Revitalizing New England Cities

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bostonfed.org
Figure 1: Median Family Income Relative to U.S. Median Family Income for Massachusetts Smaller Cities with the Lowest Median Family Income

What is the Working Cities Challenge?

Key Features

► Based on Fed research showing economic resurgence for smaller post-industrial cities possible; key elements: collaboration and leadership on shared economic vision

► Eligible to compete: struggling smaller post-industrial cities

► Proposals must be ambitious and

► unite public, private, non-profit sectors and community members,

► focus on improving lives of low-income people and diverse residents, and

► create systems change

► One proposal per city: must create shared vision and team to carry out effort

► Merit based: Winners chosen by independent, expert Jury based on public criteria (Fed not on Jury)

► Three-year efforts supported by extensive technical assistance and independent evaluation
Working Cities in New England

- Competition for three-year grant funds. Grants are modest in size ($400 - $475k) and contributed by private, public and philanthropic partners (no funds from Federal Reserve)

- Over $10 million in award funds contributed by 63 funders to date

- State by state model. Current states: Massachusetts (2 rounds), Rhode Island, and Connecticut

- Expansion to Northern New England states (VT, NH, ME) currently in planning with adaptations for rural areas

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<th>Massachusetts</th>
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Lawrence Working Families Initiative: Round 1

Lawrence: a largely immigrant and Latino city with great strengths and challenges

► **Historic Opportunity**: Turnaround in Lawrence Public Schools (LPS) following receivership

► **Key Challenges**: High levels of poverty and unemployment among families of LPS students, coupled with low levels of student graduation and achievement

► Mayor, school district, businesses, community college, and workforce service providers unite to support school system turnaround effort (responding to receivership), with focus on parent economic stability, jobs and parent engagement

► **10-Year Goal**: 15% increase in real income for LPS families, with related student gains due to increased economic stability
Progress highlights and focus on systems change

► WCC process catalyzes **new CEO economic development group**: Lawrence Partnership. Lawrence WCC effort and Partnership together tackle **city-wide local hiring campaign**

► Major **new family support system** created for schools has counseled, referred and trained nearly 1,000 parents to date. Job placements >200, another 200 in training and education

► Launched the state’s first **Pay-for-Success** immigrant jobs effort outside of Boston

► New parent engagement model piloted with 600 parents, now being adopted across school system (9,500 families)

► School turnaround successful so far – significantly moving the needle on graduation rate

► WCC implementation grant **leverages more than $1.6 million** in direct philanthropic and public-sector funds
Impact Highlights

► First round of Winning Cities has leveraged $1.6 million in award funds into $8.5 million in follow-on funds. Cities adjusting spending to support winning initiatives.

► Needles moving on 10-year goals. For example: jobs and school outcomes improved in Lawrence, crime down in Chelsea.

► Substantial systems change in Round 1 Winning Cities, including permanent changes to school systems, city hall.

► Major new CEO and anchor institution engagement in most cities.

► Application process creates important new work and capacity in cities that win and cities that do not win.

► Better targeting of statewide policy toward smaller cities.

► Increased national and local philanthropic interest/investment in smaller cities.
Empirical research has shown that the following factors are key to sustainability of cross-sector collaborative efforts:

- **Strong lead organization and dedicated staff support**
- **Active participation from local partners**
- **Community buy-in and involvement**
- **Flexible funding from multiple sources**
- **Action-oriented sustainability plan in place early on in the process (year 2)**