

DYNAMIC COLLABORATION

REFLECTIONS ON LIVING CITIES AT 20

LIVING
CITIES



20
YEARS

2011 ANNUAL REPORT

“These leaders understood a simple truth: that the complex problems our cities were facing could not be addressed in isolation—and that interconnected problems required interconnected solutions.

Thus, Living Cities was born.”

SHAUN DONOVAN

SECRETARY
U.S. DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT

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PABLO FARIAS

VICE PRESIDENT
ECONOMIC OPPORTUNITY AND ASSETS
FORD FOUNDATION

CHAIRMAN
LIVING CITIES BOARD OF DIRECTORS



Dear Friends,

I am excited to celebrate 20 years of our Living Cities collaborative, a unique partnership of foundations and financial institutions dedicated to strengthening cities as they strive to provide opportunity for all their communities and create a vibrant and thriving civic infrastructure that fosters innovation.

Living Cities has developed far beyond what anyone could have anticipated when it was launched in 1991 as an informal partnership among seven foundations and an insurance company. The commitment to help improve underinvested urban neighborhoods and local community development organizations was a cutting-edge approach that recognized the critical importance of making markets work by aggregating philanthropic investments to achieve meaningful results.

As Henry Cisneros, who supported the development of the organization while he served as Secretary of the U.S. Department of Housing and Urban Development, suggests:

The partnership was the right idea at the right moment. It was clear the nation's cities needed more resources than government alone could apply. Foundations and other intermediaries could bring specialized expertise and long-standing networks to reach the entire nation.

During its first decade of operation, Living Cities became a unique collaborative that sought to combine the collective experience and influence of the foundations and financial institutions that made up its membership. In fact, by committing to membership in Living Cities, institutions also committed to the active engagement of their top executives. Working together, these institutions, each of which was powerful in its own right, could have an even greater impact as it addressed the problems faced by low-income people living in America's cities.

Members have come and gone over the years and we have continued to refine our strategies for achieving results. But our platform and this belief in our collective impact have remained. Today we are comprised of 22 of the world's largest foundations and financial institutions and represent the largest philanthropic collaborative dedicated to improving cities and the lives of the low-income people

who live in them. As a mature collaborative, we are committed to innovation and have evolved by developing a new focus on integrative responses to the challenges of today's cities.

Our current approach brings together innovators across silos that often separate work on people, place and opportunity. Going beyond the traditional investments in housing and local services, Living Cities is supporting some of the most innovative leaders in urban change and creating a platform for collaboration across the philanthropic, civic and political leadership of our cities. This means engaging in new areas, such as linking education reform and community revitalization, by developing new mechanisms that leverage grants and investments for impact. As Nancy Zimpher, Chancellor of the State University of New York and co-founder of Strive, an education reform collaborative in the Cincinnati region, writes:

Living Cities' support has helped make the case nationally for evidence-based demonstration sites for education reform so local reformers can implement strategies with greater confidence and improved likelihood for success. Truly, Living Cities is helping people and institutions find their most effective role in bettering their schools and their communities.

In this special 20th anniversary collection, some of our founders, current members, grantees and others who have been touched by Living Cities offer their reflections on our work and how it has impacted them, low-income people and the field at large.

Living Cities is just as critical today as it was 20 years ago. As we celebrate our successes, we look to a future of sustained involvement in America's cities.

I hope that you enjoy this publication.

A handwritten signature in black ink, appearing to read 'P. Farias'.

Pablo Farias

“Living Cities is supporting some of the most innovative leaders in urban change and creating a platform for collaboration across the philanthropic, civic and political leadership of our cities.”

PABLO FARIAS

VICE PRESIDENT
ECONOMIC OPPORTUNITY AND ASSETS
FORD FOUNDATION

CHAIRMAN
LIVING CITIES BOARD OF DIRECTORS

BEN HECHT

PRESIDENT & CEO
LIVING CITIES



Dear Friends,

In 1991, a handful of visionary philanthropists and corporate leaders came together behind a simple but powerful idea—real change in cities could be achieved only through a new type of intentional and sustained collaboration between the private, public and philanthropic sectors. Two decades later, this collaboration, then called the National Community Development Initiative (NCDI), now Living Cities, has helped catalyze \$16 billion of urban investment and changed the trajectory for low-income people and the cities where they live by disrupting obsolete approaches to such critical issues as jobs, education and land use.

I joined Living Cities as President and CEO four years ago, but had worked closely with the organization in the mid-1990s as Senior Vice President at the Enterprise Foundation. From 1991 through 2006, Living Cities' support of and partnership with Enterprise and Local Initiatives Support Corporation (LISC), two national nonprofit 'intermediary' organizations, helped scale a maturing place-based, community development sector.

Through Living Cities' grants and commercial debt at concessionary terms, Enterprise and LISC provided technical expertise and reliable, multi-year financial resources to community-based housing developers to not only increase the availability of affordable housing in 23 cities but build one of the most resilient nonprofit sectors in the nation. Enterprise and LISC, with support from Living Cities and, later, the U.S. Department of Housing and Urban Development, helped move neighborhood redevelopment efforts from isolated successes to greater scale, shape federal funding programs and build more than 150,000 homes, stores, schools and community facilities.

What began with a handful of leaders and a focus on neighborhoods today brings senior executives from 22 of the nation's largest foundations and financial institutions together to catalyze broader change. Living Cities is helping cities re-imagine what should be done with underinvested neighborhoods and find new ways to connect low-income people to economic opportunities wherever they exist in a region. Instead of trying to work around long-broken public systems, such as education, workforce development and transportation, we are helping to re-engineer them for the 21st Century.

Our five city, \$85 million Integration Initiative, announced in 2010, was designed to take advantage of all we have learned over the years. We are focusing our resources on efforts that simultaneously tackle issues of people, place and opportunity; encourage the aggregation of talent, knowledge and dollars locally; integrate leadership across multiple sectors; and drive private markets to work on behalf of low-income people. Fundamentally, we are working to permanently redirect public and private sector funding streams away from systems that have failed to those that work.

To commemorate our twentieth anniversary, we asked more than two dozen leading urban thinkers and practitioners to reflect on the value and impact of our long-standing collaborative. As you can see in the following pages, these reflections represent a diversity of perspectives and issue-areas, much like the collaborative they describe. However, taken as a whole, the collection helps to define the 'secret sauce' at the heart of Living Cities' success to date in making material improvements in the lives of low-income people, cities, and the systems that affect them.

Indeed, together these reflections provide keen insight into the new approach to social change that Living Cities has helped define and nurture over its 20-year history—an approach I’ve come to refer to as dynamic collaboration, which is comprised of three core elements:

- **Collective action.** In his piece, Doug Nelson speaks of pooling “experience, expertise, imagination, knowledge, resources, and political influence in order to accelerate the adoption of innovative policies, practices, programs, and financing strategies.” Meanwhile, Rip Rapson discusses a co-creation across sectors, which “far exceeds the collective impact of their individual capacities.” Each describes the power of (and necessity for) sustained alignment and unprecedented partnerships to address complex social problems—not just among funders but also local actors from private, public, nonprofit and philanthropic sectors.
- **Adaptation and Innovation.** Our nation and the world have changed dramatically over the last 20 years. As Bruce Katz explains, successful organizations “do not ‘stand still’ in times of disruptive change. They maintain their core goals and values, but readjust their strategies and tactics to reflect new realities.” Impactful social change requires risk taking, catalyzing fresh thinking, experimentation, testing new approaches close to the ground and continually adapting to changing conditions to transform the status quo.
- **Leadership.** Mayor Chris Coleman speaks of the “revolutionary” nature of this work and of having to overcome “those who will tell us that fundamental change is not possible.” In the past,

innovative work to improve the lives of low-income people has often consisted of a series of pilots. Real change requires bringing these successful innovations from the periphery into the mainstream by continuously asking difficult questions, challenging obsolete norms, and supporting others in their efforts to do the same. Dr. Risa Lavizzo-Mouray refers to this as “leadership in charting the course for greater impact” by acting as a “trusted champion of best practices and a cutting-edge resource for advancing urban policies that work.”

We have organized this monograph, *Dynamic Collaboration: Reflections on Living Cities at 20*, around these three core elements. Each section is anchored by two essays and includes others that echo the same theme.

I hope you enjoy it and look forward to the next 20 years.



Ben Hecht

President & CEO, Living Cities

COLLECTIVE ACTION

**“Living Cities could become
a one-of-a-kind laboratory in
which the nation’s leading
advocates for cities could pool
their experience, expertise,
imagination, knowledge,
resources and political influence.”**

DOUG NELSON

FORMER PRESIDENT AND CEO
ANNIE E. CASEY FOUNDATION
(1990-2010)

FORMER CHAIRMAN
LIVING CITIES BOARD OF DIRECTORS
(2003-2006)

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FORMER PRESIDENT AND CEO
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FORMER CHAIRMAN
LIVING CITIES BOARD OF DIRECTORS
(2003-2006)



For almost 25 years, I—and my colleagues at the Annie E. Casey Foundation—have embraced the conviction that making positive change in the nation's most troubled urban neighborhoods is a necessary predicate to our primary mission of improving the futures for America's most disadvantaged children and families. And while we have long been clear about the importance of this premise, we were—especially at the outset—far less clear about how to act on it.

Foundations, cities, the federal government and social reformers have been grappling with the same issues for nearly a century. Over the course of this long history, much has been learned, and much real progress has been achieved. But it is also true that finding a clear path to genuinely transformative, lasting and replicable change—especially change that can dramatically improve outcomes for low-income neighborhood residents—has proven to be frustratingly elusive.

The problem—to oversimplify it—was that most of the 20th century community change investments, by both foundations and government, were too little in amount, too short in duration, too narrow in focus, and too disconnected from other potential public and private sector investments to successfully redirect the downward trajectory of the most troubled urban communities.

Of course, it is far easier to identify the insufficiencies of past community change initiatives than it is to imagine, design and test new strategies capable of overcoming those limitations. And the fact is, no single foundation, no one intermediary, no government agency, no community organization, nor no single private investor could alone ever deliver the scale, the breadth of expertise, the leverage, and bear the burden of risk that had come to be seen as necessary for successfully catalyzing meaningful and lasting neighborhood transformation.

It was this realization that first inspired the collaborative that became Living Cities—and it is this realization that still gives Living Cities its distinct and extraordinary significance as an

institution. In 1991, Living Cities (then known as the National Community Development Initiative, or NCDI) was created for the express purpose of scaling up, enlarging, and coordinating long-term financial support to selected community development organizations in a cross-section of U.S. cities. For the first time, the country's major community development-oriented national foundations not only agreed to pool significant grant resources. They also jointly devised a structure to coordinate those funds with federal program dollars and private sector community lending—all done through the shared intermediaries of LISC and Enterprise.

NCDI, from the beginning, stood out as both an unprecedented model of serious philanthropic and corporate collaboration and a noteworthy example of the potential of foundations to help leverage and target greater private and public investment into poor communities. The early results of this novel experiment were impressive: NCDI investments clearly accelerated the production of affordable housing units and measurably strengthened the capacity of community development corporations (CDCs) in its target cities.

But perhaps even more importantly, NCDI's operations created an increasingly sophisticated learning community among its diverse member institutions. By the late 1990s, reflection on the impact of NCDI's initial rounds of funding led the organization to incrementally broaden its focus beyond housing and CDC capacity-building toward a more comprehensive investment and intervention strategy that embraced institutional change, reform of multiple systems, and greater human capital investment.

This commitment to explore an even more ambitious and comprehensive approach to urban redevelopment constituted a critical turning point in the evolution of Living Cities. By 2005, it was evident to me (and others) that Living Cities could become more than just a powerful vehicle for collaborative funding—it could actually become a one-of-a-kind forum or laboratory in which the nation's leading advocates for cities could pool their experience, expertise, imagination, knowledge,

resources, and political influence in order to accelerate the adoption of innovative policies, practices, programs, and financing strategies truly capable of restoring health to severely troubled neighborhoods.

That vision of what we might become underlay the far reaching strategic renewal plan that Living Cities members adopted in 2008.

Much has been achieved in these last few years to affirm the high expectations set for Living Cities. Our membership has grown in number and influence; we have increased our grant, PRI, and loan dollars significantly; and our role as field leader, convener, and policy advocate has never been stronger. Furthermore, Living Cities activities during the last couple of years, such as its Capital Formation work and the new Integration Initiative, contain within them the potential to dramatically retool and scale-up the next generation of community development investments.

Of course, we still have much to learn and much to prove. But I honestly believe that no organization—no collection of people or institutions—is better positioned than Living Cities to design and implement truly breakthrough change strategies for urban American communities.

RIP RAPSON

PRESIDENT
THE KRESGE FOUNDATION

LIVING CITIES BOARD OF DIRECTORS



Living Cities has at various times and to various degrees both reflected the leading edge of practice in the community development field and provided a unique vehicle through which foundations and financial institutions could redefine that edge. Its contributions fall into four categories.

First, cross-sector collaboration. It's tough enough to herd foundations; to have imagined herding foundations and banks and lending institutions and the federal government should have struck someone as hallucinatory. Yet, Living Cities has discovered a formula that has inspired others, even while defying precise replication. Maybe it requires characters of the stature and self-assurance of Peter Goldmark, Doug Nelson, Hodding Carter, Jonathan Fanton, Ed Skloot and Henry Cisneros. Maybe it takes bankers of such extraordinary flexibility and skill as Gary Hattem or Mark Willis or Dennis White. Or maybe it necessitates having intermediaries capable of both leading and following, with all of the patience and wisdom of a Bart Harvey or Michael Rubinger. Whatever its secret sauce, Living Cities has shown that sectors can co-create something that far exceeds the collective impact of their individual capacities.

Second, ground-wire to practice. Living Cities has struggled with creating a policy presence that repositions cities in the national debate about this country's future. But in many ways, it hasn't had to. Our claim to policy legitimacy was always derivative, resting for much of our history on the ground-game of Local Initiatives Support Corporation (LISC) and Enterprise Community Partners. An urban policy agenda was framed by and through their activities. A significant question going forward is whether the Integration Initiative, with its emphasis on foundation-led consortia in communities, will substitute for that legitimacy and provide the ground-wire any national policy aspirations must have.

Third, course correction. For the first 15 years, the NCDI/Living Cities brand and method were clear. Our attempts to refine or recalibrate were fine, as far as they went. But the core remained a

constant. That has changed dramatically in recent years. And just in time—had we not, I suspect we might have wound down rather than ramping up, as we have. Each of the executives of Living Cities has been exactly right for his or her time: Jim Pickman doing the grand design, reconciling personalities, and ensuring early traction; Reese Fayde professionalizing, refining, and diplomatically repositioning; Ben Hecht pushing for innovation, re-purposing, and expansion. In the process, each executive made an indelible mark on community development. Each pushed the membership out of its comfort zone and strengthened a resilient capacity within the organization that enabled it to navigate through very different eras in urban policy and practice.

Fourth, extending beyond parochialism. So many philanthropic collaborations are simply a means of aggregating funds that reinforce individual member priorities. Understandable. It takes an unusual foundation or bank or financial institution to park self-interest at the door. There have been times when Living Cities just couldn't get there—we have had countless conversations about how each of our members needs to see its priorities, specifically or in general terms, reflected in the priorities of the larger organization. But there have also been times—of which the present is one—when the membership has genuinely stepped back and constructed approaches that by virtue of their boldness, innovation, or potential for powerful impact take us beyond what each one of us would do within our own portfolio. Sounds simple, but it is enormously challenging for organizations that have to report back to trustees about why their money is being spent outside their topical or geographical scope. It is a mark of the organization's maturity that our conversations now arc above—even while paying attention to—those concerns.

The ultimate measure of Living Cities is that as it has changed and adjusted, it has remained constant to its founding aspirations of improving the life circumstances of low-income people living in America's cities. It is a remarkable legacy—and a remarkable platform for future progress.

A. DENNIS WHITE

PRESIDENT & CEO
METLIFE FOUNDATION

VICE CHAIRMAN
LIVING CITIES BOARD OF DIRECTORS



I have been involved with Living Cities, originally known as the National Community Development Initiative (NCDI), almost since its inception and that affiliation has been rewarding on both a personal and professional level. The first few Living Cities meetings I attended in the early 1990s introduced me to a world of philanthropy that I didn't know existed. I witnessed some of the biggest names in the field heatedly discussing community development issues and how to improve the quality of life in America's cities.

After a few meetings I was hooked, and I've hung around for many years as programs have come and gone, institutions have left and rejoined Living Cities, and the staff and board have changed. Through all these evolutions, the passion and dedication to improving the lives of people living in low-income urban communities has remained strong and constant and that commitment has kept me and many others engaged in and supportive of Living Cities over these last twenty years.

One of the hallmarks of Living Cities has been its ability to bring institutions together to tackle tough community development issues. In the early years, the term "umbrella partnerships" was used to describe Living Cities' convening role. I believe that function is even more critical today and one that Living Cities has gotten particularly good at. Recent boot camps and the Integration Initiative are just two good examples of Living Cities' effective convening role. As I have watched Living Cities play this function, I have looked for similar opportunities in my work with MetLife Foundation where a strategic gathering can focus limited resources and direct activities toward a common goal.

During Living Cities' 20-year history, it has also worked hard to combine various forms of capital—including private foundation grants, government funds and debt—in order to have a catalytic impact on community development. Early on, the delivery of Living Cities' capital was somewhat fragmented, and while all resources were used to advance local community work plans, it wasn't until

more recently, through the Integration Initiative, that a tighter and more disciplined combination of all capital resources was designed and deployed. The outcome of the Integration Initiative is yet unknown but I believe Living Cities' work in this area will be a solid contribution to the community development finance field.

Finally, throughout my association with Living Cities, the most valuable and enjoyable experience has been listening to the insights of members and learning about the great work of the many groups that have come into Living Cities' orbit over the years. In particular, the work of the Local Initiatives Support Corporation (LISC) and Enterprise Community Partners, Living Cities' key partners over much of its early history, has often been instructional and has provided good insights that Living Cities and other groups have benefited from in their community development work today.



HENRY G. CISERNOS

**CHAIRMAN
CITYVIEW**

**FORMER SECRETARY
U.S. DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT
(1993-1997)**

I remember the moment when Bruce Katz, then Chief of Staff at the U.S. Department of Housing and Urban Development (HUD), rushed into my office with an idea. Bruce excitedly described a meeting he had with foundation representatives who were exploring HUD's involvement in a collaboration to bring philanthropic resources to urban projects. Within days, the importance of such cooperation was being assessed at the assistant secretaries' meeting and there was wide agreement that we should proceed to find HUD resources to cement the partnership.

My own perspective was shaped by my previous service on the Rockefeller Foundation board and on its investment committee. I remember feeling at times that despite the Rockefeller Foundation's generous funding strategies, often its resources alone could not be decisive in the urban arena. I also was intrigued by foundations' abilities to add to their annual grantmaking by targeting funds from their investment corpus, so-called program-related investments. My sense was that the cumulative assets represented by America's most progressive foundations constituted formidable resources to address urban needs, such as affordable housing and community development.

The partnership was the right idea at the right moment. It was clear the nation's cities needed more resources than government alone could apply. Foundations and other intermediaries could bring specialized expertise and long-standing networks to reach the entire nation. President Clinton's broader "reinventing government" theme encouraged hybrid strategies and "third way" solutions. And the economic expansion then beginning would make it possible for public-private models to generate both effective community-building and acceptable financial returns.

The last 20 years have brought modifications and improvements to the basic partnership. The early work evolved into Living Cities as we know it today, thanks to many dedicated people. Living Cities is proof once again that we do better when we work together.



ANDREW PLEPLER

**GLOBAL CORPORATE SOCIAL
RESPONSIBILITY AND CONSUMER
POLICY EXECUTIVE
BANK OF AMERICA**

**LIVING CITIES BOARD OF
DIRECTORS**

Living Cities has been a beacon in the community development field for 20 years and I've had the honor and pleasure of being associated with it for about 12 of those years.

I was at the Fannie Mae Foundation when I first learned of this veritable "dream team" of financial institutions, foundations and community development stakeholders who were leading the charge on tackling the tough issues of the day. We became involved as members, but to my disappointment, my stature did not immediately command a seat at the table. However, I dutifully took my place along the perimeter, and waited for my big moment to be invited to join the legends. My big day finally came and I haven't given up my seat since!

I moved to Bank of America with the stipulation that I would be grandfathered in and would never again have to return to the perimeter. Mark Willis made a motion on my behalf and after some late night lobbying, my motion was approved and I remain firmly entrenched among giants.

More seriously, Living Cities is a unique collaborative that has allowed me and my company to stay abreast of a rapidly changing community development environment, make connections that enable us to do our work more effectively and to simply be smarter about understanding the challenges that our communities face. One of the most compelling ways Living Cities effects change is through its ability to bring together the various stakeholders who can implement policies and programs dealing with community development issues. The notion of partnerships—whether public-private or between the corporate and nonprofit sectors—is something that Living Cities embodies. The real power of this collaborative is in its unique ability to bring the leaders of all sectors together in ways that are infrequent yet invaluable.

Reflecting on this journey, I recognize that Living Cities has had a profound impact on me personally and professionally. I've become more knowledgeable on the issues I grapple with daily, and more importantly, I've developed friendships with leaders who I have come to deeply admire and whose impact on me is immeasurable.



RONALD B. RICHARD

**PRESIDENT & CEO
THE CLEVELAND FOUNDATION**

**LIVING CITIES BOARD OF
DIRECTORS**

My personal philosophy on philanthropy has been dramatically shaped by my peers at Living Cities. Soon after I joined the Living Cities Board of Directors in 2004, Doug Nelson, who was then President of the Annie E. Casey Foundation and a member of the Living Cities Board of Directors, shared with me his thesis that a foundation's most important role in community development is to lower the risk for the public and private sectors to become involved. At the Cleveland Foundation, we have embraced that philosophy wholeheartedly, and it is at the core of our efforts.

To be involved in Living Cities is to be informed and inspired. Leaders of the country's most prominent and well-endowed philanthropic institutions, along with key financial institutions, share their successes and failures in a candid environment, dedicated to learning from each other and best serving our communities. It was in this spirit that the Cleveland Foundation was invited to be the first community foundation—indeed, the first purely local foundation—to be an affiliate member of Living Cities. We are honored by the chance to share our perspective and extensive hands-on experience at the local level. As a participant in the \$85 million Integration Initiative, Cleveland currently receives one of Living Cities' largest investments.

Living Cities has had a profound influence on our thinking about developing and implementing a place-based neighborhood revitalization strategy. In one of our most promising initiatives, we are leveraging the annual expenditures of Cleveland's largest anchor institutions, along with our own grants and program-related investments, to launch new businesses that supply the needs of these institutions while creating employment and ownership opportunities for low-income residents. Our initiative also involves relocating or funding expansion of businesses in a new Health Tech Corridor that offers growing companies access to trained employees in close proximity to anchor institutions.

Our Living Cities experience has helped us complete our transformation from a grantor-grantee structure into a fully integrated partnership model with our anchor institutions. This partnership has enabled us to capitalize on the leadership qualities of CEOs and senior staffs, so we are able to benefit from their intellectual capital as well as their financial capital.

NANCY ZIMPHER

CHANCELLOR
STATE UNIVERSITY OF NEW YORK

CO-FOUNDER
STRIVE



Writer David Leonhardt wrote in a New York Times Magazine article: “Education—educating more people and educating them better—appears to be the single best bet a society can make.”

More and more communities across the country are educating people better so the entire community can grow and individuals can achieve things in life they never dreamed were possible. This is in large part because of what Living Cities has done to marshal the collective, collaborative efforts of parents, educators, school districts, universities, local businesses, elected officials, and the philanthropic community to address the state of education not as an isolated crisis, but as part of comprehensive approach to urban revitalization.

My initial involvement with Living Cities began when I was president of the University of Cincinnati and chair of The Coalition of Urban Serving Universities (USU). Strive, an organization I co-founded that was implementing measurable education reform in Cincinnati and Northern Kentucky school districts, was yielding encouraging results.

I learned about Living Cities’ holistic philosophy, which is that the problems facing our nation’s cities must be addressed comprehensively, not piece meal. This immediately struck a chord with me, as it related closely to my work with Strive and its holistic approach to strengthening the cradle-to-career education pipeline. I shared with Living Cities that Strive was proving to be a particularly strong and adaptable vehicle for “best practices.” The program was turning out to be an ideal demonstration site for innovative learning approaches that were coming out of USU member universities.

We immediately started brainstorming about ways to bring our respective organizations together to further a shared goal. I brought

to the USU table the potential of collaborating with Living Cities to disseminate Strive’s success beyond our initial sites, to take it national. It was a game changer, in many respects.

The goal of taking our collaborative approach to education to scale demanded that we dissect why Strive was working and what lessons we were learning about how to build supportive community networks. Was cookie-cutter replication of the approach the way to go? Or could the framework be tailored and adapted to local needs, political realities, and histories of reform?

Living Cities was invaluable in helping us answer those questions, as well as keeping us focused on the big picture. Just what was the added value of creating a network of Strive-based efforts across the country? What were the expectations? What were the opportunities? What were the best ways to leverage emerging networks of community-based stakeholders for the greatest benefit of urban-based schools and kids?

I’m happy to say that since the inception of Strive’s collaboration with Living Cities, we’ve moved forward on every front, and the results, I believe, have begun to change how America thinks about education reform and the potential for making measurable, meaningful changes in even the most underserved communities. Living Cities’ support has helped make the case nationally for evidence-based demonstration sites for education reform so local reformers can implement strategies with greater confidence and improved likelihood for success. Truly, Living Cities is helping people and institutions find their most effective role in bettering their schools and their communities. And that has made all the difference.



MARK A. WILLIS

RESIDENT RESEARCH FELLOW
FURMAN CENTER FOR REAL
ESTATE AND URBAN POLICY
NEW YORK UNIVERSITY

FORMER CO-CHAIRMAN
LIVING CITIES BOARD OF
DIRECTORS
(2002-2005)

I came to my first meeting of Living Cities (then the National Community Development Initiative, or NCDI) in the mid 1990s not quite knowing what to expect. The mission of raising funds to help take to scale the Local Initiatives Support Corporation (LISC) and Enterprise Community Partners made sense to me given the critical roles these two national intermediaries were playing in the execution of New York City's 10-Year Housing Plan. I was, though, curious as to Living Cities' ability to tap the potential of the people and organizations around the table to enhance the field of community development. I was not disappointed.

Living Cities proved to be an organization that pushed the boundaries of community development. It constantly challenged both itself and the two intermediaries to use existing resources more effectively and to explore new and novel ways to rebuild and strengthen communities. It found ways to combine philanthropic and loan dollars more effectively and to use these resources to leverage other resources. It candidly faced the complexities inherent in community development and the lack of a short-term, magic bullet to achieve rapid transformation of either neighborhoods or the lives of those who live in them.

Over time, everyone at the Living Cities table grew to understand the importance of education, healthcare, job training and access, community facilities, and public safety as part of community development. Living Cities also struggled, as many of us have, to document progress and encourage private sector investment by being able to demonstrate that investing in inner city neighborhoods and in inner city residents is worthwhile and can be good business.

Also unexpected was the way Living Cities helped shape the evolution of LISC and Enterprise, the two largest, non-governmental intermediaries. Having them at the same table sparked some friendly competition and resulted in a cross fertilization which accelerated their ability to build their organizations and work effectively in their communities. Their regular presentations to the Living Cities Board of Directors provided us with valuable insights into what was happening at both the national and local levels, with the latter of particular interest for those of us directly engaged in cities served by their affiliates.

KATE WOLFORD

PRESIDENT
THE MCKNIGHT FOUNDATION

LIVING CITIES BOARD OF DIRECTORS



In partnership with The McKnight Foundation since 2002, Living Cities provides a strong tailwind for efforts in the Twin Cities metropolitan region to accelerate and deepen integrative work around transit, affordable housing, economic development, community asset-building, and workforce opportunities.

In 2008, Living Cities joined with local and national foundations in the Twin Cities to create and inspire the Central Corridor Funders Collaborative (CCFC). With Living Cities as a key partner, the CCFC has lifted collaborative philanthropy to a higher, more impactful level in our communities. It demonstrates how multiple bottom lines—economic, social, and environmental—can be achieved through integrative, community based planning and advocacy for the new \$1 billion light rail line connecting our two major cities of St. Paul and Minneapolis.

In addition to its participation in the CCFC, the Living Cities Integration Initiative is taking advantage of substantial public investments in three regional Twin Cities transit lines to create a model of how high-quality transit development can expand opportunities for low-income people. The Integration Initiative is providing tangible benefits to residents, businesses, and neighborhoods along key transit corridors. It also incents and challenges us to unlock public and private capital for the benefit of low-income people and in disinvested neighborhoods.

Living Cities recognizes that a region's growth is healthier when transit, housing, parks, and open spaces are integrated to promote sustainable communities and shape sound development patterns while protecting the environment. We share their vision to "hardwire" a collaborative platform that will carry the Twin Cities beyond one transit line, leading to the successful build-out of a robust regional transit system.

With each new line and thriving corridor, we gain new knowledge about how to better engage our community in the planning phase and how to strengthen the benefits of investments beyond the rail. In partnership with Living Cities, we are establishing new ways to work together across multiple governmental jurisdictions, private sector, nonprofits, and community-based organizations. This collaborative platform has already borne additional fruit, including a HUD Sustainable Communities planning grant that will be used to develop a long-term regional plan for sustainable development.

Living Cities increasingly leverages the different strengths of its members to achieve its mission. McKnight and other place-based members are valued for our deep local knowledge, relationships, and feet on the ground. In turn, we benefit from the research, broad reach, federal policy expertise, and experience with various financing instruments that our national foundation and financial institution partners bring to our collective work.

To improve lives and develop new strategies, we need the best thinking and aligned resources on all fronts. Living Cities creates opportunities for McKnight and our partners to make the most of the resources we all bring to the table. In Minnesota, this has helped us forge new pathways to connect highly effective partnerships, policies, and programs around a shared goal of equitable development along our transit corridors.



BART HARVEY

FORMER CHAIR & CEO
ENTERPRISE COMMUNITY
PARTNERS, INC (1993-2008)

The fact that any collaboration can celebrate 20 years of productive work, let alone one with major foundations, nonprofits, and financial institutions with all their centrifugal force, is astonishing in its own right. Furthermore, this collaboration had principals in the room of fiercely independent and different types of funding organizations for much of its early deliberations and two vying community development organizations at its center in the early years along with the federal government.

The premise that led to the development of Living Cities was foolhardy—engage the major intermediaries in community development around a common agenda to build scale and impact in the field; bring major funders into collaborative effort around a common funding stream; have the core implementing institutions collaborate, compete and be accountable for the results; and bring the federal government to the table as one partner of many, navigating its special set of restrictions. Bookies would bet the Cubs would win a World Series before success of this odd arrangement. Few would have predicted such an effort could succeed. Enter Peter Goldmark of Rockefeller Foundation and many other leaders in the effort.

The success of this seemingly odd venture changed the way people think about scaling efforts, the viability of commingled funding, the virtue of coordinated efforts, the exchange of ideas between funders and those using those funds, the methods of accountability and measurement in a social field, addressing public policy, and private/public ventures with the federal government. The governance issues of the collaboration were difficult but possible even given the autonomy of the participating organizations and their different statuses as foundations, corporations, nonprofits and government. In fact, the focused debate around the table spawned collaborative efforts outside of Living Cities around common subjects of interest, heightened the understanding of systemic issues and potential solutions, and focused theories of change in the operating environment. In short it made the operating entities and the funders better at their respective tasks.

This effort forced the team at Enterprise Community Partners to think smarter and more comprehensively, to be explicitly accountable, to change the measurements we felt less useful to our work and argue why, and to think and communicate clearly. Personally, I carried away many friendships and relationships I simply wouldn't have had the chance to have otherwise, was able to open up to funders about the risks and issues our organization had in ways that weren't possible without trust, and carried away deep respect and authentic admiration for so many in the room. And the moments of humor will last a lifetime—they frame our hopes and aspirations, our frustrations and dejections, but most of all a large group of people working together to try and achieve a great aim.

Happy 20th Anniversary.



INDIA PIERCE LEE

**PROGRAM DIRECTOR
NEIGHBORHOODS, HOUSING AND
COMMUNITY DEVELOPMENT
THE CLEVELAND FOUNDATION**

My first introduction to Living Cities, then known as the National Community Development Initiative (NCDI), was in 1991, when the Cleveland Enterprise Foundation office invited the executive directors from several of the community development corporations (CDCs) to discuss the needs in the community development system in Cleveland. We met with Jim Pickman and others who were interested in what we thought was working and where gaps existed in our system. Our collective interest was in building the infrastructure and capacity that would create strong leadership within the CDCs. There was also a push to get CDCs to think in a more strategic and focused manner to create a streamlined production system that could move to scale for housing and commercial development to systematically redevelop and transform neighborhoods.

Cleveland was in a unique position to leverage national capacity and resources with strong local support. In 1988, through the support of Cleveland Tomorrow and local foundations, Neighborhood Progress, Inc. (NPI) was established as the local intermediary to provide technical assistance and prioritize financial support to the CDCs for neighborhood-based development and capacity building. The culmination of the Living Cities support, through Enterprise Foundation and with the local Local Initiatives Support Corporation (LISC) office, enhanced the ability to leverage critical resources to build the capacity and the type of infrastructure necessary to strengthen the community development system. As a Living Cities community, Cleveland had the opportunity to demonstrate how resources could be leveraged to provide support nationally and locally for neighborhoods.

For the next decade, Cleveland's community development corporations became stronger and more sophisticated.

This was evident several years ago, when the Living Cities Board of Directors voted to accept The Cleveland Foundation in as its first community foundation and affiliate member. This type of integration and diversity of the Living Cities membership provides a deeper dialogue as to how to invest and deploy grants and capital in different markets across the Living Cities footprint.

The background of the image consists of a series of parallel diagonal stripes. The stripes are in two shades of blue: a medium blue and a slightly darker blue. They are set against a white background, creating a high-contrast, geometric pattern that covers the entire frame.

INNOVATION

“From my perspective, Living Cities’ distinctive mark is not just its diverse membership but the ability to be adaptive, inventive and entrepreneurial during a period of disruptive change.”

BRUCE KATZ

VICE PRESIDENT & FOUNDING DIRECTOR
METROPOLITAN POLICY PROGRAM
BROOKINGS INSTITUTION

FORMER CHIEF OF STAFF
U.S. DEPARTMENT OF HOUSING AND
URBAN DEVELOPMENT
(1993-1996)

BRUCE KATZ

VICE PRESIDENT & FOUNDING DIRECTOR
METROPOLITAN POLICY PROGRAM
BROOKINGS INSTITUTION

FORMER CHIEF OF STAFF
U.S. DEPARTMENT OF HOUSING AND
URBAN DEVELOPMENT
(1993-1996)



Over the past 20 years, Living Cities has been recognized as a unique funding consortium, given its composition of major philanthropic and financial institutions. From my perspective, Living Cities' distinctive mark is not just its diverse membership but the ability to be adaptive, inventive and entrepreneurial during a period of disruptive change. A philanthropic consortium that began with a focus on supporting affordable housing and community development has evolved into an organization at the cutting edge of a broad range of innovative policy and practice.

The evolution of Living Cities reflects our changing nation. The United States of 2011 is a profoundly different place than America circa 1991.

Successful organizations do not "stand still" in times of disruptive change. They maintain their core goals and values, but readjust their strategies and tactics to reflect new realities.

My organization, the Metropolitan Policy Program at Brookings, has witnessed Living Cities' evolution close-hand. As an ardent supporter of data-driven decision making, Living Cities made two crucial investments in our trend and data analysis work—establishing the Living Cities Census Series and the Urban Market Initiatives. This work provided community, corporate, civic and political leaders with revealing analyses that unveiled a nation and its cities and metros in transformation. These assessments served as a platform for policy and practice reforms at the local, state and federal levels and left a lasting mark on the urban agenda-setting conversation. And, in recent years, Living Cities' ability to adapt and react swiftly to economic changes helped us establish an invaluable data platform for post-Katrina New Orleans and explore the effectiveness and potential of the emerging green jobs sector.

While Living Cities has stepped up to tackle the challenges facing cities over the past two decades, even more challenges lie ahead that will require its leadership, engagement and support. For instance, how do we shift economic development in cities from consumption to production, from subsidy to investment, from domestic to global? How can we ensure that low-income workers and communities benefit from economic growth and restructuring? How do we make transformative investments in our cities at a time of fiscal austerity? And, how do we ensure that cities can continue to realize their potential during this period of federal partisanship and polarization?

I think it is a safe bet that Living Cities will continue to evolve, adapt and inspire and, by so doing, positively impact the health and vitality of dozens of cities and their citizens.

AVIS C. VIDAL

PROFESSOR

DEPARTMENT OF URBAN STUDIES AND PLANNING
WAYNE STATE UNIVERSITY



Living Cities stands out in my mind as a distinctive product of creative philanthropic programming, and an exemplar of organizational adaptation over a relatively short period of time. Its origins and evolution mirror many of the factors that have contributed to the community development movement's remarkable accomplishments. I spotlight two of these factors: social capital and the development and adaptation of systems of support.

When Peter Goldmark became President of the Rockefeller Foundation, he articulated two priorities for community development programming: to "ratchet up" the housing production of community development corporations (CDCs) and to strengthen the field's human resources. This would clearly require a substantial infusion of new resources—more than Rockefeller could provide—so attracting significant new funding partners was essential.

The genesis of Living Cities lies in the informal workings of Goldmark's network of personal and professional connections. In this respect, it is a perfect example of the importance of social capital in the community development field. Among Goldmark's trusted connections was Mitchell "Mike" Sviridoff, former Vice President for National Affairs at the Ford Foundation and founding President of Local Initiatives Support Corporation (LISC), on whose board Goldmark had served. Sviridoff added to the mix James Pickman, a lawyer with a deep understanding of community development, and of housing production in particular. Among them, the kernel of an idea emerged.

That idea was ingenious yet simple. It was to create the National Community Development Initiative (NCDI) as what we might now call a "virtual" entity, overseen by Pickman (acting under the very unassuming title of Secretary), managed day-to-day by the two major national intermediaries, LISC and the (then) Enterprise Foundation, and—in a significant departure from standard philanthropic practice—directed by a board comprised of the national funders. They had a framework that could effectively channel significant resources to a highly dispersed network of community groups and enable the

funders to make sure the initiative stayed on target without creating a new administrative entity that would itself have growing pains and require extended support. Initial financial commitments were for three years, but the major funders shared an understanding that if the program model lived up to its promise they would stay with it for a decade to assure substantial progress toward the goal.

The demonstrated achievements of the NCDI led the board to formalize its efforts with the establishment of Living Cities as we know it now. At first glance, it appears today very different from the original NCDI. Indeed, today's organization with a growing staff, two offices, and a broad mission was exactly what the founders wanted to avoid! But to focus on this change in organizational form is to miss the important story. The novel funder-driven board saw the power of the approach they had created—nimble, responsive, intelligent, and results-driven.

More broadly, they took to heart important evidence from a decade of work that community developers are best strengthened not only by building their individual technical skills and community base, but also by embedding them in resilient systems of support: established relationships among influential people and institutions, and the goals, incentives and policies that guide their behavior. Thus, Living Cities has internalized the demonstrated power of changing systems—not just housing production systems but the many-faceted political and economic systems that shape community life and residents' opportunities. Its explicit return to the broad, holistic mission that sparked the CDC movement, but with a new—and positive—emphasis on the importance of systems and of economic and political context, makes it another stunning example of the "creativity plus competence" formula that has enabled the growth and accomplishments of the community development field over the past 30 years.



ANGELA GLOVER BLACKWELL

**FOUNDER & CEO
POLICYLINK**

Living Cities demonstrates the tremendous power of an alliance of the nation's leading foundations and financial institutions, joined to advance a game-changing agenda. We experienced this at PolicyLink in the aftermath of Hurricane Katrina.

Immediately after the storm, PolicyLink drafted "Ten Points to Guide Rebuilding in the Gulf Region," laying out principles of equitable development. Living Cities, seasoned in community development work that emphasized housing and physical revitalization strategies, invested in PolicyLink because of our commitment to integrating people-focused and place-focused strategies, and to weaving together community revitalization, regional development, and equity.

The support provided us with far more than dollars, important as they were. The imprimatur of Living Cities bolstered our credibility both on the inside, as advisors to local and state officials, and on the outside, as conveners of resident groups and key nonprofit organizations. With an impressive list of muscular foundations and banks backing our efforts, doors opened from the governor's office down. The language of equity and the needs of the most vulnerable residents came to inform recovery planning and priorities.

Philanthropists (and governments) have traditionally approached community development as a construction project, a job solely of remaking a place. Yet decades of failures and inspiring revitalization successes have taught us a critical lesson: authentic, effective community development requires the blending of strategies to improve place and empower people. With 20 years of experience and its recently launched Integration Initiative, Living Cities is well positioned to build upon the lessons of past community development efforts and nurture the strong alliances, the local capacity, and the grassroots leadership needed to achieve significant, enduring change.



MICHAEL RUBINGER

**PRESIDENT & CEO
LOCAL INITIATIVES
SUPPORT CORPORATION
(LISC)**

The histories of Living Cities and the Local Initiatives Support Corporation (LISC) have been closely connected for 20 years.

Back in 1991, community development had already taken root and was having a positive impact on distressed neighborhoods. But our toolbox then was somewhat limited. Community development was mostly about housing, and still on a modest scale. It was a challenge to fully engage the private sector in what for many felt like a high-risk proposition. It was not yet clear to some that this work would be a path to social and economic stability in troubled places.

The National Community Development Initiative (now Living Cities) was a game changer. It helped energize community development by attracting key national partners to a strong long-term, public-private collaboration. It helped elevate the work as a valuable business and philanthropic investment.

It significantly increased the capacity, production, and influence of its two original partners: LISC and the Enterprise Foundation.

Most importantly, Living Cities capital was, and is, flexible. By not being explicitly prescriptive, Living Cities has seeded innovation and fueled projects that otherwise would never have gotten off the ground. It has meant that we could take a chance on the most promising ideas and build the capacity of the most creative community-based groups, even if their projects or programs didn't fit within traditional models or top-down government funding programs.

We have certainly seen that with our Building Sustainable Communities work. Instead of driving individual projects focused largely on the built environment, we began supporting holistic plans that integrated a range of critical community connections to each other. From safe streets and quality schools to family financial stability and green development, we saw a way to drive sustainable change in new and compelling ways. And Living Cities dollars helped make it possible.

That strategy, today, is turning theory into reality. Places once largely marked by intense blight and social dysfunction are now safer, healthier, more vibrant communities. Living Cities is one of the important reasons why.



STEPHEN GOLDSMITH

DANIEL PAUL PROFESSOR OF THE
PRACTICE OF GOVERNMENT
ASH CENTER FOR DEMOCRATIC
GOVERNANCE AND INNOVATION
JOHN F. KENNEDY SCHOOL OF
GOVERNMENT
HARVARD UNIVERSITY

FORMER MAYOR
CITY OF INDIANAPOLIS, INDIANA
(1992-2000)

Living Cities is a valuable partner to the Innovations in Government program that I directed at the John F. Kennedy School of Government at Harvard University. We have a shared belief that healthy cities—characterized by strong neighborhoods, good educational institutions, efficient government services, financial stability, an engaged civil society, and innovative leaders—are required to improve the lives of our nation's most vulnerable citizens. Cities are the gateways to opportunity and prosperity for low-income individuals.

Living Cities also shares my personal orientation toward disruptive innovation for good. U.S. cities face crippling budget deficits, and many people are fearful of other fiscal realities, such as future unfunded pension liabilities. Living Cities fights through the anxiety and uses its assets to mobilize multiple actors in a community to pursue a shared goal. Living Cities has a deep and longstanding commitment to facilitating new approaches that cut across traditional policy categories, span the full range of government agencies, and harness the collective power of the public, corporate and philanthropic sectors. I describe this approach as “networked governance” and share a belief with Living Cities that innovation needs to be incubated in organizations across civil society, and that true solutions will only come from endeavors that include public, private, and non-profit participation.

These common values and aspirations led the Innovations Program and Living Cities to partner on what we call the Project on Municipal Innovation (PMI). PMI is a groundbreaking forum of 30 of America's largest and most creative cities and urban counties that convenes at Harvard every six months. PMI connects local officials to research and expertise and establishes connections between and among cities and their corporate and philanthropic counterparts. With Living Cities' guidance, PMI has engaged directly with cities across the country to pursue innovation, foster strategic relationships among community partners, and develop new ways to generate innovation.



JAMES PICKMAN

NATIONAL COMMUNITY
DEVELOPMENT INITIATIVE
CO-FOUNDER AND PROGRAM
SECRETARY
(1991-2001)

The genesis of Living Cities occurred in 1989, when Peter Goldmark, then president of the Rockefeller Foundation, asked Mike Sviridoff, the first president of the Local Initiatives Support Corporation (LISC), and me to create an initiative that would “jam community development into second gear.” Peter asked that we keep the design simple, rely on existing intermediary organizations, ensure that community development corporations play pivotal roles, and seek to raise at least \$250 million over the next decade.

Mike and I proceeded as directed. We selected LISC and Enterprise as the implementing intermediaries and with Peter’s leadership obtained commitments of over \$60 million for a three-year pilot program from seven foundations and one corporation. The National Community Development Initiative (NCDI) was officially launched in 1991.

Working closely with U.S. Department of Housing and Urban Development (HUD) Secretary Henry Cisneros and his chief of staff, Bruce Katz, we were able to secure participation and substantial federal government support without specific funding mandates or bureaucracy. A result of this partnership was the enactment of Section 4 of the HUD Demonstration Act of 1993, which continues to provide significant funds to LISC and Enterprise to support the building of capacity and the work of community development corporations.

Over time, our programmatic thrust evolved into support of community development “systems” in the more than 20 cities where we worked. This entailed not just supporting community development corporations (CDCs) and their projects, but seeking to ensure the participation, support, and programmatic coherence of local governments, financial institutions, local foundations and corporations in pursuit of viable revitalization strategies.

In its early years, NCDI was touted as the largest funder collaborative in existence—a real pace setter. Today, looking back over the past 20 years, while it now stands as one of many, Living Cities remains a leader.



CHAD WICK

**PRESIDENT
KNOWLEDGEWORKS FOUNDATION**

I have developed a renewed optimism regarding the possibility of people and institutions to collaborate as a result of my involvement with Living Cities through Strive, the education initiative focused on addressing student achievement from cradle to career. Living Cities is trying, on multiple fronts, to rebuild our civic infrastructure on a much sounder and, hopefully, self-renewing basis. The beauty of Living Cities is that the organization is not trying to define any single pathway but is helping to create multiple pathways to that outcome. The pathways create the opportunity to learn how to work together, establish trust and build new forms of leadership that is more citizen based. This is healthy and teaches both the “institutions” that they do not need to rely only on elites and teaches “people” that they can trust in the process because they have a role. It is a shared leadership model.

In our partnership with Living Cities, the pathway is education. This is essential because thriving cities must have a continual pool of talent to maintain a healthy economy and resilient civic infrastructure. There are no sustained and permanent federal or state solutions to this challenge. The permanent solutions to developing talent are to harness the assets and commitment of a community so that they use their resources strategically, and see the pipeline to producing that talent starting at the beginning of the education pipeline. Living Cities support of and belief in that approach makes me optimistic.

Living Cities also has changed how philanthropy works—most directly by forming a funding collaborative that unifies purpose and desired outcome. Perhaps even more important is the funding of infrastructure over a long period of time. It has provided a model of collaborative philanthropy that should influence other strategic funding needs and opportunities.

This strategy also impacts the way that debt is brought into communities. Philanthropic capital is seen as “smart capital” so its influence and long-term nature most definitely leverage local public and private funds. It is a must for social risk-taking investing.

PETER GOLDBERG

PRESIDENT & CEO
ALLIANCE FOR CHILDREN AND FAMILIES

FOUNDING MEMBER
NATIONAL COMMUNITY DEVELOPMENT INITIATIVE
(NCDI)



I had the distinct pleasure and experience of participating in the efforts to shape the initial Living Cities program and to build a consensus for moving it forward.

I remember fondly and with pride the \$15 million commitment that the Prudential Insurance Company—whose social investment program I led—made in the first round of funding. Indeed, Prudential was the only corporate investor in that first round. I served as the second chair of the National Community Development Initiative (NCDI) as it was then known.

The process of crafting the initial partnership was an enormous undertaking; we were creating something that did not exist. In retrospect, the launch of NCDI fit what author Jim Collins would characterize as a “big, hairy audacious goal.” I was pleased to have been a part of the amazing and intellectually strenuous exercise.

While we sought to make a big impact—raising the initial \$62.5 million was a significant statement for the time—it was the process of crafting NCDI that was so energizing. Developing the vision, creating the plan, building a consensus, raising the funds, creating a buzz, and completing the hard work of implementation required levels of time, trust, interaction and commitment that remain firmly engrained in my memory.

NCDI was unlike much in philanthropy—in concept and in ambition—that had preceded it. In fact, I doubt that we ever truly imagined a 20th anniversary of this undertaking.

Not to be forgotten, the leadership and support to drive the process—Goldmark, Mutz, Rubinger, Black, Rouse, Grogan, Svirdoff, Pickman, among them—were groundbreaking in their aspirations.

The conceptualization and early implementation of NCDI was a profound experience in that it demonstrated the importance of intellectual capital (as opposed to just financial capital), the power of unusual partnerships, the importance of thinking out-of-the-box, and the significance of strategic philanthropic risk.

After I left Prudential in 1994, I sadly was somewhat disconnected from Living Cities. But my sense is that Living Cities has significantly grown, and continues to be a very important force in community development.

I am sure new and exciting opportunities await Living Cities. As federal, state, and local government budgets are increasingly squeezed, the pressure will be present to find next generation ideas for financing human services and community development. The current systems of traditional grants, tax credits, and program-related investments may be inadequate for future needs. Yet, the origins of Living Cities seem rooted in building public-private partnerships and new financing opportunities to spark a next-level commitment to community development. Can Living Cities be the birthplace of new ideas for public and private sector financing in an environment where the public sector is burdened with increasing amounts of deficit and debt?

The lessons of 1990 and 1991 were that the intellectual capital we brought to the table was every bit as important as the financial capital that followed. I would not be surprised, and would be most delighted, if history repeats itself.

Editor's note: Peter Goldberg died unexpectedly as this publication was being prepared. We mourn his loss.

MICHAEL HUBER

DEPUTY MAYOR FOR ECONOMIC DEVELOPMENT
CITY OF INDIANAPOLIS, INDIANA



We are fortunate that the City of Indianapolis is a member of Living Cities' Urban Policy Advisory Group (UPAG), which has opened new doors for collaboration not only with our peer cities, but with the a wide variety of national and local philanthropic organizations. The semiannual UPAG sessions at the Harvard Kennedy School provide us with an opportunity (we would not receive anywhere else) to discuss approaches to complex urban problems, including poverty, access to jobs, infrastructure, and labor and pension reform. What is remarkable about the UPAG, which is also know as the Project on Municipal Innovation, is that it convenes not only this community of Deputy Mayors and City Policy Directors, but also the most innovative civic foundations, as well as experts from federal agencies and the business community. These interactive, but incredibly focused, UPAG sessions allow us to create approaches to civic problems that cut across public, private and philanthropic sectors.

One example of how Living Cities has had significant influence over a major Indianapolis initiative is our infrastructure campaign, Rebuild Indy. Through the transfer of the city's water and wastewater systems to a locally-owned nonprofit utility structure, we have created a community infrastructure program of potentially \$400 million for investment in our community over the next five years. Living Cities helped introduce us to Ronn Richard (President of The Cleveland Foundation) and other philanthropic leaders who challenged us to identify ways in which the philanthropic community could help us leverage this \$400 million with philanthropic and private dollars. We have responded by involving the Indianapolis philanthropic community in plans for how these infrastructure resources could be best invested in ways that could open the door for neighborhoods to attract private and philanthropic capital for quality of life improvements including public green space, new schools and community centers, building more robust transit corridors, and creating access to housing. These discussions have inspired us to create the Rebuild Indy Bicentennial Initiative, whose goal is to turn \$400 million in infrastructure dollars into more than \$1 billion in leveraged resources for Indianapolis neighborhoods.

Living Cities also has helped us understand how our transformational mass transit initiative (Indy Connect) can help us redevelop some of our urban neighborhoods and provide greater opportunities for employment in areas of our community with the most need. The Indy Connect initiative, created in 2009, has brought new hope to Indianapolis residents that we can implement a world class mass transit system that provides expanded bus transit, light rail, and stronger urban corridors. While the corporate community led this initiative at its inception two years ago, communities and neighborhoods have gotten on board as they have seen this vision becoming a reality.

A generous grant from Living Cities led to the Harvard Center for Transit Oriented Development (CTOD) study, "Realizing the Potential for Transit and TOD in the Indianapolis Region," an exhaustive report that not only informs the reader about TOD but incorporates great detail from our own Indy Connect study to help guide our advocacy, land development, and financial strategies for implementing the Indy Connect plan. The report is the type of work product for which cities routinely pay millions of dollars in consulting fees, and it provides a platform for us to collaborate with our network of non-profits and community-based organizations to help neighborhoods understand the economic opportunities created by investment in transit. Living Cities' support has helped us immensely in taking the next steps with our community to make Indy Connect a reality.

“Living Cites shares in my personal orientation toward disruptive innovation for good. Innovation needs to be incubated in organizations across civil society, and true solutions will only come from endeavors that include public, private, and non-profit participation.”

STEPHEN GOLDSMITH

DANIEL PAUL PROFESSOR OF THE PRACTICE OF GOVERNMENT
ASH CENTER FOR DEMOCRATIC GOVERNANCE AND INNOVATION
JOHN F. KENNEDY SCHOOL OF GOVERNMENT
HARVARD UNIVERSITY

FORMER MAYOR
CITY OF INDIANAPOLIS, INDIANA
(1992-2000)

The background is a solid blue color with a pattern of diagonal lines in a slightly darker shade of blue. The lines are of varying lengths and are oriented from the top-left towards the bottom-right, creating a sense of movement and depth.

LEADERSHIP

“There are those who will tell us that fundamental change is not possible. They point to entrenched economic and political interests, years of disinvestment and centuries of discrimination to make their case. Living Cities takes a different view.”

MAYOR CHRIS COLEMAN

CITY OF SAINT PAUL, MINNESOTA

SHAUN DONOVAN

SECRETARY
U.S. DEPARTMENT OF HOUSING AND
URBAN DEVELOPMENT



A half-century ago, America's cities were in crisis—literally burning, losing population and “hollowed out” by federal policies that shifted investment away from the urban core and by a housing system that didn't prioritize affordable rental housing or access to job centers. Washington took a “one size fits all” approach to governing—failing to recognize the importance of partnering with local governments and institutions..

Today, cities are growing again and are increasingly seen as attractive places to live. Problem-solving largely occurs at the local level—across political party lines, inside and outside government. And we see the interactions more clearly between housing and health, education, and energy use.

None of this progress happened by accident. It happened in large part because a “third sector” of philanthropies and non-profits emerged to become some of our most sophisticated housing developers and important civic institutions. These leaders understood a simple truth: that the complex problems our cities were facing could not be addressed in isolation—and that interconnected problems required interconnected solutions. Thus, Living Cities was born.

In just two decades, the approximately \$1 billion Living Cities' members have invested into our communities has leveraged an astonishing \$16 billion—many times the initial investment.

Just as impressive is the way Living Cities has used these investments to help cities understand that financial literacy, health care and education are central to community development.

In Cincinnati, where studies showed too many of the city's low-income residents lacked the skills to join the workforce, the city's innovative Strive partnership has helped unite local partners across the public, private and philanthropic sectors to improve student achievement and the Cincinnati education system—and since the program's inception, college enrollment has increased by 10 percent in Cincinnati's public schools. Now, Living Cities is working to bring Strive to cities across the country with the “Strive National” partnership.

But children are by no means the only ones to have learned as a result of Living Cities. At the federal level, Living Cities has helped teach us to work more effectively with a bottom-up approach, listening to the concerns of local communities and breaking through silos to help address them.

With HUD's Choice Neighborhoods initiative, we're echoing the Strive model by bringing to bear private capital and mixed-use, mixed-income tools to transform distressed housing in low-income neighborhoods and by tying our efforts to the Department of Education's Promise Neighborhoods education reform initiative, which offers children support from “cradle to career.”

By jointly awarding nearly \$170 million in sustainable communities grants with the Department of Transportation, we are helping regions and communities develop comprehensive housing and transportation plans to give them a built-in competitive edge in attracting jobs and private investment. And through its Integration Initiative, Living Cities is reinforcing this work by helping five regions—three of which received these grants from HUD—tackle the greatest barriers to opportunity for low-income residents, including education, housing, health care, transit, and jobs.

Forging those partnerships is the legacy of Living Cities. It's why I'm proud to honor the remarkable 20-year history of this organization—and can only begin to imagine where the next 20 will take us.

MAYOR CHRIS COLEMAN

CITY OF SAINT PAUL, MINNESOTA



I became Mayor of Saint Paul in January 2006, just days, it seemed, before the national economy went into a free-fall. Reacting to years of unregulated and unsecured transactions, the financial sector was on the verge of collapse. A record number of mortgage foreclosures shook neighborhoods we had spent two decades rebuilding. Hundreds of people lost their jobs and state government, with a staggering deficit, decided to balance its budget on the backs of cities. And an interstate highway bridge fell into the Mississippi River at rush hour.

The collective sense of crisis gave rise to a series of conversations about the role of cities and regions in rebuilding our national economy.

Those local and national dialogues served to frame questions that now touch everything we do: What does it mean to turn the page from a paradigm defined by increasing consumption to one that is grounded in sustainability? How do we put our cities and region on a secure footing for the future—one that stops depleting our natural resources and erases the disparities defined by race or class? In an era of scarce resources, how do we sustain our collective work?

For its part, Living Cities invited us to bring those questions to a national learning community. A series of “boot camps” were designed to be times and places apart where we could explore this emerging paradigm. With colleagues from other cities and the best thought-leaders in the country, different multi-sector teams from the Twin Cities traveled to Cambridge to design more integrated energy efficiency initiatives and explore how to take greater advantage of our HUD Sustainable Communities grant.

We struggled with difficult questions about how to measure the impact of our work. We were challenged to think about how we might attract and align private capital to what we had become used to thinking about as public investments. And we worked across sectors and silos to bring multiple perspectives to bear on complex questions.

More recently, Living Cities made a significant financial investment in our work through the Integration Initiative. Along with four other regions, the Twin Cities is testing the proposition that we can, through thoughtful and collaborative investments in evidence-based strategies, improve the lives of lower-income people and the communities they call home.

Our work centers on the Central Corridor, where a new light rail line through the middle of region is now under construction. With Living Cities and a host of other partners, we propose to align our investments from affordable housing and small business development to place-making and pre-school education to energy efficiency, job training and public art—all for the long-term benefit of those who live along the line.

It is not an idle exercise. Our goal is nothing less than to fulfill the promise of our democracy and form a more perfect union. That means reversing the progression of climate change. It means closing the achievement gap. It means ending hunger and homelessness. It means turning the page and building a new economy from the ground up.

There are those who will tell us that fundamental change is not possible. They point to entrenched economic and political interests, years of disinvestment and centuries of discrimination to make their case.

Living Cities takes a different view.

At a recent Living Cities Boot Camp, a participant from northeast Ohio lifted up the proposition that the work we are trying to do—building a new economy grounded in sustainability and equity—is no less revolutionary than was the proposition in 1783 by a small group of Quakers in England that slavery should be abolished. Within 50 years, slavery was outlawed throughout the British Empire and, in 1863, President Lincoln issued the Emancipation Proclamation.

Living Cities takes the view that our work together is both inspired and compelled by the conviction that we are capable, in the face of a moral imperative, of making fundamental changes in our time.

Congratulations on your first 20 years.

PAULA ELLIS

VICE PRESIDENT
STRATEGIC INITIATIVES
JOHN S. AND JAMES L. KNIGHT FOUNDATION
LIVING CITIES BOARD OF DIRECTORS



Looking at the 20-year journey of Living Cities, I'm struck by how timely and parallel its path is to the one we've taken recently at the John S. and James L. Knight Foundation—one of the eight founding members of the National Community Development Initiative (NCDI).

President and CEO Alberto Ibargüen arrived at Knight in 2005 and I joined the team in 2006, following rewarding but tough years striving to keep the dramatically changing newspaper industry focused on the idea of community. Our predecessors at Knight, in building a relatively new foundation INTENT on having national impact, had already seen the power Living Cities' investments had to leverage major funding for housing and community development in 23 U.S. cities. With interests in the well-being of 26 communities, we at Knight remained committed to the Living Cities mission, but were eager for more innovation and a greater impact on urban America—if not a full-on transformation of millions of lives.

On Aug. 29 that year, Hurricane Katrina slammed the upper Gulf Coast. While national attention focused on New Orleans, Alberto knew that Biloxi and 10 other Mississippi coastal communities might get overlooked.

Knight's immediate \$1 million commitment to disaster recovery soon turned into more than \$10 million for the region—and included unprecedented involvement from Living Cities.

Within weeks, we and our partners convened a series of charrettes—citizen-led visioning exercises—to devise a plan for their cities' future. Living Cities joined the effort in East Biloxi, a neighborhood similar to New Orleans' Ninth Ward: low-lying, flood-prone, full of families who'd owned their homes for generations. And they wanted to stay.

The nimble response, the integrated approach and that willingness to engage neighborhoods in their own future all helped demonstrate to us Living Cities' commitment to its own reinvention. At a time when we were rethinking our own approach to sustainable system change and commitment to transformation, it gave Knight's trustees

the faith to continue into the next round of funding. Knight's two-decade commitment to Living Cities is now at \$22 million.

The parallels don't stop there.

Like us, Living Cities has committed itself to being a continuous learning organization. In recent years, Knight has launched open contests and competitions with few rules or restrictions, believing that outside-in thinking—the wisdom of the crowd—will help in the search for ideas and innovation. We have re-engineered our programs to learn with our eight core communities and share immediately and widely what we learn, all toward the goal of informed, engaged communities. A prime example: Two Knight locales, Detroit and the Twin Cities, are among the five involved in Living Cities' Integration Initiative.

Living Cities recognizes the value of consistently concentrating in the same room the hands-on expertise of its members' most forward-thinking people. Because Living Cities' leaders are leveraging not just the dollars but their own top-down expertise together against real-life, real-time concerns, these gatherings are among the most important dates on my calendar. Nowhere else do the major foundations, financial institutions and community entities bring their knowledge to bear in order to test and create durable solutions to urban realities.

At their hearts, Living Cities and Knight Foundation both approach systems change by putting the well-being of people first. Founder Jack Knight saw how important it was to "... bestir the people into an awareness of their own condition." Once inspired, he believed it was possible to "rouse them to pursue their true interests."



PAUL GROGAN

**PRESIDENT & CEO
THE BOSTON FOUNDATION**

**FORMER PRESIDENT & CEO
LOCAL INITIATIVES SUPPORT
CORPORATION (LISC)
(1986-1998)**

Living Cities was launched as an inventive answer to two classic defects in the philanthropic world. The first is that the lack of an organized capital market and other factors mean that non-profits in the United States have enormous difficulty going to scale. The second is the worry that many national foundations have regarding how can they get their funding into communities in a way that will produce legitimacy, local-buy in, and real results?

At the urging of Peter Goldmark, a founding board member of LISC who was then president of the Rockefeller Foundation, more than a dozen national foundations, both corporate and independent, joined the federal government in creating the National Community Development Initiative (NCDI). Living Cities and its members have since pumped approximately \$1 billion in grant and low-interest loan funds for community development corporations (CDCs) into dozens of cities. Living Cities has historically channeled this money largely through LISC and Enterprise Community Partners, relying on them to ensure not only efficient investment in significant projects, but the growth, effectiveness, and durability of the CDCs themselves.

These intermediary organizations have done what none of the assorted players—CDCs, individual funds, nor government—had been able to do alone. They have created stronger organizational and technical capacity among community organizations. They gave grassroots leaders access to new sources and larger amounts of funding, as well as to influential people and agencies. They created opportunities for information exchange and networking among people at every point along the development chain—capital markets, retail financial institutions, for-profit and non-profit developers, local investors and property owners, elected officials, government planners and service agencies, community groups, home buyers, and tenants. And they have boosted political advocacy, and generally enhanced the credibility and visibility of the CDC movement.



GARY HATTEM

**PRESIDENT
AMERICAS FOUNDATION;
MANAGING DIRECTOR
DEUTSCHE BANK**

**CURRENT MEMBER AND
PAST CHAIRMAN
(2007-2010)
LIVING CITIES BOARD OF
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One would expect that putting bankers and philanthropists in the same room together would naturally cause each group to run for the exit door as quickly as possible. Despite that gravitational pull, Living Cities has sustained a conversation among America's largest foundations and financial services firms that has lasted 20 years and continues to result in defining new ways of collaborating for the good of our country.

When Living Cities first got going, community development was an early stage industry with lots of promise and talent but limited capital and few champions. A narrative thread of citizen self-help and physical transformation had the makings of a great American movement that Living Cities astutely recognized had the power and potential to reshape how cities invest in their low-income residents. Using the clout and prestige of its institutional members, Living Cities defined a new political equation that validated the actions of grass roots activists, aggregating their actions into "a theory of change" for foundation executives and "an investable proposition" for bank officers. What was once exceptional became the new normal as all levels of government realigned urban policy to leverage off of the hidden assets of self-determination in even the most fragile communities.

For two decades, Living Cities has sustained its position as a center of gravity for those who aspire and work to create communities of opportunities for all Americans.



MTAMANIKA YOUNGBLOOD

PRESIDENT & CEO
SUSTAINABLE NEIGHBORHOOD
DEVELOPMENT STRATEGIES, INC.

BOARD CHAIR AND FORMER PRESIDENT
HISTORIC DISTRICT DEVELOPMENT
CORPORATION
ATLANTA, GEORGIA

My initial exposure to Living Cities began in the mid-1990s. At the time I was the executive director of a fledgling non-profit, the Historic District Development Corporation (HDDC). Its mission was to revitalize the neighborhood immediately surrounding the Martin Luther King, Jr. Historic District near downtown Atlanta. As HDDC's relationship with Living Cities grew, it resulted in critical operational and project funding over several years through the Atlanta office of the Enterprise Foundation.

While the monetary support was welcome and certainly needed, of perhaps greater value to me personally was the opportunity to participate in national conferences and leadership activities. These connected my local efforts to a much larger, multi-level, and diversified effort to achieve community transformation on a macro scale. It also resulted in beneficial exposure.

By definition, attempts to transform neighborhoods are locally focused. This work usually targets a small fraction of the overall community, sometimes just a few city blocks. It is intense and grinding, the everyday parameters of which are fairly narrow. Living Cities has advanced the industry by supporting a cohesive, national perspective to neighborhood transformation. It has brought together all the key players—funders, research organizations, government and activists—in a way that national policy and grassroots activity are more closely linked and are therefore more effective. This is an industry-altering shift, one that has brought cohesion and coherence to work that benefits from being connected to other similar efforts taking place across the country.

Living Cities also is a valued partner in my current community development work. Sustainable Neighborhood Development Strategies, Inc. (SNDSI) is addressing two of the most complex and challenging issues currently facing community developers: the foreclosure crisis, and the need to retool our housing stock to reduce operating costs by achieving affordability and greater energy and resource conservation. Once again, Living Cities has demonstrated that it “gets it,” and has been instrumental in moving the industry forward on these issues, providing timely leadership and tangible support, such as the grant recently awarded SNDSI to enhance its financial infrastructure and management capabilities.

By setting high benchmarks for national policy, encouraging multi-level collaborations, and helping channel resources where they do the most good as well as generate the greatest overall return for dollars invested, Living Cities has clearly advanced the practice of community development. As a community development professional I can attest that its efforts have had a direct impact on my effectiveness by bringing a wider array of much needed resources to bear on both persistent and emergent problems. This is a positive contribution to the practice of philanthropy and to creating a more just and equitable society.



DR. RISA LAVIZZO-MOUREY
M.D., M.B.A.

PRESIDENT & CEO
ROBERT WOOD JOHNSON
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LIVING CITIES BOARD OF
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Living Cities has provided an invaluable platform for the Robert Wood Johnson Foundation (RWJF) to collaborate with like-minded partners to tackle the systemic, non-medical factors that shape health for people living in low-income communities. Many of Living Cities' public, private, philanthropic and corporate partners have pursued solutions and invested alongside one another to strengthen communities and address the factors associated with health disparities for decades. Over the past 20 years, Living Cities has helped unlock our ability to align our respective resources and expertise in comprehensive and powerful ways and, in so doing, improve the health and well-being of vulnerable populations.

Since its start, Living Cities has championed approaches that fundamentally strengthen the neighborhoods in which we live, work, learn and play. As I reflect upon its first two decades, Living Cities was right to focus attention and support on expanding affordable housing. And while there's still much to do to stabilize fragile families in safe and affordable homes, it is also appropriate, going forward, that we embark on a broader set of issues and do so in more concerted, integrated ways. This means investing in new opportunities, using comprehensive financial mechanisms, engaging city officials and civic leaders in meaningful partnerships, supporting new national intermediaries and advancing creative and effective public and private policies that generate wide-scale neighborhood improvements, more and better jobs, a sustainable environment and significant health gains.

Today Living Cities is marshaling the right policy leaders, community change agents, funding partners and investment vehicles to fundamentally expand opportunities for residents to lead healthier lives. Our many years working with Living Cities has influenced how the Robert Wood Johnson Foundation forges connections between health and non-health sectors to improve the lives of vulnerable populations. Recently it has helped us to partner effectively with the Federal Reserve to build stronger crosswalks between the community development, finance and health arenas. Together, we're breaking down traditional barriers to advance a common vision in which we factor health into all policies and support projects that, from the start, recognize the powerful relationships between health and economic development. It is exciting to see this and other cross-sector collaborations gain momentum, and we pay tribute to Living Cities' leadership in charting the course for greater impact.

As we enter the third decade of Living Cities' remarkable funding collaboration, I am confident that our and our partners' missions will continue to align and enhance our capacity to help low-income people and communities in ways that we could not achieve independently. We know that Living Cities will continue to be a trusted champion of best practices and a cutting-edge resource for advancing urban policies that work. We applaud Living Cities' success as a critical broker of innovation and collaboration and look forward to its continued leadership in revitalizing communities in need and securing a strong economic and health future for all Americans.



ERIK STEN

PRESIDENT

FURTHER DEVELOPMENT, LLC

**FORMER CITY COMMISSIONER,
PORTLAND, OREGON (1996-2008)**

**FORMER LIVING CITIES
DISTINGUISHED URBAN FELLOW
(2008-2009)**

If politics is indeed the art of the possible, Living Cities is the rare innovation that makes it possible to achieve more. Our cities are filled with committed elected officials flanked by talented staff. Yet, one election cycle after another finds new faces arguing about the same old issues. The complexity and persistence of urban problems has proven overwhelming to many cities and devastating to families and individuals affected by them.

As a four-term City Commissioner in Portland, Oregon, I took part as Living Cities helped us to break through that cycle. Living Cities brought me and our city an unusual and effective mix of inspiration, access to resources, concrete ideas and peer learning that made a wider range of achievements possible. While Portland is well-known for progress on many urban issues, it's less well-known that Living Cities played a major role in making that progress possible. With a quiet touch, an insistence on clarity as to what works and a willingness to bring resources early, Living Cities provided the support that allowed us and other committed, but formerly stagnant cities to succeed.

My focus was housing, and as our financing, service and other related strategies evolved, Living Cities connected us to government, philanthropic and intellectual resources. The approach is one of experimentation rather than dogma, thoughtful trial and error rather than prescriptive formulas and mandates. It is a partnership guided by optimism and grounded in a detailed knowledge of what has not worked to date. As we looked for new ideas or tried to evaluate existing strategies, Living Cities was always there with an introduction to the right resource, opportunity or innovation.

After leaving the City Council, I jumped at the chance to become a Distinguished Urban Fellow with Living Cities. My assignment was one that any former elected official would love: to advise the Board and staff on strategy and issues while spending a year producing a major paper. While I spent many hours thinking about what had worked and not worked in my topic area, chronic homelessness in Portland, I had a chance to see and understand how Living Cities operates. Never in one place had I seen a combination of so many high level leaders from the philanthropic world staffed by the best and brightest thinkers in the country. As I attended the Board meetings and Living Cities' events, I saw the CEOs, presidents and top officials from many of the country's most innovative and important foundations and corporations spending hours and hours trying to find answers. They were willing to challenge themselves, to make change when it was needed, but also to stick with long-term investments they believed would work, as well as partnerships for which they received little glory. They interacted well with the political world, while bringing a longer perspective than the political cycle often allows.

Living Cities truly created a forum in which the sum could be greater than the parts and in which some of the country's best minds could take the time needed to construct and implement new strategies in partnership with practitioners in urban areas that matter. Our cities deserve no less, and the fact that Living Cities is still energetic and determined 20 years later makes me very optimistic.

Living Cities is a good idea that has turned into a great organization. Portland and the rest of the nation's cities are better for it.



JOE KRIESBERG

**PRESIDENT & CEO
THE MASSACHUSETTS
ASSOCIATION OF CDCS**



ROBERT VAN METER

**EXECUTIVE DIRECTOR
BOSTON LISC PROGRAM**

Beginning in 1997, the Local Initiatives Support Corporation (LISC) and the Massachusetts Association of Community Development Corporations (MACDC) undertook something new for community development in Massachusetts, and in fact for community development nationally. With the early, strong and consistent support of the National Community Development Initiative (NCDI), which is now known as Living Cities, LISC and MACDC began an effort to deepen and expand the practice of community organizing in Massachusetts community development corporations.

That initiative, the Rianne Hadrian Initiative for Community Organizing (RHICO), was, in fact, a turning point for the practice of community development here in Massachusetts. It marked the first time that a capacity building initiative was designed in large measure by community development practitioners. It marked the first time that such a program incorporated peer learning and a community of practice among the participants from the beginning of the initiative. It marked a significant broadening of the outlook by community development practitioners about what the appropriate roles for a community development organization were in a neighborhood. Community developers more and more began to think of themselves and their organizations as community builders instead of as a housing industry. Community engagement moved from the fringes to the center of our field.

The work of the initiative really began in 1996 in a series of bidders conferences and information sessions that brought practitioners together to talk about what kind of organizing work the initiative hoped to support and to learn more about what others were already doing.

Living Cities support was the core funding for the initiative for its entire nine years, and helped to leverage more than \$1 million in additional funding from local and national funders. This enabled the RHICO to support community organizing work with multi-year direct grants to 13 community development corporations and provided additional grants, training and technical assistance to more than a dozen more organizations between 1998 and 2007.

The broader thinking about community building engendered by the RHICO initiative was responsible for a series of ambitious efforts toward transformational community development. This initiative was also a model that allowed LISC and MACDC to move toward a collaborative style of working together and with others. This set the stage for us to collaborate on other projects designed to push the field forward. Living Cities resources, invested over a number of years, have helped to transform the community development field in Massachusetts. We have become outward looking, learning-oriented, concerned about both people and place, and open to new partnerships and ways to make a community impact. As we confront the challenges and opportunities in front of us, we are confident that these qualities will serve us well.



REESE FAYDE

PRINCIPAL
REESE FAYDE & ASSOCIATES

FORMER CEO
LIVING CITIES
(2001-2007)

The National Community Development Initiative (NCDI) was a big, but somewhat vague notion to understand or explain to others. Community development in 1991 was a movement filled with many visionary and inspiring leaders who tackled problems in their neighborhoods with creativity, passion and a lot of hard work. They saw the problems—inadequate housing, poor schools, crime, unemployment—as issues to organize residents around and push for more resources.

NCDI posed a new question that spoke to a different approach and frame for the problem statement. By making capital available to communities at scale and in a predictable fashion, community leaders had a larger platform and greater ability to engage new partners in addressing community issues and problems. With technical support from the Local Initiatives Support Corporation (LISC) and Enterprise Community Partners, and the capital investments of NCDI, community development corporations (CDCs) could leverage new attention for and commitment to problems that plagued their communities.

But who or what exactly were the “NCDI Funders,” mentioned so often with a blend of respect, appreciation and curiosity? They were the leaders of foundations and financial institutions who were working to change conditions in distressed urban neighborhoods and formalizing a new model for engagement. NCDI was a collaborative effort among leaders across sectors of finance, philanthropy and government that saw the issues that CDC leaders were tackling as issues of importance to them and issues which their dollars and stature could change. The local funder collaboratives that were established changed both who talked about and cared about neighborhood problems, and changed the amount and manner in which resources were dedicated to those problems.

More time at the work together and more reflection from evaluations and research gave the NCDI funders the vision and drive to take the engagement to yet a larger platform—to cast the agenda as one about whole cities and their long-term viability. These were now national issues and the new name, Living Cities, captured the change in mission and attitude for those around the funder table.

The work of CDCs, focused on some combination of housing, schools, crime and jobs, is not work that finishes. Yes, there are better mechanisms in place than 20 years ago to work on these issues in local communities, and the work is routinely linked to national trends and resource strategies, but it is far from finished and perhaps never will be. It is a more dynamic proposition. Funders, civic leaders, intermediaries and community leaders are each being drawn to new and/or changing sets of underlying issues—environment, sustainability, technology, healthy food, public education, deficit reduction and the list goes on—which pull their attention and resources away from the community development collaborative investment table. Because neighborhood issues are so fundamental and change as the national economy and social trends rise and fall, Living Cities only grows in value. The experience that 20 years together brings in terms of confidence to take on critical issues and the patience to stay the course over time, are some of the most valuable elements of Living Cities’ contributions to urban communities and their residents.

“Living Cities has remained constant to its founding aspirations of improving the life circumstances of low-income people living in America’s cities. It is a remarkable legacy—and a remarkable platform for future progress.”

RIP RAPSON

PRESIDENT
THE KRESGE FOUNDATION

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“Impactful social change requires risk taking, catalyzing fresh thinking, experimentation, testing new approaches close to the ground and continually adapting to changing conditions to transform the status quo.”

BEN HECHT

PRESIDENT & CEO
LIVING CITIES

ENVIRONMENTAL FOOTPRINT

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The Sustainable Forestry Initiative is a comprehensive set of principles, objectives and performance measures developed by foresters, conservationists and scientists that combines the perpetual growing and harvesting of trees with the protection of wildlife, plants, soil and water quality.



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