

# Anchor Institutions and Mixed-Income Communities: Partnerships Ripe with Possibilities

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## Executive Summary

This report is part of the Mixed-Income Strategic Alliance's exploration of the linkages among mixed-income communities, the social determinants of health, and improving health outcomes. This report considers the key opportunities and challenges for anchor institutions and mixed-income communities. It was developed through interviews with national experts as well as a review of salient articles, research reports, and publicly-available information. It speaks to the promising examples of anchors who are stepping forward to lead, support, and invest in mixed-income communities, but it also notes the real or perceived deterrents and barriers that stand in the way for anchors. After noting both, the report outlines strategic possibilities for more anchors to step forward to lead and/or support mixed-income communities and address the social determinants of health.

What's clear from the information synthesized and analyzed here is that anchors are among the best-positioned organizations to increase equity, inclusion, and opportunity through mixed-income communities. They have the political, financial, and economic capacity and clout to make a significant contribution to community impact. Their physical rootedness near or within many communities experiencing mixed-income development increases their stake in outcomes; and, their missions compel them to share accountability and enter into partnerships for community outcomes. For all these reasons, anchors have a strong future role to play in helping mixed-income communities achieve their aspirations.

## Introduction

Anchor institutions across the United States are rooted in place, with fully one-quarter of them located in inner cities.<sup>1</sup> For those anchors adjacent to high poverty, disinvested neighborhoods, many factors—their civic commitment, mission to advance well-being, enlightened

self-interest, scope of their operations, and other drivers—have led them to become involved in neighborhood improvement efforts and community transformation. These neighborhoods need public and private sector investment; they aspire to quality amenities and services, businesses, parks, and green spaces; and many have chosen to pursue mixed-income development as a pathway to creating an equitable, inclusive, and prosperous community. In engaging with these neighborhoods, some anchor institutions have contributed to promising models of mixed-income community development. Others anchors, however, remain skeptical about the mixed-income approach, questioning whether it is a viable, mission-aligned strategy.

This report first addresses the deterrents and barriers to anchor engagement then describes and assesses current practices, where anchors are deeply involved in mixed-income development; and concludes by making the case for, and putting forth ideas about, strong and strategic roles that anchors can play in building and sustaining mixed-income communities. This approach, in its focus on both physical redevelopment as well as the promotion of social inclusion/connectedness and economic mobility (Joseph and Yoon, 2017), is well-aligned with anchors' missions.

Anchors can bring immense operational capacity to support or even drive mixed-income development, given their assets, political capital and clout, and institutional resources. For all these reasons, a deeper understanding of the incentives and disincentives for anchors to engage in this approach, and of the multiple roles anchors can play, is strategic and timely.

## Deterrents to Anchor Engagement in Mixed-Income Communities

The goals of mixed-income development are apparent to many leaders of anchor institutions

as they often reference them with their community development efforts. Anchor leaders cite the need for healthy neighborhoods with attractive housing, placemaking assets and cultural vibrancy, high performing schools, access to quality jobs, walkability, transit access, retail outlets that serve a broad demographic, etc. At the same time, leaders of anchor institutions are not yet convinced that achieving these desirable neighborhood attributes within adjacent low-income neighborhoods is bolstered by a mixed income development approach. Anchor leaders may be hesitant to commit themselves to being engaged in—let alone help lead—a mixed-income community development process for many reasons.

One challenge is a **lack of expert knowledge about housing development generally and about mixed-income development specifically**. Despite their real estate holdings and control of land, anchors have traditionally been more comfortable making investments in programs and services rather than in housing and community development. True, universities build and maintain residential facilities, but those are often reserved for students, administration, and/or faculty and rarely interact with the broader neighborhood housing market. Anchors perceive deeper engagement in housing issues as risky. In addition, even if involvement in housing production has resonance as an idea or as part of an anchor's aspiration to be good neighborhood partners, mixed-income strategies are particularly complex and thus can project a higher barrier to entry for anchor institutions, especially in the absence of expert guidance on how to navigate the terrain.

Anchor leaders continue to struggle in terms of roles and responsibilities they should assume relative to mixed-income community efforts. Anchors generally expect that the public sector will take the lead on mixed-income development efforts and organize other actors. With some exceptions, anchors do not see themselves as visible community development leaders. This lack of role clarity and natural predisposition calls for new systems of mu-

tual accountability, shared risk, and collective impact where anchor representatives could be at the table with a well-defined role and set of responsibilities in supporting equitable and inclusive mixed-income communities. Indeed, articulating a compelling narrative for neighborhood change, galvanizing action around economic opportunity, and creating feasible investment pipelines are necessary prerequisites to jumpstarting community investment by anchors.<sup>2</sup> Without these elements being met, anchors are unlikely to step forward to engage on mixed-income communities.

Anchor institution leaders are **stuck on some of the negative connotations** associated with a mixed-income approach. Those anchors that hold these perceptions see “mixed-income” as little more than a euphemism for gentrification and displacement. Some anchors—open to investing in housing but concerned about the possible contribution of mixed-income development to gentrification—have more narrowly focused on supporting affordable housing production.<sup>3</sup> Playing a role in producing more affordable housing units, particularly in high cost markets, can be seen as more politically palatable. However, anchors are caught in a dilemma. On the one hand, anchors justifiably want their real estate holdings to increase in value due to the broader neighborhood market. On the other hand, they do not want to be seen as exacerbating affordability pressures through their actions and investments.

Investment in mixed-income communities **requires a broader vision and strategy** to promote a thriving neighborhood that supports the overall wellbeing of residents, and that investment goes beyond affordable housing alone. Increasing its stake by taking on many of the community development variables (e.g., sustaining income mix, quality schools, and other amenities) is seen as overwhelming for anchors and prompts risk aversion, resulting in simpler, less comprehensive approaches. Those approaches could begin with a focus on building or investing in physical assets and amenities that directly align to the interests of



anchors (often as part of its capital improvement plan) and evolve to commitments the anchor makes in a city revitalization strategy. From the starting point of an affordable housing focus, some anchors may evolve to thinking about and investing in promoting a healthy, neighborhood housing mix (e.g., market rate, workforce, low-income, subsidized housing).

There is difficulty around how to measure success in mixed-income developments.<sup>4</sup> Even in instances where mixed-income development could be incredibly appealing to anchor leaders, there is still uncertainty about what it takes to produce, maintain, and evaluate them. This is because direct investment in community development itself remains exploratory at this stage for anchor institutions. “They [anchor leaders] do not know how to go about it; they don’t do it because it is part of their strategy but because they feel it’s the right thing to do. Many still frame their community development efforts as simply writing community benefit checks.”<sup>5</sup>

There are no policy incentives that compel anchors to take action or make investments for mixed-income communities. Many anchors are organized as nonprofit enterprises so tax incentives that may apply to other private sector companies are absent for them. Community development and poverty alleviation often trigger a charitable response from anchors, making it more likely that they will write checks, conduct volunteer efforts, or offer programs and services, rather than considering investment in neighborhood redevelopment or broader change. While the Affordable Care Act had requirements for community benefit and community needs assessments, these fall far short of propelling health anchors into an investment frame. There is “no CRA” for anchors that mandates responses that are similar to how that regulatory structure forces banks and financial institutions to invest. Crafting the right policy incentives and conditions for anchors would lead to scale and replication. The question is whether voluntary action or compulsory requirements are the preferred pathway.

In sum, for many anchor leaders, there remain many unanswered questions: are mixed-income communities a transition between communities that are low-income and gentrified, or is there a balance to be struck where housing stability for all can be a hallmark? Moreover, what roles can anchors play in promoting mixed-income transformations, and what are their starting points? The roles can be most clearly seen through the experiences of pioneers in the anchor mixed-income development space.

## **Anchor Roles in Mixed-Income Communities—Current Practice & Strategic Possibilities**

Effective and transformative anchor strategies that aim for community transformation have three fundamental features according to research done on these efforts: they are place-based, institutionally embedded, and comprehensive.<sup>6</sup> Place-based activities by anchors make sense when they are mutually beneficial, that is, they shape a neighborhood in positive ways and they help achieve multiple bottom lines for the anchor. These activities usually cover investment in housing construction and rehabilitation, as well as commercial and retail development. However, whereas physical redevelopment may be the sole purpose of some anchors’ community development strategies, for mixed-income transformation, that is just the beginning;<sup>7</sup> mixed-income communities and their stakeholders must build from the foundation of housing and physical development to reach toward the aspiration of equitable outcomes and the social determinants of health—often focusing on health, employment, safety, and so forth—for all neighborhood residents.

When anchors are engaged in mixed-income community development, they can play multiple roles, and those roles tend to align with their mission fairly closely. In this section, we describe what those roles can be, providing examples of how one or more anchor insti-

tution has played that role. We also provide recommendations about areas where we believe anchor institutions have the chance to dive deeper and push the envelope of practice, program, and policy; broaden their impact to affect more internal and external shareholders; and strive for greater focus and intentionality. We also suggest that adding a stronger results orientation to anchors' efforts in this field creates the possibility of assessing which anchor roles align well with the best results, both for the neighborhood and for the anchor.

### ***Anchor Institutions as Developers***

While anchor institutions are often large-scale real estate development enterprises with land holdings and growth strategies that display a large footprint, they often get engaged in neighborhood transformation as well because of their "rootedness" in specific geographic areas. As the awareness of housing stability as a positive social determinant of health increases among anchor institutions, a few have taken on the role of developers in the neighborhoods adjacent to them. Nationwide Children's Hospital's model of investment in housing in southside Columbus, OH, where they are building and owning houses through their Healthy Neighborhoods Healthy Families (HNHF) initiative, has been hailed as transformational. HNHF is a partnership between Nationwide Children's Hospital, Healthy Homes, the Ohio Capital Finance Corporation, Habitat for Humanity, United Way of Central Ohio, South Side Renaissance, Community Properties of Ohio, and others. Nationwide asserts that "a mixed-income approach needs to be applied, increasing the supply of affordable housing units for low-income families while increasing middle-income units for home ownership or market-rate rental units." Nationwide's investment in neighborhood real estate is driven in part by an understanding of the need for leveraging their access to financial capital, physical assets, and real estate expertise, on behalf of the neighborhood to improve health.

Several other anchors<sup>8</sup> have been partners in applying for federal grants to undertake mixed-income transformation planning and implementation in select neighborhoods, relying on local housing authorities and city governments for overall leadership of these efforts. The Partners Achieving Community Transformation (PACT),<sup>9</sup> a partnership of Ohio State University and other local anchors, successfully utilized Choice Neighborhoods planning and implementation grants received from HUD to leverage more than \$180 million in public and private investments for mixed-income transformation in Columbus. In instances like this, anchor leadership is usually more comfortable acting as a partner rather than an initiator of such developments, because of the perceived risks of a mixed-income approach.

In other situations, anchor institutions have used employer-assisted housing programs as a development strategy to attract an income mix into historically disinvested adjacent neighborhoods, as part of broader mixed-income neighborhood revitalization. The Cleveland Clinic's Employer Assisted Housing Program, which provides \$20,000 forgivable loans for its main campus employees if they move to designated neighborhoods surrounding the Clinic, is an example of such efforts. The Cleveland Clinic's program is only available to employees and must be used to acquire homes in adjacent low-income neighborhoods (Hough, Glenville, Little Italy, Buckeye/Shaker, Fairfax, and University Circle).<sup>10</sup> This and similar examples illustrate a point made earlier in this paper: most anchors focusing on real estate development tend to focus on their direct stakeholders (i.e., employees) and not residents of the larger neighborhood.

Anchors' investment in mixed-income real estate development can have additional benefits beyond housing, for instance, serving to stabilize children in schools and creating attractive places and spaces. The focus on other amenities (e.g., schools, retail, parks, green spaces, entertainment) can be mutually beneficial for

anchor stakeholders and can meet neighborhood development objectives as well. Housing usually remains at the center of this broader neighborhood planning, however, reflecting the recognition that residents need to be stably housed in order to benefit from the other advantages of community transformation.

When they are involved as partners in mixed-income developments, anchors can bring significant mixed-income development capacity to neighborhood transformation. Anchors often understand the importance of creating the conditions of a stable, thriving community in which everyone belongs: they usually have worked to create places and spaces (e.g., on their own campuses, whether for a medical complex or a university) that provide safety, security, a healthy environment, shared identity, and community vitality and pride. This desire to and knowledge about how to create places where everyone belongs and thrives is a key orientation of mixed-income community development. True, anchors may not have the experience of serving the housing needs of the most vulnerable residents, but they are often well-versed in the other needs of low-income populations (e.g., hospitals that serve the indigent).

As housing emerges as a stronger social determinant of health for anchors, anchor institutions may increasingly focus on why they should be more directly engaged in mixed-income housing production within the contiguous neighborhoods they serve. If they can be involved in public-private partnerships or community development corporations (CDCs)<sup>11</sup> where risks can be shared, more anchors may step forward to be in joint development deals to produce mixed-income housing.

### ***Anchor Institutions as Investors and Grantmakers***

Informed by their overall mission, anchor institutions deploy their resources and assets in several ways to contribute to community

change. The fund sources that they can make available include endowments, community benefit dollars, their procurement budgets, and other capital investment sources. Anchor institutions deploy these funds in the form of loans, bonds, providing equity capital, federal or state tax credits, credit signatures, and other vehicles, depending on what best serves the overall development effort and the anchor's specific goals and mission.<sup>12</sup>

A few universities have used funds from their endowments (a source of patient, long-term capital) to fund real estate development.<sup>13</sup> The University of Cincinnati allocated close to \$150 million to finance loans and make grants for broad community development. The University successfully leveraged its endowment contribution through tax-exempt debt, loans, and related sources.

Nationwide Children's Hospital has used several financing mechanisms for their housing and neighborhood improvement programs. For instance, Nationwide through HNHF has contributed \$8 million over a six-year period (a combination of their community benefit dollars and money from other sources) to an \$18 million fund to improve the neighborhood. Over the six-year period, Nationwide built 11 homes on vacant lots, rehabbed and sold 47 abandoned homes, and provided 65 home improvement grants of \$15,000 each. The hospital further provided funding for 58 new townhomes and apartments.

Promedica, through its Ebeid Neighborhood Promise initiative, has committed to what it calls "comprehensive community development." This model includes mixed-income revitalization and focuses on improving health outcomes, providing stable housing, increasing access to educational opportunities and workforce development. Through a partnership with Local Initiatives Support Corporation (LISC), Promedica has been investing in communities through direct deposits in local community banks with a directive to the banks to redeploy

the deposits to create loans. In March 2018, they announced a new alliance to mobilize funds for underinvested communities, starting with \$45 million to scale up economic opportunity in Toledo, Ohio and the surrounding region.<sup>14</sup>

As grantmakers, anchor institutions provide valuable dollars for different types of purposes. Cincinnati Children's Hospital made significant grants to a number of nonprofits working in the Avondale mixed-income development. One of the grantees was The Community Builders, as they undertook the Avondale Town Center Redevelopment.<sup>15</sup> The medical center is investing \$11.55 million in the Avondale community to improve child and community health, including \$10 million in community development and \$1.55 million in capacity building.

While all these funding options are available to anchor institutions, and there are examples of each, anchors' direct investment in major housing and community development deals appears still to be relatively rare. As one thought leader put it, "It is rare to have hospitals and health systems participating in community investment transactions."<sup>16</sup>

Even when anchors shy away from direct mixed-income development, they can use their assets and balance sheet to invest in projects and programs. This seems to be the case, for example, with healthcare anchors who use their philanthropy and/or their commitment to make community benefit dollars available to invest in capacity building, community services, and/or prevention programs. Some are moving toward using their operating and investment budgets for community development. As "standalones," these investments lack mixed-income intentionality and may not cohere as part of an overall anchor strategy.

As we look to the next few years, public and private sector leaders may need to take the lead in framing mixed-income community strategies and engage anchors as partners for more limited roles. Yet, while grants and charitable

contributions may be the first money to access from anchors, with more deliberate alignment of community development activities to an anchor's mission and overall investment strategy, more of their financial capacity can be brought to bear for mixed-income priorities.

### ***Anchor Institutions as Capacity Builders, Service Providers, and Evaluators***

Capacity building and service provision remain at the core of the mission for most anchor institutions as they think about their community responsibilities. Beyond the direct financial investments made in the Avondale community, Cincinnati Children's Hospital uses its procurement practices to empower and build the capacity of local contractors and vendors. Additionally, the health system made grants to local nonprofits including the Greater Cincinnati Urban League to implement a healthcare workforce training program. In addition to capacity-building approaches, health anchors often help finance or make available health clinic services in mixed-income communities, for example, by rotating nurses, physicians, and public health workers to provide services directly.

Through its continuous learning, the Weinland Park Collaborative in Columbus, Ohio has adopted trauma-informed approaches to engaging residents. The Collaborative includes The Ohio State University, City of Columbus, The Columbus Foundation, United Way of Central Ohio, Cardinal Health, Ohio Capital Corporation for Housing, the Columbus Foundation as well as national funders and partners like the Annie E. Casey Foundation and JPMorgan Chase Foundation. The trauma-informed approach is guiding how community meetings are organized and managed to promote greater social inclusion. Those efforts for social inclusion can be even more intentionally used to bridge differences across race and class. The Collaborative has also adopted a family-centered community change approach designed to break the cycle of generational poverty. In 2014, the Next



Doors program was piloted to help parents and children make positive changes in their lives through goal-setting, mentoring, and continuous support. In 2016, Next Doors expanded capacity and is providing mentorship and support to 35 Weinland Park families.<sup>17</sup>

The Weinland Park Collaborative also committed to youth development through activities such as the Godman Guilds Association's Summer Youth Empowerment Program that serves over 170 children annually. The Godman Guild KEYS program provides a paid summer work internship for young people. The KEYS program previously has placed over 200 young people in various capacity-building internships. There are also programs that promote adult education offered by the Godman Guild Association that benefit residents of Weinland Park.

Anchor institutions have also been a part of evaluating efforts and capturing and disseminating knowledge from mixed-income communities. While this role is linked to the research and scholarship aspects of the anchor mission (especially for colleges and universities) and not a special role employed for mixed-income communities, it is nonetheless important given the challenge of understanding and evaluating mixed-income strategies. Virtually every mixed-income project with philanthropic capital has incorporated an anchor learning partnership within its set of strategic activities. Often, research, scholarship, and service seem like the natural entry points for anchors because these activities are core to their business, but in actual operation these more "academic" activities, unless very carefully crafted, can be seen as detached and distant from neighborhoods.

Many anchors believe in the importance of serving their communities, a value that could be more intentionally used for mixed-income communities. Some see mixed-income communities as a venue address the issues of racial equity and concentrated poverty, but still others worry that mixed-income communities lead

to gentrification and exclusion. Some anchors feel more comfortable engaging in efforts beyond their own neighborhood, across town or elsewhere in the region, nation, or even internationally. Being globally relevant and locally irrelevant<sup>18</sup> can be the label that many anchors wear. This situation does not have to persist, however. If more anchors were to adopt the community focus of the exemplars highlighted above, and/or if an anchor institution's existing efforts and goals were tied together strategically as part of a comprehensive plan, then more anchors might find themselves able to contribute to community transformation and attracted to the ambitious coherence of mixed-income strategies. To date, though, the lack of such overall intentionality and strategy, and the absence of explicit mention of "mixed-income development" in anchors' investment, leads us to believe that relatively few anchors are employing the frame.

In addition, "eds and meds" can learn how to capitalize on the strengths and assets of mixed-income communities more fully across their service, teaching, and learning activities. A key premise—and potential strength—of mixed-income developments is the possibility of leveraging the social and economic mix of these developments to build a climate of equity and inclusion where everyone can belong. Delivering on this promise, however, requires a deeply rooted understanding of the social dynamics (which includes perceptual, relationship, and influence) within these places. Where anchors serve as neighbors to and engaged leaders in mixed-income communities, how they carry their power and influence can matter significantly in fostering agency and efficacy among residents, building effective governance, promoting community building, and cultivating a culture of belonging.

### ***Anchor Institutions as Civic Leaders***

When anchor institutions are civic leaders within mixed-income communities, they demonstrate that they are driven by the needs and

concerns of those communities. In these roles, anchors can collaborate with many other partners and, by example, help inspire communities to be both inclusive and equitable. There are a limited number of anchor institution leaders who have demonstrated this type of civic leadership within a mixed-income community context, but when they do, it is very powerful.

The Johns Hopkins University in Baltimore, recognizing its unique position as the city's largest anchor, has contributed nearly \$5 billion in economic output across the city. In its commitment to being a good civic leader and to addressing inequality and promoting economic mobility, the university has implemented a number of different initiatives aimed at revitalizing communities, opening up economic opportunities for residents, and—in the largest of its efforts—leading and contributing to large-scale, long-term mixed-income revitalization of East Baltimore, the neighborhood which surrounds Johns Hopkins Hospital. The initiatives include: the Blocal Initiative, to create economic opportunities for residents; and the Homewood Community Partners Initiative, to boost quality of life through blight removal, education, and catalyzing commercial and retail development. An exemplary demonstration of Hopkins' civic leadership mandate has been the work done by the university to introduce the P-TECH<sup>19</sup> model to Maryland public schools, a model designed to create clear pathways to both higher education and employment. Students in the program graduate from high school with a no-cost associate's degree by augmenting their regular high school courses with community college classes. Hopkins coordinates with state and local government, private sector leaders like IBM, and other partners like the University of Maryland Baltimore and Kaiser Permanente.

Seattle University has demonstrated civic leadership in its commitment to community impact and its contributions to Yesler Terrace, the Seattle Housing Authority's mixed-income redevelopment of the former public housing site and, when it is complete, the largest mixed-income development effort in the nation, with

5,000 housing units. Seattle University is explicit in naming “racial equity” as one of its areas of focus and is committed to “living and leading as an anti-racist organization.” They have adopted a racial equity lens and a commitment to equity and inclusion in their community engagement work. This “anti-racist” stance is reflected in the strategic steps adopted to guide the institution's work at Yesler Terrace, which include evaluation, strategic planning, and contributing to a variety of employment and training programs, all conducted with an anti-racist perspective and all designed to create a culture of reflection and accountability toward addressing interpersonal and institutional racism.

Finally, anchor institutions are able to have positive impact on residents in mixed-income developments through education/workforce development, neighborhood hiring initiatives, and employment programs. Hiring from the neighborhood is a win-win situation for both anchors and local residents who are able to live near their places of employment, reducing housing and transportation costs for workers and reducing turnover and absenteeism for anchors as employers.<sup>20</sup>

### ***Anchor Institutions as Collective Impact Table Managers and Actors***

The power of anchor institutions and the magnitude of their human resource capacity gives them a unique ability to pull together and engage a wide array of community partners to achieve impact. Given the complexity of mixed-income developments and the broad scope of their intended impact, partnerships are prerequisites for success. Some anchor institutions working on issues of mixed-income revitalization understand this and work to harness such multi-sectoral partnerships. The Greater University Circle Initiative in Cleveland is a good example of several anchors—the Cleveland Clinic, Case Western Reserve University, and University Hospitals—working together to promote neighborhood change and

revitalization. Such partnerships are particularly important to the mixed-income development ecosystem, as they help share and mitigate risk and build community trust.

The Johns Hopkins Institutions provide an example of anchors' power in convening partners and taking bold action. The area north of Johns Hopkins Hospital's main campus, once a thriving working-class neighborhood, had descended into poverty, drugs, and crime, with vacancy rates in neighborhood housing reaching 70%. In response, Johns Hopkins partnered with state and local governments and the Annie E. Casey Foundation to create the East Baltimore Development, Inc. (EBDI)—a backbone development organization that organized and facilitated key leaders and stakeholders. In 2003, EBDI launched an ambitious \$1.8 billion plan to redevelop 88 acres. Hopkins deeded more than 100 properties that it owned in East Baltimore to EBDI. The EBDI master plan calls for the construction of 2,200 mixed-income housing units, 1.1 million square feet of life sciences and biotech labs and offices, retail space, a new cultural center, playing fields and other open public spaces. The hospital will serve as a magnet to attract new biotech companies to the area.<sup>21</sup> The anchor's role in reinvigorating market activity to serve a broader demographic, improving safety and vibrancy, and increasing jobs are all key activities that anchors can drive or support that inure to their self-interest while serving the neighborhood as well.

The partnership among three Midtown Detroit anchors (the Henry Ford Health System, Detroit Medical Center, and Wayne State University) represents a good example of how anchor institutions can act as collective impact table managers. The Live Midtown Initiative, supported by these three institutions, made investments into the Midtown Detroit district. The health system is embarking on a \$530 million campus expansion to leverage at least \$1 billion in outside investment towards broader neighborhood revitalization that incorporates elements of mixed-income development. The Live Midtown Initiative led to more than 450 anchor

institution employees moving to Midtown. To address fears of displacement and gentrification, the city of Detroit has introduced a number of initiatives targeted at mitigating these potential unintended effects of these Live Midtown Initiative activities and investments. The Detroit Land Bank Authority has programs that allow homeowners to buy adjoining lots, where available, for as little as \$100. The city has made it a requirement for market-rate housing projects that use tax incentives to set aside 20% of the units for affordable housing.<sup>22</sup>

Partnerships like those above are integral to the development and maintenance of thriving mixed-income communities across the country. For more anchors to step up and assume similar roles, however, the mixed-income development field must create an ecosystem that nurtures such partnerships, scale the effective examples of anchor strategies in mixed-income communities that work, and test new ideas and innovations that will increase impact.

Whether through visible, out front civic leadership, or action within a collective impact partnership where an anchor is one actor among many, anchor institutions have opportunities to lean into a mixed-income frame. Anchors are often the largest employers in a city or region, and they have unusual economic and political reach and heft, all of which are assets to be leveraged. That influence can be used narrowly for the anchor's own interests or broadly as a civic leader, showing the way on issues of equity and opportunity for all. To breakthrough as a civic leader, an anchor has to conclude that the risk-reward calculation is favorable. Viewed in this light, we contend that mixed-income community development has multiple benefits for anchor engagement. It is both an equity and a growth strategy (appealing to broad swathes of the political spectrum) and requires public-private partnerships to be successful. If leadership within a mixed-income community strategy is seen as too risky for an anchor, then serving within a collective impact partnership may be more appropriate.

## Future Directions

Anchor institutions can deploy a full range of their resources towards mixed-income community revitalization strategies in a way that not only significantly transforms communities but serves anchors' own enlightened self-interest. Admittedly, there are barriers to be overcome for anchors to be fully involved in mixed-income approaches. A lack of expertise and capacity, confusion about what exactly they do, the risk of being perceived as a "gentrifier," and uncertainty about what success looks like—all these can be used as reasons not to commit. However, the evidence that these barriers can be overcome lies in the fact that some anchors have acted, and have done so with great success. They are paving the way for others and seizing the opportunity to define and execute new roles for themselves in creating or supporting mixed-income communities. These pioneers are outliers and exceptions at this point; there are, in fact, few anchors investing in mixed-income community development and fewer still in the pipeline. But as the examples provided in this brief make clear, that doesn't have to remain the case.

Each barrier to action and each role taken up by the anchor vanguard holds promise of many more scalable opportunities that could be grasped.

- Thought leaders, practitioners, and policymakers are actively working on removing the deterrents and focusing on win-win propositions that community development investment represents for anchors. They suggest that a focus on mixed-income communities may well develop, once anchors see clearly the value proposition of community development in general.
- Networks exist for anchor institutions (especially health-related anchors) to share best practices and policies on community development, and those same networks appear ripe for engaging on mixed-income specifically. These networks present scalable venues for replication, dissemination and learning.

- The pace of adoption by anchors could continue to be slow and steady, but an investment in providing tools and spaces for anchors to take action could be the necessary catalyst for them to step forward as partners—and perhaps eventually leaders—of mixed-income community development. Due to the number of anchors that are embedded within or neighbors to communities of concentrated poverty, there is no shortage of opportunity for making a difference.

## Citations

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- <sup>7</sup> Chaskin & Joseph. "Integrating the Inner City: The promise and perils of mixed-income public housing transformation." 2015.
- <sup>8</sup> Uptown Consortium Inc. partnership between five local anchors including, Cincinnati Children's and University of Cincinnati operates in works in five Cincinnati, Ohio neighborhoods



include Avondale [a mixed-income community]. Since its inception, The Consortium has secured over \$500 million in redevelopment, new construction and neighborhood improvement. In Columbus, Ohio, the Weinland Park Collaborative, a partnership between Ohio State University and local anchors have made significant investments in mixed-income housing development in south side Columbus. Between mid-2013 and end of 2015, Ohio State University invested over \$2 million in the Collaborative towards real estate development and related investments.

<sup>9</sup> HUD Choice Neighborhoods Initiative Grantee Report, 2015.

<sup>10</sup> Cleveland Clinic Employer Assisted Housing Program run through the Fairfax Renaissance Development Corporation.

<sup>11</sup> University Community Development Corporation is the CDC of the Atlanta University Center, Inc. comprised of Morehouse College, Spelman College, Clark Atlanta University and Morehouse School of Medicine. They have been engaged in the mixed-income transformation work in the neighborhood in partnership with the Atlanta Housing Authority.

<sup>12</sup> Robin Hacke et al. "Improving Community Health by Strengthening Community Investment: Roles for Hospitals and Health Systems" 2017.

<sup>13</sup> Initiative for a Competitive Inner City and CEOs for Cities. 2002.

<sup>14</sup> Oostra R, Zuckerman D, Parker K. "Embracing an Anchor Mission: ProMedica's All-In Strategy [Report]," ProMedica and The Democracy Collaborative, May 2018.

<sup>15</sup> Cincinnati Children's Community Benefit Report, 2017.

<sup>16</sup> Robin Hacke et al., 2017.

<sup>17</sup> Report to the Weinland Park and Greater Columbus communities, 2017.

<sup>18</sup> Dr. Ronald Daniels, President, Johns Hopkins University, 2009.

<sup>19</sup> Pathways in Technology Early College High School creates a school-to-industry pipeline for students in science, technology, engineering, and mathematics fields. The program partners with Baltimore City Public Schools and Baltimore City Community College. The program started admitting students in the 2016-2017 school year.

<sup>20</sup> Denver et al. "Anchors Lift all Boats: Eds & Meds Engaging with Communities." 2015.

<sup>21</sup> East Baltimore Redevelopment, Inc. (<http://ebdi.org/>)

<sup>22</sup> Sandra Murray (2018). "Detroit juggles gentrification and regeneration." *Financial Times*.

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