

City of Antioch Economic Development Commission

Regular Meeting

Tuesday, September 3, 2013

6:00 p.m.

**Council Chamber, Antioch City Hall
Third & "H" Streets**

AGENDA

ROLL CALL

6:00 P.M.

Commissioners

Sean Wright, Chair
Keith Archuleta, Vice Chair
Richard Asadoorian
Peter Donisanu
Rhoda Parhams
Martha Parsons
Lamar Thorpe

PLEDGE OF ALLEGIANCE

1. Approval of Prior Meeting Minutes
2. New Commissioner Oath of Office
3. Four Focus Areas – Summaries and Updates
 - a. Quality of Life
 - b. Human Capital Development
 - c. Business and Community Outreach
 - i. Ferry Terminal Update
 - ii. Antioch's Competitive Advantage Update
 - d. Infrastructure and Capital Development
 - i. Future Funding for Economic Development Update
4. Economic Development Strategic Plan
 - a. Tentative Timeline
 - b. Boards/Commissions Meeting on September 9, 2013 to Kick Off the Citywide Strategic Planning Process
 - c. EDC Role Moving Forward???
5. Proposal to Request Council Funding for a Minutes Clerk – Donisanu
6. Comments
 - a. Public
 - b. Commission
 - c. Staff
7. Adjournment to Next Meeting: October 1, 2013



Regional Economic Revitalization Study Paper

Prepared by Emerald HPC International, LLC
Keith & Iris Archuleta, Principals

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I. Forward

Our planning process employs Emerald's *High Performing Communities* (HPC) framework: building the capacity of client leaders and stakeholders, incorporating a consensus-building approach and atmosphere; identifying and formulating strategies that are data-driven and responsive to root issues, expressed community needs, and existing community resources and initiatives; and providing a common framework to achieve outcomes-based, measurable objectives designed to move key indicators.

This study paper provides context and important best practice information for economic revitalization efforts that can impact communities, ranging from areas in Richmond and North Richmond to neighborhoods in Chicago and Boston, with similar demographics and challenges such as size, population, poverty, crime, unemployment, health, education and other key demographic factors.

Our analysis of challenges and opportunities for revitalization incorporates information obtained from Milken, Brookings, One Bay Area, East Bay EDA, Contra Costa Economic Partnership, and other studies.

II. What is Revitalization and Why is it Needed?

According to Sean Zielenbach, author of *The Art of Revitalization*, "Revitalization involves the eradication of blight. It promotes increased economic activity in the form of business development and other private investment. It also serves as part of a broader poverty reduction effort. Because an individual's development depends in large part on the quality of his or her interaction with the surrounding environment, improving the condition of that environment can only improve the life chances for that particular individual."

"A neighborhood's location and physical amenities determine its potential for revitalization. Local leaders associated with and supported by stable institutions and community organizations take advantage of those physical attributes to design and implement revitalization strategies. The extent to which the leaders and their strategies can succeed ultimately depends on the level of social capital present in the community."¹

It is from this perspective that we assess the viability and potential impact of specific economic revitalization strategies and areas of focus.

Revitalization efforts must examine the intersection of the key areas of education and workforce development, public safety, investment in early childhood development, community oriented policing, jobs and small business development, as well as regional economic development opportunities that can serve as a catalyst for next generation economic development.

The Need

Studies show that "social catastrophes" are the most apparent and harmful indicators of what is referred to as "bombed out" communities in need of economic revitalization. The term bombed out should not be taken offensively, because the intent is to illustrate areas that have gone through devastating war-like transitions, and have been left in great need for revitalization.

Poverty, mixed with hopelessness and feelings of isolation and despair, has historically and globally been a catalyst for crime, violence and destruction.

¹ Sean Zielenbach. *The Art of Revitalization: Improving Conditions in Distressed Inner-City Neighborhoods* (pp. 18-19)
7/15/13

Experts agree that such neighborhoods are plagued with high rates of poverty; crime and violence; unemployment and a lack of employment opportunities; chronic health conditions, especially for people of color, poor whites, and youth; large percentages of dropouts, teenage mothers, and single-parent families; and a dearth of mainstream commercial, retail, and financial institutions.

III. Guiding Economic Revitalization Principles and Design Elements

Economic revitalization is a complex, nuanced process that is more of an art than a science. Not a single magic formula, revitalization requires a series of factors working in concert. Effective initiatives develop strategies that are comprehensive and integrated, tailored where possible to an individual neighborhood, and/or focused on an area of manageable size. They begin not merely with an area's needs but with a comprehension of its assets; and involve residents and other local stakeholders in setting goals and priorities and shaping plans to address them.

Our operational theory of change, therefore, is that an integrated, coordinated effort using a hybrid economic revitalization approach to increase the quality of a neighborhood's/area's (1) developmental, (2) commercial, and (3) social assets, sustained by local leadership over an extended period, will improve resident well-being and community quality of life.

Interconnected solutions are needed to resolve the interconnected problems existing in high-poverty neighborhoods. The difficult process of solving interconnected problems in distressed neighborhoods must happen at the local level, with dedicated, inventive leaders adapting their tactics to changing conditions, developing community plans to target efforts, and diligently managing to those plans to achieve their vision.

Best practice in economic revitalization includes these three *Macro Principles*:

- ***Increase Standard of Living***
- ***Reduce Inequality***
- ***Promote and Encourage Sustainable Resource Use and Production***

In addition, we promote these seven *Guiding Principles*:

- ***Invest in Impact and Accountability***

The initiative must invest in infrastructure and strategies that promise a solid and lasting return, and must establish a coordinating body that is capable, accountable, that assigns performance metrics, measures and reports progress, and promotes reinvestment in best practices.

- ***Practice Partnership***

The initiative must promote collaboration, break down silos, and work across boundaries.

- ***Think Globally, Engage Regionally, and Act Locally***

The initiative must open access to global markets; build upon regional competitive advantages and resources; and nurture local innovation and entrepreneurship, while maintaining a laser focus on the goals.

- ***Build on Community Assets (Strengths)***

The initiative must foster interaction across neighborhoods, institutions, organizations and businesses to utilize and maximize existing resources more efficiently.

- ***Build Community Capacity***

The initiative must align skill development and workforce training with economic development and must build community resilience, leadership capacity, and the infrastructure to support these leaps.

- ***Move with Deliberation and Urgency***

The initiative must be led by wise planning and reflection and compelled by a sense of vital, earnest resolve.

- ***Sustain Community Ownership and Commitment***

The initiative must build a sense of community ownership and pride and must develop and nourish participation in and commitment to the vision and long-term strategies through demonstrable gains that inspire hope, and with the necessary infrastructure and resources that foster sustainability, success, and continuous improvement.

Our final, ***Overarching Principle*** is that:

• ***Social Capital Development Must Be a Core Part of a Sustainable Strategy for Economic Revitalization***

According to the World Bank:

“Social capital refers to the institutions, relationships, and norms that shape the quality and quantity of a society's social interactions. Increasing evidence shows that social cohesion is critical for societies to prosper economically and for development to be sustainable. Social capital is not just the sum of the institutions which underpin a society – it is the glue that holds them together.”

Often, social capital is talked about in the context of “shared value.” We talk about it in terms of *High Performing Communities (HPC)*. How the broader context is labeled is not as important as understanding the principal of social capital and making sure it is reflected in the strategy.

The extent to which local business, civic, and community leaders and their revitalization strategies can succeed ultimately depends on the level of social capital present in the community.

Each community possesses critical sources of underutilized human capital, and their improvement is essential to the growth of regional economies and the expansion of the middle class.

The social relationships within a healthy neighborhood help build a sense of trust and interdependence among local residents. People in these communities are often more likely to watch each other's children, help fix a neighbor's flat tire, and provide emotional, moral, or even financial support to neighbors in times of need.

These relationships create a shared sense of responsibility that translates into a type of self-governance. Acting together, residents create and maintain public meeting places such as parks, playgrounds, and streets. Equally importantly, they help ensure a level of safety and respect for others within the community.²

Revitalization efforts must connect neighborhoods to surrounding communities and regional economies in ways that make both local and regional economic growth sustainable and equitable over the long term.

Therefore, based on the above principles, our revitalization efforts are designed to be:

- *Interdisciplinary and Multi-Stakeholder Driven*, to address the interconnected problems in distressed neighborhoods utilizing community assets
- *Aligned and Coordinated*, to align and leverage corporate, government, and foundation investment so that local communities can readily braid together various funding streams focused on key outcomes
- *Strategic and Data-driven*, to facilitate the design of fact-based, results-oriented, theory of change strategies and program development
- *Outcomes-Based and Measurable*, to facilitate program monitoring and evaluation, guide action needed to make adjustments in policy or programming, and develop best practices and invest in what works
- *Flexible and Sustainable*, to adapt to changing conditions on the ground, build local capacity and ownership, avoid dependency, encourage self-reliance, and create long-term benefits.

² Sean Zielenbach. *The Art of Revitalization: Improving Conditions in Distressed Inner-City Neighborhoods* (p. 12)
7/15/13

IV. Unique and Innovative Approach to Revitalization

Our initiatives envision a future where a vibrant and connected *high performing community* leads the region in shaping and attaining new economic realities and opportunities for all its citizens. We focus on designing initiatives that can help to build long-term and sustainable wealth and social capital.

Leading the Way

According to Sociologists Garth Taylor and Jan Dunham, large local corporations and institutions can have a considerable influence on an area's future by publicly affirming their commitment to the community. Such commitment can effectively increase and leverage the investments of other businesses, institutions and individuals.

In our work, we identify and engage large local corporations and institutions in leading the way as an innovator in community development and revitalization. Our goal is to develop a win-win strategy that goes beyond traditional *place-based* or *individual-based* strategies, utilizing a *hybrid* approach with an emphasis on *incumbent upgrading* and *wealth building*.

We provide a description of each of these concepts below.

Individual-Based & Place-Based Approaches to Economic Revitalization

Over the years, numerous public and philanthropic initiatives have addressed concerns such as poverty, welfare, unemployment, inadequate education, housing, and crime. But past efforts have tended to consider these problems one at a time, using an "either-or" approach. Efforts to revitalize neighborhoods generally fall under one of two categories.

The first, loosely described as an **individual-based** approach, focuses on improving conditions for the residents of a particular area. Individual-based approaches typically are designed to address the needs of low-income inner-city residents with programs focused on health, adult education, job training, etc. without addressing the developmental needs of the community and neighborhoods as a whole. A reasonable goal of many programs may be to enable individuals to leave the community for better opportunities elsewhere. In this approach, ensuring the long-term viability of the neighborhood as a geographic place takes on secondary importance.

The second category is a **place-based** approach, with revitalization strategies that emphasize the development of a neighborhood as a more economically viable entity. In this approach, improving property values is a primary goal and bettering conditions for existing residents may be viewed as a less important outcome. Place-based approaches are designed to focus on a particular neighborhood or area that attract investors into strategies such as neighborhood tax credits or the establishment of revitalization zones that are focused on attracting businesses and investing in housing and infrastructure. Traditionally, place based strategies are launched without the inclusion of any significant individual-based strategy.

Hybrid Approach to Economic Revitalization

We support the theory that improvement of economic conditions for existing residents *and* the re-integration of the neighborhood into the market system is key. Emerald's **hybrid** approach to revitalization recognizes the inter-relationship between neighborhood investment and improved conditions for local residents. The hybrid approach intentionally combines both individual and place based strategies that help to improve economic conditions for existing residents and re-integrate the neighborhood into the market system.

"People and place-based strategies address the fact that the coexistence of problems within a neighborhood creates a mutually reinforcing process of decay that in turn limits the effectiveness of narrowly focused initiatives." - Sviridoff (1994)

Hybrid approaches are aimed at retaining and upgrading the quality of life of current residents both in their individual capacity for attaining wealth and well being, and upgrading the conditions of the community's infrastructure and economic engines. In this approach, existing community partnerships and resources are leveraged to maximize revitalization efforts.

Incumbent Upgrading

Effective hybrid approaches foster **incumbent upgrading** to mitigate gentrification. Incumbent upgrading is the process of purposefully building both resident capacity and community capacity through innovative ways of combining individual-based and place-based strategies. This approach helps preserve populations in target communities as households and neighborhoods are transformed, so that residents are able to remain and contribute to the community and local economy.

Wealth building (or Asset Accumulation)

Wealth building strategies cross the spectrums of both place-based and individual based approaches to revitalization. Therefore, they support a hybrid approach and an incumbent upgrading focus to avoid gentrification.

Wealth building strategies are critical and foundational for revitalization initiatives where poverty plagued neighborhoods are the target in that they provide low and moderate-income communities the tools necessary to build their own wealth. Importantly, these strategies include opportunities for employment, business ownership, property improvement, and property ownership and assist communities in building upon their own assets.

A wealth building focus aligns with the goals of improving the quality of life in communities by creating permanent pathways to sustainable, living wage or better jobs and careers in growth industries, and of increasing and sustaining economic viability through comprehensive services that improve economic self-sufficiency, create small businesses, and help small businesses create and sustain jobs.

V. Measures of Success

Assessing the nature and extent of a hybrid, wealth building approach to revitalization therefore requires measures that impact both the improvement of economic conditions for existing residents and the re-integration of the neighborhood into the market system.

Potential Outcomes

- Local Job Creation
- Local Hiring
- Locally Owned Businesses
- Local Amenities
- Increase in Property Values
- Asset Accumulation
- Training
- Crime Reduction
- Home Ownership
- Hope and Opportunity
- Opportunities for youth and young adults
- *High Performing Community Identity*

Taken together, such outcomes translate into “wealth building.”

“The nature of social mobility is such that individuals often move to ‘better’ areas once they attain a certain level of affluence. Instead, successful revitalization creates a neighborhood whose conditions help enable all of the residents to succeed economically and socially. Reintegrating a distressed neighborhood into the market generates additional economic activity and thus more material resources. These improved economic conditions typically lead to improved social conditions, as evidenced by numerous studies showing high correlations among poverty, crime, low educational achievement, poor nutrition, teen parenting, child maltreatment, and so forth. At the same time, market reintegration enables the broader society (and market) to benefit from the community's various economic and human resources.” - Sean Zielenbach, The Art of Revitalization