

## MOVING TO ACTION

# How Foundations Can Unlock Investment for Community Priorities

The wellbeing of our communities is tied to how we invest in them. For our society to prosper, we need to ensure that all communities can unlock the capital they need to thrive.

Foundations that care about a particular place can be essential players in creating the threshold conditions for effective community investment. This means going beyond individual transactions to work at the level of the community investment system, articulating a shared understanding of goals, developing and executing a set of deals and projects to help achieve those goals, and strengthening the enabling environment of policies, practices, and relationships that can make those deals and projects happen in ways that advance community interests and protect community assets.

To help your institution play a more active role, consider the following steps:

### STEP 1. WITH PARTNERS, ASSESS YOUR COMMUNITY'S INVESTMENT ECOSYSTEM.

**Shared Priorities: Reach an understanding about the most important problem to be solved and the best strategies for addressing it now.**

- Which stakeholders need to be involved for the shared priorities to be authentic? Are the voices of those most disadvantaged being included?
- What has already been done and what remains to be done to craft legitimate and actionable priorities?



Shared Priorities

Pipeline

Enabling Environment

**Pipeline: Develop and execute a set of deals and projects that accomplish the shared priorities.**

- What deals and projects in process now would advance the shared priorities?
- What are the strengths and gaps in that pipeline of deals?
- What would it take to spot opportunities and frame additional investable deals to help achieve the priorities?

**Enabling Environment: Understand and shape the context in which deals get done.**

- What are the key policies, funding flows, skills and capacities, relationships, and platforms that support achievement of the priorities?
- What are the top priorities for change?

**STEP 2. LOOK AT YOUR INSTITUTION'S POSITION IN THE SYSTEM AND CONSIDER HOW TO BUILD UPON IT.**

**Roles:** What roles (convening, capacity building, match-making, investing, etc.) is my foundation already playing? What else could we do?

**Diverse assets:** What types of assets (grants, program-related investments, guarantees, relationships, influence) are we already using to strengthen the community investment system? What other assets might we harness?

**Leverage:** To what extent are our resources unlocking investment by others? How might we attract additional investment and from whom?

**Partners:** Who are our most important existing and potential allies?

The **Center for Community Investment** at the Lincoln Institute of Land Policy works to ensure that all communities, especially those that have suffered from structural racism and policies that have left them economically and socially isolated, can unlock the capital they need to thrive. We believe that as communities develop better coordinated, more strategic approaches to organizing demand for capital, they will begin to see meaningful social, environmental, and economic improvements.

We provide ideas, training, technical assistance, and coaching to community leaders to help them bring about equitable and sustainable development. We also work to strengthen the ability of communities to attract new investments and to ensure that this capital serves the public good. Our work is supported by the Robert Wood Johnson Foundation, The Kresge Foundation, the John D. and Catherine T. MacArthur Foundation, The California Endowment, and The Annie E. Casey Foundation.

To watch a six-minute video on how to use the capital absorption framework to improve community investment, go to: <https://centerforcommunityinvestment.org/cityville>

To learn more, visit: <https://centerforcommunityinvestment.org/resources>

