



STRONG TOWNS



ANNUAL REPORT | 2 0 1 7

LETTER FROM THE PRESIDENT



My Friend,

A little over nine years ago, I started writing about our cities and towns' most urgent financial struggles. After a while, I decided to share my work online. At first, it was simply an exercise designed to give voice to my lingering thoughts – and a few doubts – about the future of the communities we love. Little did I know so many others around the world would have similar thoughts waiting to be set free.

Our Board of Directors have long been intellectual collaborators on this project. We realized early on the enormous scale of the problem we were wrestling with – literally the development pattern of an entire continent – and the comparatively meager resources we had to address it. And we realized that this meant we were not going to be able to function like a normal non-profit. We had to be radically different.

Instead of an organization, we needed to start and grow a movement for change. We needed to reach

people with a universal message that empowered them to think differently about their places. We had to build a movement of people who believed in a better vision of the future and were ready to step forward and do what they could to make that vision a reality.

We didn't know if this strategy would work. In the early days, it seemed like a long shot. I spent hours writing posts that were read by only a handful of people. I traveled long distances to share our message one small meeting room at a time. Then we started to get traction and things really took off.

This year, the Strong Towns movement has reached over a million people through our website. I shared our message in person with thousands of people at over thirty events across North America. Our ideas have been quoted hundreds of times in other publications and we've consistently documented stories of our ideas being put into action by the members of our movement. We now have over

2,000 supporting members, which has given us a stable financial base heading into 2018. In short: our strategy is showing significant results.

When Strong Towns began, our biggest challenge was reaching enough people. Now, our greatest problem is that we can't keep up with the demand. Every day, we are asked to create more content, take part in more events, and engage more people than we have the bandwidth to do with our small staff. This is simply a resource problem, one that – with your help – we are taking steps to address. Heading into our tenth year, I've never been more optimistic about the changes we see happening. Thank you for your support and, please, keep doing what you can to build strong towns.

All the best,
Chuck

Charles L. Marohn, Jr. , PE AICP
President and Founder

OUR MISSION

Support a model of development that allows America's cities, towns and neighborhoods to become financially strong and resilient.

OUR STRATEGY

Strong Towns is a media organization leading a national movement for change. We're challenging every American to fundamentally rethink how our cities are built, and we're shining a spotlight on an approach that will make us truly prosperous.

OUR VISION

To make the Strong Towns approach the default for every city, every state and nationally.



Why do our cities struggle financially?

At Strong Towns, we understand that American cities don’t struggle from a lack of a cultural consensus. They struggle because of one.

Too many American citizens and decision makers have agreed that our current culture of unproductive growth, rapid development and intensive public investment is acceptable—or worse, they believe there is no other way. That consensus is based on a core systematic misunderstanding of how communities create and destroy wealth, and shapes our choices about the way we construct the world around us.

We’ve made the grave mistake of structuring our economy around the principles of what we at Strong Towns call the Suburban Experiment—a transactional approach to growth that provides lots of short-term rewards at the expense of our long-term strength and resiliency. And in choosing that path, we’ve left behind a better model that served our communities for centuries.

At the community level, Americans share a broad set of common values: stewardship of our land and financial resources, a commitment to the well being of our neighbors, and a belief that we bear an obligation to future generations. Those values are not reflected in our current approach. And as a nation, we lack a common understanding of why our places struggle, let alone what we might do to help them thrive.

That reality is what Strong Towns is working to change.

AS A NATION, WE LACK A COMMON UNDERSTANDING OF WHY OUR PLACES STRUGGLE, LET ALONE WHAT WE MIGHT TO DO TO HELP THEM THRIVE.



INSIGHT #1

The Old and Blighted block is the same size as the Shiny and New block. It has the same amount of public infrastructure. The same amount of ongoing public expense. Yet, even after 90 years of neglect and decline, it pays 78% more taxes each year than that Shiny and New block. It’s generating 78% more wealth for the community—wealth that community sorely needs.



INSIGHT #2

Cities don’t build wealth by going to the megaproject casino and putting it all on red. The way cities build wealth—the way they have always built wealth throughout history—is by making modest investments over a broad area over a long period of time.



Incremental investments allowed Brainerd, MN to grow wealthy over the span of several generations.

INSIGHT #3

When we examine the finances of the current American development pattern, we consistently find two things. First, the wealth generated by “old and blighted” poor neighborhoods subsidizes the needs of “shiny and new” affluent neighborhoods. Second, the needs of future generations subsidize the needs of present generations. We’ve built more stuff than we will ever have the capacity to maintain—and we’ve done it on the backs of those who can least afford it.



INSIGHT #4

We’ve been so obsessed with chasing dollars by courting megaprojects that we’ve overlooked the pennies, nickels and dimes just laying there in our core neighborhoods waiting to be picked up. We could do three decades of nothing but small projects and our neighborhoods would still be overflowing with incremental investment opportunities. These are the kind of low-risk, high-return investments that improve people’s lives.

**FOR THE UNITED STATES
TO BE A PROSPEROUS
COUNTRY, IT MUST HAVE
STRONG CITIES, TOWNS AND
NEIGHBORHOODS.**

THE STRONG TOWNS SOLUTION

For the United States to be a prosperous country, it must have strong cities, towns and neighborhoods. Enduring prosperity for our communities cannot be artificially created from the outside. They must be built from within, incrementally over time. There is no shortcut.

Easy, one-size-fits-all solutions from the top down are enticing, but standardizing our places is a big part of what got us into our current crisis. The places we love are complex human habitats. We have to allow them to adapt and change over time.

At Strong Towns, we are building support for timeless, rational and actionable ways to respond to those challenges today.

STANDARD APPROACH

Large capital investments

Reliance on grants and debt

Community focused on state/federal programs

Creates large long-term liabilities

STRONG TOWNS APPROACH

Small, tactical projects

Local empowerment/responsibility

Community focused on incrementally improving what is already present

Builds local resilience while improving quality of life

At Strong Towns, we know that the only way to change a flawed cultural consensus is to build a social movement of people pushing for change. Our work is aimed at building a broad movement of people who reject the dominant patterns of development and financing and actively push for a different approach, both at the national scale and in their communities. We do this in three central ways:

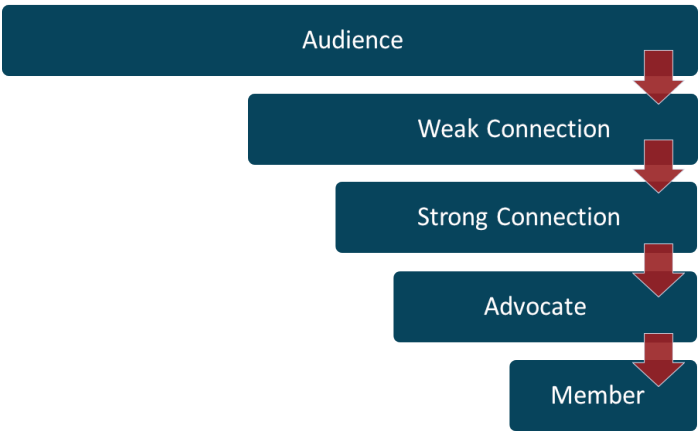
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We create powerful content making a case for the Strong Towns approach,
- 2

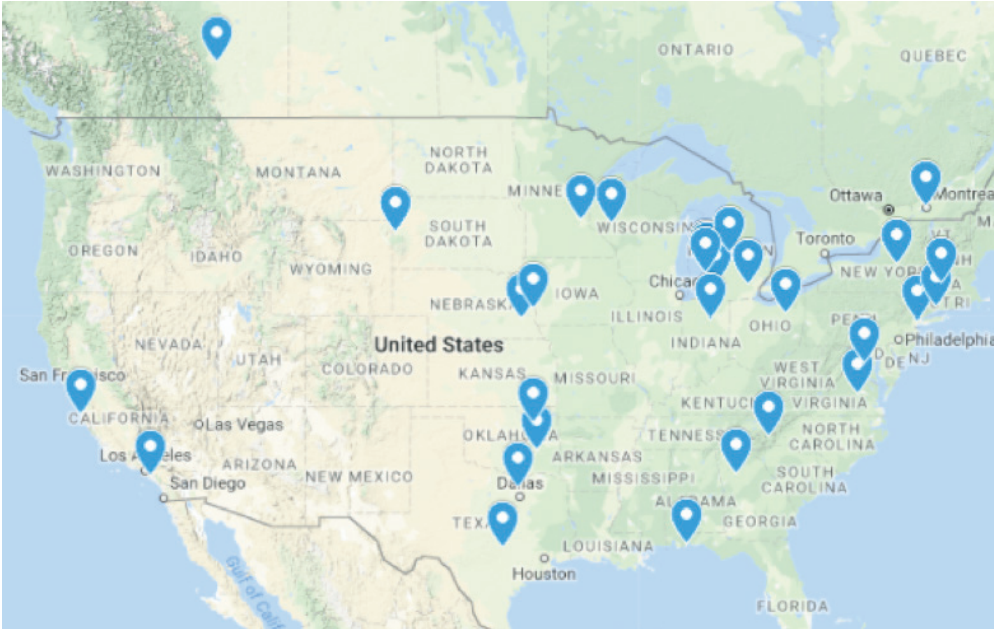
We distribute that content as broadly as possible with an attempt to reach, and reflect, all of America, and
- 3

We frame our efforts in such a way as to nudge people to take action.

Our strategy, as well as our business model, relies on us growing our audience, deepening our connection with them over time and inspiring a significant portion of them to take action in support of the movement.



In 2017, Strong Towns hosted 35 events across the country. A few years ago our events drew only a handful of people. Today, thousands of people each year from diverse backgrounds and professions show up to hear the Strong Towns message with their neighbors and colleagues. These events connect people to their neighbors and to the broader, national Strong Towns conversation in a way that has a huge impact.



A FEW HIGHLIGHTS

Santa Ana, CA

In September, we presented to a diverse audience as part of a Regional Active Transportation Forum. We also gave a walking tour and appeared on radio and podcast interviews discussing California’s most pressing challenges and how a Strong Towns approach could begin to solve them.

IN 2017, OVER 6,000 PEOPLE ATTENDED A STRONG TOWNS EVENT IN 20 STATES AND 2 CANADIAN CITIES.



Universities

In 2017 we had the opportunity to take the Strong Towns message directly to the next generation of Strong Citizens by speaking at several of our nation’s finest universities. In October, Charles Marohn spoke to Yale University’s Urban Studies Club, followed by NYU’s Stern School of Business. Later in October, he spoke at Smith College as part of the Landscape Studies Lecture series. And in November, he spoke at the University of Michigan as part of the Economic Outlook Conference.

Washington, DC

In October, we hosted a public presentation in Washington, DC, co-sponsored by The American Conservative and the Congress for the New Urbanism. The event brought together people from diverse political backgrounds to discuss something everyone agrees on: the need to create financially solvent and thriving towns and cities.



McAlester, OK

In May, Charles Marohn was the keynote speaker for an event in the small town of McAlester, OK, where he discussed how to build strong towns full of strong citizens—people who care.

Chicago, IL

Charles Marohn was the keynote speaker at the annual Transport Chicago event. His presentation discussed where America’s model of growth and prosperity has gone wrong and how to reframe our conversation on development to build stronger places.



The Strong Towns Summit

This year Strong Towns hosted its first ever national summit in Tulsa, OK. The event was entitled, “America’s Next Transportation System: Transforming More While Spending Less.” It focused on how our current land use and transportation patterns are bankrupting our cities, and how a more productive model for prosperity is possible. Over 250 members of the Strong Towns movement from across the country traveled to meet and discuss ways that they can make their communities stronger.

The Strong Towns website is the primary way we deliver the Strong Towns message. It features an average of three articles per day on a wide range of topics, from engineering to architecture to neighborhood activism. We feature guest writers as well as regular contributors and staff writers with a variety of backgrounds and geographic locations.

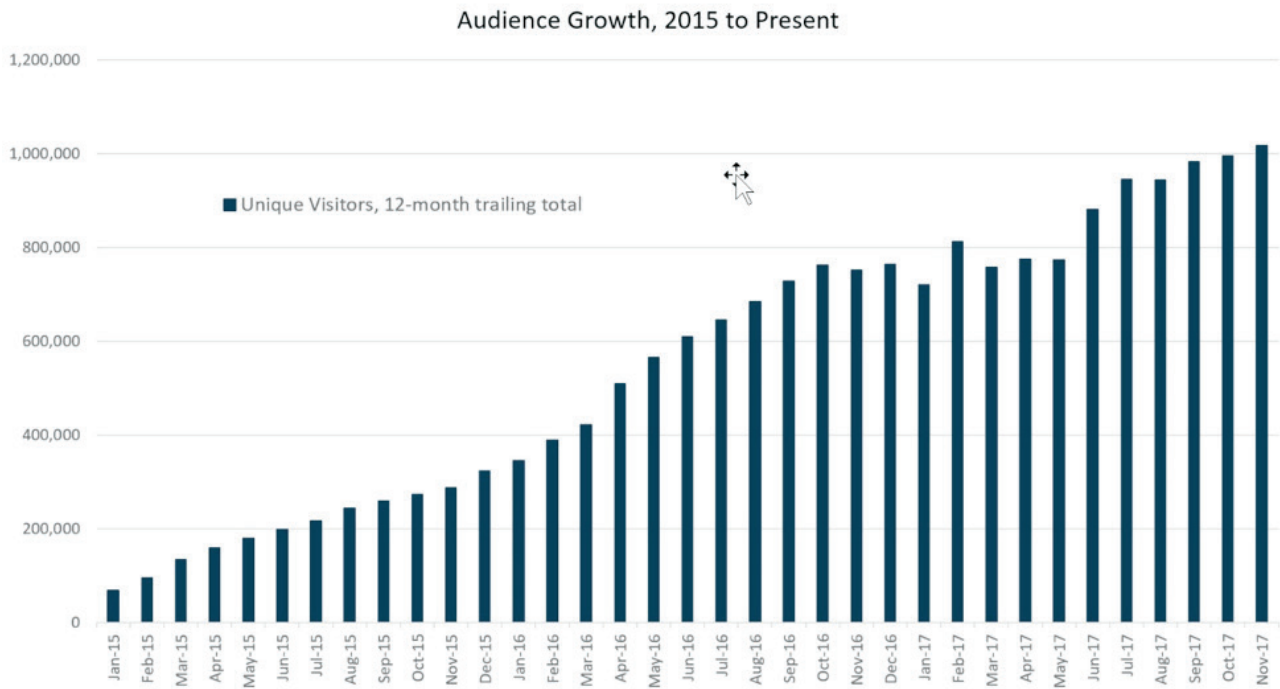
This year we crossed a symbolic threshold: Over the past twelve months, StrongTowns.org has had one million unique visitors. That is a 1,350% increase from January of 2015 when our audience was just 70,000.

If we look beyond our raw audience growth, we find our engagement levels are even more astounding. We don't use cheap, partisan buzzwords or clickbait headlines to inflate our stats. Strong Towns is a deep and growing movement of people who want to change the conversation about growth, development and public investment. People are responding to our approach.

We find that visitors are spending more time on our site, delving deeper and—most importantly—sharing our message with others more frequently than ever. Our levels of engagement rival (and in many cases, surpass) similar organizations with much larger operating budgets and much larger staff.

STRONG TOWNS IS THE GO-TO SOURCE FOR A CLEAR-EYED AND AGNOSTIC EXPLANATION OF WHY OUR COMMUNITIES ARE GOING BROKE.

JOSEPH MINICOZZI
PRINCIPAL OF URBAN 3
ASHEVILLE, NORTH CAROLINA



I'm a member of the Strong Towns movement because it doesn't matter if you're Republican or Democrat, black or white, gay or straight, the fiscal health of our federal and local governments affect all of us.

- Ryan Short,
Indianapolis, IN



Strong Towns is a movement for change, and our members are the heart of our movement. These are the people who have said: The Strong Towns message is so important, I want more people to hear it, and so I'm going to make a monetary contribution to help make that possible. Membership provides us with a stable base of financial support. It affirms that we are moving in the right direction, that we're taking the right steps to build a movement. Our membership growth is one of the ways we measure our success.

The 2016 election put a spotlight on the deep fractures and divides in our country, and 2017 has only seen those divides deepen. The Strong Towns message transcends these rifts in our national conversation. It unites people in a way that truly brings out the best in them. It gives people a common, non-politicized language to talk about their places, and how they can make their neighborhoods better for all. Of everything we do at Strong Towns, this may be the most important.

We cannot have a strong nation without strong, fiscally stable cities, towns, and places, and we cannot have these without understanding what creates productive growth and improves the wealth of a place over time. This is what the Strong Towns movement is about, and that is why it is important to me both personally and professionally.

BRIAN LUDICKE
LANCASTER, CALIFORNIA

MEMBERSHIP



This is a map of just our North American members. Put that image through your left/right, urban/rural, coastal/flyover preconceptions of the country. It just doesn’t compute with the way we talk about America’s divided population today. This movement simply speaks to too many people from too many places to have us believe there are two irreconcilable Americas that can never work together—and that’s an astonishing opportunity.

I was looking for a mentorship I didn’t have within my council. I’ve been happy to find that there’s a rural town group in [Strong Towns’ discussion forum] Slack. It’s really good to see how other communities have dealt with stuff in creative ways.

LAUREN WHITEHEAD
SOLON, IOWA

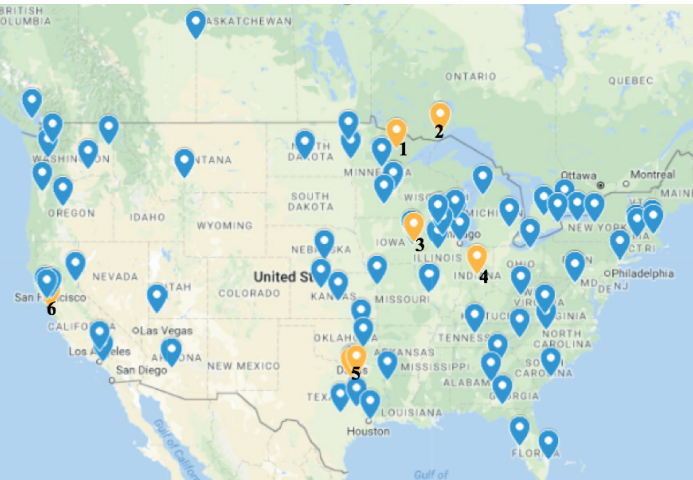
The Strong Towns message was saying all the things I had been sensing for a while, but couldn’t find a way to put into words. Strong Towns taught me to look at my community in a totally different light.

SEAN EMERSON
CITIZEN JOURNALIST
SILVER SPRINGS, MARYLAND

The messages delivered by Chuck, his colleagues, and guests are nothing short of prophetic. They are acting as contemporary prophets—revealing emergent truth to power and backing it up with math and cool graphs!

PAT TRAHAN
LAFAYETTE, LOUISIANA

SUCCESS STORIES



she frequently utilizes the resources of the Strong Towns community as she considers how to make the best decisions for her city. Lauren is one of several Strong Towns members serving as an elected official.

Indianapolis, IN - Strong Towns members in Indianapolis came together to form “Strong Indy,” a local group working to make their city stronger through discussion and action. The group has over 300 members.

Dallas, TX - Nathaniel Barrett, a Strong Towns member, is currently working with residents in his Dallas neighborhood to advocate for narrower streets where cars drive slower — inspired by Strong Towns’ #SlowtheCars campaign.

San Bruno, CA - Strong Towns member Adam Cozzette was part of a grassroots coalition who successfully ended plans for a road widening project in San Bruno, California — inspired in part by Strong Towns’ #NoNewRoads campaign.

A recent survey made clear that our members aren’t just sitting idly by as they read our content. Instead, they’re starting conversations. They’re running for their city councils. As city planners, architects, and elected officials, they’re bringing new skills and asking vital questions in their workplaces that are rarely considered outside of our movement. They’re holding meetings, making plans, and taking action. They’re fighting from the front lines, not the sidelines.

Inspired and informed by the Strong Towns message, our members are creating change in their neighborhoods, towns, and cities across the country. We recently surveyed 116 members. Astonishingly, seventy of those we surveyed reported taking actions in their cities that were inspired by Strong Towns. And they are making a difference in so many places.

Chisholm, MN - Members of the movement hosted a series of events in the Iron Range region of Minnesota, which focused on taking incremental steps to improve the local economy. This series led a regional development agency to offer small grants for city improvement projects like repainting storefronts, installing streetlights, and building “pocket parks.”

Thunder Bay, ON - After a Strong Towns presentation in Thunder Bay, Ontario, the city was inspired to host a “Strong Block” event to temporarily showcase what a thriving, economically successful street would look like.

Solon, IA - Lauren Whitehead was recently elected to the city council in her town as one of its only young, female members. Now in office,

Fate, Texas
Doing the Math on Development

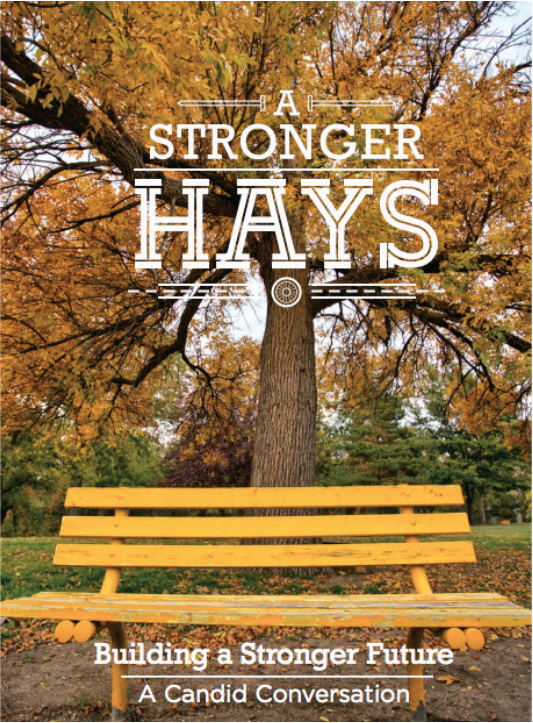
A team of Strong Towns members who work for the City of Fate, TX have taken Strong Towns’ principles to heart and have been working to apply these concepts in their community. It began a couple years ago, when Fate City Manager, Michael Kovacs, shared Strong Towns’ Curbside Chat videos with his city council.

That simple presentation led local leaders to immediately start thinking seriously about Fate’s financial future and planning for development in a way that ensures a sufficient return on each investment — one that will pay for the city’s needs, not bankrupt it. Michael and his colleagues developed a strategy for analyzing the ratio of private to public investment in their community. They implemented a system that takes this into account every time a new development is proposed.

Not only that, but they shared their knowledge and the system they’d developed with a room full of Strong Towns members at our national summit this past April. They also led a web broadcast about it for a virtual audience of Strong Towns members later in the year.

Fate is just one of many cities around the country who have taken the Strong Towns message to heart and begun using the Strong Towns approach in their decision making. Cities like Hays, Kansas; Pelham, Ontario; and several others have applied Strong Towns’ ideas in order to assess financial challenges and develop solutions. The outcome of these initiatives have been powerful guides to local decision-making, such as the “Stronger Hays” and

“Stronger Pelham” documents, which may impact these cities’ daily operations for years to come.



Shreveport, Louisiana
Fighting a Harmful Highway Project
and Empowering a Neighborhood

A year ago, Shreveport, Louisiana was on the brink of building a highway right through the poor, inner-city neighborhood of Allendale. As residents came together and rallied against this project in order to protect their homes and their community, Strong Towns became an inspiration and a voice for their efforts.

In addition to sharing stories about the amazing citizens of Allendale and the community that would be ripped apart as a result of this highway, Strong



Towns also focused on the fundamentally flawed economic arguments propping up the project in the first place. We demonstrated just how financially harmful this highway would be, in opposition to local leaders claiming that the project would benefit their city.

As a result of this national focus on the issue, lawyers from across the country, including the Sierra Club’s legal team, have now stepped in to offer assistance. The fight against the highway is gaining momentum.

Strong Towns member and Shreveport resident John Perkins explains how Strong Towns’ unique method of activism, which uses articles, podcasts and social media to share its message, has been particularly impactful in Shreveport. Before Strong Towns, he says, there was no central hub of information or support for groups like the #AllendaleStrong neighborhood group. Now he uses Strong Towns’ content to help him understand the

issues facing his city and how to address them. “I’m forever changed by Strong Towns,” he explains, “and along with my new friends in our once small neighborhood group, #AllendaleStrong, we are Strong Citizens making Shreveport into a Strong Town.”

Shreveport resident and Strong Towns member, Tim Wright, who helped bring Charles Marohn to Shreveport for an event, adds, “Strong Towns has helped our citizens understand why we have financial trouble, and has redirected our focus towards small, incremental improvements for change that actually lasts. On a personal level, it’s also given me an understanding of how to be an engineer that incorporates human-centered principles.”

Revenue	
Donations and Grants	\$49,500
Events and Summit	\$150,122
Membership	\$110,435
Expense Reimbursement	\$21,000
Royalties	\$1,200
Total	\$332,257
Expenses	
Programs	\$287,580
Management and Overhead	\$54,775
Total	\$342,355
Net Assets	
Assets	\$61,579
Liabilities	\$6,785
Net Assets	\$54,794
Total	\$342,355



Taking the Strong Towns Message Farther

Strong Towns has bootstrapped a national movement for change, and we’re ready to seek the “venture capital” necessary to scale our reach and impact. We have tested and refined our ideas and strategies for putting the Strong Towns message in front of more people. We now have a process for creating change worthy of significant investment, and, most importantly, we are capable of continuing to scale every additional dollar of investment so that it goes just as far as the first. Our organization has no unused capacity or wasted money on legacy programs that do not deliver results. We will continue to maximize the impact of every dollar as we grow.

As an organization we’re experiencing accelerating demand for our time and attention, particularly from underserved populations and struggling

communities. Because of this increased demand and our desire to have a greater impact on the national conversation about growth and development in our cities, towns and neighborhoods, we are currently seeking funding in addition to the revenue produced from membership contributions and events.

Ways to Give

Online

Give via debit or credit card:
Strongtowns.org/Membership

Mail

Mail a check to:
1511 Northern Pacific Road
Room 206
Brainerd, MN 56401

STAFF



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Pathfinder



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Development

BOARD OF DIRECTORS



Ian Rasmussen



John Reuter



Andrew Burleson

STRONG TOWNS IS CREATING A NATIONAL MOVEMENT FOR CHANGE, WHICH MEANS THAT OUR MEMBERS ARE NOT JUST SUPPORTERS, THEY ARE OUR STRATEGY FOR CHANGE. THEY ARE THE SOLUTION. THE STRONG TOWNS MOVEMENT IS MAKING A DIFFERENCE IN CITIES, TOWNS AND NEIGHBORHOODS ACROSS THE COUNTRY.

THANK YOU FOR SUPPORTING THE STRONG TOWNS MOVEMENT.

STRONG TOWNS



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