

Accelerating Investments for Healthy Communities: Nationwide Children’s Hospital

A CASE STUDY

INTRODUCTION

[Nationwide Children’s Hospital](#) in Columbus, Ohio, began addressing social determinants of health in 2008. The institution saw early successes on the city’s South Side by partnering closely with a local community development corporation (CDC) that already had credibility and relationships in the community. As Nationwide Children’s began committing more funding to its affordable housing work, other organizations, funders, and institutions took notice of the hospital’s focus and momentum and got involved as well.

In 2019, Nationwide Children’s and its partners turned their attention to another Columbus neighborhood, Linden. The team soon found it couldn’t simply copy and paste its South Side strategy. However, listening to the Linden community, clearly demonstrating commitment, and getting some quick wins under their belt led to similar successes—and attracted additional like-minded partners.

CONTEXT

As the state capital and home to Ohio’s flagship university, Columbus has managed to avoid many of the economic troubles that have plagued nearby regions. Nonetheless, over the last couple of decades, some of the city’s communities experienced significant economic decline related to deindustrialization. Many of those neighborhoods were also hit hard by the foreclosure crisis and struggled to recover.

In the middle of Columbus is Nationwide Children’s Hospital. Over 125 years old, Nationwide Children’s is a highly ranked pediatric teaching hospital that today has 673 beds and 13,000 employees. In 2019, prior to the pandemic, the nonprofit earned \$2.7 billion in revenue. But while young patients come from all over the country to be seen by the hospital’s doctors, it’s also a hospital for local children, with almost 40 percent of its patients on Medicaid.



Children’s hospitals around the country were some of the early experimenters in addressing patients’ social determinants of health, and Nationwide Children’s was among that cohort. The establishment in 1994 of Partners for Kids, Nationwide Children’s accountable care organization, was a critical factor in moving the hospital toward preventive health and eventually toward social determinants.

Nationwide Children's sits at the edge of the South Side neighborhood, a once vibrant working-class community, where by the early 2000s, over half of the children were living in poverty, and abandoned and boarded-up homes dotted the streets (more recently, gentrification and displacement of long-time residents have become critical threats, in part due to the success of the efforts described here).

In 2008, when the hospital was expanding its footprint into the South Side, it became apparent that local residents didn't feel they had benefited from their proximity to the large, well-funded institution. That year, Nationwide Children's established [Healthy Neighborhoods Healthy Families](#) (HNHF), an initiative specifically aimed at addressing upstream factors like education, safety, and workforce development that can influence health. As part of the initiative, hospital leaders began partnering with [Community Development for All People](#), a faith-based CDC that had already been working in the South Side and had demonstrated its effectiveness and commitment to the community. Together, they created [Healthy Homes](#), the affordable housing wing of HNHF.

The partnership thrived. As of 2018, Healthy Homes had brought investments of over \$50 million to a 52-block area in the South Side, helping to build or improve over 450 homes. Just as important, the hospital had cultivated a wide range of partnerships across the area—with groups like the city, United Way, the county land bank, the local Affordable Housing Trust, and several for-profit companies. And it had gained real trust and credibility among nearby residents.

NATIONWIDE LEVERAGES A GUARANTEE TO ATTRACT FUNDING

At the same time as Healthy Homes was having an impact on the South Side, a group of people deeply involved in the neighborhood were working about a mile south of the Nationwide Children's target zone in the South Side. The goal of the nonprofit South Side Renaissance was similar: improving the area's housing options and sparking local economic growth. In part because of Healthy Homes' longtime work in the area, South Side Renaissance was able to identify funding to provide home repair grants to local homeowners.

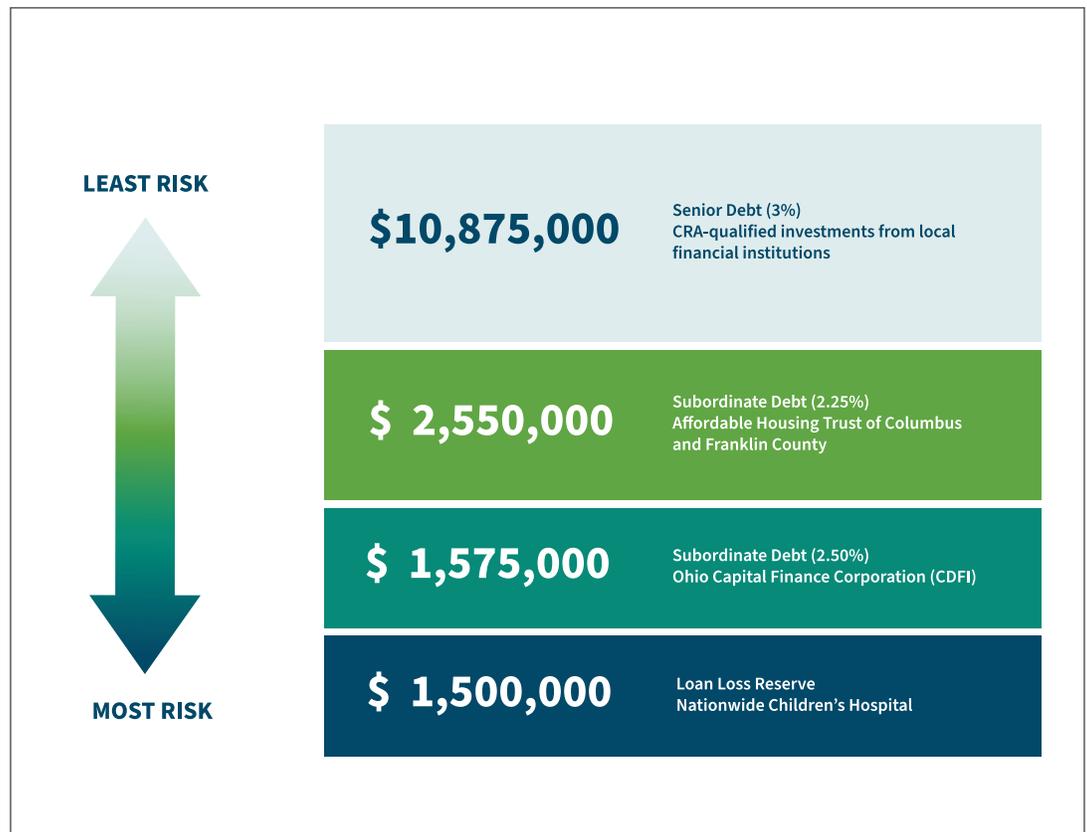
“What we noticed is that as a result of the hospital's financial commitment to the construction of safe, decent, and affordable housing, additional financial support has followed,” said Angela Mingo, community relations director at Nationwide Children's.

Nonetheless, South Side Renaissance struggled to acquire the kind of flexible funding it would need to build new housing. In response, in 2018, Nationwide Children's provided a \$1.5 million guarantee to anchor a South Side Renaissance Fund to finance the construction of scattered site rental housing in the neighborhood. This move was significant for more than its dollar amount: the hospital's commitment served as a credit enhancement that unlocked substantial capital from other investors.

“By guaranteeing \$1.5 million, we were able to unlock 10 times that much capital from banks and others who were a little more risk averse,” said Tim Robinson, Nationwide's CEO.

Serving as the base of a “capital stack”—an arrangement of multiple types of financing with different levels of risk and return—the guarantee led to \$15 million in loans from a number of banks, including JPMorgan Chase, PNC Bank, and First Financial Bank, and other institutions.

The \$15 million revolving loan fund provides long-term [funding](#) for acquiring, constructing, and financing up to 140 units of scattered-site rental housing, serving families with incomes up to 80 percent of the area median income (AMI). Housed at [Ohio Capital Finance Corporation](#), a regional community development financial institution (CDFI), the fund also included \$5 million more in grants from nonprofits for specific community development projects. The fund has been so successful that Ohio Capital Finance Corporation is looking to replicate it elsewhere.



A NEW PROGRAM, A NEW NEIGHBORHOOD

Something else important occurred that year. At the end of 2018, Nationwide Children’s joined five other large healthcare institutions in an initiative run by the [Center for Community Investment](#) (CCI). [Accelerating Investments for Healthy Communities](#) (AIHC) was a three-year project designed to help participating health systems strategically deploy their assets to advance affordable housing by taking a systematic approach, going beyond individual transactions to build pipelines of deals, convening local partners to articulate community shared priorities, and utilizing their skills and relationships to improve the policy context and ecosystem in their targeted geographies.

Nationwide Children’s already had deep experience building and repairing homes. But AIHC was about learning how to do more of what the hospital had begun with the South Side Renaissance Fund: leveraging its resources, expertise, and relationships in order to improve the social determinants of health in neighborhoods it served.

In 2020, Nationwide Children’s began expanding its upstream focus to another disinvested Columbus neighborhood, Linden, which is located a few miles north of the hospital. Due to the success of Healthy Homes and the broader HNHF programs in the South Side, the mayor’s office had requested that the partnership expand its efforts to another neighborhood. Given the hot housing market in Columbus, working in Linden was an opportunity to help avoid displacement pressure and invest in ways that would allow existing residents to benefit.

Another key reason for the expansion was Robinson’s promotion from chief financial officer to CEO. Robinson had been there throughout all of Nationwide Children’s early work in the South Side, and he had seen the programs pay off. He knew, too, that with so many patients covered by Medicaid, improving their upstream living conditions would also benefit the hospital. His familiarity with and commitment to the work helped open up new opportunities.

Nationwide Children’s already had a primary care center in Linden, as well as a mobile care center that regularly visits the community and a presence in the local schools. But it lacked a deep connection with the community itself and did not have a significant history of partnerships to draw on. Residents were also wary of the hospital after years of unfulfilled promises by other institutions.

“If Nationwide Children’s was going to bring Healthy Neighborhoods Healthy Families there, the community had to trust Nationwide Children’s first,” Nick Jones, director of HNHF, has written.

GETTING SOME “QUICK WINS”

It quickly became clear that importing the South Side strategy to Linden was not the right way to go.

The city had already spent much of 2017 and 2018 conducting a series of public meetings to identify Linden residents’ hopes and plans for their community. The meetings culminated in the development of the [One Linden](#) plan, which included 10 key goals, the first of which was “stabilize and expand housing options.” In 2019, a new collaborative emerged out of that process, [The 614 for Linden](#). Composed of CDFIs and nonprofits—Nationwide Children’s was one of them—the group’s mission was to implement four of those 10 objectives, including the housing goal.

As they deepened their focus on Linden, HNHF staff realized that their efforts in the community would resemble a relay race: bringing fresh energy and new resources, HNHF would build on what had already been done and take the work a step farther.

Despite the coronavirus pandemic gripping the country, Nationwide Children’s and its allies were determined to connect with residents and quickly get started. Community Development for All People remained a key partner in Healthy Homes, but the CDC had no prior experience in Linden. So Healthy Homes hired Patrice Allen Brady, a city planner and local resident with years of experience in Columbus, to coordinate outreach as a senior engagement manager at Healthy Homes. Brady and other staff members became regular presences at community meetings, participated in open houses and hosted community hours at a local social service agency, and established a Neighborhood Advisory Committee to gain input from residents and learn about their hopes and needs.

One of their main priorities, which had also been voiced in the meetings that resulted in the One Linden Plan, was a desire to help existing residents improve their homes. In response, Healthy Homes launched an \$875,000 home repair initiative which provided grants to pay for exterior home repairs to 37 Linden households with lower incomes in exchange for a promise to remain in the neighborhood for at least three years.

Nationwide Children’s and its partners found the initiative extremely effective in demonstrating that the hospital was serious about its commitment to the neighborhood. It directly benefited current Linden residents and also provided Healthy Homes with some “quick wins” to generate trust.

“The home repair grant is really a great tool that has allowed us to show and prove our work in the community,” said Brady. “The community can see the work happening, experience the work happening, and then also give voice to the work as well. We have a number of our community members who continue to promote our programs in the community based on their experience with their home repair program.”

NATIONWIDE’S WORK IN LINDEN DRAWS OTHER FUNDERS

For observers, this successful early foray into Linden demonstrated that the hospital and its partners had momentum, a coherent strategy, and the credibility and competence to do more. Just as Healthy Homes’ work in the South Side led to other actors becoming involved in the South Side Renaissance Fund, the partnership’s work in Linden attracted interest from new stakeholders. The notion that “resources follow coherence,” a key tenet of CCI’s AIHC initiative, was particularly true—and welcome—as Healthy Homes began to develop new housing.

In 2021, Nationwide Children’s and its partners planned to build 20 rental homes in Linden for families earning up to 80 percent of AMI. But a number of other organizations wound up also stepping in. For example, CareSource, a nonprofit, multistate health plan, had just announced it was committing \$50 million to affordable housing across the US, and was looking for a quick way to begin utilizing the funds. The Nationwide Children’s Linden plan, already underway, looked like a good bet, and the health plan committed \$500,000 in low-interest loans and grants to the initiative.

Similarly, the city of Columbus had approximately \$350,000 of Neighborhood Stabilization grant funds it needed to use quickly, which it offered to Healthy Homes for homeownership projects in Linden. And JPMorgan Chase chose Nationwide as one beneficiary of the \$5 million in funding it provided to three AIHC participating hospitals, also because of the ongoing work in Linden.

By mid-2021, HNHF announced the creation of the Linden Healthy Homes Fund, a \$4.2 million effort to build and rehabilitate affordable rental housing for south Linden residents. Like the South Side Renaissance Fund, this fund will be managed by Ohio Capital Finance Corporation. Other sources of capital were Partners for Kids, Nationwide’s accountable care organization, which committed \$875,000; The Robert Wood Johnson Foundation, which invested \$1.5 million, and the hospital itself, which provided an equity investment of \$875,000.

In the end, the fund is supporting the creation of 20 rental units, while collaborations between the hospital, the city, Columbus’s land bank, the Central Ohio Community Land Trust, and local funders are producing another 20 homeownership units this year, with 30 more rental units projected in the year to come. The 20 homeownership units will be owned by the Central Ohio Community Land Trust, which will hold the land in perpetuity and provide homes through a 99-year land lease to buyers earning up to 120 percent of AMI.

By developing a pipeline with several different housing approaches, Healthy Homes can satisfy the needs of different types of residents: renters seeking homes in the neighborhood, homeowners whose homes need repair, and people who want to be homeowners but can only do so with a shared equity strategy like the community land trust. Healthy Homes is also utilizing manufactured housing, which can make the units less costly while providing designs compatible with the neighborhood.

The creation of the fund and the resulting Linden units were groundbreaking and will serve to strengthen the community investment ecosystem in Columbus in many ways. For example, the Central Ohio Community Land Trust has not worked in Linden before; its participation and the involvement of the Columbus Land Bank will result in permanent affordability despite rapidly accelerating local housing values. For other groups, like Partners for Kids, this was their first-ever investment in affordable housing.

“I’m especially excited about our recent work in Linden for two reasons,” said Gretchen West, Executive Director of Healthy Homes. “First, the hospital was able to figure out new ways to finance our housing work, including investing our own funds. Second, we were able to make these new rental apartments truly affordable to current Linden residents, which will be an important step in preventing displacement.”

NOT EVEN CLOSE TO DONE—IN LINDEN OR THE SOUTH SIDE

Meanwhile, Nationwide Children’s continues to work on the South Side. Recently Healthy Homes, together with a national affordable housing developer headquartered in Columbus, began work on a 60-unit multifamily building that will include an early learning center on the ground floor. Located on the South Side, the building’s units will be affordable to families earning 40-80 percent of AMI.

Nationwide Children’s staff who’ve been engaged in HNHF, particularly its various affordable housing initiatives, say the hospital’s successes ultimately stem from its determination to work with local partners and to ensure that community members are engaged from start to finish.

But CEO Tim Robinson has said that the most important thing Nationwide did was simply to get started on this work, back in 2008.

“You know, it really comes down to that,” he said recently. “There are so many synergies and opportunities that you will never imagine that come out of this. As you get into it, there are incredible partners. The impact is profound.”

Other Resources

- [Accelerating Investments for Healthy Communities: UPMC Health Plan Case Study](#)
- [Improving Community Health by Strengthening Community Investment: Roles for Hospitals and Health Institutions](#)
- [Investing in Community Health: A Toolkit for Hospitals](#)
- [Resource Guide for Health Systems Investing Upstream](#)
- [Videos: Insights into Successful Health Institution Community Investment](#)
- [Why Pioneering Health Institutions are Investing Upstream to Improve Community Health](#)

Thank you to all the Nationwide Children's Hospital staff and partners who contributed to this exciting work and helped with this case study.

About the Center for Community Investment

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. Our work is supported by the Robert Wood Johnson Foundation, the Kresge Foundation, and the California Endowment.

For more resources, visit centerforcommunityinvestment.org/resources.

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