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Anchor Collaboratives: Building Bridges with Place-Based Partnerships and Anchor Institutions

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DEMOCRACY COLLABORATIVE

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Introduction

Across the country, anchor institutions are beginning to understand and leverage the power of their economic assets to address social and economic disparities and revitalize local communities. Because of their commitment to place and their economic power, anchor institutions are uniquely positioned to stabilize local economies and begin to reverse the devastating effects of urban disinvestment.

An increasing number of anchor institutions and partner organizations have joined to form place-based networks, or anchor collaboratives, to develop, implement, and support shared goals and initiatives that advance equitable and inclusive economic development strategies. The challenges our cities and communities face today are daunting. But when anchor institutions intentionally align their collective resources for stronger and more inclusive economies and healthier communities, they can make real change happen locally. The anchor mission work also helps these institutions to see themselves as threads of the social fabric of their community—and they begin to view their role as a part of the solution in bolder and broader ways.

In January 2019, the **Anchor Collaborative Network** (ACN) was initiated to build a shared movement of anchor institution collaborations that are working to accelerate equitable, inclusive strategies that respond to local needs and challenges. This report presents information and examples to show the current state of the field. ACN Working Groups plan to produce case studies, toolkits and other educational information to further assist other cities, anchor institutions, and partner organizations to learn about and advance anchor mission work.

ANCHOR COLLABORATIVES IN THE US

What is an anchor collaborative?

Anchor collaboratives strengthen local economic ecosystems by more intentionally aligning and leveraging the significant everyday business activities of local anchor institutions in local hiring and purchasing, place-based investing and community wealth building practices to create jobs, increase incomes, build community/local/broadly held wealth, and spur community investments to redress systemic inequities.

Anchor institutions are nonprofit or public place-based entities such as universities and hospitals that are rooted in their local community by mission, invested capital, or relationships to customers, employees, residents and vendors.[1] Anchor institutions have an ability to engage in long term-planning in a manner that aligns their institutional interests with those of their local communities. They have both ability and motivation to play a key role in improving the long-term wellbeing of the communities they serve by better aligning and deploying their institutional resources—such as hiring, purchasing, and investment—with the needs of those communities.

Health systems and universities together have expenditures of more than $1 trillion annually, have at least $750 billion in investment assets, and employ more than 9 million people.[2] These community institutions are often the largest employers and purchasers in many lower-income communities where they are situated. They are also potential investors in these communities where their patients and students live, supporting with affordable housing, promoting home ownership, creating employee-owned businesses and more.

An increasing number of anchor institutions have joined together to form **anchor collaboratives**. Anchor collaboratives can take many forms, but generally consist of a network of place-based anchor institutions that join together to develop, implement, and support shared goals and initiatives that advance equitable and inclusive economic development strategies. Through collaboratives, anchors can share best practices, collaborate, and plan interventions that accelerate their shared goals.

Community wealth building is a systems approach to economic development that creates an inclusive, sustainable economy built on locally rooted and broadly held ownership. This framework calls for developing place-based assets of many kinds, working collaboratively, tapping large sources of demand, and fostering economic institutions and ecosystems of support for enterprises rooted in community. The aim is to create a new system that enables inclusive enterprises and communities to thrive and helps families increase economic security.[3]

Some anchor collaboratives are actively working to advance community wealth building, while others approach this work through an economic development lens. Sometimes collaboratives begin with the explicit purpose of helping anchors aggregate their local economic power and scale up local hiring, purchasing or investing efforts. Other times collaboratives begin with local or regional goals around equity and inclusion, or local economy and bring anchors to the table as part of their broader strategy to reach those goals. Whatever the starting point, anchor institutions and partner organizations in the collaborative must build alignment around a shared vision. The groups are not just "buying into" or "agreeing to" the vision but are co-creating it.

Why are anchor collaboratives important?

Anchor institutions are key to unlocking "sticky capital." Unlike corporations that often come and go from communities, anchor institutions are unlikely to relocate because they are committed to place by their mission, customer relationships, investments, property and land holdings. This often means that they are committed to operating in a community long term and have greater incentives to ensure a thriving and vital community.

Anchor collaboratives are able to scale up the economic impact of anchor institutions by leveraging their unified power through hiring, contract procurement, and place-based investments.

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Many disadvantaged and disinvested neighborhoods that experience high unemployment, a lack of good-paying jobs, insufficient support for small local businesses, and little access to financial capital and resources are often unable to connect to the resources of their local economic engines. Anchor collaboratives bring together large employers—often health care and higher education institutions—along with local organizations and residents to identify, design, and improve the economic ecosystem so that local residents and businesses can tap into needed resources over the long term. Even anchor collaborative members who are not located directly in the low-income communities can have a positive impact if they work intentionally to support the economic stability and equitable economic development of the neighborhoods, such as through purchasing from locally owned or employee-owned businesses.

Collaboratives also provide the advantages of a broader breadth of purchasing types, different size budgets (big institutions and small institutions), varied types of jobs and hiring needs, and a chance to scale intermediary strategies (e.g., one institution may not be sufficient to scale a training program or purchasing strategy).

Cities attending TDC's national anchor collaborative convening

City-based or regional anchor collaboratives exist in many different communities and serve various functions. Many more cities and regions are exploring forming an anchor collaborative or layering an anchor collaborative strategy into existing community wealth building or economic inclusion initiatives. There are also cities or regions that have partnerships that fit the definition of an anchor collaborative but call it something else, such as a coalition economic development project. In some cases, local nonprofit or community organizations decide to adopt an anchor collaborative strategy to advance their mission.

In 2017, The Democracy Collaborative (TDC) surveyed more than 40 anchor collaboratives and community partnerships to inform our inaugural national convening. We found that these cities shared common successes as well as shared challenges at each level of the work. The attendees at TDC's first anchor collaborative national convening held in June 2018 included:

Atlanta, Georgia

Augusta, Georgia

Albuquerque, New Mexico

Baltimore, Maryland

Boston, Massachusetts

Buffalo, New York

Cleveland, Ohio

Denver, Colorado

Houston, Texas

Memphis, Tennessee

Newark, New Jersey

New Orleans, Louisiana

New York City, New York

Northern Virginia

Philadelphia, Pennsylvania

Pittsburgh, Pennsylvania

Poughkeepsie, New York

Preston, England

Providence, Rhode Island

Roanoke, Virginia

Richmond, Virginia

Rochester, New York

South Florida (Miami-Dade & Broward Counties)

Tacoma, Washington

Toledo, Ohio

Twin Cities (St. Paul and Minneapolis), Minnesota

Washington, D.C.

Toronto, Ontario in Canada

Anchor institutions as a driver for community development

Across the country, anchor institutions are beginning to understand and leverage the power of their economic assets to address social and economic disparities and revitalize local communities. Because of their commitment to place and their economic power, anchor institutions are uniquely positioned to stabilize local economies and begin to reverse the devastating effects of community disinvestment.

What is an anchor collaborative strategy?

While anchor institutions around the country, and internationally, are beginning to adopt an anchor mission approach to their work, a growing number of cities and regions are taking a collaborative approach in which anchor institutions increase their impact and their effectiveness by pursuing shared goals.

Cleveland, Ohio. Within the Greater University Circle area, institutions have elected to both adopt individual anchor strategies with their institutions and work collaboratively to address stark economic disparities in adjacent neighborhoods. One result of this collaboration was the launch of the Evergreen Cooperatives, worker-owned businesses that meet anchor institution supply-chain needs.

Rochester, New York. Under the leadership of Mayor Lovely Warren, the City of Rochester helped launch the city's Office of Community Wealth Building and a nonprofit cooperative business development corporation, OWN Rochester. Together, these organizations are working to create jobs and build wealth in low-income communities through connections to anchor institution demand.

Preston, England. Preston has launched a comprehensive economic development model that incorporates public energy, public pension funds, financial institutions, and anchor institutions. Within this framework, anchor institutions and local government are working to leverage their procurement power to support locally owned businesses and cooperatives.

Albuquerque, New Mexico. Healthy Neighborhoods Albuquerque's first collaborative initiative focused on sourcing local produce. HNA is now exploring workforce development programs to support local residents.

Who are the regular players at the anchor collaborative table?

Anchor collaboratives are comprised mainly of anchor institutions and partner organizations that share the vision and mission of building community wealth and cultivating an inclusive economic ecosystem in low-income neighborhoods. The most common anchor collaborative members are:

- Backbone organizations – serving as a trusted third-party convener

- Anchor institutions (hospitals, higher education institutions, school districts, arts institutions, libraries, museums, airports, public and private utilities)

- Philanthropy

- Local nonprofit organizations working to address economic issues (e.g., food, housing and community and economic development groups)

- Community, member and faith-based groups

- Municipal governments

Some anchor collaboratives include other types of members, including:

- Local business representation (e.g., local chamber of commerce)

- Trade organizations representing key interests (e.g., Minority and Women Owned Business Enterprises (MWBE) associations)

- Nonprofit employment and training providers

- Financial entities (e.g., community development financial institutions)

- Local or national intermediary organizations

- State representatives

What are the main types of backbone organizations for anchor collaboratives?

The makeup and work of anchor collaboratives vary widely in their shape, scope, and size because they are tailored to each community's unique strengths and needs. Nonetheless, the role of a trusted third-party convening or backbone organization is vital to building a supportive structure of collaboration that will move the work forward. A backbone organization serves to coordinate the work of the anchor collaborative and works to ensure consistent and open communication of all key internal and external stakeholders. However, it is key that the backbone organization does not just accommodate the agenda of the collaborative but also needs to push the moral imperative and vision of community wealth building.

The role of a trusted third-party convening or backbone organization is vital to building a supportive structure of collaboration that will move the work forward.

Anchor collaboratives have formed around several types of convening or backbone organizations, such as foundations, local governments, and nonprofit organizations. A consistent reason that anchor collaboratives struggle or fail to successfully launch shared initiatives is a lack of a well-resourced and independent backbone organization.

Foundations as convener or backbone organization

Funders, including health, private, and community foundations, often play a critical role in launching, housing, funding, and coordinating anchor collaboratives, particularly in the early launch stages. In many communities, funders play the "essential role of helping level the playing field and create a fertile environment for relationship building. Sometimes this is done in partnership with a local or national intermediary."[4] This is particularly true with community foundations who play the role of identifying and addressing gaps and underlying needs in their local ecosystems, including how groups can partner to leverage their impact and identify what data is needed. Community foundations also tend to focus on assessing impact, which is

important to anchor collaboratives given the varied stakeholders involved and oftentimes multiple approaches and goals.

Philanthropy's involvement is generally as a funder of the anchor collaborative backbone and a participant as an anchor institution, not as a funder of the participating institutions separately. In fact, local funders generally want the institutions to bring their own resources and funding to the partnership effort and have more incentive to provide additional funding when anchor institutions contribute to the cost of the collaborative. Funders generally look to raise and contribute funds to initially launch the collaborative as well as strategies that fill the gap between where the community is and where the economic opportunities are for supporting strategic workforce, small business or reinvestment strategies.[5]

Funders, including health, private, and community foundations, often play a critical role in launching, housing, funding, and coordinating anchor collaboratives, particularly in the early launch stages.

Some foundations serve as the convening or backbone organization.

The **Association of Baltimore Area Grantmakers (ABAG)** is one illustration of a collaborative that has philanthropic roots. ABAG is a membership organization of family and corporate philanthropies from Baltimore and the state of Maryland. ABAG serves the role of the neutral convener for Baltimore's anchor institutions through the **Baltimore Integration Partnership (BIP)**. BIP was initiated through the Living Cities Integration Initiative that involved several key Baltimore institutions including The Annie E. Casey Foundation and ABAG.[6]

ABAG had the credibility to bring a wide variety of stakeholders together when the initiative launched in 2011 focused on workforce, capital and anchor strategies. As the anchor agenda took hold, the number of institutional partners grew from two to now 14 working alongside public, philanthropic,

nonprofit and community based partners. Over 40 organizations are part of the BIP Board and Workgroups.[7] In addition to financial support for operations, the funders have provided information on best practices and new research, and connection to a national network of resources.[8] The list of BIP's results is impressive. All 14 anchor institutions have new economic inclusion practices, programs and community-focused initiatives. The organization has helped start four new business development programs, a social enterprise, a job training program, and a wide variety of community reinvestment projects fostered through a community development financial institution (CDFI) partner.[9]

Today the ABAG work with the BIP partners remains strong. ABAG continues to coordinate the collaborative and is working on the next phase for the partnership. ABAG maintains active relationships with the 14 anchor institutions that are part of the Governance Board. Another institution is also involved in the work as well as a large business that is involved in a substantial community development project. Twelve of the anchor institutions have set their own institutions' goals (i.e., local purchasing, hiring and reinvestment). The BIP reports that local hiring from a subset of the institutions that provided data reached more than 1,000 individuals per year. Hiring through targeted strategies such as workforce partnerships reached more than 400 individuals.[10]

Kurt Sommer, Director of the BIP, stresses that for any collaborative to be successful, anchor institutions need to be really bought into the work and that proposed strategies need to consider both the demand-side approaches as well as the supply-side dynamics. Also, a neutral convener can help find the right balance between branding the collaboration and visibility for the partner organizations' work. It's important for the institutions and implementing partners to get the credit since they are the ones doing and ultimately owning the work.[11]

Community members gather for "Party on the Plaza" at the intersection of Marshal and Monroe in the Memphis Medical District, one of many public spaces being redesigned and activated through MMDC's work.

The **Memphis Medical District Collaborative (MMDC)** serves as another example of the convening role of funders. MMDC's launch in 2016 was built on nearly two years of intentional collaboration and groundwork initiated by the Hyde Family Foundation (HFF) and other local foundations. There had previously been various efforts to revitalize the city's Medical District area, but insufficient coordination and resources hindered progress. HFF engaged the collaboration of the Medical District's eight major anchor institutions to study the feasibility of an anchor strategy in the district. This resulted in a comprehensive analysis that presented a compelling case to anchor leaders for place-based economic development focus areas that could leverage their collective impact.

Ultimately HFF, along with eight anchors, committed to funding the start-up of the Memphis Medical District Collaborative (MMDC), a community development organization that now serves as the backbone in guiding and sustaining the work.[12]

After a collaborative is launched, foundations often continue to participate in the collaborative's working groups and initiatives as an anchor institution. It is important to note that, though foundations are the catalyst of some

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anchor collaboratives, they don't always continue to be the anchor collaborative's backbone organization on an ongoing basis or for the long-term.

In addition to being the convening or backbone organization, some foundations are key anchor collaborative members in areas such as Denver (The Denver Foundation), Miami (Health Foundation of South Florida), Albuquerque (Albuquerque Community Foundation), Houston (The Kinder Foundation), Cleveland (The Cleveland Foundation), and northern Virginia (The Community Foundation for Northern Virginia).

While foundations have played key leadership roles in anchor collaboratives and bring a lot of energy and influence, it is important to note that the power dynamics can change because they bring the dollars to the table. Power dynamics can also be altered by government agencies and corporations that fund the anchor collaborative effort or have authority. Because of these power structures, having a trusted, neutral convener who has the respect of all parties involved is key to the success of a collaborative. Foundations and cities can play the convening role when they have the trust of the community and institutions.

Local government as convener or backbone organization

City governments are also key players in many place-based anchor collaboratives. Sometimes they are the inspiration or catalyst for the collaborative, sometimes they serve as the backbone, and other times they participate as an anchor institution.

The **City of Rochester, New York** provides an excellent model of this leadership at both the mayoral and city council levels. Mayor Lovely Warren sought new models for equitable economic development to address the city's growing poverty and inequality. The city faced daunting economic challenges caused by rapid deindustrialization; one sign of this was that 50 percent of Rochester's children were living below the poverty line. One major development was the creation of the Rochester Office of Community Wealth Building (OCWB) by Mayor Warren in January 2018.

The mission of the Office of Community Wealth Building is to *facilitate cross-sector collaboration between government, non-profits, the private sector, anchor institutions, and the community, with the goal of advancing Community Wealth Building policies, programs, systems, and initiatives* [emphasis added] in the Rochester community. The Office serves the diverse needs of residents and small businesses in an equitable, culturally congruent, and sustainable manner.

- Supports the City of Rochester's Vision Statement, Values and Guiding Principles.

- Assist residents with attaining pay equity and building personal wealth.

- Build and maintain a viable entrepreneurial and small business ecosystem.

- Support small businesses across all stages of the development life-cycle.[13]

"Sitting in the city space, we're really able to be not only a collaborator but a convener of these various stakeholders because in essence everyone wants to do business with the city or do some work with the city."

The OCWB has the benefit of not having to compete with nonprofits for grants and other resources. As Lomax R. Campbell, Director of the OCWB, explains, "Sitting in the city space, we're really able to be not only a collaborator but a convener of these various stakeholders because in essence everyone wants to do business with the city or do some work with the city. But on the con side, . . . the bureaucratic aspect of government and the pace of which change happens presents . . . its challenges."[14] Mr. Campbell adds that, "It's also important to build a broad coalition of constituency groups that are supportive [of community wealth building] since elected leaders respond to their constituents."[15]

Another instance of the City of Rochester's leadership was its role in incubating and spinning off OWN Rochester, an independent, community-based nonprofit organization. Its charge is to create jobs and build wealth in high-poverty areas of the city by developing, promoting, and supporting

for-profit, employee-owned businesses that are linked to sources of high demand. OWN Rochester has launched two start-up businesses—an LED retrofitting company and a custodial business—that will soon transition to worker cooperatives. The goal is to establish a portfolio of cooperatives over the next few years. OCWB plays an integral role with OWN Rochester by having representation on their Board of Directors and providing an array of direct support services and resources to OWN's management team and cooperatives.

ENEROC, the first cooperative business in the OWN Rochester network, provides high quality, cost-competitive energy efficiency installations and other support services to Rochester-area businesses.

The **City of Tacoma, Washington** also serves as a good case of municipal leadership with its Tacoma Anchor Collaborative. After the development of its 2025 strategic plan, Tacoma City Councilmember Anders Ibsen was interested in anchor institution engagement in achieving the community's goals and priorities. This led to further learnings and eventually to the formation of the Tacoma Anchor Collaborative. In addition to the City of Tacoma, the Anchor Partners include MultiCare Health Systems, CHI Franciscan Health, University of Puget Sound, University of Washington-Tacoma, Bates Technical College, Tacoma Community College, Tacoma Public Schools, Tacoma Housing Authority, and Greater Tacoma Community Foundation.[16]

"I think it's important in government if you want something to really stick, you have to find someone who will really shepherd it to a point that it becomes institutionalized."

Tanisha Jumper, Director of Media and Communications with the City of Tacoma, stresses that the work of the anchor collaborative is more sustainable in the long term if the local government can figure out how to align its work with community needs. "I think it's important in government if you want something to really stick, you have to find someone who will really shepherd it to a point that it becomes institutionalized."[17] In Tacoma,

Councilmember Ibsen, who started the project, has made it a goal during his last year in office to institutionalize the work to ensure its continuity. This was largely done through tying the community wealth building goals to the city's strategic plan and having the city staff in place to work on the project.[18]

Ms. Jumper adds, "If you want to persuade your local government to adopt community wealth building goals, you need to approach government offices ready to explain how this work helps them to accomplish the city's goals . . . . In addition to aligning these . . . with the direction the mayor or city council wants to take the city, it's important to have data evidence showing that CWB initiatives have impact, such as examples from Cleveland and other cities."[19]

Nonprofits as convener or backbone organization

Nonprofit organizations play a prominent role in most antipoverty and community development work; they play similar key roles as backbone organizations for collaboratives in cities. Models include Newark, N.J. and Washington, D.C. Nonprofit backbone organizations often are the collaborative's fiscal sponsor, initially staffing the effort, and leading the project planning process.

Newark, New Jersey is a good illustration of this. It is the largest city in the state and faces some of the state's highest poverty and crime rates. In 2006, Newark launched its strategic plan, OpportunityNewark, to increase the city's competitiveness, stimulate business development, and connect residents to job opportunities by removing barriers to employment such as by providing training and job-related expenses.

In 2018 the Newark Alliance, a nonprofit dedicated to the ongoing economic revitalization of Newark, launched the **Newark Anchor Collaborative (NAC)** to further grow economic opportunities and wellbeing for the city. Participating institutions have committed to supporting the City's Hire.Buy. Live initiative to advance equitable and inclusive economic development strategies in Newark. NAC provides a platform for managing city-wide anchor collaborative efforts, planning for interventions, and programs to fuel growth. NAC's founding institutions include RWJBarnabas, New Jersey

Institute of Technology, Rutgers Newark, Rutgers Biomedical and Health Sciences, New Jersey Performing Arts Center, Prudential Financial, and Audible.com.

Washington, D.C. is home to another effective anchor collaborative with a nonprofit as the backbone organization. The D.C. Community Anchor Partnership (DCAP) is a collaborative of prominent institutions committed to equitable economic development in the District of Columbia. DCAP brings together a network of educational and medical anchor institutions improving their community economic impact by leveraging their procurement to support D.C. minority-owned businesses. DCAP's founding anchor members are Georgetown University, George Washington University, Children's National Health System, BridgePoint Healthcare, and Sibley Memorial Hospital (Johns Hopkins Medicine).

The collaborative is led by **Coalition for Nonprofit Housing and Economic Development (CNHED)**, D.C.'s community development association with over 140 public, private, and nonprofit members. Having DCAP's backbone within a nonprofit coalition has provided DCAP's anchors with a deep understanding of the needs and aspirations of low-income District residents, a fiscal sponsor with strong fundraising capabilities for initiative activities, and an existing, robust network of local partners.

DCAP began its anchor work focused on local, diverse procurement because of its potential to address rising racial, jobs and wealth inequities in the city, while meeting institutional business needs. As the city has experienced dramatic economic growth over the past decade, many residents and businesses

of color continue to be left behind. According to the Urban Institute, white households in D.C. now have a net worth 81 times greater than black households. Rather than focusing solely on "local" or "small" businesses, DCAP intentionally designed its institutions' focus on D.C. minority-owned enterprises (MBEs) to directly address wealth gaps, create good jobs for disadvantaged individuals, and support anchor institution objectives.

Having DCAP's backbone within a nonprofit coalition has provided DCAP's anchors with a deep understanding of the needs and aspirations of low-income District residents, a fiscal sponsor with strong fundraising capabilities for initiative activities, and an existing, robust network of local partners.

While hosted by a nonprofit organization, DCAP has relied on cross-sector partnerships to achieve its collective results. Citi Community Development provided founding seed capital, as well as ongoing funding, for the collaborative. Mayor Muriel Bowser included the effort as a "high-impact initiative" in the city's Five Year Economic Strategy, elevating DCAP's profile as a key local priority towards inclusive prosperity. The Office of the D.C. Deputy Mayor for Planning and Economic Development (DMPED) has become a co-convener of the effort, assisting with institutional alignment, championing the initiative with relevant external stakeholders, and providing direct dedicated revenue, a close partnership that is an innovative feature for an anchor collaborative.

Other philanthropic partners brought on board include JPMorgan Chase, Wells Fargo, and the U.S. Economic Development Administration. An advisory board of local leaders has been established to provide ongoing community voice in the design of the initiative. CNHED's small business and workforce development nonprofit members, as well as District government agencies, will also play important future roles as the work moves toward engaging the MBE community and their employment pipelines.

The D.C. Community Anchor Partnership (DCAP)'s model has focused on supporting anchor members in establishing leadership buy-in, learning best practices, and narrowing concrete commitments, all essential elements for sustainable institutional change for equitable growth.

Aiming to support anchor members in establishing concrete procurement commitments, DCAP has coordinated an intensive action planning process with cross-departmental teams at each of the five founding anchor members. Deep technical assistance has been provided including establishing baselines, assessing institutional procurement practices, conducting procurement analyses, and conducting D.C. MBE market analyses. This strategy and data support is assisting DCAP's anchor members in establishing targeted goals and beginning the establishment of changes to institutional practices. Anchors have committed to sharing data with DCAP to track progress and to publicly celebrate aggregate impact of anchor member achievements over time. DCAP is expected to formally launch publicly in 2019.

Though anchor collaborations have historically formed in larger cities, recent efforts show that anchor collaboratives can form in smaller cities and can be ignited by anchors that are not "eds and meds" institutions. **Hudson River Housing, Inc.** in the city of **Poughkeepsie, New York** is a nonprofit that "provides a continuum of services that improves lives and communities through housing with compassion and development with vision." It creates pathways out of homelessness and opportunities for people to thrive.

The anchor collaborative conversation in Poughkeepsie has been taking place over a number of years. A community wealth building summit was held in 2016 and was attended by several anchors, nonprofits, community groups, and representatives from city government. In 2018, a county legislator organized a city delegation to attend the TDC Baltimore Anchor Collaborative meeting. This event, and the effects of increased development and the higher cost of living in the city, led to the creation of the Community Wealth Building Coordinator at Hudson River Housing.

One economic development project that Hudson River Housing initiated was the Poughkeepsie Open Kitchen, a shared-use kitchen utilized by more than two dozen food entrepreneurs. The Culinary Institute of America (CIA) provided some of the kitchen equipment and CIA students taught cooking classes. The CIA's involvement was later expanded to work with the youth in the Teen Business Lab. This began with the Pete's Grr-Nola project, an idea of Hudson River Housing's youth advisory board, to teach the youth about food production skills at the Poughkeepsie Open Kitchen. The youth created and tested the recipe, and then developed the product. In the fall of 2018, the project was scaled up to include training on starting and running a business and presentations on such topics as marketing and personal finance.

Within the larger geographic area of the town of Poughkeepsie, there are four colleges and institutes and two major hospitals. Hudson River Housing is laying the groundwork for an anchor collaborative, looking at anchors such as Vassar Brothers Medical Center, Nassar College, Marist College and The Culinary Institute of America. One of the goals of that partnership would be the creation of a training and employment pipeline for the anchors to hire local disadvantaged residents, such as the program they have with the Open Kitchen.

The mission of the **Community Food Bank of Southern Arizona (CFB)** is "to change lives in the communities [it] serves by feeding the hungry today, and building a healthy, hunger-free tomorrow." To fulfill this mission, they are shifting their work towards addressing the root causes of hunger by tackling such larger societal and systemic issues as the food system and economic
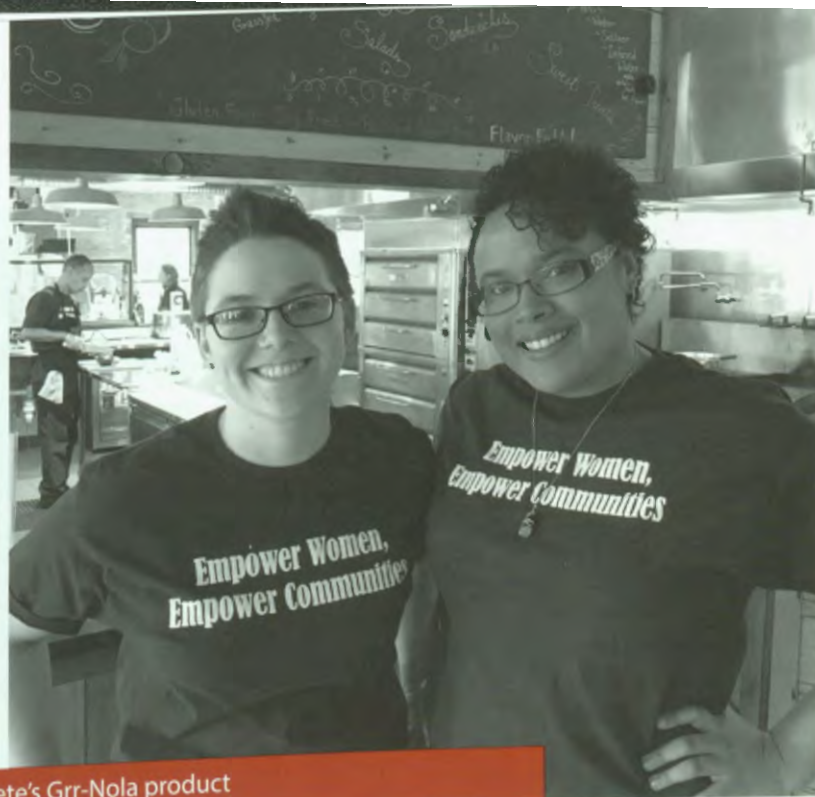
Poughkeepsie Open Kitchen participants, Pete's Grr-Nola product

justice. This means developing partnerships with anchor institutions, conducting civic engagement and public advocacy, and equitable community development by providing capacity-building grants, microloans, and supporting food and health enterprises.

CFB started the Farm-to-Institution program in 2014 as part of its food system work to address healthy food access, particularly for disadvantaged youth and adults, as well as to support small farmers—an important local economic engine in southern Arizona. The program connects small and midsize farms looking for new outlets to sell their products to anchor institutions such as schools and hospitals that want to add local produce to their menus. CFB reached out to anchor institutions and enlisted the partnership of Tucson Medical Center, Tucson Unified School District, and the University of Arizona's Student Union. The farm-to-institution network is developing a regional agricultural value chain to get fresh, local produce to residents in maximum volume.

To fulfill this mission, they are shifting their work towards addressing the root causes of hunger by tackling such larger societal and systemic issues as the food system and economic justice.

Over the 40-plus years that CFB has been in existence, it has grown into an anchor institution thanks to the breadth of its work in the region and the partnerships it has developed with community groups, farmers, philanthropy, elected officials, school districts, and other anchor institutions. Tucson has both unique opportunities and challenges because it is situated in a vast, rural border region. For example, there is only one major university and a few hospitals. CFB is starting the work of institutionalizing the anchor mission at their anchor partners' institutions. The Farm-to-Institution program was a good starting point for their anchor collaboration work. Now CFB is looking at how to engage new partners in equitable economic development work.

Forever Yong Farm

What are the common funding structures?

If properly resourced, anchor collaboratives can start up with low levels of funding through the support and resources of the backbone organization and the collaborative partners. Some collaboratives identify "low-hanging fruit" projects immediately in order to get the collaborative moving, score some early successes, and better learn how to work together toward shared priorities. However, larger, systemic changes do not happen overnight. Often times com-

This calls for a long-term investment in anchor collaboratives so that they have the time and resources to implement change and achieve their goals.

munities have seen decades of disinvestment—so the kinds of solutions that are needed to build community wealth take time, intentional design, and commitment. This calls for a long-term investment in anchor collaboratives so that they have the time and resources to implement change and achieve their goals.

This role and long-term commitment can be particularly challenging for foundations since a collaborative's backbone infrastructure needs to be funded before realizing positive impacts down the road. Fortunately, research conducted by the Funders' Network for Smart Growth and Livable Communities shows that many funders have made this commitment:

> National and local funders have played important roles in supporting the work of both individual anchors and collaborative partnerships of multiple institutions. In addition, philanthropy has invested in nurturing the national ecosystem that supports the ability of institutions and, increasingly, networks of institutions, to implement their anchor missions.[20]

To foster information sharing and collaboration, the Funders' Network for Smart Growth and Livable Communities created the Anchor Institutions Funders' Group (AIFG).

While there has not been a comprehensive report on where anchor collaboratives receive their funding from, TDC has worked with collaboratives that received a mix of funding support. They can be quasi self-sustaining projects that are funded by a combination of philanthropic support, funding from the backbone organization, financial and in-kind support from anchor institutions and partner groups, and sometimes from worker cooperative or business partner funding.

What are the common start-up phase considerations for anchor collaboratives?

Launching anchor movements takes time and intentionality. Getting an anchor initiative off the ground can be a delicate balancing act between taking the time to build trust and shared intent while also identifying initial projects that provide a proof of concept that there is value in collaborating. Anchor collaborative participants will need to decide on shared goals and the activities to meet those goals. Other important issues such as the group's membership, decision-making process, and operational structures also need to be decided upon.

Newly formed anchor collaboratives tend to start with relationship building, information sharing and networking.

Newly formed anchor collaboratives tend to start with relationship building, information sharing and networking. Investing intentionally in the difficult work of building trust and shared intent between participants is a key success factor for anchor collaboratives.

It's vital that during the start-up phase, backbone organizations and anchor collaboratives talk with all the different players they want involved (such as community organizations, community members, nonprofits, anchor institutions and their staff) and then co-create the collaborative's work to incorporate the interests and shared needs of everyone. For example, the Memphis Medical District Collaborative supports existing community organizations, such as the Center for Transforming Communities, which work to activate and elevate community voices in parallel with the work of activating anchor institutions to shift their economic resources.

Successful anchor collaboratives ensure that they sustain dialogue and connectedness internally and with key external partners. This is essential in building and maintaining the trust needed to create a new way of taking shared ownership and accountability for long-term community wealth building.

Key factors for anchor collaboration

Though the work and goals of anchor collaboratives vary, there are common key success factors that TDC and Anchor Collaborative Network (ACN) members have identified.

1 **A trusted local champion with convening and funding capabilities** has the ability to bring many resourced partners, such as a local foundation and key institutional leaders, to the table in the spirit of trust and collaboration.

Without this trusted convener, skepticism and a scarcity mindset can arise. Underestimating the value or necessity of the backbone organization is a common pitfall for collaboratives. Collaboratives can easily get stalled in their work and become unable to launch joint projects by under-resourcing their backbone organization or making the mistake of not having a backbone role at all. It's also important that the backbone organization have buy-in and continued engagement from key internal stakeholders who have decision making power and can speak on behalf of their organizations. This allows the backbone to facilitate a truly collaborative goal-setting process and support implementation and evaluation across organizations.

> **Underestimating the value or necessity of the backbone organization is a common pitfall for collaboratives.**

Sometimes collaboratives house the backbone within one anchor due to availability of resources. This can lead to one anchor unintentionally steering the agenda and not fully realizing the perspectives and needs of others. Some anchor partners decide not to have a formal backbone and to coordinate themselves in a volunteer committee capacity, which can lead to very slow work and a lack of a party that has a full view of all perspectives. Some nonprofit organizations decide to layer the role of organizing a collaborative as a small percentage of an existing staff member's time. This can work as a short-term solution but will dramatically slow the pace of work and impact of the collaborative in the long term.

2 **A high concentration of anchor institution economic activity** allows for the resources and activities needed to drive and sustain the work.

Without the anchor economic activity, it is more challenging to achieve larger, more impactful economic shifts in the community, and programs become dependent on the good will of the partners. Because of the many demands already placed on anchor staff through the normal function of their jobs, initiatives that remain philanthropy-dependent fail to become institutionalized.

3 **Buy-in, engagement, and collaboration with key local leaders, partners and existing community members and associations** will help ensure that a diverse set of perspectives are shaping priorities.

> **Collaboratively driven solutions recognize the inherent power of the community and help to make the "community case" and not just the "business case" for anchor work.**

Without committing to authentic collaboration, anchor partners run the risk of doing *for* rather than doing *with* the community. This can also lead to a common pitfall in which large institutions mobilize resources without a deep understanding of the breadth of community priorities. Collaboratively driven solutions recognize the inherent power of the community and help to make the "community case" and not just the "business case" for anchor work.

Also, some large institutions can be hesitant to commit vital resources or share openly with institutions that they may view as competitors for staff, patients and resources. Initial buy-in from all parties is critical for laying a foundation built on trust and shared intent.

4 **Meaningful data that validates the need and speaks to many audiences** can inform the collaborative's work, in parallel with on-the-ground program implementation.

Meaningful data is key to identifying needs and goal-setting. However, it's important to avoid analysis paralysis, where the resources and bandwidth of local champions are tied up in collecting and interpreting data to the detriment of taking action. Engaging a third party for technical assistance in data collection can help make the case to anchor partners without tying up local resources.

5 **Inspirational stories from peer communities** is a strong success factor because it keeps up motivation and shows stakeholders the progress being made.

It's also important to communicate these stories internally within the anchor organizations' staff and to the larger community. Without these stories, it can become unclear as to what success looks like, which can lead to stakeholders struggling to commit to ambitious goals.
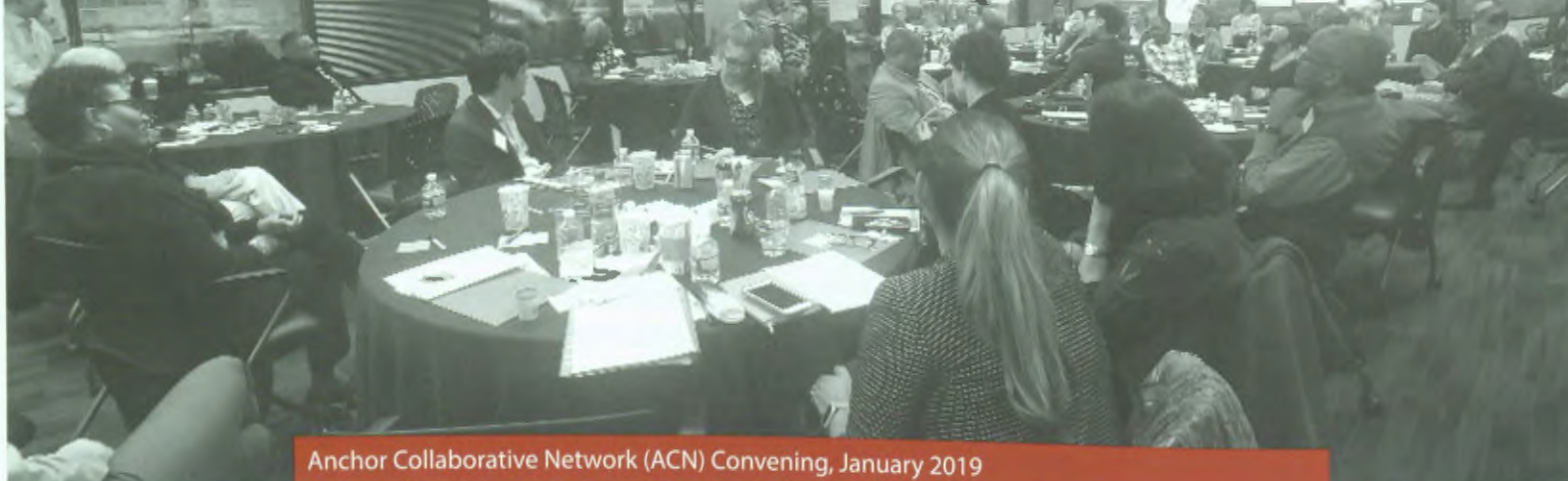
6 **A clearly defined geographic focus area or value proposition** helps to develop a strong sense of place and purpose for the initiative.

Without a specific community or purpose of intention, anchor strategies can become too generalized to be effective or the system becomes too large for program interventions to be effective. However, while geographic intentionality is important if there is a place-based need or goal, a defined place can be too broad or even too narrow to make a successful impact depending on the collaborative's goals since each community will have a different set of needs and values it wants to address.

Conclusion

Anchor institutions are too significant and large to leave out of the work of creating equitable local ecosystems. Many of our communities have seen years of disinvestment that now needs to be turned around, and anchors are some of the biggest resources in the community to help contribute as a partner. As more traditional eds-and-meds anchors begin to adopt the anchor mission, we're also seeing new types of organizations that view themselves as fulfilling the anchor role or the backbone organization role, such as long-time community service providers.

There are many entry points for anchor collaboratives to start up, and many groups look to pilot programs or smaller-scale projects to gain an early foothold. Nevertheless, anchor work is not easy and groups wanting to do anchor mission work or to create anchor collaboratives need information and support. We hope this state of the field report will be of assistance in these efforts and that the Anchor Collaborative Network (ACN) will be helpful in continuing to support and build the movement.

Resources

The Democracy Collaborative provides technical assistance to groups interested in forming anchor collaboratives. For more information, please visit the democracycollaborative.org/content/advisory-services.

The Anchor Collaborative Network (ACN) plans to identify and capture what's happening in the anchor collaboratives (report, blog posts, stories) to elevate these issues. www.anchorcollabs.org.

Additional resources for information on anchor mission work and anchor collaboratives:

Memphis Medical District Collaborative: Catalyzing Change on a Community Level democracycollaborative.org/memphis

Rochester's Market Driven Community Cooperatives Corporation: A Feasibility Analysis and Implementation Plan democracycollaborative.org/content/rochester-s-market-driven-community-cooperatives-corporation-feasibility-analysis

Healthcare Anchor Network (HAN) Resources https://www.healthcareanchor.network/resources.html

The Democracy Collaborative

The Democracy Collaborative (TDC), a nonprofit founded in 2000, is a national leader in equitable, inclusive, and sustainable development. Our work in community wealth building encompasses a range of advisory, research, policy development, and field-building activities aiding on-the-ground practitioners. Our mission is to help shift the prevailing paradigm of economic development, and of the economy as a whole, toward a new system that is place-based, inclusive, collaborative, and ecologically sustainable. A particular focus of our program is assisting universities, hospitals, and other community-rooted institutions to design and implement an Anchor Mission in which all of the institution's diverse assets are harmonized and leveraged for community impact. Learn more: http://democracycollaborative.org

The Anchor Collaborative Network

TDC's Anchor Collaborative Network (ACN) builds a shared movement of anchor institution collaborations that are working to accelerate equitable, inclusive strategies that respond to local needs and challenges.

The ACN does this by building relationships between leaders of collaboratives, elevating the uniqueness of their own approaches, channeling best practices into collective resources, and mapping a way forward together. Learn more: http://www.anchorcollabs.org

Notes

1   Ted Howard and Tyler Norris, *Can Hospitals Heal America's Communities?: "All in for Mission" is the Emerging Model for Impact*, Takoma Park, MD: The Democracy Collaborative, December 2015, https://democracycollaborative.org/content/can-hospitals-heal-americas-communities-0, accessed September 2018.

2   Ibid.

3   Marjorie Kelly and Sarah McKinley, *Cities Building Community Wealth*, Takoma Park, MD: The Democracy Collaborative, November 2015, https://democracycollaborative.org/sites/clone.community-wealth.org/files/downloads/CitiesBuildingCommunityWealth-Web.pdf, accessed September 2018.

4   Funders' Network for Smart Growth and Livable Communities, *Anchored in Place: How Funders Are Helping Anchor Institutions Strengthen Local Economies*, August 2017, https://www.fundersnetwork.org/funders-network-anchored-in-place/

5   Kurt Sommer, BIP Director (personal communication, January 3, 2019)

6   Funder's Network for Smart Growth and Livable Communities

7   Ibid.

8   Ibid.

9   Ibid.

10   Kurt Sommer, BIP Director (personal communication, January 3, 2019)

11   Ibid.

12   "Memphis Medical District Collaborative: Catalyzing Change on a Community Level" (Washington, DC: The Democracy Collaborative and Innovate Memphis, 2018).

13   Campbell, Lomax R., Director, Rochester Office of Community Wealth Building, (October 18, 2018). Government Perspectives & Roles on Anchor Collaboratives [Webinar]. The Democracy Collaborative.

14   Ibid.

15   Ibid.

16   Jumper, Tanisha, Director of Media and Communications, City of Tacoma, (October 18, 2018). Government Perspectives & Roles on Anchor Collaboratives [Webinar]. The Democracy Collaborative.

17   Ibid.

18   Ibid.

19   Ibid.

20   Funder's Network for Smart Growth and Livable Communities