planning and development organization that supports the physical maintenance and revitalization of the Midtown Detroit neighbourhood, while working to enhance public awareness, appreciation and use of the district. A small but dedicated, pragmatic and highly effective organisation with multiple operations (development, small business TA and support), and a focus mainly in Detroit neighbourhood of Midtown. Led by Sue, for c.30 years, a force of nature who understands context intimately, and cares deeply about making Midtown and Detroit a better place.

Key Insights

- Six lessons of place-making - what do you need in the mix?
  - Collaboration (all sectors)
  - Property control (indirectly or directly)
  - Stacked capital and necessary incentives
  - Curate retail and services… in line with needs
  - Mixed income housing… (primary model - genuinely affordable, at different rates)
  - Public space strategy… but must be integrated into development and planning.
- Challenges of CONTEXT: the reference in a whole place approach will be to the other areas in that place; if one area is improved RELATIVE to other places you may be penalised with de-prioritisation - when that can be counterproductive to long-term success. Need to be clear on LT goals and follow through. Big foundations often on to the next big thing. When are you 'done' with a place? All the (equity/risky) funding is done with Midtown now, although still developing.
- Capital absorption potential of neighbourhoods is LARGE in almost all cases in Detroit. Needs a curation of variety of capital; with knowledge, capacity and trusted relationships a lot is possible
- Bonus insight: "You can't do social exclusive from the context" – meaning that context is everything.
- Hyperlocal strategy and execution: if it's too big an area, you can't ever get anything practical done.
- Property ownership is key: only way to save small business, and low-income residents, is to be a good landlord. And it all starts with planning! Get involved in the details to control the look, feel and ultimately culture.
- Partnerships / JVs with private operating companies (F&B coffee houses etc.). Don't try to do everything yourself – get in experts to do what they do best.
- Importance of a knowledgeable local, long-term champion (i.e Sue). Question: how to replicate? It took her 30 years!

Develop Detroit

Develop Detroit was set up 3 years ago as a primarily affordable housing developer to close a capacity gap and create scale, sustainability and improve places in Detroit. It was incubated as a social enterprise out of the Housing Partnership Network, and had Kresge / Ford / JPMC original funding.

Key Insights

- Lots of capital sources, and subsidy pots on a site-by-site, project-by-project basis; the job required to pull these together and navigate is a huge task (high barrier); no explicit coordination. Aligning these earlier in partnership, and explicitly making these work together would allow for greater efficiency and potential to focus time and effort downstream where it counts, rather than upstream with investors/funders.
- Need block-wide plans to make affordable housing stack up: buy an apartment building, maintain affordable rents (sometimes at a loss for a mission-based developer in order to maximize impact long-term), but work on whole block surrounding it to improve the block, get income from other sources to cover the gap if needed
- Set up organisations for success: 1) capitalise adequately (runway until sustainability, and enough capital for business needs) and 2) the right people with the right skills in the right place.
- Realised early on that they 'need to fly the plane but also build the airport'. To achieve intended impact, so many extra elements to build in. Hard work requiring specialised skills. Not always, but certainly in Detroit.
- Balance to strike between becoming sustainable themselves, and real community-led action. Worrying about competing commercially, and trying to address too many things on the impact side means something has to give. The organization works hard to incorporate community voices into their projects, but also has to consider investors, lenders, and other stakeholders.
- Focus pragmatically on the high potential sites first; not too cold, not too hot, but where dynamics and potential for growth are just right. Enables scale, sustainability, impact, and then move out from there.
- Designed programmes around what's interesting to funders, with what's needed on the ground taking second seat – although lots is needed on the ground in Detroit. Very much at the whim of funders.
- Importance of good design, "even" in affordable housing.
- Low Income Housing Tax Credit: look to develop something similar in UK? Need more equity!
- DD has been trying, sometimes against opposing forces of inertia and regional bias, to get the city and the state of Michigan (both of which have had far less real estate development activity of all kinds during the last decade than coastal and other major metropolitan markets) to adopt best practices from elsewhere, which would address some of the above challenges.

Community Development Associates of Detroit (CDAD)

For 20 years, the Community Development Advocates of Detroit (CDAD) has served as the leading voice for Detroit's community development industry. With over 100 dues-paying members, CDAD advocates for public policies and resources that advance the work of non-profit, community-based organizations in Detroit neighbourhoods who are engaged in physical development, land use planning, community organizing, and other activities designed to stabilize and revitalize the quality of life in Detroit. Hosted by Madhavi Reddy from CDAD; joined by fellow community organisers, engagers, developers - Joe Rashid from IOBY (In our backyard) crowdfunding platform, with 15+ year history of Detroit community development/engagement, and Julie Gowda from "Focus:HOPE", whose mission is as succinct as it is challenging: "to overcome racism, poverty and injustice in Hope Village". Hugely informative meeting with organisations whose focus is on the hardest hit places in Detroit.

Key Insights

- "Place-based" is actually about the people and the communities who live in the places. Keep this main thing the main thing. Deals, developments, buildings, money are tools to empower people.

- Understanding the place and its needs through data led approaches and deep mapping exercises is a) crucial, b) transformative, c) never going to be perfect first time; Have to start somewhere (perfect enemy of good)
- Community engagement workers are critical: help ensure interventions are by and for the community. Help people develop their own ideas, and have the confidence to see them through. Each block needs something different, and has different assets – engagement should be done block-by-block.
- Even with the best will in the world, and the most patient community engagement, will never please everyone. Not all will agree on the outcome in the community. Not all will "feel as engaged". Cannot let that prevent actually doing things (perfect enemy of good)
- Any long-term work (of which place-based is one example) is at the whim of politics - both internal and external. The long term change can be scuppered when it's no longer the 'hot topic' (internal politics, change in leadership, next 'sexy topic'). A change in Mayor in Detroit led to a very detailed piece of work (50 yr Detroit Future City framework focused on the future of Detroit as a shrinking city.) to be shelved. New mayor's focus is on increasing population and growing the tax base by attracting more people back to the city. Parallels with Blackpool (e.g. attracting famous people from Blackpool back to it, overreliance on tourism industry vs motor industry). Need to build this into our work such that legacy, long-term thinking and succession planning is present at the outset.
- Lack of coordination (of funders, policy, plans, aims, resources) can hinder effective improvements; at best hard to navigate, at worst they can be contradictory.
- Moving towards a model that builds civic infrastructure in communities - connecting people, organizations, resources and neighbourhood assets in a way that strengthens the decision-making power of communities. Looking to support the development of neighbourhood roundtables convened by a community backbone organization and supported with technical assistance to advance work plans and visions of communities. This work will be inspired by Montreal's neighbourhood roundtables, NYC's community council's and Toronto's Neighbourhood Action partnership.
- National policies unintentionally affect your work. Interesting how much of a consequence policies have: Michigan state-wide zero cap on liability for car crash damages leads to really high insurance premiums (aka $500/month) which leads to people living outside the city to bring down insurance costs.
- Deep work in place is needed, but there are always a relatively small number of policy related pieces that affect the ability of investors, or engagers, or developers. Work out what these are for our place work and develop a policy angle/approach in collaboration with others.

Ford Foundation

Ford is focused on eliminating entrenched inequality in Detroit. They work with government and civil society partners to ensure strong, inclusive leadership for the city as it moves forward. And foster collaboration between all those who are committed to realizing a thriving city. Over the next four years, they aim to advance policies that help Detroit realize its potential as a resilient, just, and equitable city. They are working to build local infrastructure and engagement to support, implement, and sustain those policies over the long term—and to steer continuing efforts to revive Detroit in ways that benefit all its residents. They give $13m per year in grants to Detroit, alongside $600k in capacity building grants, $5m in active PRI investments per year (low-cost capital) and market-rate capital through MRI ($1b globally).

Key Insights

- Coordination and alignment is key; first step is to create 'rules of the game'. What are our "principles for working in communities here" => and channel all efforts to these aims
- This coordination and alignment can take time – start with core group for critical mass, but not necessarily everyone. Other stakeholders can follow. So much time being spent here on building local relationships. People on the ground frustrated because not seeing funding on concrete projects. Hard balance between getting things visibly done, and softer capacity building work to build relationships and partnerships. Didn't know all the organisations who were funding in Detroit until physically present – need for coordination role.

- Dedicated people on the ground are not just necessary but transformative to your ability to work in a place. This is people and relationship-building work. The question is how many resource, what model, etc. not whether there should be some; FF resource model is in pilot mode for now
- Build room into your focused strategy for flexibility; don't narrow the mandate too much to miss what might actually work. For example, the strategic vision is clear and tightly defined, but the underlying suite of activities deliberately left broad and open-ended
- So much funding needed to make change happen! Spend $13m per year giving grants in Detroit: it soaks that up and could do with more. Highlights where social investment and grant could work side-by-side to make most efficient use of precious grant capital.
- Coordination needed between funders, so they complement one another: if one can't fund resident engagement, have another one do that instead. Also, the funder that cannot provide grant dollars can still support programs that can be enhanced through resident engagement. Imperative to work together.
- Need to work on strategies to diversify the Detroit economy, rather than bolster existing industries (e.g. Pittsburgh who welcomed in tech industry, with Pittsburgh Foundation and Heinz Foundation both funding diversifying economic development).

Cleveland

Democracy Collaborative & the Evergreen Cooperatives

Under the leadership of The Cleveland Foundation and the Greater University Circle Partnership, The Democracy Collaborative helped design and set up three employee-owned cooperative businesses to employ long-term unemployed people in six disinvested neighbourhoods surrounding three anchor institutions (2 hospitals and a university) in Greater Cleveland. These businesses, along with related support entities including a non-profit umbrella or "holding company", are known as The Evergreen Cooperative Initiative. The coops were set up to deliver products and services the anchors need. Now they have just launched a fund to buy for profit businesses and convert them to cooperatives (Take Social or Cooperative Conversions).

Key Insights

- Scaling start-up cooperatives from the ground up in new industries takes time. The impact for 8 years of work has been 200-250 sustained local jobs and a business support infrastructure! Good, but ready to scale up further. Now looking to buy privately-held for-profit businesses and turn them into employee-owned firms (“Cooperative Conversion” or “Take Social”) to achieve greater scale more quickly.
- Importance of true employee ownership – ensure worker-owners play a meaningful part in the governance (e.g. schedule shareholder meetings during paid work hours, make it easy to become and remain an owner). This is both good business and good for impact.
- Healthy local economies and stable communities are good business for anchors. They are interested in engaging in initiatives that improve their local areas. Be opportunistic & play the 'incentives' game when you have to in order to obtain buy in, and spur to action in the short term.
- Difficult for anchor institutions to procure from start-ups or smaller companies in general. Need anchor procurement staff on board, and willing (and able) to take a risk, sometimes offer support to the small businesses to scale up to an anchor's need.
- Importance of risk-taking, long term patient capital at beginning – need equity partners. Started with grant funding from the Cleveland Community Foundation, which was deployed as below market loans to the

cooperatives – this accounted for a portion of their start-up capital for the Evergreen Cooperative industrial laundry (~$6M capital stack) and Green City Growers hydroponic greenhouse ($16M capital stack). Without that wouldn't have ever gotten off the ground.

- Cooperative businesses are not charities, but create more change in people's lives than a lot of other organisations that satisfy a 'legal form' hurdle. This is more than a business form. Be careful about generalising as there is a spectrum of how this works to achieve impact, change, democracy, participation and improvement in people's lives. A lot of that is about context, but also about intent.
- Organisational culture => Clear messages, reinforced. People-led.
- There can be 'institutional' barriers - but collaboration and coordination in the long term is a critical piece. What are the strategies for overcoming these to ensure alignment and long-term collaboration gets built in?

Cleveland Neighbourhood Progress

Cleveland Neighborhood Progress

CNP was formed 30 years ago as an umbrella body to the 50 or so Community Development Corporations (CDCs) active in Cleveland at the time. Their remit was to consolidate those, and channel funding of three major grant funders more efficiently. Today, they are a $50m organisation, majority grant-funded, and have three main programmes around reducing and preventing poverty in Cleveland. Of that, $28m is in their CDFI real estate lending arm, Village Capital, which is not grant funded.

Key Insights

- The simple component parts of holistic work in place (the entire organisation is structured clearly around these):
    - "Place-making": buildings, housing, public spaces, assets
    - "Economic opportunity": promoting equitable economy; supporting people to participate
    - "Stronger networks": empowering ecosystem of community development / engagement orgs
- All about understanding the dynamics of the whole place, its context - and applying these in targeted manners in local areas. This practically means identifying problems and creating innovative solutions:
    - Problem: people falling behind on mortgage payments due to an inability to sustain pre-purchase savings habits for a myriad of reasons post-purchase. Solution: mortgage reserve account
    - Problem: student debt preventing people from building up enough wealth to save a down payment for a home. Solution: restructure student debt as equity in home ownership
    - Problem: using granular data, identify issues specific to each neighbourhood. Solution: dragons den programme (Chain Reaction) connecting private investors to SMEs in those neighbourhoods addressing those problems (to elevate opportunity of creating jobs, stabilise communities).
- What are the supporting critical strategy and policy levers that urgently need to be pulled to support the work (investment, incentive, support, etc.)? How can you leverage existing policies (e.g. Opportunity Zones) to your advantage? How can you lobby effectively for better pro-low income policies?
- Housing is such a massive issue: heard over and over. Huge part of American culture: "you've reached the American dream when you own property." Priority is to make it easier for people to get on and stay on the housing ladder
- Data! So critical. Progress Index (http://progressindexcle.org) data dashboard, created in-house at CNP where anyone can see progress in any neighbourhood. Great impact measurement and strategic planning tool.

Chicago

Chicago Community Loan Fund

CCLF is a 27 year-old CDFI that provides flexible, affordable financing and technical assistance for community stabilization and development initiatives that benefit low- to moderate-income people throughout Chicago, one of the most segregated cities in America[10]. They are the go-to lender in Chicagoland for cooperatives and SEs, and also invest in for-profit developers (mostly small mom and pop shops) who develop affordable housing in low-income neighbourhoods. CCLF was created to ensure that Chicagoland community developers would have a lender to turn to for harder-to-underwrite projects and enterprises.

Key Insights

- Work covers a large geographic area; while investment concentration is in the city, wider "Chicagoland" (6 counties) is regional focus.
- The broader context and macro changes have an effect on work in places. Cities are always changing, but where that change is "negative", it becomes part of strategy to address it (i.e. "black exodus" from Chicago to the Southern states due to lack of opportunity, high cost of living, crime, schools and bad weather).
- They don't have 'target' [geographic] communities, but rather they are aware using the data of the make-up and mix of the areas they are investing into (IMDB and census data in tandem with other data)
- Initial impact evaluation takeaways led to changing the way they did business:
  - Beyond housing, support community and non-profit educational and recreation facilities and commercial real estate
    - Explicitly target the holistic parts of a community's heathy ecosystem: Affordable housing, commercial real estate, community facilities, and social enterprises. Where there are gaps in

[10] https://www.washingtonpost.com/graphics/2018/national/segregation-us-cities/?noredirect=on&utm_term=.8eaebf71d569 (Accessed 2nd Oct 2018)

any of these they focus more, which helps build on the clusters of previous investments. Creating density as a springboard for transformation.

- Get comfortable with different borrower types: number of for-profit developers repurposing communities, profit oriented but still doing community good.
  - Creating impact in communities requires a range of business models across sectors. Still need to be mission and values-led, "do these people share what we are trying to do"; establish whether potential investees meet that criteria through building relationships.
- Continue to cluster projects. Do "ambulance chasing" with developers in low-income areas, use concentration of investments to accelerate development.

- Hospitals understand that besides genetic reasons, housing best determines your health. Good potential partners.
- Strong focus on impact and data. Longitudinal studies informed their strategic changes in operation as above, now building into ongoing strategy process. Chicago TREND data informing where retailers should play a role.
- Core part is to build capacity in investees, as finance isn't the only thing needed. Technical Assistance a big part of what they do to make these elements work: how do we explicitly factor the 'cost' of this into our work? Where is it best to be subsidised direct, where can it be supported through fees etc.?
- Proponents of rating agencies. Message to UK: get rating intermediaries, get benchmarking to help intermediaries improve their practice, learn and improve.

IFF

IFF is a mission-driven lender, real estate consultant, and developer that helps communities thrive. IFF lends almost exclusively to non-profits, who serve low-income people. Two core businesses: Capital Solutions, which includes lending and New Markets Tax Credits, and real estate consulting, to nonprofits serving low-income communities. In addition to those CDFI tools, IFF also engages in real estate development (construction of new build) as well as research in the early childhood education and K-12 education sectors.

IFF Strengthening nonprofits and the communities they serve.

Key Insights

- Almost exclusively lends to non-profits – firmly rooted belief in the power of non-profits to solve the problems. They don't fund start-up activity to both ensure non-profits are positioned to succeed by not taking on too much debt and to maintain strong asset quality.
- IFF starting to shift how they think about their impact 2018-2020. Ramping up Social Impact activities and leadership such as Vital Services.
- Vital Services team – deep sector knowledge. Grant funded, blender of philanthropy and investment where needed. Focus on long-term sector health, developing excellent standards, and raising the bar so investments into sectors are de-risked. Do policy work as well, at the national, state and city government level.
- Impact: use external studies linking activities and outputs to longer-term outcomes, so don't then need to try to measure and track outcomes. Make the informed and data-backed assumption that their activities will lead to certain impact (because has been proven!). Again, see need for more longitudinal studies. Also, IFF is engaged in an effort to better represent outcome metrics.
- IFF don't ration capital in a place-based way: involved in lots of place based initiatives like Chatham, Chicago. Neighbourhood initiatives. Will work with a funder (i.e. Rush University invested to deploy loans in their footprint).

JPMorgan Chase

JPMorgan Chase & Co.

To help more Chicagoans move up the economic ladder, JPMorgan Chase is committing $40 million over the next three years to expand inclusive growth. Working alongside community, business, philanthropic and public sector leaders, it will use its model for impact to identify evidence-based solutions that drive inclusive economic growth. In addition, JPMorgan Chase will leverage the power of its business, including community development banking and employee volunteerism, to catalyse neighbourhood development and help open new pathways to opportunity, particularly on Chicago's South and West Sides.

Key Insights

- Senior, global executive level support has been instrumental in setting this agenda, driving it forward and embedding it in the DNA of the organisation; are there other organisations where these conditions exist?
- Federally-backed programmes aren't going to the right places. Public systems less robust in USA than U.K. Part of JPMF's goal is to change the public systems from their data.
- Challenge: How do you define improved? Traditionally, housing prices increased. Detroit - want anyone to move in. Other cities, gentrification is rampant. A good measure is improved amenities and quality of life, but without change in racial and income distribution.
- Conditions for success in Detroit: Needed a big enough challenge to get people to think differently, but enough of a collaborative atmosphere where people across the business and different orgs work together.
- Ability of larger companies to collaborate and pull in other big companies with assets/resources (e.g. BCG)
- Such a large global firm see themselves bringing a range of different resources (grant, repayable support, TA etc.) to create greater focus, alignment and impact than could have otherwise
- External coordination of key stakeholders allows JPMC to channel the mass of their resource (e.g. the Midtown in Detroit in the last 3-5 years has undergone a radical transformation)
- Organisations that are most successful on the ground are "high capacity"; they bring deep and relevant expertise (i.e. network navigation, and/or effectively braiding resources and capital together – e.g. Invest Detroit), but don't set them up to fail.
- Big questions in placemaking that JPMC ask themselves are similar to those we are wrestling with:
    - How do you layer capital effectively to create meaningful change?
    - How do you measure impact/success?

University of Chicago – Office of Civic Engagement

Located in one of Chicago's south side, which is home to a mix of both diverse and highly segregated communities, the University of Chicago serves as an anchor for local neighbourhoods and a global centre for education, research, and innovation. The University partners within its communities to share talents, information, and resources to have a positive impact in Chicago that can be spread to cities around the world. The Office for Civic Engagement in particular works on investing in nine communities on Chicago's South Side, develop programmes that strengthen local schools while creating opportunities for students and professors, support evidence-based research, and support innovation.

Key Insights:

- What can/should a big anchor like a university do in place? Depending on the context, universities can be incredibly significant anchors. The institution's success is determined by how the local area improves (to attract professors, students): a core business imperative.
    - *Supply Chain*: where can it hire locally? Where can it procure from existing local small business, and how to make procurement process as easy as possible for them? How can it go above and beyond standards set elsewhere (i.e. requiring 40% of labour from a food service contractor, for example, to come from local neighbourhoods, or 36% minority business participation in construction vs 25% City of Chicago target)?
    - *Local High School Students*: Build programmes to encourage *local* high potential / high performing students to go to college or university, either to come to the institution itself, or to attend any other college or vocational training programme that suits them.
    - *Research and Programmes*: Use all assets, including professors, researchers and students, to reach out into the neighbourhood and work together to identify trends, do community organizing, fund useful research and data collection.
    - *Off-campus Development*: purchase land surrounding the institution, and in the local community, and explore developments that meet community needs and support university-community engagement. Carefully curate which businesses trade in retail areas. Collaborate with the local

community to make sure those businesses address their needs, reduce economic leakage from the area.

- How do you get institutions to do something big? Biggest change is down to individuals who are at the right place at the right time. How do you identify these people and back them? Look at their teams, their assistants – how well do they work together? Empower a big team.
- Import respectfully the infrastructure needed to coordinate and make place-based investments. Always need something authentic (i.e. community organisation) grounded in place, to absorb capital and do stuff. The theory of simply dropping in capital and capacity into disinvested / underserved places doesn't work.
- Improving places is about "comprehensive" community development. Not just about infrastructure, or about housing. But about every angle and facet working in conjunction with each other. Some of these are investable; some are not, but need to be addressed in parallel - and with coherence.
- Risk around lack of accountability for their work: when an administration or central body in your own organisation approves your work, you don't need to prove your impact. When you need to secure external capital, you have to prove it.

National Community Investment Fund NCIF

National Community Investment Fund (www.ncif.org) is an impact investor that invests in and lends with a national network of mission-oriented banks as powerful drivers of social impact. It is the largest investor of equity into CDFI and Minority Banks in the USA with current investments in 18 banks. In addition, it provides debt and deploys New Markets Tax Credit Allocations to projects that create social (jobs, beneficiaries) and environmental (green businesses) impact in low- and moderate-income communities. NCIF has a focus on supporting minority businesses. NCIF pioneered the Social Performance Metrics[SM] for banks with two search engines that can help mission-oriented banks in the US – www.bankimpact.org and www.bankimpactmaps.org.

Key Insights

- Work with anchor financial institutions that provide credit and non-credit products and enable bringing the community together for long-term sustainable impact. Think broader as to how you can capitalize the sector.
- Find a way to provide equity capital (long term, patient, low cost) and then lever it up with market or PRI debt e.g. Donor Advised Funds should be used as high-risk equity capital so that enterprises can lever it up with market rate or PRI debt. Foundation capital should be used to bring in equity. Note: very often the terms "equity" and "capital" are used loosely to include debt and deposits.
- Impact investors need a broad range of strategies into different asset types: rental and for-sale housing, commercial, retail, schools, community services, healthcare, services and small business etc. Focus on one city or one neighbourhood and route equity, debt and grant capital into appropriate, locally needed projects. Intermediaries are best at doing that, so give them the flexibility to create the capital stack.
- Implement CRA requirements for all banks, credit unions, insurance companies and the growing asset class of financial technology companies to invest in deprived areas. CRA needs to be expanded.

Benefit Chicago and Chicago Community Trust

Benefit Chicago is mobilizing $100 million in impact investments ($50m from MacArthur, $25m from individual DAFs/Supporting Organizations through CCT, and the rest from retail investors through Calvert notes) to finance the growth of impact enterprises throughout the Chicago region. Benefit Chicago will: i) Build wealth in or for communities through economic development, growth of community assets, and support for community-based entrepreneurs; ii) Create jobs that are accessible to community residents, particularly those for whom access to employment can be a challenge; and iii) Enhance job readiness and skills for those seeking to find, maintain, and advance in employment.

The Chicago Community Trust (CCT), headquartered in Chicago, is a community foundation created to "give local residents an opportunity to support their community in perpetuity". It is dedicated to improving the region through strategic grant making, civic engagement and inspiring philanthropy. It exists to serve the non-profit organizations, the generous donors (mainly through DAFs and other Funds) and the thoughtful residents who strive to make a difference, helping their bold vision create lasting community change.

Key Insights

- Overall goal: improve neighbourhoods around reducing racial inequities, wealth building of small business, workforce or job training. Key outcomes for almost everyone we have spoken to in USA.
- One aim of Benefit Chicago is to allow the local individuals to have a platform to take action rather than waiting for outside powers to invest in their community. The democratisation element is powerful.
- Collaboration on the ground is key: organisations used to competing for grant funds. Need them to work together if going to achieve anything substantial.
- Partnership working: Organisations come together with good intentions, but have different perspectives. People often focus on alignment and ideas - which is useful at first. In practice, when partnerships are up and running, the execution and culture of the organisations are different and people need to adjust. The key is to understand where people are coming from, what they are each trying to achieve, and exactly how they see the partnership working. Look out for this from the beginning of partnerships
- Private individuals' capital provides a mental impact for them: put money in, see stuff happen and feel you're contributing. Powerful notion and tool. However, individuals prefer direct investments, not through intermediaries!
- Pricing really difficult when funding both intermediaries and projects directly. Projects don't want CDFI funding at 9% if they can get funding direct at 6%.
- Shift from grant-maker to change-maker: positive change by any means necessary, not constrained by legal form, and always working with the end goal in mind.
- Find a clusterer to cluster your investments: some organisation or individual on the ground with the right capacity to bring this in and provide insight and coordination. Needs to be who can pull people together, even to get different groups to realise they're working on something similar.
- Partners should come from a wide range of functions – when developing a housing strategy, involve the local police, local employers, etc. Ensure the coordinator/central body knows what each partner is looking to get out of the project/partnership, and keep playing that back. This exists in the context of the system of the place and they need to work together coherently
- When thinking of the city as a system, not helpful to think about attribution, but do need to think about indicators that one believes will create change to check what's working and what needs to shift.
- Have we collectively got the tools and appetite in place to allow us to take the 'risk' we need in order to succeed in changing places? High-risk investments need full engagement: can't leave them for 6 months. Traditional approach is to give riskiest investments as little as possible, but they may in fact need more capital, and a consultant. And a longer time horizon.
- The city is a broad complex place with many and multiple stakeholders. Impossible to coordinate everyone, however that shouldn't mean you don't take action. Get critical mass and learn from success; as others see the first significant trailblazers coming together they will join in time.

The Resurrection Project

The Resurrection Project's mission is to build relationships and challenge individuals to act on their faith and values by creating community ownership, building community wealth, and serving as stewards of community assets. TRP offers a range of programs and services to help strengthen its communities such as Student Housing, financial wellness programmes, home purchase programmes, foreclosure prevention counselling, community organising, immigration services, and safety, health and education programmes. It was one of 14 community organising organisations supported under MacArthur Foundation and LISC's New Communities Programme.

Key Insights

- Grew a small organisation into a sustainable, beacon of the community with the right mix of leadership, teams, context and ambition. Raul grew incoming investment into neighbourhood from $30k to $500m [conservative cumulative estimate] in 25 years (and first 10 years was relatively very slow trajectory)
- Change is always a constant in urban communities; this is the lesson of history. Not supporting a static situation, but providing opportunity and support for vulnerable families through these places
- Key priorities for TRP are to preserve wealth (i.e. prevent wealth from getting sucked away by providing financial literacy and education) and help support home ownership.
- A vision for a place that all can resonate with is key to achieving focus, and change, and making clear asks of people. The LISC approach under NCP over 15 years plus [quality life plan] is exactly this. Will be mix of universal and specific
- Quality of Life Plans – robust enough to support serious funding requests. Wouldn't have been able to ask for $2m from the mayor without it.
- Very simple model & theory - which they then seek to address deficits around (partnering and self)
    - Build community voice/empower people to take ownership of what they want place to be
    - Grow wealth in community - don't let it be sucked away and allow conditions for home ownership
    - Steward and curate community assets (infrastructure, social infrastructure, commercial, retail etc.). Preservation of assets is much less expensive than building new units
    - Actively steward healthy and strong stakeholders and partners
- Not just about the tangible assets in a community. Every community has physical buildings, cultural institutions, schools, parks, etc. Equally important are culture, people, language, values, spirit. Not just about dealing with problems and needs, but how do you build on the assets?
- Holistic view of impact: How can it use its supply chain to create even more impact, and maintain local wealth? Extensive research to understand what core activities are, and what TRP purchases. Already does own property management (e.g. maintenance, cleaning offices).
- Challenge to communities: Not to compete with each other, but figure out where add value to each other.
- See place-focused/neighbourhood work as a pilot/test bed for wider models being rolled out across Chicago; question is a bit different though - what would their impact look like across Chicago?
- Historically poor synchronisation of all the actors needed to come together and make a change. TRP has been able to help coordinate or build a case for this re philanthropy, government, private sector and community

Southwest Organising Project SWOP

The Southwest Organizing Project (SWOP) was formed in 1996 with a mission to build a broad-based coalition of churches, mosques, schools, businesses, and other institutions in Southwest Chicago. It plans and implements community improvement initiatives in a cluster of neighbourhoods that were a historic centre of resistance to racial integration. Today SWOP, and its 38 member institutions, work to develop local leaders with varying racial, ethnic, and faith backgrounds and educational levels to address common concerns. These include ending predatory lending and foreclosures, reducing violence, protecting the civil liberties of immigrants, and improving achievement in local schools. Its neighbourhood was described as "ground-zero for the foreclosure crisis in the US". A pilot effort operated over the past four years resulted in the rehabilitation of 80 of the 93 vacant properties in a 20-block subsection of the neighbourhood. They are not developers and don't want to be: work through partnerships, and have achieved amazing impact (reducing crime rates by 55%, increasing all schools in the hood quality ratings from 3 (worst) to 2 or 1 (best).

Key Insights

- Context is important. Who knows how bad the economic downturn would have been for these communities had SWOP not been there?
- Strategic, systematic use of data can surface the real issues, and help you build a bigger case, as well as creating cultural and real change. Also showing your impact and progress in a compelling way!

- Change in dis-invested communities is not only possible, but it is amazing when it happens. Keep eyes on that prize as the struggle will be real and feel slow going when investing for the long term.
- Reduce leakage (how much a community has to spend on particular items and how much is spent in that community), and strengthen overage (how much people coming from outside that community spend in it). Try to balance supply and demand: extract some of the value people are bringing into the community. Local people have to buy food, clothing, etc. – make sure they buy here. One big asset here is a stretch of street full of car dealerships. People come from all over to shop – try and maximise amount of money stays locally.
- Need enough time to do stuff. Worst is having "just two years" from funders to show progress.
- Again, power of collaborator coordinator role: minimum 2 FTE focused on building relationships.

Local Initiatives Support Corporation LISC

The Local Initiatives Support Corporation, known as LISC, is a non-profit CDFI and one of the largest organizations supporting projects to revitalize communities and bring greater economic opportunity to residents. These include more affordable housing, better schools, safer streets, growing businesses and programs that improve the financial outlook of people. It provides the capital, strategy and know-how to local partners to get this done. Its work impacts the lives of millions of Americans in both rural areas and urban centres across the country, with offices in 32 cities. With residents and partners, LISC forges resilient and inclusive communities of opportunity across America – great places to live, work, visit, do business and raise families. In 2017, LISC invested $1.2 billion in grants, loans and equity, leading to development projects worth $4.4 billion.

Key Insights

- CORE INGREDIENTS of LISC's model: A) Residents who care and are engaged in their place; B) Strong, core convening organisation with deep roots in the community; C) LISC as investor, honest broker with some clout, but also political capital, who has the ability to empower, as well as the ability to shape and push up to broader forces (the system, the city government, the funding orgs); What is BSC's role of speaking truth to other pockets of power while also backing and investing in these places?
- Clarity of objectives for each programme is so important. The NCP Quality of Life plans didn't "work" in addressing intractable problems, but they weren't ever meant to – they never would have had enough resource to enact that type of systemic change. They did, however, create platforms for communities to come together and have their say. Those intractable issues can now begin to be addressed on the back of these structures.
- This takes time. Ten years to create those platforms, before we even get to the intractable problems. The quality of life plans are the absolute foundations of their work. They are also a core reason why they are able to leverage capital in. For only millions of grant and investment, they have leveraged more than $1 billion of other dollars into these areas; there are fundamentally investable components within each.
- Use local platforms as a sufficiently large network to shift systems in tandem with the on the ground work. One neighbourhood of 40k people can't change the status quo; but 26 neighbourhoods of 1m residents could: need to create the scale and the case for systems change
- It has taken LISC 15 years to get to this point: if they had been more intentional about it and had these as explicit aims, they could have short circuited this enormously
- Learning over time: Shift from 2 years of developing a quality of life plan to 2 days! It is possible to do work developing consensus over 2 days? Can you get to the same answers, with just as much buy in from the community in two days? With all LISC's experience they are going to try!
- Understand what each stakeholder brings to the table: community brings insight on their needs, their lives, what they see and what they'd like to see. Don't ask them to design programmes. Local people can also tell you who is willing from the community to take the lead to make it happen. If no one local wants to take it on, it will be difficult to get others to fund it. Need to empower ownership of the plan.
- The capacity of the convening organisation[s] is what defines whether this sort of work succeeds or fails.
- Is local capacity to facilitate and organise really needed over the long-term? Those skills were developed in communities and never used again.

- Local wealth building strategies are built in, and measured as key indicators of places changing in the short medium and long term
- There are hardly any organisations malicious in intent, but that doesn't mean the effects of their work isn't malicious. Help them see that and engage. Developers and national chains come in, but money leaves the local neighbourhood.
- Try to figure out how much can you pile on without sinking it. Supporting inclusive growth on the ground. Will develop a set of strategies that you push and pull into neighbourhoods. Capacity building the wide bit of the funnel is important. Will get loans out later because of it.
- Place based initiatives are great, but need to change the systems in which they exist. Otherwise you're recreating the same thing every time.

Philadelphia

Reinvestment Fund (RF)

Reinvestment Fund (RF) is a leading CDFI, and has a number of place-based initiatives. RF is reimagining neighbourhood revitalization by combining subject matter expertise, analysis and creative approaches to investing with a social purpose. Its investments marry smart data with informed policies to create thriving, healthy neighbourhoods that families are proud to call home. Its mission is to build wealth and opportunity for low-wealth people and places through the promotion of socially and environmentally responsible development. It has grown to an organisation of >$1 billion, and has added several business lines over the years.

REINVESTMENT FUND

Key insights

- RF focus is on:
    1. Really knowing the environment they operate in; and
    2. Their process. They never pretend to know the answers. Through doing, and learning as they are doing, programmes have unintended consequences & greater impact. (eg One programme [access to supermarkets] was then rolled out nationally because of their approach and learning from experience with it)
    3. RF also has a laser-like focus on their customers – i.e. low-income people and places. Everything they do is seen through the lens of this group they are trying to serve. It threads through their mission, strategy, and purpose.
- They have a dedicated programme "Invest Health" which focuses on building healthier outcomes (indicators of healthy cities) across a range of smaller cities of 50k-300k people. The programme convenes cross-sector groups to align around visions for these places, and what is needed. Did this in 50 cities over 18 months – most effective where groups took ownership as "doers" rather than seeing themselves as "advising" a process. These groups were harder to find but very worth it when they did have these doers come together. Key issue was overcoming capacity issues given voluntary "side of desk" time implicit in the model.
- RF has seen the crossovers from programmes they have done season the rest of the work in their broader portfolio in terms of both future pipeline as well as how they think about the broader impact they are having in communities. Very early in the history of the organisation, RF only tracked outcomes that linked to the revenue and sustainability of the deals they were doing; over the last 20 years, they look broader at a longer list of outcomes that shape communities.

- Historic practices mean "decades" of lost data collection to understand what works or what doesn't as a consequence of doing 'transactions in communities'; but also led to radical rethink in data work that is now core to what they now do. RF does this in-house. They do this because:
    1. Nobody else was doing it,
    2. They learned hugely from it, and it helped solve RF problems
    3. Others were able to use learnings from the systematic, objective self-examination too
- Have learnt key lessons from some programmes about how not to operate as an outsider entering a place (eg finger pointing, under-resourcing, and over-expecting); recognising you are an outsider and don't know the internal issues/dynamics is half the battle!
- Lessons re partners: Still need to rely on others to deliver in a partnership model - if they don't have the same philosophy or execution capacity then it can be a challenge.
- Approach now to talking about the impact they have is nuanced and recognise they operate in a system, where other actors – including polices operating from various levels of government – and exogenous factors are affecting change too:
    1. Describe what has been done;
    2. Use data maps to tell a story and describe change seen during that period;
    3. Not always in a position to draw a direct causal link: we did X and Y happened because of us. (Allow others to infer from the patterns observed.)
- Strong view that cost of measuring impact has not been adequately factored into impact investing
- Reactive: do not approach from an assessment-first perspective. Far richer than a holistic analysis of a place is the data you get through doing a deal. You learn what's missing, what strengths are, confirm assumptions. This is by far the biggest and most comprehensive learning of the requirements and dynamics of a place - and the team culture is to prudently learn by doing.
- Policy solutions (data & impact) team, because now have in-depth data over typically 6-8 years in any given city (Philadelphia 20 years of historic data), can go back and credibly understand the trends, and what change has been happening over time
- When making market assessments of conditions, which informs what's required, use data (from 6-7 sources plus own proprietary work) and convene local stakeholder groups to talk it through and see what's off, what doesn't feel right. This real 'validation' or sometimes 'course correction' is almost always the most valuable part.
- Approach now is to marry data and analytics with investment strategies. Focus on core strengths, and do little else. Learnt along the way about diversifying strengths, often had to return to what they're good at.
- Philaimpact fund: primary purpose to raise and access capital from different sources (DAFs); in recognition of great wealth transfer (to women and millennials) that's going on – good way to trial channelling these dollars that could be a vehicle in other cities too.
- AERIS hasn't led to raising additional capital. It's a great report; it's a great learning ground for orgs going through it, but it has been the S&P rating that has allowed them to raise capital at scale.
- Approach to people is to think of the world 5 years ahead and hire for that. It's those people who could operate in that future world who will also be the ones that drive you to get there. Leadership team is very driven – things that keep them up at night are their own ambitious projects! Could sleep better if they had a 'lifestyle' business mentality.

Boston

BlueHub Capital (formerly known as Boston Community Capital)

BlueHub Capital is a national non-profit community development financial institution (CDFI) dedicated to building healthy communities where low-income people live and work, operating for a long time out of Boston with a national footprint. It reinvigorates communities by financing affordable housing, child and youth programs, schools and health care facilities; renovating commercial real estate in distressed neighbourhoods; introducing solar power to help contain energy costs of low-income families; and lending to homeowners facing the threat of foreclosure. It has a passionate team, with a great culture and an especially interesting way they view their long-term and greatest impact.

BLUEHUB CAPITAL

Investing in people and communities for an inclusive future

Key Insights

- Fundamentally they view the impact they create as delivered by people who live in the communities. Their job is finding communities with some capacity where BueHub dollars can be part of the solution to enable better places. Across the organisation they lend c.$150m a year and believe that in the long term, the impact they have is both through that lending and by enabling and contributing to policy changes and advocacy informed by that their work and expertise.
- BlueHub believes that healthy communities function as "ecologies," in which many parties work together to build communities aligned with residents' priorities and needs. These communities need to attract and absorb capital for related projects and there often are resource gaps that make this difficult. CDFIs can help fill these gaps. Because resource gaps and necessary responses are different in different communities, CDFIs need to be nimble and flexible to respond. CDFIs (and other entities focused on building communities) cannot function successfully on their own; to be effective they need to partner authentically with community residents, government and other key stakeholders.

- Identifying the core issues and encouraging collaboration around related projects in specific places can achieve outstanding results in the medium term. (e.g. Working Cities Challenge programme & challenge prize saw 4 years of community organizations working together, related place-focused investments from BlueHub Capital that developed from places with no previous BlueHub investments to places having a huge investable pipeline)
- Role of subsidy and public / foundation money: Almost all projects invested in have had some significant public resources as part of it. The corollary to this is that there is also a critical role for developers/operators/non-profits. Without these key partners, CDFIs have no effective partners to carry out the development or service works
- The idea of unique contribution or additionality in place-based / ecology building can be unhelpful, although CDFI capital is uniquely beneficial and essential for catalysing outside investment. The theory for creating impact in place is explicitly about coordination of multiple, rather than solitary and linear.
- The way they look at impact: multi-levels; different time-horizons; and realistic. "Never believe their own hype," right-size research to fit with need, resources and practical application of learning

Greenlight Fund

Greenlight Fund is a strategic, place- (and process-focused) Venture Philanthropy organisation, that gives communities a tool to identify and solve their critical, local needs. Started in Boston 15 years ago, now in 6+ cities across the US and expanding at one new place a year. They intentionally seek to replicate organisations and interventions that have evidence bases and proven success in one place, and "import" them into places where there is a gap. They give grants only, but hugely rigorous and venture mindset including taking a local board seat with each investment that goes beyond the grant period.

Key Insights

- Everything they do looks to maximise the success of the organisation they are importing / replicating. Each activity has a reason.
    1. Process, process, process(!).
    2. Replication is tricky enough as it is, so they want to be sure the evidence exists and the organisations are more mature, maximising the chance of success in a complex environment
    3. Keep portfolio small in each place, limited to one new org per year per city; as much "wood behind the arrow" as possible
    4. Only work in urban environments
- Three core facets of the selection process for a new organisation / intervention to be replicated are iterated:
    1. Data
    2. Policy & research [partner with experts]
    3. Local meetings to determine local fit / momentum / opportunity
- Empower coordination of local advisory councils; built from relationships and networks, but deliberately cross-sector. Cross sector coordination is key - cannot be siloed in either financial world or non-profit world
- Think about their impact very differently: look for short-term validation that ideally will carry on in the community well beyond GreenLight's initial investment (continued operation in community beyond GreenLight's grant, as well as broader scale of impact within community / region). Conscious role is not about changing the place so don't look for the nebulous long-term change; just the aspects they can control.
- Regarding investment $$ (but applicable as a broader principle): Leveraging the national into the local is not long-term sustainable approach; need to build the community buy-in upfront, and before they [GL] move
- There are always 'sceptics' in every place; this will not change. You can change some of them by keeping them close, and they become big advocates later.

Housing Partnership Network HPN

HPN is a selective network of 100 top-performing, high-capacity non-profit housing developers, owners and financial institutions throughout the United States. Its mission is to help millions of people gain access to affordable homes and thriving communities that offer economic opportunity and an enhanced quality of life. HPN has an international network as well, including in the UK, and it plays a role in incubating new organisations to meet needs they see in places.

Key Insights

- Overwhelming value add is as a learning network among CEOs & senior management. Having this as an open, honest space allows for sharing of experience, generation of ideas, and what the HPN should focus on next.
- HPN supports a model of scaled approaches by strong entities rather than the model of multiple smaller localized efforts; better capitalized groups that bring in key constituents are better able to achieve more significant impact for communities.
- Two key issues of working in places are:

  1. Capital: Why will this market work - often as it hasn't done in the past, and;

  2. Leadership: For example, when looking to create a development entity to help in the rebuilding of New Orleans after the hurricanes, everyone mentioned the same person that HPN needed to talk to; they would end up hiring her to lead the effort. Key questions: Who are we intentionally seeking as the local connectors that everyone trusts? Is it possible to create that if it doesn't exist already?
- There are public resources ("City money") in a range of deals they do, which allows the deal to take place
- Working with City officials (Mayors) should operate differently in different places. Just because there is an official with a plan, doesn't mean the opportunity to act is equal. Mayors operate in ways that mean collaboration won't always work, preferring to retain control instead of delegating authority to broader base
- Hard to know places from the outside. Their network or member orgs act as their tentacles on the ground and harvest information that sparks ideas and what might work in places

The Centre for Community Investment

The Centre for Community Investment (CCI) was launched in March 2018, and works to overcome disinvestment and improve opportunity so that everyone has a fair chance to lead a healthy and productive life. It has a focus on low-income communities, primarily communities of colour, figuring out how to do investment (of all types) to support community priorities. The organisation came out of Robin Hacke and Professor David Wood's (et al) work over the last 8+ years to understand what it takes to get investment flowing in disinvested communities. CCI has developed a three-part framework called "capital absorption" that aims to help communities attract and deploy funds more effectively. CCI has an ambitious goal of changing community investment practice in the US in 10 years. Currently, CCI has three programs:

1) Connect Capital – working with six places and empowering teams in those places for two years;
2) Accelerating Investments for Healthy Communities – helping hospitals increase their investment in local communities, primarily through affordable housing;
3) Fulcrum Fellowship – Leadership development and support programme for mid-career professionals

Key Insights

- Connect Capital programme: rich source of process, selection and resourcing for 'colder' places
- Firm belief that creating density is the main way to have effective impact. Do not spread resources too thin - even if that might seem more 'equitable'; $3k in 100 neighbourhoods will not create long lasting change vs $300k in one neighbourhood; use what is created and build on and out from that over time.
- Informal ways of working and bringing teams together works best from a practical standpoint. Find alignment that everyone believes in upfront, but keep it fluid. Formal definitions will bog you down unnecessarily. People have limited time and focus: don't want them concentrating or arguing over issues of governance and

structure. The work is generally helped by having staff time to organize the work at a local host organisation but don't require more detailed 'MOUs'.

- Hypothesis (and tested in practice) of getting investment in communities to work like a system, rather than linear gap filling within a current financial system. Midtown Detroit has been prime example of this 'layering' up having an effect in a place.
- Strong bias to action. Can't get anywhere just creating frameworks. Part of the nimble set up and decision making the CCI has. This also relates to plans, talk, political cycles, appropriate data etc. See their role in some areas as bridging gap between plans and implementation.
- They use a very simple but effective Denominator / Numerator exercise to understand what success looks like, and what's the gap[s] we need to close in order to get to success!!
- Key question for types of investors/investment structures: "Who benefits and over what period of time"
- Approach to learning:
    1. Learning log tracks key learning questions and informs baseline evaluation, team members fill out as they go
    2. Weekly learning calls across the team on specific relevant items to ensure benefit is distributed and people can see what people are working on.
    3. Comms: good at internal sharing - now trying to work out how to externalise this. But needs intentional curation.

Boston Ujima Project

Ujima is an organisation focused on three neighbourhoods in Boston to address the needs of the community, address fundamental inequality (Boston is most unequal place in US and on v. clear racial / neighbourhood lines), through a new model developing and investing in the local economy. It acts as a voice within disinvested communities by engaging the black community at its core. Adhering to the principle of collective work and responsibility, Ujima works to heal its communities through the engagement of its people. Ujima made its first set of investments in 3 businesses in 2016 using the KIVA Platform with crowdsourced contributions and a matching investment. Now in 2018 it plans to launch a Fund that will make debt and equity investments in businesses based in Boston's working class communities of color, giving voting rights over the Fund's allocation to residents of those neighborhoods that become Ujima members.

Key Insights

- Phenomenal model of community engagement and decision making; 1) Ask the community; 2) Community as owners/stakeholders/members; 3) Give them ultimate approval rights
- Resourcing: blend of unique individuals in the team. Crucial aspects are: local legitimacy, community organising, business development, investment, 'comms'; in different measures across the team members.
- Broad but active community participation, also is the pipeline builder, market tester, and risk mitigation tool
- Focus on community as both investor in their community, and as entrepreneur creating wealth for their community – neat circularity.
- Different levels of 'impact requirement' for SE becoming part of “the alliance” (i.e. receiving support) and being invested in (from minimum impact threshold => Social Justice Enterprise)
- Key partnerships - formal and informal with organisations that have broad based members in different parts of the community; housing associations, community centres etc - deliberate selection as local proxies for deep community representation but also are critical distribution and marketing channels.

Boston Impact Initiative Fund BII

Boston Impact Initiative Fund is a blended capital fund investing in social enterprises in Eastern MA. The fund is focused on economic justice, which means that it invests in opportunity for all people—especially those most oppressed or abandoned by our current economic system—to lead a dignified and productive life. Founded by Deborah & Michael Frieze after having invested in c.30 deals roughly tackling wealth inequality; BII Fund is a more holistic, targeted strategy at the intersection of economic justice, distributed wealth, connection to the community and financial stability. BII Fund is currently aiming to raise $10m.

Key Insights

- Targeted tranched raise in four buckets deliberately targets different constituent groups and what they feel is each group's motivation, but also allows them to balance with the products they believe are needed in each proportion, based on maturity, and projected defaults etc.
- Require social covenants at the deal level, but don't require changes to the organisation (i.e. inserting social mission into their articles). Believe their deal level covenants are lever enough to strengthen what they see as existing behaviour / values at the underlying organisation (40-50 question impact questionnaire screening upfront - and redone over time - get a dashboard of portfolio companies and where they are weaker)
- Haven't got an explicit 'whole place' vision per se – see the $10m funds as "showcase funds". Entities they invest in fit into their theory of change for a place, but more to encourage and prove others that this is the way of doing it. What's the best way to impact the ecosystem with a small amount of capital?
- Will organically partner with and support funds in other places - that will also be similar showcases
- Interesting complementarity of BII and Ujima (Ujima came out of BII team); one is testing the participatory, more local model; one is testing the 'financial' approach - easier to scale but complementary impacts of each model

New York

Transform Finance

Transform Finance envisions a world where capital is a tool for the advancement of real, transformative social change. Through thought leadership, trainings, convening, and the Transform Finance Investor Network, it supports all stakeholders, from community leaders and activists to investors and entrepreneurs, who are exploring that vision. Transform Finance does three main things:

1. **Transform Finance Investor Network** is a community of practice for asset owners and other finance practitioners exploring how to deploy capital for social change in accordance with the principles of transformative finance.
2. **Connecting funders and communities**: helping community-based organizations use capital to advance their missions
3. **Advisory Services & Thought Leadership** for impact investors, helping them define the impact thesis for their portfolio, crafting investment policy statements, performing impact audits, and identifying pipelines of aligned opportunities.

Key Insights

- Aim to ensure 'transactions' following groundswell of interest in impact creation have as much impact as possible. Never just about the money and the intent. It's about the structures, who is involved - especially including the community voices, and the systems they interact with. Can do good work on the surface and only serve to strengthen the existing and failing power dynamics within the current systems. The key to this is looking at who is benefitting the most from a transaction and whether the allocation of risk vs. return is fair – with the fundamental question: "are we redefining who wins and who loses in the economy because of our activity?"

- Sometimes, creating deep impact is not just about doing the 'sexy' new things. There can be big gaps in areas where mature, fairly "normal" socially motivated organisations can't find the impact-oriented resources to grow anymore and would have to look at mainstream, non-intentional, extractive models to scale. There can actually be great impact in preserving or deepening their impact with mission-aligned holistic capital at these stages (not just start up). This is also not just about enterprise stage, but about the structural vs. direct impact; namely, most impact investors view the impact as resting in the output of the enterprise (as in, the product or service itself), whereas there is plenty of impact around the 'how': the wealth- and power-distribution outcomes derived from structural elements such as job quality, supply chain, ownership and governance, inclusion of all stakeholders, etc. The point about growing enterprises is more that there is a strong risk of mission drift as they grow (think of it in the context of the "responsible exits" conversation as "responsible next round"). Basically with every pool of capital, from fixed income to cash equivalents, you can think of an impact angle in structural terms. That approach requires asking what one can do as an investor depending on where one sits, existing constraints, etc. – and it is very much tied into impact management concepts ("what do I add besides the capital – either to this enterprise or to the field as a whole?")

- The role of the community in a process needs to be thought through. They can't do everything, nor can they be excluded. But how do you correctly include and empower them with the tools for what will work through your collective action? What's the appropriate and most effective model with credibility? Just as investors need to understand social change to maximize impact, communities and social change agents need to be supported in understanding how finance can be an additional tool in their toolkit; that bridge needs to be built. It's a two-way conversation because the views of the communities also need to be grounded into the realities of finance
- Transform Finance are currently looking at the role of capital in place and the need for place-based solutions to be grassroots led. Given the emerging promising examples, we will provide recommendations for various stakeholders (philanthropy, financial intermediaries, communities) on how to nurture and help scale and replicate the processes that do work
- Joining up with the BMW Foundation work on leadership, to facilitate transatlantic collaboration
- Also pulling together a report on financing for succession - looking at different models for creating a buyout fund, which then converts without extraction over time; doesn't have to be pure worker coops in structure (as these have a spectrum) but will blueprint what good looks like and retain these principles in the impact-led models. Publishing in 2 months and will include model portfolios, and how this applies to sweet spot organisations in different industries.

Living Cities

Living Cities (LC) works with cross-sector leaders in cities to build a new type of urban practice aimed at dramatically improving the economic well-being of low-income people. It has four core elements of work:

1. **Open-Sourcing Social Change.** Accelerate the uptake of promising solutions to social problems.
2. **Collective Impact.** Supporting ambitious data-driven, results-oriented cross-sector tables who work together differently to achieve large-scale results and enduring change.
3. **Capital Innovation.** Blending public, private and philanthropic financial resources in new ways to better meet the needs of cities and their residents.
4. **Public Sector Innovation.** Working with public sector leaders to foster nimbler, collaborative, and data-driven local governments.

LIVING CITIES
INNOVATE ▸ INVEST ▸ LEAD

LC existed for 25-30 years, a collaborative of 18 member institutions comprised of both large foundations and financial institutions. They are ecosystem builders. Data-driven decision making is core - it's just 'business', and how you know you make a difference, and where they should work. They work in three key ways:

1. Provide governance and organisation
2. Provide funding and investment for interesting work around economic and racial justice, and
3. They are 'action-eers' in the working groups

Key Insights

- Radical shift in thinking after 20 years. The change they wanted was not happening: low-income communities and surrounding issues were still present. And from a data point of view, the majority were black and brown. As they looked at these systemic issues repeating, they shifted their thinking to try to understand and address the systems - not just those that keep people in poverty, but the overlapping and related racial inequity contributing to these.
- They set their internal performance management with a core component of how good their teams are at educating others on these pervasive issues (essentially 'movement building' work)
- Core to their theory of change is the creation / facilitation of the cross-sector tables, where key actors come together and create integrated theories for how they create change in their place around the core issues - a

process they call "Collective action". One of the most important things. They find these teams in places through simple RFP 'prize'/'programme' process, and then work with/through the areas that are most promising. They then apply data and results-based accountability in a strong way to drive the programme, and not apportion 'blame'

- They have been city focused, but are broadening / exploring what 'regional' role they may have as part of this – what the functional, broader areas might be.
- Boiling down stuff they have learnt to 'prototypes': what are the key aspects of what creates greatest opportunity for success? Another one to watch for in a few months is an "Economic opportunity roadmap", a toolkit which others can use and contribute to.
- Their capital pots plug into the rest of their work. They have two structured debt funds, total of c $80m; the catalyst fund and the blended catalyst fund. Without a broader connection to the other actors, these would just be transactions, that could be successful (i.e. be recycled to good organisations doing good work with a return) BUT would leave no lasting change. The city integration work becomes part of their origination work too (think Venn Diagram approach), with good synergies to process and to outcomes sought.
- Lean investment team – evolving and expanding. LC subsidises the operating cost of the funds

Open Society Foundations

The Open Society Foundations (OSF) work to build vibrant and tolerant democracies whose governments are accountable and open to the participation of all people. The second biggest foundation in the world (by many measures, although some way behind Gates); they distribute ~$1bn globally pa. OSF is the philanthropic arm of the Soros family fund and is a network of 20 foundations in 45 countries focussing on 20 overlapping initiatives globally. Core angles for our conversation: How they think about place-based economic renewal (from emerging to developed nations) and how they see the shared ownership model as a place-based impact-creating tool/vehicle (coops, but not about legal form).

Key Insights

- The vision-shift to thinking about "what do the markets and institutions of a vibrant inclusive economy look like?" has led them to shared ownership models. There is a huge opportunity from baby boomer business generation reaching succession points, where transitioning these "assets" into different ownership structures is enormous and time-bound. What are the examples of networks of "shared ownership" models and the impact they have created?
- Developing a series of place-based "inspiration" models of distributing ownership amongst low-income workers. Place-based networks are also beneficial for organisations themselves (cross organisation sharing, uplift in internal engagement and motivation, greater sense of 'ownership' of place; empowerment of voices)
- The shared ownership model is not just about coops, there is a spectrum. And where there is a sweet spot – of industry, of principles, of market maturity, of community benefit – they can transform a place.
- Impact for low-income communities: "It's not a surprise that where they have been most successful they have sprung up in low-income communities; and workers are in manufacturing, often low skilled work etc. (e.g. the Bronx, North Carolina, Jackson Mississippi, Cleveland etc.)"
- OSF will be working in the UK with a couple of places to develop these models further, and are also looking for vehicles to invest in that are seeking to support different models of creating this - but don't know of many who exist doing this.

OneNYC

OneNYC is New York City's plan to become the most resilient, equitable, and sustainable city in the world. They measure progress in five areas: Growth, Equity, Sustainability, Resiliency, and Diversity & Inclusivity. We discussed lessons learnt, approaches tried, use of data and investment. Context and scale and resource is different to analogous UK examples, but some interesting insights.

Key Insights

- OneNYC has always focused on the outcomes they want to see - and have explicitly not limited themselves to things within their control. Allows the city to have a platform to address wider issues that can create deep and broad impact and allow others to partner with them.
- The context of the city and within which it operates shifts in-flight. Don't tie hands, but about integrity of direction of travel.
- You can never be completely sure that the next administration won't pursue a totally different agenda. This is an issue for long-term programmes you are looking to invest in. What you can do is create the best possible conditions for continuity. A couple of key points here that have worked:
    1. Make sure ideas and processes are broad-based and embedded widely, about changing the conditions on the ground that allow for it
    2. Set up in a way that makes it easier for the next person to implement straight away and have ownership for it (e.g. creation of roadmaps they can come in and put their implementation stamp on); need to be OK to let them claim success as they put their link in the chain
- Not everyone needs to know the 'OneNYC' brand across the city, that's explicitly for the leaders and core stakeholders of aligned institutions. What's important for citizens are the ideas, initiatives and direction they are aware of. This has been where they've done well so far (e.g. LinkNYC, or sustainability goals).
- Data. Data. Data. Invest in it. Open source it. Invite others to tell you insights. Also encourages idea to emerge that can become programmes to invest in.

Appendix: List of US place-based investment funds, vehicles and approaches

This list includes those from organisations with meeting notes above, but also counts relevant others we have come across through broader conversations, desktop research and research papers.

Case Study	Summary	Place	Further Information
Woodward Corridor Initiative: Living Cities	Part of the Integration Initiative, Midtown Detroit worked to create change in land-use planning, education, housing, and economic development.	Detroit, Michigan	https://bit.ly/2EU0fKQ
Strategic Neighbourhood Funds	City of Detroit and Invest Detroit $30m revolving grant and loan fund to support revitalisation of 3 Detroit neighbourhoods over 5 years.	Detroit, Michigan	https://bit.ly/2DdDTlH
Chase Invest Detroit Fund	Revolving loan fund ($500k-2.5m) supported by an investment from JPMorgan Chase created to promote and accelerate economic development that otherwise would not take place.	Detroit, Michigan	https://bit.ly/2PCFjfC
Entrepreneurs of Colour Fund	Partnership between Detroit Development Fund, JP Morgan Chase, Fifth & Third Bank, and Kellogg to provide capital for businesses owned by entrepreneurs of colour and businesses that primarily hire people of colour. Loans range from $50,000 to $150,000, for a range of purposes.	Detroit, Michigan	https://bit.ly/2OgnWwn
Develop Detroit	Housing Partnership Network incubated and came together with other funders to launch the first citywide non-profit focused on providing housing to low- and moderate-income Detroiters.	Detroit, Michigan	https://bit.ly/2Ddb3lF
New Economy Initiative	Project of the Community Foundation for Southeast Michigan, is a philanthropy-led entrepreneurial development strategy working to build an inclusive network of support for entrepreneurs and small businesses.	Detroit & Michigan	https://bit.ly/2GeEodd
ID Ventures	Providing inclusive access to resources for Michigan entrepreneurs with high-growth potential. 3 Funds at different stages of company lifecycle	Detroit & Michigan	https://bit.ly/2P04WHJ
Greater University Circle Initiative	Anchor-based strategy for change.	Cleveland, Ohio	https://bit.ly/2P0gxqe
Evergreen Cooperatives	The Evergreen Cooperatives of Cleveland have become a global innovation model for creating more sustainable regional economies.	Cleveland, Ohio	https://bit.ly/1pBTT5B
Cleveland Neighbourhood Progress	A local community development funding intermediary, with a vision for vibrant neighbourhoods.	Cleveland, Ohio	https://bit.ly/2Q99SXf
The Greater Cincinnati Foundation	Developing community using impact investing as one of the approaches. Filling the capital gap for community development projects through DAF partnerships	Specific counties in the Tri-state region	https://bit.ly/2yTXe7B

Ujima Project	Organises neighbours, workers, business owners and investors to create a new community controlled economy in 3 Boston neighbourhoods. Challenging poverty and developing communities by organizing savings, businesses and customers to grow local wealth and meet community needs.	Boston, Massachusetts	https://bit.ly/2OidPXC
Boston Impact Initiative	$10m fund using a whole portfolio approach with a range of capital products to invest in creating resilient local economies in Eastern Massachusetts	Boston & Eastern Massachusetts	https://bit.ly/2Q9bmRj
PV Grows Investment Fund	PVGrows is a collaborative network dedicated to enhancing the ecological and economic sustainability and vitality of the Pioneer Valley food system.	Pioneer Valley, Massachusetts	https://bit.ly/2PA7VpI
New Communities Programme (LISC)	Worked strategically across 16 neighbourhoods in Chicago for >10 years; supporting locally based community organisations to create Quality of Life Plans which was used to leverage resources to meet the plans' goals.	Chicago, Illinois	https://bit.ly/2Dh7tqL
Arts & Culture Loan Fund	$10k-150k lines of credit to address the needs of managing uneven cash flow among small- and mid-sized non-profit arts and culture organizations in the Chicago area.	Chicago, Illinois	https://bit.ly/2CROgea
Benefit Chicago	Benefit Chicago is mobilizing $100 million in impact investments to finance the growth of impact enterprises throughout the Chicago region to build wealth, create jobs and enhance job readiness.	Chicago, Illinois	https://bit.ly/2Dfu9aD
University of Chicago's Office for Civic Engagement	Polsky Centre for Entrepreneurship and Innovation's program supporting minority-owned businesses on the south and west sides of Chicago.	Chicago, Illinois	https://bit.ly/2zgS1pX
West Side United	Partnership of health care institutions, residents, educators, non-profits, businesses, government agencies and faith-based institutions from Chicago's West Side to make their neighbourhoods stronger, healthier and more vibrant places to live, through programmes and investing in root causes.	Chicago, Illinois	https://bit.ly/2P3UoqY
The Resurrection Project	Community development partner within the New Communities Programme, has turned that $30,000 seed capital into community investments of more hundreds of millions.	Pilsen, Chicago, Illinois	https://bit.ly/2Jsn5HR
Democratising Capital East Bay	Supports grassroots communities in the East Bay to govern a professionally managed community capital fund that supports local enterprises through patient and flexible capital to meet social justice standards.	Oakland, California	https://bit.ly/2zhbeIg
Pacific Community Ventures	Use investments, impact investing strategies, advising and research to address economic disparities in the Californian region. Includes $40m growth equity fund to high growth businesses creating quality employment in low income communities	California	https://bit.ly/2JQOVhv
Philaimpact Fund	PhilaImpact Fund is a fixed income product that puts 100% of investments toward enhancing the growth of the Greater Philadelphia Region, supporting projects that deliver tangible results and positive social impact.	Greater Philadelphia	https://bit.ly/2JrPBJI

Impact PHL Ventures	Growing the region's impact economy; supporting growth of tech-focused early-stage ventures working to solve social, environmental, and health problems in Philadelphia.	Greater Philadelphia	https://bit.ly/2P09pdt
Newark Resilience Initiative	Unique combination of financing and leadership capacity-building. 15 non-profits selected, to receive a year of customized consulting to help them plan, problem solve, and address financial challenges. In late 2017, these nonprofits also received $1.5 million in flexible capital grants, provided by Prudential, to increase adaptability and financial resilience, and advance their missions of providing critical services to the Newark community.	Newark, New Jersey	https://bit.ly/2RpWNJe
Prudential Place-Based Approach	Investing in a number of connected ways to build inclusive economy in Newark.	Newark, New Jersey	https://bit.ly/2ERXny3
Coastal Enterprises, Inc. (CEI)	Integrates financing, business and industry expertise, and policy solutions to help grow good jobs, environmentally sustainable enterprises, and shared prosperity in Maine and other rural regions	Maine	https://bit.ly/2qxeESY
The Oregon Community Foundation	Targeting economic vitality by deploying loans and venture capital funds. Includes Oregon Impact Fund is $20m, combining DAF and endowment funds.	Oregon	https://bit.ly/2zyadLY
Vermont Community Foundation	Sets aside 5% of its total assets towards local impact investments in Vermont. Aims to close opportunity gap in under-capitalized regions, financing innovative and mission-driven SMEs & Real Estate projects	Vermont	https://bit.ly/2SUV3Jk
Centre for Community Investment: Connect Capital	Programme supporting 6 teams and communities in attracting and deploying capital at scale to address their needs. Connect Capital helps participating teams with $200k each to establish shared priorities across stakeholders, create pipelines of investable projects, and strengthen the policies and practices required to achieve their desired results.	6 places across the USA	https://bit.ly/2P1N2UY
Living Cities (Catalyst & Blended Catalyst Fund)	2 structured debt funds, c.$80m total, blending public, private and philanthropic financial resources in new ways to better meet the needs of cities and their residents.	Various across the USA	https://bit.ly/2RsB4jT
Urban Institute: Place-based impact investing report	Report highlighting range of collaborative place-based impact investing initiatives that exist across the USA. From partnerships to platforms and networks, 20 are showcased.	Various across the USA	https://urbn.is/2xBFPlU