

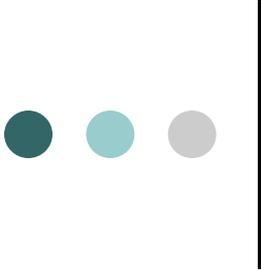


Framing the Conversation: Lessons Learned from Resurgent Cities

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Smaller Industrial Cities Conference
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Based on "*Reinvigorating Springfield's Economy: Lessons from Resurgent Cities*" by Yolanda Kodrzycki and Ana Patricia Muñoz, with Marques Benton, Lynn Browne, Prabal Chakrabarti, DeAnna Green, David Plasse, Richard Walker, Bo Zhao, Federal Reserve Bank of Boston Public Policy Discussion Paper No. 09-6, 2009



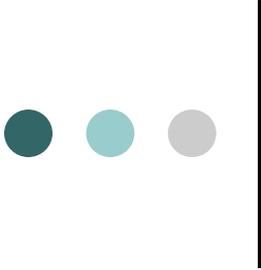
Toward a More Prosperous Springfield: A Federal Reserve Bank of Boston Initiative

- **Why Springfield?**

- Springfield has one of the highest rates of concentrated poverty in the nation.
- Springfield's challenges are similar to other old manufacturing cities across the nation.

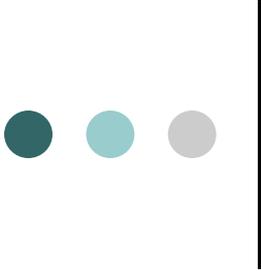
- **Objective:** Support ongoing efforts to revitalize City of Springfield
- **Our focus:** bring economic improvement for city residents, especially those in impoverished neighborhoods

<http://www.bostonfed.org/commdev/springfield/>



Common challenges of Springfield and other small to mid-sized industrial cities

- Transition away from a manufacturing-oriented economy.
- Adaptations to changes in economic, racial, and ethnic make-up of city populations
- Dwindling property tax base
- Lack of attention from national funders and economic development experts

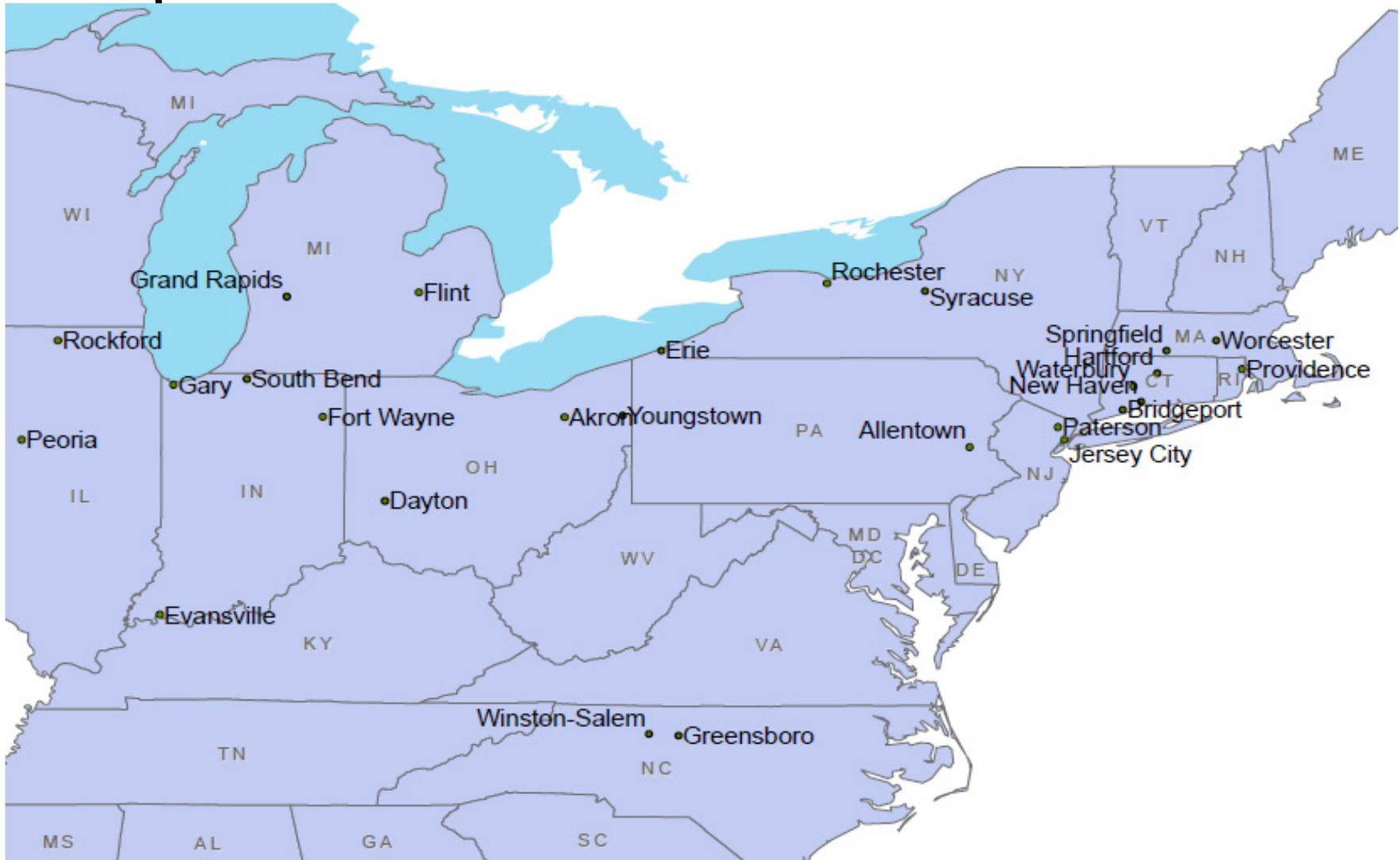


Lessons from Resurgent Cities: Methodology

- Choose peer group based on population, manufacturing intensity, and regional role
 - Cities that were similar to Springfield in the past
 - 1960 largely pre-dates urban declines
- Measure Springfield's progress against peers
 - Resurgent cities as meaningful benchmark
 - Any obvious advantages or disadvantages for Springfield?
- Perform case studies of resurgent cities
 - Detailed examination of city histories
 - Identify common themes
- Draw lessons for Springfield and other older manufacturing cities

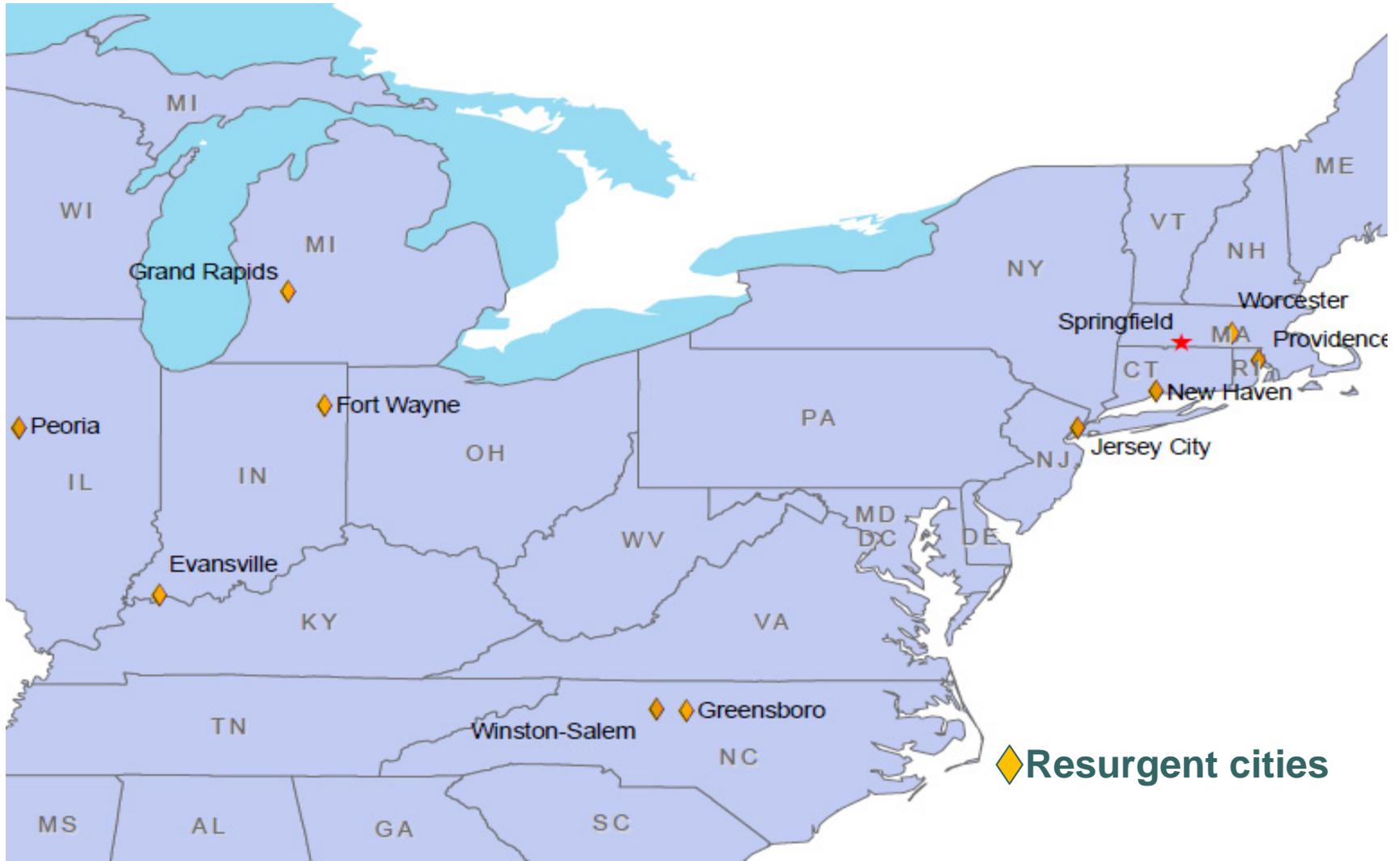
Criteria for selecting 25 peer cities:

- manufacturing employed 30%+ residents in 1960
- population of 100,000-250,000 in 1960-80
- remained primary city in metro area (MSA)



Criteria for selecting 10 resurgent cities:

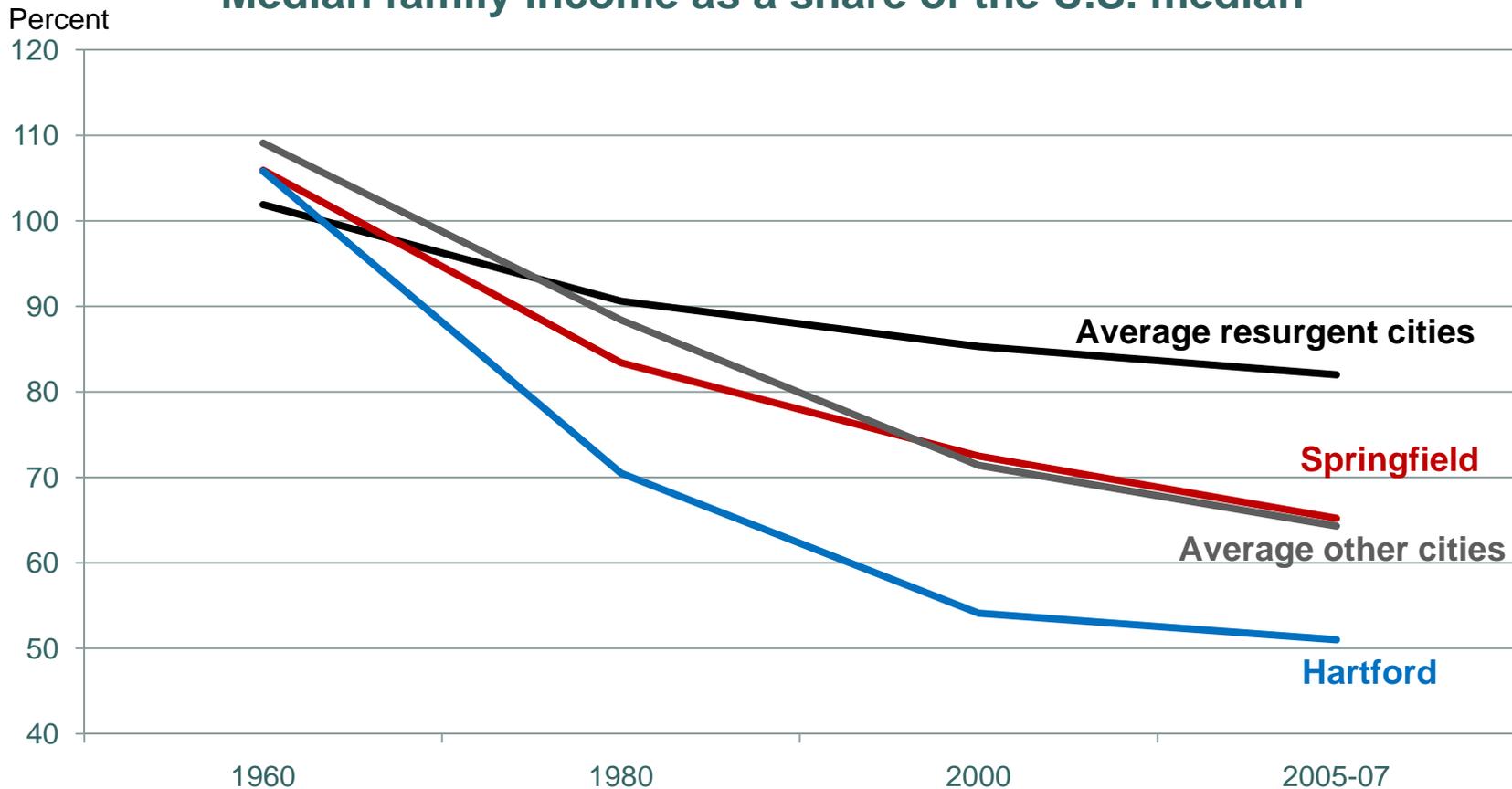
- median family income: level in 2005-07 and change in ranking since 1960
- poverty rate: level in 2005-07 and change since 1980
- population: percent change since 1960 (secondary criterion)
- reputation as vital community



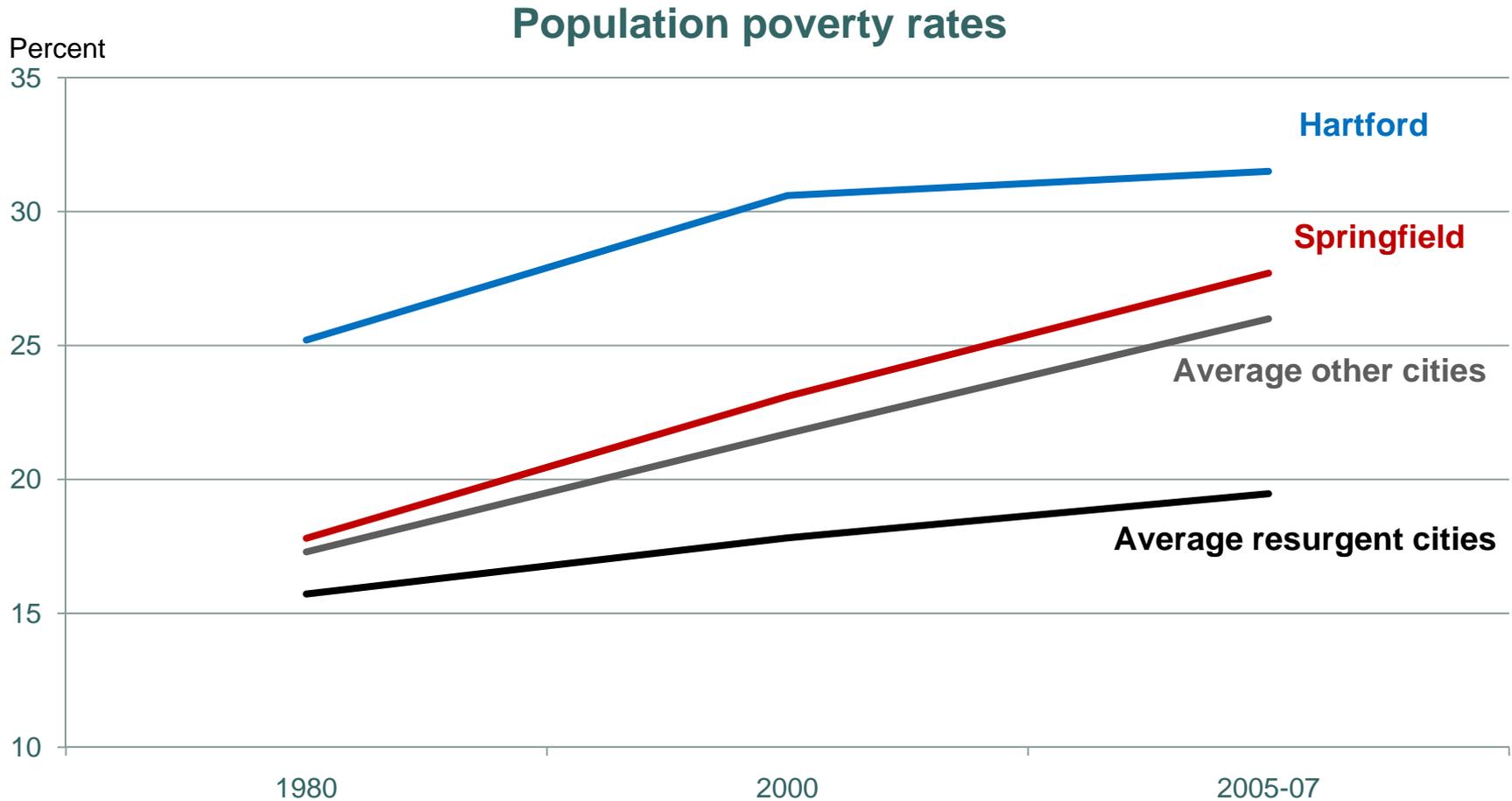
● ● ●

Median family income in the resurgent cities averages 86 percent of the U.S. median, about \$11,000 higher than the other cities' average .

Median family income as a share of the U.S. median

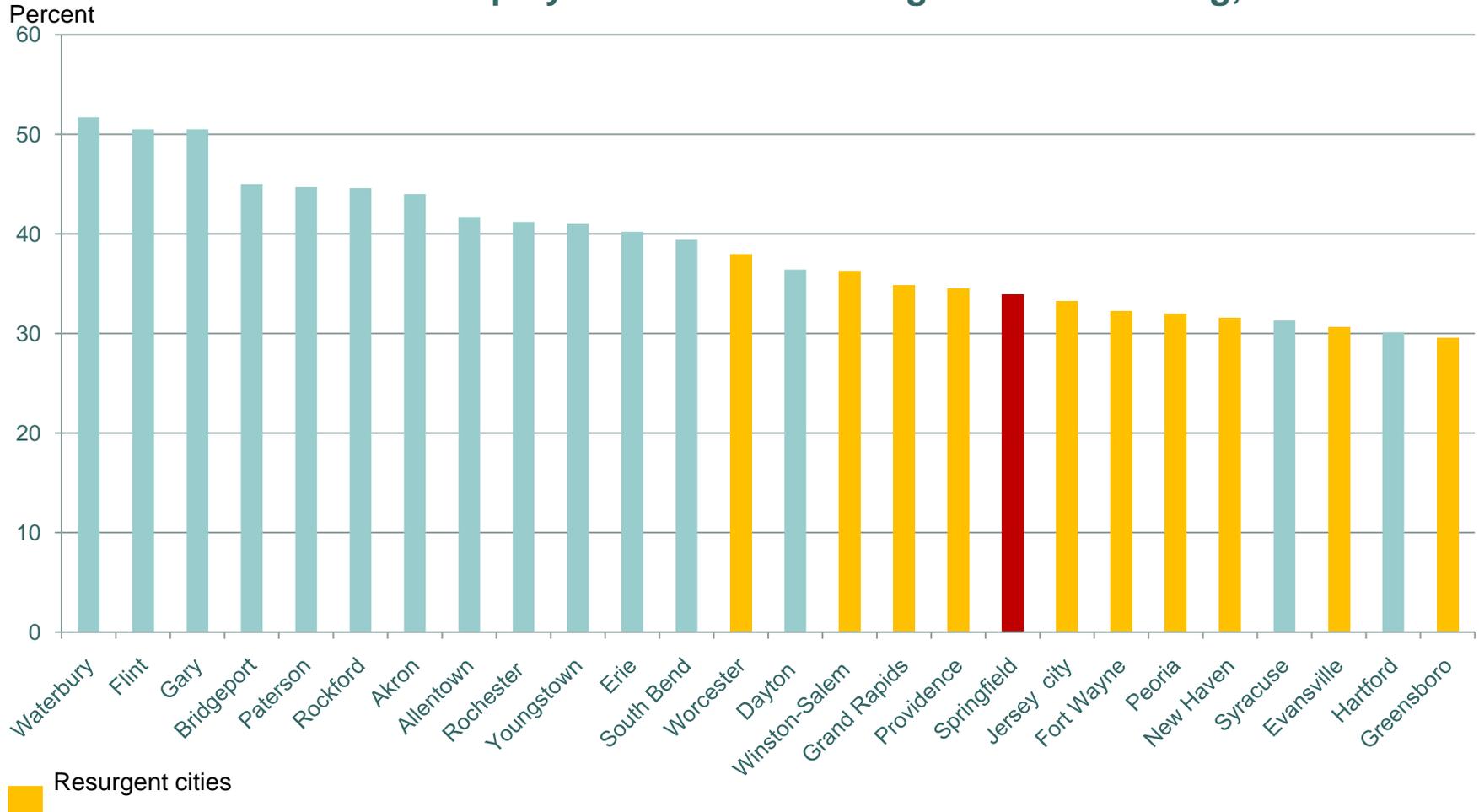


● ● ● | **Average poverty in the resurgent cities has risen only modestly, in sharp contrast to other cities.**



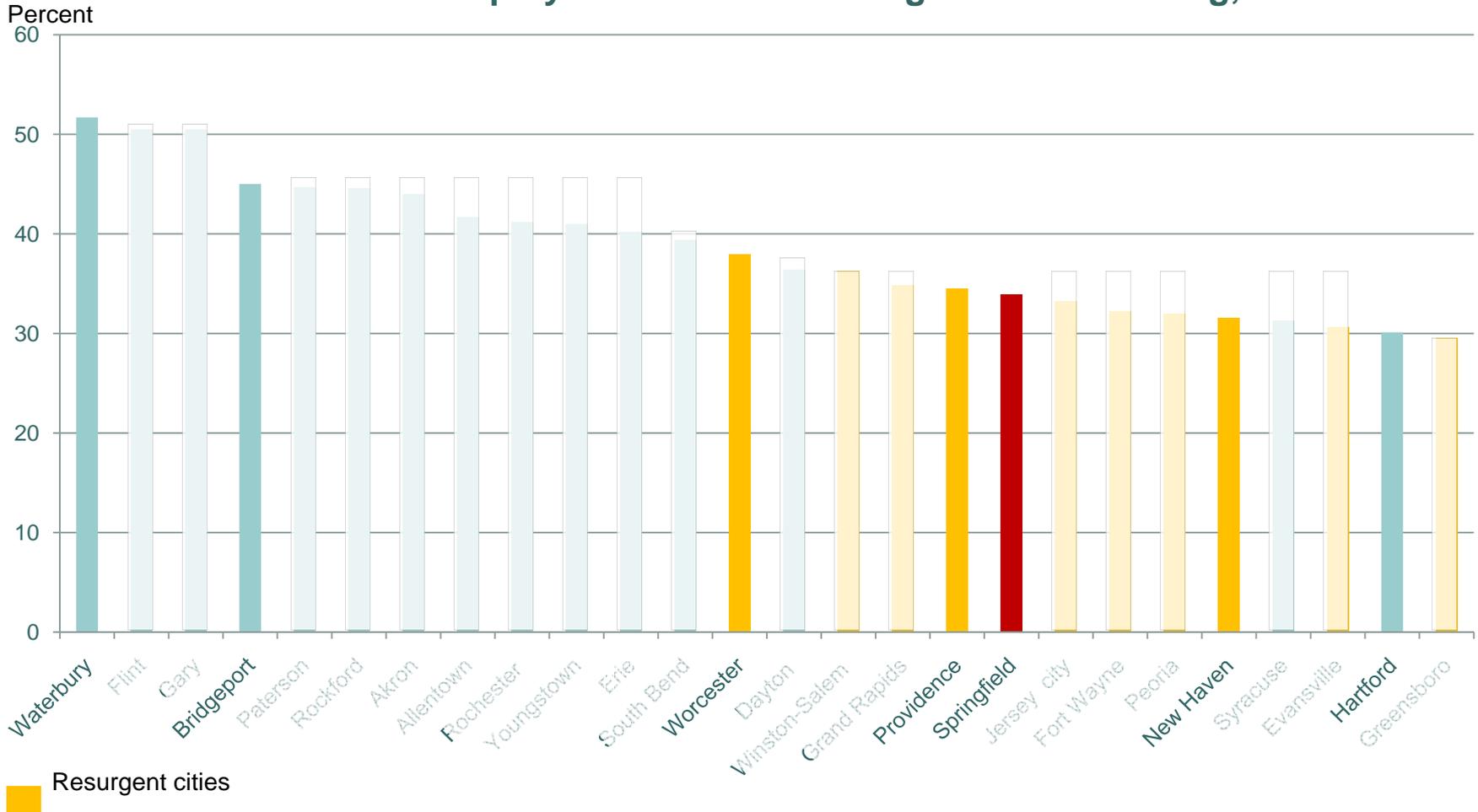
The resurgent cities had relatively low initial dependence on manufacturing

Share of employed residents working in manufacturing, 1960



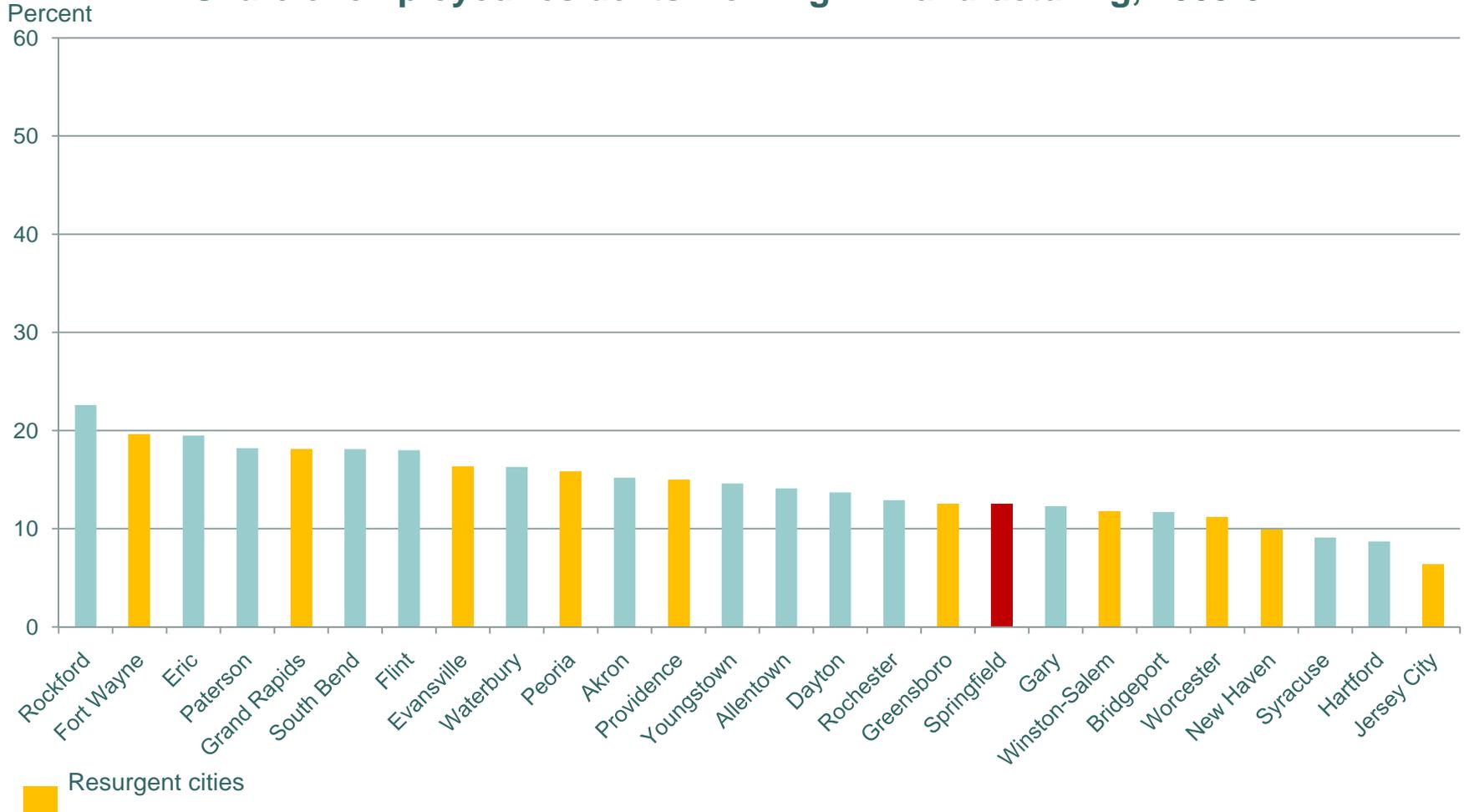
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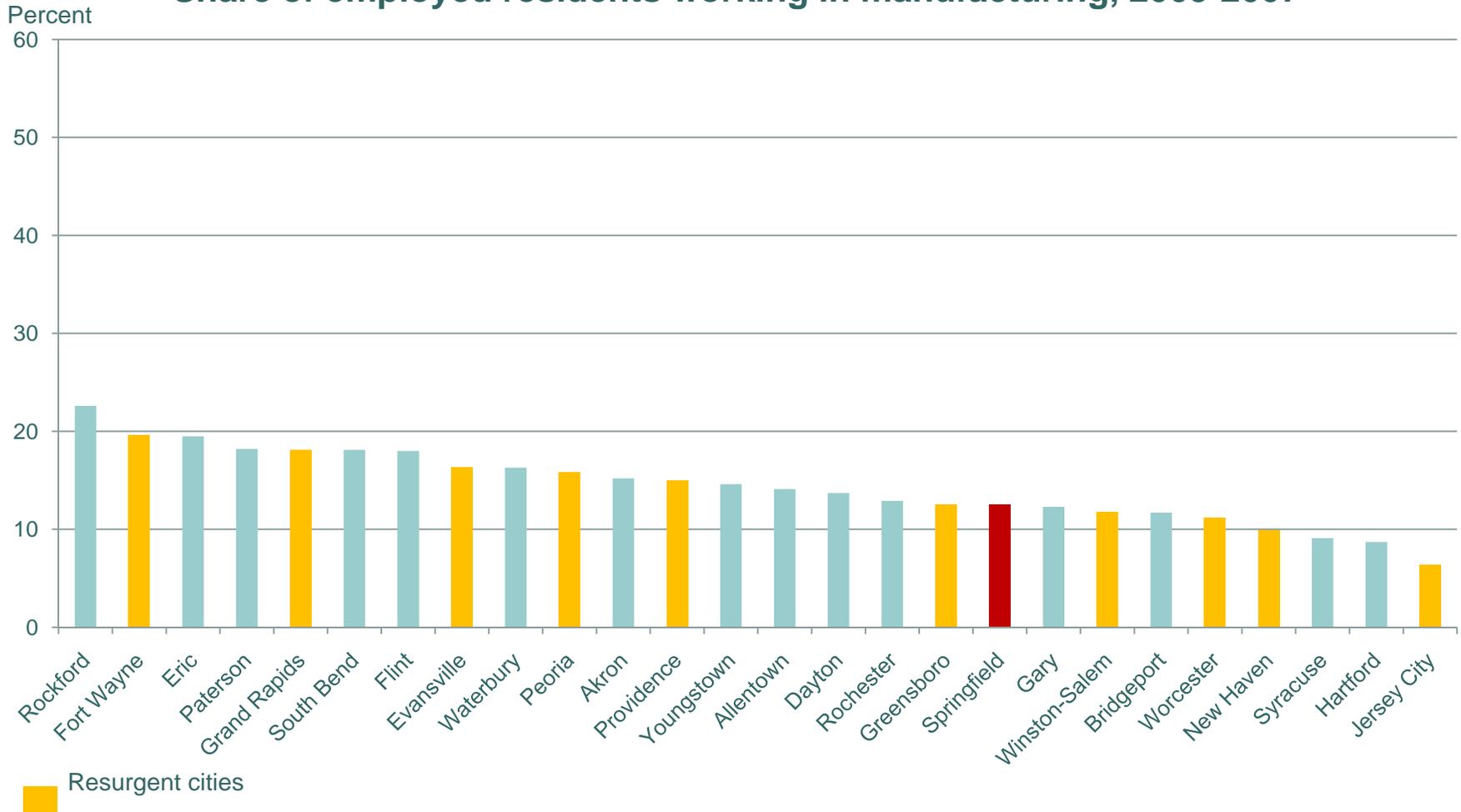
All of the cities—resurgent and other— now rely less on manufacturing jobs.

Share of employed residents working in manufacturing, 2005-07



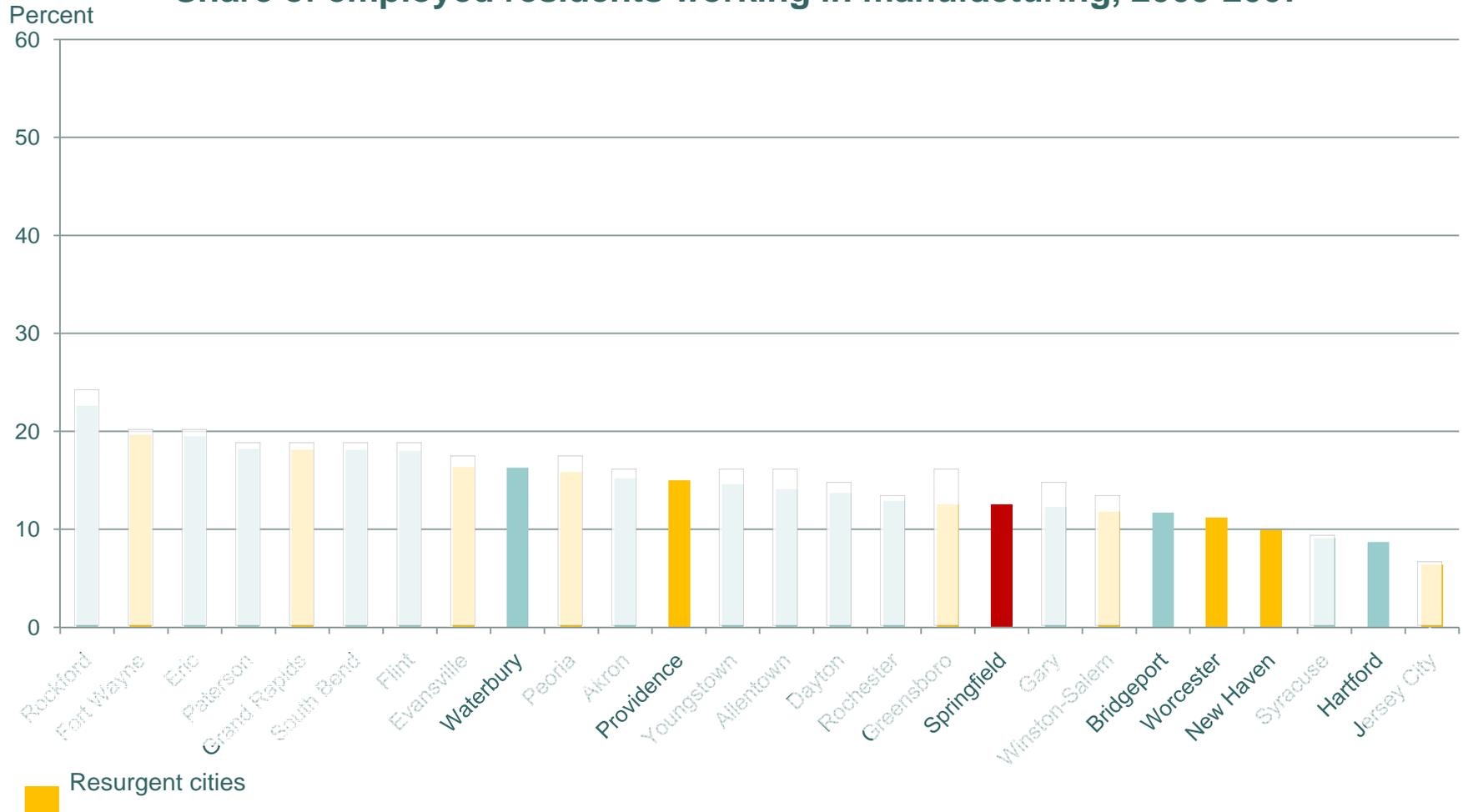
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now rely less on manufacturing jobs.

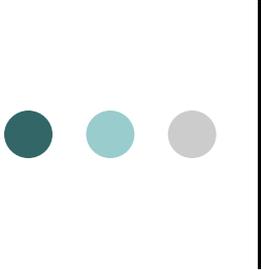
Share of employed residents working in manufacturing, 2005-2007



But now resurgent cities no longer have a different dependence on manufacturing compared to others

Share of employed residents working in manufacturing, 2005-2007





Key themes from studying resurgent cities

- Lead and collaborate
- Transform the economy
- Develop and attract human capital
- Extend prosperity and involve communities

Initial leadership can come from any sector.

- **Evansville and Providence:** Mayors at forefront, work with businesses and nonprofits was key
- **Jersey City:** Private developers at forefront
- **Providence:** Support from local and national foundations and nonprofits (Important presence of national foundations like Annie E. Casey Foundation's Making Connections initiative)
- **Grand Rapids:** key role of philanthropists and committed entrepreneurs



● ● ● | **Collaboration is needed to sustain successes and withstand setbacks.**

- **Evansville and Providence:** Mayors come and go.
- **Jersey City:** Private developers not so interested in community issues.
- **Worcester:** Many ups and downs (biotech, malls)



Resurgent cities form a focused economic development organization.

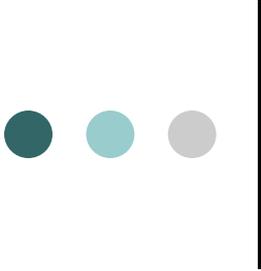
- Institutionalized relationship between Economic Development Agencies and the City via funding and representation on board of directors
- Chambers of Commerce and business organizations involved in broad aspects of economic development including education and workforce development programs



Resurgent cities develop a common vision.

- Visioning can lead to major transformations
 - **Winston-Salem:** From tobacco town to “Most Intelligent Community”
 - **Grand Rapids:** From “Furniture Capital of the World” to home of the “Medical Mile”
 - **Worcester:** from old mill town to National Civic League “All-American City”
- **Fort Wayne:** Long-term development strategy based on 7 sectors





The non-profit sector can play a useful role.

○ Higher education

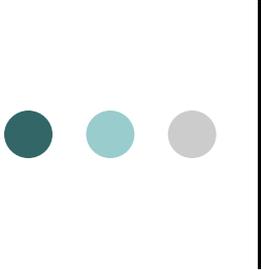
- **New Haven:** Yale became involved in 1980s and 1990s.
- **Worcester:** consortium of colleges and universities in the early 2000s.

○ Medical institutions

- **Peoria:** 773-acre Medical and Technology District

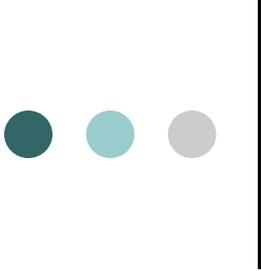
○ Charities and foundations

- **Providence and Grand Rapids** better positioned than most others.



Conclusion: Takeaways from studying resurgent cities.

- Realistic examples
- Patience and determination
- Fresh ideas



Additional Boston Fed Research

<http://www.bos.frb.org/commdev/springfield/>

- Towards a more prosperous Springfield, Massachusetts: Project introduction and motivation
- Towards a more prosperous Springfield, MA: What jobs exist for people without a college education?
- Greater Springfield employment challenges: Findings of employer survey and interviews
- Jobs in Springfield, Massachusetts: Understanding and Remediating the Causes of Low Resident Employment Rates
- Toward a More Prosperous Springfield: A Look at the Barriers to Employment from the Perspective of Residents and Supporting Organizations
- Does Springfield Receive Its Fair Share of Municipal Aid? Implications for Aid Formula Reform in Massachusetts
- Housing Policy and Poverty in Springfield
- Small Businesses in Springfield, MA: A Look at Latino Entrepreneurship



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