

New partnership looks to boost regional capacity for public and private investment

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The Humboldt Area Foundation and its regional affiliate, the Wild Rivers Community Foundation (HAF+WRCF) and the Arcata Economic Development Corporation are partnering to launch the Public Investing and Innovation Project to grow our region's capacity for public investment. Amplifying this new effort, The California Endowment also committed generous start-up funding for the PIIP.

To guide the implementation of the project, AEDC has announced the corporation is accepting applications for a new joint executive position, the Public Investing and Innovation Initiative Director, with the position officially opening to applicants on Feb. 17, 2022. You can view the full job description here at the AEDC website.

The PIIP is a partnership with HAF+WRCF, AEDC, and TCE to develop ways to build capacity within partner organizations to leverage stacked public and philanthropic funding opportunities, including unprecedented federal funding for pandemic recovery and increased California State resources. Future partnerships are envisioned to include organizations such as Tribal and municipal governments, educational institutions, healthcare institutions, and other mission-driven investors. The partnership aims to seek and blend these public resources with philanthropic and private funding for the greatest impact.

Currently, the Redwood Region has no formal collaborative effort to prioritize, develop a pipeline of projects, and leverage funding opportunities. In combining the experience of the region's community foundation (HAF+WRCF) and the region's largest community development financial institution (CDFI) through AEDC, the new partnership can make significant regional impacts as public funding for climate mitigation, economic development, and equity increases.

"This new partnership with the Humboldt Area Foundation and The California Endowment is a great moment for our region. AEDC and HAF's combined decades of experience providing funding to community projects can uniquely support this region as we grow our capacity to attract Public investment. Together, we can create a strong coalition to identify and fund critical projects in our Northern California Community communities," says Ross Welch, executive director of the AEDC.

The Public Investing and Innovation Project draws from Capital Absorption, a framework developed by the Center for Community Investment that measures and assists the ability of regions to attract and deploy capital in support of low- and moderate-income communities.

Through the capital absorption framework, communities like the North Coast gather to articulate their priorities, establish a pipeline of feasible projects, and create an enabling environment that connects community investors with community needs. Moreover, a fundamental component of the framework is navigating the policies, barriers, interests, and environments in which those projects will be implemented.

Capital Absorption empowers communities to assess their own economic development needs. According to the publications from the Center for Community Investment, the framework positions communities to be ready to engage with potential investors, whether that's public or private investors.

The capital absorption framework also helps communities answer questions like: 'where would we invest a large sum of money, who is equipped to manage it, and how does it support our community's priorities?' By using this framework, communities generate projects that are both ambitious and actionable because we know they are in support of community values and needs.

"The Public Investing and Innovation Project (PIIP) can empower the region to attract significant public and private investment while providing the infrastructure to absorb funding and distribute its equitability into systems.

By building a case for economic development that's based on community values and input, the capital absorption framework centers issues of racial equity, just economic development, and environmental and climate remediation at the outset of major development projects," says Bryna Lipper, chief executive officer of HAF+WRCF.

As part of the partnership with The California Endowment, AEDC and HAF+WRCF will develop a learning and reporting model as part of the project's initial development. Early learnings and organizational changes from both the AEDC and HAF+WRCF will be shared with TCE and other funders and financial institutions to evaluate how the shared-executive and partnership model effectively support community development.

“Investing in this project in Northern California is exciting. This innovative CDFI and Community Foundation partnership model has the potential to increase health and racial equity through a formal, values-based investment collaboration that generates an enabling environment for more just economic development. During this unprecedented time, we have an opportunity to reimagine how we can begin to address structural inequities that were laid bare over the course of the pandemic,” says Annalisa Robles, senior program officer for The California Endowment.

“The multi-sector partnerships that focus on building and strengthening alliances that span racial, ethnic and socio-economic boundaries can identify the many opportunities for development on the North Coast and beyond, while also raising awareness to the barriers and systemic inefficiencies that hinder community investment. The Endowment is also eager to learn about this model and share its successes and learnings with the philanthropic and development communities,” she adds.