

# PRIORITY COMMUNITIES

FOSTERING INCLUSIVE AND RESILIENT ECONOMIES

Evaluation Summary Report  
September 2024



# TABLE OF CONTENTS

EXECUTIVE SUMMARY ..... 4

**1** INITIATIVE OVERVIEW ..... 7

**2** BRIGHT SPOTS AND SIGNALS OF PROGRESS ..... 17

**3** CHALLENGES AND TENSIONS..... 30

**4** STRATEGIC IMPLICATIONS FOR THE FUTURE ..... 34

APPENDIX A..... 38  
Evaluation Approach and Methods

APPENDIX B..... 39  
Pre-Initiative Landscape of Priority Communities

# GLOSSARY

## KEY TERMS AND CONCEPTS

**BIPOC:** An acronym for Black, Indigenous, and People of Color used in the United States

**CBO:** An acronym for community-based organizations that are responsive to community needs and priorities and strive to make improvements in community wellbeing

**Ecosystem:** A network of interconnected organizations and institutions positioned to enhance the economic well-being of a community

**Good jobs:** Jobs that pay family-sustaining and predictable wages, provide benefits, and offer opportunities for advancement

**Healing, reconciliation, and repair:** Refers to the importance of truth-telling about the harm caused by racism, colonization, discrimination, and exclusion and the intentional need to reconcile and heal from past harm

**Inclusive economies:** Expanded opportunities for more broadly shared prosperity, especially for those facing the greatest barriers to advancing their well-being

**Innovation:** Efforts, practices, and policies to expand good jobs, such as micro-enterprise development, small business incubators, worker co-ops, opportunity zone investments, and incentivizing good employers to expand to the region

**Intermediary:** Local entities such as community foundations that have the knowledge, connections, networks, and expertise to regrant funds, convene stakeholders, and/or facilitate technical assistance

**Organizational capacity building:** Efforts to strengthen an organization's ability and effectiveness to deliver on its mission; it may include increased staffing, skill and competency development, access to resources, and new knowledge

**Regional capacity:** Strengthening the ability of various actors working collectively to collaborate and implement new projects and innovations

**Small business:** A business that is independently owned and operated, with fewer than 100 employees, and typically has gross receipts of less than \$5 million annually

# EXECUTIVE SUMMARY

In 2020, The James Irvine Foundation launched the seven-year, \$135 million **Priority Communities initiative** to support five California communities—Fresno, Salinas, San Bernardino, Stockton, and Riverside—with the goal to create good jobs and foster inclusive economic development that benefits all workers. The initiative builds on nearly two decades of Irvine investments in the Central Valley and Inland Empire. The Foundation seeks to strengthen local leadership in cities that have experienced historic under-investment and help communities develop the capabilities and capacity (e.g. power, time, space, people, and data) to envision and inform choices about their local economies.<sup>1</sup>

The initiative has achieved notable progress in its first four years despite major events like the pandemic, racial justice uprising, and significant social and economic turmoil. Amid a changing landscape, the goal of the initiative has remained unchanged. In fact, the social and economic crisis underscored the imperative not only to support economic recovery but also build more resilient and inclusive local economies that could weather downturns in the future. The road to inclusive and equity-centered economies is long and challenging, but grantees and regional partners have made great progress with the support of the Irvine Foundation.

This evaluation report highlights noteworthy progress across several impact goals as well as challenges and tensions inherent to initiatives that involve diverse stakeholders, sectors, and other complexities. It explores what it takes to transform local economies and includes examples from each community to provide more nuance. Key findings include:

- Support from Irvine has significantly shifted the composition of regional economic development tables, with a substantial increase in participation from grassroots organizations that represent worker and community voice.
- Robust cross-sector partnerships are reducing silos and promoting collaboration, resulting in billions of dollars in new investments from federal, state, and philanthropic sources.
- Regions are piloting innovative projects with promising initial results that pave the way for new jobs in emerging sectors.
- Regional partners are building credibility, new narratives, and political will for more inclusive and equitable economic development that leads to the creation of good jobs.

The evaluation findings emphasize the importance of understanding (1) regional context, (2) building trusting relationships, and (3) providing long-term funding to strengthen organizational capacity, knowledge, and skills, and (4) seeding new innovations that produce good, sustainable jobs. The Foundation and regional partners have opportunities to further these achievements by continuing to foster cross-sector collaboration, advocating for racially inclusive policies and approaches, and ongoing knowledge-sharing. In addition, the findings uncover aspects for the initiative to adjust or strengthen, like identifying, with community partners, more meaningful indicators of progress that reflect regional priorities and complexities.

<sup>1</sup> The inland regions of California have historically not received a proportionate level of investment in infrastructure and economic development from public and philanthropic sources compared to Coastal California and major metropolitan areas.



**92%** OF GRANTEE SURVEY RESPONDENTS AGREED THEIR REGION IS ON A POSITIVE TRAJECTORY TO CREATE GOOD JOBS AND AN INCLUSIVE, EQUITABLE, AND RESILIENT ECONOMY.

## KEY LEARNINGS AND SIGNALS OF PROGRESS AT-A-GLANCE

While each region is unique and at a different stage of development, notable progress has been made across strategies as partners navigate an ever-changing landscape. Key signals of progress are highlighted below and further detailed throughout the report.<sup>2</sup>

### Building Capacity

There has been a **significant increase in the capacity of CBO organizations**—who serve as indispensable advocates for low-income workers and communities—**participating in and influencing** economic development planning.

- 85% of survey respondents said their regions were in more nascent stages of CBO involvement in 2020. By the end of 2023, that shifted dramatically, with 74% in a “growing” phase and 7% noting CBO involvement was “thriving.”
- The inclusion of CBOs is not only elevating the voice of workers and residents but also **fostering new narratives and mindsets** about inclusion and shared prosperity.

### Cultivating Cross-Sector Partnerships

The steady leadership of community foundations—as conveners and fiscal sponsors for community projects—has been a **critical facilitator of cross-sector partnerships**.

- 89% of grantees surveyed agreed new collaborations have fostered new and diverse connections, and 85% agreed that organizations convening collaboratives have strong skills in working with people with differing perspectives.
- 74% of grantees agreed their efforts contribute to **new mindsets about the contributions of low-income workers and BIPOC-led small businesses** in creating vibrant communities and local economies.

### Fostering Inclusion

Regions are using **disaggregated data** and analysis as well as various **frameworks and tools** (i.e., Solidarity Economics and power mapping) to improve inclusion and measurement of progress over time.

- 78% of grantees surveyed agreed their regional collaboratives **use data and historical context to understand the root causes of economic inequities** and explicitly name racial equity as an outcome and process.
- 74% of those surveyed agreed their work is contributing to new **narratives that amplify contributions of low-income workers** in creating vibrant communities and economies.

### Spurring Innovation, Job Creation, and Training Opportunities

Regions are **redefining what innovation means, incubating new approaches to address racial inequities**, and reimagining the jobs of the future.

- More than 10 innovative projects were identified across communities, including small businesses incubators, worker co-ops, apprenticeship programs, and climate-related employment.
- There is growing **optimism across regions about cutting-edge and emerging opportunities** for further job creation related to climate and green jobs and the small business ecosystem.

### Scaling and Leveraging New Resources

- Irvine's support has helped **unlock approximately \$1.2 billion of “game-changing” investments** from public and private sources across communities to support inclusive and equitable economic planning efforts and scale programs.

- The existence of solid cross-sector partnerships, shovel-worthy projects, and increased credibility from Irvine's sustained commitment in the regions have positioned regions for new investments.

<sup>2</sup> These highlights are based on extensive interviews with diverse stakeholders across regions as well as a 2024 survey of core set of partners and intermediaries (total of 27 respondents).

## GRANTMAKING AT-A-GLANCE

7-year initiative that aims to create good jobs and foster inclusive economic development that benefits all workers



**\$125M** TOTAL GRANTS

Since 2020, the Irvine Foundation has distributed approximately \$125m (as of June 2024) in grants across Priority Communities to support capacity building, convening, innovative programs, job training, and community-based efforts to increase the spread of good jobs.

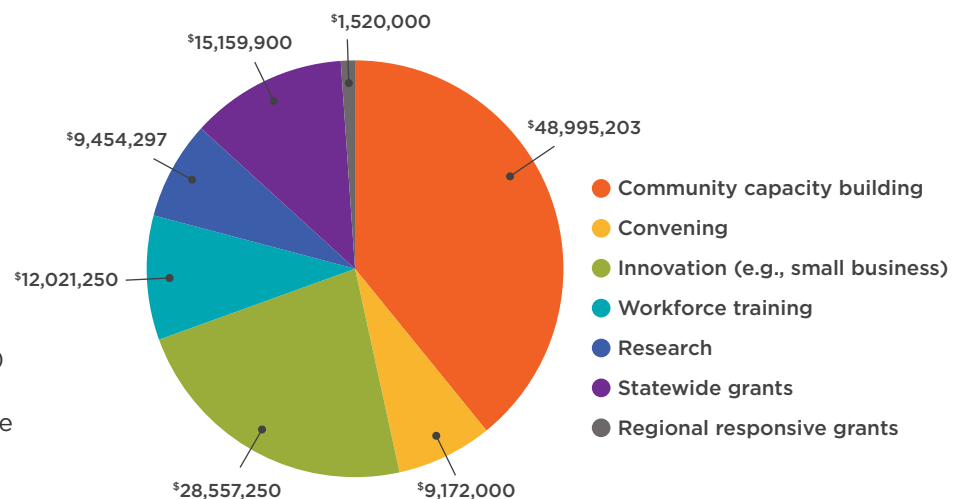
Irvine's funding strategy includes partnerships with community foundations and local intermediary organizations. These local partners understand the landscape and facilitate regional regranteeing to ensure Irvine investments reach as many small and medium size organizations as possible. Regional community foundations also play a critical role in convening cross-sector partnerships and supporting capacity building efforts in Priority Communities. **Approximately \$55.1 million (of the \$125 million) was regranted to other organizations across the five regions.**

Irvine's investments in the Priority Communities helps to support key activities such as the following:

- **Capacity building of community organizations** to engage in economic development work. A significant portion of funding was regranted and shared across numerous grassroots organizations participating, learning, and advocating for quality jobs and more equity for workers in the regions.
- **Convening of cross-sector regional partners** is supported with funds to help local convenors of inclusive economic collaboratives and partnerships hire the staff and get the technical support needed to bring cross-sector partners together and work on a collective vision for an inclusive economy.

- **Funding for innovative programs** that center worker interests and small business development for BIPOC entrepreneurs is developing new pathways to work and the jobs of the future.

- **Regional responsive grants**, were distributed in the form of responsive grants. These grants provide more flexible funding to respond to emergent needs and threats (such as the pandemic) as well as opportunities and efforts to build media and narrative change infrastructure in each region.



# 1 INITIATIVE OVERVIEW

In 2020, The James Irvine Foundation launched a seven-year, \$135 million initiative to foster inclusive and equitable economic development in five communities that represent the future of California and yet have, historically, less investment and more economic disparities. Priority Communities includes investments in Fresno, Riverside, Salinas, San Bernardino, and Stockton. Funding seeks to support communities in addressing the lack of opportunity in the industries that dominate local and regional economies, which leads to unsustainable livelihoods for workers and their families. The lack of diverse economic opportunities has limited economic mobility for communities of color.

The Priority Communities initiative builds on nearly two decades of Irvine grantmaking in the Central Valley and Inland Empire. Previous funding was primarily focused on organizational and leadership capabilities but was not working toward strategic impact goals.<sup>3</sup> The initiative supports specific communities in inland California to advance the Foundation's North Star: *a California where all low-wage workers have the power to advance economically*. Since the initiative's launch, the context has shifted significantly due to the pandemic, racial reckoning, and economic uncertainty. As new challenges arose, the Foundation and regional partners doubled down on the imperative to not only recover from crisis but also to build more resilient and inclusive local economies. Over the last four years, the grantmaking team has more than doubled in size and has managed an estimated **\$125 million in grants of the original \$135 million as of June 2024**.

Engage R+D has served as the initiative's learning and evaluation partner since the pilot phase, employing a developmental evaluation<sup>4</sup> approach focused on testing the Foundation's underlying assumptions about the conditions and strategies needed for fostering inclusive and resilient regional economies. Evaluation findings affirmed the Foundation's initial assumptions (see next page) and added valuable nuance about enabling conditions, barriers, and opportunities. It also uncovered insights, signals of progress, and a deeper understanding of the challenges of this complex effort. This evaluation report is based on data gathered between 2020 and 2024, including extensive grantee interviews in each region, a grantee survey, grantee learning sessions, and review of existing documents (see [Appendix A](#) for more information about methods).

<sup>3</sup> In 2019, Engage R+D conducted focus groups in the Priority Region pilot communities to better understand the landscape and barriers to inclusive economic development. See Appendix B for a summary of what was learned.

<sup>4</sup> Developmental evaluation is well suited for complex systems change initiatives involving many stakeholders, particularly during early stages of an initiative's development. It brings a strategic learning lens to help inform continuous feedback and adaptations while building evidence for effective practices and approaches.



Irvine Board site visit to Joby Aviation in the Salinas region  
Photo: Joby Aviation

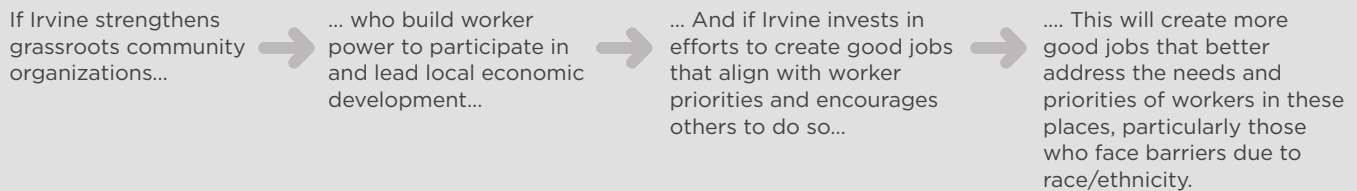
# ORIGINAL ASSUMPTIONS, GUIDING HYPOTHESIS, AND STRATEGIES

With a focus on five cities, the initiative seeks to address the persistent lack of opportunity in industries and jobs in local and regional economies that, ultimately, is unsustainable for workers and their families. To shift these conditions, it focuses on 1) strengthening local leadership in strategic cities with a history of under-investment and 2) ensuring communities have the capabilities and capacity (e.g., power, time, space, people, and data) to envision and inform choices around their local economies. **The end goal is the creation of good jobs and economic development that works for communities and all workers.** The original assumptions, hypothesis, and strategies are outlined below.

## Assumptions

Place	Equity	Worker Voice	Capital
Understanding regional context, history, and structural causes of economic inequity is a necessary starting point.	Economic mobility requires local and regional economies that are racially inclusive and work for everyone.	Low-income workers (who are disproportionately BIPOC) must have power to inform and create thriving communities.	While there are opportunities for catalytic investment, patient capital is needed to build infrastructure and reform systems.

## Hypothesis



## Strategies and Investment Areas

To advance the initiative's vision, the Foundation invests in the following strategies.

**Job Creation and Workforce Development:**  
Create more good jobs and train more workers by partnering with The Irvine Foundation Better Careers initiative to fund work in Priority Communities.

**Capacity Building:**  
Strengthen the ability of grassroots organizations representing low-income residents to participate in economic planning.

**Cross-Sector Partnerships:**  
Foster cross-sector partnerships to reduce barriers, promote inclusion, and shift policies and practices.

**Inclusion:**  
Support development of measures to assess and improve economic and racial inclusion as well as use data to drive local economic decision-making.

**Innovation:**  
Support innovative projects to expand good jobs in under resourced communities through small business, worker co-ops, climate jobs/green jobs, and opportunity zone investments.

**Investments:**  
Catalyze more public, private, and philanthropic investments.

### Vision:

A local economy that works for all residents.  
More good jobs that enable low-income workers to advance economically.  
More low-income workers obtain good jobs.  
Effective community-based approaches to increase the spread of good jobs.



## SUPPORTING ROBUST ECOSYSTEMS FOR INCLUSIVE ECONOMIC DEVELOPMENT

Cross-sector partnerships are a key lever for advancing inclusive economic development that leads to good jobs and thriving local economies. An ecosystem approach is essential for inclusive economic development because it recognizes the interconnected nature of various components within a system—social, economic, and environmental—and emphasizes the need to balance and integrate these components to achieve and sustain equitable growth.

While each Priority Community has its unique context and challenges, one of the greatest assets and achievements over the last several years has been the development of cross-sector collaborations and partnerships. Partnerships in each region generally include a network of community organizations, community foundations, industries/employers, small businesses, workforce development agencies, academic and educational partners, public sector leaders, and philanthropic supporters.<sup>5</sup>

To better situate this initiative evaluation report, we start with brief snapshots of each region and the regional partners working together to advance inclusive economic development. We also summarize some of the noteworthy milestones in each region over the last several years.

<sup>5</sup> This snapshot is not a full reflection of each community's economic ecosystem but rather where the Irvine Foundation has been focusing funding to align with the initiative goals and in response to community context.

### Regional Partnerships and Ecosystems



On January 17-18th, 2024, more than 100 grantee and regrantee representatives from Fresno, Salinas, Stockton, Riverside, and San Bernardino gathered in Los Angeles for the initiative's first in-person Learning Summit.

*Photo: Scott Ward*



REGIONAL SNAPSHOTS AND ECOSYSTEMS

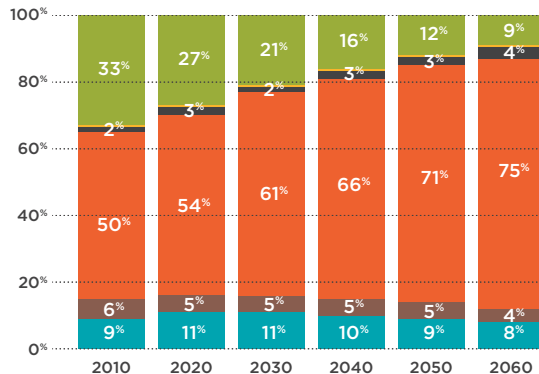
# FRESNO

Located in central San Joaquin valley, Fresno is home to a diverse community of residents and is the fifth largest city in California. It is known as an epicenter for agriculture but also home to an array of other growing industries. However, many AAPI, Native American, Black and Latinx households are struggling to meet basic living expenses. Through Fresno DRIVE and other cross-sector partnerships, local stakeholders are building momentum and infrastructure for regional economy that is inclusive, vibrant, and resilient.

## DEMOGRAPHICS

Asian American and Pacific Islander Black Latino Mixed/Other Native American White

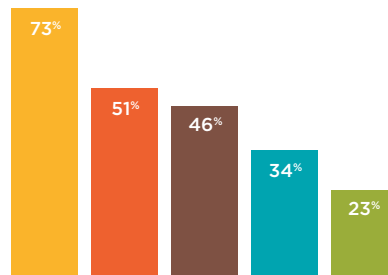
**Population: 546,971**  
Race/Ethnicity by Year  
2010 to 2060 (Projected)



Source: Equity Atlas Indicators  
Native American population ≤ 1%  
Note: Percentages are rounded and may not total 100%

**Median Income: \$83,448**  
Struggling by Race/Ethnicity

DEFINITION: A struggling household does not earn sufficient income to meet their basic costs of living.

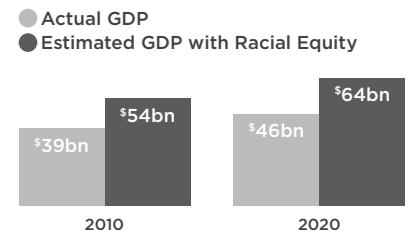


Source: Real Cost Measure by county

**GDP with Racial Equity**  
Struggling by Race/Ethnicity

DEFINITION: GDP with racial equity refers to measuring the economic impact if there was racial equity in income.

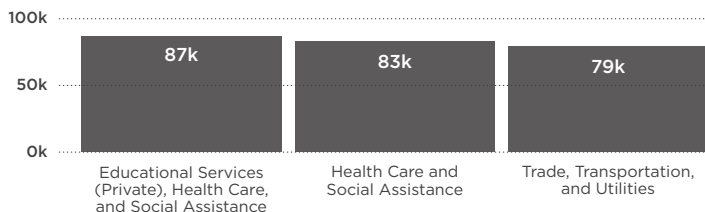
With racial equity in income in 2020, the average annual income for people of color would have been \$47,888 rather than \$27,606.



Source: MSA data from National Equity Atlas

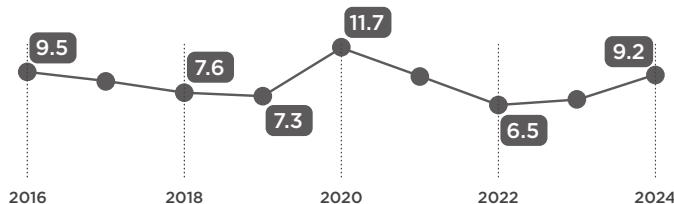
## INDUSTRIES AND WORKFORCE

**Top 3 Industries by Projected 2030 Employment**



Source: CA EDD 10-year projections by MSA

**Average Unemployment Rate by Year**



Source: U.S. Bureau of Labor Statistics, Unemployment Rate  
Retrieved from FRED, Federal Reserve Bank of St. Louis

Note: Due to limited projections, data is captured across city, county, and MSA levels.

## PRIORITY COMMUNITIES ECOSYSTEM

The Fresno ecosystem includes a range of partners representing workforce, small business, higher education, industry, community-based organizations, and community foundations.

- Fresno DRIVE supports neighborhood hubs, working to build civic infrastructure and community power in eleven low opportunity neighborhoods.
- The DRIVE governance structure has evolved over time with the goal of developing a diverse community-driven body to set priorities and lead decision-making.
- Fresno is fostering multi-sector collaboration and generating excitement about an ecosystem approach leading to new partnerships, growing political will, and iterative shifts in mindsets and practices.
- Emerging partnerships are bringing new ideas, innovations, investments, and champions to the table with the potential to shape the future of work in the region.
- With a bold vision, coordinated partnerships, and growing credibility, Fresno partners are attracting millions of dollars in public and private investments.

**Note:** Interviews were primarily with partners involved in Fresno DRIVE and does not reflect the entirety of ecosystem partners and efforts in the region.

“ We used to work in silos and since DRIVE, you can really see the difference. We all have shared goals, shared outcomes. We’re working together in lock step, all the way from residents through some of our highest-level government entities and CBOs. That alignment across the city is incredible. **FRESNO STAKEHOLDER** ”

# SALINAS

Situated in Monterey County of California, Salinas is known for its diversity, rich agricultural history and home to other growing industries. However, many workers in the API, Latino, Black and Native American households are struggling to meet basic living costs. Salinas is positioning itself to be at the center of agricultural technology and innovation and through the cross-collaborative efforts between agriculture, industry, non-profits, philanthropy, and education, the region is working towards inclusive economic growth and racial equity.

## DEMOGRAPHICS

Asian American and Pacific Islander Black Latino Mixed/Other Native American White

**Population: 162,037**  
Race/Ethnicity by Year  
2010 to 2060 (Projected)

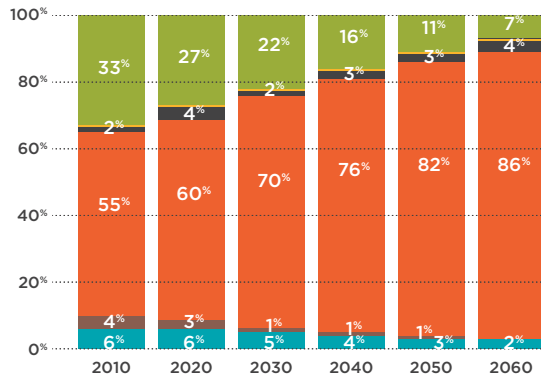
**Median Income: \$84,250**  
Struggling by Race/Ethnicity

**GDP with Racial Equity**  
Struggling by Race/Ethnicity

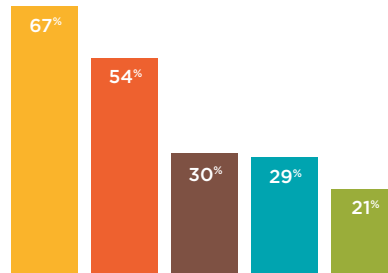
**DEFINITION:** A struggling household does not earn sufficient income to meet their basic costs of living.

**DEFINITION:** GDP with racial equity refers to measuring the economic impact if there was racial equity in income.

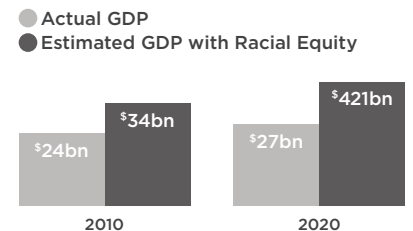
With racial equity in income in 2020, the average annual income for people of color would have been \$64,604 rather than \$30,702.



Source: Equity Atlas Indicators  
— Black population <1% in 2060 — Native American population ≤ 1%  
Note: Percentages are rounded and may not total 100%



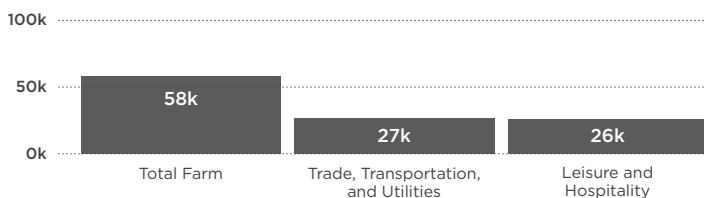
Source: Real Cost Measure by county



Source: MSA data from National Equity Atlas

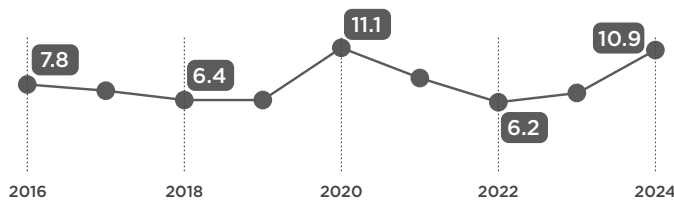
## INDUSTRIES AND WORKFORCE

**Top 3 Industries by Projected 2030 Employment**



Source: CA EDD 10-year projections by MSA

**Average Unemployment Rate by Year**



Source: U.S. Bureau of Labor Statistics, Unemployment Rate  
Retrieved from FRED, Federal Reserve Bank of St. Louis

Note: Due to limited projections, data is captured across city, county, and MSA levels.

## PRIORITY COMMUNITIES ECOSYSTEM

The Salinas ecosystem includes a range of partners representing workforce, small business, higher education, industry, agriculture, community-based organizations, and community foundations.

- SIEDI (program/initiative of CMCF) and Regions Rise Together are strengthening the economic workforce ecosystem in Salinas by creating new partnerships and collaborations. These spaces have not only served to leverage resources and identify collective opportunities but strengthened organizational capacity to engage in inclusive economic development and advance policy that support inclusive economies.
- Grassroots organizations with organizing and advocacy backgrounds have helped promote more inclusive and equitable practices to center community voice and power among workers.
- Partnerships among agricultural organizations (ALBA, Kitchen Table Advisors, CA Farm Link) has led to coordinated training, advising and land access to local farmers.
- Apprenticeship opportunities within the advanced aerospace industry (JOBY and DART) has created promise about the growth of an Agtech workforce in Salinas.

“The Salinas ecosystem...In terms of workforce development, there's been stronger communication, a stronger set of processes, mechanisms to bring different stakeholders together that were already existing but were not intentionally working together. I think that's a huge win. SALINAS STAKEHOLDER”



# STOCKTON

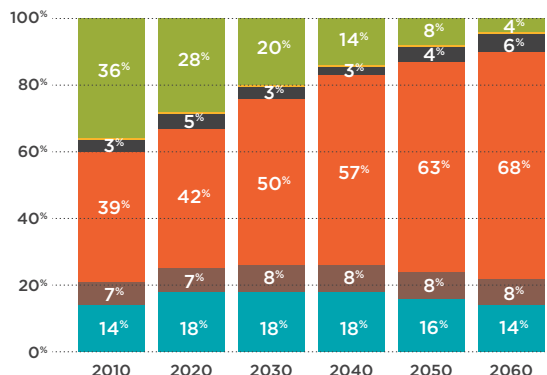


Stockton is a diverse city with a rich history in agriculture and transportation, and opportunities in other growing industries. However, many AAPI, Latino, and Black households struggle to meet basic living expenses. In response, Reinvent Stockton Foundation and Edge Collaborative, in partnership with San Joaquin Community Foundation, are driving strategic partnerships and economic growth. Together, community partnerships are strengthening local capacity and building trusted relationships, positioning Stockton for significant future investments.

## DEMOGRAPHICS

Asian American and Pacific Islander Black Latino Mixed/Other Native American White

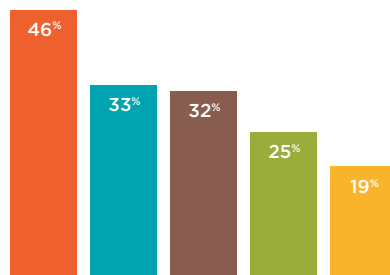
**Population: 317,204**  
Race/Ethnicity by Year  
2010 to 2060 (Projected)



Source: Equity Atlas Indicators  
Native American population ≤ 1%  
Note: Percentages are rounded and may not total 100%

**Median Income: \$71,612**  
Struggling by Race/Ethnicity

DEFINITION: A struggling household does not earn sufficient income to meet their basic costs of living.

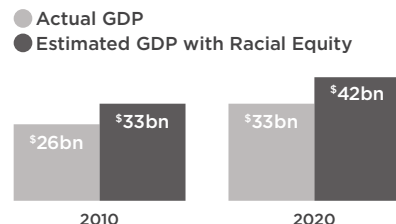


Source: Real Cost Measure by county

**GDP with Racial Equity**  
Struggling by Race/Ethnicity

DEFINITION: GDP with racial equity refers to measuring the economic impact if there was racial equity in income.

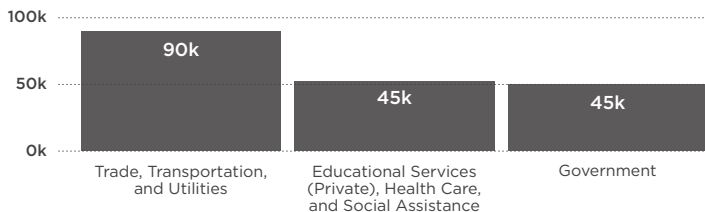
With racial equity in income in 2020, the average annual income for people of color would have been \$47,417 rather than \$31,606.



Source: MSA data from National Equity Atlas

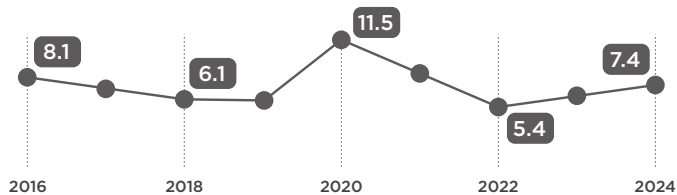
## INDUSTRIES AND WORKFORCE

**Top 3 Industries by Projected 2030 Employment**



Source: CA EDD 10-year projections by MSA

**Average Unemployment Rate by Year**



Source: U.S. Bureau of Labor Statistics, Unemployment Rate  
Retrieved from FRED, Federal Reserve Bank of St. Louis

Note: Due to limited projections, data is captured across city, county, and MSA levels.

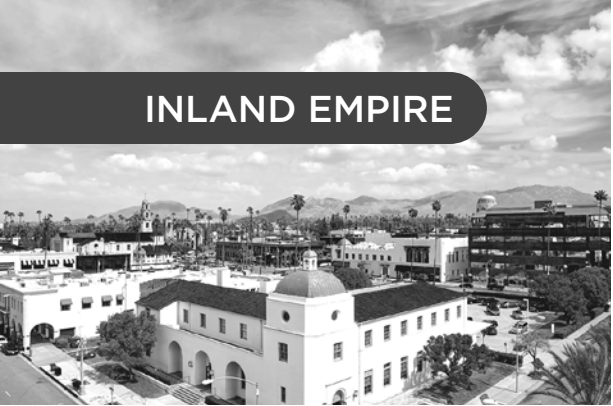
## PRIORITY COMMUNITIES ECOSYSTEM

The Stockton ecosystem includes a range of partners representing workforce, small business, higher education, industry, community-based organizations, and community foundations.

- Key intermediaries Reinvent Stockton Foundation (RSF), Edge Collaborative, and San Joaquin Community Foundation (SJCF) have been central in capacity-building and forging trusted relationships across the region to prepare Stockton to be competitive for future public and private investment.
- SJCF has served as a convener, regnater, and capacity builder aimed to advance regional economic development and workforce system alignment. This includes facilitating the strategic collaboration of the three main minority-serving chambers of commerce in Stockton to better support BIPOC small business owners through policy advocacy and community partnership building.
- Embers Project focuses on accelerating investments into community-driven development by creating a collaborative forum for community engagement, planning, and resource allocation.
- Workforce Backbone focuses on strengthening alignment, collaboration, and data capacity among local and regional players from across philanthropy, banking, private business, and government entities who provide workforce and job opportunities to Stockton's youth.
- RSF convenes, develops, and engages youth-focused organizations for the purpose of building capacity and facilitating the institutionalization of youth development organizations in the region.

“The Irvine Foundation has allowed us to provide resources—not just capital but also strategic consultation. This has helped us better understand needs, priorities, opportunities and challenges—and provide more resources to folks at the table. STOCKTON STAKEHOLDER”

## INLAND EMPIRE

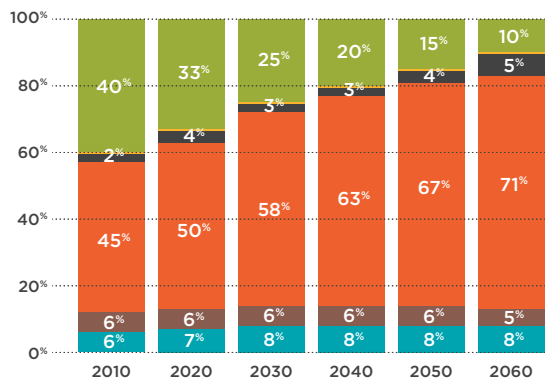


The Inland Empire is a diverse and geographically vast region comprised of San Bernardino and Riverside counties, known for its logistics industry and other growing industries. However, many AAPI, Latino, and African American households struggle to meet basic living expenses across the region with greater challenges in San Bernardino. To address these disparities in the region, partners like Inland Empire Growth and Opportunity and Just San Bernardino represent a range of cross sector organizations committed to ensuring that the region's growth supports racial equity and a more inclusive economy.

## DEMOGRAPHICS: RIVERSIDE

Asian American and Pacific Islander Black Latino Mixed/Other Native American White

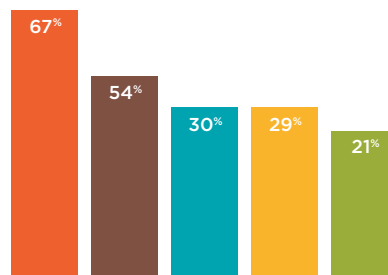
**Population: 316,690**  
Race/Ethnicity by Year  
2010 to 2060 (Projected)



Source: Equity Atlas Indicators  
Native American population ≤ 1%  
Note: Percentages are rounded and may not total 100%

**Median Income: \$83,448**  
Struggling by Race/Ethnicity

DEFINITION: A struggling household does not earn sufficient income to meet their basic costs of living.

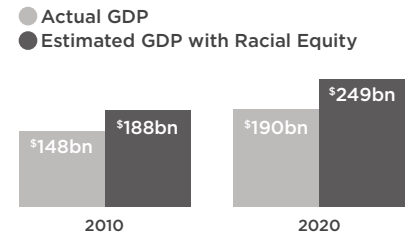


Source: Real Cost Measure by county

**GDP with Racial Equity**  
Struggling by Race/Ethnicity

DEFINITION: GDP with racial equity refers to measuring the economic impact if there was racial equity in income.

With racial equity in income in 2020, the average annual income for people of color would have been \$47,164 rather than \$30,250.

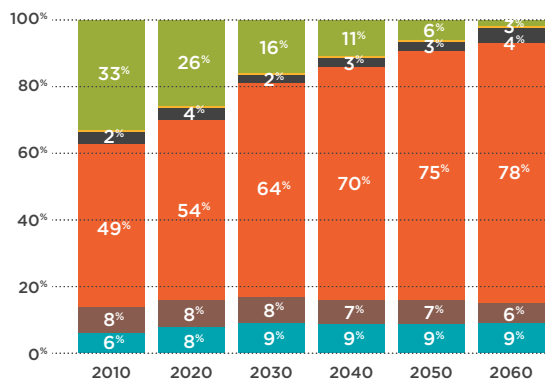


Source: MSA data from National Equity Atlas

## DEMOGRAPHICS: SAN BERNARDINO

Asian or Pacific Islander Black Latino Mixed/Other Native American White

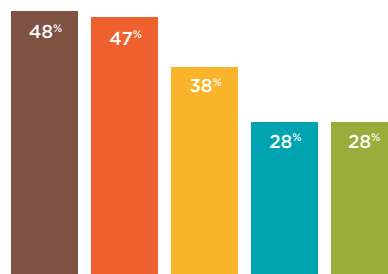
**Population: 226,541**  
Race/Ethnicity by Year  
2010 to 2060 (Projected)



Source: Equity Atlas Indicators  
Native American population ≤ 1%  
Note: Percentages are rounded and may not total 100%

**Median Income: \$61,323**  
Struggling by Race/Ethnicity

DEFINITION: A struggling household does not earn sufficient income to meet their basic costs of living.

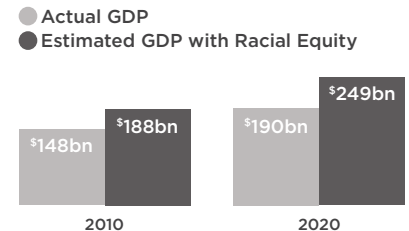


Source: Real Cost Measure by county

**GDP with Racial Equity**  
Struggling by Race/Ethnicity

DEFINITION: GDP with racial equity refers to measuring the economic impact if there was racial equity in income.

With racial equality in income in 2020, the average annual income for people of color would have been \$47,164 rather than \$30,250.

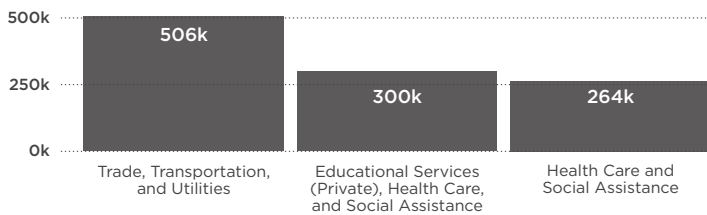


Source: MSA data from National Equity Atlas

Note: Due to limited projections, data is captured across city, county, and MSA levels.

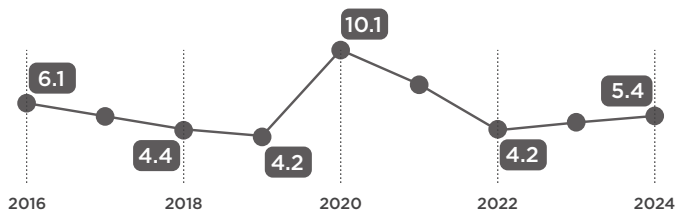
## INDUSTRIES AND WORKFORCE

### Top 3 Industries by Projected 2030 Employment



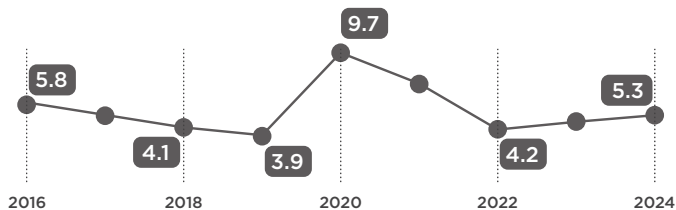
Source: CA EDD 10-year projections by MSA

### Average Unemployment Rate by Year: Riverside



Source: U.S. Bureau of Labor Statistics, Unemployment Rate  
Retrieved from FRED, Federal Reserve Bank of St. Louis

### Average Unemployment Rate by Year: San Bernardino



Source: U.S. Bureau of Labor Statistics, Unemployment Rate  
Retrieved from FRED, Federal Reserve Bank of St. Louis

Note: Due to limited projections, data is captured across city, county, and MSA levels.

## PRIORITY COMMUNITIES ECOSYSTEM

The Inland Empire ecosystem includes a range of partners representing workforce, small business, labor and union organizers, higher education, industry, community-based organizations, and community foundations.

- The Inland Empire Community Foundation (IECF), when it was referenced during some interviews, was highlighted for its role in developing partnerships and making connections for collaboration. Inland Empire Growth and Opportunity (IEGO), an initiative of IECF, is a regional cross-sector, bi-county collaborative network of community-based organizations, businesses and institutions committed to ensuring that the region's growth is focused on the greatest opportunities to create inclusive economic development. IEGO also serves as the co-convenor with the Inland Empire Labor Institute for California Jobs First.
- Just San B represents a collaborative of eight organizations engaged in economic mobility, grassroots organizing and power building, community development, and racial equity work in San Bernardino and the broader Inland Empire region. Just SanB developed The People's Plan for an Inclusive Economy which is now serving as a guide for ongoing engagement on housing development, workforce issues, and other infrastructure needs in the city.
- The Black Equity Initiative and the fund have served as a catalyst for other funders to come into the region to invest in black equity work and black racial justice work. They are examining the procurement process where vendors and businesses are looking to do work in the county and where there has been evidence of racial bias. They are examining how they are correcting bias.
- The Time for Change Foundation in San Bernardino launched the Black and Brown Opportunities for Profit" (BBOP) Center economic hub. BBOP works to eliminate racial and gender systemic inequity by providing a protected environment where women entrepreneurs have access to what's needed to build, grow, and scale profitable businesses.

“The coalition building that's been happening... is pushed forward by dedicated partners. Seeing the activation of the partnership networks in the Inland Empire is a notable milestone. **SAN BERNARDINO STAKEHOLDER**”





## THE ROLE OF IRVINE IN THE PRIORITY COMMUNITY ECOSYSTEM

In addition to the diverse array of regional partners, philanthropic organizations also play a critical role in the broader social change ecosystem. To better understand the ways funders facilitate—or inadvertently hinder—ecosystem development, we interviewed and surveyed a diverse range of regional stakeholders about the role of The Irvine Foundation. Regional stakeholders consistently expressed appreciation for the Foundation’s relational approach and named four noteworthy contributions:

### 1 Centering relationships and cultivating trust

Stakeholders across regions appreciate how Irvine engages with regional partners and seeks to understand local needs, opportunities, politics, and context. This knowledge and trust positions Irvine to effectively partner with community leaders and co-create strategies and solutions.

### 2 Serving as a facilitator and bridge builder

The Foundation has supported local partnership efforts by convening different groups and facilitating connections within and across communities and sectors. At times, the Foundation has supported mediation to help bridge divides and open doors to new opportunities.

### 3 Sharing knowledge and insights

Grantees and regional stakeholders welcomed Irvine’s role in funding research partners, sharing knowledge, and creating spaces for collective learning. The 2024 Learning Summit was noted as a valuable opportunity to share strategies, lessons learned, tools, and resources within and across regions.

### 4 Catalyzing new investments and partnerships

Across regions, stakeholders valued the investments and reputational power of Irvine’s sustained commitment in these regions which has brought credibility for regional efforts, increased attention, and new philanthropic and public sector investments.

The Irvine Foundation has been critical to advancing inclusive economic development by building authentic and trusted relationships between Foundation staff and grantees, creating opportunities for learning, investing in collaboration, serving as a mediator and bridge builder, and leaning into trust-based philanthropy to support community driven problem-solving.

**PRIORITY COMMUNITIES GRANTEE**



AMPAC Business Capital supports small businesses and entrepreneurs in the Inland Empire.

Photo: Ted Soqui



## 2

# BRIGHT SPOTS AND SIGNALS OF PROGRESS



“

A functioning society rests on a web of mutuality, a willingness among all involved to share enough with one another to accomplish what no one person can do alone.

”

HEATHER MCGHEE  
THE SUM OF US: WHAT RACISM COSTS EVERYONE

The evaluation team documented numerous bright spots and signals of progress related to these areas of strategic grantmaking across the regions and five strategy areas (capacity building, cross-sector partnerships, inclusion, innovation, investments). We also identified four cross-cutting conditions that have helped facilitate this progress. Without these necessary ingredients, achieving inclusive and equitable economies will remain elusive.

- **Trust and Reconciliation:** Trust, healing, and repair are necessary for authentic and inclusive partnerships to take root. Building trust and promoting reconciliation requires willingness to engage in dialogue about the root causes of racial inequities and commitment to dismantling structural barriers.
- **Steady and Credible Leadership:** Steady and credible lead organizations serve as conveners, bridge builders, and network weavers. Community foundations are one set of grantees that play a critical role convening diverse groups, reducing silos, and bringing new voices to the table.
- **Multi-sector Collaboration:** Cross-sector partnerships are crucial for inclusive economic development. In addition to maximizing resources, they are leading to more holistic solutions, innovation, trust, and accountability.
- **Patient Capital:** The complex and long-term nature of this work requires sustained resources and support over time. Investments in these regions are further catalyzing collaboration as actors see the tangible benefits of working across sectors to foster inclusive, equitable, and resilient economies.



The Black and Brown Opportunities for Profit Center (BBOP) in the Inland Empire provides women access to tools, strategies, and support for small business development.

*Photo: Samanta Helou Hernandez*

# CULTIVATING CROSS-SECTOR PARTNERSHIPS FOR INCLUSIVE ECONOMIES



**KEY TAKEAWAY:** CROSS-SECTOR PARTNERSHIPS ARE RESHAPING THE LANDSCAPE, BREAKING DOWN SILOS, AND SPURRING NEW POLICIES AND PRACTICES.

Inclusive and equitable economic development rests on the ability of different sectors—government, private industry, nonprofits, academia, and low-wage workers—to leverage their diverse expertise and resources to advance shared goals. In addition to leveraging diverse expertise and maximizing resources, they also hold the potential to spur innovation, address systemic barriers, and scale impact in ways that singular actors simply cannot.

While cross-sector partnerships and ecosystems look different in each region, the evaluation reveals **partnerships and coalitions are reshaping the landscape** across Priority Communities in a variety of ways. In addition to **bringing diverse stakeholders together around a shared vision, they are breaking down silos, finding common ground, shifting mindsets, and leveraging new resources from state, federal, and philanthropic sources.**

## **Communities need strong organizations and leaders to convene diverse partners that foster collaboration and alignment.**

Community foundations and intermediaries have played a key role in regranteeing, convening local partners, and providing critical fiscal sponsorship and support to community coalitions. For example, stakeholders in Stockton also shared how collaborative efforts are reducing fragmentation and bringing people together in ways that did not happen before. These connections lead to an increased sense of mutuality and interdependence, more inclusive decision-making, and new opportunities that benefit workers.

- **Increased collaboration:** A grantee survey confirmed a substantial increase in the level of collaboration.<sup>6</sup> Respondents noted their regions have historically struggled to coordinate across sectors, but 89% now agree they are fostering connections with new groups, representing a cross-section of diverse constituencies to address local economic challenges.
- **Strong and steady leadership:** 85% of respondents agreed that there is a need for organizations to play convenor roles and provide important leadership and strong skills for working across differing perspectives. This is inspiring a sense of hope and optimism, with 92% of respondents agreeing their region is on a positive trajectory to create good jobs and an inclusive, equitable, and resilient economy.

### Grantee Survey Results (2024)

# 89%

OF SURVEY RESPONDENTS AGREED OR STRONGLY AGREED that new **collaborations** have been able to foster new and diverse connections.

# 92%

OF SURVEY RESPONDENTS AGREED OR STRONGLY AGREED that their region is on a positive trajectory to create **good jobs** and an **inclusive, equitable, and resilient economy**.

# 85%

OF SURVEY RESPONDENTS AGREED OR STRONGLY AGREED that leading **organizations** that **convene and support collaborations** have **strong skills** for working with people with differing perspectives.

<sup>6</sup> In early 2024, 27 grantee representatives across the four regions completed an evaluation survey. Survey respondents represented grantees with roles as conveners, re-granteeing organizations, and/or core to regional coalitions and partnerships. Refer to the appendix for more information on the sampling and methodology.

“One of the concerns in our community is we continually work in silos. We tend to bump into each other and at meetings not realizing that we’re all in this together. I think that’s one of the things I appreciate about the Edge Collaborative and [Workforce] Backbone, is that they’re working to bring us all together from our different entities to the [same] table to talk about what most of us are talking about anyways.”

STOCKTON GRANTEE

### From Silos to Game-changing Collaboration

“We used to work in silos,” one Fresno stakeholder shared, “and since DRIVE, you can really see the difference. We all have shared goals, shared outcomes. We’re working together as a city in lock step, all the way from our residents through some of our highest-level government entities and CBOs. That alignment across the city is incredible.”

Historically, the region has been fragmented, challenged by alarming disparities, and a lack of shared vision. Fresno partners underscored steady leadership of the **Central Valley Community Foundation (CVCF)** and the role it has played in convening diverse actors, providing structure, raising and regranteeing funds, and navigating relationships to support and scale the DRIVE initiative. Relationship-building and improved alignment have helped create shared goals that benefit low-wage workers and spark new investments in the region.

The **Salinas** ecosystem includes a range of partners that reflect the diverse assets and expertise in their region, including workforce, small businesses, higher education, industry, agriculture, community-based organizations, and community foundations. The Community Foundation for Monterey County (CFMC) and Salinas Inclusive Economic Development Initiative (SIEDI) have brought organizations together that would otherwise not have had the opportunity to collaborate.

The nine organizations that are central to SIEDI are learning and collaborating as well as receiving technical assistance (TA) and mentorship and operational support. Through this collaboration, partners are redefining how to address the gaps in their ecosystems. One grantee partner noted that “it’s been enough of a transparent and cooperative model that they’re able to see connections with different organizations that might be approaching the same problem in different ways, and instead of three organizations approaching something independently, there’s two organizations doing it together with their own way of doing it.”

**Regional partnerships are building trust and focusing on healing and repair as a necessary pre-condition for inclusive economic development planning.**

The importance of trust, healing, and repair has been a resounding theme across communities. With a history of under-investment and exclusion in the regions, building trust and reconciliation has been challenging. A focus on relationship-building with more open conversations has led to effective problem-solving, identification of common goals, and greater accountability for inclusive economic goals that benefit workers.

- **High level of commitment:** 82% of surveyed grantees agreed they have been able to have difficult conversations and compromise on important aspects of their work. Most (78%) agreed the level of commitment is high but building trust and repairing past harm require ongoing work.
- **Incremental progress building trust and clarifying roles:** Approximately 52% of survey respondents agreed people in their partnership trust each other. Role clarity is also evolving, with 44% agreeing that people in their collaborative group have a clear sense of their roles, responsibilities, and contributions.

**Regional partnerships are building political will for policies and solutions that advance economic mobility and center racial equity.**

While acknowledging the complexity and inherent tensions of this work, stakeholders in several regions noted growing optimism and excitement about what has been accomplished and the potential for more transformative change. This includes efforts to build political will and gain support from other funders and elected officials who can influence policy for a more just and equitable economy. One stakeholder described a recent notable shift from a region of “high conflict to collaboration,” with multiple organizations working collaboratively on many projects. “We gave ourselves room on the front end to build a solid coalition,” one partner noted, “and it didn’t come with ease. It came with struggle. [...] It was a very trust-based process with our fiscal sponsor, the Inland Empire Community Foundation.” While there is still lots of tensions to navigate, the coalition building work is beginning to pay dividends with new initiatives like the California Jobs First (formerly known as the Community Economic Resilience Fund), created by the California Legislature to promote a sustainable and equitable recovery from the economic distress of the COVID-19 pandemic.

The evaluation documented promising trends about the influence Irvine grantees have on policies, practices, and narratives, as well as building public and political will.

**Grantee Survey Results (2024)**

**82%**

**OF SURVEY RESPONDENTS AGREED OR STRONGLY AGREED that they have been able to have difficult conversations and compromise on important aspects of their work.**

**78%**

**OF SURVEY RESPONDENTS AGREED OR STRONGLY AGREED that the level of commitment among the collaboration participants was high.**

**52%**

**OF SURVEY RESPONDENTS AGREED OR STRONGLY AGREED that people in their partnership or coalition trust each other.**

**Strengthening Accountability for Equity**

While not directly funded by a grant from the Irvine Foundation, the Reinvent Stockton Foundation (RSF) is working closely with local nonprofit groups that promote economic, education, and public safety work through their Stockton Scholars, Stockton Service Corps, and SEED. To ensure they collectively model and hold themselves accountable for advancing racial equity and inclusion, they are focusing on shared commitments to address preexisting tensions in the city and facilitating transparent community conversations with other nonprofit leaders.

One commitment is to revisit the implementation of the Youth Manifesto, a collective pledge toward equity and resilience meant to galvanize and support Stockton’s youth by undoing systemic racism. Using the Youth Manifesto as a guidepost, RSF encouraged partner organizations to explicitly state how their work would help to carry out the commitments of the manifesto. They also actively engaged community members in the process of selecting subgrantees to support community-centered decision-making, transparency, and more accountability.



- **Growing public and political will for new approaches:**

Regional collaboration and early wins are building momentum and increasing public and political will for equitable and inclusive practices and policies. In addition to attracting new investments, regional efforts are garnering the attention of elected officials, some of whom publicly lend their support and contribute to new state and local policy. Senator Anna Caballero, who was invited by SIEDI to learn about the Advanced Manufacturing Apprenticeship Program in Salinas, expressed her support of advanced air mobility sector and authored Senate Bill 800, which was signed into law and will create a panel to map out air mobility infrastructure.

- **Growing support for policies and practices that benefit low-income workers and communities:**

In addition to legislative policies, regional partners are also focused on implementing practices that benefit low-income workers such as living wage policies, Ban the Box<sup>7</sup>, and community benefit agreements.

- **Increased focus on racial equity in policy and practice:** Regional partnerships are emphasizing racial equity and demonstrating how racial bias consistently shows up in policy and practice. For example, the Fresno Black Chamber of Commerce and Access Plus Capital are examining the evidence of racial bias in public procurement process that shut BIPOC-led business out of contract opportunities. By bringing attention to racial bias, partners are influencing not only employment practices but bias in related sectors, such as housing, transportation, and education, that impact the well-being of workers and their communities.

<sup>7</sup> Ban the Box is part of a national movement to eliminate the question about an applicant's criminal history until later in a job application process. This arose from a belief that employers should consider a candidate's qualifications first without the stigma of a conviction or arrest.

## Grantee Survey Results (2024)

# 89%

OF SURVEY RESPONDENTS  
AGREED OR STRONGLY AGREED  
that their collaborative is contributing  
to growing public will for new approaches.



Joe Mathews, Senator Maria Elena Durazo (CA), Sara Fee, and Daniel Yu speak at a Job fairness event in Sacramento..

Photo: Zócalo Public Square

## Creating Conditions for Policies and Practices that Benefit Low-Income Workers

Many stakeholders play a role in legislation and government policy. While the Priority Communities Initiative cannot be directly or exclusively credited with policy wins at state, county, or municipal levels, the work has helped to create the conditions—growing political will, new narratives, collective action, and advocacy—that support policy changes to benefit the lives of workers. The following are examples (not an exhaustive list) of successful policy changes.

- **Statewide support of sustainable, equitable jobs.** In 2021, following the success of Priority Communities collaborative efforts such as Fresno DRIVE and Inland Economic Growth and Opportunities, the California Legislature approved, and Governor Newsom signed, California Jobs First (formerly the Community Economic Resilience Fund) into law. This original \$600 million fund builds a sustainable and equitable economy across California by supporting new strategies to diversify local economies and develop industries that create high-quality, accessible jobs in the transition to a carbon-neutral economy. However, it is important to note that there have been significant cuts to the original fund.
- **Advancing Air Mobility Sector in Salinas.** After Senator Anna Caballero toured Joby Aviation's Marina facility and joined a SIEDI meeting, she became a champion of the advanced air mobility sector and authored SB 800, which was signed into law in October 2023. This law will create the Advanced Air Mobility and Aviation Electrification Advisory Panel to assess the feasibility and readiness of existing infrastructure for air mobility and develop of a three-year work plan, with pathways for promoting equity and access to advanced air mobility infrastructure.
- **Rights and relief for farmworkers.** University of California, Merced's Community and Labor Center's (an Irvine grantee) research led to \$40 million in disaster recovery funding for two farmworker communities — Planada and Pajaro — following flood disasters in 2023. The center's research also helped pass statewide policies during the pandemic, such as AB 1876 (extending the Cal-EITC to undocumented households) and the Cal/OSHA COVID-19 Emergency Temporary Standard. The Office of the Governor has also cited the center's work in passing major immigrant rights legislation, and the State legislature has cited the center's work in policy related to immigrant rights and support.
- **Ending a harmful law in San Bernardino.** In 2023, Just San Bernardino, a Priority Communities grantee, collaborated with 50 community leaders and other partners to successfully advocate for the city council to repeal Ordinance No. MC-1351. The 2011 ordinance established the Crime Free Multi-Housing program, which led to community trauma and financial hardships because law enforcement scrutinized tenants, resulting in forced evictions and family separations, home raids, property damage, and false arrests and charges.
- **Shifting institutional policies and practices:** The Fresno Economic Development Corporation (EDC), as part of the DRIVE initiative, is engaging residents to adapt a scorecard based on Harvard Business School's Impact Weighted Accounts (IWA) Initiative Employment Framework. The scorecard focuses on job quality as defined by residents and will be used to advocate for quality job creation in Fresno. While not a legislative policy win, this shift in institutional policies and practices at the local and state levels creates a solid foundation for better work conditions and job opportunities for low-income workers and communities.

# STRENGTHENING CBO CAPACITY TO PARTICIPATE AND LEAD ON INCLUSIVE ECONOMIES



**KEY TAKEAWAY:** IRVINE-FUNDED EFFORTS ARE RESHAPING THE COMPOSITION OF AND REPRESENTATION AT ECONOMIC PLANNING TABLES, WITH NOTABLE INCREASE IN THE LEVEL AND QUALITY OF CBO PARTICIPATION.

Resident and worker participation is one of several critical building blocks for a more inclusive and equitable economy. A strong civic infrastructure and social cohesion helps build more resilient communities that are capable of withstanding economic shocks and changes in the broader environment.<sup>8</sup> The initiative's efforts to strengthen CBO capacity (staffing, skills, access to resources, and knowledge) helps them better advocate for and elevate the voices and interests of low-income workers and families in economic planning efforts.

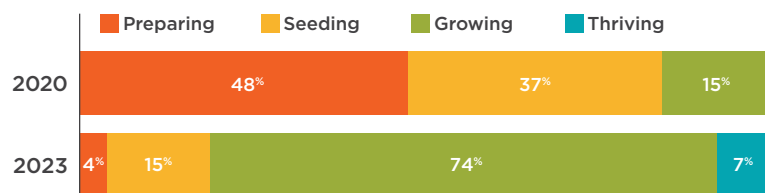
**Irvine-funded efforts are reshaping who is represented at economic planning tables, with a notable increase in the level and quality of CBO participation.**

CBOs are critical to every region's social fabric, but their contributions to economic development in the Priority Communities have historically been overlooked and undervalued. Stakeholders in the initial 2019 pilot communities indicated there was minimal, if any, CBO and resident collaboration or participation at economic planning and decision-making tables.<sup>9</sup> Now, there is growing recognition that an inclusive economy is not possible if community perspectives are not reflected in all aspects of economic and workforce development.

- Significant increase in CBO participation:**

Grantees reflected back to 2020 in a retrospective survey, and 85% said their regions were in a more nascent ("preparing or seeding") stage of CBO participation, and only 15% noted "growing" level CBO involvement. By 2023, that had shifted dramatically with 74% in a "growing" phase and 7% describing CBO involvement as "thriving."

**CBO Participation in Economic Planning Efforts 2020-2023**

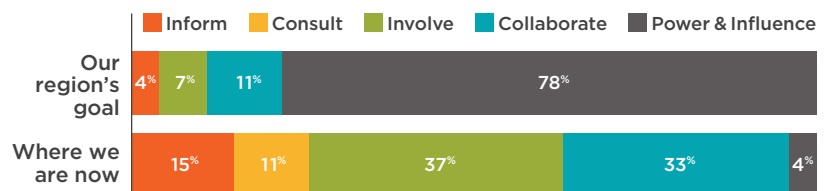


\*Indicates the extent to which CBOs (who represent the interests of low-income workers and communities of color) have participated in local economic planning efforts in 2020 compared to 2023, on a scale from Preparing to Thriving. (n=27 respondents).

- Improved quality of participation:**

Reflecting on their community inclusion goals (specifically low-income workers and residents) and current progress, the majority of grantees (78%) said their aspiration is to go beyond having residents "inform" planning to more substantial "power and influence" in economic decisions. 37% of respondents characterize their community as "involved," and 33% note they are "collaborating" with community. While the survey and interview data shows progress, it also underscores the time needed to build trust and capacity for more meaningful inclusion of workers and residents.

**Progress of Regional Goals for Community Inclusion\***



\* Indicates grantee's reflections on the goal of the inclusion of low-income workers and community in their region's economic development planning compared to level of inclusion "now", using a scale from "Informing" to "Power and Influence" (n=27 respondents).

<sup>8</sup> See the work of the Brookings Institute on transformative placemaking <https://www.brookings.edu/articles/transformative-placemaking-a-framework-to-create-connected-vibrant-and-inclusive-communities/>

<sup>9</sup> Engage R+D Priority Regions Learning Brief (2020). At the time, one stakeholder described collaboration as "grass tops" where "systems leaders talk to other systems leaders and industry" and smaller grassroots organizations were left out of these processes.

**CBOs are indispensable advocates for low-income workers and strengthen their ability to influence equity-centered economic development.**

While CBOs bring community perspectives to economic planning, they also build relationships with and support peer organizations and low-income workers themselves. Specifically, CBOs are:

- **Increasing access to resources and fostering social cohesion:** In addition to improving access to resources, CBOs and regional partners cultivate trust, social cohesion, and a sense of belonging. Over time, these investments create fertile ground for knowledge sharing, skill building, and contributing to the region's social, cultural, and economic vitality.
- **Building skills, power, and structures to ensure resident and worker voices are a durable part of the economic planning processes.** The language of economic development can be technical and intimidating. CBOs and regional partners are working to find shared language and ensure community residents' involvement is not episodic and performative but built into economic planning processes and decision-making tables. Several regions referenced efforts to make structural changes and commitments that ensure community participation endures and moves toward more power and influence on economic planning priorities and decisions.

**Critical Contributions of CBO Partners**

CBOs are indispensable in driving inclusive economic development. Importantly, CBOs:

- Elevate community needs, priorities, and solutions as part of economic planning process
- Serve as advocates for marginalized and under-represented communities
- Build capacity and skills of workers and entrepreneurs through trainings and workshops
- Bridge the gap between community and industry (e.g., connecting residents to apprenticeship/employment opportunities, helping industry understand workers' needs and assets)
- Build social capital, trust, cohesion, and mutual support among residents
- Help to monitor the impact and effectiveness of economic development initiatives



Irvine Board site visit to Joby Aviation in the Salinas region.

*Photo: Joby Aviation*



# FOSTERING BETTER UNDERSTANDING OF ECONOMIC INCLUSION



**KEY TAKEAWAY:** IRVINE-FUNDED EFFORTS SUPPORT THE USE OF DATA AND HISTORICAL CONTEXT TO UNDERSTAND ROOT CAUSES OF DISPARITIES AND DRIVE INCLUSIVE AND EQUITABLE ECONOMIC PLANNING.

Traditional economic development strategies focus on macro-level indicators and often mask the widening wealth gap and stark disparities for low-income workers and communities of color.<sup>10</sup> Stakeholders in the Priority Communities are trying to measure economic inclusion in local and regional economies using disaggregated data and analysis to inform their work, in addition to frameworks and tools, to center racial equity, strengthen inclusion, and measure progress over time.

## Cross-sector partnerships use disaggregated data and new frameworks to drive local decision making and shift mindsets about inclusive economic development.

- **Increased use of data disaggregated by race and gender:** 78% of those surveyed said their regional collaborative uses data and historical context to understand the root causes of economic inequities and explicitly names racial equity as a key consideration.
- **Shifting mindsets and challenging traditional paradigms:** Regional stakeholders noted important shifts in mindsets and approaches to inclusive economic development. Specifically, they named a shift towards an interconnected ecosystem mindset and away from competitive and binary frames like “us versus them.” There is growing momentum towards collaboration, knowing an equitable economy requires a coordinated and collaborative approach.
- **Advancing asset-based narratives:** Several regional partners noted that the inclusion of community-based organizations is elevating the voices of workers and residents as well as shifting mindsets about collaboration, inclusion, and shared prosperity. Survey results further corroborated interview data, with 74% of respondents agreeing that they have seen their region contribute to asset-based narratives that amplify the contributions of low-income workers and BIPOC-owned small businesses in creating vibrant communities and local economies.

## Reimagining and Redesigning an Economy Based on Mutuality

In Salinas, SIEDI partners have used the Solidarity Economics framework to analyze economic disparities and provide a new economic orientation towards mutuality and shared prosperity for all residents. Based on the book *Solidarity Economics: Why Mutuality and Movements Matter* by Chris Benner (University of California, Santa Cruz) and Manuel Pastor (University of Southern California), the framework stresses the importance of mutuality to both improve opportunities and economic outcomes for marginalized populations.

Partners are also strengthening their analysis and decision-making by mapping the institutions, policymakers, employers, and community leaders who influence different decisions in the regional economic ecosystem. The goal is to understand how to inform and educate these stakeholders to develop more equitable strategies for social change. With a more grounded understanding of the economic landscape and data capacity, community partners are working to identify workforce opportunities, influence policy, and support the economic health and wellbeing of low-income workers. As one partner noted, “we’re trying to point to the ways that racial inequality is not only dysfunctional and problematic for those who are marginalized, it undermines all our economic prosperity, and there’s lots of data and evidence that points to that. We’re in this moment where we can begin to think more broadly about transforming our economy because the levels of racial and economic inequality have gotten so dramatic in our society.” Community partners have also been actively engaged in co-identifying meaningful indicators of progress and making connections to the stories, narratives, issues, and actions that matter to communities.

# SPURRING ECONOMIC INNOVATION AND JOB CREATION



**KEY TAKEAWAY:** IRVINE INVESTMENTS ARE SPURRING AN “INNOVATION ECOSYSTEM” WITH PROMISING PROJECTS TO EXPAND JOBS OF THE FUTURE IN BOTH EXISTING AND EMERGING SECTORS.

The concept of “innovation” is frequently associated with scientific and technological change but is important in a range of industries and exists in many **different forms** of economic activity.<sup>11</sup> In addition to creating something new (such as a product or process), it also includes making something better. As Benner and Pastor note in their book *Solidarity Economics*, “Innovation is fundamentally a collaborative, interactive process rooted in broader social dynamics... We get further when we understand individuals as nested in innovation communities rather than resting on their own little innovation islands.”<sup>12</sup>

## Partnerships are seeding sustainable economic development opportunities.

Workforce development has typically been industry driven, but regional partnerships between industry, academia, community-based organizations, and government are spurring a range of projects and new ways of thinking about innovation.

- **Connecting workers with new and emerging sectors.** In several Priority Communities, CBOs are connecting workers (including women and youth, who have traditionally been left out of such opportunities) with apprenticeship and training that prepare them for good jobs in emerging industries such as agriculture technology, environmental/climate justice as well as health care and technology. CBOs are using a racial equity approach with the goal of connecting BIPOC workers and removing barriers for workers to access employment opportunities in emerging sectors.
- **Ensuring the collective benefits of innovation:** Regional partnerships are also redefining traditional notions of innovation, specifically seeking to ensure that technological innovations do not displace workers or yield profits for the few. For example, the **Fresno-Merced Future of Food (F3) Innovation** partners are promoting “inclusive innovation,” elevating cultural practices (such as not over tilling the soil) and engaging worker entrepreneurs to ensure technology is accessible, inclusive, and affordable. The goal is to engage an additional 2,000 worker entrepreneurs’ voices in F3. According to one partner, inclusive innovation “involves people affected by technology from start to finish. It builds opportunities for engagement, and it doesn’t have to be a ‘widget’ but could be a cultural practice like not over tilling the soil. It’s about making tech more accessible and affordable—not about displacing workers or making the rich richer. Even marginal improvements to systems can result in significant impacts on workforce, climate, etc.”

<sup>11</sup> Benner, C., and Pastor, M. (2021). *Solidarity Economics: Why Mutuality and Movements Matter*. Polity Press. Medford, MA

<sup>12</sup> Ibid.

“

Farmers don't have the connection to access land readily...Land is held by very few. In the Salinas Valley, you have about a handful of families...that control most of the land. Our farmers are relegated to the worst that they can find, if they're lucky. Having someone help them navigate that through these partnerships and collaborative makes that landing softer once they leave the incubator.

”

**SALINAS GRANTEE**

### **Small business accelerator programs are generating new opportunities for BIPOC entrepreneurs.**

Small businesses are critical to local economies and include a broad range of industries, such as food service, hospitality, construction, health, agriculture, and technology. For many regions, entrepreneurship is also the pathway to family-sustaining work and offers opportunities to build wealth. Efforts across regions are bolstering entrepreneurship and supporting a vibrant small business economy, particularly for BIPOC- and women-owned businesses. This includes technical assistance, mentorship, legal guidance, and access to capital. According to an Irvine-commissioned report by Next Street, 4.3 million Californians, particularly those who are BIPOC and women, are employed in low-wage work, with unstable work conditions that limit economic mobility and wealth creation. Entrepreneurship is one alternative path for self-sufficiency, but investment and support for small businesses and their sustainability are still needed. However, these businesses experience significant systemic barriers to growth and sustainability.<sup>13</sup>

- **Expanding support for BIPOC-owned small-business entrepreneurs:** Priority Communities grantees are providing women-of-color and small-business entrepreneurs with technical assistance, training, mentorship, and access to capital, while also providing training, accelerators, and technical assistance to support them to build, grow, and scale successful businesses.
- **Increasing access to land and co-ownership opportunities:** Farmers in Salinas Valley are receiving training, business advising, and access to land. Farmers are learning about their capital and cash flow needs and connecting to working capital and land. Other grantees are building immigrant worker-owned cooperatives to create an income- and wealth-building vehicle for rural, working-class Latino immigrant workers who face barriers to resources and entrepreneurship opportunities.

<sup>13</sup> [Drivers-for-Economic-Opportunity-and-Empowerment.pdf \(nextstreet.com\)](#)

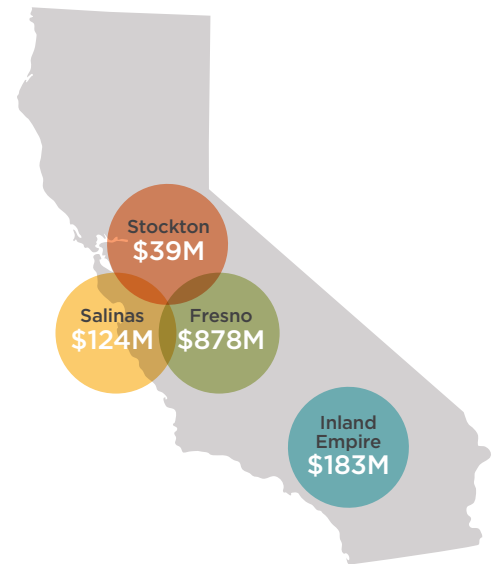
## CATALYZING MORE INVESTMENTS IN COMMUNITIES



**KEY TAKEAWAY:** IRVINE'S FINANCIAL AND RELATIONAL SUPPORT HAVE HELPED UNLOCK AN ESTIMATED \$1.2 BILLION FROM DIVERSE PUBLIC, PRIVATE, AND PHILANTHROPIC SOURCES.

Irvine's sustained support has helped unlock investments from other public, private, and philanthropic sources. Numerous stakeholders across the regions underscored how investments and sustained support from the Irvine Foundation have brought credibility to regional partnerships and job creation efforts, attracting additional financial support.

- **Diverse funding leveraged.** Respondents shared that they have **secured \$1.2 billion dollars** in public and private resources<sup>14</sup> across the Priority Communities regions as part of their collective efforts to advance inclusive and equitable economic planning. Sources included **federal funding** (e.g., Federal Economic Development Administration funding, US Department of Agriculture, Community Development Financial Institution Funds, Community Development Block grants), **state funding** (e.g., Jobs First California, formerly CERF), and other **philanthropic funding**.
- **Shifting mindsets help unlock new funding.** One of the most significant perspective shifts relates to “collaboration over competition.” Shifting away from a competitive mentality toward interdependence creates conditions for a more interconnected ecosystem that seeks collective opportunities. Shifting mindsets around collaboration has helped surface new opportunities, with one grantee reflecting, “We are engaged as true partners. We have benefitted from expanded funding opportunities.” Another reflected on the “spirit of renewed collaboration and commitment to an abundance mindset vs the scarcity mindset of the past.”



I want philanthropy to understand that the money goes a long way to gain the attention of influencers. While the resources are super important for operational reasons, they play a huge role in building momentum and energy around the type of work.

FRESNO GRANTEE



<sup>14</sup> In the grantee survey, respondents were asked to provide an estimate of public and private resources their region leveraged as part of their collective efforts to advance inclusive and equitable economic planning. The grand total was calculated by adding the total amount of funds provided by each respondent. In instances where respondents provided more than one dollar value, the lowest value provided was used in the calculation.

## Partnering to Leverage New Investments and Support

In **Stockton, Edge Collaborative** has directed millions of new public sector investments into residential solar, transportation infrastructure, electric vehicle ride share access, air quality improvements, urban agriculture, and workforce development for young people and workers who have been excluded from economic opportunity. They launched a **green economy lab**, with a space of up to 20,000 square feet, to serve as an incubator for climate practices and job creation to bridge the private sector and CBOs in the San Joaquin Valley. One partner attributed the success of new funding to the “strong degree of information transparency and community input into the grant design process that has seeded psychological safety, trust and shared purpose within our community over the last three years.” Edge Collaborative’s work also helped to secure an additional \$16.2 million in funding from the Department of Transportation and Department of Energy. The San Joaquin Council of Governments will use funds to expand charging infrastructure for an electric ride sharing service at public housing sites meant to provide accessible transportation across Stockton. Funds will also be used to support workforce training for community members. This project will significantly expand public charging infrastructure in disadvantaged communities and implement a robust community outreach and workforce development program.

In **Salinas**, Joby received a \$9.8 million California Competes grant by the Governor’s Office of Business and Economic Development (GO-Biz) which will expand their Marina, California facilities, provide training for pilots and aircraft maintainers, and fund 400 new full-time jobs in the facility. Joby also complemented this investment with a personal \$41.3 million private investment. SIEDI’s partnership role was significant in examining opportunities to create more skilled manufacturing jobs benefiting the local workforce and community. In addition, \$9.8M was leveraged for pilot production line facility that brings 400 new full-time jobs as part of Monterey Bay DART’s role in [partnership](#) with SIEDI.

In the **Inland Empire**, interview participants shared how they are planning and setting the table to increase jobs in the region, particularly for BIPOC workers. One grantee partner shared, “our initiative is really pulling together the employers so workers, worker representatives, traditional nontraditional education partners and infrastructure, industry specific expertise, and we’re looking at how do we increase the number of African Americans that are in infrastructure jobs within 16 infrastructure sectors, specifically, clean energy transport and cybersecurity.” They also are examining certifications, skills, opportunities for mobility, and support services necessary to think about long-term earning potential. In addition, the Inland Empire Community Foundation and IEGO secured \$5 million dollars in CERF Phase 1 funding which will support the development of smart, targeted regional economic roadmaps that can create high-quality jobs and build a more equitable economy that works for all.

**Fresno DRIVE** has worked to align and refine its plans, setting the stage for large-scale fundraising and investment. One partner shared, “We’re starting to see that funders are responding to the approach we’re taking and what we’re putting in place... We’ve tracked over \$600 million of investment in DRIVE-aligned work and plans. Large dollars are flowing [with the realization that] if we perform differently as a community, if we are working together and putting forward investment-ready plans, we’ll be able to take on the work that we aspire to take on as a collective... That doesn’t necessarily mean that we’ve removed barriers and we have achieved our equity goals but it’s an important ingredient.”

# 3

## CHALLENGES AND TENSIONS

The Priority Communities partners operate in a complex and dynamic environment that is shaped by a long history of structural racism and inequity. This and the many issues that affect low-income workers are multi-dimensional and economic mobility is ultimately impacted by many factors that can facilitate or derail progress. Stakeholders across regions shared similar challenges that hinder progress towards inclusion and equity-centered economic development. Key challenges include efforts to (1) foster steady leadership, relationships, and trust across sectors and divides; (2) address structural racism and the conditions that hold it in place; (3) build capacity, shared language, and clarity about roles and measures of progress; (4) build wealth and access to capital; and (5) sustain momentum over time. A key challenge that cuts across these areas is shifting mindsets and narratives in ways that lead to changes in individual behaviors and attitudes as well as institutional policies and practices.

### 1 Fostering steady leadership, relationships, and trust across sectors and divides

Multi-sector partnerships are inherently hard, particularly in regions that have been shaped by disinvestment, racism, and polarizing politics. Grantees expressed a need for more bridge builders to help diverse constituents work across divides and build the necessary trust and cohesion to advance a shared vision. All regions noted the importance of honoring multiple perspectives and steady leadership to help diverse stakeholders bridge divides and pave the way for reconciliation and repair.

One Fresno stakeholder noted, “There’s also a lot of judgment right now in our marketplace of ideas that pits community voice against employer, and employer against community voice. I don’t think I would change it because both things need to be true for us to weave together what we’re doing as a community [and to achieve] community change. But for all the people who are wonderful at understanding and representing the employer perspective, and all the wonderful people who are desperately trying to lift community voice and inequities, the way they go about doing that is often very conflictual. There are not a lot of people who are the bridge builders in between.”

Another related challenge has been bringing and keeping employers and public sector partners at the table. One regional partner in Salinas noted, “we can’t create an inclusive economy without businesses.” Engagement is the first step and then “[we need to] remind them that the success of an inclusive economy is also a success for them...It’s not an either or, it’s not an ‘us against them.’ We are all together and we need to co-create this together. That includes businesses. Some of our grantees have had adversarial relationships or attitudes towards business. That is a challenge that we’ll have to work through to bring everyone together.”

### How philanthropy can support trust and bridge building

The Irvine Foundation—and philanthropy in general—can play a critical role in the social change ecosystem beyond grants. Grantees expressed appreciation for the Irvine Foundation’s role as a bridge builder, advocate, and connector. For example, when two regional coalitions with differing views decided to compete for federal funding, the Foundation supported mediation to resolve their differences, establish trust, and successfully work towards a joint submission that brought substantial public dollars to the region.

## 2 Addressing structural racism and the conditions that hold it in place

Across Priority Communities, regional partnerships and coalitions are grappling with the present and profound effects of structural racism as well as inertia and resistance to change. Bringing diverse stakeholders together around a shared vision requires courageous conversations about the root causes of inequity and exclusion. While regional partners are engaging in critical dialogue, there is less clarity about how to embed and operationalize racial equity in ways that lead to a more inclusive and equitable economy. According to the grantee survey, less than half (48%) of survey respondents agreed that their multi-sector partnerships have a racial equity plan with clear goals, strategies, and objectives. One grantee noted, “In my experience, it’s not that [people] don’t want to do something but rather they don’t know how.”

In addition to concrete plans, overcoming deeply held beliefs and mindsets represents a cultural shift that takes time and collective will. Stakeholders across regions mentioned deeply engrained cultural beliefs, such as the “scarcity” and “us vs them” mindsets, that they aspire to disrupt. For example, in Stockton, one stakeholder reflected on the competitive dynamics in the local nonprofit sector where CBOs have been conditioned to compete for limited resources. “Stockton is a community that has a real problem with a scarcity mindset because we’ve been underinvested in for so long. When there are dollars, everybody fights over the dollars and assumes we got to fight because there’s never ever going to be dollars again or the dollars are never going to grow and we got to get what’s ours.”

In the Inland Empire, stakeholders also referenced manifestations of “us vs them” mentality that reinforce racist and exclusionary dynamics in unhelpful ways. One stakeholder mentioned a “deep sense of anti-Blackness in the room.” Grantees have been working to bring more BIPOC leaders to the table while simultaneously engaging industry actors and land developers. An intermediary shared that many industry partners have not been invited into many of the community spaces because organizations are wary to include them. Likewise, the absence of BIPOC voices in key decision-making spaces has been a source of concern, particularly Black voices from small to mid-sized, Black-led organizations. “That’s moving the needle and not just for our own community,” they shared. “When conditions improve for Black folks, it inevitably improves for everybody else.”

“

A lot of this work really does rely on narrative change. We have these systems that we’re trying to dismantle so that they become more equitable. [...] Right now, the barrier is narrative change work that can inform and really transform attitudes and systems and reduce these adverse outcomes that we see.

”

**PRIORITY COMMUNITIES GRANTEE**



### 3 Building capacity, shared language, and clarity about roles and measures of progress

Multi-sector partnerships across the four regions are in different stages of development, but stakeholders consistently echoed the amount of time, energy, and commitment required to coalesce around a shared vision and build durable community capacity to influence and shape economic planning decisions. Some regions are still forming and storming, while others are in a norming phase and seeking to bring more clarity and structure to decision-making and roles. Slightly more than half (52%) of survey respondents across the four regions agreed or strongly agree that there are clear processes for decision making among the partners in the collaboration. Less than half (48%) agreed or strongly agreed that the regional collaborative has identified indicators, metrics, and mechanisms to assess progress, and 48% agree/strongly agree that their collaborative has a racial equity plan with clear goals, strategies, and objectives.

Building the capacity and power of CBOs to influence and contribute to economic planning often starts with shared language and terminology. Many CBOs and community partners referenced confusing economic development jargon and a multitude of frameworks. Some likened it to learning a new language. Likewise, industry partners often do not understand the language of those working in communities. The learning curve can be steep and frustrating. One stakeholder in Fresno reflected, “the challenge is asking the [neighborhood] hubs to take on another framework. They just learned community engagement. They just learned civic infrastructure framework. Now we’re asking them to engage people around employment opportunities. That’s a shift. We’re asking organizations who typically do not or are not in the space of employment creation to learn more new terminology and frameworks.”

While organizations in the Inland Empire have strengthened their capacity, some CBO interview participants echoed similar challenges aligning around different frameworks and goals, even with other organizations in their sector. A grantee shared that “as a team of eight nonprofits with different priorities, different goals, different ways of organizing different theories of change, we have managed to get to a point where we’re aligned in a few things that we can move forward. One of those breakout ideas is land acquisition, but the way that we get to certain decisions [takes] a lot longer. But that adds more to the win.”

Despite these challenges, stakeholders expressed hopefulness and excitement about newly formed partnerships that bridge diverse entities and ecosystem actors. They also recognize the time, resources, and effort needed to reach various developmental milestones from finding common language to clarifying roles and identifying meaningful measures of progress.

“We’re communicating, but sometimes we may not communicate in a language—and I don’t mean English or Spanish—but we’re communicating in a language and sometimes we don’t understand each other. Like academia communicates in a certain way and they have their own goals and targets, and they have their own needs and outcomes. The community communicates in a different way. Sometimes we speak the same languages, but it’s almost like we’re not connected.”

FRESNO STAKEHOLDER



## 4 Building wealth and expanding access to capital for BIPOC entrepreneurs and workers

Wealth building is crucial for financial stability and long-term success, particularly among people of color and low-income workers who often face systemic barriers. There are a variety of avenues for wealth building ranging from financial education and debt management to job skills, education, entrepreneurship, home ownership and generational wealth transfer. The Priority Communities initiative has placed a strategic focus on entrepreneurship as well as practices and strategies to reduce barriers for BIPOC workers and entrepreneurs. Nonetheless, access to land for immigrant farmers in Salinas, capital for Black business owners in the Inland Empire, or the high cost of running small BIPOC and women-owned businesses (like restaurants) in Fresno, continues to be a persistent challenge.

Access to capital is also a challenge for Community Development Financial Institutions (CDFI)—particularly ones that are Black-led—because they must fundraise the capital to be able to lend back to businesses. CDFIs play an important role in the economic development ecosystem because they provide financial services and technical assistance to communities that are historically underserved, with the goal of expanding economic opportunity. CDFIs can be a bank, credit union, microloan fund or venture capital providers, and generally have a reputation for lending responsibly in low-income communities.

Several stakeholders elevated the need to address this challenge by bolstering these types of financial entities and expanding access and support to BIPOC entrepreneurs. As one Black-led CDFI in the Inland Empire focused on creating pathways for commercial real estate ownership for BIPOC entrepreneurs shared, “one of the biggest focus points for us is sustainability,” which includes having support and a loan loss reserve to ensure they can continue to serve and economically empower the community over time.

## 5 Sustaining momentum and holding long-term vision in times of crisis

Given the long-term nature of this work, gaining traction and sustaining momentum is difficult in itself and even more so in a constantly changing environment. Over the last several years, regional partners have strengthened their ability to adapt and respond to both opportunities and threats, while holding the long-term vision needed to realize economic change. From pandemics and climate events, such as fires and floods, to economic and political uncertainty, regional partners noted the challenge of constantly operating in “emergency mode” as they strive to incubate and test innovative pilot projects. Other factors that adversely impact momentum are turnover in leadership, “brain drain,”<sup>15</sup> and the collective stamina and patience required for long-term systems change work.

Turnover in staff—particularly organizational leadership—was referenced as an ongoing challenge across regions. In addition to lost institutional knowledge, turnover also required building new relationships with new people and bringing them up to speed. As one stakeholder noted, “turnover in leadership and key staff can be disruptive and slow things down. A lot of time and energy goes into building relationships, trust, and knowledge—all of which can be lost in leadership transitions.”

Part of sustaining momentum over the long haul is also about engaging and creating opportunities for more young people—not only in the workforce but also in economic planning efforts. A university partner lamented the inability to fill job openings because young people leave the region in search of better opportunities elsewhere. Other stakeholders referenced difficulty finding employees with the right skills to fill jobs and connected the challenge back to a history of extraction. While the team at Reinvent Stockton Foundation is excited about their efforts to invest in the region’s youth, they also worry they may inadvertently be accelerating brain drain if youth do not have an economy to return to once they complete their training or degree.

While grantees shared a sense of hope, they also expressed concern about endurance and resources required to maintain forward momentum. CBOs are grappling with interconnected issues low-income communities face, such as housing, transportation, food security, and basic needs. Responding to immediate needs while balancing long-term advocacy is a constant tension.

### The Foundation’s Role

Grantees lauded the Irvine Foundation’s sustained commitment over an extended period. Funding and timeframes like this are flexible and responsive to the real day-to-day issues that impact employment and upward mobility. The issues these regions face require significant and sustained support from multiple public, private, and philanthropic funders, and Irvine can continue to use its reputation to spark other investments.

<sup>15</sup> Brain drain refers to the inability to attract and retain talent over the long-term mostly due to the lack of opportunity and diverse jobs. As a result, talent leaves or migrates to other places.

## 4

# STRATEGIC IMPLICATIONS FOR THE FUTURE

The Foundation and regional partners can continue to reinforce what is working and prioritize areas that require more attention. In this final section, we elevate five strategic considerations for the Irvine Foundation and other field partners based on this evaluation, the literature, and lessons from other complex philanthropic initiatives.

## 1 Continue to model and prioritize deep engagement and multi-sector collaboration

The Irvine Foundation's support for Priority Communities goes well beyond grants and financial transactions. Stakeholders across regions highlighted the benefits of deep engagement and relational approach as a bridge builder, thought partner, and convener of diverse actors tackling complex issues. Deep engagement can be messy and costly, but the Foundation's willingness to embrace its role as a partner and influential advocate has helped strengthen and accelerate efforts.

The Irvine Foundation has an opportunity to continue modeling the collaboration and steady leadership necessary to achieve its North Star. It can help amplify strategies that promote racially inclusive economic development, connect decision-makers and leaders across geographies and sectors, and advocate for inclusive practice and policy changes at regional and state levels.

## 2 Support capacity building to ensure that worker voices, community solutions, and racial equity are at the center of regional economic planning efforts

Grassroots organizations and community foundations play a critical role in elevating the voices of low-income workers in economic development planning. With support from the Irvine Foundation, they have been establishing a solid worker presence at economic planning tables that have traditionally been dominated by government and industry voices. The steady leadership of community foundations and Irvine's long-term commitment have been valuable and will continue to be important in the years to come. Grantees specifically echoed appreciation for the technical assistance and operational support as well as peer learning opportunities to share strategies, tools, and promising practices. These supports, as well as funding for the day-to-day work, are generating new ideas for job creation and apprenticeship programs as well as informing the efforts of workforce training and development agencies who are preparing workers for emerging jobs, careers, and businesses. Irvine's funding helps ensure that low-income workers and those who have been historically excluded have the power to influence economic planning decisions that directly impact them and the well-being of their communities.

“We value the Irvine Foundation's thought partnership and linkages to other organizations and groups engaged in similar or adjacent work to support collaborative efforts in the region.”

**PRIORITY COMMUNITIES  
GRANTEE**

### **3 Provide flexible seed capital and sufficient runway for communities to develop innovative, equity-centered projects that address workers' needs for good jobs, wealth-building opportunities, and economic mobility**

Community projects to address economic inclusion and prosperity can take many forms, and the Foundation's willingness to invest in them has been a critical boost for regions that have experienced historic disinvestment. Irvine's planning grants and seed funding are spurring the development of entrepreneurship incubators, green job initiatives in agriculture and renewable energy, and workforce development programs that prepare individuals with skills and training needed to succeed in high-demand fields and the jobs of the future. This seed capital has allowed regional stakeholders to test creative solutions and take ideas to the market, resulting in promising projects.

The Irvine Foundation is helping create the ecosystem conditions and cross-sector partnerships that improve economic stability and quality of life for communities by providing the capital needed to test, learn, and scale new projects. These projects can spur regional economic growth, invest in training to build skills for workers, and enable communities to focus on projects that address some of the social and environmental challenges that the Priority Communities have faced for decades. Without philanthropic support, many of these projects would not come to fruition. In addition to sustained funding, the Foundation could help highlight these emerging models and encourage other funders to invest risk capital to seed and scale innovations.

### **4 Continue to convene spaces for ecosystem actors to learn, connect, and share knowledge**

Community projects to address economic inclusion and prosperity can take many forms, and the Foundation's Inclusive and equitable economic development is an evolving field that benefits from a "test and learn" approach. In addition to supporting adaptation in complex environments, it is crucial for making informed, evidence-based decisions about what to refine, scale up, or replicate. The Foundation and regional partners should continue to dedicate space to reflect and share insights within and across the Priority Communities. Irvine can also help amplify insights and achievements from these emerging models.



**Time for Change Training Program in the Inland Empire.**

*Photo: Ted Soqui*

## 5 Measure what matters

Regardless of role in the ecosystem, all the regional partners want to see progress and better outcomes for low-income workers and communities. Both the evaluation and the broader body of research on inclusive and equitable economic development underscore the need to assess a wide range of economic, social, and environmental indicators to ensure that growth is not only robust but equitable and sustainable. As Priority Communities enters its next phase of development, we propose identifying and tracking meaningful short and medium-term signals of progress, co-identified by a subset of grantees and advisors to assess the effectiveness of interventions, experiments, and policies over time. This may include some of the same signals of progress highlighted in this report but expanded to include other quantifiable and qualitative measures that reflect the complexity of this initiative, as well as tracking the macro level environment. Since change is constant, evaluation and measurement efforts should continue to prioritize strategic learning and knowledge sharing across ecosystem actors and regions. As one grantee summarized, “the Irvine Foundation has been critical to advancing inclusive economic development by building authentic and trusted relationships between foundation staff and grantees, creating opportunities for learning, investing in collaboration, serving as a mediator and bridge builder, and leaning into trust-based philanthropy to support community driven problem-solving.”

Impact measures should include a range of meaningful economic, social, and environmental indicators to ensure growth is robust, equitable, and sustainable. This means going beyond measuring traditional macro indicators and counting jobs to including quantitative and qualitative measures of inclusion and equity. As Priority Communities enters its next phase, we recommend identifying short- and medium-term progress indicators with a subset of grantees and advisors to assess the effectiveness of strategies and note tangible shifts in capacity, policies, and key outcomes over time. This strengthens impact measurement and fosters the collaboration necessary for equitable and inclusive economic development.



Inclusive economic development requires a comprehensive, multi-faceted approach that goes beyond financial resources alone. By providing strategic support in areas such as capacity building, knowledge sharing, policy advocacy, partnership development, and evaluation, funders like the James Irvine Foundation can help catalyze systems change and foster equitable and resilient economies that benefit all residents.

**PRIORITY COMMUNITIES GRANTEE**



# ACKNOWLEDGEMENTS

Engage R+D, a California-based strategy and evaluation firm, has been supporting the learning and evaluation efforts of The James Irvine Foundation for several years. This report was funded by the Foundation and was developed in close collaboration with the Priority Communities team. We would like to thank Irvine's Priority Communities and Impact Assessment & Learning teams for their ongoing guidance and feedback. We are especially grateful to the grantees who participated in our data collection efforts, who candidly shared their stories and perspectives so that others can learn and benefit from their experience. The Engage R+D project team and authors include Sonia Taddy-Sandino, Giannina Fehler-Cabral, Qiana Davis, and Armand Gutierrez. Find more information about The James Irvine Foundation's Priority Communities Initiative at <https://www.irvine.org/our-focus/priority-communities/>

# REFERENCES AND RESOURCES

Benner, C. & Pastor, M. (2016). Inclusive Economy Indicators: Framework and Indicator Recommendations. The Rockefeller Foundation. Retrieved from <https://rockefellerfoundation.org/report/inclusive-economies-indicators-full-report/>

Engage R+D Priority Regions Learning Brief (2020). Retrieved from <https://app.luminpdf.com/viewer/660ef4ba0faa5ae763618ff7>

Joby Aviation (2023). "Joby Receives CalCompetes Grant to Support California Expansion." Press Release. Retrieved from <https://www.jobyaviation.com/news/joby-receives-calcompetes-grant-to-support-california-expansion/>

Minzner, A. (2020). Measuring the Effectiveness of Equitable Economic Development Strategies. The Foundation Review, 12(4). <https://doi.org/10.9707/1944-5660.1540>

Next Street. (2023). Drivers for Economic Opportunity and Empowerment: Assessing California Small Business Pathways for Low-Wage Workers.

Organizing Engagement. "Spectrum of Public Participation." Retrieved from <https://organizingengagement.org/models/spectrum-of-public-participation/>

Pastor, M., & Benner, C. (2021). Solidarity Economics: Why Mutuality and Movements Matter.

Priority Communities Initiative Plan. (March 2023).

Vey, J. S., & Love, H. (2019). Transformative placemaking: A framework to create connected, vibrant, and inclusive communities. Brookings. Retrieved from <https://www.brookings.edu/articles/transformative-placemaking-a-framework-to-create-connected-vibrant-and-inclusive-communities/>

# APPENDIX A

## EVALUATION APPROACH AND METHODS

Engage R+D's initiative evaluation is developmental in nature and designed to surface insights about what it takes to advance equitable and inclusive economic development. Methods used to inform this report included observations, document review, grantee interviews, and grantee surveys between 2019 and 2024. Themes were reported in aggregate to document the evolution and progress at the initiative level, while referencing regional examples to provide nuance.

Method	Region	Description	Timeframe
<b>Grantee and Stakeholder Interviews</b>	All Regions	Individual and small group structured interviews with 68 grantees and key leaders focused on progress, enabling conditions, challenges, and opportunities related to capacity building, multi-sector collaboration, innovations, efforts to center racial equity, and ways the Irvine Foundation contributes and/or could better support regional efforts.	Spring-Fall 2023
<b>Existing Documents</b>	All Regions	Continuous review of existing data, grantee reports, and other relevant documents, tools, and literature.	Ongoing
<b>Deep-dive Interviews</b>	Fresno	Semi-structured interviews with 20 multi-sector partners on key learnings and reflections from the inception of Fresno DRIVE and their journey to create the conditions for a successful cross-sector partnership. Insights on partnerships and infrastructure building, as well as early reflections on community engagement and centering racial equity, were features in a publicly available case study.	Spring-Fall 2021
<b>Listening Sessions</b>	All Regions	Facilitated listening sessions with community foundations from the Central Valley, Salinas, and Inland Empire as well as sessions with community organizations in the pilot communities of Salinas and Fresno. Relevant findings and insights from listening sessions were synthesized in two learning briefs that summarized key takeaways and implications.	2019-2020
<b>Observations and Site Visits</b>	All Regions	Numerous observations have been conducted since the beginning of the initiative, including site visits in each region, small business focus groups, regional listening sessions, regional convenings, and applicable meetings. Notes from observations were used to contextualize findings and other data collection efforts.	2020-2024
<b>Learning Sessions and Summit</b>	All Regions	Engage R+D facilitated various sensemaking and learning sessions (both virtual and in-person) with stakeholders across regions. The 2024 learning summit included over 100 representatives. Summaries from each of the sessions were synthesized and shared with all summit participants.	Spring 2021-January 2024
<b>Grantee Survey</b>	All Regions	A 16-item grantee survey was administered across the Priority Communities regions to establish a baseline that Irvine and Engage R+D can build upon and expand as part of ongoing evaluation in 2025 and beyond. A total of 27 participants responded to the survey, yielding an 84% response rate.	Spring 2024

# APPENDIX B

## PILOT COMMUNITY DATA COLLECTION

### Reviewing the Pre-2020 Landscape

To help document progress since the initiative launched in 2020, we include several key takeaways from Engage R+D data gathered in 2019. A series of focus groups in the Priority Region pilot communities revealed the landscape and barriers to inclusive economic development with community foundations and CBOs in Fresno, Salinas, and the Inland Empire. Regional partners and CBOs elevated the following barriers and solutions, all of which helped inform Irvine's strategy and approach.

### Barriers and Challenges

- Economic planning is owned by regional power brokers who tend to function in a top-down manner.
- Collaboration is stronger among larger more established institutions and key leaders, and smaller CBOs and BIPOC residents are less likely to be at the table.
- Authentic community engagement that incorporates resident voice is lacking or absent in economic planning processes.
- Naming race and structural racism is a barrier to progress.
- There is a lack of shared language and vision of an economy that benefits all residents and provides pathways to opportunity.

### Solutions and Opportunities

- Advance a community-centered systems approach to economic planning that expands the table of stakeholders and incorporates an explicit equity lens.
- Identify strategies that incorporate basic needs like housing, transportation, and living conditions.
- Spur innovation and entrepreneurship.
- Promote an inclusive asset-based narrative that creates a sense of belonging.