

Leveraging Local Anchor Institution Partnerships

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What Will Be Covered

- ✓ Defining Anchor Institutions and their Role in Economic Development
- ✓ Partnerships on the Rise: Anchor Perspective
- ✓ Partnerships on the Rise: City Perspective
- ✓ Challenges and Recommendations

An Overlooked Partner

- We define Anchor Institutions as colleges, universities, hospitals and medical centers
- These anchors are critical to local economic growth everywhere
- But they are often overlooked—seen as large (tax-exempt) land owners walled off from the community and its future
- Few communities have established citywide and long-range partnerships with their local anchors

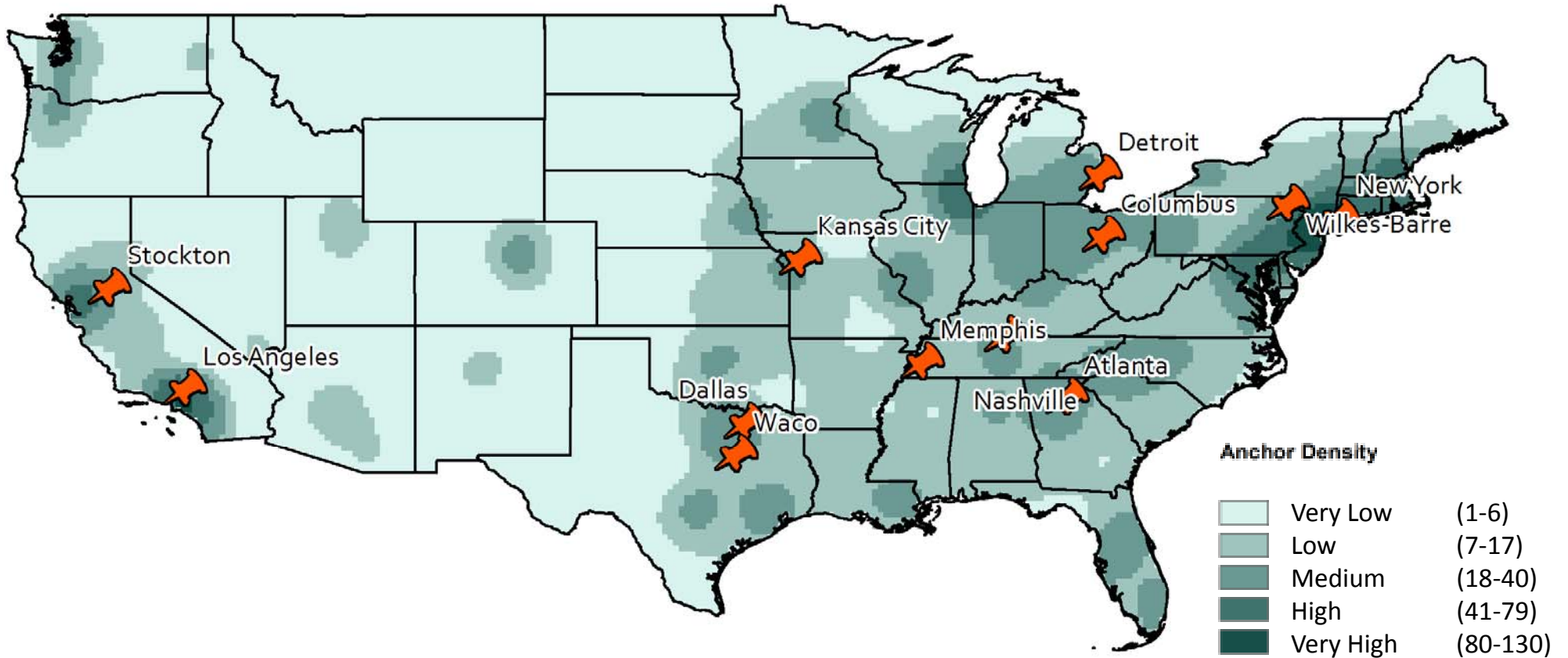
Anchor Research

The National Resource Network, led by NYU Wagner and Urban Institute, conducted a yearlong study to determine the role that anchors play in their communities and how they can be better partners

Research included:

- Data assessment of anchor growth across the country with a particular focus on cities with high poverty and unemployment
- Qualitative Assessment of opportunities and challenges in 12 locales: New York City, Detroit, Waco, Wilkes-Barre, Kansas City (KS), Dallas, Stockton, Columbus, Atlanta, Memphis, Nashville and Los Angeles

12 City Review



Anchors – Economic Engines

- In an era of industrial decline, anchors are one of the few sectors projected to grow, and are a major source for middle- and high-income jobs
- Anchors are central to a knowledge and innovation economy; these institutions:
 - Attract young workers
 - Incubate and support start-up companies
 - Supply the type of skills and training that most employers are looking for

Anchors – Economic Engines

- Hospitals and higher education institutions account for over 10% of jobs in cities
- Anchors are one of the top three employers in over 60% of the nearly 300 economically challenged cities we reviewed
- Universities and hospitals were among the top three, if not the top, employer in 11 of 12 study cities
- Based on interviews with mayors and senior city officials, all 12 study cities recognized the critical connection between economic growth and the presence of local anchors

Partnerships on the Rise—Anchor Perspective

- In past 20 years, anchors are more overtly leading major community development projects
- Often these anchor-led efforts have been limited to the surrounding campus area
- This has been seen as Enlightened Self Interest, but has led to significant economic improvements in targeted neighborhoods in Philadelphia (University of Pennsylvania's efforts in West Philadelphia) and Worcester (Clark University's efforts in Main South)

Partnerships on the Rise—Anchor Perspective

There are a growing number of anchors that are branching outside of campus boundaries and providing citywide support and improvements

Examples include:

Cleveland — Cleveland Clinic and Case Western are leading new efforts to hire locally, establish coop businesses and dedicate hundreds of millions to local procurement

New York City — NYU has invested significant resources in a big data research facility that works with city agencies to analyze data in real-time (one project is using video analytics to better understand city park usage and needs)

Partnerships on the Rise—City Perspective

- Cities are increasingly oriented and leading partnership efforts with anchor institutions
- 11 of 12 study cities say collaborations and relationships are improving
- Partnerships often based on senior-level engagement (mayor/city manager to president/chancellor)

Partnerships on the Rise—City Perspective

Waco—Mayor Malcolm Duncan is working with the local hospital and university CEOs and senior administrators to address poverty related issues throughout the city

Chicago—When Mayor Rham Emanuel was first elected he created a series of MOUs with the University of Chicago to coordinate all economic development efforts in the mid-South Side neighborhood

Challenges Persist

- New Partnerships are encouraging, but most are not strategic; more episodic and one-off in nature
- Cities still feel like relationship is a one-way street: Anchors come off as entitled and can be demanding

“It feels like an unfair relationship, they come to us and meet with all our departments, but we never go to their campus”

“What drives us crazy is when they come to us AFTER they made development plans”

Recommendations: The Big Idea

Need for a grand (local) bargain; a reset and break from standard operating procedures

Move from transactional relationships → shared goals, mutually determined vision & action

Recommendations: Key Steps



Crystalize priorities

Identify the right
outside partners

Build on what
you have.

Engage senior
level leadership to
co-create shared goals
and strategy

Recommendations: Key Steps

1. Crystalize local priorities (e.g. downtown development; K-12 improvements; tech industry attraction)
2. Identify the right outside partners (e.g. foundations that can support new efforts)
3. Build on what you have. Many communities feel that they don't know where to begin, but invariably there is already some collaborative activity — even if at a small scale — that can be built on
4. Engage at the senior level to craft shared goals and strategy together

Recommendations: Key Mechanisms

1. Form a Compact—PILOTs, community benefit agreements or other transparent and publicly binding documents help to capture the nature of the partnership and hold the community and anchors mutually accountable
2. AnchorStat—To ensure partnerships advance there is a need for data and clear measurements; this could include indicators of job created, local investment and teacher education grads passing certification exams

Recommendations: Key Mechanisms

3. Leadership Roundtables—There must be a local forum for anchor, city and community leaders to stay engaged. Such forums—including Prosper Waco in Texas—create the space for informal catch-ups and more formal project reviews
4. Leverage the Affordable Care Act and tax code—The Community Health Needs Assessment is a new component of the ACA that requires hospitals to engage localities and clearly articulate community building efforts. This mechanism and Schedule H (in the IRS Form 990) should be more intentionally used to foster better planning and outcomes for cities and local residents

Questions/Comments?

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A silhouette of a city skyline is visible at the bottom of the slide, featuring various buildings and a prominent tower with a lattice structure. The skyline is rendered in a lighter shade of blue against the dark blue background.



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