

CHAPTER 8

ANCHOR INSTITUTIONS AS PARTNERS IN BUILDING SUCCESSFUL COMMUNITIES AND LOCAL ECONOMIES

Retooling HUD
for a Catalytic Federal Government:
A Report to Secretary Shaun Donovan

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EXECUTIVE SUMMARY

The U.S. Department of Housing and Urban Development (HUD) is the key Federal agency charged with improving the quality of life in urban America. One new paradigm that HUD should advance for urban revitalization is through strategies that engage urban anchor institutions, particularly institutions of higher education and academic medical centers (“Eds and Meds”), in collaborative partnerships with Federal, state, and local government, other agencies, schools, civic leadership, and local communities. Large job-generating industries have left many cities. What remains is the vibrant, but yet to be fully tapped resources of the knowledge economy being led by Eds and Meds rooted in their local communities and regions.

This report outlines a new role for HUD, serving as a facilitator and catalyst (inter-governmental at the Federal, state and local levels, and with local, city and regional institutions) for comprehensive anchor institution-community collaborations in cities and metropolitan regions, focused on housing, economic and community development, healthcare, schools, and culture. With HUD leadership, the Federal Government can help catalyze, create, and sustain new forms of partnerships involving Eds and Meds and other anchors.

The Task Force believes the core argument for HUD’s leadership in pursuing this new paradigm can be summarized by the following five points:

1. Anchors, particularly Eds and Meds, are key to the revitalization of many of America’s communities, cities, and metropolitan areas.
2. When the entire university is engaged, including all its resources – human, academic, cultural, and economic – enormous progress can be made in improving the communities in which they are located.
3. The Federal Government can and should play a catalytic role in engaging anchor institutions in democratic partnerships with their communities, cities, and regions.
4. HUD as the agency responsible for urban areas and place-based development should take the lead.
5. Given the importance of anchors, particularly Eds and Meds, to the revitalization of communities and cities, the role and significance of the Office of University Partnerships (OUP) should be substantially increased by elevating the status of its function within HUD.

Certainly, much has been accomplished since the inception of the OUP and its various funded programs, such as its notable Community Outreach Partnership Centers (COPC). More can and should be done, however. When an entire university – i.e. its corporate as well as its academic side – is engaged, it can be a catalyst to transform communities. The goal the Task Force urges HUD to accomplish is to help universities and other anchor institutions engage their full set of resources – human, academic, cultural, economic – with their community, forging democratic, mutually beneficial, mutually respectful partnerships. In doing so, HUD will simultaneously help stimulate the cultural and organizational changes needed within colleges and universities to embed and sustain civic engagement across all components of the institution, which will result in the increased contributions of universities to the quality of life for residents of America’s cities and metro areas.

INTRODUCTION

Deindustrialization and globalization have undermined the traditional manufacturing-based economies in many American cities and metropolitan areas, leaving unemployment, poor schooling and generational poverty in their place. A knowledge-based economy is now dominant in these areas. New institutions have stepped forward as the “anchors” of their communities, particularly institutions of higher education and academic medical centers – “Eds and Meds.” Universities and academic medical centers are referred to throughout this report as “anchor institutions” because these institutions, “by reason of mission, invested capital, or relationships to customers or employees, are geographically tied to a certain location.”⁵⁷ As such, they have a strong economic stake in the health of their surrounding communities and – due to the scale and scope of their operations (over seven million employees and \$1 trillion in annual economic activity) – the resources to make a genuine difference. (Note: For purposes of this report, university is used as a term that encompasses all types of institutions of higher education.)

There is also a growing recognition that the future of Eds and Meds is intertwined with their communities and cities. Eds and Meds are place-based institutions which, given their vested interest in their geographical communities and their sizeable real estate holdings and local investment, would find it difficult and costly to move. Therefore, today, Eds and Meds are playing a crucial role in the economic vitality and competitiveness of their cities and surrounding regions. They have become increasingly more strategic in leveraging assets, partnering with the private sector, and generally supporting broader community and economic development activities. Across the country, many Eds and Meds are the largest employers in their cities and also fuel local economies through construction dollars and the purchase of goods and services. They also attract a highly educated workforce and offer cultural and other amenities (theaters, museums, academic and other noncredit classes) for the city or region.

Eds and Meds have also come to an increasing recognition that by helping to solve real-world problems – problems that are universal but manifested locally (substandard housing, inadequate healthcare, unequal schooling) – they can advance their core missions of research, teaching and service. Moreover, in the opening decade of the 21st century, universities are widely regarded as the most influential institution in advanced societies. They possess enormous resources (most significantly human resources), play a leading role in developing and transmitting new discoveries and educating societal leaders, and basically shape the schooling system.⁵⁸

With HUD and the Federal Government utilizing both financial incentives and the bully pulpit, colleges and universities have the potential to fulfill their stated – but not fully realized – mission of service to society. This mission has considerable historical grounding: the founding purpose of both colonial colleges and Historically Black Colleges and Universities was to educate young people for service to others. Fulfilling America’s democratic mission was the founding purpose of land-grant universities. A defined urban-serving mission for higher education dates from the late 19th century and the founding of Johns Hopkins University, the first modern university, in 1876. William Rainey Harper, the first president of the University of Chicago, was the most eloquent and powerful proponent for the engagement of universities with their cities and communities. He helped the University of Chicago become perhaps the greatest university at the turn of the last century by acting on the premise that involvement with the city, particularly its schools, would powerfully advance faculty research and student learning. The idea that universities can and should play a central role in improving urban life motivated Julian Levy’s work at the University of Chicago in the 1950s and 60s, which is a source of some of the ideas and approaches developed and implemented over the past 15 years.

The idea that universities have the potential to be powerful resources for solving highly complex urban problems is also longstanding, inspiring both Paul Ylvisaker’s speech in 1958, calling for the development of urban experiment stations modeled after the work of agricultural land grants, and Robert Wood’s plan for Urban Observatories. Thus far, this compelling idea has not been fully realized. Under the leadership of John Gardner, the U.S. Department of Health, Education, and Welfare provided hundreds of millions of dollars, as did the Ford Foundation, to universities

⁵⁷ Henry Webber and Mikael Karlstrom, “Why Community Investment is Good for Nonprofit Anchor Institutions: Understanding Costs, Benefits, and the Range of Strategic Options,” Annie E. Casey Foundation, July 21, 2008, p. 1

⁵⁸ Derek Bok, *Universities and the Future of America*, Durham, NC: Duke University Press, 1990; Ernest L. Boyer, “Creating the New American College,” *Chronicle of Higher Education*, March 9, 1994, p. A48; John W. Gardner, “Remarks to the Campus Compact Strategic Planning Committee,” San Francisco, February 10, 1998; Alexander W. Astin, “Liberal Education and Democracy: The Case for Pragmatism” in Orrill, *Education and Democracy*, pp. 207–23

to develop projects and programs with their cities and communities. Unfortunately, these funds did not produce the desired result. Treating urban engagement as a mere add-on, colleges and universities applied little, if any, effort to changing their core teaching and research functions. They resisted making the internal changes needed to work effectively with government, foundations, and other organizations and contribute to the improvement of their local communities and cities. The crisis of the American city also had not yet caught up to urban universities.

By the 1990s, however, universities were increasingly unable to avoid the problems of their local ecological communities, including crime, violence, and physical deterioration. A compelling intellectual case (developed in the 1990s by Derek Bok, Ernest Boyer, and John Gardner, among others) for university engagement began to have a powerful impact on a number of faculty and some college and university presidents. That argument, simply stated, is that universities, particularly urban universities, would better fulfill their core academic functions, including advancing knowledge and learning, if they focused on improving conditions in their cities and local communities. When Secretary of HUD Henry Cisneros created the Office of University Partnerships in 1994, he explicitly emphasized that universities were a crucial resource for improving America's cities and that universities would significantly benefit from serious engagement with the problems of their environment. The abstract from his 1995 essay "The University and the Urban Challenge" summarizes these arguments as follows:

Because of their concern for security, sense of responsibility as publicly supported institutions, and programs for service-learning, many universities are closely linked to their urban communities and have much to offer these centers. American colleges and universities possess a wealth of intellectual and economic resources that they can bring to bear on the problems of cities. John Dewey's beliefs that school and society are one and that real advances in knowledge occur by means of a focus on the central problems of society are now widely accepted in academic circles. Colleges and universities are also important economic entities generating jobs and taxes in their communities and growing as local and regional centers of economic development. Many colleges and universities are helping revitalize their local neighborhoods and communities. In response, the Department of Housing and Urban Development established the Office of University Partnerships in July 1994 which will offer institutions of higher education the following grant programs for community-building activities: Community Outreach Partnership Centers, Historically Black Colleges and Universities, Joint Community Development Program, Doctoral Dissertation Research Grants, and Community Development Work Study.⁵⁹

Fifteen years after the creation of OUP, institutions of higher education are more likely than ever to respond to a renewed partnership with HUD to engage with their local communities, cities and metropolitan regions. They are under increased scrutiny by government to demonstrate that they are serving the public good, as evidenced, for example, by Senator Grassley's hearing on university endowments. "Community benefit" is also becoming the sine qua non of funding appeals to donors, foundations, as well as governmental agencies. Higher education understands more fully that it is in its enlightened self-interest to be civically engaged.

Successful approaches to community revitalization require that government contribute to collective capacity building among the multiple partners, including institutions and community members. Such policies need to target anchor institutions as leaders in generating and guiding urban and metro area revitalization – offering not only new local initiatives, but also new and creative ways for the Federal Government to play a collaborative role. In this approach, the Federal Government functions as a collaborating partner, effectively facilitating cooperation among all sectors of society, serving as a powerful catalyst and providing the funds needed to create stable, ongoing, effective partnerships. This strategy also requires creatively and intelligently adapting the work and resources of a wide variety of local institutions (higher eds, hospitals, faith-based organizations) to the particular needs and resources of local communities.

Universities and colleges, which simultaneously constitute preeminent international, national, and local institutions, potentially represent by far the most powerful partners, "anchors," and creative catalysts for change and improvement in the quality of life in American cities and communities. For universities and colleges to fulfill their great potential and more effectively contribute to positive change in their communities, cities, and metropolitan areas, however, they will have to critically examine and change their organizational cultures and structures and embed civic engagement across all components of the institution. The Federal Government, led by HUD, can stimulate that examination and change.

⁵⁹ Henry G. Cisneros, *The University and the Urban Challenge*, Washington, D.C.: U.S. Dept. of Housing and Urban Development, Feb. 1995

This Task Force proposes a multifaceted, comprehensive involvement of universities and other anchors in America's cities and metropolitan areas, including spurring and supporting community and economic development, convening public discussions, educating public-spirited leaders, offering continuing civic and leadership seminars, and providing a wide range of technical assistance. The approach proposed here requires much more than practicing new forms of interaction among Federal, state, and local governments and among agencies at each level of government; it also is consistent with President Obama's vision of a "catalytic government" and calls for new forms of interaction among the public, for-profit, and nonprofit sectors. We propose that HUD take the lead in effectively facilitating cooperation among all sectors of society, including higher educational institutions, to support and strengthen our communities, cities, and metropolitan regions.

The strategies and recommendations presented in this document are designed to help achieve key goals detailed in President Obama's urban policy, including:

1. Strengthening the Federal commitment to American cities;
2. Stimulating economic prosperity in metropolitan areas; and
3. Making housing more affordable.

Furthermore, throughout his campaign, President Obama called for a "New Era of Service." The President's inspiring challenge to serve applies not only to students, but to institutions as well. Eds and Meds, as well as anchor institutions in general, have a powerful opportunity to increase their contribution to the public good.

Now is an opportune moment to create a new compact between government, anchor institutions and their communities. It is appropriate that HUD, as the Federal agency concerned with urban communities and issues of place, take the lead in engaging the full range of intellectual, human, economic, cultural, and other resources of place, take the lead in engaging the full range of intellectual, human, economic, cultural, and other resources of anchors to improve the quality of our cities. HUD can also take the leading role in promoting inter-agency cooperation at the Federal level, as well as with and among state and local governments.

This report explores the multi-faceted roles that anchors, particularly Eds and Meds, play in cities and metropolitan regions (education, research, service, housing and real estate development, employment, job training, purchasing, hiring, business incubation, and cultural development) and offers recommendations designed to realize HUD's goals of increasing home ownership and affordable housing and strengthening the economic, social and civic health of the nation's communities. The report also challenges HUD to hold Eds and Meds accountable by insisting that they be rewarded with Federal support to undertake these activities only if they follow the "Noah Principle" – funding given for building arks (producing real change), not for predicting rain (describing the problems that exist and will develop if actions are not taken). Funded activities should further demonstrate community benefit, not simply benefit to the university, as well as transparent and democratic collaborations with local partners. Finally, there needs to be accountability for results that are measurable and sustainable.

The strategies recommended in the report would have the following impacts:

1. An increased contribution by Eds and Meds and other anchors to the quality of life and learning in their communities, as well as society in general.
2. Stronger, more globally competitive cities and metropolitan regions.
3. Substantial improvement in the quality of life for all residents of America's cities and metropolitan areas.
4. A more democratic, humane, and just society.

STRATEGIC PREMISES OR BACKGROUND STATEMENT

These recommendations are made based on the following general premises:

1. Eds and Meds, as well as other anchors, are important resources in cities and metropolitan areas and key to their development and improvement. Simply put, the serious, significant, sustained engagement of Eds and Meds with their communities, cities and metro areas can be a major force for positive change. Anchors, in effect, need to be active institutions in their local environment for their own benefit and that of cities and communities. The future of Eds and Meds, and anchors in general, and their cities and communities are intertwined.

2. Eds and Meds are inherently place-based institutions, which have local/regional and national impacts and outreach.
3. Eds and Meds can advance their core academic and service missions through significant engagement with their communities, cities, and metropolitan areas.
4. Higher educational and medical consortia can have powerful impacts on improving the quality of life and learning in cities and regions.
5. Progress has been made engaging Eds and Meds with their cities and communities, but a good deal more can and should be done.
6. Comprehensive involvement of all the resources of Eds and Meds are required if significant progress is to be made. A primary goal should be to engage the university's resources fully – human, cultural, academic, economic – with its community in democratic, mutually beneficial, mutually respectful partnerships.
7. As comprehensively engaged civic institutions, Eds and Meds will make significant contributions to their environments, communities, and cities. They will also be able to work with their communities to help solve the most significant problems of our time as they are manifested locally: substandard housing, community deterioration, inadequate schools, and poor health care. By confronting and working to solve these problems as they are manifested locally, universities, in particular, will make even greater contributions to learning and research. Among other things, creative, sustained interschool and interdisciplinary collaboration will be promoted in the process of working to find solutions to highly complex community-identified problems.
8. Eds and Meds should not work in isolation, but through partnerships with local communities, agencies and state and local government, as well as through regional consortia.
9. Partnerships should be democratic in purpose, process and impact.
10. The Federal Government, led by HUD, has a central role to play in catalyzing and facilitating effective democratic partnerships between Eds and Meds and the communities and cities of which they are a part.

The above premises are based on convincing evidence of the major impacts Eds and Meds have in their local communities and regions. These impacts could be multiplied many-fold if the resources of Eds and Meds were effectively channeled in partnership with a revitalized Office of University Partnerships.

A. Immediate Actions and Strategic Summary

By significantly expanding HUD's current efforts of encouraging university-community engagement through community outreach partnerships centers, institutional capacity-building grants, early career research grants, urban university grant programs, housing development and assistance, economic and community development programs, and regional collaborations, Eds and Meds will be a fuller and more significant force for positive change in their communities, cities, and metro areas.

Given the severe economic crisis facing our nation, the Task Force is mindful of both the need for urgent action and constraints on funding. We, therefore, propose eight immediate actions for HUD to take. These steps lay the foundation for the full development of HUD's work with Eds and Meds and other anchor institutions. The list of immediate actions is followed by an outline of three broad strategies for HUD to pursue, as well as the Task Force's specific short-term and long-term recommendations under each strategy. These recommendations reflect the Task Force's best thinking as to how HUD can effectively work with and engage Eds and Meds and other anchor institutions for the benefit of communities, cities, and metro areas.

1. Immediate Actions

The Office of University Partnerships needs to be more visible and have a higher profile within HUD. Reinvigorating OUP and its role within the Department will enable HUD to define and implement the recommendations that the Task Force outlines. Actions include:

1. Designate a Deputy Assistant Secretary for Higher Education and Anchor Institutions.
2. Name a director for OUP from the academic community.
3. Fund the Community Outreach Partnership Centers Program, with two funding allocations: Phase One—new applicants, and Phase Two—five-year funding for institutions that are poised to take on or advance their role as “fully engaged” anchor institutions.

4. Restore support and increase funding for all current OUP component programs.
5. Establish an Anchor Institutions Program Division to house programs that leverage anchor institutions' economic assets for community economic development.
6. Create staff positions in the HUD Regional and Local Offices on OUP issues.
7. Institute Secretary's Awards that recognize outstanding local and regional partnerships, as well as significant urban problem-solving research.
8. Host a White House Summit on Eds and Meds and Civic Responsibility.

With these immediate steps in place, HUD would be prepared to begin implementation of the range of strategies that the Task Force outlines in this report.

2. Strategies

The Task Force recommends three broad strategies:

Strategy 1 – Enhance the current Office of University Partnerships.

Recommendation 1: Reinvalidate OUP and all its programs.

Recommendation 2: Elevate the status of the OUP within HUD.

Recommendation 3: Create an Anchor Institution Program Division within the Office of University Partnerships whose role is to assist universities, medical centers, hospitals, cultural institutions and other place-based anchors to leverage their economic power for community benefit.

Recommendation 4: Implement new programs to strengthen and expand the Office of University Partnerships.

Strategy 2 – Promote affordable housing through intra-HUD collaboration with anchors, particularly Eds and Meds.

Recommendation 5: Within the HUD Office of University Partnerships create an Anchor Institution Housing Development Program with an explicit focus on meeting HUD housing development objectives.

Recommendation 6: Launch a Nonprofits House America program that is awarded competitively through a grant process and provides a match of up to 50 cents for each dollar of housing subsidy.

Recommendation 7: Launch a Universities Serving America program to encourage their students to participate in service.

Recommendation 8: Launch a Housing Information Systems grant program to support the development of university-based information resources that can assist community groups in developing strategies to respond to such issues as foreclosure prevention and mitigation, emergency preparedness response, and building deterioration.

Strategy 3 – Promote community and economic development through intergovernmental collaboration led by HUD in partnership with anchors, particularly Eds and Meds.

Recommendation 9: Create programs focused on economic development, workforce development, health, education, culture, and regional development.

STRATEGY 1 – Enhance the Current Office of University Partnerships

A. Short-term Recommendations

Recommendation 1: Reinvalidate the Office of University Partnerships.

The strategy proposed here requires creatively and intelligently adapting the work and resources of a wide variety of local institutions (e.g., higher eds, hospitals, faith-based organizations) to the particular needs and resources of local communities. It assumes, however, that universities and colleges, which simultaneously constitute preeminent international, national, and local institutions, potentially represent by far the most powerful partners, “anchors,” and creative catalysts for change and improvement in the quality of life in American cities and communities.

To create such new Federal-state-local collaboration around urban anchor institutions, we recommend that the HUD Secretary work with the White House and the Office of Management and Budget (OMB) to reauthorize the *Housing and Community Development Act of 1992* to expand funding for the existing programs of HUD's Office of University

Partnerships, particularly Community Outreach Partnership Centers, as well as establish new OUP initiatives that extend HUD's role as a catalyst for democratically engaged universities.

Recommendation 2: Elevate the status and role of the Office of Urban Partnerships within HUD.

The Task Force chaired by Hal Wolman on HUD's role in regional affairs has recommended that the current position of Assistant Secretary for Community Planning and Development be modified to become the Assistant Secretary for Urban, Regional and Community Development, giving that section of HUD the clear mandate to tackle the place-oriented issues at the regional, city, and community level. The Anchor Task Force recommends that if this recommendation is implemented, a Deputy Assistant Secretary for Higher Education and Anchor Institutions be created with the mandate, authority, and budget to provide the leadership for the programs and initiatives recommended below.

Strengthening of OUP would obviously be a core function of this Deputy Assistant Secretary: university research, teaching, and service functions, as well as economic functions of Eds and Meds, and other anchors would all be areas of focus and support. This Office would be the link to integrate higher educational institutions with all divisions within HUD and across other Federal departments on urban-focused issues. All university engagement would be the responsibility of this Office. It would also include engaging Eds and Meds with larger economic and community revitalization approaches – those that require the involvement of other agencies. OUP would function as the core agency promoting effective democratic devolution, involving the coordination and collaboration of Federal agencies to engage anchors (primarily Eds and Meds) with their local communities.

Recommendation 2.1: Create staff positions in the HUD Regional and Local Offices on OUP issues. The driving down of functions and funds to the local level also requires the coordination and collaboration across state and local agencies and the connection of those agencies with Federal agencies. In this case, the HUD Regional Offices should take the lead role at the local level in coordinating and helping to support local coalitions of Eds and Meds, other anchors, schools, and community organizations. HUD, as the agency concerned with the city- and place-based approaches would function as the lead catalyst for “a university-assisted democratic devolution revolution” – an approach in which the Federal Government provides sufficient leadership and funds and taps and galvanizes local institutional and community resources, while holding local partners accountable for performance.

Recommendation 2.2: Reauthorize the Community Outreach Partnerships Centers [COPC] program at the Department of Housing and Urban Development's Office of University Partnerships. The Task Force proposes that the HUD Secretary lead the discussion with the Administration to reauthorize and significantly expand the funding level of the Community Outreach Partnership Centers program. We recommend that the purpose of this program be clarified to emphasize mutually beneficial partnerships between urban institutions of higher education and their local communities (including other anchor institutions) and by aligning teaching, research, and service with the needs and expectations of community members.

The COPC program should have two funding initiatives:

- (1) Three-year funding for institutions that have established a beginning track record at working at the neighborhood level and that will advance this work [Phase 1]; and
- (2) Five-year funding for institutions that are poised to take on or advance their role as “fully engaged” anchor institutions: working on multiple issues, such as housing, economic development, employment, education, and culture, that involve the corporate as well as academic sides of the university, including the significant commitment of senior leadership [Phase 2].

This program would involve the variety of institutions of higher education which act as anchors in their local communities: community colleges, research universities, Historically Black Colleges and Universities, private and public colleges, and Alaska Native/Native Hawaiian, Tribal, and Hispanic-Serving Institutions.

This program should include, as should all HUD university-based programs, requirements for financial contributions from within the university to sustain and complement grant funding. Requirements would begin at a more modest level and escalate over time, to encourage the sustainability of the activities beyond the grant period.

This program should establish, as should all HUD university-based programs, new criteria for funding. Universities need to be judged by new criteria if they are truly acting as anchors for community revitalization. HUD needs to adopt the “Noah Principle” – funding given for building arks (producing real change), not for predicting rain (describing the problems that exist and will develop if actions are not taken). Universities should also be judged on whether they are building the work into the academic core of the institution. Other determinants of support should be whether all the components of the institution are engaged, whether the work is being done democratically, and whether partnerships are being created and sustained.

Recommendation 2.3: Fully fund and further develop OUP’s other component programs. OUP has supported the training of professionals in community development, including graduate students committed to urban research, who are essential for advancing and sustaining the field in the future. OUP has also supported targeted funding for higher educational institutions that serve particular constituencies. These institutions, with unique histories and missions, bring diverse and valuable perspectives to this work and include communities that are often underserved. These programs include the Community Development Work Study Program (CDWSP); Doctoral Dissertation Research Grants (DDRG); Early Doctoral Student Research Grants (EDSRG); and minority-focused initiatives, including Alaska Native/Native Hawaiian and Hispanic-Serving Institutions Assisting Communities, Historically Black Colleges and Universities, and Tribal Colleges and Universities. The Universities Rebuilding America Partnership, which offers resources and support to engage college and university students, faculty and staff in helping rebuild the Gulf Coast region, has also established an excellent track record and should be continued.

Recommendation 2.4: Reinstitute a director of OUP, working under the new Deputy Assistant Secretary, from the academic community. The selected individual would be assigned an Interagency Personnel Agreement (IPA), which provides the opportunity for faculty members to work for the Federal Government on special assignment. The OUP Director assignment would require a contract between the university and HUD, releasing the faculty member for one or two years from his or her regular university duties.

Recommendation 2.5: Call for a White House Summit on Eds and Meds and Civic Responsibility. The Secretary of HUD could take the lead in forging a multi-agency Federal commission to advance the civic responsibility of Eds and Meds. This commission could produce recommendations that would serve as the basis for a National Summit or White House Conference on the Civic Responsibility of Higher Eds and Meds that could help spur both a national conversation and appropriate action at all governmental levels.

Recommendation 2.6: Institute Secretary’s Awards that recognize outstanding local and regional partnerships, as well as significant urban problem-solving research. Awards for partnerships would be given to universities and their community and/or school partners that make significant, sustained contributions to improving the quality of life in the community and the quality of research, teaching and service on campus. Awards for research would be given to faculty that make a contribution to improving the quality of life in a university’s local ecological community, as well as to advancing knowledge that can be effectively adapted to other communities, cities, and regions.

Recommendation 3: Create an Anchor Institution Program Division within the Office of University Partnerships whose role is to assist universities, medical centers, hospitals, cultural institutions and other place-based anchors to leverage their economic power for community benefit. This program division would convene a multi-stakeholder group, an Integrated Community Anchor Network, to support cross-anchor institution collaborative efforts on a regional basis. Additionally, the Anchor Institution Program Division (whose programs are described below in the economic and community development section) would oversee seed grants to facilitate the leveraging of anchor institution economic assets (purchasing, investment, hiring, business incubator, etc.) for community development, a grant pool to supply loans or matching capital for state and local efforts, and funding for campus-based community economic development centers. As the programs in economic and community development are established, HUD should consider a direct report to the Deputy Assistant Secretary for this program division.

B. Long-Term Recommendations

Recommendation 4: Develop new programs to strengthen and expand the Office of University Partnerships.

Recommendation 4.1: Designate urban universities as leaders in community engagement that are eligible for special Federal funds. Selected universities, colleges, and community colleges should receive Federal support for graduate fellowships and special projects and activities. The national Urban Grant University program would be modeled after the Land, Sea, Space, and Sun Grant programs. To be selected as an urban grant university, a public or private urban university, college, or community college must be recognized for excellence in fields related to the mission of HUD and demonstrate a record of long-term and institution-wide commitment to community engagement.

Recommendation 4.2: Support K-20 education and professional education to promote (1) leadership in the community development field; and (2) public schools as core institutions for community revitalization. This effort requires recognition of the critical and essential role that high-quality K-12 schools play in sustaining vibrant, healthy cities. Moreover, the transformation of higher education – the most influential, strategic, powerful component of the schooling system – is crucial to the transformation of the entire schooling system and the education of democratic creative, caring, contributing democratic citizens. HUD could invest in K-20 collaborations that would create an integrated high school/community development focused curriculum, which, among other things, would help create an educational pipeline for community development professionals. This type of curriculum would engage young people in secondary and higher education to learn by studying issues and problems in their own communities, proposing and then implementing solutions. HUD regional offices could provide expertise to assist in the development of this curriculum. Moreover, HUD could help create a pipeline of researchers and practitioners in the community development field. The specific recommendations are outlined in the education section found under strategy 3.

Recommendation 4.3: Institute a Problem-Solving Urban Research Grant Program. HUD can build on more than a decade of experience in problem-solving urban research, promote promising practices, and create supports and incentives for institutions to work on urban and regional issues with local partners.

The specific Urban Research Grant recommendations are:

- Establish a new competitive grant program for early career researchers to conduct research in fields relevant to the mission of HUD. This type of engaged scholarship requires support for academically relevant faculty work that meets both the campus mission and community needs. The program should be modeled after the National Science Foundation's successful early career research grant program, which provides \$80 million per year to support five-year project grants to individuals who have received a doctorate degree within the last decade and are employed in a tenure track (or tenure-track equivalent) position.⁶⁰
- Create a training and award program to encourage the development of new Neighborhood Indicators Projects based in universities. The National Neighborhood Indicators Partnership, based at the Urban Institute, has among its local affiliates many university research centers that are pivotal for community building in their home cities, providing the neighborhood-level data that HUD, anchor institutions, and community groups need to more effectively target their resources. To date, such efforts exist in about 40 U.S. cities.⁶¹ HUD, through OUP, can support the development and expansion of these programs, helping to build HUD's own ability and that of anchor institutions to measure their community impact and thus improve the quality of their work.
- HUD, under the direction of the new Deputy Assistant Secretary, should connect to the recent developments at the National Science Foundation (NSF)/National Institutes of Health (NIH) around community impacts and community engagement in research. HUD could help investigators to connect their work to ongoing projects that are making a difference in the quality of life and the quality of education of young people in the university's local ecological community. This program would help investigators to effectively meet both NSF's requirement that proposals illustrate how proposed research

⁶⁰ National Science Foundation, Faculty Early Career Development (CAREER) Program: Program Solicitation 08-557, Arlington, VA: NSF, 2008, <http://www.nsf.gov/pubs/2008/nsf08557/nsf08557.htm>, accessed Jan. 11, 2009

⁶¹ G. Thomas Kingsley and Kathryn L.S. Pettitt, *Neighborhood Information Systems: We Need a Broader Effort to Build Local Capacity*, Washington, D.C.: The Urban Institute, October 12, 2004, www.urban.org/url.cfm?ID=900755, accessed January 10, 2009

will result in “broadening participation” and “broadening impacts” and NIH’s requirement for “community inclusion” in many center grants and for community-based participatory research proposals.

- Create a regularly occurring national forum for practitioners of problem-solving urban research, involving both the university-based analysts and their partners in local government and community organizations. Forums would focus on sharing lessons and improving practice. Documents and training materials for the field would be produced as an outcome of the forums.

Recommendation 4.4: Establish an independent advisory council to advise the Secretary of HUD regarding oversight and evaluation of the various university partnerships programs. The council shall consist of approximately 15 members, including representatives from institutions of higher education, state and local governments, community organizations or non-profits, and the private sector. The University Partnerships Advisory Council would review, comment and recommend directions for the Department’s urban research, monitoring and evaluation, providing a complementary perspective to that of peer researchers and national policy leaders.

Recommendation 4.5: Create a consultation team comprised of faculty and staff from institutions that have been successful in their work with the community to aid in training and technical assistance. The first level would be to identify benchmark institutions in “university community competence” – that is, universities that have taken the time to create a culture among their faculty and students – that effectively listen, research with, and engage their communities. Those institutions would serve as the consultants to other universities and communities in promoting university-community engagement efforts leading to urban revitalization. The second level would be to provide additional seed grants to facilitate campus-community partnerships for urban revitalization for those communities that have demonstrated potential from their work with the consultation teams described above.

STRATEGY 2 – Promote Affordable Housing through Intra-HUD Collaboration with Anchors, Particularly Eds and Meds

A. Anchor Institutions Joining Forces with HUD to Meet the Housing Need

One of the leading assets of anchor institutions is their ownership of land and real estate. Leveraging anchor institutions to support housing goals is an obvious strategy to expand HUD’s housing development work. Many anchor institutions today offer a range of housing services, including a number of programs that assist low and moderate-income employees. A 2007 study by the Lincoln Institute of Land Policy, for instance, identified two-dozen examples of prominent employer-assisted housing programs at a wide range of public and private universities. A number of leading hospitals and health care institutions likewise operate employer-assisted housing programs with direct community revitalization goals. In some cases, anchor institutions have gone beyond support for homeownership counseling and down payment assistance to also support permanent housing affordability by helping finance community land trusts.⁶²

Additionally, universities, in particular, have access to data resources that can be of tremendous value in assisting HUD and communities in reaching affordable housing goals. For instance, through its Community Building Initiative, the University of California, Los Angeles (UCLA) has supported the creation of a citywide organization to use geographic information systems (GIS) mapping to help tenants of rundown apartments improve their living conditions by providing the data they need to identify code violations and gain landlord commitment to invest in buildings and eliminate substandard conditions. The same technology can support many other uses – for instance,

⁶² For instance, the Mayo Clinic in Rochester, Minnesota provided seed funding for a community land trust and helped finance 875 affordable homes; see: First Homes, *History of First Homes*, Rochester, MN: Rochester Area Foundation, 2008, www.firsthomes.org/history.html, accessed August 31, 2008. See also: The University of Illinois at Chicago South Campus development that not only generated over \$600 million of new university and commercial buildings and mixed-use market-rate and affordable housing on site, but generated the city’s largest city-university land agreement and TIF, along with a large scale mix of new HOPE VI-based affordable housing projects with the Chicago Housing Authority; see Perry, Wiewel, and Menendez, *The City, Communities and Universities: 360 Degrees of Development*, Cambridge, MA: The Lincoln Institute of Land Policy, forthcoming.

mapping communities to develop emergency response plans or identifying buildings in danger of foreclosure to enable community groups to respond proactively with foreclosure intervention and mitigation strategies.

Universities also have another key asset in their students. The thousands of students on college campuses can be harnessed for a dramatic impact. Campus Compact, for instance, estimates that the annual value of student volunteer labor now exceeds \$7 billion. These students can be engaged to serve as community organizers, tutors, financial counselors, and so on in our nation's metropolitan neighborhoods. In the education section of this report, we propose creating 2,000 VISTA and AmeriCorps positions through a new Urban Revitalization Corps. But the average VISTA worker, for example, earns \$900 a month – not enough to afford even low-cost rental housing in many areas.⁶³ Already, some regions have created programs to recruit host families willing to offer free or low-cost housing, but these efforts do not exist in all areas and also create potential liability problems.

We recommend that HUD work with anchor institutions to encourage them to expand their housing programs in three areas: (1) to support an expansion of employer-assisted housing as part of larger housing development strategies; (2) to work with anchor institutions to support housing for former students who work for VISTA and AmeriCorps through the (proposed) new Urban Revitalization Corps program; and (3) to support the development of broader technical assistance that can provide information that community groups can use to support their housing development strategies.

B. HUD's Opportunity to Leverage Anchor Institutions for Housing Development

There are a number of striking successes in the area of anchor institutions and housing that HUD should promote: Before closing its doors in 2007, the Fannie Mae Foundation had supported a \$5 million effort to fund university-community partnerships, with a focus on affordable housing development. A program evaluation of 11 sites in 2001 found a high level of success at eight sites. A grant to the University of Michigan, for instance, funded a housing development apprenticeship program. A grant to the University of Alabama, Birmingham funded university homebuyers' counseling services that enabled the university to persuade local banks to develop a mortgage pool that increased housing affordability by providing below-market second mortgages to area residents who had completed university homebuyers' counseling – the first such program in the state. A grant to the Pratt Institute Center for Community and Environmental Development in Brooklyn, New York supplied technical assistance that helped support the development of over 300 affordable housing units in five neighborhoods.

Jackson State University in Mississippi provides an example of a university partnering with a community development corporation to meet local housing needs. Together with a local CDC, the university runs a homeownership program in five local neighborhoods, operates a revolving loan fund to rehabilitate existing homes, and provides opportunities for faculty and students to work with and provide training for neighborhood residents. In April 2005, in partnership with a bank and a local community development corporation, Jackson State launched a new program to support housing in West Jackson for faculty and staff members, as part of its community revitalization efforts.

The University of Texas-Pan American (UTPA) also supports affordable housing and other community development projects. In 1994, UTPA was a first round recipient of a Community Outreach and Partnership Center (COPC) grant. In 1998, backed by a \$500,000 Fannie Mae grant, the Office developed a comprehensive counseling program for Colonia (Latino neighborhood) residents who live in the impoverished rural communities along the Texas-Mexico border. The effort, called "Project HOPE," included new construction and rehabilitation of affordable housing, homeownership training and individual counseling to 117 families, community outreach programs to increase awareness of housing programs, and technical assistance and training for nonprofit housing organizations in Hidalgo County. Although the grant has ended, the university continues to provide first-time homebuyers assistance, as well as other programs such as small business development, technical assistance for non-profit groups and English-language training.

⁶³ As of 2007, the standard AmeriCorps stipend was \$10,900 a year. See: "Nonprofit Minnesota Organization Helps Make Bright Futures Possible for Low-Income Students—with ACT Help," *Activity*, vol. 45, no. 2, www.act.org/activity/spring2007/minnesota.html.

C. Recommendations

The recommendations below aim to leverage HUD dollars as far as possible by deepening and extending current anchor institution-based initiatives, using the following means:

Recommendation 5: Within the HUD Office of University Partnerships, create an Anchor Institution Housing Development Program with an explicit focus on meeting HUD housing development objectives.

This Housing Development Program would serve as an information resource on housing development strategies for anchor institutions that seek to leverage their ownership of real estate to meet housing needs. Additionally, housing program staff should interact with anchor-based programs recommended in this report that have direct housing implications: particularly the Integrated Community Anchor Network, Anchor Builds Community, and Community Economic Development Center programs, as well as relevant research grant programs (such as the HUD Urban Research Grant program, as outlined in the “community partnerships” section of this report).

Recommendation 6: Launch a Nonprofits House America program that is awarded competitively through a grant process and provides a match of up-to-50 cents for each dollar of housing subsidy.

This program would provide a pool of match funding for nonprofit anchor institutions that provide employer-assisted housing benefit for their employees and/or that support the purchase/donation of land into a community land trust to build up a stock of permanently affordable housing. (A maximum of \$1 million per grantee institution would be allotted with funds restricted to households earning 80 percent of area median income or less.)

Recommendation 7: Launch a Universities Serving America program to encourage their students to participate in service.

This program would provide a match of up to 50 cents for each dollar of housing subsidy that an institution of higher education is willing to provide to subsidize housing for former students who are working in the Urban Revitalization Corps, Teach for America, or related AmeriCorps/VISTA programs. In effect, this program should generate enough money (\$7,500 a year each for 10,000 students) to effectively fully subsidize participants’ housing costs, thereby markedly improving the quality of VISTA workers that universities are able to generate to conduct Urban Revitalization Corps, Teach for America, and other AmeriCorps/VISTA service program work.

Recommendation 8: Launch a Housing Information Systems grant program to support the development of university-based information resources that can assist community groups in developing strategies to respond to such issues as foreclosure prevention and mitigation, emergency preparedness response, and building deterioration.

STRATEGY 3 – Promote Community and Economic Development through Interagency Collaboration Led by HUD in Partnership with Anchors, Particularly Eds and Meds

Recommendation 9: Create programs focused on economic development, workforce development, health, education, culture, and regional development.

Urban problems are complex and interrelated and require a multidimensional, comprehensive approach if they are to be solved and conditions improved. The Task Force urges HUD to adopt such an approach to economic and community development, one that works to achieve better schooling, improved health care and a decline in health disparities, and robust arts and culture as integral and necessary components to realize HUD’s goal of strengthening and sustaining vibrant communities, cities and, metro areas. HUD, with its focus on cities and on place, is *the* appropriate agency to take the lead within the Federal Government on these issues. Therefore, HUD can and should serve as a catalyst for intergovernmental cooperation, planning and programming. Government at all levels should be encouraged to develop inter- and intra-agency partnerships that break down silos that serve to prevent the interdepartmental cooperation and collaboration necessary to significantly improve the quality of life in our cities. The expertise, programs, and funding streams of multiple agencies should be integrated, coordinated, and combined as appropriate to obtain the results HUD seeks. HUD also has expertise in urban issues that should be tapped whenever government addresses and attempts to solve urban problems.

HUD should take a leading role in working with Federal agencies whose work impacts urban communities – e.g., Education, Health & Human Services, Commerce, Labor, Transportation, EPA, as well as state and local government – to promote a “New Collaborative Federalism.”

As recommended above, HUD could take the lead in forging a multi-agency Federal effort to advance the civic responsibility of Eds and Meds by hosting a National Summit or White House Conference. A number of programs, including the Harlem Children’s Zone, university-assisted community schools (e.g., Philadelphia, Tulsa, Dayton, Albuquerque), and the Manchester Bidwell Corporation in Pittsburgh, have developed approaches to stimulate intergovernmental collaboration at the local level that could be studied to identify promising practices with relevance for developing a national strategy.

The Anchors Task Force does not advocate that HUD alone expand its funding. Rather, HUD is needed to act as integrator of Federal resources across agencies. This is first and foremost a leadership issue. With White House support, the Task Force looks to HUD to institute these inter-departmental collaborations. HUD should take the lead in engaging Eds and Meds and other anchors in the necessary policy development and implementation. A working group could also identify the statutory barriers that must be addressed within each agency or by Congress to enable effective coordination of departmental funding.

A. Engage Eds and Meds, as well as other Anchor Institutions, in Community Economic Development

Universities, hospitals, cultural and arts centers, faith-based institutions, and other anchors are among our nation’s leading economic engines. The nation’s universities, for example, purchased over \$373 billion in goods and services in 2006, currently employ over two million full-time workers and over a million more part-time workers, enroll 18 million students, and retain endowments of roughly \$300 billion (\$411 billion before the 2008 crash). The nation’s hospitals employ over five million people, purchase over \$600 billion a year in goods and services, and have considerable investment assets.

Anchor institutions can support local economic development through several key practices, including:

- *Human Resources:* Anchor institutions can target training and recruitment programs to prioritize hiring local residents.
- *Real Estate Development:* Anchor institutions can help shape real estate development for community benefit.
- *Investment:* Anchors can invest in community development financial institutions to create capital for local community loans and business development.
- *Business Incubator:* Anchor institutions can establish programs that foster business development.
- *Local Purchasing:* Anchor institutions can redirect their purchasing to support local vendors.⁶⁴

Three examples that highlight these impacts are:

- *Human Resources Development:* In Philadelphia, the Skills Development Center (SDC) is an employer-driven program that provides individuals with opportunities, relationships and core skill sets necessary to compete in the work environment while addressing specific employment needs of the partner institutions in a cost-effective manner. It is a collaborative program involving employers, government agencies, training providers, community organizations, and public schools. The program addresses both a local and a national need for workforce

⁶⁴ The University of Pennsylvania illustrates the potential of this approach: in fiscal year 2008 alone, Penn purchased approximately \$89.6 million (approximately 11 percent of its total purchase order spending) from West Philadelphia suppliers; when Penn began its effort in 1986, its local spending was only \$1.3 million. Determining economic impact is an inexact science, but given that Penn has shifted more than \$85 million of its spending to West Philadelphia, a rough estimate would suggest that Penn’s effort has generated 160 additional local jobs and \$5 million more in local wages than if old spending patterns had stayed in place. This estimate for local purchasing effect is extrapolated from a study of Grand Rapids and surrounding Kent County in 2008, which found that if residents shifted 10 percent of their retail purchases to local stores (\$840 million), this would generate 1,614 new jobs, \$53.3 million in wages, and \$137.3 million in economic activity. Penn’s shift of \$85 million is one-tenth of this amount; see: Civic Economics, *Local Works: Examining the Impact of Local Business on the West Michigan Economy*, Austin, TX and Grand Rapids, MI: Civic Economics and Local First, September 2008. For further information on the Penn model, see research of Professor John Kromer, cited in: Radhika K. Fox and Sarah Treuhaft, with Regan Douglass *Shared Prosperity, Stronger Regions: An Agenda for Rebuilding America’s Older Core Cities*, Oakland, CA and Denver, CO: PolicyLink and Community Development Practitioners’ Network, 2006, pp. 70-72.

development that is employer-driven, regionally focused, and aligned across youth and adult-serving agencies. It is closely connected to health care institutions plus colleges and universities, collectively the largest employers in the Philadelphia-area. Over 700 incumbent workers in 2007-2008 participated in training through two members of the Skills Development Center: the University of Pennsylvania Health System and the Children's Hospital of Philadelphia. The training provided industry-recognized preparation, certification, and/or degrees in 17 high need employment areas. These areas include nursing, materials management, surgical technician, patient service representative, and medical coding. These programs are not only linked to jobs that will have substantial employment openings for the next several years, but they also provide employees with genuine career ladders.

- *Purchasing:* As detailed in footnote 8, by redirecting about ten percent of its purchasing to local sources, Penn has helped develop in West Philadelphia an additional 160 new jobs, \$3.3 million in wages, and \$13.7 million in economic activity. Penn's budget is about \$5 billion or roughly 1/200th of the total anchor institution budget nationally. If the rest of the anchor institutions in the nation could achieve half the shift in purchasing achieved by Penn, this might generate 16,000 new jobs, \$330 million in new wages, and \$1.37 billion in new economic activity.
- *Investment:* In Cincinnati, Ohio, the University of Cincinnati joined with four other large local nonprofit employers to form the Uptown Consortium, which is investing \$500 million in Cincinnati's poor Uptown neighborhoods, \$100 million of which is to be financed out of the university's nearly \$1 billion endowment. The initiative is expected to generate over 1,600 beds of student housing, over 1,000 units of affordable housing and roughly 450,000 square feet of commercial space. Nationwide, universities have over \$300 billion in endowment funds. If the average university made one-third the level of investment of the University of Cincinnati, they might be able to generate the production of over 100,000 units of affordable housing nationwide in addition to contributing to overall economic development through mixed-use developments.

1. Recommendations

The recommendations below aim to leverage HUD dollars by deepening and extending current anchor institution-based initiatives for community economic development:

Recommendation 9.1: Launch an Anchors Build Community program that provides seed funding to jumpstart efforts at individual institutions in local purchasing, hiring, business incubation, and community investment. HUD could catalyze beginning institutions to further meet community development goals by underwriting part of the up-front cost to develop their systems.

Recommendation 9.2: Convene a multi-stakeholder group, the Integrated Community Anchor Network (I-CAN) that can support cross-anchor institution collaborative efforts. A model for this effort might be the *Living Cities* consortium, which began as a 10-year commitment in 1991 by foundations and an insurance company to expand the work of community development corporations in 23 cities, in which both HUD and HHS now participate as significant funding partners. Partners HUD might work with to launch I-CAN include the Departments of Health & Human Services, Labor, Education, and Commerce, the proposed White House Office of Urban Policy, the proposed Office of Social Innovation in the Corporation for National and Community Service, as well as foundations, and community college, university, academic medical center, and hospital national associations.⁶⁵

Recommendation 9.3: Provide a pool of capital—grants and loans—that can supply matching funding for innovative state or local grant proposals through which state, regional, or local governments might encourage anchor institutions to leverage their assets. For example, a state could provide a credit enhancement that leverages hospitals and university endowment funds.

⁶⁵ A request-for-proposals (RFP) that selected an initial slate of I-CAN cities might include the following criteria: a) clear objectives in terms of local investment, local purchasing, hiring in low-income communities, business incubation, green job development, and wealth creation; b) clear delineation of how economic development objectives will connect with core institutional programs – e.g., education for universities and health care for hospitals; c) indication of institutional support at the CEO/Presidential level and of a commitment of internal funds and in-kind support; d) evidence of state and local government support; e) inclusion of community development corporation and other local community groups in the development of goals and objectives; and f) clear metrics to track the impact anchor institution investments in community building have over time.

Recommendation 9.4: Develop a system of Community Economic Development Centers to provide research, planning, technical assistance and project-based support to distressed urban communities. Such Centers could help leverage university intellectual resources, in partnership with local non-profit organizations, to undertake community development and affordable housing projects.

Recommendation 9.5: Support education, training, and data analysis as a core feature of the HUD Office of University Partnerships' work. Minimally, this would include the following:

- a. Develop a series of field-specific national and regional trainings to disseminate best practices, with training conducted by experts in the field.
- b. Issue grants to develop effective written “tools” for different aspects of anchor-led community economic development and make those tools available as part of an “anchor institution toolkit” on the HUD Office of University Partnerships website.⁶⁶
- c. Identify key target outcomes for anchor community economic development work and track results annually. Conduct rigorous external evaluations of program outcomes.
- d. On a biennial basis, hold a meeting of CEOs and/or Presidents of grantees to share results and ensure the high-level commitment needed to make the Network a success.

B. Engage Eds and Meds and Other Anchor Institutions in Workforce Development and Community Building (Primary Partner: Department of Labor [DOL])

Universities, community colleges, and other anchor institutions today offer a range of workforce development programs. We recommend that HUD partner with the Department of Labor to work with academic anchor institutions and encourage them to expand their offerings in two areas: (1) to support green careers, with a focus on greening HUD-supported affordable housing; and (2) to train a new generation of community developers to replace community leaders from the “baby boom” generation who are likely to retire in the next decade.

It has been estimated that for energy efficiency reasons there is a need to retrofit 3.5 million HUD-supported existing units of affordable rental housing across the country. If the opportunity is seized, this effort could be used to expand job opportunities for disadvantaged groups. The growing “green economy” is already big business. As of 2006, there were 196,000 jobs in the United States in renewable energy with a gross value of \$39.2 billion. If 20 percent of the nation’s electricity came from renewable energy by 2020, this would employ between 163,000 and 188,000 people, while traditional fossil fuel strategies would employ fewer than 90,000. From the perspective of community development, a critical issue is linking these jobs to building community jobs and wealth, which provides a particular opportunity for the engagement of community colleges.

Moreover, an acute labor shortage faces community-based developers and organizations, a result of the fact that the “sixties generation” that founded many community development corporations and other community groups is nearing retirement. As a result, there is a pressing need for developing an education system that can generate the community infrastructure that HUD relies on for many of its programs.

1. Recommendations

The recommendations below aim to leverage HUD dollars as far as possible by deepening and extending current anchor institution-based initiatives:

Recommendation 9.6: Within the HUD Office of University Partnerships, create a workforce development program with an explicit focus on meeting HUD community economic development objectives.

- *Launch a Youth Green America program that employs youth aged 17 to 24 in energy retrofit programs benefiting existing HUD-supported affordable housing stock.* The opportunity exists for HUD to play a leadership role in green

⁶⁶ For a sample of the type of documents that need to be generated, see Eleanor Sharpe, *Anchor Institutions Toolkit: A guide for neighborhood revitalization*, Philadelphia, PA: The Netter Center for Community Partnerships at the University of Pennsylvania, March 2008.

workforce development by establishing this national grants program. Eligibility would be restricted to out-of-school youth ages 17 to 24 residing in high poverty neighborhoods. Sponsoring universities, hospitals and other large anchor employers would draw on their sophisticated and extensive environmental, greening, and housing initiatives.

- *Launch a Youth Rebuilding Communities program to work in coordination with local community development corporations and other community based-organizations to train a new generation of leadership as well as provide other workforce development opportunities.* Los Angeles Trade Technical College's two-year Associate of Arts degree in Community Development, with the Community Development Technologies Center, offers a model for how HUD, allied with anchor institutions, can approach this issue. The LA Tech program enrolls about 15 students a year, with most hailing from low-income neighborhoods. The curriculum includes courses on community planning, real estate development, project financing, nonprofit management, and community organizing, with a faculty largely composed of practitioners.

C. Link Communities to Health Care Institutions (Primary Partner: Health and Human Services [HHS])

Health disparities – most often manifested in low-income, minority communities – is another issue that Eds and Meds can and should address. The importance of community health for urban revitalization has rapidly gained recognition over the past decade. Research recognizes that individuals are embedded in social, political and economic systems that shape behavior and access to needed recourses. This body of research also forcefully argues for collaboration among community development and health care specialists to reduce the incidence rates of asthma and obesity, among other illnesses, which are particularly high in minority communities.

An important focus of academic medical centers should be – and increasingly is – public health. Academic medical centers tend to be the most powerful of anchor institutions, as well as the most resource-rich, prestigious, and influential component of universities. Moreover, the largest body of academic resources across the entire campus (arts and sciences, law, business, engineering, etc.) at many universities with major academic health centers tends to be focused on health-related issues. The important role of academic health centers in educating health professionals and students in community-based research and service-learning, as well as in improving urban public health, has been recognized by organizations such as Community-Campus Partnerships for Health and the International Society for Urban Health. The Task Force encourages HUD to play an active role as a partner with HHS in developing place-based programs involving Eds and Meds.

1. Recommendations

The recommendations below aim to leverage HUD dollars to achieve both public health and community development objectives:

Recommendation 9.7: HUD's Office of University Partnerships should create a Community Health Program to link anchor institutions to community groups to achieve healthier communities. In particular, this Program should include the following:

- Health Partnership Capacity Grants that aim to build anchor capacity to engage in community health partnerships. Grants awarded will focus on developing the supporting infrastructure for effective community partnership work through the funding of health partnership centers. These Centers' purposes include helping recruit health professionals and administrators to participate in community partnership work, creating scholarships, initiating start-up public health intervention programs, developing partnership relationships with community groups, and building overall anchor technical assistance capacity to support those community groups.
- Launch a Community Health Anchor Partnerships (CHAP) program that provides seed funding to facilitate project-based partnerships for community economic development and the improvement of community health. Projects funded through CHAP could include support for new and existing Ed-and-Med-assisted school-based health centers, programs that train community development corporations to inspect the affordable housing

units they manage and make building modifications to improve resident health, “train the trainer” programs where health professionals train community groups to do first-level health screenings, and school-to-career employment programs linked to the health professions.

- Support education, training, and data analysis as a core feature of this work. Minimally, this would include the following:
 - Develop a series of field-specific national and regional trainings to disseminate best practices, with training conducted by experts in the field.
 - Identify key target outcomes for anchor institution community health partnership work and track results annually. Conduct rigorous external evaluations of program outcomes.
 - Hold a biennial meeting of CEOs and/or Presidents of grantee institutions to share results and ensure the high-level commitment needed to make the Network a success.
 - Maintain links with relevant efforts in Health & Human Services and the National Institutes of Health.

D. Support K-20 education and professional education to promote (1) leadership in community development field; and (2) public schools as core institutions for community revitalization (Primary Partners: Department of Education [DOE] and Corporation for National and Community Service [CNCS])

Higher education has the unique capacity to address a range of education-related needs that help support the field of community development as well as to address the broader issues of the interconnection of community development and successful schooling. The first set of recommendations offers options for a pipeline of community development professionals from high school, to college, to post-graduate education and beyond. The Task Force also includes recommendations that help address one of the most pressing issues in urban America, its public schools.

Successful community development and successful schooling are interconnected and interdependent. The quality of public schools in large cities is, if not *the* most important problem, certainly among the most important problems in urban America. Drop-out rates in many of America’s largest cities exceed 50% and a recent study of college completion rates in Chicago (among America’s stronger big city school systems) found that that only 3% of African-American and Hispanic males in Chicago public schools in ninth grade had completed four-year college degrees by the age of 25. Poor school performance is first and foremost a tragedy for those students who enter the workforce with inadequate skills. It is also, however, a major barrier to urban revitalization. High-skill workers, drawn to core cities by urban amenities and job opportunities, often leave the city when their children become of school age, depriving cities of energy, ideas and tax base. The same problems of urban education that have long plagued major cities have increasingly been an issue for inner-ring suburbs as well. The renaissance of urban America requires high-quality urban schools.

Institutions of higher learning are intrinsically linked to issues of K-12 education. Universities train the teachers, principals and social workers that are the human capital base of public schools. Universities and grades Pre-K through 12 are all part of the same schooling system. At an increasing number of urban universities, public education has become an arena in which the university combines service to local communities, training of the next generation of professionals and the creation of new knowledge through work to improve local schools. Indeed, approximately 35 percent of institutions of higher education that received COPC funding developed partnerships with schools. This was by far the primary focus of COPC-supported partnerships. For urban universities, the importance of public education is also an issue of institutional success. Universities, like other anchor institutions, need strong neighborhoods in order to succeed. Without strong public school systems, strong local neighborhoods are perhaps impossible to achieve.

Moreover, school partnerships have an obvious, albeit long-term, economic impact. For instance, the Preuss School at UC San Diego, which recruits about 100 students per year (760 students in grades 6-12 from low-income census tracts), had 96 percent of its graduates in 2007 accepted into a four-year college or university. By contrast, the average high school graduation rate in San Diego is 61.6 percent. In other words, the school minimally graduates 35 more students per year than the competing public schools: an economic value for these students in lifetime earnings of an estimated \$260,000 per student or \$9.1 million per school year. According to a 2005 study, high school dropouts cost

the nation \$192 billion, or 1.6 percent of the gross domestic product; a number that might be cut in half with strong Federal support for university-school-community partnerships. This result would have an economic impact of nearly \$100 billion.⁶⁷

1. Short-term Recommendations

Recommendation 9.8: Fund the programs in the Office of University Partnerships that support training of early career professionals: Community Development Work-Study, Early Researcher Awards and Doctoral Dissertation Research Grants. Furthermore, tie Federal support for work-study to community initiatives through financial incentives. Work-study is among the largest Federal programs of educational assistance. Many work-study positions are on campus, replacing low-skill labor. It would be far better for communities and students if work-study students were required to work in public schools or other community organizations. After-school programs are a particularly promising area for student work.

Recommendation 9.9: Create a pipeline of qualified community development professionals, from high school through 20+. Universities can make a significant contribution to the field of community organizing and community development by tapping their resources to train in-service professionals. Individuals in community agencies, housing counseling, and community development corporations require ongoing professional development opportunities if they are to work to maximum effect. A pipeline program could effectively engage individuals from school-age through those in professional careers. HUD should encourage development of such programs with initial seed funding, with the requirement that a long-term sustainability plan be developed for the program with university and other local resources.

Recommendation 9.10: Champion the American Opportunity Tax Credit to support college education. HUD has a significant opportunity to support President Obama's goal of increasing access to higher education while furthering HUD's mission of revitalizing America's cities. President Obama has proposed an American Opportunity Tax Credit to assist students with financial aid for college. As part of that initiative, students would receive the credit for service in urban communities and schools. Ideally, this would be linked to their course of study.

Recommendation 9.11: Establish K-20 urban planning curricula. Universities should be encouraged by HUD, working with the DOE, including its 21st Century Community Learning Center program and the Hoyer-supported Full Service Community Schools initiative, to develop urban planning curriculum in high schools. Curricula would be developed and implemented with the assistance of university faculty and students working in service-learning courses. Commitment to urban issues and development of the knowledge and skills to address these real-world problems needs to be cultivated K-20, particularly with high school students and undergraduates. Among the most often stated reasons for dropping out of high school – the most important predictor of lifetime earning ability and incarceration – is lack of interest and relevance of the curriculum. Students feel unchallenged and the curriculum is divorced from their life experiences. The issues of the neighborhood can effectively function as the text and test for learning. Regional HUD staff, as well as local city planners and community partners, could make a significant contribution to this learning experience.

Recommendation 9.12: In partnership with the Corporation for National and Community Service, HUD could co-sponsor an Urban Revitalization Corps that would engage young people in local communities. Students could be part-time corps members serving while in school with an education benefit after service from CNCS. The most committed students could apply for a HUD-sponsored equivalent to Teach for America, in which they would devote a year or two post-graduation toward working in the communities in which they had performed their undergraduate service. Regional HUD offices and local government would work closely with higher education to most fully utilize the talents of these students.

⁶⁷ Cecilia Elena Rouse, *The Labor Market Consequences of an Inadequate Education*, Prepared for the Equity Symposium on "The Social Costs of Inadequate Education" at Teachers' College, Columbia University: September 2005, page 25. On San Diego graduation rate, see Ken Thomas, "Report: Low graduation rates in many city school districts," *Associated Press*, March 31, 2008, www.signonsandiego.com/news/education/20080331-2101-highschoolgradrates.html. On Preuss, see: The Preuss School UCSD, *Fact Sheet*, La Jolla, CA: Preuss, 2007, <http://preuss.ucsd.edu/about/fact.php>, accessed Jan. 14, 2009

2. Long-term Recommendations

Long-term strategies are designed to help address operational and structural issues that can help improve public education K-12 through partnerships with Eds and Meds and other anchor institutions.

Recommendation 9.13: Expand university-assisted community school initiatives. One of the most promising areas of involvement in local education and community improvement is the sponsorship of community school initiatives that combine after-school programs, tutoring and mentoring for students with support for families. Community schools bring in a range of support services for families to address housing, job training, health, and other needs. Many community schools have seen decreased mobility of families as these services allow them to remain in their current residence and as students develop a deep connection to the school and the services it offers to them. Significant work is being done in Portland, Philadelphia, Tulsa, Dayton, Baltimore, and Indianapolis. This work is being studied and promoted by the national Coalition for Community Schools, which has over 160 organizational partners in K-12 education, higher education, youth development, community planning and development, family support, health and human services, government and philanthropy as well as national, state and local community school networks. A demonstration community schools project sponsored by the Federal Government in 2008 [see Hoyer Full Service Community Schools initiative above] received over 450 applications, only ten of which could be funded.

University-assisted community schools also exist in cities across the United States. These schools help educate, engage, empower, and serve *all* members of the community in which the school is located. At the same time, working with community members to create and sustain university-assisted community schools provides a powerful means for universities to advance teaching, research, learning and service, as well as the civic development of their students. This approach works toward tapping, integrating, mobilizing, and galvanizing the vast resources of communities – especially colleges and universities – to improve the community, the school, and the education of students. The work is integrated into both the public school's and university's curricula, creating a K-20 real-world problem solving approach and fostering sustainable partnerships. Students not only learn by doing, but also learn by and for service. Most importantly, university-assisted community schools develop neighborly communities capable of helping students and residents to solve strategic real-world problems that confront them.

HUD could work in cooperation with the new Secretary of Education, who developed more than 150 community schools (as well as university-sponsored schools) in Chicago as part of his education reform strategy, to create and expand university-assisted community schools. HUD would help to support those aspects of community schools that help develop integrated community-focused curriculum, and development of adult-oriented programs that support job training, skills building, as well as housing and credit counseling, housing repairs and the like.

Recommendation 9.14: Create a grant program to support the establishment of school-centered community development centers in distressed urban communities. OUP should partner with the DOE in this initiative. The school-centered community development approach is based on the premise that underperforming schools and distressed urban neighborhoods are intertwined problems, which cannot be solved independently of one another. Put another way, the problem of underperforming schools cannot be solved without the transformation of distressed urban neighborhoods, and the problem of distressed neighborhoods cannot be solved without the transformation of schools. Consequently, a community development strategy that integrates school reform and neighborhood development will be more successful than a strategy that focuses only on the neighborhood regeneration or only on school reform. Few will debate that the daily struggle of parents to survive, the stress of trying to maneuver safely to and from school, grappling with negative peer pressure, along with the problems of obesity and poor health, will contribute to academic underachievement.

School-centered community development accounts for the dynamic, interactive relationship between families, schools and neighborhoods by fusing school reform and neighborhood development into a *single* integrated approach to community regeneration. While school centered community development is still in its early stages, projects based on this approach in Buffalo, Syracuse, Philadelphia, Atlanta, Baltimore, Chicago, and St. Paul suggest that it has great promise and can be a powerful tool in the quest to build sustainable, healthy neighborhoods. Local Initiatives Support Corporation (LISC) and Enterprise Community Partners are among the proponents of school-centered development and Enterprise has supported this work in Baltimore and Atlanta. School-centered community development is not driven by a particular school reform strategy; rather it complements existing reform strategies by creating pathways

that connect the school to the community via curriculum and academically based service learning and neighborhood development activities taking place in the community.

Concurrently, school-centered community development also builds on what we already know about neighborhood development. The objective is to find creative and innovative ways to connect schools to the neighborhood development process, so that an interactive, two-way street is developed between school reform and neighborhood development.

E. Increase role of Eds and Meds and other anchors as Cultural Catalysts (Primary Partners: National Endowment for the Arts [NEA] and National Endowment for the Humanities [NEH])

Many universities play a central role as cultural catalysts in their communities. They provide performing arts facilities and working space for artists, employ faculties devoted to arts and culture, commission new work, present work, and train students in the field. They are also potential centers of diversity as expressed through the arts.

Just as creativity thrives on those campuses where there is abundant cross-cultural exchange and a great deal of “border” activity between disciplines, where collaborative work is commonplace, risk-taking is rewarded, failure is expected, and the creative arts are pervasive and integrated into campus life, the same is true in the broader community.

Colleges and universities can foster these types of attitudes and behaviors in the broader community. Universities can also collaborate directly with arts institutions to influence the community in ways neither could do on their own, especially in older industrial cities in need of creative initiatives.

A model of this is Syracuse University’s instigation of a “connective corridor” to link the university and the city’s arts and cultural institutions. A national competition resulted in the selection of Field Operations and CLEAR to produce the “Syracuse L.” It is a mixed-use incentive zone that stitches together the city’s scattered institutional and commercial fabric through the strategic intensification of a small area of the city and the addition of transit. The “L” is intended not only to enhance what is there but also to spur new development, including shops, hotels, cinemas and media centers.

1. Recommendations

Recommendation 9.15: HUD should support these cultural collaborations through partnerships with NEA and NEH (and in the case of Syracuse, Department of Transportation [DOT]), as well as with local and state governmental cultural organizations. Cultural development, of course, has increasingly become a major economic development strategy for cities and metropolitan areas. National higher education consortiums, such as Imagining America: Artists and Scholars in Public Life, a consortium of nearly 90 higher educational institutions, could be a key partner in developing these approaches. Moreover, a new OUP program could encourage the involvement of faculty in the humanities and the arts to help develop and advance cultural development of the sort described above.

F. Utilize Eds and Meds as Catalysts, Facilitators and Conveners for Regional Development

As argued in the Regionalism Working Paper, many of the most pressing economic, environmental and social issues facing the country are regional in scale and nature. They cannot be understood or solved within the confines of a neighborhood or a city, and they need the focused and continuous attention of universities and other anchor institutions as regional civic leaders. Whatever the issue or collection of interconnected issues: transportation, air quality, economic competitiveness, education, housing, or homelessness, to name a few – each metropolitan area needs to craft and sustain distinct partnerships for regional action. In the coming years, HUD should act on the new

realities of the U.S. becoming a ‘metro nation,’ and universities should be encouraged and supported to play a significant part in metropolitan-scale civic engagement.

Effective metropolitan regions have respected organizations that bring together the many legitimate constituencies of urban life to reflect on the status of regional development and make plans for improvement. These organizations assemble data, bring in national experts, invite respectful discussion and create forums for problem solving. While the necessary participants may vary depending on the issue, the goal is inclusion of diverse interests that must be represented to achieve regional success. Active discussion and dialogue can often find common ground where it might appear to be absent.

Institutions of higher education in a metropolitan area are sometimes competitive with each other, sometimes complementary, and indeed often both, but they have increasingly recognized the need to work together to prepare the workforce, provide intellectual support to the leading and emerging sectors of the regional economy, and provide information and guidance for regional public policy-making. It is in their enlightened self-interest to build an economically healthier, more socially just region, and there are many different ways by which to do so.

There are several types of regional leadership to which institutions of higher education can contribute, and which HUD should foster and support. Groups of universities and colleges can establish long-term partnerships through which their applied research, community service, and economic impact can all be coordinated for greater impact and efficiency. Consortia to train teachers, promote best practices for alleviating homelessness, and develop new technologies for regional economic clusters are all cases in which the combined efforts of multiple campuses outweigh the efforts of schools that go it alone.

Metropolitan planning and transportation organizations need the contributions of universities’ research as well as the presence of large institutions as conveners for regional initiatives. With regard to housing, universities are the repository of most of the research and technical expertise on finance, planning and construction, but they are also large generators of housing demand, and they cannot recruit or function effectively if serious regional supply and affordability problems exist.

1. Recommendations

Recommendation 9.16: Create an applied, action research grant program specifically for universities to address regional issues in partnership with one or more metropolitan planning organizations or broadly based civic groups. One collection of awards would be for issues traditionally associated with regional planning, including housing, homelessness, transportation, land use, and economic development. A second collection would be for new issues that have not typically been addressed on a regional scale but which would benefit from that approach.

Recommendation 9.17: Create a grant program for the establishment or expansion of collaborations among institutions of higher education and other anchor institutions in a metropolitan region for purposes of civic engagement and community economic development. Regional collaboration could include applied, action research; workforce development and training; community service; combined business activities (including construction, purchasing and procurement); convening of stakeholders for planning and policy-making; or other broad goals which can be enhanced by the activities of higher educational institutions. Applicants would need to demonstrate that their approach to civic engagement and community economic development extend beyond formal government and corporate leadership structures to grass-roots organizations in socioeconomically and racially diverse communities.

Recommendation 9.18: Review all HUD programs that have a regional focus to determine whether there could and should be a means by which the involvement of universities could be encouraged.

CONCLUSION

We conclude by rephrasing and expanding upon a central point made in the report's introduction:

President Obama has called for a “New Era of Service.” This challenge to serve applies not only to students, but also to institutions, including community colleges, four-year colleges, and universities. Eds and Meds, and anchor institutions in general, have a powerful opportunity to increase their contribution to the public good. Now is an opportune moment to create a new compact between government, anchor institutions and their communities.

President Obama has outlined an inspiring vision of how communities, cities, and metropolitan regions would function in a truly democratic, truly progressive American society. This report and its recommendations, the Task Force believes, would help exemplify and implement this vision.

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for a Catalytic Federal Government:
A Report to Secretary Shaun Donovan

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