

# By Us, For Us

Growing a Community Investment Ecosystem in Central Appalachia

[Executive Summary](#) | [Visit the website](#)

## Introduction

Central Appalachia has been on a decades-long journey to build a community investment ecosystem capable of reshaping the region's economic future. This story is unique to Appalachia, but many of the building blocks of this ecosystem, and the steps to develop them, are universal. The full version of this piece aims to answer the following questions ([view it here](#)):

- How did a persistently poor, economically marginalized, chronically underinvested region build a community investment ecosystem with the capacity to absorb and deploy catalytic capital for transformative change?
- What have we learned along the way that we can share with other regions doing similar ecosystem-building work?

This is the story of how the people of Central Appalachia capitalized on the region's assets and worked together to create an ecosystem to invest in transformative change. Like other persistent poverty regions, Appalachia has significant assets: resilient people, unparalleled natural beauty, a heritage of craft and industry, the legacy of organized labor, vibrant culture, and a love of place. Perhaps its most important asset is a homegrown and broadly shared vision that is fueling a community-led economic transition.

At the core of this story lies a commitment to self-determination and a central focus on equity, in both process and outcomes. A shared analysis united partners around key sectors and a framework for economic transition. This common vision and trusting relationships supported the growth of collective impact networks within the community economic development and philanthropic sectors as well as cross-sector partnerships that collaboratively developed priority industry sectors and aligned strategies. Finally, a long-term commitment to building technical and community capacity and infrastructure ensured that the ecosystem is not only effective but also accountable and responsive to the people and places of Central Appalachia. [Read the full introduction here >>](#)

## A Story in Three Parts

The story unfolds in three phases that summarize the long developmental arc of the region's community investment system, identifying key actors, milestones, and innovations that helped drive progress.

### [Phase 1: COALESCING \(Pre-2010\)](#)

Decades of work by visionary, committed, place-based organizations created the foundation for today's community investment ecosystem. Over those decades, leaders and organizations operating at the intersection of community economic development, community development finance, and community organizing built trusting relationships.

### [Phase 2: INVESTING in OURSELVES \(2010-2015\)](#)

The deep and lingering effects of the Great Recession (described by one regional leader as a disaster sitting on top of a catastrophe) added urgency to the region's economic challenges and opened opportunities for bottom-up solutions to go mainstream. A new narrative around Appalachian Transition

spread throughout the region, buoyed by collective impact networks organized around a shared analysis and complementary strategies.

Phase 3: COLLABORATING for SCALE and IMPACT (2016-present)

Increased grant capital from philanthropy and the federal POWER initiative supported community capacity building and collaboration to accelerate the development of priority sectors. However, regional partners recognized that the influx of grant dollars was not a sufficient or sustainable solution and collaborated to develop an ecosystem to absorb large-scale investment capital.

## Where We Are Today, Where We Go Next

[Read the full "Where We Are Today" here >>](#)

In Central Appalachia today, we are seeing this decades-long process bear fruit in the form of a mature community investment system. We have collective impact networks and high-capacity organizations working collaboratively to dramatically increase the pipeline of investable deals in key sectors. Capacity-building work has broadened and deepened the skills of community-led organizations to create a more inclusive investment ecosystem. And a new social investment fund is the latest innovation in the system. The product of four years of collaborative work, Invest Appalachia was born out of conversations between the Appalachia Funders Network and other community investment leaders. [Invest Appalachia](#) creates an entry point for large-scale national investors and offers the ability to rapidly aggregate investment opportunities and deploy blended capital in coordination with place-based partners across the region. As this story shows, Central Appalachia’s decade-plus of self-organizing and in-region investment has set the stage for the next phase of community investment in the region: Channeling unprecedented volumes of impact capital to the ground for transformative investment.

We invite partners across the community investment field to join us in the next phase of our journey, and we hope that the lessons and themes we’ve highlighted are informative to colleagues and friends pursuing similar work around the country.

## Strengthening a Community Investment Ecosystem: Recommendations for the Field

In its most powerful form, community investment should transform and empower marginalized and under-resourced regions by getting impact capital to the communities where it is needed most. Yet, these regions are often seen as too difficult or daunting to work in, and investment efforts often flow toward what appear to be smoother paths to success. By sharing our story, we hope the factors that contributed to Central Appalachia’s success can guide other under-resourced communities seeking to address structural inequities and advance widely shared economic opportunity. We have distilled our learnings into seven core principles to guide action, including specific recommendations for funders to consider in supporting and empowering community-rooted organizations and networks to forge their own community investment journeys. [Read the full recommendations here >>](#)

