



Federal Reserve Bank of Boston Capital & Collaboration

Boston Fed:

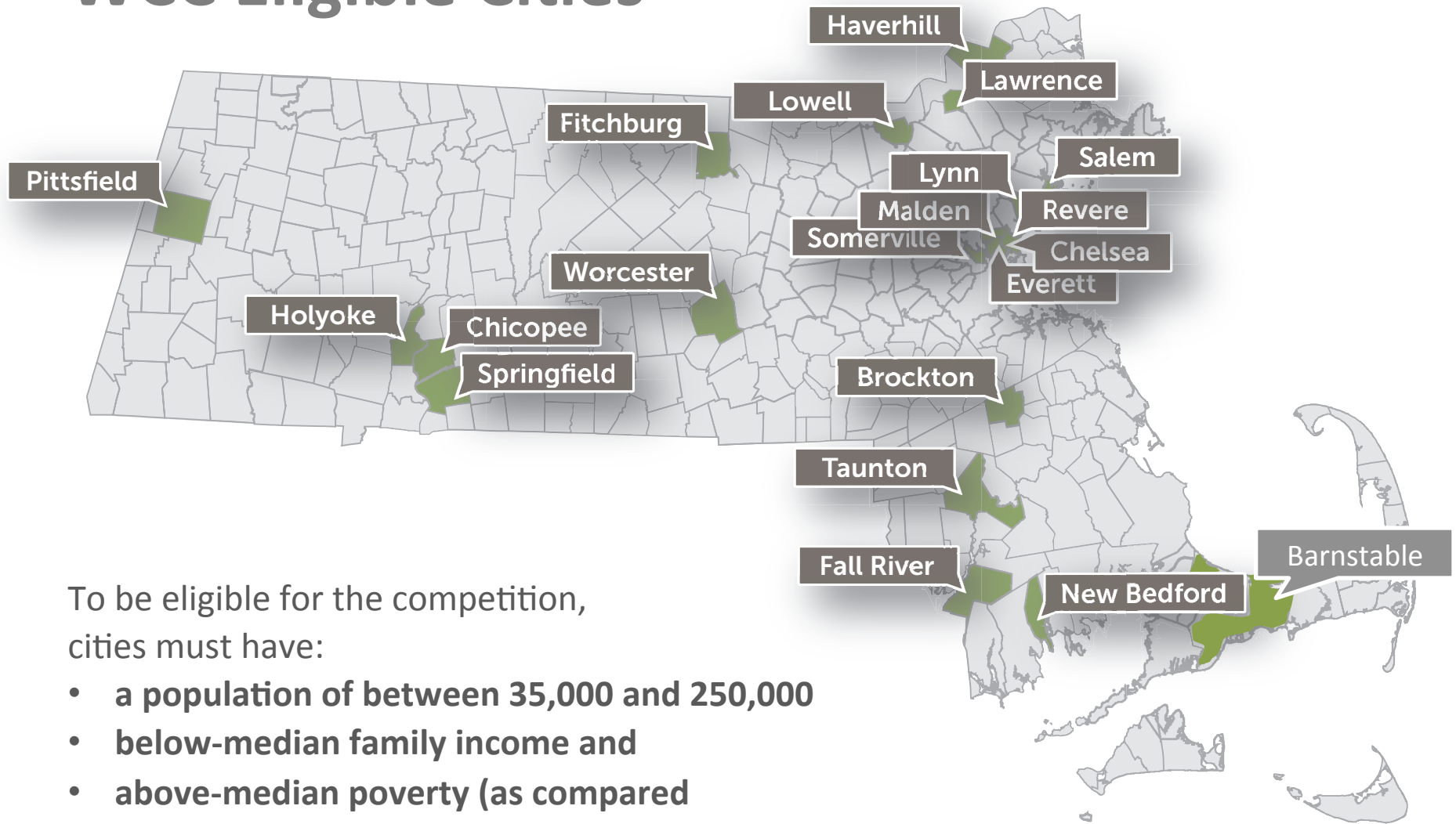
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Background on FRBB

Resurgent Cities - Collaboration & Economic Recovery

- Engagement in Springfield MA leads to national research on economic development approaches of mid-sized cities with high levels of manufacturing.
 - Lessons from Resurgent Cities, Kodrzycki and Muñoz, 2009
- Comparison group of 25 similar cities across the nation identifies : Industry mix, demographic composition, and geographic position are **not** the key factors distinguishing the resurgent cities.
- Most important factor, across the board, is **leadership and collaboration.**
- “Research inspired the Working Cities Challenge, to promote collaboration and leadership to tackle complex problem in mid-sized, post industrial cities.”

WCC Eligible Cities



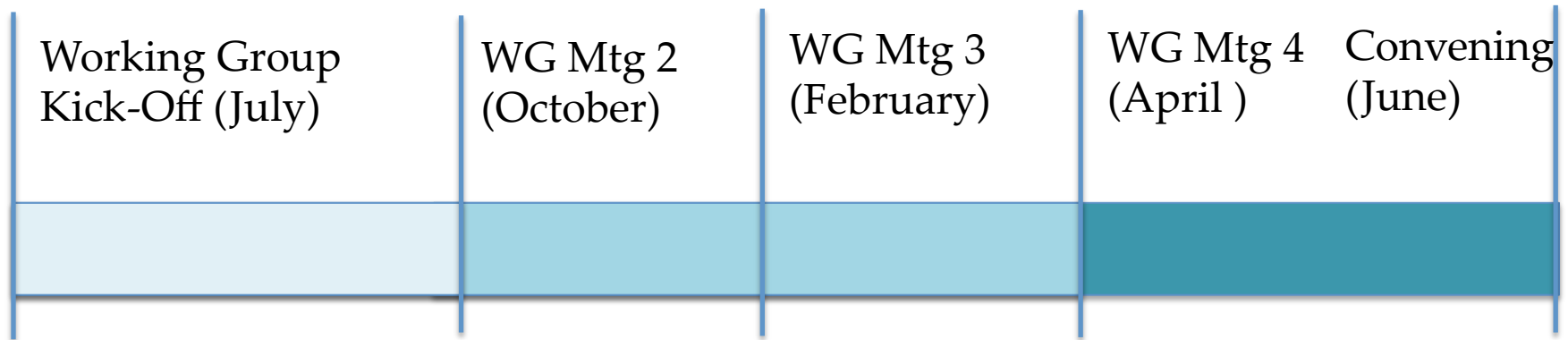
To be eligible for the competition, cities must have:

- a population of between 35,000 and 250,000
- below-median family income and
- above-median poverty (as compared with peer cities in Massachusetts).

Capital & Collaboration Initiative

- Our Capital and Collaboration initiative, launched in July 2015, focused on complementing the ongoing Working Cities Challenge (WCC) by better understanding the community investment system in these cities.
- Boston Fed and Kresge (Robin Hacke) partnered with David Wood and Katie Grace from the Initiative for Responsible Investment at Harvard to help lead this effort.
- The initiative focused on three types of community investment that have been identified by the WCC teams and our Steering Committee as high priorities for the Working Cities:
 - **Mixed-use and commercial real estate projects***
 - **Small business development***
 - **Small-scale or scattered site residential projects**
- Our goal: To identify a coordinated set of capacity-building and/or financing activities that will lead to transformative change in the Working Cities.
- *Task Forces

Capital & Collaboration Timeline



Data Collection

- 50 interviews
- 5 focus groups
- 11-city workshop
- Funding flows
- Case Studies (6)

Analysis

- What have we learned?
- What does it mean?
- What could be done?

Moving to Action

- What will we change in our own work?
- Who else needs to be involved?

Capital & Collaboration- Timeline

WORKPLAN & TIMELINE:

- 1) **Information gathering** (August 2015 - October 2015)
 - One-on-one interviews with suppliers and users of capital
 - Pipeline analysis for key funding sources (e.g. LIHTC, NMTC, HTC, etc.)
 - Data dashboard and key indicators
- 2) **Analysis, workshops, and city engagement** (Nov 2015 - March 2016)
 - Deeper dive/small group interviews
 - Exemplary deal analysis
 - Mini-workshops to test assumptions/findings
- 3) **Report and recommendations** (April – June 2016)
 - Presentation to Working Group
 - Working group take action steps
 - Draft and publication of report with findings and recommendations
 - Convening at Boston Fed with local and national partners

Task Forces “In Action”

- Focus:
 - Mixed-Use and Commercial Development
 - Small Business Development

Mixed-Use

Call to action – co-lead by: R. J. McGrail,
MassDevelopment & Michelle Volpe, Boston Community
Capital

Focus on three main areas:

- Building wealth in communities;
- Align existing tools more strategically to fit need;
- Identifying set of financing tools and approach to leasing space based on community need.
- approach to leasing space with deeper connections to the community, strategic planning processes, and the small business ecosystem.

Task force is in the process of identifying cities

Small Business

Call to action – co-lead by: *Larry Andrews, MassGrowth Capital, Seth Goodall, SBA, and David Parker, EforAll*

Focus:

- Identifying and providing culturally appropriate resources
 - Stakeholder conference
 - Identifying/leveraging sources of funds to support ongoing need
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- ***Task force is in the process of identifying cities, districts and projects that are appropriate to pilot this new approach.***

Questions

Thank you!

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