

THE BROOKINGS INSTITUTION
FALK AUDITORIUM

TRANSFORMATIVE PLACEMAKING: EXPANDING OPPORTUNITIES FOR PEOPLE
AND PLACES

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Welcome:

JOHN R. ALLEN
President, The Brookings Institution

Keynote Remarks:

CAROL COLETTA
President and Chief Executive Officer, Memphis River Parks Partnership
Senior Fellow, American Cities Practice, The Kresge Foundation

Presentation:

JENNIFER VEY
Senior Fellow, Metropolitan Policy Program, The Brookings Institution

Moderator:

ADIE TOMER Fellow, Metropolitan Policy Program, The Brookings Institution

Panelists:

PATRICE FREY
President and Chief Executive Officer, National Main Street Center

ELISSA GERTLER
Director, Planning and Development, Metro (Portland)

SHAUEN V.T. PEARCE
Director of Economic Development and Inclusion Policy
City of Minneapolis, Office of Mayor Jacob Frey

ROBERT STEWART
Executive Vice Chairman, JBG SMITH Properties

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P R O C E E D I N G S

GENERAL ALLEN: What a disciplined audience this is. (Laughter) Well, ladies and gentlemen, good morning and welcome to Brookings. I am John Allen and I am the president of the institution and it is a true pleasure to have you all with us here today. Before I begin my remarks, I would first like to warmly welcome Ann and Bob Bass who are here with us this morning to celebrate the launch of the Ann T. and Robert M. Bass Center for Transformative Placemaking. (Applause)

In establishing this new center, they lend their names to 100 years of scholarship, independence and impact and on behalf of the entire Brookings community, I would like to offer our sincere gratitude to Ann and Bob for your support and your partnership and I would also like to acknowledge both Amy Liu, our vice president for Metropolitan Policy Programs the home of the Bass Center and Jennifer Vey, the center director and senior fellow in the Metro Program. This morning's launch is particular significant for me in any case because it is the first center to be launched under my tenure as the president of the institution and I'm really pleased for this moment.

Today the Bass Center is one of four named center at the institutions joining what is a small, but venerable group of leaders and scholars conducting some of the most impactful and significant and meaningful policy research at Brookings. However, the Bass Center is unique in many and important ways among its peers. Housed in the Metropolitan Policy Program, the center will achieve its mission by working closely with other organizations and individuals including the partnership for public spaces and the national main street center, all while engaging the public, private and civic sectors of leaders across the country in its important work. And we welcome both of those other organizations to Brookings here today for this meaningful moment.

Partnership is not only the core of the Bass Centers DNA, it is an

essential part of how complex problems are solved at the city and at the community level and I look forward to seeing the indelible mark that this center will make on American cities, large and small, particularly as they work with this vast and impressive network of local government leadership all across the country. With that let me officially and publically recognize Ann and Bob Bass for their extraordinary generosity and their timely investment in the Bass Center for Transformative Placemaking.

Their support ensures that cities and towns across America have access to Brookings finest scholars and lasting partnerships that will ensure more vibrant and inclusive communities for all. Today with Ann's and Bob's support and with the close partnership of Amy Liu and the center director Jennifer Vey, we embark upon a new journey that contributes to the ongoing story of America's urban renewal. Ann and Bob, from the bottom of our hearts, thank you. (Applause)

So now let me welcome our honored key note speaker for today's launch, Carol Coletta from the Kresge Foundation. Just this past spring, Carol was named the head of the Memphis River Parks Partnership, a nonprofit organizing that manages and maintains five miles of riverfront parks on behalf of the city of Memphis. Additionally, Carol serves as a senior fellow in the Kresge Foundations American Cities Project leading a proposed \$40 collaboration of foundations, non-profits and governments to demonstrate the ways in which a connected set of civic assets can yield increased and more widely shared prosperity and cities, for cities and neighborhoods.

Carol will begin today's discussion and will be followed by a representative from Brookings senior fellow and center director Jennifer Vey. Then an exceptional panel of experts and practitioners will join us on the stage. And after that panel we will go out to all of you, the audience for your questions and our answers. So, ladies and gentlemen, it is going to be a wonderful discussion. One final housekeeping

note if I may. We are broadcasting this event live on webcast so to the many viewers coming in over webcast, you are most welcome with us this morning and as with all public events in this auditorium, today's event is open to the press and it is on the record. With that I couldn't be more honored to welcome to the stage Carol Coletta. (Applause).

MS. COLETTA: Thank you so much. Let me add my thanks to Robert and Ann Bass for this important new undertaking here in Brookings under the leadership of Amy and Jennifer. You know, placemaking has received a lot of attention over the last couple of decades in addition to Brookings' important work on innovation districts, organizations including Congress for the New Urbanism, Smart Growth America, of course Project for Public Spaces, National Main Street Center, Our Place America, Founders Network, I could go on. Urban Land Institute, among many others have taken up the cause of making better places. You would think by now we would have figured this out but somehow we haven't. There is a lot more to learn and that's why I'm so excited about the center.

You know, these organizations are tackling placemaking at multiple scales from region to city to town to district to neighborhood to a single block to a single corner and we probably need them all because again we still have so much to learn about good placemaking. Jennifer I know is going to tell us about some of the forces that are shaping the places we live and work today. You all know what those are. Technology, demographics, changing consumer tastes, but as places are shaped, so too are possibilities. See, I think it is easy to make great places for people with a lot of money. I think if you have the -- if you can access the money, I think it is even easy to make great places or at least good places for people without a lot of financial means but what is hard I believe is to make places a possibility.

Place as a possibility where people of different ethnicities, different ages,

different abilities, different sexual orientation and especially different incomes can feel equally at home and equally welcome. But it's not even enough to get people with different backgrounds to occupy space. That's a start, it's important, but it is not enough. Place is a possibility I believe are those places that lure people into mixing with those who are different. Not because they're forced to, not because they're demonstrating progressive values, but they mix because it is delightful to do so. And those are the kinds of places we have to learn to make. Unfortunately, we are really bad at mixing and we are becoming increasingly so. So I said it was hard, it is.

Almost a third of us now live in neighborhoods that are either -- where either everyone is rich or everyone is poor. Now think about that. A third of us. The number of poor people living in urban neighborhoods where the poverty level is greater than 40 percent has doubled, doubled since 2000 and despite what we read in the urban press, there are far more neighborhoods that are declining than are gentrifying. Again contrary, very much contrary to what we read and maybe that's because -- maybe the gentrification story dominates because the flood of college educated millennials in the city centers today is so visible with their relative affluence and the expansion of consumption driven by their disposable incomes.

College educated millennials are easy to spot, they are easy to caricature and they are easy to resent which is I believe a real shame because our cities need those college educated people and we need them for their income, we need them for their talent. But while -- and while millennials are repopulating downtowns, middle neighborhoods are disappearing. I know there are people in this room who are working on that directly. Cities are becoming more and more polarized between the well to do and the poor and struggling. The big sort is on. And it's now rare for people of different incomes to live near each other especially African Americans of different incomes.

The -- and on all of that economic polarization that is going on today has devastating consequences for children who are growing up in low income families. The demographic makeup of a neighborhood makes a difference on generational mobility and it turns out the worst place to be poor, the worst place to grow up poor is in a poor neighborhood. It's hard if not impossible from poor neighborhoods to access opportunity. Jobs are often far away and good transportation can be hard to come by. Recently, I was at a concert featuring Keb' Mo', the Blues artist, Keb' Mo' and the saxophonist Kirk Whalum. I can see some people in this room have very good musical taste. (Laughter) The heads nodding. So they were in a back and forth about where inspiration for lyrics comes from and Kirk, using I think lyricists shorthand to explain empathy said well, if you can't see them you can't feel them. And that pretty much explains where we are with placemaking today.

We are so economically segregated that we don't see our neighbors and thus we cannot feel our neighbors leading to a loss of trust, a loss of empathy, and increasing tribalism. That is I believe at the heart of a developing crisis, if not a crisis that has fully arrived in our cities and in our nation. Clearly the forces of division and polarization are not going to sort themselves out naturally. So that's why this center is so important.

I think we have to ask ourselves what is the role of transformative placemaking in creating communities where people can be seen, can be felt, and can have more opportunity for themselves and their families. In other words, how do we make places a possibility? I hope that's what the Bass Center for Transformative Placemaking will help us all figure out because the trend is moving in the opposite direction. Brookings of course occupies this unique position of influence both to find solutions and then encourage the integration of those solutions into federal policy and to

encourage adoption locally. The Metropolitan Policy Program has demonstrated very powerfully its ability to get smart means into the national conversation and I hope that the Bass Center for Transformative Placemaking will have that same kind of effect.

As you begin your work, I would -- I would like to offer just some quick thoughts on where I think there may be some promising area of inquiry. Just I want to point out four. The first is around scale. How can we move beyond the single project, the single district to connect an entire city to opportunity? I think again we have demonstrated we can do it at a small scale. I think the question is can we really do it at mass scale? And it's, because it is tempting to slice and dice this work, this question of how do we -- how can we really get to inclusion, it's easy to slice and dice it to smaller geographies because I think that is what we can get our arms around and often that is the scale at which we can demonstrate this kind of work and execute it. But we need policy and again, that's what Brookings is so good at. We need policy that recognizes place as a possibility must exist for people throughout our communities, for the whole community if placemaking is truly to be transformative.

I think a second question worthy of exploration by the center is this. Can we fundamentally redefine infrastructure to include the civic commons. We are beginning to hear a renewed drumbeat for a big infrastructure plan. \$500 billion. But the default definition of infrastructure, and you know this, is roads and bridges with an occasional nod to transit thrown in. But our civic infrastructure, our parks, our libraries, our community centers, our rec centers, they are in abysmal shape and in so many ways that is the infrastructure that underpins an inclusive community.

I think we if we could redefine infrastructure to include parks and public spaces and civic assets that could bring us all together that would help mitigate some of the exclusion that is going on both by policy, consumer preference, and decisions we are

making every day, some of which we don't even recognize. For too long we have invested in infrastructure that -- like freeways that tear communities apart. There has been one estimate by Nathan Bahnsnow that each additional highway constructed through a center city reduced its population by 18 percent.

What if we could inset in infrastructure that did just the opposite? That increased population in the center city by 20 percent because of the allure of the civic infrastructure? I think it is a good question for this center.

A third possible line of inquiry is can we make housing truly affordable? We know it is critical to creating and maintaining inclusive neighborhoods. Could we tap the emerging grass roots YIMB movement, Yes in My Backyard where people welcome additional development in their neighborhoods. It is really a next gen movement of people who are advocating and organizing to build places where everyone is included. What a refreshing movement. Can we tap it? Can we link on to that kind of thinking, that kind of energy in the next generation and use it for building affordable housing and inclusive communities.

What will it take to create and sustain truly mixed income communities? It takes housing, yes. It takes affordable housing, yes. But it takes more than housing units. It takes I believe carefully cultivating places where people can come together as equals as we are doing, trying to do on the Memphis Riverfront, as artist Theaster Gates is attempting to do on Chicago's south side. As Houston I believe is doing with its Bayou Greenways Project. As groups of collaborators are doing to reimagine the civic commons in Philadelphia, in Detroit, in Akron.

As a Kresge loaned executive working on the riverfront in my hometown of Memphis, a city that is majority African American and a county that is majority African American, in a metro region that is half African America, I can tell you that managing for

mixing requires a bundle of small precision moves that are more error than trial.

Tribalism runs -- tribalism in all forms runs very strong and we have to design for mixing, staff for mixing, welcome for mixing, program for mixing. We have so much to learn.

Can we challenge the anti-gentrification rhetoric head on and promote tools to capture a portion of new value where it is created, to build both affordable housing and support the civic commons in revitalized neighborhoods? And then one more question. Can we create both a persuasive political argument and a seductive consumer proposition to make diverse mixed income communities that are essential to creating equity? You know the work of Stanford Professor Raj Chetty. He has shown that the best predictor of intergenerational mobility for children in low income families is the employment rate of adults in their neighborhood. It turns out it is not proximity to jobs that matters. What matters is living close to lots of neighbor's with jobs.

So can we make those kinds of neighborhoods today? We used to. Can we learn to do it again? In other words, the Bass Center for Transformative Placemaking has its hands full (Laughter) with critical and fascinating questions to answer. Jennifer, I look forward to what you will discover that will inform the work of -- that we are trying to do in Memphis and people are trying to do in cities and communities all over this county to make place as a possibility for all Americans. Thanks. (Applause)

(Video Shown)

MS. VEY: Good morning, everyone. Before I get started, first I really wanted to thank President Allen for his warm remarks, Carol Coletta for her inspiring and really pitch perfect speech and to our panelists whom you will hear from shortly for sharing their experiences and their insights with us. I also want to thank Amy Liu and my colleagues at Brookings who have been so supportive as we have prepared for this day. And of course offer a very special thank you for the generosity of Bob and Ann Bass who

have made all of this possible. Finally, many thanks to you for being here today or for shearing the event with us by the webcast.

So, today the Metropolitan Policy Program is very excited to be launching the new Ann T. and Robert N. Bass Center for Transformative Placemaking. Each of you is participating in this event to learn more about the center and its ambitions. But you are also here because you care about place. It's a universal truth that place matters to all of us, deeply impacting how, where and with whom we spend our time. Our ability to get from here to there and our overall physical and emotional well-being. But place also matters to the economy, to the growth and success of businesses, workers, and our communities so that brings me to the three reasons we are launching the Bass Center at this place, the Brookings Metro Program and at this time.

First, while place has always mattered to people and economies, new technologies and demographic trends are altering the demands for place. We need to better understand those demands and what they mean for our communities now and in the future. Second, we already know these trends are having many positive impacts but those benefits are not being equally distributed. Rather, the knowledge economy is leaving to many people and too many places behind. And so the third reason we are launching this center. If market and demographic trends are to work for more people and places, public, private and civic sector leaders need transformative investments in places and placemaking to be a key part to their solution set.

First, we know that new technologies and demographic trends are changing the needs and the demands for place. As you heard me say in the video, the relationship between place and the economy is constantly evolving. In 19th century, America's cities grew to become not only centers of commerce and trade but powerhouses of invention and of industry. Within these cities, the variable needs of

consumer serving artisans, retailers and other businesses, large manufacturing firms and workers, determined where and how they clustered giving rise to the growth of downtowns and industrial districts.

The demands for place dramatically changed during the 20th century, however. The advent of the automobile coupled with new infrastructure investments, housing and land use policies and the shifting demands of industry led to the move of people and jobs from central cities to greener and whiter suburban pastures while leaving many urban communities in decline and in distress. This changing relationship between place and economy has given us the very patterns of concentration, of dispersion and of racial and economic segregation that still characterized our cities and our suburbs today.

But these patterns aren't static. As with past innovations, today's digital revolution is enabling the creation of new products, services that have the potential to improve our health, our environment and our overall quality of life. But the digital revolution is also causing disruptive impacts on our growth and our development patterns.

First, the desire for greater collaboration among firms and workers together with a rise in the sharing economy is causing higher demands for levels of density and proximity that facilitate interaction and exchange of ideas as well as physical items from housing to transportation to tools.

Further, as more shoppers go online, the countries retail landscape is being shaken. Many brick and mortar establishments located in drivable suburban shopping malls are becoming obsolete while growing ecommerce establishments are exhibiting mixed patterns of both sprawl and concentration. These trends will continue to have potent impacts on how and where we shop and work.

Finally, the rise of flexible and remote work is changing company's needs

for fixed office space. While the full implications of these shifts are yet unknown, they don't bode very well for many existing office developments particularly isolated or poorly designed back offices whose purpose is becoming increasingly irrelevant. Meanwhile, the growing number of untethered workers to work and to meet where they want means the co-working spaces and flexible offices will compete for well connected, amenity rich locations with good Wi-Fi, gathering spaces and active programming.

All of these disruptions that are being caused by the digital revolution are occurring in tandem with a powerful demographic revolution that is having its own complimentary impacts on place with a diversifying population and changing household structures leading to decreased demand for more walkable, vibrant communities in which to live, work and recreate.

These trends are yielding many positive impacts. After decades of sprawl and suburban dominance, many U.S. cities are experiencing rebounding populations, growing employment, and new public and private sector investments in infrastructure, real estate and placemaking. This revitalization is leading to new or revitalized areas of economic activity particularly in historic downtowns, along waterfronts and more recently in innovation districts where research institutions and entrepreneurs cluster and connect. These trends are also leading to the rapid rise of more mixed use, walkable suburban districts.

For cities and other communities suffering from years of jobs and population loss, these trends have brought some really welcome impacts. Chris Lineberger and his colleagues at George Washington University have demonstrated that walkable places yield strong premiums rent in housing, retail and office rents over those in more drivable suburban areas which in turn can a positive fiscal impact on regenerating places. Joe Courtright and his colleagues at City Observatory have as

shown that the density and vitality of cities impacts wages with educated workers living in urban areas earning far more than their rural counterparts.

Finally, new evidence shows that density and proximity can generate more innovation. In a 2017 Brookings report, Scott Andes found that universities located in downtown areas outpaced non-urban university on a range of innovation indicators from licensing deals to the number of startups which might help explain why advanced industry firms and entrepreneurs are increasingly moving to be in the orbit of these institutions. And yet, for all these positive effects, we know that the knowledge economy is also leaving far too many people and too many places behind.

In the first place, the knowledge economy is favoring tech oriented workers over those without digital skills. Brookings research has shown that workers in highly digital occupations like software developers or even financial managers far out earn those in low digital occupations like cooks or security guards. More than that, these higher wages are disproportionately going to some groups of workers over others.

For example, while black, Latino and Asian workers comprise 37 percent of the U.S. workforce, they represent almost 50 percent of those employed in low tech jobs like personal care aides, food service and construction. Conversely, several of these groups are significantly underrepresented in higher skilled higher wage occupations. Unfortunately, many younger black and Hispanic workers which are a growing segment of our workforce lack the education needed to move up the occupational ladder and fill positions left by aging baby boomers, a fact which threatens both their and the nations long term economic success. But not only are these inequities impacting people, they are dividing places too.

Across the country the digital economy is rewarding large global centers that are attracting innovative companies and highly educated workers while many older

industrial cities and heartland communities, particularly small and mid-size cities and rural towns struggle to keep pace. We witness this superstar phenomenon, super star city phenomenon playing out this week with Amazon announcing that it will locate its new headquarters in the New York City and D.C. regions, here in Arlington. Two very big metros that as my collage Allen Barube has shown also have the largest pools of tech workers in the nation.

Many of these same trends are playing out within regions. Recent research by the Economic Innovation Group show how prosperous areas within metros have been adding firms and jobs while other communities continue to face decline and disinvestment. In many regions these trends are reinforcing or even exacerbating the spatial disparities created by decades of housing and land use policies and practices that devalued, segregated and sometimes physically destroyed low income and minority communities.

Meanwhile, in many strong market areas, low and moderate income residents can no longer afford to live in neighborhoods that are in or near growing job hubs limiting their ability to physically access employment.

So all this brings me to the third reason we are launching the Bass Center. As I have described, major market and demographic forces are altering the demands for place yielding rewards for some people and for some communities. But in an era marked by stark inequalities, by income and wealth, by race and ethnicity, by geography, local and regional leaders from big cities to small towns are hungry to harness these forces in ways that produce more widespread economic benefits. This provides both an urgency and a tremendous opportunity to reimagine our approach to place and to help communities invest in transformative solutions in transformative placemaking at a scale and with an ambition to meet the needs of businesses and of

people wherever they live and work.

This means investing in a range of areas where new approaches to transformative placemaking have the potential to leverage existing assets in new and powerful ways. For example, it will mean making transformative placemaking investments in small and midsize rural communities like New Castle, Wyoming which are looking to reverse job and population loss by remaking their downtown main streets, diversifying their economies through tourism, locally grown entrepreneurship and a focus on the arts and creative enterprises all the while leveraging the perks of small town living.

It will mean making transformative placemaking investments in culturally rich urban communities like the Bronzeville Community in Chicago whose existing economic and physical assets make them well positioned for job and business growth yet which continue to be challenged by the lasting effects of disinvestment and discriminatory policies and practices that have stymied economic opportunity.

It will mean making transformative placemaking investments in suburban research and business parks like Columbia Gateway in Maryland where sterile, acrocentric design patterns that worked frankly quite well for many decades are no longer meeting the needs of many tenants and workers putting them at a competitive disadvantage to the more dynamic, urban economic districts.

And it will mean making transformative placemaking investments and growing economic districts like the downtown Chattanooga Innovation District for example where investments in physical and economic assets are driving rapid residential and job growth which are feeling the pressures of rising real estate values and the risk of social and economic exclusion.

Finally, it will mean understanding the needs and dynamics of other types of economic districts, of hospital districts, urban manufacturing districts, arts

districts, market and food districts where place and placemaking is or has the potential to bring people together, to generate creativity and new ideas and drive economic growth that is equitable and inclusive. But we can't get there from here.

For decade's planners, community development groups and other place focused organization and practitioners have worked to elevate the importance of place and placemaking and fostering more economically, socially and environmentally responsible development. Indeed, over the past several decades, the main street and smart growth movements have helped leaders understand that reinvesting in existing communities is fiscally and economically more sustainable than promoting sprawl.

The community development field has long engaged in place based efforts to revitalize distressed urban neighborhoods and better the lives of their residents. And the work of Project for Public Spaces and other organizations has helped the very word placemaking gain ever increasing currency among community and civic leaders who are working to foster greater community engagement, enhance and activate the public realm, promote better health or otherwise improve quality of life. Yet for all their positive impacts, these efforts are constrained by policies, practices and investment structures that are failing to keep pace with the changing needs of firms, institutions and workers hampering the scope and the scale of their impact.

In short, we need new knowledge, new practices in tools and new polices and investment strategies that better support place led development. Transformative placemaking first requires new knowledge. Working with national and local researchers and practitioners and tapping into the expertise that exists here at Brookings, the Bass Center aims to expand what we know about the new demands for place, deeply exploring such questions as what do business and workers and different sectors of the economy need today from place? In what ways will this continue to

influence the geography of regional business and job growth? And how should all this inform where and how to prioritize infrastructure, economic development and placemaking investments within cities and regions.

Transformative placemaking requires new practices and new tools. Working with leaders and practitioners on the ground in economic districts across the country, the Bass Center will investigate what placemaking investments are driving transformative impacts and how can they be tailored to other communities. How do we design and implement creative new placemaking practices that help grow local businesses and jobs, foster innovation, improve access, opportunity and engagement? And how can the next generation of place management organizations help break down existing policy and practice silos to drive these outcomes?

Finally, transformative placemaking requires new integrated policies and investment strategies to support and connect economic districts in ways that increase economic growth and opportunity. Working with state and regional economic development, planning and infrastructure professionals, the Bass Center will aim to reform the way we regulate and invest in our places, focusing on such big questions as how do we revamp outvoted land use policies to support dynamic economic districts instead of auto dependent sprawl? How can transportation investment be targeted to create more walkable, bikeable, and connected economic districts? And how can economic development investment be more intentional and less reactive to the latest new program, think empowerment zones, promise zones or more recently opportunity zones or new windfall opportunity. Think Amazon H2Q.

Through all these efforts and working in close collaboration with Project for Public Spaces and the National Main Street Center, the Bass Center for Transformative Placemaking will inspire public, private and civic sector leaders to make

transformative place investments that generate widespread social and economic benefits.

William Holly White once said the spectacle of people following current custom for lack of will or imagination to do anything else is hardly a new failing. We should read these words not as a lament for the often slow embrace of new ideas nor should we use them as an excuse to idly fall back on the practice of the past. Rather, we should see this quote as motivation to summon the will and use our collective imaginations to create a better place like future.

The Bass Center hopes to do just that by undertaking new analysis, engaging in communities and building a broad network of change makers working in and for communities around the country. We hope that you will join us in our efforts. Thank you. (Applause)

I would now like to call up my fabulous colleague, Adie -- Brookings fellow Adie Tomer and our amazing group of panelists.

MR. TOMER: That was pretty good. I feel like Carol just told us to be good neighbors. And some of you said it. So, we'll do it one more time in the spirit of placemaking and neighborliness. So good morning, everyone! Welcome to Brookings!

AUDIENCE: Good morning.

MR. TOMER: There! All right! Now the webcast can hear you all. They can know you're here.

First of all, thank you for coming. Welcome to the Brookings Institution. Thank you to President Allen for the introduction. Thank you, of course, to Carol and Jennifer for those opening remarks. We are so excited to have you here.

We have an amazing collection of panelists, and we have so much ground to cover. So we're going to get pretty much right into it.

My name is Adie Tomer. I lead our Infrastructure Work here at the Metro

Program. So, as I like to say when I'm on the road talking about infrastructure and real estate and economic development, infrastructure and those topics are brothers from another mother, which means that you cannot have one without the other. So, I'm so interested to learn what everyone has to say here.

Speaking of digital technology I need to have my notes, right? So I'm going to introduce everyone really quick, and then we're going to start off with some kind of responses I think to this really powerful framework that Jennifer put out.

So to my immediate left is Patrice Frey, who is the President and CEO of National Main Street Center. She helps manage a network, this is astonishing, of over 1,100 communities across the country, and over 30 years, if I'm getting numbers right, National Main Street Center has helped renew 2,000 older commercial districts, which is just an astonishing achievement of helping to remake America. And she has come to us today from Chicago, Illinois.

So to her left is Elissa Gertler, who is the Planning Development Director at Metro. I love these lines, from what she did when she took over this current role at Metro, she thinks that to build a strong Planning Department requires connections, relationships, leadership and action. So, should we all be so lucky to live in a region with an MPO that has that kind leadership in the Planning Department, honestly. Then to her left -- and of course she's from Portland, Oregon.

Shauen Pearce is the Director of Economic Development and Inclusion Policy for the City of Minneapolis. I want to say that title one more time, because you don't normally hear that, but whether at the city region scale. She's the Director of Economic Development and Inclusion Policy, so a huge responsibility. And a huge thank you, of course, to the City of Minneapolis for taking on that kind of responsibility. In a prior life Shauen also worked for Greater MSP, which means she's been on the corporate

civic side of the equation as well. So we're really excited to have your input. Again, of course, she's in from Minneapolis.

And then finally to her left, but certainly no least, Rob Stewart who is the Executive Vice Chairman of JBG SMITH Board of Trustees. JBG SMITH is a publicly-treated REIT, and an absolute powerhouse in Greater Washington Real Estate Development.

You may not know their name, many people in this room probably do, but some people probably don't, chances are though either you or someone you know lives in one of their buildings, or works in one of their buildings. So they are really undergirding this regional economy. And Rob has been with JBG since 1988, so long experience in the region. And of course he's here from Washington.

Now, I'm emphasizing at the end of all of those conversations where people are from. I hail from here in Washington. I'm originally from Florida. So we've got basically every region of the country represented on this dais, or whatever you want to call it up here.

And that matters, because I think what Jennifer put out here is a powerful statement about how demographic and other economic development forces are changing across the country, they're influencing place in different ways.

So, where I'm going to start with, is how are you seeing these demographic and economic forces impacting the communities where either you work now, or even places where maybe you grew up, and you get a chance to go back and visit, and you see them play out and creating kind of divergent paths based on place?

So, let me start with Patrice. We'll go down the line, and then after we do that, we'll get a much more free-flowing conversation going.

MS. FREY: Great. Thank you. Can you hear me? No.

MR. TOMER: Now we can.

MS. FREY: Here we go! Okay; great. Well, thank you for the warm introduction. And at the National Main Street Center we work with a diverse network of communities, but particularly with rural communities, about 70 percent, 80 percent of that network is smaller town or rural.

And so, you know, broadly speaking rural communities are not monolithic, many of them are doing okay, but it is true that the vast majority of rural communities, rural counties have lost population in the last 10 or 20 years. They have seen a decline in economic growth. You can draw a direct line from those outcomes to really significant macroeconomic forces that we see play out, so that's off-shoring of manufacturing, changes in technology, which mean sometimes our employers need fewer employees than they once did.

And then significant changes in the extraction industry which have really hurt many rural communities, particularly in Appalachia, so broadly speaking, again you can say that these are places that have seen a real decline in economic opportunity in recent years. And where there has been an accompanying decline in quality of life.

So, I think what's exciting about today's conversation, and the work that will be happening through the Bass Center, is that I think it helps us to understand what is working, what's working where, and how we can scale those solutions.

MS. GERTLER: Hi, everyone. I'm from Portland, Oregon, or you might know it as Portlandia, home of DIY, everything, makerspaces, bike mechanics, food trucks, mountains and rivers, clean air and water, perhaps that might be reason we have such a strong base of outdoor apparel manufacturers like Nike, Columbia Sportswear. It's the place where the urban growth boundary was innovative and drawing a line around urban sprawl to protect farms and forest that clearly have made livability our competitive

advantage, as we say.

It has also been called our second paycheck, because we don't have the wages, and so we try to use a second paycheck of livability instead. And what that also means is we're sort of the poster child for many of the things that you heard both Carol and Jennifer talk about today in terms of affordable housing issues, displacement issues, a missing middle where there's a huge divide between the tech workers of our region and those who are being left behind.

We have a beautiful vision called the 2040 Vision that was groundbreaking urban planning 25 years ago, but for whom. And so you look now at our beautiful infrastructure and all of the buildings and you wonder: what did we do for the people?

And so I'll just leave you with this anecdote, which many of you may know Portland for its food trucks. The first food truck's block downtown which has incubated many small businesses is now being knocked down, and we're putting up our first five-star hotel. So, I think we can talk more about what that might mean for region.

MS. PEARCE: Good morning, everyone. How are you?

AUDIENCE: Good morning.

MS. PEARCE: Beautiful. A pleasure to be with you all! I have the honor of serving the people of Minneapolis under the leadership of Mayor Frey. And I'll just say quickly that, you know, he has really three priorities in his first term, and they are: affordable housing, police community relations and economic inclusion.

And in my role I've had many roles where I get to really analyze what it means to be a part of such prosperous region, a region where we have a per capita of one of the largest number of Fortune 500 companies, where we have incredible livability and access to resources, and where we have some of worst disparities in the United

States.

It is not without great verbal commitment to economic inclusion that this has happened, and so part of our realities and dynamics is that while we've talked about inclusion, while we've talked about closing the gap, while we've talked about ending the racial divide, the bias amongst our employers, the bias in the civic infrastructure has actually led to over 130,000 job vacancies in our region; 130,000 job vacancies.

We have twice as many available to put to work, so that tells you this is not because we are without people, but it's because we continue to overlook the very people who are bouncing from employment opportunity to employment opportunity, who've been seeing access to our companies, to our civic infrastructure, and who continue to be ignored. So, that's part of our reality.

The other piece that I like to start with reminding us, is that actually we are all on stolen land, and as we talk about a return to the country that we once knew, this change in demographic, this has actually always been the demographic of our nation. There have always been people of color. Our country has a history of changing our immigrations policies according to our need for workers.

And so, where we're at right now as a region is really trying to figure out what it means to reinvest in the communities that actually built our nation. To make sure that when we make investment in place, we're not making investments, to your point, in just buildings and infrastructure, but that we're making investments in people.

And so that includes changing the way that we think about our financial tools from just buying new real estate, to infusions of working capital. Instead of say, hey, amazing bank that we've worked with for 30, 40, 50, 60 years, we're going to also work with the financial institutions that are being led by the most impacted communities.

Because as we, again, continue to have the commitment, we know that

our access to capital continues to be one of our largest barriers in the Twin Cities. And that has meant that as we see a booming housing market, as we see more companies moving, starting or growing in our region, that in fact people of color don't have an entry in, right, because they can't get that access to capital, there isn't that access to the family member or to the business partner to start the new endeavor, to invest in the people, et cetera.

And so our work, which we'll talk about a little bit later, is really on reclaiming the right for people of color to exist in these places. It is working with our suburban and rural counterparts to acknowledge that we are actually all in this together, and so making sure that affordable housing isn't a conversation, but is a part of our investment strategy.

MR. TOMER: Great!

MR. STEWART: I'm Rob Stewart. The reason I'm up here is that I spent 30 years working on mixed-use development fundamentally with a firm that over that 30-year period grew to respond to that opportunity. So, I spent my life in pro formas, understanding the economics and figuring ways to make money fundamentally for investors who, though their endowments in foundations primarily are mostly about, as it placed us, having us make money for them.

I've observed over that period that the system that we operate in, really does promote the segregation of our community by income, and it has over that period grown to drive the cost of housing and other uses in urban environments up dramatically.

So it's made our region, as successful as it is, that much more expensive, and that much inhospitable to people of lesser means. So, for the next 30 years, I hope our firm is about the business of trying to make these places more inclusive and more diverse. And as some of you may know we know, we have a phenomenal

opportunity to do that in Crystal City, where we will have the Amazon HQ-2, which I won't digress right now, that may be what brought me up here.

MR. TOMER: Who? Never heard of them. (Laughter)

MR. STEWART: They had no foresight though. So, in any event, I think in fact, in the past all these trends are actually not done concentrating people by income and wealth, and if we don't take steps to change the rules, we're going to get more of that as time goes on. So, I have some specific thoughts on that, but I won't bore you with them right now. I'll wait until the question comes up, or the opportunity presents itself.

MR. TOMER: There's nothing boring about what you're saying. Look, many of us probably in this audience, or even maybe your expectations coming in today, we're going to talk about place, and that has a physical element to it. I think what's so exciting about what all four of you said, what Jennifer and Carol said in the introduction, people are at the center of it. We saw it in the video too.

That's a powerful difference than maybe many of our expectations. So, let's focus for a second on inclusion here. You know, what are the ways in each of your communities, or as you view the country, that you see place-based policies creating barriers to economic opportunity?

And Patrice, not just because you started last time, I actually want to start with you right here, because I think we tend to think about these, especially from National Media reporting, with good reason, right, as a big city issue, but this isn't just a big city issue, we see this all across in communities of all sizes.

MS. FREY: Yes. And there are a couple of things that I would point to there, and the first access to capital in rural America. We have seen a real contraction in the availability of capitals particularly for real estate, but also for small business investing in rural America since the Great Recession.

It is extraordinarily challenging to get small deals done in rural America and all there are small deals. So, I think, you know, the big banks are much less interested, community banks have shrunk in number. I think there are things that we can and need to be doing differently. I personally would like to see maybe the Federal Government lean a little bit more on our major lenders to be more engaged in rural, but there are also more creative things we can be doing I think from a regulatory perspective for some credit unions and small banks to help ease the flow of capital.

The other thing that I would raise, which, again, we tend to think of it as a big city issue, and it's a rural issue, it's housing. The Federal Government, every year gives handsomely, invests handsomely in rural housing, it is very difficult to do that in a smart way under current Federal programs.

And if we were doing it in a smart way, we would absolutely make sure that that housing was going downtown, or at least a portion of it was, to really, you know, capitalize on the other investments that need to be happening in downtowns.

MR. TOMER: What are other ways you see in each of your communities, right? Let's say beyond even just necessarily housing or access capital, or how much is that? That's the kind of number, that's the checkmark we keep hearing about as well.

MS. PEARCE: I'd say broad scale, we really do need to rethink our underwriting criteria of our financial institutions that is well beyond what any city can do, but the fact of the matter is that most of our country still is red-lined. And so it has a direct on impact on, for us, where we can make investments, because in fact where we have the greatest amount of available real estate happens to be in the communities of color. And I say happens to be, but we know that's intentional, right?

And the City of Minneapolis has a 1935 planning map that designated

entire quadrant of our city as a Negro slum, and that's where Blacks and Jews were intending to live, and in fact, that is where Blacks and Jews were for many years, and where it's still predominantly Black and immigrant communities.

And so part of our solution right now is to say, hey, since we haven't changed that underwriting criteria, and we appreciate our financial partners, and since we have to accelerate, we have to accelerate access to capital, we've actually, through the Mayor's budget, put in \$0.5 million to support what would be the state-only Black-owned financial cooperative in CDFI.

That started as a result of a police-involved shooting, and understanding that the system is not made -- has not been made for Black and Brown people to actually exist and to thrive. And by investing in this institution already had the trust of the community, and has the support of organizations like our Minneapolis Regional Chamber of Commerce, the City of Minneapolis, the number of financial institutions and our foundations, we think that we close the gap on unbanked, which means we can get more people into ownership, which means we can make sure that more people are stabilized in their housing, because we know that in these communities their values are rising.

And we often talk about homeownership, the reality is that we have tons of people in ownership in these communities that are predominantly people of color, but as the development goes up, they're really at the brink of really a breaking point, because they can't afford the increased taxes.

So there's a really important balancing dynamic to investments in the financial market really demanding that our investors and that our philanthropists invest in the people, and then making sure that our policies are aligned in a way that continues to be that specific, racially specific, culturally specific, and geographically specific in the investments that we make.

MR. TOMER: Yes, please?

MR. STEWART: So, I'll talk about affordable housing in some of the policies that are at working to try to promote it, and how they're counterproductive and inefficient. So, fundamentally what's happened, if you look at our region, and I'm assuming it has parallels in other parts of the country is, you have public dollars flowing into neighborhoods that are struggling, and you have private dollars flowing into neighborhoods that are improving and experiencing gentrification.

The public dollars are working at odds with the private dollars, and the private dollars dwarf the public dollars. Then you have systems like low-income housing tax credits and Housing Choice Vouchers that ironically serve to further contribute to poverty. So, low-income housing tax credit programs are fundamentally complex, difficult, time consuming to use, and they are the least desirable buyer of the property.

So, fundamentally they end up going into properties that are already deeply concentrated in terms of poverty. They also revolve around building new units or doing massive renovations to existing units. New units are obviously much more expensive than existing units that are in good condition, so it would be far more effective if you're concerned about use of resources to spend the money buying existing units in good neighborhoods, rather building brand new nits in bad neighborhoods.

Housing Choice Vouchers are an economist's dream, you'd think that would work beautifully, but as a matter of practice, landlords are not required in effect to take them. They're doled out by housing authorities which were bureaucratic and difficult to work with, and so fundamentally if you track where Housing Choice Vouchers get used, that's Section 8 vouchers, and they get used in predominantly poor neighborhoods.

And then last, if you look at inclusionary zoning, which in theory is about producing housing in good neighborhoods, that's all about building brand new units in the

most expensive buildings in any market, the brand new luxury unit, which is at least double or triple what it would cost to buy a unit in that same neighborhood.

So that is honestly a fundamental waste of those resources, it also drives up the cost of housing in that neighborhood by making it that much more expensive to build the new unit, which means rents go up. And the renter that pays those rents is usually a middle-income demographic, so you fundamentally tagging the middle-income demographic with the needs of funding housing for low-income residents.

So all these programs, in my view, were poorly structured, and need massive revision, and I think this Center can start to tackle those issues.

MR. TOMER: That's great. Now, please, Elissa.

MS. GERTLER: I just want to kind of pick up on the theme that I'm hearing here, which is sort of looking at some of the old tools in new ways, and recognize that we've used our old tools for outcomes that really didn't benefit everybody, and we have an opportunity to change the way we use the tools, whether they're financial, or from my standpoint more on the urban planning and infrastructure side.

You know, Portland has building light rail lines for decades now and, you know, we have been know for sort of building communities through transit, or have we actually been known for building transit through communities. I think we have done some of both, and we've learned lessons so that instead of using a light rail line to change the demographic of a neighborhood, bring in new people, and force out old people, we are changing the way we do our infrastructure planning, to do what we call investment areas.

So, when you're building a light rail line, as we are now, in Southwest Corridor, one of the areas of our region that really needs transit, we are also wrapping around an equitable development strategy at the same time, looking at affordable housing, looking at stabilizing small businesses, looking at ways to actually bring private

capital and other resources that complement the public dollar into the planning process.

So that instead of ending up with a light rail project that benefits some and forces some out, has some of the real estate impacts that we've talked about here. You actually have the opportunity to link together some of the public and private investments in a more international way.

MR. TOMER: Yes. I think we hear about this all the time across the country, how valuable these public transportation investments are when they're successful, and that's great. But how do we make sure that everyone can tap into it? And Shauen, you're living in one of the districts that's, or regions, if you will, that's successfully executing on these rail investments, right?

MS. PEARCE: Absolutely! And I'd say the other theme to this previous question is changing the players and expanding the people who are at the table. And in my work I like to keep in mind the timelines. Infrastructure investments and this sort of transformative placemaking that we've all been highlighting takes like a decade or two, sometimes.

But the reality is Opportunity Zones is right now. All of these models are right now, our money is happening right now, right? Bonding bills have an irregular cycle, and so if we can't figure out how to change the players and make sure that we have people who are most impacted at the table, then we already start to lose.

And I think that's been most evident in our transit investment conversations, and some people may know about the Green Line and the Twin Cities, and this is also Southwest light-rail and also now Bottineau, where our major transit projects really plan to go right through communities of color, and yet the primary decision-makers are not people of color.

And so we spend a lot of time discovering the communities, figuring out

the neighborhood characteristics, trying to identify the real estate, and part of our reality has been that in some of those transit corridors, the most amazing deals that are reflective of community have had -- required the most creative structures, right?

It's required New Markets Tax Credits, it's required partners like Target and others to come in and to lease entire floors, but it also required us to have developers and business leaders who are of the community, because we need to turn around in a very short timeline, a project that is actually reflective, affirming, and supportive of the values of the neighborhoods themselves.

And so I think of transformative placemaking as a reclamation of that which was. The policies and procedures that have caused our country to get to its current state, those were actually acts of placemaking. It was placemaking to decide who could go where, it was placemaking to decide that Black and Brown people cannot have permits in their own city.

I'm originally from Chicago, and when I was growing up -- I like to say I'm 22 -- but when I was growing up, you know, you were much more likely to see a White or an Arab owner of a business than a Black owner of business in my Black community. That's not very different right now.

And some of that is about system navigation but there's also the reality that when we try to make investments we all think about those timeless and we default to the people that we think understand how to get it done, and who have projects and practices and policies that reflect the thing that we know will be successful. And success I think in this era is fundamentally different.

MR. TOMER: Right. I want to shift gears a little bit, because I do want to talk about agglomeration and scale here, because that's such a powerful tool, of placemaking, right? I think what's been so powerful today, is making the case of how

people need to be at the center of it, our policies aren't working, but there's a lot of design innovation that we have that is working, right? So this is not meant to be just a pity party. And also there's a lot of positive energy here too.

So, again -- I keep picking on you, Patrice, I keep starting down here -- but I want to hear about, I think we, again, we tend to think of it oftentimes as Big City, I think the video which you, a nice feature role, and what Jennifer was talking about, right?

This can work at different scales. Digitalization can work in small communities, not just big ones. What are some of the design innovations when you've worked with over 2,000 communities in your organization over 30 years, what have been some of the coolest innovations, right, that have helped galvanized people to come to the same kind of places and become better neighbors?

MS. FREY: Well, I love, Shauen, I love your idea of placemaking as reclamation. I think that is fundamentally the practice that we are involved in at National Main Street Center, which isn't to say that there aren't really cool, new twists on that, but I think, you know, if you look at the way cities evolved over 6,000 years there's a lot of wisdom there, and if you look at many of our rural communities there are just fantastic bones to build on there.

I mean, not trying to repeat everything that was said but, you know, they're dense, they're walkable, they have great buildings, they're built at a scale that is human, and accessible, and charming, that's a lot to build on. You know, when we see communities succeed it's because they understand that that's an asset and they're putting those, they're committed to putting those back into active use.

And I would also argue or, you know, picking up on some of the themes of the earlier conversation, that engagement, the community engagement piece is probably the single-most important thing, is making sure that you've got everyone at the

table, you're going out of your way to get folks who maybe didn't feel welcome before, didn't see themselves as part of, you know, the downtown, and making sure that they're present.

MR. TOMER: Yes. I mean, Portland this is the positive charm, right? We were joking before this, and I would say we know each other a little bit. You fly into Portland, you take the light rail, and it beautifully slows down, and maybe we'll talk about that slowdown in a second, but you get this view of this, really true, I mean placemaking success at a grand scale. Really at, this is Jennifer's word, right? Now we're talking about district, right, this is a full on district that's successful. How have you seen that emanate through the community as a success story?

MS. GERTLER: Well, it's interesting the view that the tourists see as they come in through downtown on the light rail, which is exactly what we want you to see. You can see the beautiful sort of placemaking from the ground up, reclaiming all brown fields, and all of that, but those parts of town that you don't see when you take the light rail, because they're not served by transit well, and that's where people have been displaced to from the neighborhoods that you've seen rise up.

And so one of the things we're doing as a regional government, I think it's kind of an interesting idea. We have a creative placemaking program, in which we're essentially handing the decision-making power, and the knowledge and the belief that the ideas are coming from the community themselves.

We're giving small grants to communities who have suffered displacement, immigrant communities, with the idea that when people have the resources and the access to make the decisions themselves, it changes completely sort of their investment in and commitment to the place.

It also strengthens their ability to participate in the civic infrastructure

when they have the access to the resources, when they're making the decisions, and when the governments are trusting that the communities have the ideas and the power to actually make the places themselves.

So, I can go further about that, but I think that's a program that is working incredibly well, and sort of waking people up to the fact the solutions aren't from the government, and they are from the community. So there's nothing more powerful than inviting an elected official to come to Tonga Day, and see the community celebrating their heritage, or we just had the launch of the first Native American Canoe building.

And again, inviting local elected officials to that is kind of a top-down way -- or a bottom-up way of saying, we're changing the way who has the power and who is making the place.

MR. TOMER: Yes. Rob, I actually want, I want you to weigh in on this too, because I feel like this is one of the most exciting things about D.C. is the recognition of just how well, whether it's between the bones of this, right, this 19th Century Plan to the scale of the place, of how much we see intensification in the region, especially in some of these kind of places that -- or let's call it neighborhoods or districts that have the place-centric assets that are really valuable?

MR. STEWART: Right. So, I guess I'd make one comment to start, and that is that that I personally believe that agglomeration and scale are two characters that are going to drive growth in these major cities for decades. And if you look at our country it's driven by knowledge workers, it's driven by the knowledge economy. There are good reasons in a world where your job is not permanent and where both members of the family work to pick a jurisdiction or city that has the prospect of lifetime employment.

So, I think that we need to accept the fact that that's going to be a reality, and we have to do a better job of absorbing people who come from less productive parts

of the country into those economies. And I think at the moment what we're doing, is we're allowing the incumbents via a zoning process that's evolved over 30 years to defend their turf, and to protect value for themselves at the expense of new entrants.

So, over my career I've watched the zoning process go from a very simple process where you literally applied for a permit and 12 months later you got it, it was simply, you built an office building, you built an apartment building, something a more boring prosaic, and fundamentally it was done at fairly low costs.

Over 30 years you've had a zoning process that was more public, involved a lot more time, and all of which were good things, that the public involvement, but became a much more complex, time consuming and opaque. And the risk involved in getting an entitlement now in an urban environment, and typically into places where there's the greatest has gone through the roof. And it all gets reflected in higher rents, and higher costs.

So, in my view we need -- and it's very hard to do, because zoning is a local matter in America, so it's going to require an education that I see Brookings and others are going to go do across the country, to change a process that has become a really cumbersome and a regressive process, and make it much more effective in the sense of shortening the timeframe.

So, a very simple description of the process the way I'd like to see it, is you have a five-year comprehensive plan in which you have demand met under the comprehensive plan for housing from all demographics, in all the uses. So, fundamentally it's intentionally planning that revolves around creating mixed-income communities, and then you have a stipulated maximum on zoning timeframes of a year, and you stipulate the exactions and the proffers up front, so you don't know -- so you find out before you start the process what it's likely to cost you in the way of exactions.

Those simple changes would drop the risk dramatically, and would allow us to be much more responsive to market demands and to meet needs on a more-timely basis. Now, ironically, I'm a developer, so you might think, well, that sounds like a classic developer looking to, you know, grease his (inaudible).

In fact, developers make money due to this process. The reality is all the complexity and the risks, and all the risks create scarcity, and scarcity creates value and greater profits. So when we get through that process, of course we never want the rules to apply to us, we want them to apply to everybody else.

But fundamentally if we get through that process, we have something really valuable in the form of our entitlements. So, in fact, it would be -- the development impoverishment scheme if you did this, but I personally think that it's a huge step that's needed if we're going to change this dynamic.

MR. TOMER: Yes, Shauen?

MS. PEARCE: You know, that process would catapult us to like top city in the nation. So, please let's make that happen. (Laughter) You know one of the -- our reality is that placemaking is an anti-developer, some of our best strategies, some of the best people at the table are actually the developers to be able to reflect to us the tedious nature of getting through their processes, is really important.

And for all of the challenges that we have, our region has done quite a few things pretty well, quite amazingly. One, our regional economic development organization, our EDL, Greater MSP, is increasingly inclusive, and also that's critical because that's the place where our business leaders actually are.

It's a really different conversation when we start having placemaking, and the public sector, or we're having with our non-profits, or we're talking about it with our developers, when the owners of the Fortune 500s, and Fortune 250s say that it matters, it

matters. That's what it means to be market driven.

The other piece; and I'd say we are in a really transformative place as a region, the pieces, we have new leadership in our Chambers, and I know for us, our Minneapolis Regional Chamber of Commerce is absolutely rocking it, right. They're amazing partners with us when it comes to advocating for a fully built-out transit system, and what it means, that our public sector invest about \$9 billion, and invest the \$9 billion in that, and what it looks for our cities to actually show up and advocate.

But we also have these amazing partnerships with your everyday people. We really have moved beyond the sort of legacy institutions still partnering with them, into a place where, kind of the person that would normally show up, or send you an email, and saying, hey, I have a great idea, is now at the table with us.

So, I mention the investment in Village Financial Cooperative, please look them up, they're phenomenal, that's the financial cooperative that's popping up. And we're also working on establishing cultural districts. So there's a natural tension, I think, between going hyper-focused on a district or a neighborhood, and what that means when a city does that across -- or a county does it, across the county, and so we're really focusing on cultural districts throughout the city.

MR. TOMER: Yes. I'm really glad you brought this one, it's one place I want to go today, which is the presence of business asking for these kind of design features. How are we all seeing that in your respective communities? You just talked about one that famously kind of talked about some of the assets they were looking for. But how is that positively influencing your hearing the placemaking efforts on the ground, right?

To have the business community be asking, these are the kind of design features we want to see, because it's going to help us attract talent, it's going to help us

grow business.

MS. PEARCE: Well, I'll start and say that, businesses move faster than we do, right, that's made a lot of difference on Opportunity Zones partnering with our business community has allowed us to develop and run capital stack scenarios, to figure out what the investment might look like, how to get funds into the deal, what projects come out the other end?

How we might actually leverage Opportunity Zones, for example, to invest in those micro enterprises. Those places where we know we're going to see the most growth over the next five to 10 years. And then partnerships again, around change in a way that we're thinking about affordable housing.

It has been critical to have them at our tables there, because we have all of the great ideas, but from a development standpoint, really understanding the pro forma, thinking through the process and then saying to our private sector leaders who are already in partnership: do you know, hey, we have a prioritization of hiring people of color, are you willing to go with us?

Even around some of our state incentives and that's where a lot of our incentives come from our major companies. We're embarking on a process right now, where we're saying to companies, we want to support your process, we want to have you in the City of Minneapolis, we think that you'll be successful here, we have the workforce that you want, we have the transportation that you want, we need your help making sure that we have the workforce that we all need.

Will you make these investments? And sort of, if you'll make those investments, then we'll support your request for funding. It's been helpful to have them at the table and guide our policy, but also have buy-in at a level that they usually get to opt out.

MR. TOMER: Yes. Patrice, how are you seeing this at a kind of smaller-town scale, right?

MS. FREY: Yes. I mean I think of the smaller-town scale it's a little bit different. But I would say I'm struck by two things, one, referenced in the conversation a bit earlier, I think there's a big role for even small town governments to just get out of the way, sometimes.

And we often think that you need enormous amounts of capital to make the changes that we're describing here, and that's the perfect no-cost sort of, like just make the process easier, and you'll see better outcomes flow from that.

You know, I think the other thing that we see in our Main Street districts, like if you look to the businesses, they will tell you what they need to help create a better place and particularly having them involved in a smaller-scale setting, you know, we'll see where that really produces better outcomes on the ground.

MR. TOMER: I want to transition from here to some innovations, which I think is -- you know, to really make it positive sounding. Elissa, some people in this room might know, many probably don't, there was a very big vote in Portland, there's a very big Governors vote in the state too, and of course House races, but there's a very important vote in Portland that folks may not know about, but I think it's probably a really innovative solution, or especially in our bigger, coastal, high tech, magnet markets to solve the housing challenge.

MS. GERTLER: Yes. But it doesn't speak to government getting out of the way. It speaks to government getting in the middle. But to your point earlier, of sort of what are we hearing from the business community? Well, I think the Portland regions sort of has Fortune 500 envy for some of the other regions.

You might have envy of us for traffic, for example, but it's getting worse,

and the business community is telling us that. But one of the things that we're hearing too, and you said, and you said, is the need for affordable housing, and sort of the recognition that the growth that we're having is just not keeping with the affordability needs for the workers in the region.

And so what Adie is referring to is the Metro Regional Government where I work, is the only elected regional government in the country, and our Council referred to voters this year, an Affordable Housing, General Obligation Bond Measure, the third largest bond measure in the State of Oregon, and it passed this past week, which was a huge accomplishment for us.

It gives us \$650 million to invest in affordable housing and to try to close the gap of affordability that we have seen in our region, and try to address those who are being left behind by the market, and also those in the middle who are looking for a place to work, and live, who are on the edge.

And while it is not as much as we need, I think it recognizes sort of an interesting partnership in doing something at a regional scale, and actually trying to solve a problem that isn't just a central city's problem, that isn't just the suburb's problem, that isn't just the good neighborhoods versus the bad neighborhoods, but recognizes that in order to solve affordable housing, it's going to take a regional approach, at a regional scale.

MR. TOMER: Please?

MR. STEWART: So our firm working with the Federal State Council here in Washington has developed a Fund which is arguably innovative, and it's essentially organized around the notion that if we combine philanthropic capital and private capital, without necessarily using public capital, but we can use it, we can make a dent in the affordable housing problem in our region.

And the basic idea is to form a not-for-profit to own the properties, to raise all the money from financial players at fixed rates, so that all the benefits of the acquisitions that we make, and the growth in value, and the growth in rents, all inure to the benefit and not for profit.

The fund will be about \$150 million, we hope, if it increased the size of it due to the Amazon win, because the Amazon is likely to have some negative impacts on that front. And by the way, they were very much drawn to this notion, and I think it was one of the factors in their choosing Crystal City.

But the basic idea is to harness the cheapest sorts of capital. So we worked with Fanny Mae and Freddie Mac to deliver discounted terms, we are working with program-related investment foundations, we're working with banks using CRA capital, and then we structured it in a manner that minimizes the payment of taxes, and involve the tax deduction for any donation to the not-for-profits.

So, the basic idea is to create a pool capital that's as nimble, and flexible, and fast moving as the private capital with which we're completing, and our focus is going to be on buying apartments in improving neighborhoods as opposed to building them. We'll only build them if we can get the land for free in that sense, because it's too expensive to build, from my earlier comments.

And the notion is fundamentally using our cost-of-capital advantage take the disparity between our lower cost of capital, and the market rate cost of capital, and drive that into rent reductions and services.

So, it's sort of a simple, you know, I could call it financially-engineered approach to doing this, which I think has implications for policy, because you could substitute the philanthropic capital with public capital. Now, the irony is any time we've ever used public capital the constraints on using it, the time involved in getting it, and the

ongoing involvement dealing with that is -- whatever the government is -- have been worth less than the free capital.

So, fundamentally our approach right now, the design involved using that, but we have some thoughts on how to do that in a way that's flexible and works, and I actually feel like that is an innovation, per se, that might actually, you know, bear fruit.

MR. TOMER: Yes. Patrice and Shauen, you have some innovations that you want to discuss?

MS. FREY: Go ahead, Shauen?

MS. PEARCE: You know, I was thinking of the reality that sometimes when you're in it doesn't feel like an innovation. And our way of structuring deals right now, is very much aligned with this idea, and I'd say it's been the greatest manifestation of public, private, civic partnerships, in a real way where our ballpark owners, our Fortune 500s again, but even our small companies, have come together to start to create a set of criteria that we would use to do things like designate Opportunity Zones.

To think what our procurement policies are as a city, and to say, you know, we're going to be at the table with City of Minneapolis, Hennepin County, and even in Saint Paul as you start to deploy and really evaluate these. But what's so amazing, and the more innovative side of that is our institutions like LISK, for example, have really stepped up in some scenarios where owners and developers of color have really been treated with incredible discrimination.

And so for a prosperous city like Minneapolis, our innovation is I think largely around people using our social capital in ways that they've use it before, that they've never used it before. To really risk and to go to friends and other owners, and say, hey, we work with these folks, we work with this community on a regular basis, we will put up our personal collateral to support this project because we know it's going to be

successful, has made all of the difference.

And then the last piece is really a new set of investments around patient capital. Everything that we have left is really about patient capital.

MS. FREY: I would say, I think some of the bigger innovation I've seen in the rural space actually has to do more with entrepreneurship and the way that's concentrating on downtowns or in walkable districts in rural places. And I think in, you know, there's a slowly, local decision-makers, civic leaders are starting to understand that the old model of smokestack chasing for rural communities doesn't work, also PS, doesn't work for big cities, but there are fewer, and fewer industries out there that are going to be willing to relocate to a rural community.

So the growth that rural communities are going to see is going to come primarily from two things, one it is making sure you're hanging on to what you've got, and quality of places, absolutely essential to that. That is what's going to help your local employers hang on to and attract new talent.

And then the other thing is cultivating local entrepreneurs in your midst, and we see great promise there. We're starting to do a lot more work on that, but I would add, I think there are strong parallels between supporting entrepreneurs in the rural context, and supporting them in the urban context. So I think there's a lot of cross learning, and innovation that can happen there.

MS. PEARCE: You know, that's a really good point, I was thinking of what our innovative, or sort entrepreneurs look like now. We have a lot of tech workers of course, but agriculture is actually huge, food and AG is huge in our region, and our communities that are largely communities of color where we have a lot of the new transit investments, there's actually a really strong and production and process, and component in food and AG sector.

And increasingly, in all of our deals throughout the city, our environmental justice communities are at the table. And traditionally, in many of our cities including here in D.C., I was behind the scenes for some of those protests and others, but the environmental justice community has really been the base of antagonizers, the base of protesters, and I think that's a valuable and valid place to be, and increasingly in the Twin Cities they're the dealmakers, and the developers, and the business owners, and the workforce trainers.

And so they've brought a new framework to this relationship, like thinking about Farm Bill, a number of people in our region actually helped to write the recent Farm Bills. That's huge. And they bring that to our conversation about how we structure deals, we're also a part of the Mississippi River Cities and Towns Initiative, which is a partnership of the cities along the Mississippi.

And now we're one of seven cities that have been chosen to develop this infrastructure fund along the Mississippi, which is really about flood mitigation, and environmental impacts, but our city is one of the few that has a 48-acre redevelopment site right on the Mississippi, also in Opportunity Zones. And it is our environment, so justice community that is at the table with us thinking about how that gets structure, and how our MPO could partner with us around even district energy.

So it's a very different and unique type of placemaking, and these are -- I mean for folks that aren't as familiar with environment, so justice communities, these are the communities that have the experienced the heaviest pollution, they're often the communities that the highways run through, and 95 percent of the time, they are communities of color, and until you get into Appalachian and similar places.

MR. TOMER: Okay. I'm going to go to Elissa. And then we're going to go to the audience for questions, so get them ready. So, Elissa, we'll get the last

comment here.

MS. GERTLER: I just want to throw in one more thing, because we're very real estate urban planning focused here, and so the premise of this conversation was talk about people. And so I just wanted to throw in more thing that I think is important around sort of this placemaking and innovation, is the role of arts and culture.

And I think we're seeing that a lot, I think it applies in big cities, it applies in small towns. And again, not just, government putting up a sculpture, or a corporation putting up a sculpture, but really sort of letting the communities lead the conversation about the arts culture, like connects them to their sense of place.

We've seen it as a tool for healing from gentrification and displacement, where art and culture actually allow people to express themselves in a public forum around some of the pain that's been caused to them. And again, it's such a community building tool, and it's such a way creating identity, not just for something that you write in and see as a tourist, but for the people who have to live there every single day. So, I just wanted to put that out there.

MS. PEARCE: Can you say, though, because this is really important, arts and culture, I was up at 3:00 o'clock in the morning on this one. What do you mean when you say culture, because in this room we might have about 100 different definitions, what do you guys really mean, when you say arts and culture in that framework?

MS. GERTLER: What we mean is, really letting the communities tell us. We're essentially saying, it's your place, you tell us what give you the ownership of and the connection to, and the sense of ownership and investment in this place. We don't dictate the solutions, what we is -- actually what they tell us is: nothing for us without us. And so that's what we really mean is: it comes from you, not from us.

MR. TOMER: That's a beautiful place to get a last comment. Okay, so I see the two hands over here, the gentlemen, that near each other, you're going to get my first two calls. But I'm just telling for everyone: please say who you are, and as Brookings' policy, please end with a question mark, if you will, even if you want to make a comment (crosstalk) --

SPEAKER: It has to end with a question mark.

QUESTIONER: Thank you. Real quick! European Extraction Architect and Planner -- a funny name. Two quick questions: Has the shared taxing in Minneapolis helped with inclusion and inclusionary policies. The second question to Rob is: can affordable housing be built at scale by taking advantage of modular, prefab, off site, because of the affordable units at Edison, and to NoMa, I think are a joke and a waste. Thank you.

MS. PEARCE: I'll keep it short and say, I think it has us on our way, like I said before, I think as a region we really are starting to move away from the us and them mentality into we're all in it together, and that goes along with the shared taxing.

MR. STEWART: And with regard to modular housing, affordable housing, (a) in my view, should mostly be bought not built. So, I'm not sure that the techniques have that much relevance if it was done, again in my view, properly.

But and I think secondly, affordable housing is just like market rate housing fundamentally, so to the extent that marginal housing becomes predominantly market rate housing, it's going to find its way into affordable housing, I do think that little by little you're seeing that happen, and if you look to the national home builders, lots of their work is done in factories, according to the site. So, it's happening slowly, but I think it is ultimately going to have big impacts.

MR. TOMER: Okay. Let's go to these two gentlemen, back there.

Yeah. Thank you, Karen.

MR OTTO: My name is Kenneth Otto. I'm a student at Daniel Morgan Graduate School and National Security. There was a talk about art and culture. I'm passionate about art in business, but the field of intelligence also creates opportunities for that as well. Yeah, art and culture is important, but gentrification happens in arts and culture too.

Do you want I mean? Especially, I come Brooklyn, New York, so there's a lot of gentrification that occurs there, and typically our real estate, investment trust, and private players, they come into these communities, and they're like, oh, yeah, let's invest in arts and culture. And so they don't feel upset that we're pushing them out.

But then they gentrify the arts and culture too, and so now it's not authentic, even though the art and culture, the way of life for people that were indigenous to, like just say Brooklyn, for example, it gentrifies that as well. So how can there be like agency of indigenous people, not just from the real estate side, the placemaking side, but art and culture side too, because that's where -- your home is where you put your hat. Do you know what I mean? And so there's no four walls to that. Even your home is your culture, and your art is your home too, and your place. So can any of you speak to that?

MS. PEARCE: Do you want go first?

MS. GERTLER: I just wanted to -- I agree with everything you've said. And I'm so glad you brought it up. I just wanted to talk about an example of sort of how we've tried to put our money where our mouth is where we can, knowing the role that we play as a regional government. And in that placemaking program that I mentioned earlier, one of the grants we gave was to a group called Art Saved My Life, essentially run by young African-American people in the community basically to talk about how art saved their lives as they dealt with gentrification and displacement.

They've done performance art, they've put on musical events, they actually provide a residency for someone to live one year in a house in the neighborhood that is gentrifying, and just make our end perform and share it with community. And so I think it's a great to sort of take the next generation of people from that community and talk about how art really save their life and can be a tool for healing and communication, and education so that it doesn't keep up.

MS. PEARCE: Kenneth, right?

MR. OTTO: Yes.

MS. PEARCE: Nice to meet you. So, I think it's helpful to know my background, right. I do economic development because I believe it's a public health opportunity. Oftentimes we talk about arts, culture and racial justice, and economic justice, and it's squarely over there, but the built environment is like the path of the dollars.

So the way that we're addressing this; and this is why I asked the question right, because I have this debate with my colleagues all the time. The reason I ask the question is because arts and culture does exactly what you said, particularly when it's done for a community by people not of that community, or with a prioritization of folks that typically have the voice and the agency and the ownership to get access to the resources to do the thing that's already qualified as art, and then we call it culture because that's more socially acceptable right now across the country.

So, we're doing things a bit differently, and I ask because what basically I'm saying is, hey team, we can talk about arts and culture all day, but when we talk about culture we're talking about people of color. And since that gets conflated, we're just going to say people of color, and when people get confused we're going to say Black and indigenous, and new American, or immigrant community, so they were really clear

who we're talking about.

And we have the data to back it, so that's where first things first, right? And then the investment in community and in arts and culture in that community should be through Black, indigenous, new American communities, point blank.

In Brooklyn, it should have been Brooklyn folks that were doing that art, right? In Chicago there's a reason why Theaster Gates is important, and not all of the other artists that have popped and done this sort placemaking. That's really the prioritization.

We don't want to say, you know, it's great to have -- to make the investments and then assume that the communities are going to benefit. But we're really talking about who benefits first, right?

SPEAKER: Yes.

MS. PEARCE: Don't come up and throw a mural on the side of the building, or make an amazing sculpture, it's about, the art is also about the design of the streets, the art is also about urban acupuncture, like what kind of grass are you using. The art in considering edible landscaping when you're making your investments, and making sure that we do that in a culturally responsive way, but not like, come up with a great idea and then take it to the community, ask the folks who are already there.

You know, we're investing in cooperatives right now as a city, we're investing in people who already do this work, because it's going to take us exponentially longer to figure out how to do it, if it's not the thing that we already do.

So, I mean, to your question, long story short, start with the people who are already in place, and if you're a person that has access and sits at that table, then it's actually your opportunity and your responsibility to say, do you know what, I'm going to step out of this role, and I'm going to support somebody else owning this project and

making the decisions for their community.

MR. TOMER: Thank you. Okay, let's go to the next, yeah, the gentleman right next to you, Karen, and then I'll promise I will go on -- like right in front of you. Yes, sorry.

MS. FERRIS: Oh, hello? Hi. My name is Claudia Ferris. It was said here at the very beginning that the worst place in the world to grow up is in a poor neighborhood. Now, I have an Undergraduate Degree in Physics, I have a Master's Degree from the Harvard Business School, and I have a PhD in Complexity Science from George Mason. Hello!

I'm not saying that those restrictions aren't there, but the love and the support and the power of my family gave me the foundation that I needed to deal with anything. The people in these neighborhoods don't see themselves as poor, they see themselves as I see myself, full of possibilities, full of potential, fully be able to give and serve and make things better.

MS. PEARCE: Yes.

MS. FERRIS: Now I am a member of a church that owns property, owns the property around it, my pastor has a transformative placemaking mindset; he wants to put low-income housing on that property. He has charged me with putting that together. Hello! I went on the Web looking for people who think like I thought placemaking -- transformative placemaking people think, and I found a guy named -- Walter Hook?

SPEAKER: Hood.

MS. FERRIS: Hood, thank you. We've all heard of him. I'm amazed that he's not on this panel, I saw -- hello?

SPEAKER: (Crosstalk)?

MS. FERRIS: I know, amazing. Look him up on the Web, what is it, it's

TED Talk, his TED Talk is outstanding. So I wanted to know who that community was so I could get the support I need to take this corner of Southeast Washington, D.C., and make it transformative for the people in the neighborhood. That's why I'm here.

MR. TOMER: Thank you.

MS. FERRIS: And I hope to find you people somewhere. The question I have, however, is because I'm hearing a lot of mindsets from all of you special, wonderful experienced people, however, you all got fixed mindsets about what it is. My question is what would happen if we were to think of scale as scaled, look for the diversity in the issue of scale? Because everything is somewhere, and the scale works at the scale of, you know, I don't even know what, but we need to understand more what the diversity of scale is, so that we can look at our policy structure in terms of what's natural, and not try to impose our preconceived notions of what works and what's good over here, so what works and what's good over there.

MR. TOMER: Thank you. Thank you for the question. I think one of scale is really important, and Jennifer brought it up in her initial presentation. How can we think about the scale differently? And frankly to the opening comment on making sure we have a liquidity of idea generation, and this is one of my questions too. How do we make sure that people know what good ideas are out there, and they get information so they can help redevelop a place in whatever scale they're looking at?

MS. PEARCE: Ms. Claudia, right?

MS. FERRIS: Yes.

MS. PEARCE: Thank you. So, from my standpoint that is the work, that's the work. And that's what I mean when I say getting out of the way. Like I work with a lot of folks who already have the money, and the access, and power, and the whole thing, but I grew up in a place like you, right. When people were hungry on my

block, like our families cooked so that the kids could eat, you know.

I grew in a family that put on the functions and that sort of thing, and that is what makes the ground fertile for thriving. And so I guess what I -- from my perspective the work that I do and that we do in the City of Minneapolis under Mayor Frey's leadership isn't about imposing new ideas, it's actually about helping people remember that they've already done it, that is a part of our blood memory, that it's our ancestral truth, and that our resources need to be invested in that.

So, we have like a huge -- this is like a really basic example -- we have a huge biking infrastructure in our city, and when we had a lot White bikers who were coming into the city, and they want to put on a bike lane. I was like, why are you putting a bike lane there, and we haven't figured out policing.

And then we started hearing, well, Black people don't bike. I was like, well, that's not true. We do bike. Oh, well, Black don't grow. Well, that's not true. Black people don't own businesses. Well how do think we've survived, because for most of the history of this country nobody has been giving us anything?

So, from my standpoint it is not about imposing, but it's about recognizing. Again, recognizing that Black and indigenous communities have had to exist outside of the dominant framework from the beginning of time, and right now, we're in a place of degradation as a country. I'll just be honest. This is my perspective, not that of the Mayor.

And so that means we should go to the communities that have been able to drive, survive and be innovative from the beginning and invest there. That's really what I'm saying. It's not about saying, oh, we're going to come with a new fund structure, we're going to help you succeed. It's about erasing the fact that we need that fund structure to begin with.

MR. TOMER: Anyone else? Okay.

MS. FREY: I'll just say I think that Claudia highlighted the dangers of generalizing in this space. And I think one of the things that we have the opportunity to do through Bass Center is to really understand the texture, the complexity, the different things that are happening in different kinds of places and elevate those as models that can be replicated or not, or not. Be completely open to new ways of generating good, quality places.

MR. TOMER: Yes, yes. Thank you, Claudia. Let's go right here. Yes, perfect. Thank you.

MS. ADAMS: Hi. Thank you. I'm Angela Adams, I Direct the Public Art Program for Arlington, Virginia, and in response to Claudia's request for Walter Hood, I just want to say that our Program has brought Walter Hood to our Arlington to do his first project in the entire Metro Area, working with NOC, which is a traditionally African-American community.

And actually in response to Shauen, what you were saying about working with local talent, I just want to say in this case, I decided I wanted the very best for NOC, and so we've brought Walter in because we felt we felt we could facilitate the best possible outcome from a design perspective.

But at the same time, it inspired a local artist to go through the process of applying for a grant for the first time, and receiving one from our Arts Commission. So, I think there's something to be had from bringing artists in who can elicit the best of community, but also inspire a community that maybe hasn't awoken to what is possible for them.

MS. PEARCE: That's their reflection.

MR. TOMER: Okay. Let's go to the gentleman in the back? Thank you.

QUESTIONER: Richard Hoye. I come from a background of an impoverished neighborhood in Potomac, Maryland. (Laughter) And I went to a high school in Montgomery County that is on the west side in Potomac. And that was a very challenging life. And I kid you not. Because what we talked about, we talked about affordable housing and revitalizing communities. I'd like to hear the panelists talk about metrics.

The isolation that I felt in a very wealthy, car-dependent, and very White enclave in the western part of a very diverse county, was an experience that I only realized when I -- until I left it, and went to a smaller town in Western Maryland, where I went to college briefly. And experienced volunteering in the town for the Fire Department and Ambulance service, where I was sitting in a meeting like this with people of every kind of persuasion, and we were all invested in each other.

And our thoughts and ideas and contributions mattered, and when we left we would encounter each other on the street. I could never experience that in the place that I lived in. So, that's the metric of poverty. And so I'd like to hear you all speak about what are metrics that pull in these ideas so that we can describe place and the accomplishment of placemaking with tools that go beyond our biases and the limitations of our own perspectives.

MR. TOMER: Great! Thank you.

MS. FREY: I can start there, and we have very directly measurement, so at Main Street we measure all the kind of things that you would expect, jobs, new jobs, new businesses, but we also measure volunteer hours precisely because of what you're describing, which is that that notion of community engagement, community participation is so very important. So we look at that as a really vital statistic about the quality, you know, the quality of the place, the quality of the placemaking happening there.

And I thank you for your question, because I think one of the things that we haven't touched on today, are the sort of psychological impacts as humans, you know, we live in places that aren't conducive to us having positive relationships with other people.

MR. TOMER: Yes. Anyone else? And I want to amplify that point, as I've stated as out of the way as possible, but growing up in a state like Florida we know exactly what it's like to grow up behind either technically walled, or unwalled subdivisions separated from everyone. Robert Putnam's *Bowling Alone* comes to life every day, and it is real. And I think Jennifer brought it up in her opening presentation.

So, if anyone else has even specific comments on that, we talked I think a lot more often through an urban context, but what does it mean to have that kind of suburban isolation whether through a health point, Patrice, or just in general, right. Aesthetically, how are we going to, how are we going to respond to that, almost like lack of place that we created?

MS. FREY: You spanned a whole generation of urbanists; anyone else here from the suburbs?

MR. TOMER: Yes. That's one positive spillover, yeah.

MS. PEARCE: Yes. I have a -- I think a slightly different perspective on it, or I like to discern a couple of things. There is the reality of growing up in a place maybe that is reflective of you, some of that draw that a racial line, some of us draw that a racial and economic lines, but a place where you have a sense of belonging, I think is the other side of what we're talking about right now.

And you can live in a place that's reflective and never have a sense of belonging. I found that most people of color and community report, even if they're living in isolation racially, or economically, a sense of belonging.

And so I think it's the modeling the replication of belonging that really is the deficit. A lot of the cultural appropriation, other things that take place, is because people don't have that thing to grab hold of.

And so the metric, what is the metric there? Part of what makes a village financial cooperative successful is that people are making investment, and they're like, oh, that's my place. I may never have a dime that I can put in that bank, but I know that the people that are there speak my language and connect me to something else.

And then they come to the events like you described, and then they hear a different perspective. But in a time I think where our country is so full of fear, and where people are so exhausted, it's important that we all create the places where we are affirming people, you know, like deeply affirming people. I want to say to some of my folks, that I work with, you can say some, it might be racist, but we'll work through that later.

I actually just need to know what you think and what you feel, because if we can have a real conversation, and we can really wrestle with what you believe to be true, then we can start solving things. So I think the first metric is the ability to actually be honest.

SPEAKER: (off mic).

MS. PEARCE: Right. The ability to then say, I might be wrong, that's an important metric. One of the metrics we gloss over in this work is failing. Someone mentioned that in the earlier presentation, that's an important metric, because it's also a metric of how many times you tried. Failure is a metric of how many times you tried and how far you went. So, those are a few things to consider, but actually creating the space is really, really important.

MR. TOMER: Yes. Rob, you wanted to jump in?

MR. STEWART: Yes. I'm the plumber on the stage, so I'm thinking about solutions. I think that both the comments that were made illustrate a point, a fundamental point which should be a principle of planning, which is mixing incomes is a public good.

MR. TOMER: Yes.

MR. STEWART: And that we all benefit from exposure to a diversity of incomes. And people, in general, and there's a -- and this gets to core of the center, there's going to be a growing power in these places, and these places are going to be dense, they're going to have all the best retail. Retail is going to migrate away from warehouses with stuff all over the place and into showrooms that are linked, in my view, to the online presence, and those two are going to be symbiotic.

You are going to have less of it, but it's going to be more powerful, and you're going to want people to live around it, and you're not going to want it to be people that have all -- entirely consist of the highest income people who are driving the most sales.

So, in order to make that happen, we've got to recognize that mixing incomes is a public good, and then we have to embed in an efficient way the subsidies in our system that basically produce that result, because right now that's not happening.

And so we need a structurally, increasing concentration of wealth, and in my view autonomous vehicles are going to make that even worse. So I think that we have to recognize that and then start to change the system, and I personally think that the system that's most responsive to what people want is one that allocates responsibility to various players based on their ability to do the work best.

So, government should be there to fund subsidies and provide resources, it should not be there to implement, it's not a particularly efficient implementer

of those solutions. Developers should build buildings and they should stay out of arts and culture, and all the rest. We're not good at it.

And then the non-profit community needs to be sustained in a committed way to manage those interventions. And not-for-profits live hand to mouth, and they're constantly fundraising. In my view, public dollars sent in that direction around making these places inclusive and managing the public spaces and all the rest, is an important part of the answer, because it places the responsibility for managing those things in a group that has a mission around doing that, and can be around for a long period of time, and can be responsive to public interests.

MR. TOMER: Unfortunately, we're out of time. I think -- no, but I think, Rob, you might have been watching your watch.

MR. STEWART: It's all (crosstalk).

MR. TOMER: Maybe subconsciously, no, you're like right on time. So that was amazing. And I think frankly those last two answers were perfectly emblematic of the challenges that face the country at a place level. The higher the metrics count, and of course nationally, the challenges facing the Bass Center to take on this really challenging work, and how much inextricably people in the physicality of place are tied together.

So, join me in thanking the panel for their time and their candor.

(Applause)

And then I want to thank all of you for spending your time with us on what looks like, through the shades, a beautiful day outside.

So, thank you again, and we'll see you at another public event here at Brookings.

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