

Investing in What Works for America's Communities Transcript

December 3, 2012

What Works: Leading the Way

NANCY ANDREWS: Let's just say that I don't think that any panel could have set up the discussion in this panel better than the last panel did, and there were so many things that I wrote down. I almost don't even know where to start. But I was particularly taken by Elise's comments at the very end. I loved Sarah's articulation of silo piercing, which is rather than busting the walls, just figuring out how we knit things together between silos. And I -- I also really, really loved the idea there's something like a great leap forward that needs to happen. That's a common thing in the business world, but it's something that also I think the community development world may not know it. But we really are on the precipice of making that happen and it is by understanding the knowledge that you're hearing -- or that you heard from people like Jack Shonkoff from Gabriella Conti is in the audience, who works with Jim Heckman, and linking that very, very important agenda to the work that has been done for decades on a day-to-day basis in communities. This is a panel where -- what we intend to do is sort of lift up two or three, what we think of as shining examples, of things that work and that really are shining a light on the path forward for the next decade, even two decades within community development. I like to think of us as a field that's at an inflection point and these are some of the people and examples that are helping us move forward into that inflection point. But I'll say it very quickly; these are not the only examples. There are others that are in the book. The book is already 400 pages long and there were many more that we could not include. The book is really the start of a conversation. It's not the end of this project. It felt like it should have been when we got done with it [chuckle], but it isn't -- it's really the start of a project. And we hope that through the website, through social media, through the regional events that are going to be held over the next

12 months, that there will many more opportunities to lift up other examples beyond the ones that actually were included in the book. So one of the things that you will hear about from Angela Blanchard who runs Neighborhood Centers, Inc., from Shirley Franklin who runs Purpose Built Communities, and from Ben Hecht who runs Living Cities. One of the things that all three of those examples have in common is the idea of integration. And maybe it's not silo busting, maybe it's silo piercing, but at least starting with the idea that it takes more than one thing to make a difference. The ground rules of this panel are that we're trying to create a very vibrant conversation. The last thing I want to do is come to a conference and sit and listen to people give one by one sort of 10 or 15-minute presentations. So I'm going to be posing some questions, but at some point I would encourage -- my panel members actually grab the mic from me and maybe even pose their own questions.

UNKNOWN: Is now the time to do that? Sorry [laughter].

ANDREWS: Give me just one minute.

UNKNOWN: I see, I see.

ANDREWS: One minute [laughter].

[Inaudible]

ANDREWS: I know. I would also encourage you all to jump in. If I've asked Angela a question but Ben you want to ask -- you want to address that question please raise your hand or if you want to pose a question please do that. And polite disagreement is also very much encouraged. So just to get things started, Shirley, I'm going to ask you to please just give us the elevator speech. Just gives us the 60-second or the 120-second descriptor of what it is that characterizes the purpose-built model, and why you think it works.

SHIRLEY FRANKLIN: Thank you. I want to acknowledge that my colleague, Carol Naughton is here, as well. She played numerous different roles in developing the Atlanta model for the housing authority that laid the foundation for the East Lake Project on which Purpose-Built is built. We are in the business of giving advice, counsel, coaching, support, encouragement to those who would like to take the East Lake Model, which is mixed income housing, cradle to college education, community wellness and a lead organization. We call it a lead organization. We have not thought of calling ourselves quarterbacks, but the lead organization is a civic and business group dedicated to eliminating, alleviating, and avoiding poverty at the neighborhood level. We knit those things together through a series of efforts on our part with local communities. We are not developers. We don't run schools and we are not paid consultants. So we are in the business of taking an integrated approach at the lowest income levels in communities largely around public housing and failed public housing neighborhoods.

ANDREWS: Thank you. And if I were -- if I were a critical skeptic, Shirley, and I asked you to tell me what are the two or three things that in your judgment would convince me that what you're doing makes a difference, what would you say?

FRANKLIN: In 1995, it was the worst community in terms of crime levels, student drop out, lack of investment, business investment. Surrounding neighborhoods were not -- were really not habitable on many levels. Since that time, just take student achievement; 5 percent of the fifth graders passed the state math exams. Now, over 95 percent do. Graduation rate is higher. Every grade level, third grade through eighth grade, the students at our Drew Charter School outperform the city and the state, and increasing numbers of those students are actually exceeding, not just meeting the standards. In addition to that, when we started, less than 15 percent of those who lived in the public housing component actually worked. Now, that number

is over 70 percent. The income has moved from four -- a little over \$4,000 a year to around \$17,000 a year per household. Crime rate was 18 percent in that -- excuse me, 18 times the national average, it's now 50 percent of city wide average so it's less violent, a better place to live, and the investment level is many times the \$100 million -- \$125 million that was invested, two bank branches, first rate grocery store, other investment in the neighborhood within a half mile. So if you drive into that neighborhood today and we described to you what it was like, you would not believe us. And there's evidence, obviously, on both sides. So we do track -- you can tell I'm a former politician so I was expecting 30 seconds, right? [Laughter] We do track all of these standards. And the other thing that makes us know that it works is New Orleans is trying it. We have a project in New Orleans. We have a project in Indianapolis. We are working in five other cities and exploring relationships in another 20 cities across the United States. We go where we're invited, and we try to stay as long as we can, so that we can work with people at the local level to develop similar framework or model for their communities.

ANDREWS: So I'm going to go to Angela now and ask the same set of questions, but Angela, you're in a very, very different part of the United States, in Houston [chuckle] characterized, really, by the -- it's not at all like Atlanta, characterized by a very different set of politics, a very different set of the way in which population is spatially organized. So tell us, what are the three things about your model that you would want someone to know?

ANGELA BLANCHARD: Well, first of all, what she said. [Laughter] Well, I wanted to report that we are different in Houston and I'm happy to tell you that Texas has decided not to secede. You all may be happier or sadder about that. [Laughter] We -- I got all excited because usually when we have these community development conversations for a lot years and I've been doing this 30 years, this work, it's focused on the East Coast, the West Coast, and Chicago. So

I'm all excited because you all noticed that something was going on in Houston. I think the best part about this moment in time for me in community development, is that we've come out of the closet at Neighborhood Centers, Inc., and have had the opportunity now to talk about the work the way it really has to happen, which it really does have to be all the things that we've talked about. And people spoke earlier about here's the big thing we've overcome at Neighborhood Centers. We're over 100 years old, the budget's about \$300 million. We've got 1,200 employees. We've got 68 locations. We work all -- where we're invited. We go where we're invited and do what we're asked to do. But here's the big thing, you all talked about silo busting, piercing. Let me explain it to you in a Texas way. Cows,[chuckle] you milk every last one of them for everything you can get that might work, right? And then you have the job of weaving all that together so that what happens on the ground in the neighborhood is coherent and sensible, and strength-based, and evolutionary, and responsive, and that's the job of leaders in community development. We know our stuff works because crime is down 23 percent, 90 percent of the kids are at kindergarten ready in a neighborhood where it was 60 percent. We know that the property values have increased and the income levels -- income has increased 11 percent just over the last two years. But that's just numbers and there's just something really important I have to say to all of you. I think the most important part about our conversation is to be careful about how we speak about people because, you know, when I hear you talk about poor people sometimes in these rooms, I get really uncomfortable because the people we work with, I wouldn't want them to hear this conversation. I grew up like most of the people we help and I don't know what condition my prefrontal whatever is in. [Laughter] I mean I'd like to get to know the Harvard guy, I think he could probably really useful. [Laughter] but I'm going to tell you whatever I survived as a child ideally prepared me for work in which it's a total tightrope walk. We don't

know year to year what we'll have. We don't what will be funded, supported. We, right now in one location, five building four -- acre site, 37 exactly last count funding streams go into that site to make it look seamless. That's the job. That's the alchemy of a community development organization in a complex siloed world. As a leader, you've got to sign up for that. That's the job. I agree with that lovely woman who said let's do not bother trying to reform the bureaucracies in DC, I just feed them. Whatever they want, if they need it in blue ink on toilet paper every Friday, that's the way we write it. Feed the bureaucracy, do the work. So I think that anybody that's built something, that really works, that's permanently changed the neighborhood the way so many people in this room have. You know you have to go in a lot longer than anybody's going to go in with you. You have to mean it whether the funding's there or not. You have to stick with it when the political climate changes. It's a long commitment and you have to be -- sign up for the whole ride, so...

ANDREWS: The next question I was going to ask you was what are the three things that make you know you are successful? You answered those in data, but I've got to tell you, you've completely answered them when you talked about cows. [Laughter] So I'm going to move on down to Ben and Ben if you wouldn't mind, just give us the three points within the Integration Initiative that you think are most important about how that works.

BEN HECHT: Okay, let me try. I know I'm not going to refer to cows because I grew up in northern New Jersey, which the closest we get to the cow is already in the container.

ANDREWS: You have cows there [chuckle].

HECHT: They might. So I think what's really interesting and I think is so great to be on the panel with these guys is that we at Living Cities have been investing in communities for 21

years. And we've learned a lot about what's possible and what's not. I think -- one of them is that there -- it is an important unit of change, but it's insufficient if you're talking about improving the lives of the people, of low -- income people in these cities or in regions. The Annie Casey Foundation has done a huge amount of research about, you know, communities that they've worked in and one of the biggest challenges is that the turnover in those communities is really significantly high. And if you're totally focusing only on the physical -- the definition of places by their physical geography, you're not acknowledging the fact that folks are moving around. And if you're not working in all those communities there's a challenge there. And the other is that the way people view their community has so changed in the last 30 or 40 years. And if you ask your children, if you have them, and they're under 25 how would they define their community, it would not be by geography. You know, and where people choose things that they used to only have in their community whether it was their church or their school, those things have changed dramatically. So the idea of how do we move -- how do we help get the vibrant places right, like these guys are really doing, in bringing in -- making sure that the things that need to be in those places are working, are working. The other question is how do you ensure that people are connected to what they need to be connected outside of those places and really what do we do about the fact that the fundamental systems that drive -- that should be driving prosperity in our country just don't work. And that's not something that any one neighborhood can fix, you know. And there's a book that came out a few years ago called, "The Tyranny of Dead Ideas." I don't know if anybody has read that. Matt Miller, I think, was at -- related to the Center for American Progress. I may not agree with all his policy conclusions, but the concept is on that is powerful, which is most of the systems that we are working with and trying to make do with are so archaic, they're obsolete. And so if you look at education, you know, education is still built on having the

summers off so kids could work the fields, you know. I know some of you have been in sessions when I've said this before. I have a son, a daughter, my daughter never worked outside at all. My son won't even cut the grass, which is, you know, like 10 by 10 area. So he's not -- he's definitely not picking cotton and wheat, you know, yet the education system is still built on that with very little -- very few people kind of challenging that and until we actually get those systems right and get those systems so they actually start to build on a regular year in and year out of regular results that get us to shared prosperity, we have a better opportunity. The last one is part of the reason we don't attack those systems is that our problem solving mechanisms are broken. I mean you can see it a mile-and-a-half from here on Capitol Hill, but wherever we all live, we're not seeing a whole lot better results at the state level. You tend to see better results at the city level. And so one of the things we really believe is that if you're going to attack those systems and you're going to try to ensure that the communities are strong, people have rich networks, and they're connected to opportunity, then you're going to have to build new help -- local institutions both at an elite level, as well as, a ground level to come together and say, "How are we going to attack these problems in ways that are actually not going to be workarounds; but are going to actually go to the core system so we get consistent results year in and year out."

ANDREWS: You just brought up something, Ben that sort of in the middle of your remarks that Angela also brought up in the prep calls that we were doing to get ready for this panel. And Angela said, you know, "What do we think about this whole place based thing after all?" I mean, you know, if you're looking out 20 years from now, what are we all going to be thinking about, you know, place-based strategies and the connecting tissue between people and place? And I wonder -- that's a biggie. That's a big question. And rather than put someone on the spot, I'm going to leave it open to see if any of the panelists have a reaction. Shirley?

FRANKLIN: Well, first of all, as a mayor, 20 years wouldn't be long enough. We -- I mean I've tried very hard in regional planning, land -- use planning, city planning, and initiatives to push the dialog to 100 years. I was not successful. Someone earlier said, you know, "You're not rewarded for failure," but I was rewarded that we began as local officials to start talking about 50 years. And one of the reasons for that is we wanted to get out of the funding cycle conversation. We didn't want our solutions to be defined by the funding cycles or someone else's strategic plan. So I don't know in this field whether that is the right number or not, but I would just urge us to think multiple generations. Are we really concerned about young people today or are we concerned about their grandchildren and -- or their grandchildren's grandchildren? So clearly, to a certain extent as a - I would say the second point would be the place does matter in a city. I mean where you live and where you spend most of your time does matter so I don't think you -- I don't think we can get completely away from the place. The school you go to, the grocery stores that you have access to, the walking trails you have access to, the transportation systems you have access to, are all defined largely by place so you can't move too much away from that. And my goal as an elected official and now in Purpose-Built, is also to ensure that the place is some place that once the child or the family achieves a higher level of socioeconomic success, that they can still live in the place or nearby so that you're not cycling people from one neighborhood to another. At least in Atlanta, that's not likely to happen and it's not likely to happen in a lot of other places. So that's one of the reasons we push mixed income community that allows for people at various parts of their -- poor people, people who are poor not because they are poor but because their economic condition is such that they have limited income, as well as, people who are moving up the economic ladder a little faster can live and can benefit. So I'm just answering that one piece. Place does matter in the city. It's where -- if you don't have a

certain amount of discretionary income, it is very, very hard to get the other investment that you need in a community no matter how good the heart of the elected -- former elected officials or elected officials are. They're in office for two years or four years. So you've got to do something that is sustainable beyond just these short time frames.

HECHT: Nancy, I would add a couple things to that. One of them is that I think what's really important is that you can be isolated in a place and the rest of the city can say, "Well, that's just that." And that's why I think approaches that actually say no these are -- the prior panel talked about what is the result that we're actually trying to achieve. And the reality is we support an effort to -- they call it Strive out of Cincinnati that's been sort of taken off in the 70-80 communities or cities around the country. And what they did is they set out what are the goals and objectives that we have from cradle to career for our citizens. Well, when you look at the data and it's really data driven -- when you look at the data and you say, "Well where are they now and where do we want them to go?" Well, ultimately what you find out is the people that are not performing as well as others, are in these places. And so -- but by raising it to the level of what is the city or region that we want to have, what are the results that we want to see, you basically get buy-in from the institutions across the region that actually have to play a role in those people in those places and it stops being about well, "I don't really care about Harlem," or, "I don't really care about East Lake," and it's more about even if you don't care about those, if you care about the results, ultimately your interventions are likely going to end up in those places. It's not an either or, it's an and. And I think we do ourselves a disservice by not including the and holding everybody else accountable in some way for the results for the people that are in these places, as well as, you know, what we're doing in the place as well as the city-wide or region-wide results that we want to see from people wherever they are.

ANDREWS: So I have gotten to know Angela well enough that I can tell that she wants to say something [laughter].

BLANCHARD: You know, I've listened for years to people talk about poor people and talk about what was wrong with them, because we really got excited about the idea that we could fix them and we thought we would fix them best if we studied really hard to figure out how they just weren't getting it right, and then we would slap a fix on that. Well, it was housing or it's health, or now they're all obese, you know. And now it's almost like we're doing the same thing with place. So what's wrong with these places? I heard someone talk about recently go off on how poor neighborhoods just need to be walk able. Well, this is a new bulletin: If you're poor, your neighborhood is walk able. [Laughter] It may not be a real pleasant walk, but you are going to walk because you're going to have to do that. So -- so you know, sometimes I feel like -- I don't want to go there with place like we did with the people where the people were the problem now the place is the problem. So it really does help to do what Ben said. What are we after here? You know, we have phenomenal opportunities in the region that I live in, phenomenal. We have jobs. We have an economy that's doing real, real well, don't hate us. When we were broke in the '80s, you were doing fine. It's our turn. But what happens if you have neighborhoods that are just cul-de-sacs of misery where people can't connect with that. So the deal here is not to fix the people or the place, it's to connect people wherever they are, with the larger opportunities to make everything a pathway toward what we're all trying to do together. Anything premised on the idea that people, poor people are different than the rest of us is going to fail. So when I'm raising money, which is a big part of my job for this, is getting folks in Texas to write checks for things they wouldn't necessarily vote for, [chuckle] I say, "Look, what we're doing is just -- it's no different. Everybody wants to live in a neighborhood with a financial institution they can

trust; with a school they're proud to send their child to, and a place where they feel a connection to their neighbors." You know, what we've done, not one neighborhood we've worked in in this huge transformation we did engulf in, we didn't move one person out. We don't believe that the people are the problem. We don't think the place is the problem. We think opportunity is the issue and bringing that -- bringing that connection between where people are and the larger opportunities is the goal. Sometimes you have to build a building to do that, but this is what I need to say about silos. We have to question them in a much more profound level than we're doing so right now. We live in a world where we build buildings for work and we use them 60 -- 80 percent of the time, then we build some school buildings and we use them 60 percent of the time. We build places of worship and we build places of recreation and yet the place of the future is more like a Starbucks where people are playing, learning, working, and perhaps worshipping. I know in my hyper-caffeinated state I feel often divinely inspired. [Laughter] But I think though the silos that we're questioning, we need to question at a more profound level because we do need to put a roof, from time to time, over community, but schools are more like prisons than anything else. Right? It's the only place you still go to where you're locked in a room and you're told when you can pee and when you can think, and when you're allowed to ask a question and when you can eat. This is not the framework for an educational opportunity that we would envision could transform the world or could take advantage of innovation, or could make us the leaders in the free world of economic success. So we have a lot of things that need to be changed and we cannot keep building buildings that are dedicated to one dimension of our lives. So one thing that this troubled economy does for us is it makes us stop for a minute and say what if we built something where you could learn and work. Some amazing things happen after disasters including economic ones. In Detroit, a school that is also a fab lab so that kids are learning how

to make things. We -- we want to introduce children to work when they're 22. This is far too late. I can tell you my Cajun father thought when you could walk, that's when you should work. So this is -- this is really -- there's some bigger questions we can ask about place, but they apply to all of us, all of us. So the deep questions we need to ask, they're not just about poor people and these are questions that we should be asking; what is the meaning of work and what is the purpose of place, and how should we be connected and what is education-based on curiosity look like? Then we'll -- then we'll be talking about the whole community and not segregating a group of people and treating them as somehow different and more of a problem. I like that idea a whole lot better.

ANDREWS: That's great. I think actually you've probably been having some side conversations with my 13-year-old son about the schools being prisons. [Laughter] You know, it's pretty obvious as you're listening to Ben, and Angela, and Shirley, that we have three pretty extraordinary leaders and visionary people up here in front of you and we are lifting these examples to draw a big picture. But, you know, sometimes the question comes up that if -- that the things that really work require a Shirley, or an Angela, or a Ben. You know, it requires someone who's really an extraordinary leader that's got a hedge fund on the side. And indeed, I'm not sure that's true with your model, but I think with some of the other models there definitely are.

UNKNOWN: [Chuckle] I'm looking for one.

BLANCHARD: [Laughter] We just want to know who has the hedge fund. That's what I want to know. But I'm looking for one.

ANDREWS: Because you know how to talk to them. Can you say just a little bit -- Tom Cousins played an important role in the start of Purpose-Built. There was a lot of hedge fund

money involved in the Harlem Children's Zone. I wonder if you guys can say just a little bit about the ordinary. Are these kinds of models something that can be replicated? Can we take lessons from them with the more ordinary revenue streams, especially given Sarah's -- you know, Sarah's issue that we're probably looking at trying to do 120 percent more with 80 percent of what we've got now. Who wants to -- who wants to jump in on that?

BLANCHARD: I want to do a quick -- integrated is the incomprehensive. Everybody's talked about that. That complexity that comes with that and the long-term commitment are essential. Those are the lessons to learn. I really don't like to be considered a model. I'm afraid you'll go do what we did but -- and it won't be right for your community. It's built on the unique assets of your region, but it's complex, it's integrated, it's comprehensive and it takes a while. I think -- you've got to stick with it like for how long, right?

FRANKLIN: Yeah.

BLANCHARD: So yeah...

HECHT: Shirley?

FRANKLIN: No, go right ahead.

HECHT: So...

BLANCHARD: We're so polite, these [inaudible].

HECHT: So you know, so I think there's a couple of things. One of them is, I do -- we talk about this new problem-solving mechanism I think it as a new civic infrastructure where you have leaders from different sectors coming together; some of them being political. But we know that the political leaders have an expiration date stamped on them from the minute they're elected. So they're important to be at the table, but you can't base your longer term, whether it's 10 years or 50, you can't base your long-term plan on them, but they have to be at the table and

they have to have the capacity, another conversation. One is the people who actually are involved in the larger financial, you know, who are getting the huge amounts of money that aren't getting the results have to be at that table because redirecting that existing billions of dollars is really where it's at. It's not getting philanthropy's little bit of money to try some innovation. It's ultimately stopping spending the money that we're already spending and not getting the results for to get -- to get the results. It doesn't have to be just the public sector it could also be the private sector. But I think the table that's there where people say, "We understand we're as much a part of the problem as the solution, that we're committed to try to redirect resources we already have or to bring in others that we don't have and then to base it on are we getting those results." I think ultimately it's the pivot. I'm not saying that's a simple pivot to make, but I think ultimately that's the pivot because it's not going to be based on one extraordinary superstar NGO or a superstar rich person, although they may give it a good lift for a period of time. But I really do think that ultimately it's about not new money. The folks that added the Strive thing in Cincinnati said, "We're not taking any new money when they started. We are program rich and systems poor." So when Gates came to them early and said, "Well we love that you've come together. We'd like you to do our high school program." They're like, "No new money, we don't want your high school program. We're not spending the money we have well enough and it's in the billions." I think that's a really critical thing. It's aligning those people and the results to -- and then to make sure you have a system so you're changing the way that money is spent over time to get those results.

FRANKLIN: I would add I think you're right. I would add clearly when we started, we had -- it was an experiment. It was a -- Tom Cousins was a philanthropist, he was a business person. He did not know how to put this together. He was -- he had a level of frustration that he

was investing as a philanthropist and not getting results. There's no question about that. So I mean it does help to have someone or a group of people who have a high profile. So our model is based on forming a lead organization that knits together resources. Some of that is financial resources, but largely it's a network, it's credibility, it's a big voice, the willingness to debate each other on what is the best approach. We think that needs to happen at the local level. That's not Purpose-Built, that's not Shirley, that's not Carol, that's not Tom. So one of the -- we think we add that to this dimension, that every one of our initiatives, the network members all have that locally-based, a group of people who are committed. Some of them are civic leaders, none of them are political leaders and some of them are business leaders.

BLANCHARD: I think the -- the agency I lead is over 100 years old. It was founded as a part of the Settlement House Movement. You can start anywhere and take it anywhere. I think it was said earlier, some of these really profound projects started with housing as its riveting factor, some with education. The point is again, that wherever it was started whatever the idea was, eventually the understanding and wisdom came that no neighborhood is permanently transformed on the backs of any one element. It's not going to be about the clinic only or the school, or the housing, it's going to be about all of those so you do need your champions and fundraising is a necessary part of this. I'd just like to say a little bit about the character of money. You kind of have to know what money will and won't do. Some money will do one simple thing. It will be akin to funding you get to produce the widget, you produce the widget, you turn in the report, that's what that money does, don't argue about it. Other money does different things. You have to know the money you experiment with and you have to put that together with the core sources of funding that are for one simple thing. I think most of us kind of want this grand idea to be funded and it's not going to happen that way so you do what you have to do to pull those

together. But what really makes the difference is if you understand that they all have to be together and it doesn't matter if you're not a health provider, we're not. We just partner with clinics so there are clinics in our sites because we know it's critical. We get the best people that do that and they're our contractors, or they're our tenants, or they're our partners. The same goes for all the other aspects. It's the lens through which we look at the neighborhood. On a final note, the most important resource is not any of the things we've talked about, it's the people themselves. I mean they are the drivers of what happens to them and their lives, and their futures, and their deeply held aspiration is your number one starting point because what they will work for, what they want to do, what they get out of bed for, what they've traveled in our case in many of our neighborhoods 6,000 miles for the opportunity, that's what has to be built upon. That's sustainable because it's sustained by their own deep desire for a better life. We build on that.

ANDREWS: You know, I -- I -- we have three minutes, I'm just going to ask one final question before we starting doing the Q and A but I just want to say personally, I look to and have learned so much from each of the people that are up here on the panel. And one of the things that I have learned listening to Angela is deep, deep in her core and in the core values of NCI is the idea of appreciative inquiry, of appreciating and understanding where others are coming from, particularly others that you're trying to work with. And I wanted to ask in that spirit, ask the panelists if you could just say one thing about as you've listened to each other talk and learn about each model, what you appreciate, what you've learned, what you might import or take from -- from what they've talked about. Who wants to go?

BLANCHARD: I appreciate Ben because he questions -- the big questions he asks about place and sustainability and how we're going to be organizing the definition of community for the future. And also, his intuitive knowledge about -- intuitive and hard knowledge about the

need to arrange the assets and the need -- given region for a goal in the collaborative table that you seek to build and even in Houston [chuckle]. And then I've loved watching Purpose-Built go out into the world and share their wisdom and I think it's -- it's a -- you know, I just want to do five more neighborhoods. I just -- you know, like next week but I -- I appreciate the way you all really distilled what you've learned and made it sharable and then you're taking it on the road. And I think that's been really exciting to watch and you've taken the parts that are replicable and taken them out for...

FRANKLIN: Thank you. I -- I like the community outreach. I like also the -- what I think that leads to in what I'm hearing from Angela which is you know, small business development actually having the local communities define who they -- how they can contribute to the larger economy. I know those are -- I know we start with jobs and education but clearly there're lots of entrepreneurs and I think one of the best ways to find them is the approach, you know, that this personal approach that you've taken. I of course, love Ben. Anybody who deals city-wide, I got you [chuckle]. You know, that's -- that's probably the hardest thing that a local official would do and at Purpose-Built, we haven't taken on that -- that challenge but to be -- but would love to work in communities where they are -- we are just part of what the larger community's doing. And it appears that Omaha is going to be one of those communities. So I expect we can learn a lot from you about that.

HECHT: I'll try to be quick. So I think the Mayor is the model for anybody who's ever been in politics, which is after you get out of politics, you take all of your credibility and you put it towards something as practical and as important as this work. And -- and so you have this incredibly rigorous model from Purpose-Built in East Lake and then you have the power of you know, by almost anybody's opinion, one of the best mayors over the last 20 years and the

combination of those. I just think it's really powerful and for Angela, I mean you said it when you started -- people have talked about comprehensive and holistic and all these kinds of you know, integrative and for 100 years you've been working at that. And, you know, you have your wonderful Texas way...

BLANCHARD: Well, not me Ben. That -- that -- I'm not...

BLANCHARD: [Laughter] No, no, no, not all of that. But -- but ...

BLANCHARD: Just 30 years for me, I just want to correct it. [Inaudible] she had some really good work done. Where did she get that done? And then...

HECHT: I mean the institution, the institution mattered. But no, but the -- the idea that you say, "It's going to be -- and it's -- and it's going to be comprehensive and it's going to be holistic and it's going to go against the grain of what most people politically are going to believe in." You know, I love that phrase that you use, you know, to get people to put money into things that they wouldn't vote for.

BLANCHARD: Right.

HECHT: And -- and I think what's apparent -- what's ironic about charity and philanthropy is people do that all the time.

ANDREWS: Yes, they do. Even [chuckle] -- fantastic. So now we have about a half an hour for those of you in the audience to get involved. This is -- I have to say, this is exactly what I expected to hear from this audience, from this panel. It was robust, it's engaged. I want -- I hope all of you to be just as involved in the conversation as it has been today. So are there any questions? Over here?

PETER WILLIAMS: Peter Williams, [Inaudible] and Restoration Corporation, the President's been talking about community colleges and I want to talk -- basically your experience

working with community colleges, focusing on post-secondary credentials. Angela, you talked about the job market and specifically the role of community colleges in terms of their mental skills, credentializing them between mental skills between high school and an AA degree. So, what issues have you dealt with because higher education's a different animal and sometimes higher education and community based organizations don't work well together? But it -- it is a sound model so can you guys both and Ms. Franklin, as a former mayor, what role do you see community colleges [inaudible] the whole DOL mix that I don't see involved in this conversation here today. Thank you.

BLANCHARD: So -- well I want to start by committing yet another heresy in saying, "Not everybody needs to go to a four-year college." I'm sorry, it's true. A lot of those really high paying jobs, decent jobs we have in Houston right now are technical jobs and we can't fill them. If you're a marine welder move to Houston. We -- the community colleges are an incredible bridge. I -- I had to put myself through college [chuckle]. It's real good if you can figure out how to do something to earn a living so you can go to college so you don't owe \$125,000 when you graduate that you can never pay off. So the community colleges, we're partners with them. We're partners with them around everything from ESL classes to actually funneling people who have the capacity and the interest into -- into training programs that earn a livable wage. You know, we've forgotten when we talk about poor people, that people don't jump from, you know, being a newly arrived immigrant as our clients sometimes say, the three zeros, "No papers, no English and no money," to you know, Harvard grad. There's a generational thing there and in that generational thing is a job where you can earn a living. So I think the community colleges and the investment in those right now in our country are incredibly important. We've -- you know, the technician -- we have a grand medical center. We need technicians for the medical center.

Not everybody's a physician. Some of those two and three year credential courses at those community colleges are really important to our economy and to the people that we're trying to help. So...

FRANKLIN: I would add -- well, as mayor we had a number of initiatives with the community colleges using federal funding but as well as philanthropic dollars to help people transition from high school to a work and careers. And there're a lot of good models about that. At Purpose-Built, we have -- I've neglected to say that we have multiple partners. Our primary partners are the Housing Authority and several universities that work with us in our school. And the Housing Authority, because this is a partnership, the Housing Authority has a variety of programs for the -- for the residents, both in the development phase as well as post-you know, project development phase that work with the community colleges. And I do agree with Angela that it is a step by step process that one has to proceed. But I'll tell you, if you just look at Atlanta today and though we work in other communities, in Atlanta today, community college enrollment is down. It's not because unemployment is significantly down. People have just not been able -- they're working multiple jobs in order to fill the same financial gaps that they've had all along. So community college -- we're anxious to see what the federal government can do, but our state funding for community colleges is down too. So it's -- I mean having access to community college is not always enough. You've got to have the time to do it. You've got to have the resources to get there, the transportation. You've got to the healthcare. I mean all of it needs to be wrapped together.

ANDREWS: Another question? Okay, there's a question from Pam, please.

PAM FLAHERTY: Pam Flaherty from Citi -- my question is on replicability and so we have all these people in the audience and hundreds more who are working in the specialized

fields of housing or health, et cetera. You all are talking about an integrative model. So how do we get from here to there, which is not, it seems to me, just an issue of replicating a local version of what you're doing, but how does that relate to all of the people and organizations that are currently right now operating on these different aspects of trying to improve these people's opportunities?

FRANKLIN: I'll just go really quickly on this. The reason Purpose-Built exists is because East Lake Foundation, under Carol Naughton's leadership, had thousands of people visit every single year. And some cried, some clapped, some applauded, lots questioned. And over a period of 10 years, very few if anyone, was actually able to take what they saw in terms of the framework at East Lake and replicate it or even just use it as a framework for their work. Over a period of 10 years, it got frustrating so the founder decided well, perhaps they need something else. So the something else is a not-for-profit to help people knit together kind of solutions at the local level so we are invited. So we still have the thousands who come. The difference now is instead of them just coming and going off and we hear from them five years later, we're able to do this follow-up to assist them with solving problems, coaching, referring them to other models that might work for them. We actually were developed as a not-for-profit and usually we answer this question about four times in our first, second, and third meetings. We do not charge. We do not charge. We look for places that have the pieces that are similar to what we were trying to address in Atlanta and then work with communities over a period of time. Sometimes, it's two years. We're three years old, going on our fourth year so we'll see how it comes, but two quick examples. As mayor of Atlanta, I invited mayors from other cities to come to Atlanta. That would have been seven years ago, Carol, 2007? And my math is almost right. And two of those- one of those mayors is now out of office as I am, and in Spartanburg and has decided that he

wants to do what he couldn't do when he was in public life and they have started an initiative and it's one of our new -- newest network members. The second example is Savannah. They're now on their third mayor since we made that invitation and the first mayor of that three has now come back and said that he wants to work in this community -- in his community along these lines. So sometimes it takes a long lead time. But we were formed to do exactly that. Our goal is 25 communities across America. It's a self-selection process with the community having the lead in who would be interested in doing this. But we don't think this is the only model obviously. Throughout the book, there are other models that are described. But we think we have an impact on 25 -- 25 communities in five years. We're at eight; we've got another 20 communities in the pipeline. We think we probably need twice that many to get to 25.

ANDREWS: Anybody else want to...?

HECHT: I would just add something about you know, what we're seeing with a number of these cities or regions that are looking to build this new civic infrastructure and set some real ambitious results that they want to see is that you know, we're in five cities with integration initiative strides and about 70 cities where they're seriously done that. And it comes down to leadership. Somebody has to lead, you know, and it can be Angela, it could be the mayor, it could be a community based organization. Someone has to set the vision. Oftentimes, if there's local philanthropy, like community foundations with somewhat of a visionary leader, they're a great partner. We've seen that often. But it -- what's amazing is this is a conversation many, many people want to have. Nobody necessarily starts it. But once you start it, it's a pretty -- it's really powerful because people are frustrated that things haven't changed and they want to try something new.

BLANCHARD: I think I'm so glad you said that. When some of my work takes me to places that have been impacted by disasters and you know, there's a point in the conversation with people when they're recovering or when they're trying to recreate something that they desire, when I look at them and say, "No one's coming," that's it. There's nobody bigger than you, smarter than you. No one's going to descend and write a check and voila it opens up. You have to own it. I mean -- and I think that is -- that aspect of leadership that says, "This is my city and I'm not having it here. I'm not having any neighborhoods not connected. I'm not tolerating this. I'm not getting used to no immigration reform. I'm not settling for no opportunities for some people. I'm not going to do it," and then -- then you go to work. You know, this is what is little discussed. You know, it's not going to be -- no one's going to write the policy you need in your lifetime. They're going to talk about collaboration and fund competition. They're going to talk about integration and you're going to turn in 47 different reports and you're going to be required to use 30 different specified archaic data systems that they prescribe to generate them. You're going to have to do all of that because you can't leave any dollar on the table and you can't remake the world to make it easier. You just have to sign up and say, "This is my work. No one's coming." So I think that one useful thing really is to talk about sustaining leaders in this work and I -- and it allows me to say how deeply I appreciate this opportunity. I -- I actually did this for so long, not really knowing there were a whole bunch of you out there, you know? [Laughter] It's like, "Wow." And I still get anxious whenever I have to speak. I get real nervous, my hands shake and then I come in here and I go, "Oh wow, these are the same people. We're the same here." You know what I'm talking about? But I think that aspect of leadership where you sustain yourself and you preserve yourself in the work because you can't do anything else. I spoke to the woman who was doing this work for -- in the health arena. It's all about keeping this country a

place of opportunity for everybody. That's -- that's the whole deal. Yeah, we have poor people. We'll always have poor people. If you're poor and you're somewhere else, you try to get here. You'd rather be poor here. You still think there's a way forward here. So it's not a how many more poor people -- Allen and I fight about this all the time because he likes to keep up with how many poor people there are. My thing is to keep up with how many poor people still have a chance and how many more people can we get that chance for in our lifetime if we work at it every day? So I mean I -- you know, I know I sound like a zealot. I don't care; I am [background chuckle]. This is what we're all about really, is this opportunities -- keeping this country a place of opportunity for everyone no matter where they start, no matter what neighborhood, what school, what crummy housing project. Just so there's a way forward, just so there's a way out. That's it.

ANDREWS: I know we got a couple more questions. I also just want to take the privilege of being the moderator and -- and also add to what's been said and underscore the importance of leadership. There's just nothing like having a leader that's driving toward outcomes and setting an environment and setting in infrastructure that's enabling. And I think in some ways, we were so fortunate to have a chapter in the book written by three Cabinet Secretaries. You know, when I talk about this, I say -- and I don't think I'm wrong about that. I say, "This is the very first in America history that three Cabinet Secretaries have actually collaborated on a joint voice, a joint [inaudible] -- a joint vision about what's going forward." Now, is the road going to be an easy road for making that happen? Absolutely not. It's going to be tough. You don't change things overnight. But frankly the model of leadership that exists because of that, I think is so important in putting some wind in the sails of the work that's happening at the local level.

HECHT: And the more you can distribute it; you know where it's not just one person. You know, the more you can distribute it the more you're going to be sustainable, be able to withstand the changing, the coming and going of -- of people and institutions.

ANDREWS: Okay, there's another question?

JOHN MOON: Hi, John Moon with the Federal Reserve in San Francisco. So this is a little bit of an extension of the previous question and that is it seems like there's consensus that cross-sector collaboration really is the way to move forward. And I have the good fortune of spending a year at Living Cities on the integration initiative and well, that's absolutely true and the book suggests that you know, a quarterback or a one-table can be the -- the leader of that, can really drive people coming to the table and talking across sectors. I also found that that's where -- wherein the challenge lies. I mean that's really the heart of how you do collaboration and it's not easy and it's extremely difficult because it represents potential political loss, financial loss especially if you're talking about systems challenges. So while -- while, you know, the quarterback in this collaborative model is the key, from your experiences, what would you caution or what -- what are some insights in really moving collaboration forward, operationalizing it?

BLANCHARD: You know, I don't know a darn thing about sports. I had to look up -- I had to Google, "What does a quarterback do [laughter]?" I actually thought in Houston, the best use we put the sports stadiums to was after Katrina. [Laughter] So I don't know about the quarterbacking thing too well. But I think that -- I think that when you -- when you create a big WE and we've talked about outcomes. But I think it's bigger than that because eventually, outcomes you're going to struggle with. Five years into something, you go, "What? Not really the important outcome after all." So it's not uniting around something like that, but it's having an

identity for your region that says, "We are a city of hard-working people. We came here for an opportunity. We're united in this." I think the -- that kind of larger WE and larger purpose articulating that so that it includes both the people that you're helping and the people you're raising money from is critical and all your collaborative partners because you're always going to argue about things like metrics and space and trivia. That's going to be the minutia. But when you're united around a bigger idea and I think we -- you know, Nancy said it, we have a context now for that big idea. You know, neighborhoods that work with integrated elements. You know, that's the context now that thankfully has been set here in D.C., amazing. So I think -- I think that kind of can help keep a collaboration together, that big WE that really supersedes the funding cycles. It extends beyond the metrics. It's just the larger purpose of why we're doing this now, today, in this city, at this time and in this place. And so one of the big jobs of leadership and that's at all levels, there is no the leader. The the leader doesn't exist. There's a bunch of leaders -- the biggest job of leadership is continue to remind people what that larger WE, the bigger purpose, the higher thing we're aspiring to.

ANDREWS: Anybody else?

FRANKLIN: No, no, I mean I think that's it. And clearly, who starts it is not necessarily who sustains it. So having a space in the -- in the model and the framework and the plan that assumes new leadership and finding places for that and some of that leadership will come at our - - in our model from the neighborhood itself. I mean the neighborhood that we started in is not the neighborhood we're in today. I mean we went from a neighborhood that was 100 percent public housing to a project that is 50 percent. It still has many people living right around to it in adjacent neighborhoods that are low-income. But they're not in public housing. So the leadership

is at every level and having a place for that. Sometimes an iconic leader can get in the way. So you've got -- you got to have a framework that allows that not to happen more times than not.

HECHT: I have to say one thing, Nancy, which is I think you have to -- you got to pay for the -- someone has -- the people doing the collaborating, the staff work, you got to pay for it. And you know, the reality is, it's got to be somebody's job. If you're serious about integrating, it's got to be somebody's job that's working on the integration because everybody else has another job. And -- and that's the thing that people don't like to do. They're like, "Well, that -- there's overhead. It's you know, cost something." It's like, "Yea,." especially if you're disrupting old ways to get to a new way. Someone's job has to be between this meeting and the next meeting; things changed and if they don't change, then the collaboration has no value and people will quickly walk away.

FRANKLIN: We started -- most of our network members start with one or two staff people. And that really is kind of a foundation of how you get started. And even at East Lake, some 15 years later, it's seven.

HECHT: Right.

FRANKLIN: It's not 25 but it's still seven people who every day work on some -- some portion of the initiative. So I agree.

BLANCHARD: What -- sorry, what [inaudible] for funders there too, I think that a lot of funders will look at your financial structure and say, "Well we don't want to spend more money on M and G or overhead or whatever." In other words, everything it takes to actually make it work [laughter]. So I think that -- I think really wise funders ought to act like value investors and believe in entities sufficiently to invest in entities' capacity to do this kind of year over year dedicated work. So that's rare and funders moving to that kind of investment thinking is one of

the most hopeful signs for organizations like ours that we're -- that we have -- we are willing to deal with the complexity but it takes resources.

ANDREWS: Have a question in the back?

JENNIFER TESCHER: Hi, Jennifer Tescher from the Center for Financial Services Innovation. Great panel -- I have one comment and then a question which I actually think is a good tee-up for the next panel. You had an interesting dialog at the beginning of this session. Then you were talking about how technology is really changing the way people think of place. It wasn't a complete consensus on this idea. This is an idea I think about a lot also and I want to suggest another way of thinking about it. It's not the technology that's making place unimportant. It's making the definition of community different in people's own minds. Or another way to think about it is that we're a less institution or civic-centric country and more of an individual or consumer-centric country. So technology enables both hyper connectiveness; but also intense individualism at the same time. And I think that has really important implications both positive and challenging for the work we do in community. So I just wanted to put that out there. Let me ask one more questions and then I'll -- my question is somewhat unrelated. You also had a really interesting dialog about quarterbacks, the importance of integration and systems change but also at the same time that each locality is different and it's not cookie-cutter. How do you reconcile that with the notion that there are some national or federal or state-wide systems that also need to change if we're to achieve the kind of local community change that we seek? Where's the quarterback for that because we're a room full of practitioners who can agree to have a really interesting, intellectual conversation about these issues but when it comes time to deciding who's in the coalition to go lobby our legislators or to suggest what the policy change should be, it's not clear to me who organizes that work.

FRANKLIN: Well, [chuckle] I couldn't figure out how to address that. But let me -- let me -- I mean I -- there was -- it's come up before that we just can't wait for the policy makers to change their minds. On the other hand, it's also come up that we got to work through it, around it, pierce it. So the model that we work with says that you need a group of people who are going to help you do that and at various levels. There's the staff level, there's the community level and there's also a group of business and civic leaders who can pierce it sometimes a little faster. At least to neutralize -- neutralize what might be kind of an attack or a problem that you cannot overcome. There is no real easy way to do that in my opinion. And if we wait for that, we will be waiting forever. I mean it's not likely to happen. The -- the value that we have in most of the communities where we work, at least initially is nobody thinks that we can be successful or that the group can be successful. And you say, "Well, why is that a value?" Well I spent most of my life -- I'm 67 now, I spent most of my life being under estimated. So I learned at 13 years old and 14 and 15 how to use that to my advantage. I got elected mayor doing that. [Background chuckle] No, seriously.

[Inaudible].

FRANKLIN: Yeah, so my point is you have to take kind of the cards or the circumstances that you're dealt with and figure out how to optimize the opportunities that you have as -- as opposed to always worrying about how to convince someone. So in Atlanta or Omaha or you name the place, Spartanburg, most people in the community who are leaders, do not believe that the transformations, that the lives will change, that the community will be safe, clean, healthy, integrated services and new investment. You have to use that to your advantage.

BLANCHARD: I love that because we -- our agency's grown every year for 26 years, year over year, every single year. And people say, "Well, how'd you grow?" Here's my secret, do

all the stuff that nobody else will touch with a 10-foot pole because they think it's impossible. And there's so much opportunity there because you know, [chuckle] everybody's like, "Oh, you must be crazy [inaudible]." And we drive around that. We're not going there. So I think this opportunistic outlook just may be another dimension of how we tackle things that is worth looking at because you know, what looks like an opportunity to me, to most people looks like a big hot mess. So I think that -- and it's that ability to see the potential in something and then to start thinking about what is available and how can that be rearranged for a -- to get one step more down the road to open up the path a little bit. So it's a -- being under estimated, yes [laughter]. And I recommend -- I also enjoyed 30 years of anonymity until Nancy came along. And that wasn't bad either, really. [Laughter]

HECHT: The only other thing I would add Jennifer is see, I think there's an evolving. I can speak for Living Cities and I think I can almost speak for Brookings because we work together in a number of ways -- is I think we're trying to create networks of policy makers and pract -- policy practitioners if there's such a thing. So over time, you actually have relationships that's not about single piece of legislation or -- but actually it's -- it's these innovation networks. And they want to be a part of it as much as you want to -- them to be a part of it. And that over time, what's going to happen and we're already seeing it in pieces; I'm not saying it's the solution. But we're seeing it in pieces is that you know, the problems really are the same all over the country if not the world. You know, and in a prior job, I used to go to -- work 50 cities and everybody's telling me, "We're completely different than Chattanooga, we're Atlanta." Or you know, "We're New York," "Chicago." Well, what do you want? "We want our kids to be well-educated. We want to be healthy." Oh wow, that's really unique, you know [chuckle]. And the bottom line is people have the same problems. Their cultures are really, really different, their

leadership really different, their institutions really different, problem's the same. You know, and so what we're seeing is these leaders coming together and kind of co-innovating, co-producing the innovation with the idea that, "Well, if it works for us, the six of us will kind of adopt it at the same time." and it may not be adopted the same way, but I do think that there's these promising - these networks are promising and social media and the current way that people view the world. It will only accelerate.

ANDREWS: All right, I am told that was our last question but I am also told that Angela has one line.

BLANCHARD: And I would just correct Ben in this respect. I would say our aspirations are the same, not our problems. What we all want, what we long for, what we hunger for, unites us and when you tap into that, lots of opportunity to move forward whatever the circumstances. So thank you so much.

PANEL: Thank you.

ANDREWS: Okay, thank you.

[Applause]