What is the Working Cities Challenge?

“..the Federal Reserve Bank of Boston has been the catalyst for the Working Cities Challenge, inspired by its own research on cities that managed to diversify away from a declining, manufacturing-based economy. The research found that one key to success is "collaborative leadership," when governments, businesses, and nonprofits unite behind one focused approach. The Working Cities Challenge promotes that principle by inviting smaller Massachusetts cities to consider how they would use collaborative leadership to unite their communities to address a major challenge for lower-income residents. Twenty cities competed for $1.8 million in funding from the state and other sources. Six cities were awarded funds this past January, but many more will benefit from the spread of a new approach to capacity building that Fed research shows helps communities thrive.”

Federal Reserve Chair Janet L. Yellen,
March 31, 2014
The WCC Collaborative
Being the Change

The Challenge is led by leaders equipped to support local initiatives by influencing state policy and large scale investment in smaller cities.

Prize Funds were not provided by the Fed, but by:

Other partners/steering committee include:
Challenge Design and Process
Advancing Collaborative Leadership

The selection process of the Challenge is intended to promote the development of collaborative leadership.

Most participating cities, including non-winning cities, report that process of selecting the application objective & completing the application created new focus and opportunity.

Only one application was allowed per city. Evaluation criteria required partners from the public, private and nonprofit sector, and encouraged collaboration in order to reach agreements on key priorities. The winning cities were selected by independent jury of experts.

Public evaluation criteria included: breadth and depth of collaboration, impact on low income individuals, systems change, resident engagement, use of data for real time learning, and strength of local team.
Winning Cities

Of the 20 eligible cities (all applied), six cities received a total of $1.8 million in prize funds

1. Lawrence
   - $700,000 three-year implementation award
   - Increase parent income by **15 percent** in the Lawrence Public School system over a **10 year period**;
   - Plan to provide families with access to resources and opportunities to facilitate employment and economic security.

2. Fitchburg
   - $400,000 three-year implementation award
   - Transform the **North of Main neighborhood** into a place where residents choose to live, work, and invest over the next 10 years.
   - Develop an in-depth neighborhood report card to help residents and partners prioritize investments and track effectiveness.

3. Holyoke
   - $250,000 three-year implementation award
   - Raise percentage of **Latino-owned businesses** from its current 9 percent to **25 percent in 10 years**;
   - Coordinate services and opportunities across organizations and sectors.
Winning Cities

4. Chelsea
   $225,000 multi-year award
   Reduce poverty and mobility in the struggling Shurtleff Bellingham neighborhood by **30 percent over 10 years**;
   Use data to determine what combination of services and opportunities moves the needle on poverty and mobility by improving housing conditions and resident engagement.

5. Salem
   $100,000 seed award
   **Eliminate the disparity in income, employment and civic participation in the Point Neighborhood**, the City’s lowest income area;
   Leverage impressive cross-sector partners and a range of public resources.

6. Somerville
   $100,000 seed award
   Reduce unemployment for low-income youth by **10 percent over 10 years**;
   Craft a new, youth oriented system for providing training and building work experience, connecting youth to new employers in Somerville via a mobile app.
Learning from the Working Cities Process

Promising Indicators
New climates, new partners, and new conversations

Importance of Realistic Expectations
Transformation takes a long time; cities have varied strengths and capacities.

Areas of Growth and Challenge
Need for greater private sector & community involvement, & metrics and measurement

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Looking Forward

Three-year learning community for winning and non-winning teams including:

1. **Learning Community**
   - Structured team planning sessions to advance local efforts
   - Informational seminars designed to provide relevant information and best practices offered in partnership with *MassINC*.
   - Funder network and convenings.

2. **Research & Evaluation**
   - Professional evaluation of the Challenge via Mt. Auburn/Abt Associates
   - Fed and partner economists to conduct randomized control trial on one city initiative.
   - Dedicated Boston Fed & Clark University research to include research on collaboration, civic infrastructure, workforce conditions and best practices

3. **Replication**
   - Goal is to expand to other New England states and conduct future rounds in MA. Legislature has set aside funds for replication in MA.
“The value of the competition goes beyond grant money, though that undoubtedly will help those who receive it. The real value of the competition is that it will encourage conversations among local stakeholders that are necessary to make real and lasting change. Moreover, participants will receive access to technical assistance and planning resources, as well as to a growing network of public, private, nonprofit, and philanthropic leaders in the state who are focused on improving the economies of its smaller cities.”

Chairman
Ben Bernanke

April 12, 2013