

# LOCAL GOVERNMENT LEADERSHIP FOR ECONOMIC MOBILITY & OPPORTUNITY

*Data, examples, and inspiration for taking action*



Local Government  
**REIMAGINED**



# CONTENTS

## ABOUT THIS ISSUE 3

## 2024 EMO SURVEY RESULTS 4

## LEADERSHIP IN ACTION 8

*County Leadership in Dismantling Barriers  
to Economic Opportunity*

*Getting Out of Your Own Way:  
Enabling Community-Driven Policy Change*

*Reimagining Housing Roles for Smaller Communities*

## PERSPECTIVES 18

*Climate-Ready Affordable Housing Is the Pathway  
to Household and Community Prosperity*

*Centering Equity in Climate Resilience Planning*

*Economic Mobility Is All About Who Gets the Storefronts*

*Real Estate's Small Problem:  
How barriers to small-scale real estate development deals  
stymie growth and wealth building*

*Fostering Belonging, Dignity, and Social Connection  
Through Arts-Based Community Engagement*

## RESOURCES 42

## ABOUT THIS ISSUE

**OVER THE PAST YEAR**, with support from the Gates Foundation, ICMA launched new programming aimed at boosting upward mobility in local communities. Our aim has been to raise awareness among local decision makers about opportunities to influence conditions that make it possible for all residents to move up the economic ladder and lead healthy, prosperous lives.

As evidenced by responses to ICMA's recent survey, we understand that the phrase "economic mobility" might not be one you routinely use to describe your priorities or service areas. Or you might think of it as just a large-city issue, beyond the capacity of smaller communities to address. But as senior program manager Bailey Barnett notes in her summary of survey findings, you might be doing (or have capacity to do) more than you think.

To further illustrate this point, this supplement highlights examples of how ICMA members, along with their colleagues and partners, in a wide range of communities are working together to (explicitly and implicitly) address economic mobility challenges faced by residents.

A number of these examples come from participants in our first Economic Mobility and Opportunity peer learning cohort. This group of 10 diverse localities included rural and urban communities; towns, cities, and counties; and small to large geographies and populations. The teams of local government leaders and community partners chose to focus on specific challenges related to housing, job opportunities and business development, engaging vulnerable populations, support for working families, and more. They worked to carve out appropriate and feasible roles for their local governments relative to other types of local and regional partners with different budgets, authorities, and expertise.

Reflecting on the experience, cohort participants remarked on the common ground they identified, despite differences in community size, location, staffing, and resource availability. They also noted the interrelatedness of their issues and transferability of approaches. "We all face the same challenges," was a frequent refrain across their time together.

Research has found that, in addition to the ability to learn and earn, feeling like you belong to your community and having the ability to influence decisions that affect your future are also essential components of long-term economic security.<sup>1</sup> And a common theme across examples featured in this issue is the importance of centering the needs and perspectives of residents most impacted when identifying priorities and designing strategies, including being willing to adapt and consider unexpected outcomes.

For further inspiration, we invited colleagues with deep expertise in policy and programming in support of livable communities and smart growth to offer their commentary on how economic mobility issues show up in their work.

- **Danielle Arigoni**, managing director of policy and solutions at National Housing Trust, builds on her standing-room-only workshop at ICMA's 2023 Annual Conference with commentary on the intersections of the affordable housing crisis and climate change. She lays out a wide range of tools

and resources available to assess risk and invest in more climate-resilient, attainable housing for all residents — especially lower-income households.

- **Missy Stults** has consulted with hundreds of local governments across the United States on assessing and reducing climate vulnerability and is a frequent speaker at ICMA events on planning and performance management for sustainability and resilience. From her current role as director of sustainability and innovations for the city of Ann Arbor, Michigan, she offers reflections on targeting neighborhood improvements while striving to minimize the risks of gentrification.
- **Ilana Preuss** of Recast City follows up on her popular workshop at the 2023 National Brownfields Conference on cultivating opportunities through the small-scale manufacturing or maker sector. She highlights barriers that local governments can work to reduce so that locally rooted, emerging entrepreneurs have a chance to access storefronts, boost their ability to succeed, and shape a unique community identity and sense of place.
- **Patrice Frey**, senior advisor and former president/CEO of Main Street America, provides a complementary perspective, giving additional background on the structural challenges of small-scale residential and commercial redevelopment, as well as guidance on resources to finance and support small deals that are more closely calibrated to local people and priorities.
- **Krissie Marty**, associate artistic director and community collaborations director of Austin, Texas-based Forklift Danceworks, shares tangible examples of arts-based community engagement processes to foster belonging and civic participation.

As ICMA CEO/Executive Director Marc Ott acknowledged in the July 2023 issue of PM, changing the trajectory of economic mobility will require collaboration among businesses, community and advocacy groups, and individual residents, as well as local and state government. But we hope these examples and recommendations will help local government managers consider opportunities to catalyze partnerships, implement policies, and effect conditions that make it easier for people to learn, grow, and get ahead. "Consistent with the ICMA Code of Ethics and Declaration of Ideals," wrote Ott, "it is an outstanding example of how our profession serves the best interests of all people, eliminating barriers to public involvement in decisions, programs, and services, and promotes mobility and opportunity for all people in all communities."<sup>2</sup>

### Endnotes

<sup>1</sup> <https://www.mobilitypartnership.org/restoring-american-dream.html>

<sup>2</sup> <https://icma.org/articles/pm-magazine/letter-ceo-supporting-economic-mobility-cities-counties-and-towns>

*Laura Goddeeris, AICP, is ICMA's director of research and oversees economic mobility activities.*



## Findings from ICMA's 2024 Economic Mobility and Opportunity Survey

By Bailey Barnett

**What is your local government doing to promote economic mobility? Based on ICMA's 2024 Economic Mobility and Opportunity (EMO) Survey, the answer is probably "more than you think." Of the more than 400 local government decision makers surveyed, 85 percent of respondents reported that their local government had not implemented any policies, programs, or performance measures to enhance economic mobility for residents (Figure 1). However, when asked about their work in certain policy areas related to positive economic mobility outcomes, most respondents reported that their local government had implemented at least one strategy, if not more.**

Economic mobility refers to the ability of individuals and generations to move up the economic ladder over time, a concept often explained colloquially as "doing better than your parents." While economic mobility is frequently associated with income, several factors can influence an individual's economic mobility outcome.

**Has your local government taken any of the following actions related to advancing upward economic mobility or similar concerns in your community? (n=430)**

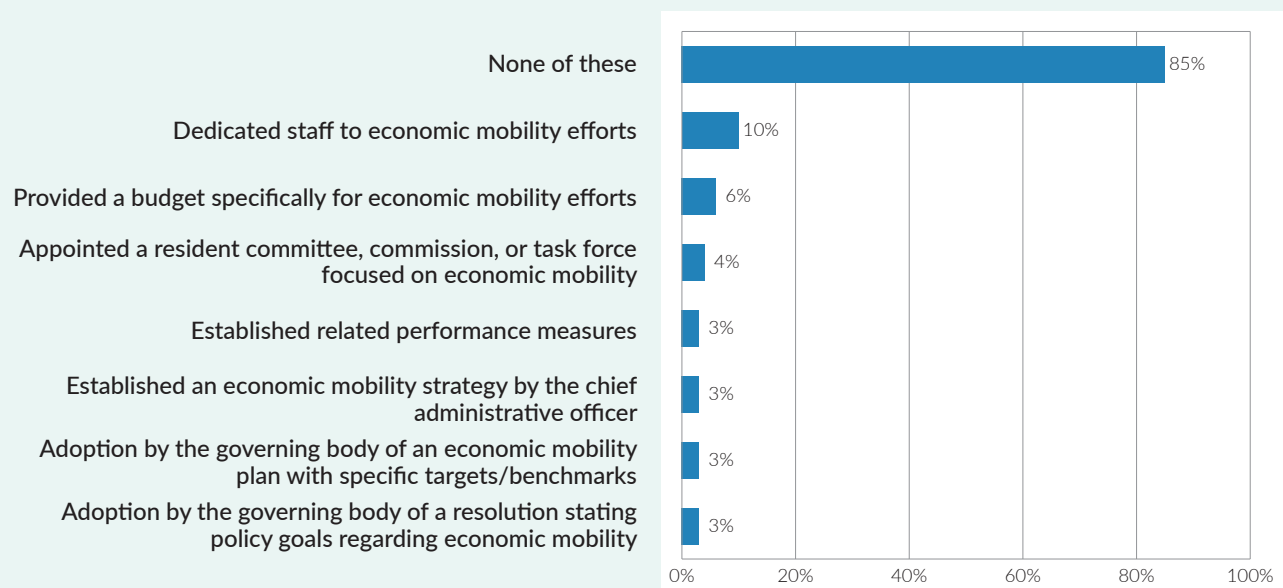


Figure 1

Over the past year ICMA, with the support of the Gates Foundation's Economic Mobility and Opportunity program, has provided funding, training, and information resources to help local government leaders explore opportunities to boost upward economic mobility for their residents. To benchmark the state of practice and inform future ICMA programming, a survey was conducted in early 2024 to understand how local government decision makers currently influence key drivers of economic mobility. While the primary intention of the survey was to identify opportunities for ICMA to build economic mobility capacity among local governments, the results of the survey also provide insights into economic mobility practices in U.S. local governments, including levels of awareness, application of policies and practices, and barriers to implementation.



**Has your local government utilized any of the following strategies related to improving access to safe, stable, affordable housing in your jurisdiction? (n=419)**

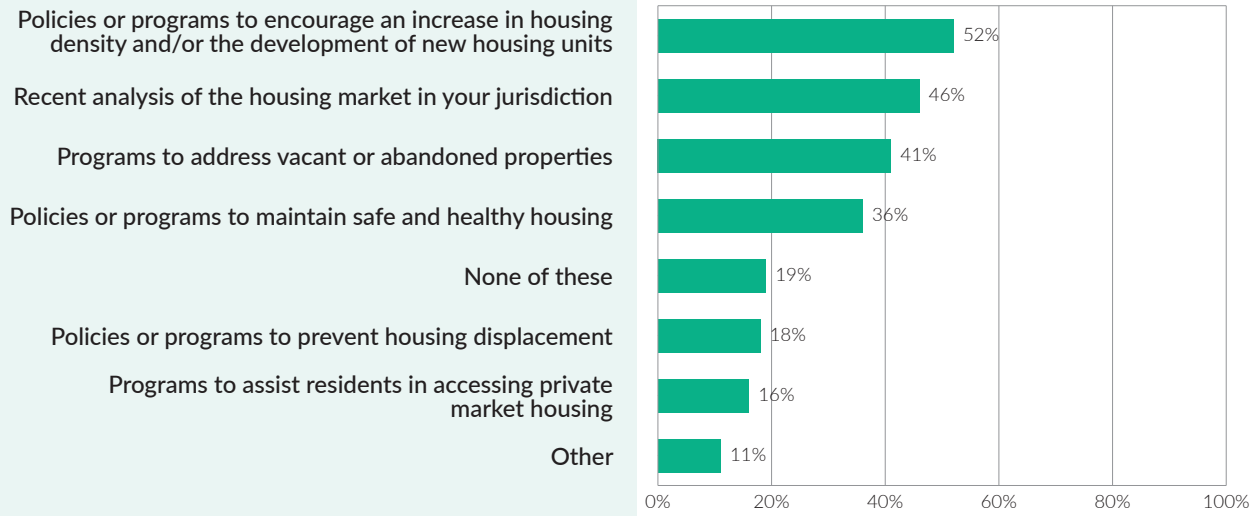


Figure 2

**Has your local government utilized any of the following strategies to support economic and workforce development in your jurisdiction? (n=406)**

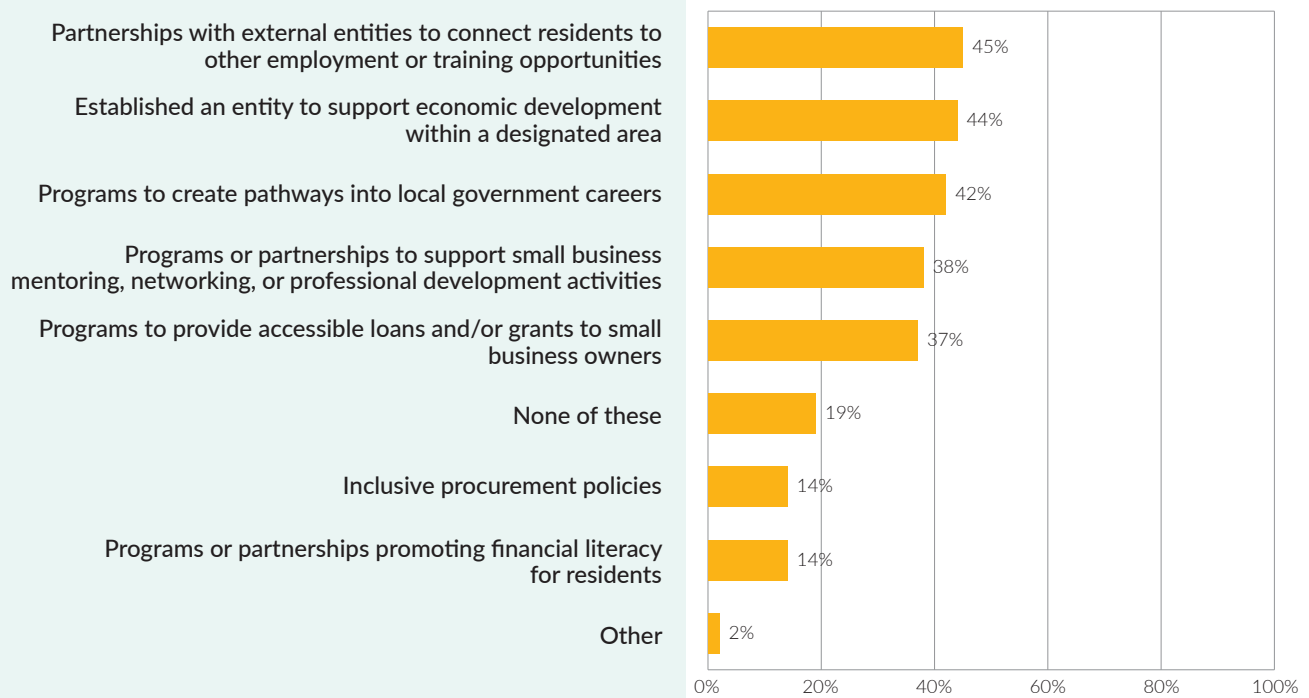


Figure 3

### Has your local government utilized any of the following strategies to support more equitable access to community services in your jurisdiction? (n=390)

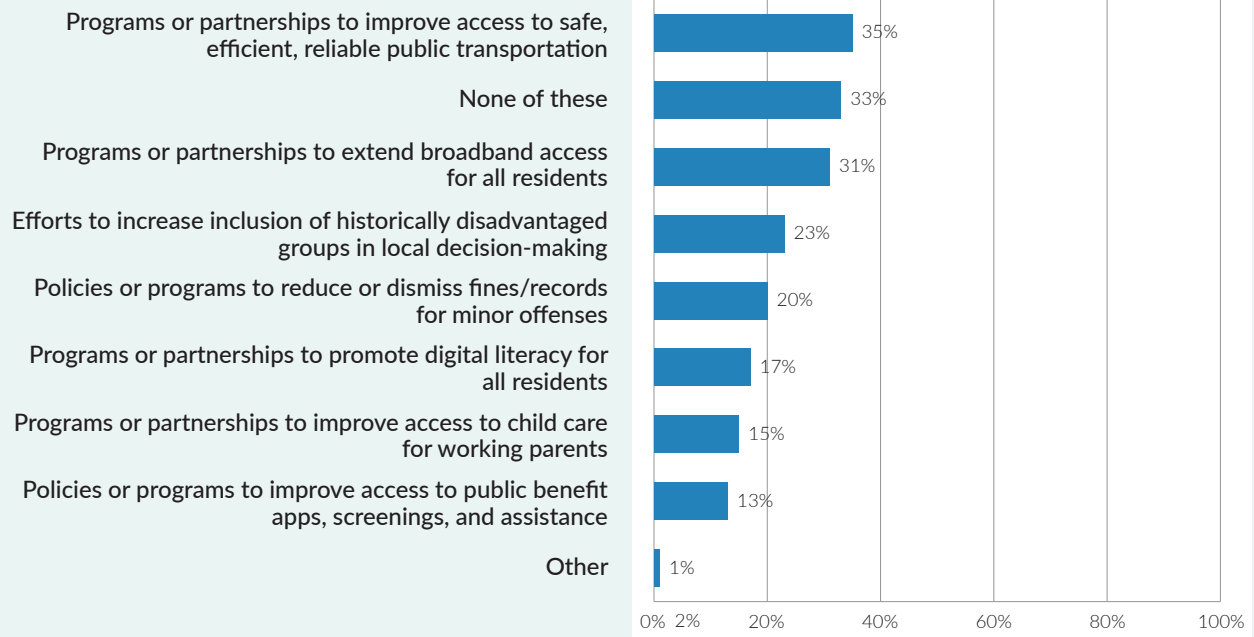


Figure 4

For this survey, ICMA asked participants about policies and programs specific to three areas known to impact economic mobility: affordable housing, workforce development, and equitable access to community services. While strategy implementation was most often cited in the areas of affordable housing (81 percent) and workforce development (81 percent), 67 percent of respondents also reported engaging in strategies to promote equitable access to community services.

The most common strategy implemented to improve access to affordable housing was the implementation of policies or programs, such as zoning changes, to encourage an increase in housing density and/or the development of new housing units (Figure 2). Housing market analyses and programs to address vacant or abandoned properties were also commonly cited.

Engaging in partnerships with external entities to connect residents with employment training opportunities was the strategy local governments most often reported implementing to support economic and workforce development among respondents (Figure 3). Other popular strategies included the establishment of entities supporting economic development within a designated area, such as Business Improvement Districts or Community Development Corporations, and programs to create pathways into local government careers.

Strategies to promote equitable access to community services were less commonly reported among local

governments, compared to the implementation of affordable housing or economic and workforce development strategies (Figure 4). However, just over a third of respondents reported implementing programs or partnerships to improve access to safe, efficient, and reliable public transportation options. Programs or partnerships to extend broadband access for all residents were adopted at similar rates.

Based on survey results, it appears that most local governments are engaging in activities to enhance economic mobility for residents, though not necessarily with the specific intention of doing so. This is particularly interesting because, while several respondents said they found economic mobility activities to be inaccessible to smaller governments and/or felt that economic mobility was primarily a concern for larger municipalities, 80 percent of survey respondents were from local governments with populations of 10,000 or less.

However, while it is promising that the majority of respondents are involved in some sort of work influencing upward economic mobility, there is still room for increased engagement and the implementation of programs and policies that explicitly target economic mobility concerns.

When asked about barriers to further action to address economic mobility among residents, a lack of availability of sustainable program funding was the most cited challenge, with over half (60 percent) of respondents identifying this as an issue



### What are your local government's challenges to taking further action regarding economic mobility? (n=396)

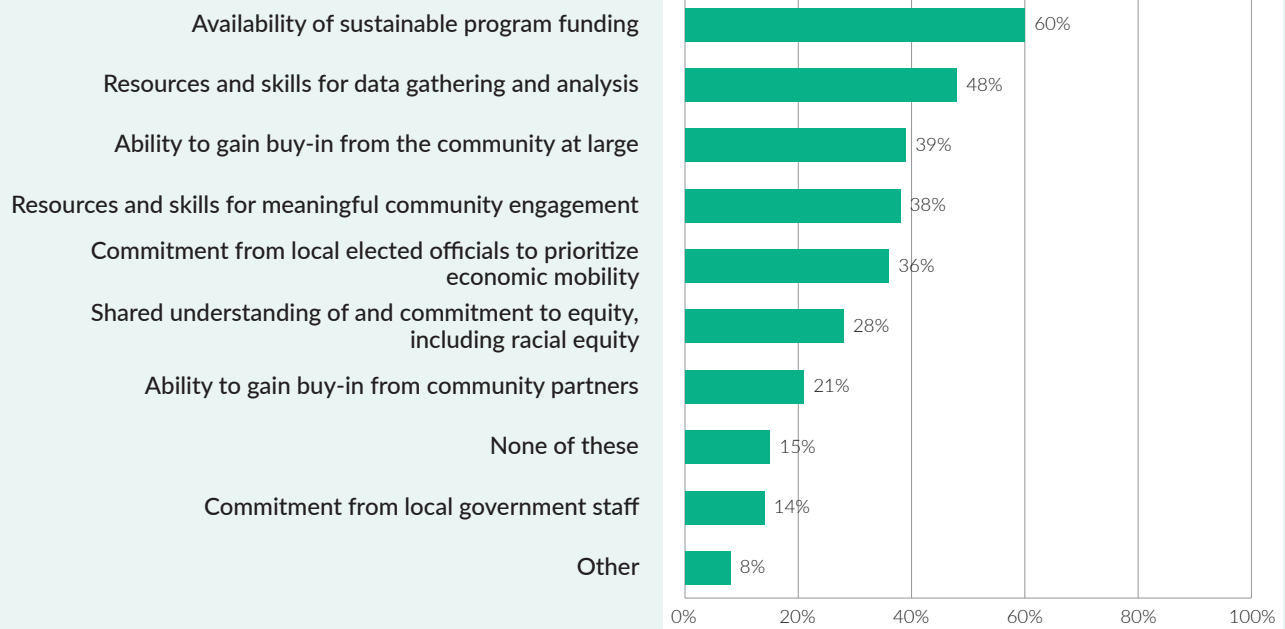


Figure 5

faced by their local government (Figure 5). Just under half (48 percent) of respondents reported a lack of resources and skills for data gathering and analysis as a barrier. One potential method to promote further local government participation in economic mobility activities is to increase access to technical assistance programs and grant funding. Ensuring that local governments are aware of funding opportunities for long-term economic mobility efforts and planning is another possible solution.

To build internal capacity and develop a plan for economic mobility without utilizing additional funding, local governments may also benefit from accessing freely available economic mobility tools and resources. While survey results showed some awareness of these types of tools among local government decision makers, the overall familiarity and utilization of such resources was limited. To make economic mobility resources more accessible, ICMA has created a one-stop [Tools & Resources web page](#).

Overall, the current state of economic mobility work among local governments is promising, with most responding local governments participating in at least one policy or program in an area known to support upward economic mobility. However, there remains exciting potential for an increase in intentional engagement with work explicitly tied to promoting upward economic mobility. Addressing common barriers such as a lack of sustainable funding and insufficient skills and resources

for data collection will allow local governments to take further action to promote upward economic mobility among their residents.

As part of ICMA's continued partnership with the Gates Foundation, and to build on practices and needs identified through this survey, we will be rolling out additional virtual and in-person educational offerings, information resources, and other opportunities to access peer learning, microgrants, and technical assistance. Visit [icma.org/emo](https://icma.org/emo) for more information about past and upcoming activities.

*Bailey Barnett, MPA, is a senior program manager for research at ICMA.*



Leila Melendez from Workforce Solutions Borderplex presents findings from the El Paso County childcare assessment.

## County Leadership in Dismantling Barriers to Economic Opportunity

Three counties in ICMA's Economic Mobility and Opportunity Cohort elaborate on their reimagined approaches to boosting the upward mobility of their residents.

By Anna Mitchell,  
Jessi Atcheson, and  
Laura Goddeeris

Throughout this year, 10 communities have come together to create ICMA's Economic Mobility and Opportunity (EMO) Cohort. Individually and collectively, these local government teams have explored ways to enhance their residents' financial security, sense of power and autonomy, and sense of belonging to their communities.

As participants in the cohort, the teams received small grants to advance their work in housing, job opportunities and business development, engaging vulnerable populations, support for working families, and more, made possible by ICMA's partnership with the Gates Foundation.

In this article we highlight the three counties participating in the cohort and what they can offer to their peers looking to reimagine processes or approaches to enhance upward mobility of their residents.

San Juan County, Utah, is a sparsely populated county consisting mostly of breathtaking national park land. "Our population here is just over 51% Native American. Ideally, that would be reflective in government roles in the county as well, and it currently is not," said Mack McDonald, county administrator. Through conversations with partners at other levels of government in the region, it became apparent that they were also having difficulty in filling roles that would seem to offer ladders to increased income, benefit, and retirement opportunities, among many other things needed to boost upward mobility for the Native American population. The San Juan County team has since been working to inventory the types of government positions available and assess what barriers may be discouraging their native population from seeking such roles.

On the far west side of Texas along the Mexican border, El Paso County zeroed in on a specific barrier known to impact their workforce: a lack of childcare options for working households and families. While this is not a situation unique to El Paso, county chief aide Lorena Rodriguez noted that beyond a general lack of providers, which is especially challenging for single parent families, there is a particular lack of services available to third or overnight shift workers. These types of shifts are common in the area, given job opportunities associated with the U.S. border. Their efforts have focused on gathering data on the unmet demand for childcare services among the workforce and employers, as well as trying to understand and lessen barriers to expanding the supply of providers. "When we think about the jobs that require round-the-clock employees, our main industries are health care and government and those are some of



our highest paying industries,” said county director of strategic development Jose Landeros. “If there’s a barrier to entering those jobs because an individual may not have the childcare that they need, we really wanted to understand and figure out what it would take to evaluate the issue and then come up with tangible solutions.”

Chesterfield County, just south of Richmond in the Commonwealth of Virginia, could readily identify a number of supports critical to segments of their population. “Economic mobility is a priority in Chesterfield County as we work to address issues related to workforce development, financial literacy, affordable housing, and education,” said James Worsley, deputy county administrator. But despite many well-intentioned services offered by the county and its partners, his team recognized an opportunity to enhance how they were promoted and delivered to residents that might not have the time, resources, awareness, or interest needed to take full advantage of the offerings. They worked to develop a wraparound service model offered through “mini conferences,” where residents can access various education and outreach programs in a single day and location. Transportation is provided, as are other incentives such as professional headshots and participation stipends.

### **Why Counties Are Taking the Lead Role on EMO Initiatives**

For San Juan County, they knew that taking the lead role in career development for students and the Native American population was important because no other organization within their community was looking at this problem or trying to come up with solutions to help. McDonald also noted a concern shared by other communities in the cohort: “Most students grow up here, but then move out to other communities, and even other states. We’ve lost 2% of our population since the census. Our team really must look at what we can do to keep our individuals here, especially our students.” They believe that connecting younger people in particular among their native population with career paths in government will yield multiple benefits to their families and the larger community.

El Paso County knew that taking the lead role in filling childcare gaps was important since their county is the regional unit of government in their community. Rodriguez and Landeros described the scenario as a bi-national, bi-state regional economy given its proximity to both Las Cruces, New Mexico, and Ciudad Juarez, Mexico. “This is an issue that doesn’t really understand geographic boundaries,” said Landeros. “Even when we compare ourselves to regional economies in our own state of Texas, those are more homogeneous than ours because we have two states, two countries, three distinct communities with a unique culture, but they share a lot of the same issues because we have cross-border movement not just across state lines but international boundaries.”

In the case of Chesterfield County, it was about elevating an already strong but necessary role in addressing their county’s needs in the areas of affordable housing, workforce

development, education, and financial literacy. “Chesterfield County traditionally is a place where people of our community have come to seek information and resources and this initiative really allowed us the opportunity to offer new and innovative economic mobility opportunities for those that live here in Chesterfield County,” said Worsley. “Our team members are on the front lines every day, seeing the needs that exist in our community in every way possible.”

While each is focusing on unique needs, several key themes have emerged from the cohort’s work addressing specific service gaps or barriers to catalyze systemic change.

### **Use of Data to Understand Conditions**

El Paso County identified a local organization, Workforce Solutions Borderplex, to be their biggest partner on this, with additional support from industry partners, including childcare providers. Landeros also emphasized that “a lot of our research is going to be based on survey data collection and direct engagement with industries. For these industry partners to be willing to share their insights and share their challenges in a candid way is going to be critical to this effort.”

For other communities interested in exploring local or regional data on evidence based predictors of mobility from poverty, the Urban Institute’s Mobility Metrics cover all U.S. counties and communities of over 75,000.<sup>1</sup>

### **Intentional Community Engagement**

For San Juan County, their approach is now giving them opportunity to establish a stronger relationship with the Native American community. Elaine Gizler, economic development/visitor services director, shared excitement for the “opportunity for us to get to know these students in the schools, talk to them, meet with them, show them the opportunities, and encourage them. Hopefully we’ll be able to encourage these young students to think about what their path forward is. Maybe they’ll find that these education and job opportunities might be something that they’re interested in and will be able to stay in their community with access to even more resources.”

McDonald agreed that the most important relationships for the government to foster are with their native population. He encourages other communities to “take the time to learn about and understand the people that you are working with, including their culture. Know your population, know the cultural sensitivities, get to know the people so you have a relationship already built if any concerns or problems arise.”

### **Leveraging Community Partners**

While local governments are uniquely positioned to implement policies and effect conditions that promote overall well-being and upward mobility for their residents, identifying and leveraging partnerships is essential to this work. Chesterfield County realized the importance of breaking county partners out of the silos they typically work in for a more unified effort than ever before.

Emily Ashley, director of community engagement and resources, shared that this work “really gave us the opportunity to make everything come together and to offer these opportunities for our young people and the underserved in our community. We have combined all of our experiences between the administrative office, community development office, and local organizations to provide an experience for our community that is comprehensive and helpful rather than provided in pieces that may be missed.”

Outside of county government, she noted, “The YMCA was a critical partner, as well as a few Latino-led organizations. We’ve also been working with some of our business partners and our credit unions, which became crucial when providing financial literacy training. We have also worked with local educational institutions, such as Bright Point, Bryant & Stratton, and Virginia State University. Bringing these partners together to get their viewpoint and share their lens is what has made this program stronger than what we have tried to accomplish in the past.”



Chesterfield County team members

### Small Changes Can Make Big Impacts

Landeros stresses that “you are not alone, and we all have the same or similar issues. When looking at long-term issues and long-term solutions, it’s better to invest in an additional year of early childhood education than it is to have to invest in some of the social issues that come with a lack of sufficient education as the population ages, in terms of public health or increased criminal justice costs. You hate to look at it in dollars and cents, but sometimes that’s kind of the argument that you need in order to go out and garner resources, but really this is a long-term people issue.”

Tina Shreve, managing director of workforce development for Chesterfield County, shares that “it seems overwhelming trying to tackle all of the issues associated with upward mobility, like you can’t boil the ocean. I think we all wanted to miraculously do something really grand, but I think it’s those baby steps that really matter. Even that one little workshop

affected someone’s life, hopefully for the better. We don’t expect ourselves to go out and build a program without having input from the people that are going to be receiving the services. Sometimes in communities that is a strong miss, thinking that we know what is best without actually talking with the community.”

ICMA has curated open-access, evidence-driven resources to help local governments in identifying, refining, and advancing local priorities for increasing upward mobility and decreasing inequities—from data sources to planning guidance to intervention examples and implementation support.<sup>2</sup> Visit [icma.org/emo](https://icma.org/emo) to access these resources and to learn more about archived and upcoming ICMA programming aimed at boosting upward mobility in communities.

#### Endnotes and Resources

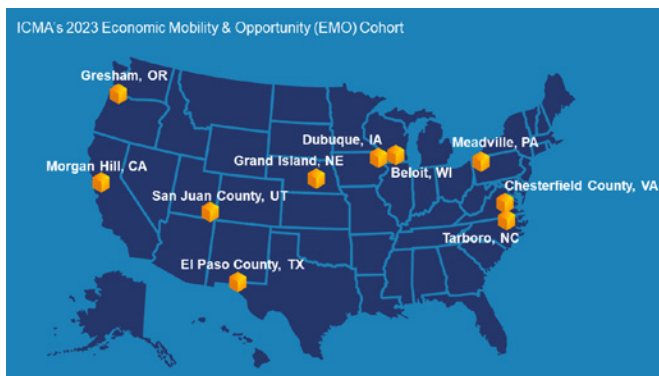
<sup>1</sup> <https://upward-mobility.urban.org/metrics-and-evidence>

<sup>2</sup> <https://icma.org/local-government-leadership-economic-mobility-opportunity>

*Anna Mitchell, MPA, is a senior program manager for publications and research at ICMA.*

*Jessi Atcheson is a program manager for global communications and marketing at ICMA.*

*Laura Goddeeris, AICP, is director of research at ICMA.*







Brownsville, Texas, City Hall

## Getting Out of Your Own Way

### Enabling Community-Driven Policy Change

How one city is addressing economic mobility through reimagined community engagement

By Lindsay Jacques and Laura Goddeeris

Local governments hear from residents through a wide range of channels, from social media outreach to in-person events. But much of this “engagement” is premised on informing the public of projects or plans pre-identified by government leaders or staff and attracts input from a limited representation of the community, often late enough in the process where potential impact is constrained. This antiquated outcome- or product-based approach is top-down, leading to “solutions” that may lack resident buy-in and fail to fully account for impacts on the most vulnerable residents.

With Americans’ trust in all levels of government hovering around record-low levels, there is a need to reimagine ways for a wider spectrum of residents to provide their perspectives and influence decision-making. A willingness to do so may not only reveal responses to problems you hadn’t even considered or understood, but can also foster stronger relationships with the residents you serve and have had trouble reaching.

We’ve been following a more process-based, bottom-up approach to advancing economic mobility for residents in one Texas border community. We first learned about this story when developing the ICMA resource, *Problem Solving Through Arts and Culture: A Creative Placemaking Wayfinding Guide for Local Government Managers*, and have continued to track an evolving cast of characters and impacts on entrepreneurship opportunities and sense of belonging for low-income residents.

This example effectively turned the typical “community engagement” process on its head—starting with acknowledging a community-defined problem, honoring different types of experience and perspectives, allowing for new partnerships and ways of working, and leading toward policy changes co-created with the residents they intend to impact. What’s interesting about this story is that while the local government still plays traditional roles with respect to formalizing policies and administering programs, it has been just as critical to know when to take risks or to step back and let the community-driven process take the lead.

#### Setting the Stage: The Brownsville Case Study

The city of Brownsville, Texas, is located along the border of Mexico and the United States. The low-income, tight-knit neighborhood of Buena Vida (Spanish for “good life”) has a rich culture of small businesses operating in an informal economy. Families often make a living through unpermitted small operations, like selling traditional foods or farm produce out of homes and vehicles, many of which were illegal under municipal code.

The city was prioritizing the review of its permitting process, but had failed to consider perspectives outside development and business stakeholders. Independently, a socially engaged local art collective called Las Imaginistas (“the imaginists”) had begun exploring how changing the permitting process to allow for microeconomies could better serve the needs of low-income residents.

In the project Taller de Permiso (“permit workshop”), they used art as the tool to collaboratively imagine sustainable economic opportunities in a way that celebrated and exemplified the existing assets within the community, decoded municipal permitting, and incubated emerging small local businesses.

This approach, initiated by Las Imaginistas artists in collaboration with Brownsville residents, emphasized empowering those of limited economic mobility to define the problem and explore responses in unexpected ways. It helped the city appreciate that circumstances were much more complex than outdated permitting policies.

**Engagement Examples**

**Phase 1: Permission to Dream.** The project began with a “dream parade,” where residents of Buena Vida held a march, carrying signs depicting their dreams of an equitable, sustainable economy for their community. The dreams collected inspired others to participate and became a community-building resource. Dreams continued to be collected through redesigned Loteria cards and tricuculos (traditional tricycles typically used for street vending) where they printed “dreaming permits” on a repurposed tortilla press.

**Phase 2: Permission to Know.** This phase focused on building capacity within the community’s youth and entrepreneurs.

Youth interviewed community stakeholders, including the city manager and health department, and researched city and media archives on the permitting process. Through this investigative journalism, a vendor guide was created and a video showcasing their findings is in production. Additionally, an entrepreneurship program was created where a cohort of neighborhood residents completed business training through the University of Texas Business Incubator and a cooking class through a local food center.

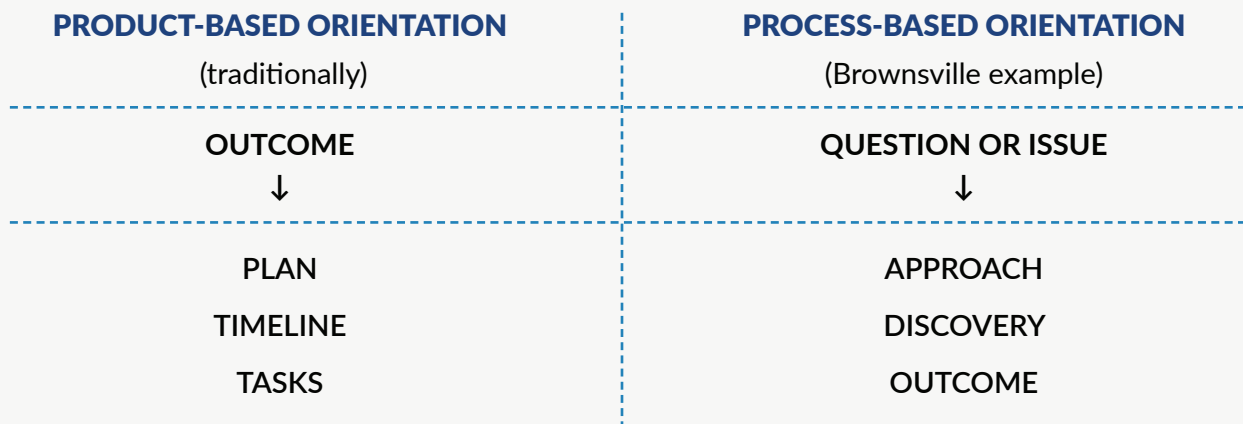
**Phase 3: Permission to Act.** This phase launched a co-op fellowship program for vendors in partnership with a local nonprofit, Border Workers United. The program is the region’s first co-op and includes 10 women advocating for change to municipal regulations for microbusinesses. A community market was created where microbusinesses could sell their wares. The project coincided with another project titled, Hacemos La Ciudad, which incorporated different strategies to amplify and build civic capacities and networks within the Buena Vida neighborhood. This phase catalyzed development of a pilot expansion of permitting for small mobile vendors in Buena Vida, a mobile municipal code library, and a mobile negotiation space. The latter will enable residents to speak to a city official about changes to the permitting system, how the changes impacted them, and how they could inform future decisions about this and other topics.

**Recent Progress**

Since the original writing of the case study, this effort continues to evolve. Through the office of the Brownsville city manager, chief of staff Marina Zolezzi guided the project partners through conversations with many different municipal departments, including planning and redevelopment, public

FIGURE 1

**COMMUNITY PROBLEM-SOLVING MODELS**



Unlike typical problem-solving approaches that begin with assumptions of a desired outcome, Brownsville focused on working with the community through a process to collaboratively define the issue, explore potential responses, and achieve a more equitable solution.

*adapted from Forecast Public Art*



health, police, legal, engineering and public works, and parks and recreation. Eventually a home was identified for the proposed pilot program within the Parks and Recreation Department. With funding from Common Futures, ChristinaMaria Patiño Xochitlzihuatl Houle from Las Imaginistas continued work with the local Voce Unidas community organization to ensure that when the pilot study began that there would be a partner organization ready to begin training and supporting project participants.

Complementary activities have grown as well, including an economic development program at ARISE (A Resource in Serving Equality) in Alamo, where approximately fifteen women will go through an arts and meditation-based co-op incubation program beginning in August.

### Why a Reimagined Approach Was Important

It built on local context, assets, and aspirations. Fears of deportation, language barriers, historic disinvestment, and systems that penalized their way of life had created a significant disconnect between the local government and the Buena Vida community. The activities designed by Las Imaginistas artists bridged the divide by integrating the engagement process within existing Buena Vida community spaces and such traditions as street marches and eloteros (street corn vendors).

It valued lived experience. Instead of creating convenings that reinforce normal power hierarchies (across job, race, income, education, or position), Las Imaginistas worked to disrupt those systems by making worlds in which all participants and the experience, knowledge, and reflections they contributed had equal value and potential to impact the direction and vision for the project.

### Preconditions for City Support

Openness to change. The city was unaware of the issues facing this community and took a leap of faith to trust the artists' process without fully realizing how it could lead to worthwhile outcomes for the community. For the city, there was no ideal outcome when they began working with Las Imaginistas, only a desire to explore residents' needs in a different way to increase their understanding.

Willingness to work differently. The city had recently revised its organizational vision and found staff wanted to be innovative, equitable, and inclusive. They recognized that Las Imaginistas' work embodied those values and was an example of who they hoped to become. They continue to partner with Las Imaginistas to internally develop their skills and learn how to accelerate this work by applying these strategies in other areas of municipal management.

### Unconventional, But Worth It

The outcomes of Brownsville's openness to a reimagined, community-driven policy change effort and the power of engagement included:

- Improving the permitting process for the entire community. Though this effort expanded the scope of the city's permit process review, it enabled Brownsville to harness the community's collective knowledge and begin to make significant improvements aligned with the entire community's needs.
- Co-creating engagement strategies with the community. By partnering with artists, the city was able to build concrete civic engagement skills, increase its capacity for research, and pilot strategies to increase accessibility and transparency. This began with the translation of government documents to Spanish and next steps plan to expand beyond surface-level access to invite community members to influence policy decisions that impacted them directly.
- Promoting economic opportunity for low-income residents. Through the unique engagement of traditionally disengaged residents, the project resulted in economic development that actively combats involuntary displacement of longtime residents. By addressing issues in municipal code and practices that disproportionately negatively impacted low-income populations, the city has promoted long-term possibilities for economic equity.
- Developing the economy in one of their poorest areas. Buena Vida residents and the Brownsville community saw the value in their artisanal informal economic traditions and utilized them as a pathway to imagine and construct more economic opportunities for the community that aligned with their passion, talent, and ingenuity. The project empowered residents to dream through their own existing talents and the city recognized its responsibility and role in fostering opportunity for all residents.
- Promoting mutual respect between the community and government in an area where residents felt that the city historically acted like a roadblock to pursuing entrepreneurial dreams. After this project the city became more aware of how to consider, respond to, and support their needs and better understood their most vulnerable and historically marginalized population. This work deepened relationships and encouraged residents to actively participate with local community partners and in their local government processes.

*Lindsay Jacques, MPA, is a former senior program manager for research at ICMA.*



Tarboro, North Carolina

## Reimagining Housing Roles for Smaller Communities

How three local governments in ICMA's Economic Mobility and Opportunity Cohort are addressing housing challenges for lower-income residents.

By Laura Goddeeris

**For smaller communities with limited resources and staff capacity, it can be especially challenging to address an issue as complex as housing in a meaningful way. But three local governments in ICMA's Economic Mobility and Opportunity Cohort are taking tangible steps to support their residents, particularly those with limited incomes, in attaining safe, stable housing options.**

### **Tarboro, North Carolina: Establishing an Evidence Base for Next Steps**

The town of Tarboro was within the region of North Carolina impacted by Hurricane Matthew in 2016, with flooding displacing many town and county residents. "We had FEMA putting people up in hotels because there was zero rental housing, zero houses to buy, nothing," recalled Tarboro planning director Catherine Grimm, "So it was close to a year that we had people living in hotels because there was literally nowhere else to go. It really highlighted the need across all segments of the housing market for us."

Concerns about the town's housing supply existed before the hurricane and have only mounted since. "But we couldn't explain to anyone in detail what that actually meant; it was just nebulous," she said.

The town has leveraged available tools and resources to try and chip away at the situation. Many of these functions reside within the town's planning department, including funding from community development block grants and other sources. The town also updated its zoning map and made an intentional effort to expand where multi-family housing is allowed and encourage density in redevelopment.

Meanwhile, the potential for a significant development project three miles out of town, and another \$3 million in downtown property turnover in just the last year, suggested an increasing need for more market-rate housing. But staff were constrained in their ability to discuss with prospective developers just what types and how much the town could and should accommodate. "Is there a need for apartments? Would people here even like a townhouse or condo—would that be aesthetically acceptable? Do they need a garage?" were some of the questions they couldn't answer without data.

Further complicating the picture were the results of the 2020 Census, which Tarboro believes relied too heavily on extrapolation and resulted in an undercount of their population. While the official Census numbers suggest Tarboro's population



is declining, the town's municipal utility data seem to indicate otherwise, and leadership is considering next steps after an initial appeal was declined.

Tarboro leveraged the small grant opportunity provided as part of the EMO Cohort to commission a housing study, which it felt was needed to reconcile all of this information and provide a foundation for the town in setting priorities and next steps. And even relying on the lower Census population figures, the study was able to quantify in detail the perceived housing shortage.

The data paint a more nuanced picture of housing affordability across the income spectrum, highlighting that thousands of households are paying significant shares—often more than 50 percent—of their incomes toward housing costs. And it helped illustrate the cost burden on owner-occupied homes as well as renters, prompting thoughts about additional complications and possible interventions given the high costs of taxes, insurance, and utility bills for older homes that may have been inherited but were far behind on maintenance.

Importantly, the study enables a better understanding of what workforce or affordable housing means in Tarboro. It pulled together data on median home prices and household incomes, as well as the most common occupations and associated wages. Grimm said that having all of that information laid out together was extremely helpful in contextualizing for Tarboro what is known to be a national issue. “It highlights that our local employers’ wages are insufficient for citizens to be able to buy a house or to rent decent housing,” she said.

### **Meadville, Pennsylvania: Recognizing Needs and Roles for Municipal Action**

Meadville is home to around 13,000 residents, one of few non-rural areas in Crawford County in northwest Pennsylvania. A majority of its current council ran on a platform of improving access to safe, stable, affordable housing. But there has been debate amongst community and regional stakeholders as to what the city's precise role should be in advancing that priority.

Renna Wrubleski, Meadville's director of community development, agreed that as a small local government

they value their county and local partners, including their redevelopment authority, playing an active role in planning for and supplying housing. She sees an opportunity for the city to complement those roles by helping to set objectives and direction, and to foster an ecosystem of policies and programs that help housing developments thrive (much like incentive programs are a part of economic development).

She also likened the state of housing in Meadville to a public safety issue. “As a local government, we have a responsibility to provide public safety. Well, where do we draw the lines on where public safety begins and ends? Is it just at police and fire? Do we expand that into making sure that the homes that are in our community are safe for the people who are living in them?” She noted that of their residents, “Sixty-three percent are renters who do not have direct control over the properties they are living in. They're dependent on someone else to ensure that safety.”

The city had been hearing complaints from renters, including those in public housing units, about a lack of responsiveness from their landlords. Issues ranged from insufficient heating and cooling to bed bugs and mold to basic repairs of elevators or appliances. While not practical for the city to actively mediate landlord-tenant issues, it realized that a more proactive approach to rental inspections could help ease some of the burden on renters. In 2022, its council authorized a new rental inspection program, requiring all rental properties to register with the city and undergo an inspection every two years rather than just in cases of emergencies.

A next step, supported through ICMA's grant, was development of a housing action plan. Like Tarboro, leadership aimed to get a handle on housing data and conditions in Meadville, but they also wanted to use the process to explore the possible roles the city could play going forward in coordination with other housing stakeholders in the region.

Staff leveraged their local knowledge in making intentional efforts to engage a broad range of perspectives in the “discovery” phase of the planning process. This included both one-on-one meetings and surveys of key stakeholder groups such as boards and commissions, community anchor institutions, regional housing and planning agencies, nonprofits, real estate agents, and landlords. To reach residents, they went to laundromats, coffee shops, and other businesses and community gathering spaces. They made special efforts to connect with their renter population at neighborhood meetings and a tenants-rights workshop, recognizing that those voices were often underrepresented through traditional outreach channels.

This process helped to gather information but also to build trust and a foundation for future collaboration. Meadville city planner Peter Grella pointed out a number of semantic differences aimed to signal a different, action-oriented approach to planning in Meadville. “We're not calling things roundtables; we're calling them design teams. We're not calling it a steering committee; we're calling it a partnership,” he cited as examples. They have been trying to uphold a sense of mutual accountability, asking partners to join them in committing to specific actions.



Meadville, Pennsylvania



“And that makes things a bit uncomfortable, because that accountability is difficult,” Grella said. “Being able to demand that commitment, get that commitment, and return to that commitment produces friction, especially when everybody who is sitting at the table really does have their own missions and priorities that they deal with, even if our greater goal is all the same.” But, he and the team are hopeful the end result will lead to something greater than any of the individual actors have been able to produce so far.

### **Morgan Hill, California: Elevating a Shared Understanding of Affordable Housing**

Morgan Hill is a generally affluent city of around 45,000 located at the southern tip of California’s Silicon Valley. Like other parts of the region, it is known as a home to technology and other manufacturers, as well as wineries and natural amenities. At first blush this might have been a surprising choice for inclusion in an economic mobility initiative. Edith Ramirez, assistant city manager for development services, is aware of that, noting that a typical house in her community costs around a million dollars.

But Morgan Hill is going through a growth spurt, Ramirez observed. Part of that is due to shifts in the region as people move further south of Silicon Valley in search of lower-priced housing, yet still commute through Morgan Hill to jobs further north. Within the city, she said, “The housing stock has been overwhelmingly single-family with only about 5% rental product, which skews to certain demographics.” But the need is real, she noted, as 5,600 families are considered low income and 28% of all residents are on some form of public assistance.

Like their peers, the city is using planning and policy tools to boost the supply and quality of more affordable housing across the city. And more recently, they are using a blend of data and personal perspectives to elevate the conversation around affordability and who makes up the community in Morgan Hill.



Morgan Hill, California

Part of this process is increasing their understanding and supporting the needs of their lower-income residents. Staff have been collaborating with the school district and hosting dinners in low-income apartment complexes to create opportunities for conversation in a friendlier setting, in addition to maintaining a presence at community events and celebrations. They also convene monthly meetings with local service providers to share information and triage acute housing challenges to prevent residents from falling through cracks in the system.

And the team has pored over data about a wide range of issues impacting economic mobility of residents. “You need data to tell people that 12% of our children are considered unhoused because of their living conditions,” said Ramirez.

But data require analysis and interpretation, she cautioned, and often multiple data sources are needed to make sense of root causes. They’ve seen data, for example, that suggest that Spanish-speaking residents do not have a trusted organization they can turn to. “If people do not trust the government, how good can the data be?” Undocumented residents, housing director Rebecca Garcia adds, are especially hard to capture in the data.

A parallel strategy is educating the broader population—even local leadership—about what “affordable housing” looks like and means to the Morgan Hill community. “The reality is that what makes this community amazing and clean and beautiful is everybody that is working in the background,” Ramirez says—everyone from retail and hospitality service workers to cops, firefighters, nurses, and teachers, all of whom could qualify for affordable housing.

Her team is working to advance a campaign, including video testimonials, on who affordable housing is for. Garcia points out, “Residents often do not realize they themselves are eligible for affordable housing. There are so many myths and so much false information that it takes an ongoing intentional effort to change the narrative with facts and truth.”

Housing coordinator Christie Thomas underscored the power of storytelling. She described a recent presentation where she was able to identify familiar faces, like the local librarian, as residents of affordable housing, and she shared real examples of how fragile the housing situation is for some Morgan Hill families. Many affordable housing opponents approached her with follow-up questions, saying ““We need to get this information out to the community; we need to tell the stories about our own community members,”” she recalled. “Once we give them that knowledge, it does change the way they think about housing.”

Ramirez says it’s been a challenging conversation, but “the concept of creating a community where people can live where they work is a paradigm that we’re working toward.”

### **Additional Takeaways**

Beyond the specific strategies already described, the three communities’ experiences yielded additional recommendations for other smaller places looking to address local housing challenges.

### **Advocate for what you identify as necessary steps and processes.**

For Tarboro, it was important that their study be conducted externally, but part of the challenge was aligning a budget and timeline with potential consultants. They've had similar challenges in scaling procurements for housing programming as well, with a lot of smaller consultants having been absorbed by larger engineering firms that don't typically bid on projects of this scale. It took a bit more proactive outreach to specific firms to convince them to consider the opportunity. But in the end, they were able to negotiate an affordable basic price and menu of a la carte options—prioritizing an in-person presentation of the results so the community and its leadership would be able to hear directly from experts offering unbiased, fresh perspectives.

In Meadville, it was time to push from planning and waiting to action. “There is still some skepticism about the city's ability to do this work, recognizing capacity issues from both a staffing point and a budgetary perspective,” said Wrubleski. While some argue, “Just stick to your basic things that you absolutely have to do and don't spend money on these other ancillary things.’ At some point, we have to do something.”

### **Celebrate small wins.**

Morgan Hill's housing team quickly pointed to the latest individuals its members had helped to place in stable housing situations—in

one recent case, a person that had been unhoused for 15 years, whose number finally came up but needed assistance in getting to the department of motor vehicles to obtain necessary identification.

“We're a small city, so sometimes it may look like ‘Hey, we're just doing a safe park that can only house eight families.’ But we can make a huge difference in those families' lives and keep it going,” said Thomas, “And the program just ends up growing itself.”

In Meadville, as staff coordinated outreach around their housing study, they were excited to see an uptick in community feedback. While a couple hundred responses to a community survey might not be huge relative to their overall population, Wrubleski noted, it was significantly higher than responses to recent surveys on other topics. “We saw that as a step in the right direction.”

### **Keep humanity at the heart of the work.**

For staff, especially those directly engaging with lower-income residents facing most extreme housing challenges, this work can be especially taxing.

“This work requires one to go out on a limb, be bold and brave, and speak on behalf of the community that is too busy working three jobs to tell their stories.” Localize the faces as you do your campaign, suggests Garcia. “Doing this work is hard and often unpopular so I stay grounded in what I know to be the right thing to do, not for me but for the mission. We all fail if we don't figure out the housing shortage.”



The city hosted an “ELEVATE Morgan Hill Symposium” in May 2024 as part of their overall strategy to identify and deploy a continuum of services that connect residents to job opportunities and housing resources while enhancing their sense of belonging.

**Ready to dig deeper?** ICMA's EMO site provides access to full studies, reports, plans, and other resources developed by Tarboro, Meadville, Morgan Hill, and their EMO Cohort peers (<https://icma.org/page/icma-economic-mobility-and-opportunity-2023-cohort>).

# Climate-Ready Affordable Housing Is the Pathway to Household and Community Prosperity

By Danielle Arigoni  
 Managing Director for Policy and Solutions, National Housing Trust

Although the challenge of providing adequate affordable housing for Americans of all income levels is not a new challenge, it is one that appears increasingly intractable, with increased climate risks due to extreme weather, flooding, and sea level rise threatening our existing housing stock. However, tools and resources do exist to help local leaders take action with new approaches to deliver new homes and maintain existing ones in ways that reduce risks for residents, ensure more vibrant and resilient local economies, and provide a foundation for upward mobility for those vulnerable to climate change.

## Affordable Housing Is Foundational to Economic Growth and Prosperity

It isn't news to anyone that the United States faces an affordable housing crisis. Once considered a "hot-market" problem, the lack of attainable, safe, quality housing that can meet the needs of people of all incomes now plagues nearly every part of our country. The annual **"Out of Reach" report** released by the National Low Income Housing Coalition affirms that there is no longer anywhere in the United States where a minimum-wage worker can afford a market-rate two-bedroom rental home. **Nearly half of all renter households are housing cost-burdened**, paying more than 30 percent of their income for rent, and roughly a quarter of home owners are similarly burdened by their mortgage payments. Experts from Up for Growth estimate that we are **undersupplied in housing by as many as four million units** as a result of regulatory constraints, rapid household formation, and rising building costs. It's no surprise, therefore, that the U.S. Department of Housing and Urban Development's (HUD) most recent **"point in time" count** documented that the number of unhoused Americans has reached record levels, with more than 650,000 without a home — an increase of 12 percent from the year prior.

The impacts of our inability to deliver affordable housing reach all aspects of our communities and fundamentally shape local and regional economies. People who occupy lower-wage jobs that must be done on-site — such as healthcare workers, teachers and public safety officers — are forced to endure longer commutes to find housing they can afford, leading to sprawl, increased carbon emissions, and higher combined housing and transportation costs. Those impacts extend to employers, who are increasingly desperate to attract qualified workers, at times putting at risk the very services they aim to deliver — including but not limited to **ensuring public safety**. Housing costs also impact the country's overall well-being. When 30–50 percent or more of income is spent just on rent or a mortgage, it leaves precious few dollars (particularly for lower-income and fixed-income households) to spend on food, prescriptions, healthcare, education, transportation, and utilities — all of which, in turn, impacts the collective health of Americans and the local economies where they live. Moreover, rising home prices, coupled with higher mortgage interest rates, raise the threshold for home ownership, making it more difficult for first-time buyers to access a critical pathway to wealth creation.

Communities without a pathway to ensuring adequate affordable housing are on a fast track toward a future wherein economic growth is stunted, and existing wealth and health disparities widen further. Frameworks that seek to document and address the building blocks needed for economic mobility routinely include access to affordable housing as a foundational element. The Urban Institute has developed an **Upward Mobility framework** that articulates a vision for greater economic success, power, autonomy, and dignity among those traditionally ill-served by our past approaches to housing, including people of color and other marginalized groups. The first two elements (out of 24) named as necessary to create neighborhoods that foster opportunity and are inclusive for all people are *housing affordability* and *housing stability*. **Mazlow's Hierarchy of Needs** famously includes shelter as a condition that must be met before other needs — including safety, self-esteem, and ultimately self-actualization — can be achieved. Increasingly, these theories and frameworks are **bolstered by evidence** that shows how

**Danielle Arigoni** is managing director for policy and solutions at National Housing Trust. Prior leadership roles include director of livable communities at AARP, as well as in HUD's Office of Sustainable Communities and EPA's Smart Growth office. [darigoni@nhtinc.org](mailto:darigoni@nhtinc.org)





Danielle Arigoni leads the “Affordable, Climate-Friendly Housing as a Pathway for Economic Mobility” workshop at the 2023 ICMA Annual Conference.

critical stable housing is to achieving prosperous and healthy environments for all.

There are, of course, some long-standing resources available to help offset the affordable housing crisis. Federal investment in affordable housing is an important gap-filler, accounting for the fact that there are fundamental market failures preventing developers from providing adequate housing for those with very low incomes. Subsidies administered by the U.S. Department of the Treasury, HUD, and the U.S. Department of Agriculture (USDA) exist to spur the construction of affordable housing (e.g., Low-Income Housing Tax Credits, HUD project-based vouchers, grants through the HOME Investment Partnerships Program and the Community Development Block Grant program, and USDA Rural Development programs), lower the cost of housing for low-income renters in market-rate units (e.g., Housing Choice Vouchers), and provide shelter and services for the unhoused (e.g., HUD Continuum of Care). Many states and localities augment these efforts further with bond revenue-funded programs, tax incentives, zoning reform and more — all of which are aimed at reducing cost, expediting construction, and/or stabilizing housing cost increases, so that affordable housing supply can grow and existing affordable units can be maintained.

### Climate Change Exacerbates Our Housing Crisis and Requires New Approaches

The resources being deployed to solve the affordable housing crisis are insufficient and not nearly nimble enough to meet rising challenges — particularly those related to climate change, which is integrally related to housing. There is clear evidence of

a year-over-year increase in the scale and intensity of climate-fueled disasters hitting U.S. communities, as well as the impact those events have on housing. The National Oceanic and Atmospheric Association tracks the number of disasters — such as wildfires, hurricanes, storms, severe weather, and others — that result in more than \$1 billion in damages or costs. Since 1980, eight such events have taken place per year on average. However, the United States experienced 18 billion-dollar disasters in 2022 and **a record-high of 28 such disasters in 2023**. Aside from the obvious financial toll, these events represent the loss of homes, the displacement of households, and the disruption of lives, making it critically important to understand how housing can both mitigate and help us adapt to climate change.

Housing accounts for roughly 20 percent of carbon emissions — largely due to the energy required to produce building materials used in construction, as well as operate homes once occupied — making future decisions on where and how to construct housing integral to the task of reducing emissions. Moreover, decisions about how and where we build new homes and retrofit existing homes also represent critical opportunities for climate adaptation. Particularly for housing located in high-risk areas — as is the case for a significant share of our nation’s affordable housing stock — thoughtful interventions will be essential to reduce climate risk in ways that help protect residents from flooding, extreme temperatures, hurricanes, and other climate hazards.

For these reasons and more, the dual challenges of providing safe, adequate, and affordable housing *and* preparing for the impacts of climate change warrant a deeper focus among local leaders than perhaps ever before. No longer can these crises be

confronted independently — they must be addressed in a holistic, risk-informed manner, in which housing experts consider climate impacts, and climate experts inform housing solutions. Historically, this has not been the practice, and we can already see the consequences of our failure to treat these challenges as interrelated. Far too many of our subsidized and affordable properties reside in harm's way, at increased risk of damage or elimination. Nearly **one-third of HUD-subsidized housing** (1.5 million units) is located in areas with very high or relatively high risk of negative impacts from natural hazards. Over the next three decades, the number of **affordable housing units at risk from coastal flooding and sea level rise** is expected to more than triple. And nearly 18 million units — **40 percent of the country's occupied rental stock** — are located in areas vulnerable to climate-enhanced disasters. Leaders at the Louisiana Housing Corporation (the state's housing finance agency) determined that they lost **20 percent of their affordable housing stock in 10 years** as a result of climate-fueled disasters. We simply cannot protect and preserve the hard-earned and desperately-needed affordable housing stock we currently have without a concerted effort to make it more resilient.

Tools are now readily available to help local leaders assess their risks and take steps to respond. The federal government continues to populate a robust **Climate Resilience Toolkit** with new data-driven tools that map climate risk, as well as socioeconomic and demographic information and estimates about the cost of inaction. In particular, the multiagency **Climate Mapping for Resilience and Adaptation** displays past and future climate risks, and monitors existing policies — such as hazard-informed building codes — that may already be in place (or are lacking) to drive future development. The **FEMA Risk Map** puts information about a community's overall floodplain management and hazard-mitigation policies at the fingertips of local leaders and residents. HUD now requires that applicants for some of its funding identify their risk exposure by using the **National Risk Index** to ensure that proposed actions are responsive to climate changes. Areas of greatest risk to climate change where existing socioeconomic and other conditions enhance climate risk have been pre-emptively identified as **Community Disaster Resilience Zones**, availing localities within them to greater consideration for federal resources and aid. These tools can and must become starting points for any effort to develop, preserve, and/or improve existing housing units for residents.

Moreover, tools such as these will be imperative if we are to reimagine our housing future in ways that respond to the risks communities and people are likely to face. That reimagined future certainly calls for the hardening of vulnerable properties to climate risks by installing wet or dry floodproofing for structures at risk of flooding or sea level rise, or retrofitting properties to FORTIFIED standards or incorporating ignition-resistant building materials in areas at risk of hurricanes or wildfires, respectively. Such a future also warrants far greater adoption of high-performance building standards, such as Enterprise Green Communities and U.S. Department of Energy (DOE) Zero Energy Ready certifications, in new construction and rehabs of affordable



housing in order to reduce energy use, ensure healthier indoor air quality, and integrate renewable energy sources. Extreme heat poses new risks for affordable housing residents, so investments in energy efficiency — including heat pumps and air sealing to maintain temperatures — become critical investments to achieve resilience. It also requires that we reverse development patterns that largely deliver automobile-dependent, single-family detached homes, and accelerate zoning reform to encourage more dense, compact, and multifamily housing construction that makes public transit, walking, and biking viable alternatives to automobiles. In so doing, not only do we begin to reduce the share of emissions generated by housing, we also foster communities that can better adapt to the volatile swings in the energy costs — both for home heating and transportation — that represent a growing share of the true cost of housing.

### Federal Investment in Climate-Friendly Affordable Housing: The Inflation Reduction Act

The passage of the Inflation Reduction Act (IRA) in 2022 heralds a “golden era” of federal investment in climate-forward strategies that can help local leaders achieve their visions for a more resilient future. An array of new programs already (or soon will) exist across the federal government to support investments that reduce emissions and help buildings and people adapt to climate change. IRA resources include, among others:

- Rebates for home owners and property owners to install more energy-efficient building systems and improve the overall energy efficiency of properties (DOE)
- Grants and loans to encourage owners of HUD-supported affordable housing to invest in floodproofing, weatherization, and decarbonization to create climate-ready multifamily homes (HUD)
- Tax incentives for home owners and rental-property owners to invest in renewable energy that reduces energy costs for low-income residents (Treasury).

Within some IRA programs, targets are included to further drive use of program dollars to benefit multifamily affordable housing residents, residents of disadvantaged communities, or members of communities disproportionately impacted by climate change – all of which deliver on the Biden Administration’s Justice40 goals, which aim to deliver 40 percent of climate benefits to low-income and disadvantaged people.

While local governments are not eligible applicants for many of the programs listed below, local leaders play a critical role in ensuring that nonprofits, home owners, lenders, and Community Development Financial Institutions that reside in or serve their communities understand these programs and are well positioned to utilize the resources. Descriptions of the IRA programs most useful in creating climate-resilient affordable housing follow.

**DOE Rebates**

DOE is administering roughly \$9 billion in the form of rebates to help owners install energy-efficient and electrified appliances and building systems, while also increasing the overall efficiency of homes. The rebates will be administered by state energy offices, and specific program requirements may vary by state.

Cohort	Focus	Unit/Property Funding Limit	Total Funding
Elements	Can be used to substitute more efficient and decarbonized building components in planned recapitalization of affordable housing	\$40,000/unit \$750,000/project	~\$140 million
Leading Edge	Allows for innovative, whole-building retrofits to meet advanced green building certifications (such as Enterprise Green Communities Plus or DOE’s Zero Energy Ready Homes)	\$60,000/unit \$10 million/project	~\$400 million
Comprehensive	Provides funding and technical assistance to undertake whole-building retrofits, including comprehensive site assessments	\$80,000/unit \$20 million/project	~\$1.47 billion

Source: National Housing Trust, IRA Bootcamp Session, October 25, 2023

Rebate Program	Program Details – these incentive levels are applicable to single-family homes with household income below 80 percent of Area Median Income (AMI) and in multifamily buildings where at least 50 percent of households have incomes below 80 percent AMI
<b>Home Efficiency Rebates (HER)</b>	Retrofit of existing buildings Rebate level varies, depending on the level of efficiency improvements, not to exceed: <ul style="list-style-type: none"> <li>\$4,000 per housing unit for energy savings of 20–34 percent</li> <li>\$8,000 per housing unit for energy savings of 35 percent or more</li> <li>Up to 80 percent of project costs</li> </ul>
<b>Home Electrification and Appliance Rebates (HEAR)</b>	Appliance-based rebates with caps <ul style="list-style-type: none"> <li>100 percent of project costs, not to exceed the maximum rebate level of \$14,000 per housing unit</li> <li>The qualifying product must be installed as part of new construction, or to replace a nonelectric appliance, or as a first-time purchase with respect to that appliance</li> </ul>

Source: National Housing Trust, IRA Bootcamp Session, December 13, 2023

**HUD’s Green and Resilient Retrofit Program**

HUD is directly administering the Green and Resilient Retrofit Program (GRRP), which provides nearly \$1 billion in grants and several billion dollars more in loans to help owners of specific HUD-subsidized affordable housing properties retrofit their properties and make them more climate resilient. Three different cohorts are offered to respond to the varying stages of development and/or recapitalization of multifamily affordable housing properties, so that owners can capitalize on the most opportune events and leverage further investments in resilience.





### Treasury's Investment Tax Credits for Solar

New tax credits are available from Treasury to help spur greater utilization of renewable energy to benefit multifamily and low-income residents. Individuals seeking to utilize the investment tax credits (ITCs) can increase their credit depending on the nature of the property upon which a solar array will be installed and who will benefit. Incentives are built into the ITC pricing structure to encourage their use to finance renewable-energy systems on affordable housing and housing on tribal lands, or on properties in low-income census tracts.

## SOLAR: FINANCIAL

**The 5 potential financial benefit streams from solar:**

- Property level electricity savings
- State SRECs (Solar Renewable Energy Credit)
- Federal tax credits (ITC, LIHTC)
- Federal & state depreciation
- Grants

**IRA ITC Incentives**

- Base ITC: now 30%
- Low Income census tract (Cat 1), or tribal lands (Cat 2): 10%
- Low Income housing (Cat 3) OR 'Low Income Benefit Project' (Cat 4): 20%
- 'Energy Community': 10%
- Domestic Content 10%

**And more: 4% LIHTC + 50% ITC = near 100% cost coverage**

- See model tab (Packet)

**Inflation Reduction Act:  
Renewable Energy ITC Including Stackable Bonuses**

80%  
70%  
60%  
50%  
40%  
30%  
20%  
10%  
0%

Pre-IRA 26% ITC 2020-2021    Post-IRA 2022-2032

Source: Novogradac

Source: National Housing Trust, IRA Bootcamp Session, July 27, 2023

### EPA's Greenhouse Gas Reduction Fund

The U.S. Environmental Protection Agency (EPA) will administer the single largest share of the IRA, amounting to \$27 billion, to support grants and loans for more resilient affordable housing through the Greenhouse Gas Reduction Fund (GGRF). While final guidance has not yet been released at the time of writing, the three GGRF programs administered by EPA will result in a new financial ecosystem to connect eligible projects with funding sources. Affordable housing stands to benefit from National Clean Investment Fund and Clean Communities Investment Accelerator resources that can be invested in development and rehabilitation projects that reduce carbon emissions and/or deliver climate benefits for low-income residents. Solar for All funds will spur construction of community solar projects that can be designed to result in a direct utility bill credit for eligible low-income households that reduces their costs, while growing the share of renewable energy for all.

Learn More at National Housing Trust's IRA Bootcamp page, <http://nationalhousingtrust.org/ira-bootcamps>.

	National Clean Investment Fund	Clean Communities Investment Accelerator	Solar for All
Competition Description	Fund national nonprofit financing entities to create national clean financing institutions capable of partnering with the private sector to provide accessible, affordable financing	Fund hub nonprofits to provide funding and technical assistance to specific networks of community lenders, financing clean-technology projects in low-income and disadvantaged communities, while building the capacity of community lenders	Fund states, territories, tribal governments, municipalities, and nonprofits to develop programs that enable low-income and disadvantaged communities to benefit from distributed solar
Grantees	2-3 national nonprofit financing entities	2-7 hub nonprofits	Up to 60 government and nonprofit grantees
Funding	\$14 billion	\$6 billion	\$7 billion

Source: National Housing Trust, IRA Bootcamp Session, December 7, 2023



### Action Is Needed at the State and Local Levels to Leverage Federal Resources and Tools

Despite the scale of the financial and data resources currently available, action by local leaders is essential if communities are to leverage these investments and move toward greater resilience for all people, including those who live in affordable housing. Several activities can be undertaken to augment and accelerate federal investment and tools and spur local action:

- Zoning reform is critical to supporting greater construction of smaller homes that require less energy to heat, cool and maintain — especially as attached housing and multifamily developments.
- Adoption of stricter building codes can raise the bar for resilient construction across all building types (not just affordable housing) in ways that help reduce community-wide risk to climate events, incrementally strengthen and fortify the housing stock, and even reduce insurance premiums for residents (if the building codes meet the Federal Emergency Management Agency's Community Risk Standard requirements).
- Thoughtful investment in public transportation options and more walkable and bikeable communities can help households lower transportation-related emissions and costs associated with their housing choices.
- Improved stormwater management planning and flood-mitigation investments can lower overall risk to individual properties — and lower the cost of flood insurance premiums.
- Developers (new and experienced) and home owners can be educated and engaged to ensure they are aware of IRA resources and have access to the tools and capacity building needed to utilize the funds.
- Qualified allocation plans (which determine the allocation of Low-Income Housing Tax Credits to construct and rehabilitate affordable housing) can be strengthened to ensure that owners leverage public investments to deliver more climate-ready homes.
- Pilot projects can be used (either funded by the local government or public-private partnerships, or sponsored by coalitions) to tangibly demonstrate new techniques — such as community solar, decarbonized homes, or zoning reform to allow more multifamily housing — in ways that build public support for more widespread adoption.

If communities are to address the dual challenges of our affordable housing crisis and the additional impacts brought about by climate change, action is needed now and among all levels of government. For households striving for upward mobility and communities seeking to be economically competitive, the pathway is the same: Invest in more climate-ready affordable housing.

## Centering Equity in Climate Resilience Planning

By Missy Stults, PhD  
Sustainability and Innovations Director,  
City of Ann Arbor, Michigan

Chances are high that no matter where you live in the United States, your community or surrounding region is struggling with growing social and economic disparity, rampant climate change, and threat of an economic decline at the very time that trust in our civic institutions is most in danger. And if you happen to live in a community fortunate enough to have staff dedicated to addressing such issues, you may have heard these challenges described as “wicked,” a term used for social problems that lack clarity in terms of goals and solutions. Wicked problems are deeply subject to real-world constraints that prevent multiple and risk-free attempts at solving and are nearly always ensnared with other social quagmires (Rittel and Webber, 1973<sup>1</sup>).

The problems of climate change, growing economic and social disparity, and growing distrust in government have long been in the making and are now coming to a head, and it is the responsibility of all of society to address these issues with the care and intentionality that was largely missing when the problems were created. Unfortunately, most of this work will fall on the shoulders of already overtaxed local communities. But there is hope — hope inspired by real-world actions taking place in communities across the United States. This short piece outlines one such example in Ann Arbor, Michigan, showing what’s possible, some of the morasses of the work, and why there is no single solution to addressing some of the most wicked challenges of our time.

With that as framing, let’s head to the Midwest.

Located in the southeastern portion of Michigan is the college city of Ann Arbor, a community of just over 120,000 people that is ranked as the nation’s most educated city and frequently ranked as one of the best communities in which to raise a family, retire, or enjoy an extremely high quality of life. But, as is true for any local community, broad-stroke statements such as those above hide the nuances of what makes our places great, dynamic, and inequitable. All it takes is a close look at Ann Arbor’s Bryant neighborhood to see one such example of disparity in action.

Located in the southern rings of the city, the Bryant neighborhood surrounds Bryant Elementary School and the Bryant Community Center. Composed of 262 households, 50 percent of which are owner-occupied and 50 percent of which are rented, the neighborhood is one of the last vestiges of affordable housing left in the city. As of late

**Missy Stults, PhD**, is sustainability and innovations director for the city of Ann Arbor, Michigan. Prior to that she consulted with local governments and indigenous communities around the nation, including as climate director at ICLEI – Local Governments for Sustainability and as a consultant to philanthropic organizations. [mstults@a2gov.org](mailto:mstults@a2gov.org)



Ann Arbor, Michigan





Ann Arbor, Michigan

2023, the average home price in the entire city of Ann Arbor was \$550,000<sup>2</sup>; in Bryant, it was \$200,000. Median rents in Ann Arbor were just over \$2,200<sup>3</sup> during this period but about \$1,000 (although rising) in the Bryant area. However, these numbers hide other realities, such as deep energy poverty. In Bryant, over one-third of households are energy-burdened, spending six percent or more of income on energy expenses. Moreover, over 75 percent of households in Bryant live below the federal poverty level, and significantly more are considered working poor, meaning they make more than the federal poverty level but not enough to take advantage of “market” offerings. The Bryant neighborhood is directly adjacent to the city’s capped landfill and a busy highway system. Prone to flooding and having extremely low tree canopy coverage, the neighborhood lacks natural system amenities largely enjoyed in all other areas of the city.

While the Bryant neighborhood is slightly unique in Ann Arbor, due to the high concentration of underserved residents in a single geography, poverty and inequality hide in almost all neighborhoods of the city, and often in plain sight. So, when the city decided to double down on its commitment to climate action, it was clear where we needed to start.

In 2020 the city of Ann Arbor adopted a climate action plan called **A<sup>2</sup>ZERO** that set the goal of achieving a just transition to community-wide carbon neutrality by the year 2030. At the center of this plan were three values: equity, sustainability, and transformation. Sustainability, because we wanted the work and the outcomes to be sustained over time. Equity, because we acknowledge that the causes and impacts of climate change do not affect all of us the same, and since those who have done the least to contribute to climate change are also those who are the most impacted. And transformation, because the systems that caused climate change (most of which are still operating), cannot and will not be the same ones that help us address the climate crisis (or the affordable housing and socioeconomic crises we are facing).

As we lauded the adoption of the A<sup>2</sup>ZERO plan and its values, we realized the momentous amount of work that would

be necessary to implement those values — especially values related to equity. As such, our first step was to reach out to some of our nonprofit community collaborators and ask for their guidance. Specifically, we met with Community Action Network (CAN) and the Ann Arbor Housing Commission and asked them how we could help them achieve their goals while also addressing the climate crisis. Both organizations leaned into the conversation, identifying ways in which traditional sustainability values could be refocused and reframed to help meet their pressing social service needs.

CAN identified the Bryant neighborhood and the work of its community center as an area with high collaboration potential. Candidly, neither the Ann Arbor Office of Sustainability and Innovations (OSI) or CAN knew what the collaboration would look like, but both realized there was alignment with their respective goals: to improve the quality of life for all residents while fostering more resilient people, places, and communities. This led to a decision to co-host a series of community forums, events, and engagements to explore what a collaboration among CAN, OSI, and the residents of Bryant could look like.

The first step was to listen to the residents. This was done by attending existing events hosted in the neighborhood to gather public feedback on what people loved about their neighborhood, what amenities they wished their neighborhood had, and what their future vision for the neighborhood was. From those conversations, certain themes emerged: that the neighborhood had some of the best people in the entire city, and that all people wanted to do was ensure that their families and their neighbors were safe, healthy, and able to live in a place of their choosing — which, for most, was the neighborhood.

Next, the conversation pivoted to the neighborhood’s homes. We wanted to understand what people loved about their homes and what they wanted to see improved. Toward this end, we discovered that residents were paying an inordinately high amount of their income on utilities, indoor air quality in most homes was poor, and flooding was rampant. With those revelations, we met with residents and asked them about these challenges and opportunities in greater detail. In a public forum, we shared our findings and then presented the details of what was included in a traditional energy assessment. Next, we asked residents if they thought these types of assessments would be useful. The response received was a “yes, and,” with residents identifying other important data points they wanted to know about their homes, such as indoor air quality, solar potential, food-generation opportunities, and flood-mitigation techniques.

With this as our guide, OSI, CAN, and other community partners such as Elevate began working directly with residents to design a special home assessment that included the identification of traditional energy-efficiency improvements, along with electrification opportunities, the potential for renewable-energy generation, indoor air-quality improvements, and flood-mitigation opportunities. We called this assessment the Bryant Home Decarbonization Assessment (or the “home assessment,” for

short). We iterated on the assessment with residents, testing it in a handful of homes, thanks to grant funding from the McKnight Foundation. Once the assessment was finalized, we sought grant funding to complete the assessment in all homes in the neighborhood, and after months of grant writing, the team was able to secure a small grant from U.S. Environmental Protection Agency (EPA) Region 5 to conduct the assessment in approximately 100 homes. Unfortunately, this grant coincided with the COVID-19 pandemic, leading to great trepidation from residents about having someone come into their homes. In the face of this reality, the team quickly reorganized and created a virtual version of the home assessment, purchasing equipment that would allow residents to guide us through their homes virtually while still capturing key information.

To date, nearly 100 out of the 262 homes in the Bryant neighborhood have received the free assessment (virtual and in-person), inclusive of ideas on what could be done to improve the air quality, health, safety, and sustainability of their homes. However, most households lack the financial resources to implement identified solutions, so the project team realized the next hurdle would be finding the resources to support the implementation of decarbonization and health solutions.

To address this need, we dedicated city resources to grant writing to the U.S. Department of Energy, EPA, U.S. Department of Housing and Urban Development, and various state agencies. Some of these grant applications have been successful, securing funding to design a geothermal system for the neighborhood and help up to 30 homes make \$25,000 in improvements each. Funding was also secured to transition the Bryant Community Center into the city's second resilience hub; make it a living, learning laboratory of decarbonization in action; and plant dozens of trees in the under-canopied neighborhood. Funding was also secured to hire two community residents to lead community-engagement efforts related to the project. But we still have a long way to go before we have secured enough resources to help all neighborhood households make the necessary health, safety, and decarbonization improvements to realize the vision of making Bryant the nation's first carbon-neutral existing neighborhood.

And while fund-raising for improvements continues in earnest, our work with the Bryant residents identified that much more than physical home improvements would be needed. Specifically, we realized early in the project that we had to openly and actively discuss and seek solutions to the very real threat that our work would exacerbate gentrification.

To be clear, no one knows how to make significant sustainability improvements in a neighborhood without increasing gentrification risk. While theories abound, in practice, no theory has proven capable of preventing gentrification. And the project partners realized we had to be open with residents about this very real risk. To do so, early in the project we hosted a series of community forums to discuss the risk of gentrification, openly acknowledging that no one has successfully done what we set out to do without

increasing gentrification risk. In the arc of this discussion, we acknowledged that, even with careful attention, our work could inadvertently increase gentrification pressure. Perhaps most importantly, we shared that we have no surefire way of ensuring that gentrification does not occur.

Then we asked the residents what ideas they had to help minimize the risk of gentrification. We let them be the experts in ideation (idea creation), and they rewarded us with numerous suggestions. For instance, they noted that many households lack wills because they are expensive to create. So, we sought a small grant and collaborated with Legal Services of Michigan to help people write wills. They identified challenges associated with aging in place, so we leveraged grant funding to help two older adults make improvements in their homes that increase energy efficiency and support in-home aging. They identified a fear of increasing rents in units that are "greened," so we included a clause in our grant agreement that prevents landlords from increasing rents more than inflation rates for 10-plus years after sustainability improvements are made. Residents also identified a desire to ensure that green jobs would be open to them, their children, and their grandchildren. So, community partners launched a workforce-development initiative centered on training and recruiting people from the neighborhood into good-paying, family-sustaining green jobs.

Despite these investments, we know that the risk of gentrification still exists. We also know that the actions we are implementing, thanks to the leadership of residents, are helping to stymie gentrification risk and helping households generate intergenerational wealth in a way that was largely unavailable to them before the project. We remain committed to continuing to identify solutions and work with residents to implement them, ensuring that the residents of Bryant serve as a real-world demonstration of what is possible when you work directly with residents to co-design solutions to addressing climate change, health inequities, and socioeconomic disparities. By concentrating resources and capital (human, social, and financial) into a specific geography and working directly with residents and community stakeholders, we are continually learning and reimagining what it means to create the first fully decarbonized existing neighborhood in America — and doing that in a way that centers the goals, aspirations, and strengths of residents is the only way to create truly transformational programs and partnerships that have the potential to stabilize neighborhoods, secure intergenerational wealth, open employment opportunities for communities of color, address the climate crisis, and inspire others to replicate.

#### Endnotes

<sup>1</sup> Rittel, H. W., & Webber, M. M. (1973). "Dilemmas in a General Theory of Planning." *Policy sciences*, 4(2), 155–169. <https://www.cc.gatech.edu/fac/ellendo/rittel/rittel-dilemma.pdf>

<sup>2</sup> [https://www.realtor.com/realestateandhomes-search/Ann-Arbor\\_MI/overview](https://www.realtor.com/realestateandhomes-search/Ann-Arbor_MI/overview)

<sup>3</sup> <https://www.zumper.com/rent-research/ann-arbor-mi>



Ilana Preuss leads the “5 Steps for Increased Economic Mobility through Downtowns, Storefronts, and Local Businesses” workshop at the 2023 National Brownfields Conference.

## Economic Mobility Is All About Who Gets the Storefronts

By Ilana Preuss  
 Founder and CEO, Recast City

**When it comes to business growth, numerous factors impact residents’ access to a community’s economic mobility. Who gets the storefronts, who gets the business loans and who gets the training for business growth are, of course, all key elements. Other important variables include the ease of obtaining a business occupancy permit and the flexibility of zoning rules. Also significant, however, are considerations such as where programming for businesses is hosted, who leads that work, and which communities they represent. The truth is that we can’t have economic mobility without equitable access to these resources and to decision-making in the community.**

What does it mean to create equitable access? It means we invest additional resources in the people who historically have been excluded and underserved by those assets. It is an action — not a theory. It means that dollars, time, and space are purposefully invested this way.

Who gets access to business development programs, business loans, and business space has an enormous impact on who succeeds and who flounders, so we must take into account all of these pieces to increase the long-term success of entrepreneurs. When we work on economic mobility, our efforts to support people who historically have been excluded or underserved and help them grow wealth, businesses, and opportunity must be central to the work.

And while these challenges might look somewhat different in various parts of the country, the goal is the same: to address racial and place-based wealth gaps.

Too many of our policies have left people and places behind over the past decades. We have the opportunity to change that now with the ways we invest in our communities, but it will take purposeful actions and strategic creativity to make meaningful improvements a reality.

### Where We Are Today

Our recovery from the pandemic is significantly skewed by location — some places are newly hot, and some are struggling more than ever before. How business owners are faring is also skewed by past access to loans or grants, availability of affordable space to work, and broader support (or lack thereof) from the entrepreneurial ecosystem around them.

We need to acknowledge that what we’ve done for our local economies in the past is not going to yield success in the future. Economic development has fundamentally changed, and the reality is that most places will not win the race for the new tech hub

**Ilana Preuss** is the founder and CEO of Recast City. Prior to that she was vice president and chief of staff at Smart Growth America and led the technical assistance program at the EPA Smart Growth Program. [ilana@recastcity.com](mailto:ilana@recastcity.com)





Baltimore, Maryland, festival showcasing small-scale entrepreneurs (photo courtesy of Recast City)

or the big manufacturing plant. Big businesses that decide to relocate are looking for places where their employees want to spend time — downtown areas with cool local shops, for instance, have become essential.

Unfortunately, many people and places have been left behind. Local economic leaders see that the future must include investment in local businesses and in the elements that make their community stand out from others — they just don't know how to get there fast enough.

So, what will it take to create more economic mobility in our communities right now?

There are a number of factors we can each purposefully invest in to make significant strides to grow opportunities for economic mobility.

**1. Small-scale manufacturing businesses are part of the solution.** From big cities to very small towns, these business owners are growing in number and figuring out how to survive. Small-scale manufacturing businesses are those producing tangible products, such as hot sauce producers, handbag creators, and hardware inventors, and range in size from artisan businesses at holiday markets to advanced manufacturing companies.

These businesses represent a missing piece in most local economic development and economic mobility strategies. Although found in nearly every community, they are rarely well supported — however, these businesses are the very ones that can fill storefronts, attract foot traffic, bring dollars into the community through online sales, and create business ownership opportunities for people who have not pursued college or advanced degrees.

When community leaders support the small-scale manufacturing sector, they see growth in new entrepreneurs, growth in revenues for those businesses, more demographically diverse business owners, and more pride in the community.

These business owners are charting their own courses and committing to grow deep roots in the community with their product businesses, writing their stories of success with tenacity and determination.

**2. Who owns property is a key determinant of the future.**

Local businesses are getting priced out of hot markets, while others are getting pushed out of decaying buildings in neglected markets. In both cases, we are losing the fabric of the community from our storefronts. These businesses and storefronts make important contributions to the culture and identity of a place.

Creating more opportunities for economic mobility means we need systems in place to invest in locally owned properties that are dedicated to community use, and to recognize that having affordable space available for local businesses is a public good, just like affordable housing.

Too often in big-city neighborhoods and small-town main streets, commercial spaces are left vacant because a distant property owner is speculating on the building, or a legacy of family ownership leaves the property in a no-man's land, in terms of who is responsible for upkeep and improvements. These gaps result in purposeful neglect of our communities and their assets — the places where people could come together to create a strong community.

Even when those storefronts are filled, rent is often so high that the only possible users are national chains. These users displace locally owned businesses and create little benefit for the community, as dollars are pulled out of the community, rather than reinvested in it.

Do the business owners on your main street or in your downtown area reflect the demographic diversity of your community? If a diverse cross-section of people is locked out of accessing such high-quality space, this acts as a limiting factor to economic mobility.

Are there neighborhood main streets in different parts of your city that provide good, quality spaces for different parts of your community? How can these investments happen in partnership with community members, so they serve their needs?

Are the allowable uses in the zoning for these storefronts so restrictive that only “traditional” retail stores or restaurants are permitted? If that’s the case, then an entire world of businesses that could bring new revenue into the community are excluded from opportunities there.

With an overwhelming number of vacant storefronts in many places, we are in a moment when these challenges can actually become a part of the solution. Questions regarding who owns the storefronts and who gets to use them represent a major factor in economic mobility. It’s time to look at the details.

**3. The entrepreneurial ecosystem is broken.** While amazing funders like Kauffman, JPMorgan, Mastercard, and others are investing in entrepreneurs, and especially in Black and brown business owners, few are investing in the ecosystem around those business owners.

Although we are investing in one of the most essential ingredients of economic mobility — business ownership — we rarely invest in the infrastructure needed around those business owners to help them succeed over the long term.

The success of a business is based on a number of factors, with the dedication and knowledge of the business owner being foremost. But that’s not all that’s needed. Research on the well-invested tech sector shows us some other factors that are vital to success. For instance, business owners who have strong connections to other owners are twice as likely to succeed. Those who have the right mentors are also twice as likely to succeed. Access to affordable space and capital is also essential to success. With many businesses unable to make it to their five-year mark, such factors could make a big difference.

So, why are we not considering the rest of these factors as we invest in business ownership? Paying attention to all of them will increase the likelihood of success, and ongoing support in these areas is critical. Once an entrepreneurship program is gone, for example, there will be no infrastructure left to tend to those business owners and their real





estate, business growth, and capital needs. In such cases, mobility is likely to stall and people in the community are likely to struggle again.

### Where We Go Next

So, what can we do to ensure that we create more opportunity for more people as we move forward? We can invest in economic mobility at each step and on every platform — it's not just about one piece, but all of them. It is essential to start with the two or three actions that will have the biggest impact on those we want to benefit within the next six to 12 months.

We can identify those actions by talking with business owners, asking about their needs and opportunities, and building solutions based on their feedback. We can build on the amazing assets already in our communities, but we also need to commit to real change to address existing gaps and historic inequities.

Many communities around the country are already taking action to address these challenges, creating new opportunities for economic mobility and small-scale manufacturing sector growth. A small selection of such examples follows:

**Developing small-town shared retail space:** Leaders in the small town of San Luis, Colorado, (population about 700) realized that small product businesses could be a key element in helping people in this rural town increase their incomes and create new reasons for tourists to stop in on their way to the amazing parks nearby. To support this effort, the city decided to add a shared retail space to its welcome center, enabling home-based businesses to sell their products and creating a new sales outlet for local entrepreneurs, as well as a new draw to the community.

**Training and funding:** Bellflower, California, worked to understand the needs of its growing small-scale manufacturing sector during the pandemic, identifying a number of needs — especially with a rail station soon coming to the city's downtown area. The cost of downtown storefront space was already expensive for this business sector and was likely to get more expensive as the rail line opened. City leadership decided to address this issue in two ways: first, by launching English- and Spanish-language business training programs to help support the revenue growth and scaling of product businesses, and second, by creating a grant program to help product businesses afford space downtown.

**Transitioning from home-based to storefront businesses:** The city of Baltimore, Maryland, has been working for 10 years to grow and support its small-scale manufacturing sector. One of the gaps the city identified during this time, in partnership with nonprofit and philanthropic groups, was the ability of home-based product businesses to grow into storefront businesses that can carry out retail and production in the same space. Made in Baltimore, an initiative hosted by the Baltimore Development Corporation, launched a program



Harp Vision, a Baltimore-based small-scale social enterprise, hosts a pop-up kiosk (photo courtesy of Recast City)

called Home-Run Accelerator to address this gap and focus on economic mobility for city residents. To do so, the program provides selected business owners with training, introductions to property owners, and grants to help them make the transition.

**Streamlining policies and permits:** A number of cities are working to ensure that product businesses can scale into storefronts and become part of the draw to commercial corridors and downtowns. Toward this end, Nashville, Tennessee, became one of the earliest adopters of new such zoning rules, amending its zoning code to add an artisan manufacturing land use definition and then allow it in all of their downtown and commercial areas. Although changing the zoning rules does not necessarily mean those businesses will come, it does remove a significant barrier. Ease of permitting — especially occupancy permitting for product businesses — is the other factor jurisdictions need to improve. Supporting and advocating for economic mobility means that the permitting process needs to be transparent and predictable for those business owners.

Each investment of time, resources, and political will can help improve our communities and contribute to building more equitable outcomes for our residents. Greater economic mobility will be possible when local leadership both smooths the path toward and creates new opportunities for growth. By understanding these challenges and the solutions available — and then acting on them — we can create a stronger future for our local communities.



## Real Estate's Small Problem

How barriers to small-scale real estate development deals stymie growth and wealth building

By **Patrice Frey**  
Senior Advisor, Main Street America

The United States faces a catastrophic housing shortage, with a need to create as many as seven million new residential units to meet demand. Despite the postpandemic commercial vacancy crisis in large-city downtowns, there is also evidence of an urgent need for commercial space in many communities. Yet one of the most sensible paths to providing this space — repurposing smaller vacant or underutilized existing buildings or creating infill development on vacant lots — is often nearly impossible in America at the current time.

Developers today face extraordinary difficulty in acquiring financing for small-scale real estate development projects, specifically projects with costs under \$5 million. Communities also very often lack the local capacity — skilled and willing developers with robust personal balance sheets — to complete this work. This is especially true in communities of color and rural areas, often the very places most in need of high-quality housing and commercial space.

In addition to meeting the demand for more space, small-scale development offers an important path to help achieve carbon-reduction targets and revitalize communities that have long suffered from disinvestment. The inability to create such space prolongs the housing crisis, suppresses new business creation and business expansion, and eliminates the ability of people — especially in traditionally marginalized communities — to leverage the income-producing and wealth-building benefits of commercial real estate ownership.

### Building Small: Why It Matters

Outside of major central business districts or their large suburban satellites, smaller buildings make up the fabric of most places in the United States. Communities' inability to invest and reinvest in these kinds of places is, at its core, an impediment to healthy communities. Our organization, Main Street America (MSA), finds this challenge evident in many of our 2,000 participating communities, including rural areas, big-city neighborhoods, and places in between. A fall 2022 survey of our members, the majority of whom are located in downtowns or districts in low- or moderate-income census tracts, found that 70 percent of communities report a lack of built-out space to meet local demand. This, in turn, impedes economic development in their communities.



West Valley Junction New Construction

**Patrice Frey** is senior advisor to Main Street America. She previously served as president and CEO of Main Street America from 2013–2022, and as director of sustainability at the National Trust for Historic Preservation. [pfrey@mainstreet.org](mailto:pfrey@mainstreet.org)

Beyond hampering the interrelated goals of community economic development and housing creation, the inability to build new small buildings or reposition existing ones suppresses economic mobility. Although real estate ownership presents one of the best pathways for building personal and generational wealth, racial disparities persist in commercial real estate ownership, with nearly three times as many white households owning income-producing properties as do African-American households.

As with home ownership, a path to commercial real estate ownership tends to start small, since few people outside of the wealthiest can purchase and redevelop larger buildings — the buildings that can most readily attain conventional financing. Thus, a failure to offer ways to finance small deals hinders opportunity for long-term wealth creation.

In addition to the economic development and economic mobility benefits of small-scale development, reinvesting in our existing buildings and infill development (which tends to skew small) offers an immediate path to decarbonization in the built environment. The adaptive reuse of existing buildings — particularly when paired with efficiency upgrades, electrification, and renewables — offers substantial carbon-reduction benefits over the construction of new buildings. For example, research from the Carbon Leadership Forum estimates that, on average, **reusing existing buildings will save 50–75 percent of the emissions that would be emitted by the construction of a new building.**

Small-scale adaptive reuse and new infill construction in compact, connected, walkable, and mixed-use neighborhoods also benefit the environment by reducing the carbon-intensive infrastructure needed to serve buildings and reducing Vehicle Miles Traveled, a key driver of greenhouse gas emissions.

### **The Problems of Building (or Rebuilding) Small Weak Economic Fundamentals and Poor Capital Access**

Building owners and developers who seek financing to reposition small-scale buildings often face extraordinary barriers. This is especially true for buildings under \$5 million in total project value and for projects in disinvested communities — including communities of color and rural places. The convergence of several factors makes financing small projects uniquely difficult.

For instance, in many disinvested neighborhoods, economic fundamentals for projects are weak, which translates into higher risk for lenders. Building valuations are often low, thereby limiting the amount that can be borrowed. In addition, there is often a lack of local comparable projects through which reliable rent or sale prices can be established. And, of course, even when such “comps” can be established, rents and sale prices in economically marginalized places are often insufficient to cover construction costs. Higher interest rates and material and labor costs only compound the problem.

**The Wall Street Journal** reported on exactly this challenge in the summer of 2023, profiling a small grain-milling operation in Skowhegan, Maine. Looking to expand her business, the



Biddeford, Maine





Czech Village Mixed Use

small-business owner wanted to construct a new building next door but encountered the fundamental problem that stymies growth in so many places. Constructing a new building would cost \$4.7 million, though it would only be worth \$2.4 million once completed, given low land valuations. As of this writing, the project has not moved forward.

Developers wishing to reposition existing buildings encounter the same problem. For example, Wetumpka, Alabama, located about 30 minutes north of Montgomery, faces a significant housing shortage. Although a few recently created downtown residential units have been snapped up quickly, and despite high demand, willing building owners, and plenty of vacant upper stories along Main Street in Wetumpka, the economics of converting this space to housing do not work. Cash flow associated with converted space simply does not cover rehabilitation expenses. And down the road in Enterprise, Alabama, in a market that also desperately needs housing units, new small-scale mixed-use projects only look to be feasible when residential units are converted to short-term rentals. While Enterprise faces significant demand for these rentals, which will benefit the community, it's noteworthy and troubling that developers are unable to generate housing units downtown that are economically viable.

Even where proposed projects might generate a conventional rate of return, changes in the lending landscape hinder small-scale development. Most Main Street professionals will likely tell you that historically the banks most likely to invest in their downtowns have been smaller community or regional banks. But

with a seemingly **continuous wave of bank consolidations in recent years**, fewer of these banks remain, leaving fewer lenders who will even consider Main Street-scale deals.

Typically, national banks have little interest in smaller projects; the underwriting on a small building requires virtually the same amount of work as a larger deal, and a big project will yield far more profit to the lender. Furthermore, big banks are looking to deploy massive amounts of capital, which is most efficiently done at scale on large projects. As one seasoned commercial real estate professional put it, today in America, it's far easier to secure a \$100 million investment for a real estate development project than it is to secure \$1 million.

These challenges are only amplified among communities of color. The **struggles to access capital in communities of color** are well documented and take many forms, including the **devaluation of entire Black neighborhoods** (thereby making it impossible to secure funding that will cover rehabilitation costs) **and general struggles to access credit among people of color**. Moreover, as has been documented by the Aspen Institute, difficulties obtaining financing in rural places are increasingly evident.

While Community Development Financial Institutions (CDFIs) can offer a pathway for funding small-scale projects, CDFI coverage in many parts of the country is inconsistent, and many rural areas do not have local or regional CDFIs to turn to for financing. Even where communities are fortunate to have access to these nonprofit financial service providers, only nine percent of CDFI capital is deployed as loans or equity investments in commercial



real estate projects. CDFI loan conditions (balance sheet requirements, etc.) often mirror those of conventional lenders **or are only marginally more flexible**, and thus make debt inaccessible to those newer to real estate development, including women and/or BIPOC (Black, Indigenous, and people of color) developers.

Finally, while federal and state Historic Tax Credits and New Markets Tax Credits would seem to offer help, these programs are typically ill-suited to small projects. The transactional costs associated with these tax credits and **excessively restrictive requirements on the use of space within these buildings** make them very difficult to use on small deals. While there are some exceptions in states with robust historic state tax credits, most small-scale developers find these credits of little utility.

### ***Inexperienced Developers***

According to MSA's research, about 40 percent of communities lack the developers needed to take on rehabilitation or infill projects. Specifically, there are often few experienced local real estate developers — particularly among women and people of color — within communities.

Aspiring developers often must navigate a fragmented and complex ecosystem, grappling with challenges ranging from property acquisition and local entitlement processes to securing financing and managing construction. Numerous interviewees observed that even when communities are fortunate to have local developers, these individuals tend to progress to larger projects with the promise of higher returns. This underscores the necessity for ongoing capacity building within communities to cultivate a pool of developers who are ready to gain experience through small-scale projects.

More than half of developers highlight the difficulty of securing predevelopment funding in the development process, particularly

for smaller-scale, community-focused projects. Predevelopment expenses typically encompass architectural, engineering, and legal fees, as well as preliminary financial applications incurred during the initial stages of project development. MSA's research reveals that predevelopment funds often come from sources that may be scarce for first-time or inexperienced developers, such as personal balance sheets, support from friends and family, and investment clubs. As a result, any effort to support a healthy small-scale development ecosystem must cultivate alternative sources of predevelopment funding, specifically for individuals who traditionally face barriers to accessing such resources.

### **The Path Ahead: Investing Big in Small Deals**

While we can hope for a future in which federal action helps to support small-scale development — through fixing federal tax credits and requiring national lenders to invest in small deals as a way of adhering to Community Reinvestment Act requirements — these solutions may be slow in coming or simply never materialize. Like many problems facing cities today, finding solutions to support small-scale deals will require creative action by local government professionals and elected officials. Specifically, unleashing capital and capacity-building resources is very likely to require partnership with a constellation of partners, including Main Street programs, Business Improvement Districts, the CDFI community and other community leaders, and philanthropy.

### **Consider Direct Investment**

Across the country, many examples exist in which local government takes a direct role in repositioning small-scale projects. For example, two key buildings in Marion, Virginia, were damaged by a fire in 2021, subsequently becoming major eyesores in the community's downtown. Recognizing that the economics



Austin Avenue Sunset, Georgetown, Texas

of rehabbing these buildings were a nonstarter for a private developer, the town of Marion stepped in to play a direct role in rebuilding.

After competing for and receiving a \$500,000 grant from the commonwealth of Virginia's Mixed Use on Main Street program, the Marion Economic Development Association (EDA) purchased the badly damaged buildings and created a plan to renovate the structures into 12 units of housing and three new retail storefronts. Once hazard abatement was completed, the EDA took action to identify a private developer to complete the redevelopment. Marion will deploy a portion of the \$500,000 grant as low-cost debt to the developer; as this loan is repaid, it will create a revolving fund that the town will invest in other Main Street rehabilitation projects.

### Engage Your Community Foundation or Other Regional Foundations

Many philanthropic foundations and other community-minded nonprofits are making incremental movements to align their investments with their charitable purposes, including deploying program-related investments (PRIs) or PRI-like investments. PRIs are mission or social investments that private foundations make to achieve their philanthropic goals. These investments are often not part of the 5 percent distribution that foundations are required to make by the Internal Revenue Service and are often deployed as investments with the expectation of a below-market financial return.

The Van Wert County Foundation in Van Wert, Ohio, is one such example, having recently invested significantly in Van Wert Forward. This multiphased initiative brings together multiple community partners and invests more than \$100 million in a project that will focus on restoring buildings in Van Wert. This work reflects the movement of some foundation's investment goal to reduce their investments in Wall Street and redirect funds to local income-producing investments. Altogether, Van Wert Forward targets an impressive 50-plus parcels for redevelopment in Van Wert's Historic downtown, with a focus on modernizing structures to provide high-quality commercial and residential space. It's expected that most buildings will be held as income-producing assets that support the Van Wert County Foundation's charitable purpose for the foreseeable future.

The Danville Region Foundation (DRF) in Danville, Virginia, offers another example of a creative approach to supporting small-scale development (and larger rehabilitation projects, too.) While severely blighted and suffering from disinvestment, in the mid-2000s the DRF and other community partners began to realize the untapped potential of Danville's downtown and committed to supporting its revitalization. With the support of the DRF, the community created a downtown master plan, which has served as the playbook for downtowns' reactivation. DRF also located its headquarters downtown, and stepped in to purchase a large motor lodge and ready a key site for development, recognizing that private developers would not step up until demolition had been completed.

### Connect with Your Local or Regional CDFI

While CDFI coverage across the country is inconsistent, where available these nonprofit lenders can be useful in providing financing to small-scale projects, particularly in disinvested places. The Opportunity Finance Network offers a [CDFI finder tool](#) on its website.

### Find a Lender Offering Greenhouse Gas Reduction Funds

Many CDFIs and other nonprofit lenders, including credit unions, will soon receive funding through the federal Greenhouse Gas Reduction Fund (GGRF). Most of these dollars will be deployed by lenders as low-cost debt and to support decarbonization in the built environment. Adaptive reuse projects and downtown infill projects are [explicitly included as eligible activities](#) under this program, given the carbon benefits of reusing existing buildings and locating businesses and housing in walkable areas. The GGRF program rollout is expected to begin toward the end of 2024.

### Consider CDBG Funding

The Community Development Block Grant (CDBG) program is available to communities as an entitlement or through state competition. CDBG funds can be used to support predevelopment and construction costs for projects that meet program eligibility requirements. In October 2023, the US Department of Housing and Urban Development released an updated [Community Planning and Development \(CPD\) Notice for CDBG grantees](#), which offers in-depth guidance on how CDGB can be used to support affordable housing creation, including through adaptive reuse. The notice also offers details on how to use the CDBG Section 108 Loan Guarantee Program to support projects by leveraging an annual grant allocation to access low-cost financing for housing creation.

### Technical Assistance Resources

Several technical assistance providers have emerged in recent years to support small-scale development.

The [Incremental Development Alliance](#) supports new developers through training and mentorship. They also support civic leaders in creating ecosystems that support small-scale development.

[Building Small](#), led by architect and small-scale developer Jim Heid, connects small-scale developers to each other for peer learning and coaching.

[Reimagine Development Partners](#) offers the Community Real Estate Academy, a cohort-based training program that equips "local developers and community leaders with the skills, knowledge, and unwavering support needed to develop their own real estate projects."

[Grow America](#) is a national CDFI that offers an extensive range of training programs, including those useful for small-scale development.

# Fostering Belonging, Dignity, and Social Connection Through Arts-Based Community Engagement

By **Krissie Marty**  
 Director of Community  
 Collaborations and  
 Associate Artistic Director  
 Forklift Danceworks

*Community-engaged, collaborative art recognizes community members and their stories; fosters feelings of belonging, dignity, and social connection; and can inspire dialogue and participation in decision-making processes for public spaces. Consider the power of artists as facilitators of processes that can reveal beauty, challenge norms, connect to community and culture, and inspire civic change.*

**The scene is a community engagement meeting convened to discuss a park in a historically segregated and now quickly gentrifying neighborhood in East Austin, Texas. This is a long-standing gathering place in the Black community — a place of belonging.**

Once vibrant, the park now features dusty ballfields and run-down basketball courts, and houses a severely leaking swimming pool that is facing failure and potential closure. The firm hired to develop the plan for the park presents technical language and “best practices,” in a traditional civic engagement format, to a fairly quiet and tense audience in the room. The drafted plan and drawings are offered up for a feedback.

When the floor opens for comments, attendees pose questions like, “Why this? Why now?” The plan includes replacing courts with wildflower meadows and butterfly gardens. A new-to-the-city and not-living-in-the-neighborhood bocce enthusiast stands up to advocate for a bocce court in local parks, and the room erupts with incredulous questions like, “What about us? Why are you improving the park now, when white people are moving in? Where can our children go?”

Fast forward a couple of years, following an extensive arts-based engagement process, and a working group of longtime community leaders, residents, and parkgoers has been formed to advise, through a council-appointed city commission, on a comprehensive plan for the park and pool. Both the park and pool are designed with community input that reflect the neighborhood’s needs, stories, and culture. A \$1.2 million budget for maintenance of the park’s aquatic facilities is established, and a \$40 million bond — the largest in the history of the city’s Aquatics Division — is passed.

The contrast between the two approaches, both in form and outcomes, is unmistakable. Although both the more traditional engagement meeting and the artistic engagement process were intended as community engagement structures, the traditional approach ended up distancing the community, while the artistic process succeeded in collaborating meaningfully with its residents.

So, what happened between these two vastly different approaches? We created a dance. Actually, we created three.

In the earlier traditional community engagement meeting, it was clear that people loved the park and were passionate about it. However, there was tension, anger, and frustration in the room because the park is a vital public space, and the community’s sense of belonging was at stake. Quite unintentionally, the meeting raised a couple of important questions: Who belongs in the park? And who belongs in the engagement process?

In light of long-standing inequities in practice and outcomes, practitioners are rethinking traditional engagement processes to make them more inclusive and directly engage communities to help make decisions about the civic issues affecting their daily lives.

At the same time, researchers and leaders are recognizing the vital human need to connect within our communities. Just this year, the **Surgeon General of the United States officially designated loneliness and isolation as a public health epidemic**, issuing an advisory on the healing effects of social connection and community.

This national public health concern has personal effects on individuals and, as is true with many issues, its effects are exacerbated among marginalized communities. Following a multiyear process to assess and create conditions to help propel people out of poverty and narrow racial inequities in communities, the US Partnership on

**Krissie Marty** is director of community collaborations and associate artistic director of Forklift Danceworks. Working in the mediums of dialogue, participation, and collaboration, Krissie Marty makes dances with people who aren’t traditionally considered dancers.  
[krissie@forkliftdanceworks.org](mailto:krissie@forkliftdanceworks.org)





“Givens Swims” performance. Photo by Amitava Sarkar

Mobility from Poverty collaborative created an expansive definition of mobility from poverty — one that includes not only economic success but also power and autonomy, as well as a sense of being valued in community through belonging and dignity. Cultivating belonging, dignity, and feelings of being valued in community are important to economic mobility and health outcomes.

Concepts of belonging and dignity at times can be hard to define and can seem “fuzzy” or abstract, but we all certainly know them when we feel them — and when we don’t. Unfortunately, the tools of government and policy have been limited historically in scope and effectiveness in terms of creating belonging and dignity. Thankfully, however, the arts offer us ways to engage with the world and a means to express, understand, and value the human experience. Community-based arts can create connections through the creative process, inviting and inspiring participation in novel and meaningful ways.

The “My Park, My Pool, My City” project was a three-year artistic residency with Forklift Danceworks, in partnership with the City of Austin Parks and Recreation Department’s Aquatics Division and several East Austin neighborhoods. Using three aquatic facilities in the Bartholomew, Dove Springs, and Givens neighborhoods as performance stages and incorporating collaborative art-making, the project activated and amplified civic engagement around the future of Austin’s city pools.

The community-based “dances for city pools and their people” invited participation from Aquatics maintenance staff,

lifeguards, pool users, and swimmers of all ages. The process of co-creating the dances and the act of performing for audiences of more than 500 people fostered a sense of play, connection, celebration, and community cohesion. The program also created a way to practice and express belonging at those public pools, providing recognition and a sense of dignity for city staff and community members.

### Visibility

Performance and many other types of art create opportunities for people to be visible. By putting people and their bodies on stage, the art form of dance spotlights a person or group of people, their physical forms, and their movement. Forklift’s choreographers embedded for months within the workforces and communities featured, coming together with them to produce shows that reflected the skill, dignity, and drama of their lives and work.

The first-year performance, “Bartholomew Swims,” made visible the work, expertise, and skill of Aquatics employees. Maintenance staff performed a chemical test in unison to highlight the inherent grace embodied in such a job-related task. In another scene, lights glowed from the water to illuminate two men while they scuba dived, suspended in their work as they fixed leaks in the pool concrete. These scenes gave the audience a glimpse into their efforts to maintain Austin’s public pools and spotlighted actions not otherwise seen, since these repairs would typically take place during pool closures. In yet

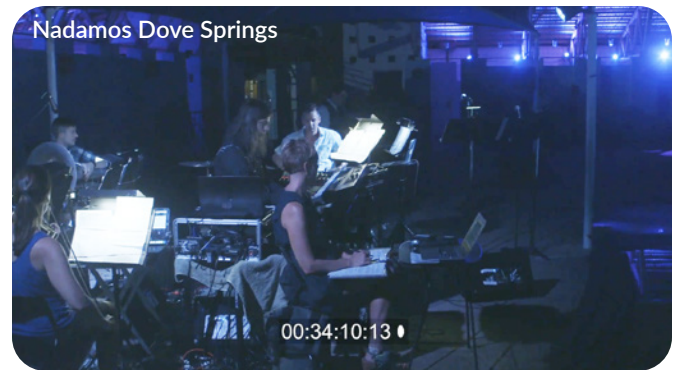
another scene, lifeguards performed rescue drills in coordinated patterns, illuminating the crucial physical expertise and preparation required for their “summer jobs,” which occasionally require them to save a life.

Watch highlights from these performances at the following links:

- “Bartholomew Swims” — <https://vimeo.com/240492388>
- “Nadamos Dove Springs” — <https://vimeo.com/316668654>
- “Givens Swims” — <https://vimeo.com/371915418>



Bartholomew Swims



Nadamos Dove Springs



Givens Swims

During the next two summers, performances highlighted the communities of swimmers and pool users. In year two, “Nadamos Dove Springs” began with a paseo set to Tejano accordion music, featuring community collaborators taking an evening stroll around the pool. To see and be seen, they waved at neighbors, friends, and family in the audience. In a later scene, a group of community leaders, including the neighborhood’s council member and county constable, sat on steps leading into the pool, emphasizing the substantial size of the group of people who had long been working and advocating for city services in this underserved neighborhood.

The third-year show, “Givens Swims,” put the spotlight on neighborhood kids, members of a local car club, and the now-senior women who were once contestants in the Miss East Austin Pageant (historically, the pool had hosted this pageant for young Black women). The ladies entered along the edge of the pool and then stood, shifted, posed, and turned with grace, embodying dignity.

In these performances, Forklift’s choreographers used art to direct the audience’s attention and have them see something familiar in a new way, with the intention of shining a light on people and processes that are often unseen or taken for granted.

For “My Park, My Pool, My City” at Givens Pool, artist Cindy Elizabeth created a temporary art installation entitled “Allegiance.” The installation featured yellow and purple flags in the parking lot that bore portraits of people from different generations who had grown up in the park, which was situated near a fast-gentrifying neighborhood. The artist refers to the piece as

a way to stake claim to the space by literally putting a flag in the ground. She made visible the different generations of neighbors as “a representation of a people staking claim to their cultural landscape, ancestral memory, and communal well-being.”

### Voice

Storytelling is an inherent ingredient in many art forms and a powerful component of community-engaged arts practices. Sharing a story in one’s own words offers unique perspectives and opportunities for building empathy and understanding. As well, “being heard” by an attentive audience of accepting, responsive listeners can facilitate a sense of dignity and belonging.

Forklift Danceworks collaborates to share the stories of communities, told in their own voices. In preparation for the performances, Forklift choreographers recorded interviews with community members that were then edited and played as voiceovers during corresponding scenes. For “Bartholomew Swims,” for instance, members of the Aquatics maintenance staff told the story of the failure of the previous pool at the site, illustrating the effects of the aging infrastructure crisis faced by Austin’s public pools. The drama of the pool’s failure was captured in the performers’ personal retelling of the story, while they stood at the same site of the old pool’s pump room.

In “Givens Swims,” rapper and activist Nook Turner shared the vital role the pool and park have played in fostering personal connection and community cohesion within the Black community:





Rapper and activist Nook Turner performs in “Givens Swims.” Photo by Justin Humphrey

This place represents love, it represents unity. It represents that refreshing situation where you can reset, see people you love, hang out, enjoy yourself, and then get ready to take on the world again. That’s what Givens is to me: the activities, the communion that represents Black fun and Black love. It represents culture and tradition that we hold on to and cherish. It represents our ancestors, and it represents the future.

A sense of belonging echoes in these stories. However, in this case, the arts didn’t *create* belonging — it already existed in these communities. Rather, art created an avenue to *share* belonging and articulate the concept in verbal and nonverbal, embodied ways through performance. The rehearsals and performances gave the community a way to name, recognize, expand, and celebrate this belonging.

### Recognition

Audiences and their acts of witnessing art provide recognition and a sense of “being seen,” which contribute to feelings of belonging and dignity for performers — and, at times, for themselves as well.

The applause at the end of a Forklift Danceworks show was enthusiastic. The audiences showed exuberant appreciation for the performances, as well as for the workers and community members who participated. The moments of applause — and oftentimes ovation — created a kind of feedback loop of mutual appreciation. There was a palpable gratitude among the

performers for the witnessing and recognition the audience provided. It was a potent moment of communal unity, as well as of social cohesion and connection — a moment that expressed a joyful dignity and celebrated belonging and a shared humanity.

Performers and audience members alike were aware of this recognition. “It lets me know my voice is important in the community and that I can reach people through art, dance,” said a performer/participant in the program’s third year. “It was so heartwarming to be in a production at a pool I came to all the time as a child.”

Even the director of Parks and Recreation shared some of the recognition she felt after the three-year residency. Her initial goal was to have people understand the Aquatics master plan and the factors that contributed to it. In the end, she shared that the project “showed people why we care about what we care about. Our job is to make those plans, but caring doesn’t always translate.”

### Impacts and Outcomes

Art can express beauty, create new insights, and challenge our perspectives. It can also be a catalyst for positive change. Feelings of belonging, dignity, and social connection can inspire dialogue and participation in decision-making processes for public spaces. In addition to changes in municipal policy, the impacts and outcomes of “My Park, My Pool, My City” occurred on many levels, affecting individuals, the surrounding neighborhoods, and members of an entire city department.



After conducting project surveys and evaluations, we found that individuals who collaborated in the art-making reported improved swimming skills, a greater sense of themselves as creative individuals, an increased sense of concern for local pools, and an increased desire to take action in support of city pools. This sense of self-improvement or expression is a powerful signifier of dignity, whereas belonging, empathy, and autonomy factor into concern for local facilities and a desire to take action.

At the departmental and neighborhood levels, feelings of pride and belonging were demonstrated in our survey data. Participating employees from the city's Aquatics Division reported increased morale and a sense of pride in their work. Participation in the project positively impacted communications among Parks and Recreation staff and brought members of the Aquatics team closer together. Neighbors reported increased community pride and an increased understanding of community history, and the program positively impacted communication among community members and brought the communities closer together. One third-year performer/participant shared that the project "made me want to be more involved in my community to make it a better place — not just for me, but also for future generations."

At the municipal level, the project enhanced knowledge of the City of Austin Aquatics system and the challenges it faces, increasing interest in becoming involved in pool advocacy. One former Parks Board member reflected that the first year's

performances changed the tone of dialogue about city pools, even during official city proceedings of both the Parks Board and the City Council. For each performance, City Council members of the pools' respective districts were invited to participate by going off the diving board or having a small cameo role in the show. The mayor was invited to and attended each event.

The second year's performance took place prior to a bond election. As the Aquatics supervisor reflected, "It really took bringing Forklift in to tell that story. We had a couple of pools fail, we had a master plan on the table that people were looking at, we had a bond that was coming up, we had Forklift there helping us tell the story, and I really do believe it was that combination of all those events happening at the same time that led to the largest Aquatics Bond in our history — over \$40 million." In addition, a \$1.2 million maintenance budget was established, enabling the department to access funds without initiating capital improvements.

This change of perspective was recognized as connection and a sense of belonging by policymakers as well. "[Decision-makers are] going to pay more attention to something more emotional," observed a former city council member. "The decision-makers are human, right? So when something gets presented [in a traditional way], you sort of take an intellectual look at it and you try and understand how it's impacting people and all that kind of stuff. But something like this, it added the emotional element ... and demonstrated how much it means to other people."



"Bartholomew Swims" crowd. Photo by Rae Fredericks

As another city official following a second-year performance said, “The more we can lift up and celebrate and create space with artists, [the more we can] recognize that there is commonality between all of us.”

As another outcome of the project, the “My Park, My Pool, My City” advisory committee became a civic body within the city structure. The committee consisted of pool advocates and neighborhood leaders, and new members joined as the performances moved to each new neighborhood. After the final performance, the group convened to discuss next steps for Givens Pool, which was set to be closed and renovated in the coming years. Being so deeply connected to the neighborhood, advisory committee members had also heard about the struggles with the new plan for Givens Park, so they formed a working group to provide input on new plans for the park and the pool, reporting to the City of Austin’s African American Resource Commission.

### Lessons for Artist/Civic Partnerships

Following completion of the three-year performance project, several important lessons have emerged pertaining to community engagement:

#### **Civic management and the arts can be strong partners.**

The work of municipal management is solving problems, while the work of an artist is making meaning. The main tool of management is a plan, while the arts use investigation and discovery. The approach that each artist takes will be different, so projects and outcomes will in turn be unique and specific, and might not be replicable.

As you welcome artists into the city process, **know that successful collaboration will take time, attention, and communication.** While deep, long-term engagement can be rewarding and fruitful, it’s also hard work. Strive to build relationships of trust. Reciprocity is a key tenet in the field of community-based arts and should guide such projects and partnerships. Be prepared to translate the civic process and, in turn, be ready to learn how the creative process works for your artist partners in their specific art forms. Consider what is necessary in your department in order to work with artists, and how you and your staff can prepare to invite artists into the workings of the city.

Curiosity is vital to your approach to the process and the information gathered. **Get ready to learn and to see things differently.** Don’t have a predetermined outcome. In a generative and emergent process of discovery that comes from working with artists, flexibility will be important for all partners involved. Communication and listening will be key. The artistic process will bring a completely different perspective from the traditional engagement process, so it will naturally operate differently — this makes communication key to the success of the project. Discuss initial goals and the planning process (in development and as it rolls out), and how to best execute events and support your partnership.

**Financial resources will be needed — paying artists for their work and time is vital.** There will be expenses

that might include event infrastructure, supplies, equipment, installation, hospitality, and meals. It is also important to honor community members for their time and efforts. If people are sharing their stories, showing up to make the art, or advising on the process, they are participating. Depending on the time commitment and scope of engagement, this can take the form of payment, honoraria, gift cards, or meals. Please be mindful of what payment says about how you value people’s time, lived experience, and participation.

**To find artists in your community, go to where the artists are.** Visit the neighborhoods where art is visible in your city. Attend exhibits, performances, and concerts in your community. Ask around and find out about different artists and how they work. On your own staff there may be artists or people who have some form of creative practice, so learn from your immediate community and attempt to make contacts with other artists who might be able to make valuable contributions. Your community will likely have rich artistic resources. In choosing an artist, consider the artist’s facilitation skills and responsiveness to others, the quality of their artwork, and their own curiosity about the community or issues at hand.

### Conclusion

There is a **constant choreography happening in our cities and communities.** People are in motion as they live, work, and play in the places all around us. Sanitation workers drive the patterns of their routes to pick up our curbside trash. Our homes and offices are powered by workers who climb high up to install and repair electrical lines. Parks employees plant and trim trees, mow grass, and keep public pools safe and in working order, maintaining the places where we play. Neighbors walk, ride, and drive about here and there in our cities.

Artists and community members with lived experience in a neighborhood have more data points than you can imagine. They live and breathe the local context. They carry its histories and stories. They define and express the personality and character of a place. They embody the community, individually and collectively. Many people contribute to the dance of our daily lives.

Using the arts in public management, we can work to listen to and amplify community voices and stories. We can make visible the work of city staff and community members to see issues in a new way. Public spaces can be places where we feel belonging and dignity, where we as individuals and communities thrive. Collectively we have the power to foster belonging, dignity, and outcomes beyond our individual imaginations.

### References

Forklift Danceworks performances and interviews.

“The Creation of Third Spaces: Forklift Danceworks and the My Park, My Pool, My City Three-Year Series of Performances” (working paper), November 2019, Lynn Osgood, Ph.D., Executive Director, Civic Arts, Austin, TX.

# Need support in identifying, refining, and advancing local priorities?

A suite of open-access resources is available to help local governments make the case, develop strategies, forge partnerships, and learn from others.

## Looking for data on your community?

The **Opportunity Atlas** from Opportunity Insights allows users to explore neighborhood-level data on upward economic mobility. Created from anonymous data following 20 million Americans from childhood through their mid-30s, the Atlas shows which neighborhoods offer children the best chances to rise out of poverty. Local leaders can utilize the Opportunity Atlas to identify challenges to upward mobility in their communities and target interventions to promote economic opportunity for all residents.

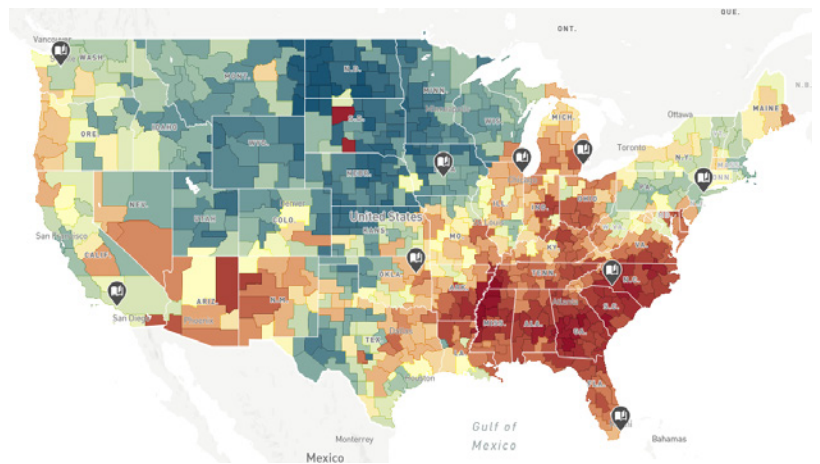


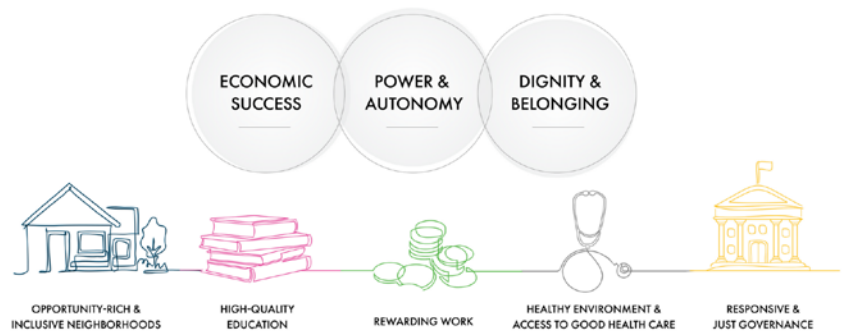
Image courtesy of Opportunity Insights

## Curious how your community measures up?

Urban Institute has published Mobility Metrics data tables to help local leaders measure the status of and progress toward increasing upward mobility and equity in their communities. These metrics are informed by the **Upward Mobility Framework**, which identifies five pillars that support upward mobility and their predictors: opportunity-rich and inclusive neighborhoods, high-quality education, rewarding work, healthy environment and access to good healthcare, and responsive and just governance. These measures were identified by an interdisciplinary group of experts and refined through testing with cross-sector partners.



## UPWARD MOBILITY FROM POVERTY



ENSURE EQUITABLE ACCESS FOR ALL, INCLUDING PEOPLE OF COLOR & OTHER MARGINALIZED GROUPS

Image courtesy of the Urban Institute



## Want inspiration from efforts proven to make a difference?

Results for America's **Economic Mobility Catalog** is a resource designed to help local government leaders identify and implement evidence-based strategies to improve upward economic mobility for residents. The Catalog includes over 50 summaries of high-level strategies and nearly 200 specific examples and case studies, all of which have demonstrated positive results in rigorous evaluations. Local government professionals can search the Catalog by issue area or outcome to find related research, best practices, and additional resources for each use case.

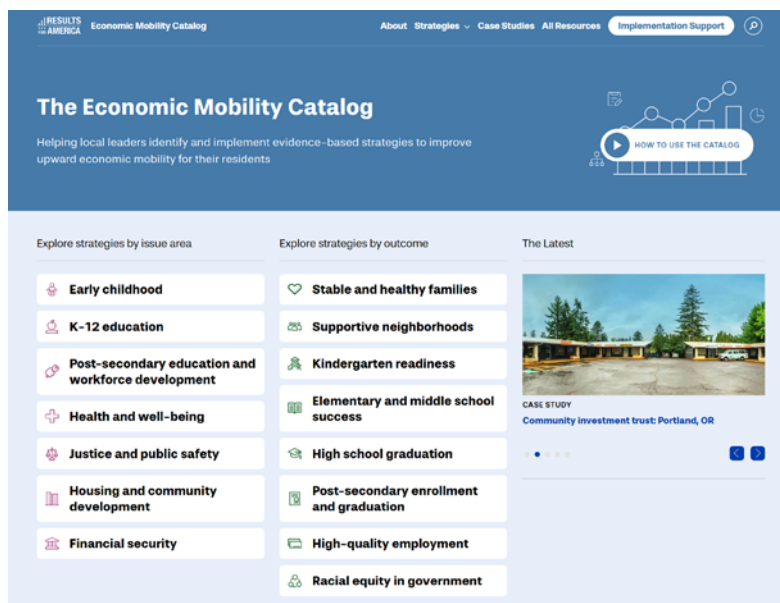


Image courtesy of Results for America

## Ready to get started?

Urban Institute offers a **Planning Guide for Local Action**, which communities can use alongside the Mobility Metrics data as they work to develop a strategic plan for upward mobility and monitor progress over time. The guide is designed to lead users through a planning process involving the construction of a cross-sector team, and analyzing data, conducting community and stakeholder engagement, and identifying needed systems changes to create a Mobility Action Plan.

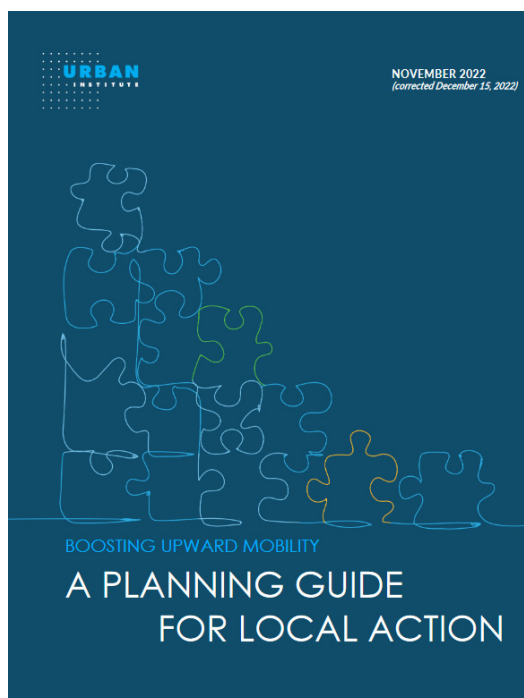


Image courtesy of the Urban Institute

For additional tools and resources, visit the ICMA Economic Mobility and Opportunity **Tools and Resources** web page, where you will find freely available webinars, articles, case studies, and more.

The ICMA logo is positioned at the top center of the page. It consists of the letters 'ICMA' in a bold, white, sans-serif font, set against a dark blue rectangular background. The background of the entire page is a pattern of overlapping, semi-transparent blue hexagons of various shades, creating a 3D effect.

**ICMA**

# Local Government **REIMAGINED**

*\*This paper was written through funding from the Gates Foundation.  
Views expressed here do not necessarily reflect positions or policies of the foundation.*