NATIONAL LEAGUE of CITIES | CENTER FOR RESEARCH & INNOVATION

RESILIENT CITIES IN A TRANSFORMING STATE

A Snapshot of Local Action in Michigan

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Background to this Research

This report on resilient cities, in keeping with two prior studies during 2010 and 2011, focuses on the responses carried out by local actors (individual and institutional) in cities hardest hit by job and real property losses during the past decade. These local actors are carrying out this work in the face of transformative changes in employment and housing, along with the demographic consequences of out migration.

The circumstances in the State of Michigan are the centerpiece of this case study. The combination of unemployment and home mortgage foreclosures in the last 10 years, along with the longer-term generalized population declines, have left local governments struggling to find revenues to support local services. In half a dozen Michigan municipalities, the situation is so severe that the state government imposed an emergency financial manager.

Nonetheless, in the face of these powerful challenges, city leaders and local governments are showing resilience. The Michigan Municipal League (MML) has embarked on an ambitious place-making strategy designed to attract and retain talented people by helping to create quality places to live, work, learn and play. The league's signature publication on this topic, "The Economics of Place: The Value of Building Communities Around People," covers topics from physical design, walkability and transit to entrepreneurship, multiculturalism and technology applications. Moreover, the state housing and economic development agencies, a pool of dynamic universities and a wealth of talent in the nonprofit community are acting in coalition to shape the transformation by looking at place-based strategies that will help put cities on the path to long-term sustainable growth and prosperity.

NLC's work on these topics flows from participation in the Building Resilient Regions Network (BRR) organized by the University of California at Berkeley and funded by the John D. and Catherine T. MacArthur Foundation. This network of scholars and practitioners is tasked with identifying and explaining the activities being carried out by local and regional governments and their partners to address a variety of challenges.

Major Themes

In two prior reports issued by NLC, "Resilience in the Face of Foreclosures: Lessons from Local and Regional Practice" (2010) and "Resilience in the Face of Foreclosures: Six Case Studies on Neighborhood Stabilization" (2011), the goal was to determine the actions taken by localities and regional entities to support resilience. Specifically, the studies identified the ways in which local leaders responded to economic collapse and home mortgage foreclosures by shifting organizational routines, collaborating across sectors and levels, identifying and redirecting resources and leveraging new resources from public and private sources.

With each new research effort, NLC winnowed the focus down to three indispensable principles that together are the foundation of resilience at the local level. They are:

1. An inclusive and creative process of community engagement to assess a problem, identify solutions and implement a unified response;
2. Credible, dynamic and aggressive leadership on the part of local and regional elected or appointed officials and the capacity of the government departments or agencies to synchronize with that leadership; and
3. Partnerships across city departments, across political boundaries and between the public, private and nonprofit sectors.

In partnership with the Michigan Municipal League (MML) and the Michigan State Housing Development Authority (MSHDA), NLC convened 30 federal, state and local actors in Lansing, Michigan, on September 8, 2011, for a one-day Leadership Forum on Neighborhoods and Local Economies.[1] During the forum, these officials began a process for defining place-making and enumerating livability principles to suit their own needs and to create a framework that can support economic growth and prosperity statewide. The findings and perspectives from this forum are what follow. As participants worked to define place-making, they provided their thoughts about what place means to them. These thoughts are highlighted throughout this report.

A synthesis of the discussion was captured at the conclusion of the event by one of the organizers.

> "What I have heard in these discussions is that there is a continuum of activity around shared service delivery, which in some cases leads to consolidation of services. Cities are at different stages but are having serious conversations about areas for cooperation. You [local leaders] are doing it, because you're taking risks and exercising leadership roles to help to continue and maintain and improve future capacity. And, you are getting your citizens to facilitate the process, engaging them, taking the process to them and letting them choose."

1 See Appendix A for the full participant and attendee list.

Theme 1:
Community Inclusion and Engagement

Creative and useful community engagement is not exemplified by the public comment period that is so common at meetings of a city council. Information gathered through public comment is typically narrow in scope and generally fails to capture the full spectrum of issues and concerns on the minds of a broad sample of community residents. Moreover, the information collected is seldom actionable. It does not bring about solutions or forge compromise as part of a decision-making process.

> "Place defines me and my family."
>
> —Ypsilanti City Manager Ed Koryzno

Formal opportunities for public comment, or institutional channels, such as district councils or neighborhood associations, however do serve some useful purpose. The University Student Commission in East Lansing, which is a Standing Board Commission of the city, demonstrates that students are an important audience and that their opinions carry weight and have credibility.

> "Place is the space in which I work, play and entertain; the place that offers opportunity."
>
> — Flint Mayor Dayne Walling

Providing formal opportunities for public comment is important, but it cannot be the only mechanism for gathering information from the community. Informal processes offer opportunities for more creative engagement with both traditional and nontraditional stakeholders in the community. Informal mechanisms may be especially valuable for constituencies where English is not the native language.

The city of Midland tested the concept of a *Meeting in A Box* to reach directly into the living rooms of residents and engage them in a more meaningful way. *The Box,* which could be picked up at city hall, contained all the supplies needed to host a gathering of six to eight neighbors in one's own home. Included were background documents on the issue to be discussed and a series of questions to which the citizens needed to respond. The city even included a bag of microwave popcorn as part of the meeting supplies.

> "Place is the unique aspects of my neighborhood and city about which I am proud."
>
> —James Butler, MSHDA

"At first I was skeptical," said one local official. "However, we probably got the most outstanding feedback we had from all the community meetings that had ever gotten together. And when this round of outreach was done, people wanted to know when the next one was."

Case Study: Crowd Sourcing in Grand Rapids

It is always desirable for cities to increase their levels of civic engagement, but it often appears to be an unmanageable task to accomplish. Local governments frequently struggle with simply educating their citizens, much less incorporating innovation, collaboration and broader community participation.

The City of Grand Rapids has been able to capture the power of civic engagement through the use of modern social media tools. The city is using crowd sourcing as a key tool for community participation, collaboration and innovation. As opposed to the delegation of a specific task to one particular individual or small group, crowd sourcing facilitates the consultation of numerous individuals to develop a collaborative idea. Grand Rapids was able to harness the conceptual theory behind crowd sourcing and apply new methods to increase community involvement. Two efforts in particular — the Grand Rapids Lip Dub and the GRand Ideas webpage — resulted in an unprecedented number of citizens contributing to community decision-making.

A "Newsweek" article published in 2011 ranked Grand Rapids as one of the top 10 dying cities in America. This declaration sparked a community movement. One of the most publically recognized projects to grow out of this movement is the "Grand Rapids Lip Dub" video, which went viral on YouTube.

Rob Bliss, a community event coordinator, initiated this project to display the civic pride of Grand Rapids. More than 5,000 community members congregated in the downtown center of Grand Rapids to create a video response to the "dying city" accusations. The video has surpassed 4 million hits on

YouTube. Various media outlets have taken note of the piece, and Grand Rapids has benefited from the global publicity.

Managing and leveraging community pride and civic enthusiasm can be daunting. Large group meetings may be effective in some circumstances, but they can be limiting. Grand Rapids has expanded beyond these limitations and catered to a generation that revolves around the Internet and technology. The city has taken the idea of crowd sourcing beyond community meetings by creating the "GRand Ideas", which allows anyone to log in and express their innovative ideas with a simple click of a mouse.

Mayor George Hartwell of Grand Rapids explains the concepts and methodology of the webpage: "Grand Ideas is a crowd sourcing site managed by the City of Grand Rapids. We're looking for those great ideas our citizens may have that would make city government more efficient or our community a better place to live. Once a citizen posts an idea, others can reply, "like," or suggest improvements. When 50 "likes" are received for an idea, it triggers research by the appropriate city department and, if warranted, design and implementation of the idea."

The accessible nature of the webpage fosters further community collaboration, discussion over the Internet and government accountability. Grand Rapids' city manager Greg Sundstrum said, "City officials don't have a monopoly on ideas for transforming Grand Rapids. With GRand Ideas, we're looking to our residents and visitors to help us find ways to make the city even better and help government do more with less." Civic engagement became convenient through efforts initiated by the local government. The community has been productive and has successfully completed projects like an "Insider's Guide to Grand Rapids."

This system has created an opportunity for the community at large to play a more significant role in the decisions made for Grand Rapids. The citizens have a stronger voice, and the local government is able to connect more with its constituents. Finances largely depend on the project at hand. Projects like the "Grand Rapids Lip Dub" can successfully be funded solely through donations and not rely on tax dollars. Other projects like the "GRand Ideas" webpage will require technical support that may run through an IT department within the government and will consequently require funding from tax dollars.

For more information on how to stimulate citizen engagement through crowd sourcing, visit the GRand Ideas webpage at http://grandideas.mygrcity.us/ideas/search/tag/downtown.

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Theme 2:
Leadership and Local Capacity

Leadership is almost impossible to quantify. At a time of shrinking professional staff capacity in city governments nationwide, the positive force of good leadership is fixing problems and changing systems that will serve localities long after the present crises are over. One mayor offered this reflection on leadership:

> "I have always felt that the most important characteristics of any leader, particularly a political leader, are vision and inspiration. When I'm at my best, I have a compelling vision and I can present and articulate that compelling vision, which then inspires people to get behind it and bring in their energy. If mayors are doing that, the rest of it falls in place. We do all of this stuff; but I think primarily it's about vision and inspiration, then encouraging people to take a risk, to do things differently, and trust them in the task and don't beat them up if it fails."

An important leadership role for local elected officials is targeting scarce resources. Another is transferring authority to those staff professionals in the best position to make effective use of the levers of government power. One city leader described the circumstances in her city.

> "Place is where you are comfortable, content and safe."
>
> —Port Huron Mayor Pauline Repp

> "We brought the city leadership team together in a room. I said we have to concentrate our focus; we have to figure out what we are going to do to make a better project. We cannot just take a scatter-shot approach. There has to be cohesiveness to improving our neighborhoods. The problem is in this building [city hall]. We've got great people, but nobody has empowered them to do their job."

Inherent in the exercise of leadership is the risk factor. This principle applies to elected officials as well as to city staff professionals. One elected official put it this way:

> "Our political reality today is that the status quo is failure. If we just keep doing what we have been doing we are going to fail. If you are ever to take a risk you have to do things differently. I don't think we have got a choice. If we are going to succeed as cities, if you want to leave a legacy, you have to take some risks."

Another put it more succinctly: "Failure only happens when no risks are taken."

A city staff professional expressed a similar sentiment:

> "If you're going to play the game hard, you will get some fouls. It's expected. The point is that it's okay. Not only must you take some risks but you will screw up once in a while, too. When we hear that message from the elected officials, we will try new things even though we know that some ideas won't work out, and we will try the next one and we will learn some lessons from that process. If you make a mistake, it's not the end of the world. In these times when things are changing so rapidly, you have to get that message out to staff, otherwise they get into a self-preservation mode: work inside the box, don't stick you head out lest it get cut off."

Providing an element of circumspection, one local official from a city that was particularly hard hit even before the impacts of the Great Recession were felt had this perspective: "It's good to listen to all of these cities that can take risks. I understand that you should take some risks. But in our situation [an emergency manager] we don't take a lot of risks. We do things according to the policy, like NSP II. We work together and we follow the rules. At present, it's not the time to be taking more risks."

> "Place is where I know others and they know me."
>
> —Battle Creek Mayor Susan Baldwin

How then to manage risk effectively? Several responses suggest that successful risk-taking requires a level of trust among those engaged in the venture. Further, creating a culture of trust within city government becomes the principal value that leads to innovation. This in turn leads to efficiency in a local government that is otherwise stretched beyond capacity.

In addition to city leadership and staff, citizens have an ownership stake in their community. Volunteers serve on local boards and commissions, and neighborhood associations often represent a pool of committed and energetic talent that can stretch the resources of city hall. Of course, volunteers are a double-edged sword, as explained by one mayor.

> "We have a lot of residents who approach the city asking what they can do. Volunteering brings people satisfaction, both personally and professionally through the connections they make. But someone in the city has to be able to organize a group of volunteers and put them to a task. We had no one at city hall who could take the time to pull together this kind of initiative. We just couldn't wrap our hands around organizing this kind of effort, and I'm afraid that we lost an opportunity."

Case Study:
Jackson Vacant Property Inspections and Shared Services

Difficult economic times are forcing cities to embrace creativity and develop innovative methods of addressing challenges. The City of Jackson is exploring a number of initiatives, such as form-based

codes and shared service agreements, to improve efficiency. Strengthening the interactions among the city's staff and launching new partnerships are at the core of the problem-solving approaches in Jackson.

In the area of land use planning and housing, the city's elected and professional management team, under the leadership of City Manager Larry Shaffer, have directed actions to update the city's comprehensive plan. A central feature of the plan is eliminating blight and vacant properties.

The city has a problem with controlling the blight that accompanies vacant properties. Development of a comprehensive housing plan became a primary concern for local officials. Leaders in Jackson have provided staff with greater latitude in the design and implementation of housing priorities and outcomes toward the goal of eliminating blighted properties.

Too many blighted and vacant properties stood as economic drains that wasted city resources and decreased property values. Until recently, the city did not possess a comprehensive list of vacant properties. The city's real property review plan began with individual inspections of every possibly vacant property within city limits. Predictions of what properties could be vacant were based upon water usage reports over two quarters. The next step required visiting all 657 properties with low water usage scores and inspecting each with a staff-developed checklist. The city found that 462 of these properties were actually vacant. At the conclusion of each inspection staff made a recommendation regarding the future of the property.

All 657 site visits were completed within two months. The rapid completion of the inspections was due to the committed city staff, who were empowered to solve problems in the field and exercise the necessary authority to bring the task to conclusion. Former Mayor Karen Dunigan commented on the staff's involvement: "Inspectors went out seven days a week, and were excited to be a part of the project. The staff was fully immersed in the concept, and everyone was actively participating." Numerous city departments including planning and zoning, the historic district commission, legal, water and housing participated in the process.

In a further effort to reduce redundancy, the leadership in Jackson initiated proposals for shared service agreements between the City and County of Jackson. One practical manifestation of this cooperation is a plan to have a single property assessor for both the city and county. Similar discussions between the city and county are underway in relation to shared information technology services. The city is considering regional buy-ins to the city's water and sewer utility, which at present has underutilized capacity.

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Theme 3: Partnerships

If it is risky to exercise forceful political leadership, it is more risky still to contemplate partnerships between cities that may result in shared service agreements or consolidation of services.

> "We tried once to blend the city police force with the county sheriff through a contracting relationship. Our proposed agreement built in many safeguards to ensure that local officers would be first responders to emergency calls within the city. Our officers would have had some distinctive identity. We would have saved about $1.5 million. We had an upheaval in the community that was beyond anything. Our citizens did not want it. This service was part of the community that they did not want to give up. It was overwhelming, so we had to walk away from it. We had to cut some other services that also were very important to the residents."

> "Place is where I have intellectual, emotional and physical connections."
>
> --Mayor George Hartwell, Grand Rapids

The two important themes that emerge when discussing shared services are trust between the partners and the distinctive identity (history, culture, risk tolerance) of each partner.

> "We are a different place with a different identity, a different demographic, a different history. There are interconnections, and we are happy to collaborate so long as we have a good lawyer and a strong contract. Our futures are interconnected, and we have to find a way to work together that is effective for all of us. Mutual respect is one thing and an assurance that the level of services can be continued."

Starting with small services was the generally agreed upon strategy for beginning partnerships.

> "We used to do our own line striping, which sounds simple but is expensive. The cities and county got together and brought in a private company. They serviced the whole county, every city. It got to the point that the agreement was so good the company came in and gave us a bid for service in future years that was the same price as for the present work. We knew that if it failed we could always pull back."

Acting along similar lines, a city and county combined their departments of parks and recreation. Two other cities share tax collection services. "The first year we went into the agreement," said one local leader, "the city experienced a $70,000 profit. The second year it was $150,000." A third city contracted out its entire nuisance ordinance complaint inspections to neighborhood associations.

Even in the public safety field, some service sharing has been embraced. "There are six local governmental entities in mid-Michigan. Right now they are working on a consolidated fire service — two cities and four townships — and this is going to work. We already have consolidated three 911 centers. That's going to work." Another official said: "We have a mutual aid package between the three adjacent cities and it works for major fires, and we are on the same police system for Officer in Trouble. We have all the law enforcement agencies on the same [communications] system; but it should have been taken care of a long time ago."

> "Place has an identity of its own where my family can create memories."
>
> – Jeff Chamberlain, Kalamazoo

Case Study: Front Porch Renaissance Group in Bay City

In searching for a more intensive sense of community spirit, Bay City native Dr. Steven Ingersoll developed a historic properties restoration program called the Front Porch Renaissance Group. The primary purpose of the organization is to protect the unique design of historic structures and neighborhoods and preserve their value to the Bay City community. The restoration projects enhance educational opportunities, nurture and grow business and support the unique character of the community at large.

The first project initiated by the Front Porch Renaissance Group was renovation of the Madison Church into what became the Bay City Academy. After considering the needs of the community and exploring an action plan, project implementers found that education was the most important need in this restoration project. The centerpiece of this project became the revitalization and transformation of the Madison Church into a K-6 arts and visual therapy charter school.

"Bay City Academy's construction period was completed within eight months and opened on September 6, 2011, with 165 students. The school utilizes the unique studio model to educate students through themes and interaction," explained Front Porch CEO Tim Hunnicutt. The opening of the academy not only offers innovative educational opportunities in a struggling neighborhood, but it also allows Front Porch to become a contributing member of the community and to be part of decisions about future community needs.

The second area of focus for the Front Porch Renaissance Group is business development. Bay City has multiple business districts that represent different areas of business markets, such as retail and office. Each district embodies varied interests and has specific needs for restoration. Vacant properties have been purchased in each district and have been assessed accordingly for what types of businesses would be most successful there. Front Porch is

assisting in the construction and beginning development phases of the business plans. Once the businesses can sufficiently manage themselves, Front Porch will depart from extensive involvement. The goal for business development is to create independent districts with self-employed managers.

Community strengthening is the final distinguishable trait of Front Porch. Investing in the people and reinforcing human capital is the most important component of building and strengthening the community. Front Porch is making improvements to the community by providing various volunteer opportunities and offering certain home improvement projects as free services. Many Front Porch employees have used the last minutes of their shifts and some of their personal time to work on certain home repair projects for various members of the community. Roof repairs and porch renovations for senior citizens have become common activities for employees. Following the example of its employees, Front Porch developed a Time Bank. This creates opportunities for neighbors to exchange services like babysitting for fence painting toward the goal of engaging and uniting neighborhoods.

Front Porch employs 32 full time staff to carry out Dr. Ingersoll's vision and consistently coordinates volunteer efforts that engage the entire community. There are numerous supporters of this initiative throughout Bay City. Tim Hunnicutt commented on the overall support of the projects from the community. "There isn't really one individual supporter who stands out more than any other. The entire community has really adopted the group and all of the projects we are pushing forward."

The primary funds for projects like these come from the Front Porch operating budget. Dr. Ingersoll personally made some early investments. Revenue generating projects and grant funds allow the organization to leverage its resources and continue reinvesting into the development of the city. As properties are purchased and rehabilitated, they begin generating revenue that is then turned over to purchase new properties in a process of continuous investment and reinvestment. Contributing funding sources include the U.S. Department of Agriculture, the Michigan State Housing Development Authority's office of Community Development, Historic Preservation tax credits, the National Trust for Historic Preservation's Main Street Program, the U.S. Environmental Protection Agency and the Michigan Economic Development Corporation.

For more detailed information about the Front Porch Renaissance Group, or any of the above listed projects, refer to the following webpage: http://www.mifrontporch.com/.

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Conclusion: The Michigan Snapshot

The Forum in Lansing provides evidence that research findings about resilience and the viewpoints of the local decision makers about practical steps to stabilize and grow communities are aligned. Under the most difficult of circumstances in Michigan, city and county leaders are making use of the full force of their elected office, they are taking creative steps to reach out to a broad variety of community stakeholders and they are testing cross-jurisdictional partnerships to ensure delivery of services. Moreover, agencies of the state government are positively engaged in the place-making agenda, which is creating opportunities for more thoughtful and coordinated local action.

Michigan is home to numerous "Legacy Cities." These are communities making the transition from their historic role as manufacturing centers of the industrial revolution to a new and as yet undefined future. The recovery of these cities is important not only to the people and businesses in them but to the nation as a whole. The centuries of accumulated infrastructure and wealth of intellectual capital (universities, hospitals, cultural and historical landmarks) are poised to contribute strongly to overall national economic strength and well-being. The lessons from the experiences in Michigan will serve as models for other communities struggling with similar challenges.

About this Publication

The National League of Cities is the nation's oldest and largest organization devoted to strengthening and promoting cities as centers of opportunity, leadership and governance. NLC is a resource and advocate for more than 1,600 member cities and the 49 state municipal leagues, representing 19,000 cities and towns and more than 218 million Americans.

Through its Center for Research and Innovation, NLC provides research and analysis on key topics and trends important to cities, creative solutions to improve the quality of life in communities, inspiration and ideas for local officials to use in tackling tough issues and opportunities for city leaders to connect with peers, share experiences and learn about innovative approaches in cities.

Acknowledgements

Appendix:
Full Participant and Attendee List

The following federal, state and local actors, along with staff from municipal associations convened on September 8th, 2011 in Lansing, Mich., for the one-day Leadership Forum on Neighborhoods and Local Economies.

Federal

Shelley Poticha, U.S. Department of Housing and Urban Development

State

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Lori Sykes, Michigan State Housing Development Authority

Mary Townley, Michigan State Housing Development Authority

Louis Vinson, Michigan State Housing Development Authority

Katharine Czarnecki, Michigan Economic Development Commission

Local

Mayor Susan Baldwin, Battle Creek

Cathy Brubaker-Clarke, Muskegon

Noel Bush, Midland

Jeff Chamberlin, Kalamazoo

Mayor Karen Dunigan, Jackson

Bill Ernat, Saginaw

Mayor George Heartwell, Grand Rapids

Tim Hunnicutt, Bay City

Ed Koryzno, Ypsilanti

Mayor Victor Loomis, East Lansing

Mayor Karen Majewski, Hamtramck

Mayor Pauline Repp, Port Huron

Mayor Dwayne Walling, Flint

Mayor Pro Tem William Watson, Muskegon Heights

Mayor Herbert Yopp, Highland Park

Municipal Association

Dan Gilmartin, Michigan Municipal League

Arnold Weinfeld, Michigan Municipal League

Kelly Warren, Michigan Municipal League

James Brooks, National League of Cities