

Strategies for lasting livelihoods: **An example**

A Midwestern city is home to a large low-income population with high unemployment and large educational disparities across its neighborhoods. In one low-income neighborhood, a new employer is fixing up an abandoned warehouse to serve as an advanced manufacturing facility. The company plans to hire 200 well-trained professionals to oversee and conduct the manufacturing process. The city is enthusiastic about the facility—and helped the company with zoning and some funding for the rehab, in hopes of stimulating even more development in this neighborhood. Having mobilized one underutilized asset (abandoned building), how might this project truly build wealth by also improving livelihoods?

Some solutions: The economic development strategy detailed above is quite common. In its current configuration, however, it is not creating the most wealth-building benefits for the region. The project could be modified to include low-income stakeholders in key roles in the planning. By engaging neighborhood leaders and a local nonprofit that coordinates the conversations, the private and government partners in this development begin to identify latent, but powerful assets in the low-income neighborhood.

- They discover several local carry-out food shops and home-based caterers in the neighborhood. Working together with licensing help from local government and nonprofits, they could supply food for the rehab crew, and possibly for the facility when it opens.
- They find enough out-of-work people with solid basic skills who, with a tailored training program, might be trained for some of the lower-level professional jobs on the career ladder in the new firm—and that training cost might be offset by not having to provide moving and housing stipends to employees brought in from elsewhere.
- They find neighborhood and parents groups that are eager to improve the several-block area surrounding the factory—and a high school that is looking for a community improvement project. Working together, using funds the company and city had already set aside for some community beautification, these groups could partner with the company to make the area more walkable, safe and attractive (a new park!) for more than just the company.
- The company has additional needs for basic goods and services, such as maintenance and security, and could work with a local entrepreneurship assistance center to help local firms or start-ups apply for and meet standards to qualify for these contracts.

Using these strategies, this economic development effort could produce benefits that flow directly to low-income people, places or firms—in this case, primarily in the forms of more individual capital (skills and jobs), social capital (stronger, larger neighborhood group, now with youth participation), natural capital (park), built capital (the facility and improved streetscape), political capital (new connections with city officials) and financial capital (new or stronger local firms).

But you can easily imagine this whole project happening without any of these. The WealthWorks difference is asking the livelihood question—and acting on it.