



What Research Shows about Resurgent Cities: Lessons for Policy Makers

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Critical Issues for the Fiscal Health of New England Cities & Towns
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● ● ● | Small and mid-sized industrial cities have faced a multitude of challenges.

- Transition away from a manufacturing-oriented economy.
- General migration of jobs away from city centers.
- Changing skill requirements in high-paying urban jobs such as professional, medical, educational, and financial services.
- Changing racial and ethnic make-up of city populations.
- Dwindling property tax bases.
- (Until recently) Lack of attention from national funders.



Today's presentation draws from Boston Fed study of Springfield, MA and its peer cities

- Why Springfield?

- Springfield has one of the highest rates of concentrated poverty in the nation.
- Springfield's challenges are similar to other old manufacturing cities across the nation.

- Core questions

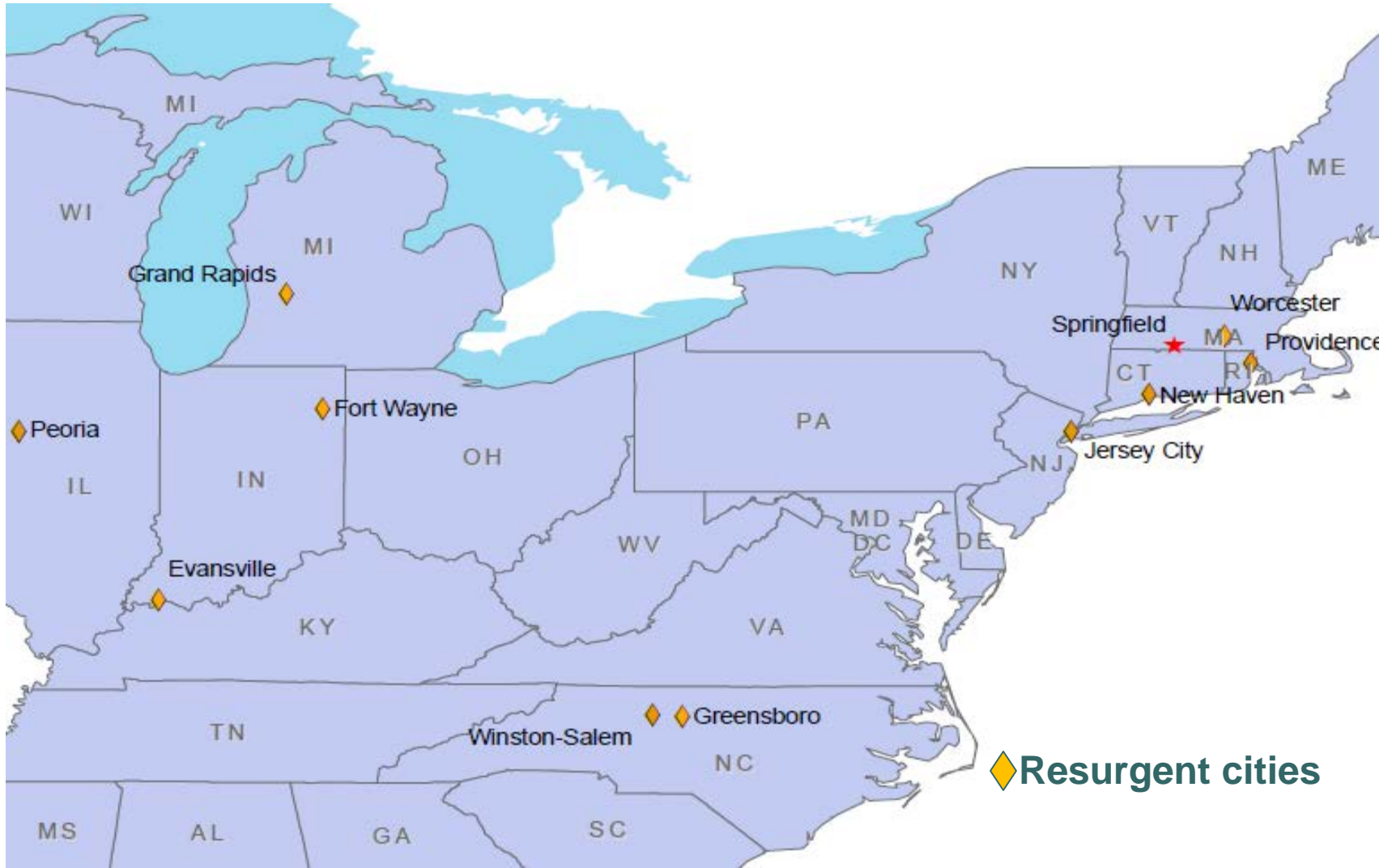
- Are all old manufacturing cities economically distressed, or have some manufacturing cities fared substantially better than others?
- What lessons can we draw from the resurgent cities?

Identifying 25 peer cities for Springfield:

1. manufacturing employed 30%+ residents in 1960
2. population of 100,000-250,000 in 1960-80
3. remained primary city in metro area (MSA)



The 10 resurgent cities are located in eight different states.



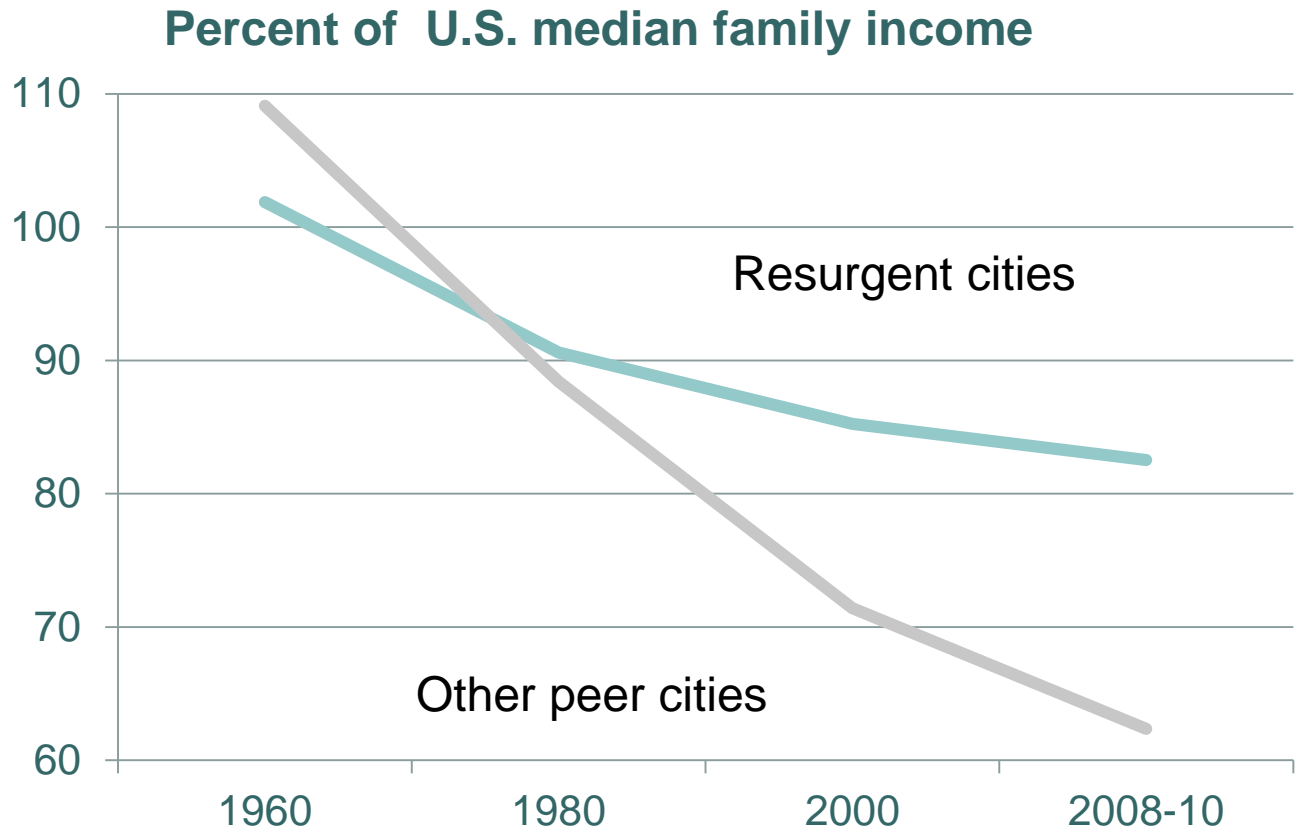


What constituted success in these cities?

- Outcomes for the residents:
 - Economic prosperity / absence of poverty
 - Absence of severe population losses
 - Social well-being / quality of life
- How to measure success:
 - Relative to peer cities
 - As objectively as possible



Median family income in the resurgent cities is now \$12,520 higher than in the other peer cities ... But well below the U.S. median.





Major themes from studying resurgent cities

- Lead and collaborate
- Transform the economy
- Develop and retain human capital
- Extend prosperity and involve communities

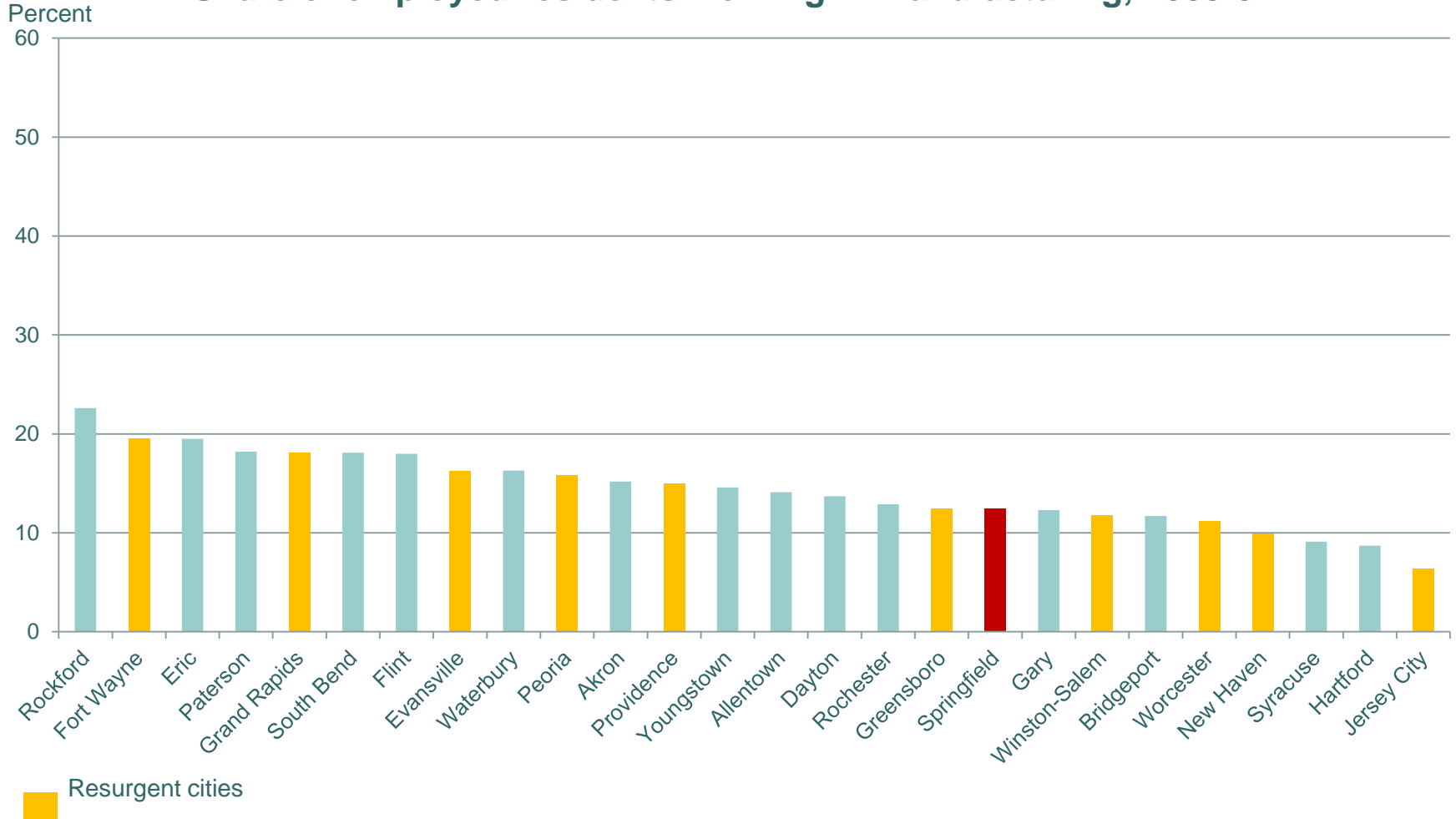


Key lessons: Industry modernization

- High initial dependence on manufacturing hindered resurgence.
- Both resurgent and non-resurgent cities have reduced their dependence on manufacturing.
- Industry modernization involves developing more robust manufacturing and non-manufacturing sectors.

All of the cities—resurgent and other—
now rely less on manufacturing jobs.

Share of employed residents working in manufacturing, 2005-07





Key lessons: leadership and collaboration

- Initial leaders can come from any sector – government, business, or non-profit.
- Sustained progress requires broad collaboration across all constituencies.
- Building a durable civic infrastructure involves making changes in organizational structures.



Key lessons: Long-term visioning and re-evaluation

- Resurgent cities develop comprehensive long-range plans (10-20 years).
 - Based on broad participation.
 - Frequently involve regional engagement.
- Success requires re-evaluating these plans.
 - Initial successes are likely to be selective.
 - New economic challenges emerge.



Key lessons: Infrastructure and downtown revitalization

- Transportation and communications improvements are important draws for both manufacturers and other businesses.
- Downtown makeovers attract residents and create entrepreneurial activities.



Key lessons: Role of higher education institutions

- Educational attainment has improved considerably in resurgent cities.
- Higher education institutions also play important roles as economic developers, major employers, and financiers.
- Cities lacking one major higher education institution can benefit from coalitions among smaller institutions.



Key lessons: Helping low-income families and neighborhoods

- A continuing struggle, even in resurgent cities.
- Need for separate, focused initiatives and active collaborations.



Conclusion: Takeaways from studying resurgent cities.

- Realistic examples
- Patience and determination
- Fresh ideas
- Importance of cross-sectoral and regional cooperation



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