



CITY GOVERNMENT AND COMMUNITY-BASED NON PROFITS: LEVERAGING UNTAPPED RESOURCES

Virginia First Cities

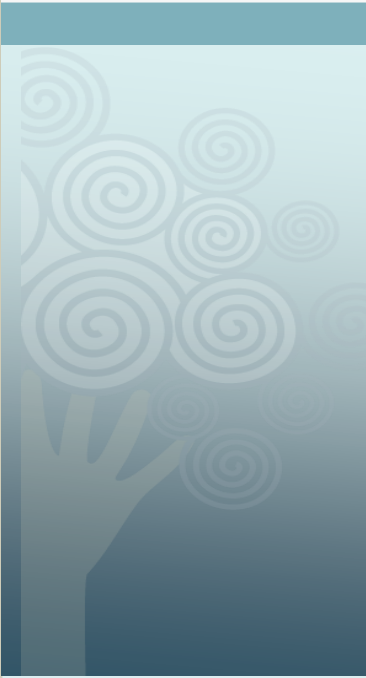
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OVERVIEW

- Nonprofits as a Distinctive Feature of American Cities
 - Why Pursue Strategic Partnerships Now?
- Nonprofits and City Government: Working Together for Community Improvement
 - Benefits
 - Risks
 - Collaboration Strategies
- Unleashing Civic and Organizational Energy for Greater Results





DISTINCTIVE FEATURE OF AMERICAN CITIES

- “Americans of all ages, all conditions, and all dispositions constantly form associations....The Americans make associations.....to found seminaries, to build inns, to found hospitals, prisons and schools...
- ...As soon as the inhabitants of the United States have taken up an opinion or a feeling which they wish to promote in the world, they look out for mutual assistance; as as soon as they have found one another out, they combine.”

-- Alexis deToqueville, *Democracy in America*, 1835





WHY NOW?

CITY FISCAL CONDITIONS IN 2010, NLC

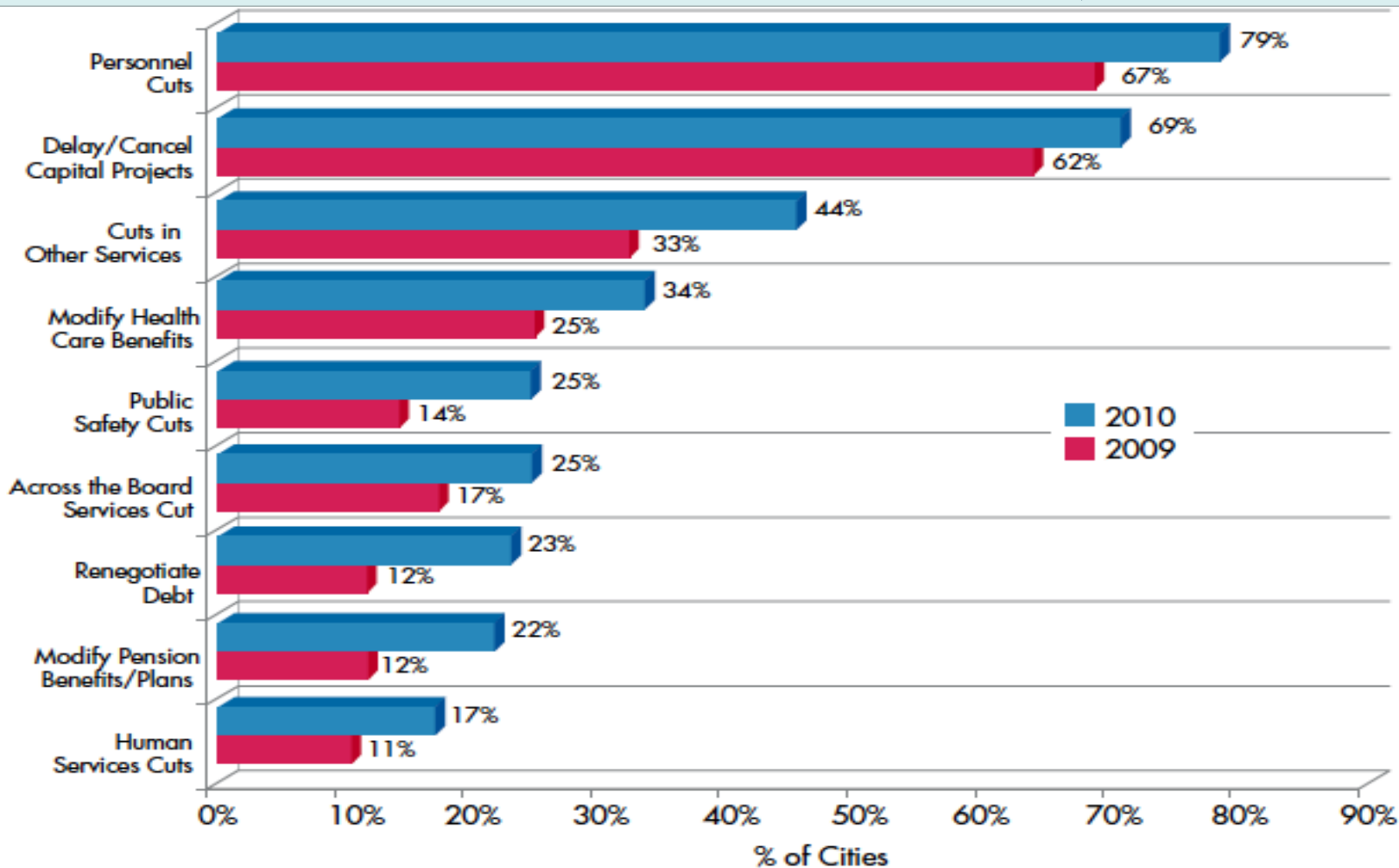


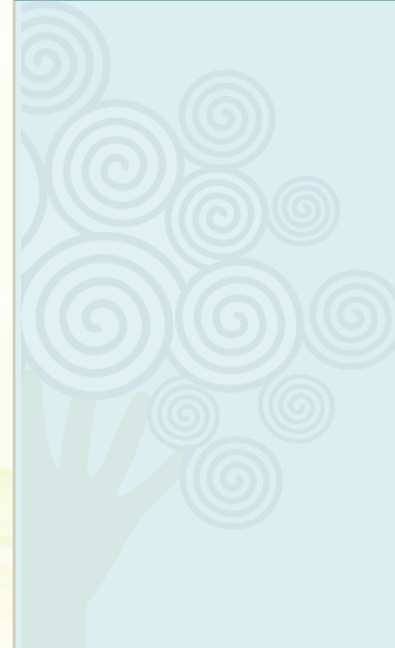
Figure 6: City Spending Cuts in 2009 and 2010

NONPROFIT PHILANTHROPY, 2010

Cygnus Donor Survey, 2010



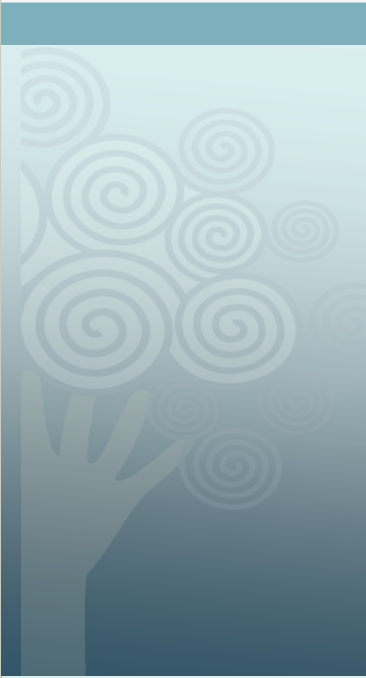
- 44% of donors said the value of their gift had increased between 2008 and 2009; 29% gave less
- Donors predict “holding the line” in 2010; majority will support the same number of charities with same gift amount
- Only 8% of typical donors predicted they would give less in 2010, down from 17.5% in 2009.
- 43% shifting support to charities working locally





WHY ENGAGE NONPROFITS?

- In these economic times, can't afford to leave resources on the table
- Larger regional nonprofits often have similar goals to City for community improvements
- Nonprofits increasingly investing in comprehensive community improvement initiatives
- Healthy, vital non-profit organizations have access to influential and creative civic energy and resources
- Private dollars can supplement City initiatives
- To reach greater numbers of residents with services

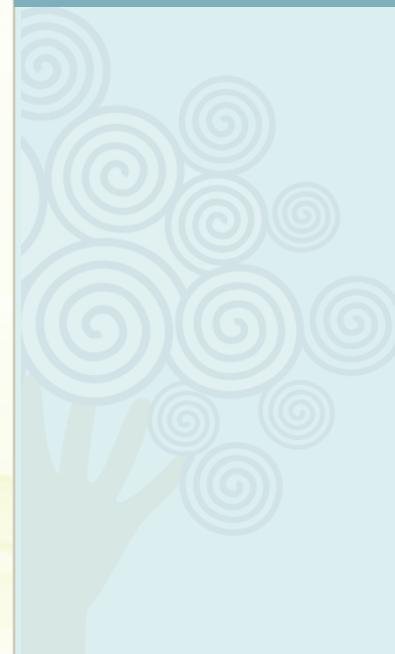


WHAT IS A STRATEGIC JOINT VENTURE?

...And how does it differ from informal collaboration?



- Nonprofit and City Leaders Engage as Peers
- Make Business Case for Shared Effort
- Tap the Assets of Partners to Address Common Goal
- Communicate the Value and Results Together to Citizens
- Share Credit and Accountability



FROM COLLABORATION TO JOINT VENTURE

Levels of Collaboration

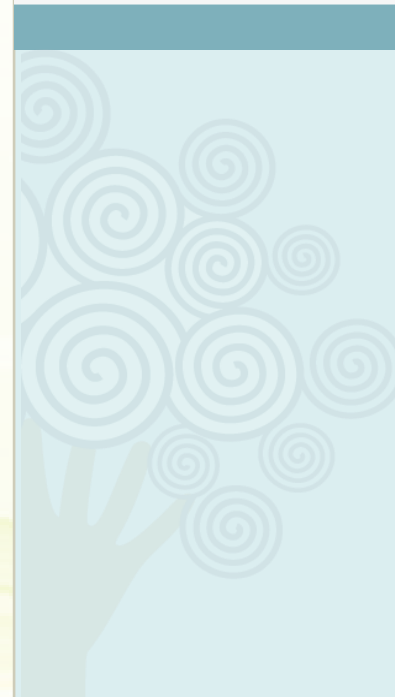
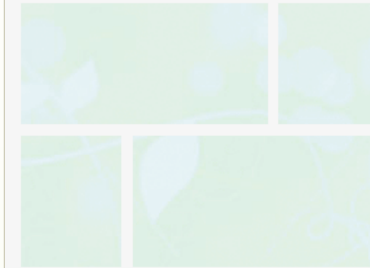


■ Collaboration

- “Occurs when people from different organizations produce something together through joint effort, resources and decision making and share ownership of the final product “ – Russ Linden

■ Joint Venture

- A partnership or agreement between two or more companies to cooperate on a particular project that serves their mutual interest, and where they share risk and expertise.

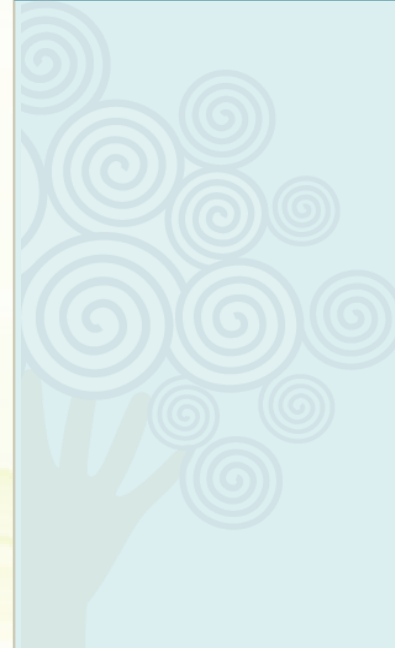


CURRENT “COLLABORATION” EFFORTS

City Funder - Nonprofit Grantee Relationships



- History of City Government Viewing Nonprofits as Seekers of Funds or Sub-Contractors
- Keep Nonprofits at Arms Length for Objectivity
- City Reviews Agency Program Outcomes and Invests in Services Not Provided Internally
- City “Collaborates” by Supporting Agency to Address Pressing Community Need or Provide Resource

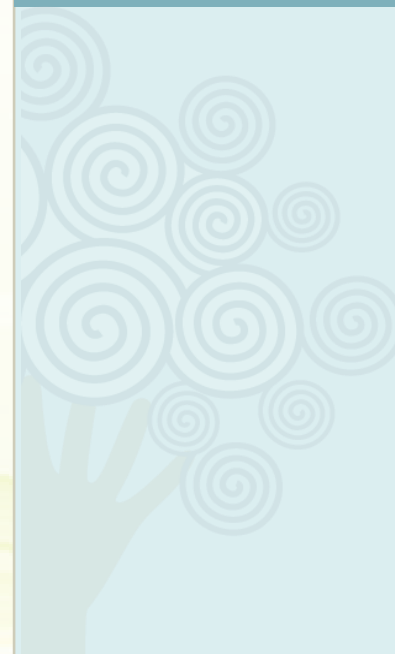


INFORMAL FORMS OF “COLLABORATION”

Sharing Ideas and One-Time Projects



- Invites to Meetings
- Meet to Discuss Conditions
- Share Information and Knowledge
- Co-sponsor Events
- Informal, One-Time or Program-Focused Initiatives



THREE LEVELS OF COLLABORATION

Robert LaPiana



1. Project Specific Collaboration

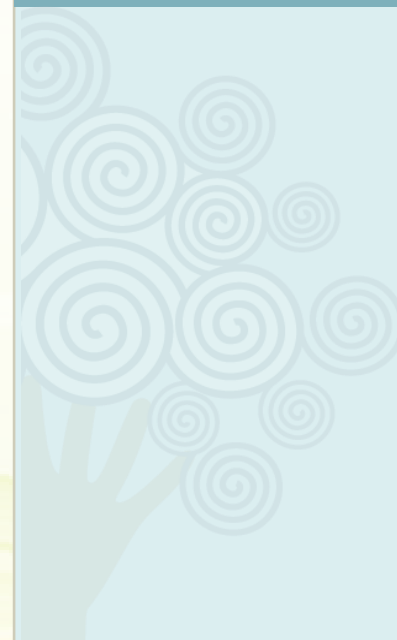
- Informal, one-time, program focused

➤ 2. Joint Programming or Administrative Consolidation

- Formal, written agreement, long lasting

3. Merger or Acquisition

- Formal, involves legal changes to structure, permanent

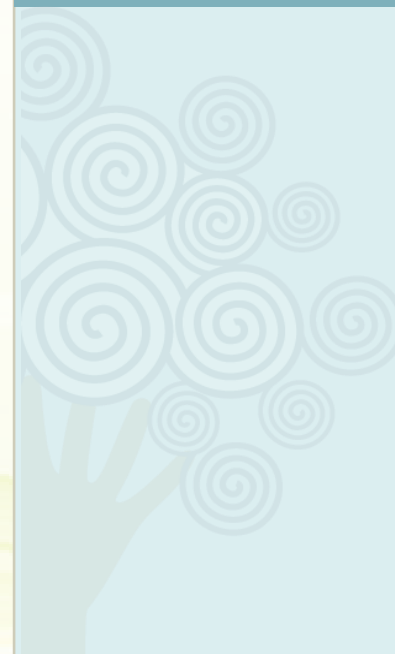


WHERE CAN JOINT VENTURES WORK?

Areas of Focus



- Community and Economic Development
 - Civic Engagement of Residents
 - Neighborhood Stability and Revitalization
 - Retail and Business Investment
- Human Services
 - School Readiness of Young Children
 - After School Expansion
- Housing and Land Use
 - Affordable and Accessible Housing
 - Comprehensive Local Planning



EXAMPLE: REGIONAL EARLY CHILDHOOD DEVELOPMENT INITIATIVE



- City of Richmond Early Childhood Development Initiative partnership with Smart Beginnings
- Since 2007, Public Awareness, Parenting Education (1600 parents), Quality Child Care, Home Visiting (460 families), Evaluation and Benchmarking
- Leveraged over \$280,000 through Virginia Early Childhood Foundation, Infant and Toddler Mental Health Grant, and Smart Beginnings
- Initiated through Relationships, Technical Assistance and Strategic Partnership with United Way of Greater Richmond and Petersburg



WHAT ARE THE BENEFITS OF JOINT VENTURES WITH NONPROFITS?



- More Comprehensive Resources to Address Complex Community Problems
- Ability to Leverage More Resources Collectively Than Alone
- Better Use of Scarce Resources, Cost Savings
- Larger Capacity to Serve More Individuals
- Increased Coordination of Services
- Responds to Interests of Funders at Local, State and Federal Levels for Collaboration



WHAT NEW RESOURCES CAN CITY GOVERNMENTS ACCESS VIA NONPROFITS?



- Flexibility
- Link to Influential and Active Boards
- Ear to the Ground with Residents
- Fundraising Capacity
- Marketing and Communication Expertise
- Source of Information and Effective Practices
- Link to National Expertise and Resources
- Bridge Corporate, Civic, Faith-Based Sectors





WHAT ARE THE RISKS ...AND STRATEGIES TO ADDRESS THEM?

Risks

- City left “holding the bag”
- Takes credit away from City
- Perception of “special treatment” or loss of objectivity
- Lose credibility if nonprofit partner defaults
- Charisma and Influence of leader is greater than impact and sustainability
- Collaboration takes time and energy
- Challenge of blending of different cultures of public and nonprofits

Strategies

- Develop joint venture agreement to share fiscal accountability and credit
- Issue request for partner with clear expectations and requirements
- No money changes hands
- Conduct “due diligence” interviews and review nonprofit leadership, track record, volunteer activities, references
- Build relationships before you need them, take small steps to test team
- Build sustaining relationships beyond leaders into agreement

WHAT MAKES A SUCCESSFUL NONPROFIT JOINT VENTURE PARTNER?



- Broad Community Building or Convening Role
- Track Record of Results and Sustained Impact
- Link to Diverse Civic and Nonprofit Groups and Residents
- Transparency and Accountability
- Trusted by the Community
- Credible Leadership of Board and Executive
- Perceived as “Neutral” and Fair



POTENTIAL NONPROFIT PARTNERS

Community Foundations, United Ways

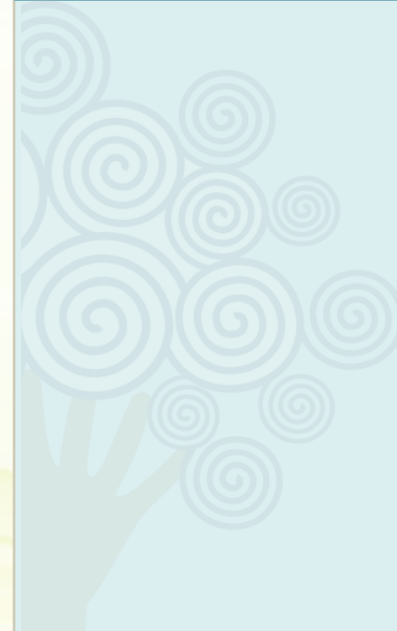


■ Community Foundations

- Have a community building, technical assistance and problem solving role in addition to allocations. Taking on **new leadership roles in community change**, leverage donor and national expertise and engagement

■ United Ways

- Focused on **long-term community impact**, play planning or convening roles, Strong corporate connections, marketing and community relations resources, linked to nonprofit and civic networks

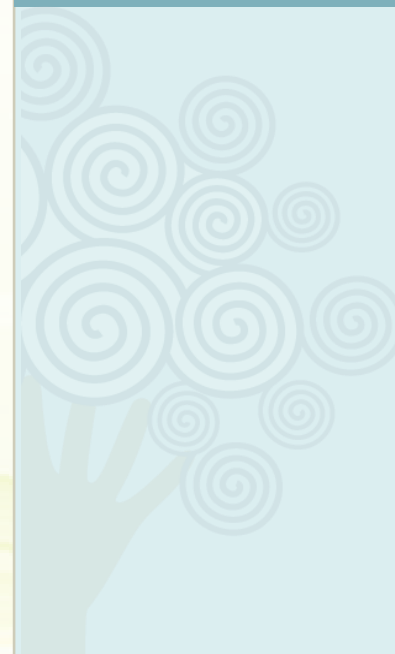


POTENTIAL PARTNERS

Regional Consortium or Issue Focused Organizations



- Non Profit Resources Centers
 - Link to nonprofit members; focused on building the effectiveness of the sector; **play convening role** to bridge nonprofit, public and private sectors; foster collaboration
- Planning and Coordinating Entities
 - Organizations established to leverage resources or **improve practices in specific areas** – housing, homelessness, human services; connected, credible
- Issue Focused Nonprofit Organization
 - Source of expertise, capacity and state and national networks. Can leverage external funding. Understands and **navigates local conditions**, regulations and resources





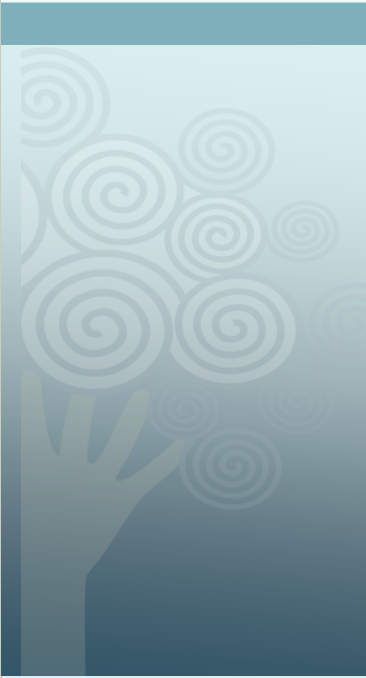
DESIGNING EFFECTIVE COLLABORATIVE JOINT VENTURES

- What Makes Them Successful?
- What are Future Opportunities for Cities?

ATTRIBUTES OF EFFECTIVE NONPROFIT-PUBLIC JOINT VENTURES



- Trust and Openness Between the Sectors
- Shared Vision for Benefit of Community and Residents
- Sharing Credit for Improvements and Accountability for Results
- Recognize Nonprofits for Capacity and Impact and Credibility
- Local Government Demonstrates Receptivity and Inclusiveness....Reaches Out

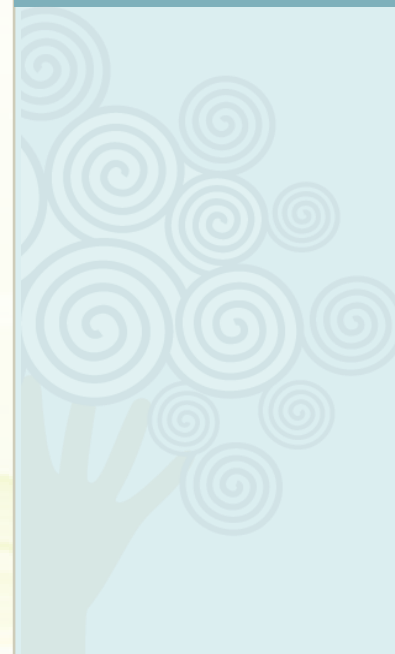


HOW TO GET THERE: JOINT VENTURES

Elements of Success



1. Develop Relationships Before You Need Them
 - Cultivate joint projects, serve on committees, share data, Build trust and credibility
2. Tap Nonprofits for Ideas and Networks
 - Take advantage of information, grass roots knowledge, and links to Board members and residents
3. Seize a Sense of Shared Opportunity
 - Build on community momentum, grant opportunity, best practice, residents' interest.....respond with a unified voice



ELEMENTS OF SUCCESS

Continued

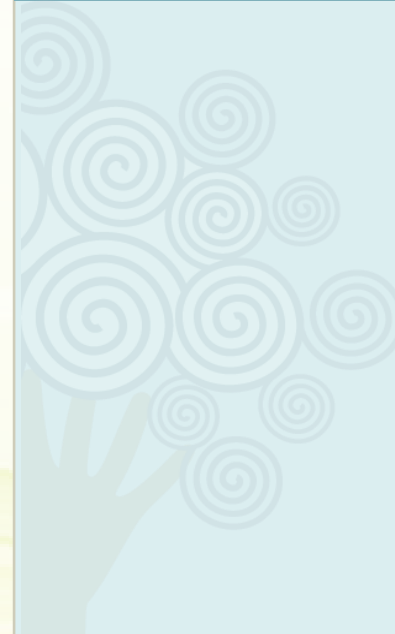


4. Have a Financial and Reputational Stake in the Initiative's Success

- Combine and leverage funding sources, share accountability for results and progress

5. Define Roles, Responsibilities and Requirements

- Model it after emergency management agreements where roles are clear and practiced, and provide a compass in good times and bad





CURRENT FEDERAL OPPORTUNITIES

- Current Federal Grants for Broad-Scale Planning and Change:
 - Sustainable Communities Regional Planning Grant Program – HUD
 - Choice Neighborhoods - HUD
 - Promise Neighborhoods – Department of Education
- Future Opportunities
 - Federal Neighborhood Revitalization Working Group
 - Includes HHS, DOJ, HUD
 - Community Health Centers
 - Byrne Criminal Justice Innovation Program





TAP RESOURCES IN YOUR COMMUNITY

- Strong Effective Nonprofits can Increase Impact with Efficient, Targeted Use of City Resources
- Engagement Can Expand Community Trust, Buy-in and Support
- Help Position the City for Collaborative Funding Opportunities to Sustain and Grow Initiatives
- Joint Ventures with an Effective Nonprofit Allows Cities to Reach More Residents



QUESTIONS?



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