
INVEST STL: BUILDING STRONG COMMUNITIES FOR A STRONGER REGION

Where You Live Matters

It's family night at Busch Stadium and as you shuffle along the row to your seat three families stand up to let you in. After the usual, "excuse me's" and "thank you's", you sit down and look back at the children and their parents. You can clearly see this is a great night for the kids.

What you can't see, however, is that the three families come from different places: St. Louis City, St. Louis County, and St. Charles County. What you can't see is that even though they all come from families with average incomes, the child from St. Louis City will on average earn \$2,840/year less than the U.S. average by the time he or she turns 26, the child from St. Louis County will earn \$320/year more than average, and the child from Saint Charles will earn \$1,710/year more. Furthermore, the child growing up in Clayton will live 18 years longer than the child who lives just north of Grand Center in the city. Place matters.

Making a difference in our neighborhoods makes a difference for residents and the region.

- **Jobs and Economic Development:** Investments in community development are good for the regional economy. Since 2000 historic preservation and low-income housing tax credit programs have allocated over \$931 million in credits to St. Louis City and County, generating thousands of jobs and billions of dollars of economic activity. These investments have played a major role in the revitalization of downtown and the Central Corridor. We need to spread that success to disadvantaged communities everywhere, not only to boost the regional economy but to guarantee equal opportunity for everyone.
- **Education:** Children who go to a neighborhood school with a mix of incomes do better than children who attend high-poverty schools, even after controlling for per pupil spending and class size. Unstable neighborhoods undermine school achievement by disrupting classrooms and social networks. Students who move and change schools frequently learn less and are less likely to graduate from high school than their more stable peers. Some St. Louis city schools have classroom turnover rates of 100 percent or more. Poor educational outcomes ultimately stifle economic growth.
- **Health:** Safe, clean, and affordable housing reduces stress, which improves physical and mental health. Childhood exposure to lead in older homes can cause irreversible brain damage. Residents of neighborhoods with full-service grocery stores selling fresh fruits and vegetables spend less on food, eat healthier, and have lower rates of obesity. Community events build social relationships that support emotional health. Safe streets and parks promote healthy lifestyles.
- **Property Values:** Well-run business districts and targeted housing investments can significantly boost surrounding property values. Increased property values strengthen the finances of families, as well as local governments and schools.
- **Crime:** Communities with a strong sense of collective efficacy, including the willingness to report crimes to police and enforce local norms, have lower crime rates, even after controlling for poverty.

We Can Build Stronger Communities

According to recent research, 35 neighborhoods, or census tracts, in the St. Louis region have rebounded from urban decline in the 1970s and 1980s. St. Louis needs to build on that success. The Central West End is the most prominent example of a rebound neighborhood but there are many more, including Shaw, Botanical Heights, Carondelet, and Maplewood. We have many older "middle" neighborhoods with historic brick frame housing and urban amenities like parks and neighborhood retail, which are hanging on but could thrive with strategic investments. Distressed neighborhoods face the biggest challenges but

even here we have promising efforts, including the award-winning 24:1 and Old North revitalization efforts. St. Louis can build strong communities.

Why We Need Invest STL

We have many dedicated professionals working in community economic development. Federal funding for community development, however, is falling fast. Local public resources are scarce. If the St. Louis region, especially the private and nonprofit sectors, does not step in to fund this work, many grassroots organizations will have to shut their doors and skilled professionals will be forced to leave the field. Neighborhoods will then lack the necessary infrastructure to design and implement community improvements around education, economic development or housing. These trends will limit our ability to grow the number of safe, high-opportunity neighborhoods that are key to regional prosperity.

We need to build a strong community economic development system that supports strategic development initiatives based on data-driven metrics for accountability. A strong community economic development system requires collaboration among the public, private, and nonprofit sectors (Figure 1). The St. Louis Community Foundation, Metropolitan St. Louis Community Reinvestment Act Association, Community Builders Network of Metro St. Louis, Rise, IFF, United Way of Greater Saint Louis, and others have worked together for nearly two years to create a cross-sector, regional community economic development system in St. Louis to turn neighborhoods around. Their recommendations are based on best practices in building systems for neighborhood change, including Cincinnati's Place Matters and Baltimore's Healthy Neighborhoods initiatives, and builds on our region's current assets.

Invest STL enables the region to efficiently align local and national investment (philanthropic and loan funds), technical assistance, and capacity building behind community organizations to drive community improvement over multiple years (Figure 2). Invest STL is an initiative of the community housed at the St. Louis Community Foundation. Invest STL will work with investors and implementation partners to build strong community-based organizations, develop community plans, and implement revitalization strategies in distressed and middle-market communities. Outside evaluation of the system will be conducted so the system can continue to improve over time.

Private, public and local funders are coming together to support Invest STL so our region can institutionalize the ability to support our neighborhoods. We need to invest now in stronger neighborhoods for a stronger region.

Figure 1: Multi-Sector Relationships



Figure 2: Regional Alignment for Community Improvement

