

USDN Family of Funds: Moving Sustainable Innovations from Concept to Scale

How are USDN's various funding mechanisms collectively working to advance urban sustainability goals?

How do they complement and enhance each other?

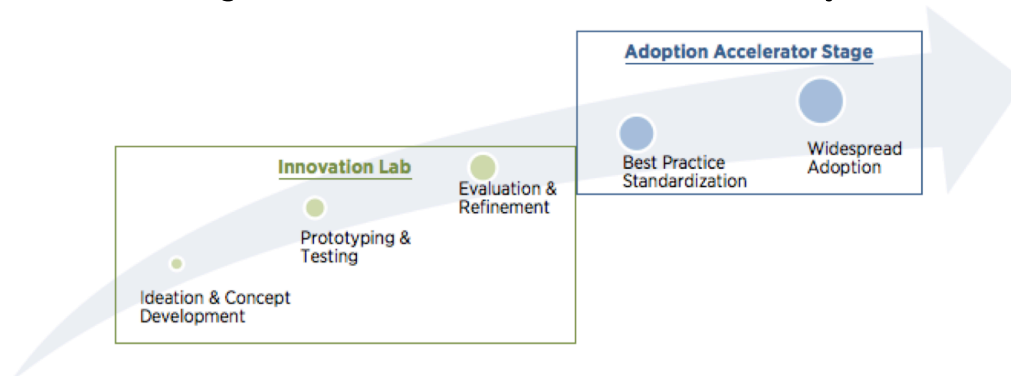
The USDN Family of Funds, Simplified. A Grant Navigation Tool is available to members ([here](#)). It provides overviews and annual timelines of each USDN fund and links to RFPs and other relevant resources. This resource also provides overarching context for each fund, to help members determine which ones are designed to best meet their current needs. An excerpt from this tool briefly explains each fund:

- **I'm not ready for innovation development - I want to learn from what others have done successfully before I try to lead a collaborative project.** Peer Learning Exchange (PLE) will send you and your team to visit a community to learn from what they have already done. No innovation is required.
- **I'm ready to create, further develop, and / or scale a sustainability innovation with my peers and relevant partners.** The USDN Innovation Fund (USDN IF) is designed for this type of work. Identify where the innovation is in the innovation pathway (idea creation, development, or scaling) and then gather peers and partners who also share your interests and needs around it.
- **I'm ready for more: I want to work with my peers to advance my very specific and ambitious carbon reduction goals.** The Carbon Neutral Cities Alliance will allow non-members to join any CNCA Innovation Fund (CNCA IF) proposal led by a CNCA member.
- **I want to build local funding relationships and implement projects in my community.** Partners for Places (P4P) is a matching grant program that improves U.S. and Canadian communities by building partnerships between local government sustainability leaders and place-based foundations. The grant program can also be tapped to help USDN cities adopt innovations and best practices developed through the USDN or CNCA Innovation Funds. Reach out to your local foundations to start to build a relationship and explore partnering on a P4P project together.

The Innovation Pathway. With this family of funds context, it is important to note that over the past two years, USDN has been examining its funds' purposes and strategies, and in doing so, has brought the question of field-building impacts into sharper focus. As a whole, the funds have moved beyond living experimentally from year to year and are developing longer term goals, strategies, and performance metrics. Grant portfolios are regularly mined for lessons, data, and trends, and as a result, processes are continually refined. Member feedback is consistently positive. When it is not, operational adjustments are made.

Long-term strategic plans for the network and each associated fund are in various stages of inception, revision, adoption, and implementation. A pathway to advance urban sustainability innovation from inception to scale is being integrated into the funds' RFPs to help members understand the context of the work they are proposing and to spur thinking about where their proposed work is in its development towards standardization (Figure 1 on following page).

Figure 1. An Illustration of the Innovation Pathway



Each member of USDN’s family of funds has invested in projects that have furthered an innovation along some portion of the innovation pathway. Some funds (the USDN Innovation Fund, for example) have a portfolio that primarily falls into the “Innovation Lab” portion of the pathway. Others, like Partners for Places (P4P), leverage matching funds to allow for local implementation of innovations, which can at times fall into the “Adoption Accelerator Stage.”

Accepting Risk. Innovation is not clean cut or easily packaged; it is a risky and messy process by design. For example, sometimes an urban innovation can fall into several places on the developmental pathway at once. To illustrate this, USDN requires that proposers answer the question: is a particular innovation moving towards wide-scale adoption? And if it has faltered, what is the stumbling block? Is it a flaw in the innovation’s basic logic or something less fatal? Based on what has been learned to date, is it still worth the developmental investment?

Measuring Impact. As a grant project comes to a close, impacts are captured from the grantees in debrief calls and in final grant reports. Each project is assessed as an individual product, but it then becomes part of the context in which that field of practice continues to evolve. A story of innovation maturation is emerging from the network and is becoming significant body of collaborative work.

It is important that the USDN family of funds is observing field-building progress in the collective body of work that it funds. Progress can occur by helping an innovation go through the funds themselves and / or through the innovation pathway. But ultimately, impacts of innovations as they mature to scale mean being able to document that the work is changing operational priorities of local governments for improved social, environmental, and economic outcomes.

Supporting Innovation Progression. USDN ensures progression along the innovation pathway by asking questions of proposers and by asking questions across the funding mechanisms. Questions asked of proposers include: Is a proposed project describing a truly brand new innovation, or is there an existing body of work the proposer should be referencing and building upon? Has similar work occurred (funded by any USDN or external funding mechanism) that the proposer should be using as context? If a body of previous work exists, are the proposed next steps ones that will move the innovation along the trajectory to standardization?

Finally, when an innovation has been refined and proven and is ready to scale, can it do so on its own (i.e., most cities have decided it should standard operating procedure and thus, will fund it)? Or are significant outside resources needed to push it into full market adoption? If so, what set of investing partners is willing to try, with USDN’s unique brand of collaborative development as backing collateral? This October 2016 issue of the USDN Innovation Report examines each fund’s goals and interactions from the lens of field-building impact.