Webinar

Leveraging Housing Development for Equity

Date: July 17, 2020

00:00:07 --> 00:00:11: Welcome everyone, appreciate your being part of today's webinar.
00:00:11 --> 00:00:13: We're going to wait just a few moments to let
00:00:13 --> 00:00:14: people filter in,
00:00:14 --> 00:00:16: and then we'll get started.
00:01:00 --> 00:01:03: We're going to wait a couple more minutes so that
00:01:03 --> 00:01:05: folks can filter into the room and then we'll get
00:01:05 --> 00:01:06: started with our panel.
00:01:06 --> 00:01:07: Thanks so much for joining us today.
00:01:49 --> 00:01:52: Alright, well just wait about 30 more seconds and we'll
00:01:52 --> 00:01:53: get started.
00:01:53 --> 00:01:55: Thanks again for joining us.
00:02:38 --> 00:02:42: Well, thanks again everyone for joining us today.
00:02:42 --> 00:02:43: My name is Christopher Tony.
00:02:43 --> 00:02:46: I'm the executive director of you allies.
00:02:46 --> 00:02:50: Terwilliger Center for Housing and a very pleased that you
00:02:50 --> 00:02:54: have joined us for today's inaugural to Williger Center Housing
00:02:54 --> 00:02:55: Webinar series,
00:02:55 --> 00:02:59: we have a really fantastic lineup for our panel today.
00:02:59 --> 00:03:02: I know that by the rapid and high number of
00:03:02 --> 00:03:04: registrations we got for the session,
00:03:04 --> 00:03:07: that there's a great deal of interest,
00:03:07 --> 00:03:10: and so we'll get to the panel very quickly here.
00:03:10 --> 00:03:14: But we're fortunate today that ran to Williger who founded
00:03:14 --> 00:03:17: their twilegar center is able to join us,
00:03:17 --> 00:03:20: and I thought I would let Ron take a couple
00:03:20 --> 00:03:23: of minutes just to talk about why he founded the
00:03:23 --> 00:03:26: center at at you lie and why we are launching
00:03:26 --> 00:03:30: this webinar series today. So I will turn it over

00:03:30 --> 00:03:31: to Ron.
00:03:31 --> 00:03:34: Thank you, Christopher and welcome everyone.
00:03:34 --> 00:03:36: Thanks for joining.
00:03:36 --> 00:03:39: This is an important subject.
00:03:39 --> 00:03:42: I have been a Houser for 50 years and actually
00:03:42 --> 00:03:44: joined you all.
00:03:44 --> 00:03:47: I'm going to date myself now in 1974.
00:03:47 --> 00:03:50: So I've been around long time.
00:03:50 --> 00:03:52: I was the ULI chairman.
00:03:52 --> 00:03:55: About 13 years ago and when I stepped down as
00:03:55 --> 00:03:59: chair I had very much bought into the mission and
00:03:59 --> 00:04:03: thought one thing that was missing was enough focus on
00:04:03 --> 00:04:08: housing. I had been involved with habitat by that time
00:04:08 --> 00:04:11: for eight years and had a really good sense of
00:04:11 --> 00:04:15: the housing challenges that exist in this country.
00:04:15 --> 00:04:18: The issues we're facing today.
00:04:18 --> 00:04:24: Clearly exacerbated by Covid, but not new to many of
00:04:24 --> 00:04:24: us.
00:04:24 --> 00:04:28: I felt like you Ally should play a bigger role
00:04:28 --> 00:04:32: in housing and so initially founded the center to elevate
00:04:32 --> 00:04:34: the focus on workforce housing.
00:04:34 --> 00:04:38: Which Pam patnode my first director and I characterized as
00:04:38 --> 00:04:40: people making between 60 and 150%
00:04:40 --> 00:04:45: area median income, who needed some kind of subsidy to
00:04:46 --> 00:04:47: afford a decent home?
00:04:47 --> 00:04:52: Yesterday, coincidentally, Natasha, our speaker today and I,
00:04:52 --> 00:04:55: along with Chris Vincent, had the opportunity to talk with
00:04:56 --> 00:04:58: Richard Rothstein who wrote the book.
00:04:58 --> 00:05:02: The color of law. Which I highly recommend to you
00:05:02 --> 00:05:04: if you haven't read it yet.
00:05:04 --> 00:05:06: It was a mind blower for me to talk about
00:05:06 --> 00:05:11: the segregation that took place with the African American community
00:05:11 --> 00:05:14: by the federal government for decades and decades,
00:05:14 --> 00:05:18: which probably makes it clearer to understand the situation we
00:05:18 --> 00:05:20: find ourselves in today.
00:05:20 --> 00:05:24: The habitat for its first time has initiated a US
00:05:24 --> 00:05:25: advocacy campaign,
00:05:25 --> 00:05:29: which I Co chair with Jonathan record and record,
00:05:29 --> 00:05:34: and Richard was nice enough to join our Advisory Board.
00:05:34 --> 00:05:38: So today's subject is very apropos to what's going on

00:05:38 --> 00:05:38: today.
00:05:38 --> 00:05:40: You know, we work at you,
00:05:40 --> 00:05:44: Ally with the development community with government at all levels
00:05:44 --> 00:05:46: to try to provide residents.
00:05:46 --> 00:05:48: And I call him residents,
00:05:48 --> 00:05:51: not tenants. I think it's a more respectful term.
00:05:51 --> 00:05:55: Residents to have a place to live that is affordable
00:05:55 --> 00:05:57: them and what we have failed to do as a
00:05:57 --> 00:06:01: country for many of our lower income residents is give
00:06:01 --> 00:06:05: them opportunities to live in a community of opportunity or
00:06:05 --> 00:06:08: a neighborhood that provides an opportunity.
00:06:08 --> 00:06:12: Decent schools. Transportation access to health care,
00:06:12 --> 00:06:14: and that's what we're about here.
00:06:14 --> 00:06:18: I was delighted to have Christopher join us.
00:06:18 --> 00:06:20: He and I had worked together,
00:06:20 --> 00:06:23: summit at the Urban League at Habitat,
00:06:23 --> 00:06:27: and it's important that we continue this work.
00:06:27 --> 00:06:31: Because of the pandemic, an inability of people to travel
00:06:31 --> 00:06:32: when you,
00:06:32 --> 00:06:35: well, I kind of regrouped and tried to decide how
00:06:35 --> 00:06:40: to disseminate the information and have people participate with us.
00:06:40 --> 00:06:43: We thought the web and R series would be something
00:06:43 --> 00:06:46: that would be a valuable contribution.
00:06:46 --> 00:06:48: So San Francisco has been canceled.
00:06:48 --> 00:06:50: For those of you who are,
00:06:50 --> 00:06:53: you Ally Members were going to do that virtual,
00:06:53 --> 00:06:57: and our programs for the indefinite future will continue to
00:06:57 --> 00:06:58: focus on.
00:06:58 --> 00:07:02: Virtual learning, like today is the first is Christopher set
00:07:02 --> 00:07:06: of eight webinars we have initiated at the outset of
00:07:06 --> 00:07:07: the Twilegar Center.
00:07:07 --> 00:07:12: Several prizes which are apropos to what we're talking about
00:07:12 --> 00:07:12: today.
00:07:12 --> 00:07:14: One is the Jack Kemp award.
00:07:14 --> 00:07:17: I knew Jack camp. He was on my initial board.
00:07:17 --> 00:07:21: Some of you may remember him as a HUD secretary.
00:07:21 --> 00:07:24: He was a great champion of the minorities as the
00:07:24 --> 00:07:26: former football player,
00:07:26 --> 00:07:31: football quarterback and weak. Focus on mixed income housing in
00:07:31 --> 00:07:31: that award.

00:07:31 --> 00:07:35: I personally believe, and I suspect many of you do
00:07:35 --> 00:07:35: too,
00:07:35 --> 00:07:38: that what we need to deliver in this country in
00:07:38 --> 00:07:40: the way of housing affordability,
00:07:40 --> 00:07:44: both rental and homeownership is housing that's in a mixed
00:07:44 --> 00:07:46: income environment.
00:07:46 --> 00:07:49: Ideally mixed use environment, so the camp awards.
00:07:49 --> 00:07:51: They reward those kind of projects.
00:07:51 --> 00:07:55: Last year, Christopher, I think we had 50 some odd
00:07:55 --> 00:07:56: submissions,
00:07:56 --> 00:07:59: so it's it's heartening. The other award that I came
00:07:59 --> 00:08:00: up with.
00:08:00 --> 00:08:04: In working with Renee Glover at the Atlanta Housing Authority,
00:08:04 --> 00:08:08: Renee and I championed a workforce housing group in Atlanta
00:08:08 --> 00:08:09: for Mayor Franklin Ann.
00:08:09 --> 00:08:13: We created initiative where we had housing opportunity bond,
00:08:13 --> 00:08:16: so it occurred to me that there were things that
00:08:16 --> 00:08:20: the local and state areas could do about this housing
00:08:20 --> 00:08:20: problem,
00:08:20 --> 00:08:24: certainly not relying on the federal government and,
00:08:24 --> 00:08:25: of course, zoning is local,
00:08:25 --> 00:08:29: which is another one of our challenges with Nimbyism.
00:08:29 --> 00:08:31: So we came up with the election.
00:08:31 --> 00:08:35: Larson Award Bob Larson was also in my initial board,
00:08:35 --> 00:08:37: a great habitat, a great you'll,
00:08:37 --> 00:08:40: I member and so we have the Larson Award to
00:08:40 --> 00:08:45: reward what communities are doing in the way of innovative
00:08:45 --> 00:08:49: legislation to facilitate affordable workforce housing.
00:08:49 --> 00:08:53: So while racial and social equity concerns are present in
00:08:53 --> 00:08:55: every housing situation,
00:08:55 --> 00:08:58: we feel like you'll I will double down now and
00:08:58 --> 00:08:59: starting today,
00:08:59 --> 00:09:02: really. Maybe not too late for sure.
00:09:02 --> 00:09:05: I hope we're going to focus more on these issues,
00:09:05 --> 00:09:07: and I think you've got a great lineup.
00:09:07 --> 00:09:11: Krista 1st put together a great group of panelists,
00:09:11 --> 00:09:15: so I'm looking forward to just listening in from here
00:09:15 --> 00:09:17: on Christopher back to you.
00:09:17 --> 00:09:19: Thanks Ron, really appreciate it.
00:09:19 --> 00:09:21: It's a real privilege to work with you at the

00:09:21 --> 00:09:22: center,
00:09:22 --> 00:09:26: uli. And thanks for those opening comments.
00:09:26 --> 00:09:29: And I will do a quick kind of lightning round
00:09:29 --> 00:09:32: of introductions for our panelists,
00:09:32 --> 00:09:34: but I don't want to.
00:09:34 --> 00:09:37: To lose anymore time to have hear from them,
00:09:37 --> 00:09:41: I carry hirstein as a partner in charge advisers.
00:09:41 --> 00:09:45: He has focused extensively on working with cities on climate
00:09:45 --> 00:09:47: and sustainability issues.
00:09:47 --> 00:09:51: Really appreciate your being here and sharing your perspectives from
00:09:51 --> 00:09:55: that work that you have done around equity as well
00:09:55 --> 00:09:57: as sustainability and climate.
00:09:57 --> 00:10:01: Natasha Reed rice. Former colleague of mine at Habitat for
00:10:01 --> 00:10:01: Humanity,
00:10:01 --> 00:10:04: really appreciate your being here,
00:10:04 --> 00:10:07: I think. Natasha's resume as as Ron would say his
00:10:07 --> 00:10:08: extensive.
00:10:08 --> 00:10:09: That is an impressive I think.
00:10:09 --> 00:10:12: One thing that I would like to mention.
00:10:12 --> 00:10:15: You may have heard of a place called the Ebenezer
00:10:15 --> 00:10:19: Baptist Church in Atlanta and Natasha is a pastor there
00:10:19 --> 00:10:20: and is.
00:10:20 --> 00:10:22: Anne was really a colleague that I looked up to
00:10:23 --> 00:10:23: a lot at habitat.
00:10:23 --> 00:10:25: So appreciate your being here.
00:10:25 --> 00:10:28: She is the associate general counsel with Habitat for real
00:10:28 --> 00:10:29: estate and finance.
00:10:29 --> 00:10:32: She has a background in commercial real estate as well
00:10:32 --> 00:10:34: and has a lot to add for this panel.
00:10:34 --> 00:10:37: AJ Jackson's the EVP for shield social impact at JBG
00:10:37 --> 00:10:38: Smith,
00:10:38 --> 00:10:39: thanks for being with us AJ.
00:10:39 --> 00:10:41: You may have heard of some of his work on
00:10:41 --> 00:10:43: the Washington Housing Initiative,
00:10:43 --> 00:10:45: especially if you are in the Washington,
00:10:45 --> 00:10:49: DC area, but really cutting edge thinking and work behind
00:10:49 --> 00:10:52: that and appreciate your taking the time to be with
00:10:52 --> 00:10:52: AJ.
00:10:52 --> 00:10:54: And finally, in the schaflein,
00:10:54 --> 00:10:58: Amy is the executive director at United Housing in Memphis,
00:10:58 --> 00:11:03: where they focused very strongly on homeownership an on

financial
00:11:03 --> 00:11:05: stability for households and families,
00:11:05 --> 00:11:09: and really appreciate your taking the time to share some
00:11:09 --> 00:11:13: of your equity focused work on the ground there in
00:11:13 --> 00:11:13: Memphis.
00:11:13 --> 00:11:16: Thanks so much Amy, but I think first what I'd
00:11:17 --> 00:11:19: like to do is turn it over to you,
00:11:19 --> 00:11:22: Natasha, and would appreciate your giving us.
00:11:22 --> 00:11:24: Some big picture perspective on.
00:11:24 --> 00:11:28: I know that you've been doing some work with Richard
00:11:28 --> 00:11:31: Rothstein and so really looking big picture at the history
00:11:31 --> 00:11:35: that were coming out of an residential development and where
00:11:35 --> 00:11:39: we have a responsibility and opportunities to start to to
00:11:39 --> 00:11:41: remedy those problems right?
00:11:41 --> 00:11:44: Sure? First, let me say Christopher thank you for the
00:11:44 --> 00:11:46: invitation to join this conversation.
00:11:46 --> 00:11:49: Thank you Ron, for the opportunity to also be a
00:11:49 --> 00:11:53: part of this conversation and that lot of the great
00:11:53 --> 00:11:56: work that you're doing both here with you a lie.
00:11:56 --> 00:11:59: As well as habitat in the housing industry writ large
00:11:59 --> 00:12:01: and great to meet the panels,
00:12:01 --> 00:12:04: who panelist who will also join in this conversation just
00:12:04 --> 00:12:07: broadly Krista to kind of give us a context 'cause
00:12:08 --> 00:12:10: I would love to say we're entering out,
00:12:10 --> 00:12:12: entering, going out of this.
00:12:12 --> 00:12:15: This kind of racial inequity construct that we are all
00:12:15 --> 00:12:16: really participating in.
00:12:16 --> 00:12:18: Whether we want to or not.
00:12:18 --> 00:12:21: Often say in this conversation when we deal with the
00:12:21 --> 00:12:24: issue of racial inequities in our country,
00:12:24 --> 00:12:26: we've been given a bag of goods.
00:12:26 --> 00:12:28: We were. Many of our born into this context,
00:12:28 --> 00:12:31: many of us right and so now how do we
00:12:31 --> 00:12:32: make the best out of it?
00:12:32 --> 00:12:34: It's like reaching in your pantry,
00:12:34 --> 00:12:37: pulling out what was left over the sardines,
00:12:37 --> 00:12:40: the great Jelly and the Maple syrup and creating a
00:12:40 --> 00:12:42: recipe out of that that tastes good.
00:12:42 --> 00:12:44: That's the challenge we've been given,
00:12:44 --> 00:12:47: right? But what I do think is that many of
00:12:47 --> 00:12:49: us have had to work extremely hard to do the

00:12:49 --> 00:12:51: great work that we're doing,
00:12:51 --> 00:12:53: so we're up for this challenge.
00:12:53 --> 00:12:55: Many of you are familiar or have heard of the
00:12:55 --> 00:12:57: Kerner Commission.
00:12:57 --> 00:12:58: It came out just before.
00:12:58 --> 00:13:01: The Fair Housing Act was passed in 1968.
00:13:01 --> 00:13:04: One of the conclusions of the Kerner Commission was that
00:13:04 --> 00:13:07: we have a country that is divided into 2 societies,
00:13:07 --> 00:13:09: one black and one white,
00:13:09 --> 00:13:13: separate and unequal. And one of their propositions out of
00:13:13 --> 00:13:16: that study was that the only way we were going
00:13:16 --> 00:13:19: to create a United States of America is to have
00:13:19 --> 00:13:22: an open housing law that did not gain as much
00:13:22 --> 00:13:25: traction as we hoped that it would.
00:13:25 --> 00:13:28: Even after the passage of the Fair Housing Act,
00:13:28 --> 00:13:31: the Fair Housing Act, many will now point out to
00:13:31 --> 00:13:34: you was not set up to succeed to create a
00:13:34 --> 00:13:35: truly integrated society,
00:13:35 --> 00:13:38: which is what it was purporting to do.
00:13:38 --> 00:13:41: It did not have the enforcement mechanisms to make it
00:13:41 --> 00:13:42: happen.
00:13:42 --> 00:13:45: Right, so often times when you look at the Fair
00:13:45 --> 00:13:46: Housing Act,
00:13:46 --> 00:13:49: you see that it puts the burden of enforcement on
00:13:49 --> 00:13:50: the victims of it.
00:13:50 --> 00:13:53: They have to bring a right of action to a
00:13:53 --> 00:13:56: court in order to enforce any action against segregation or
00:13:56 --> 00:13:58: denial of an integrated society.
00:13:58 --> 00:14:00: So how did we get there?
00:14:00 --> 00:14:03: How do we get to the 1968 Declaration by the
00:14:03 --> 00:14:06: Kerner Commission that we have in two live in two
00:14:06 --> 00:14:07: societies?
00:14:07 --> 00:14:12: And sorry to say, we're still working in that construct?
00:14:12 --> 00:14:14: Just to go back a little bit,
00:14:14 --> 00:14:16: we can look decades ago.
00:14:16 --> 00:14:20: In the 1930s the fair had the Federal Housing Administration.
00:14:20 --> 00:14:25: FHA began issuing private loans that would ultimately help millions,
00:14:25 --> 00:14:30: but would specifically deny homeownership opportunities to black Americans in
00:14:30 --> 00:14:31: this country.
00:14:31 --> 00:14:35: The FHA began to provide a white families with affordable,

00:14:35 --> 00:14:39: low down payment mortgages to help them join the middle
00:14:39 --> 00:14:40: class,
00:14:40 --> 00:14:43: but they specifically denied access to these.
00:14:43 --> 00:14:47: Types of products to communities where black households would reside,
00:14:47 --> 00:14:50: right? So they use color coded Maps to develop that
00:14:50 --> 00:14:54: were developed by the federal Home Owners Loan Corporation that
00:14:54 --> 00:14:58: would redline and we'll hear more about redlining and its
00:14:58 --> 00:15:00: impact and its continual legacy later on.
00:15:00 --> 00:15:02: In the panel conversation. But FHA,
00:15:02 --> 00:15:07: designating never designated neighborhoods as unsafe as undesirable when those
00:15:07 --> 00:15:10: neighborhoods had black families living in them,
00:15:10 --> 00:15:12: so it began a trend.
00:15:12 --> 00:15:17: FHA government entity. Began this trend that private lenders began
00:15:17 --> 00:15:17: to follow.
00:15:17 --> 00:15:20: So what we began to see in the 1940s with
00:15:20 --> 00:15:23: the evolution of suburbs with the evolution of suburbs like
00:15:24 --> 00:15:24: Levittown,
00:15:24 --> 00:15:27: one of the largest suburbs of over 17,000 homes that
00:15:27 --> 00:15:31: private lenders and government lenders through FHA began to to
00:15:31 --> 00:15:34: insist on racially restrictive covenants,
00:15:34 --> 00:15:37: right? This goes to the argument that Richard Rothstein makes
00:15:37 --> 00:15:40: in the color of law and that we see throughout
00:15:40 --> 00:15:44: many other historical accounts of housing that housing segregation in
00:15:44 --> 00:15:46: this country was not de facto.
00:15:46 --> 00:15:49: It's not just merely by the choice of individuals.
00:15:49 --> 00:15:53: It's actually jury. It has been stipulated by federal,
00:15:53 --> 00:15:55: state and local law in the 1940s.
00:15:55 --> 00:15:59: These continual racially restrictive covenants continued,
00:15:59 --> 00:16:04: and the FHA began subsidizing new subdivisions began subsidizing white
00:16:04 --> 00:16:05: families.
00:16:05 --> 00:16:08: We typically don't like to look at that as a
00:16:08 --> 00:16:08: subsidy,
00:16:08 --> 00:16:11: but it really was in the GI Bill.
00:16:11 --> 00:16:16: The GI Bill provided federally guaranteed low interest home loans
00:16:16 --> 00:16:18: with No Down Payment assistance.

00:16:18 --> 00:16:21: Subsidized loans for white families.
00:16:21 --> 00:16:24: Black veterans did not have access to the GI Bill
00:16:24 --> 00:16:27: mortgage products and so we began to see these race
00:16:27 --> 00:16:30: based exclusions in the 30s and the 40s and in
00:16:30 --> 00:16:33: the 50s and then finally after the passage of the
00:16:33 --> 00:16:35: Fair Housing Act in 1968.
00:16:35 --> 00:16:40: The racially restrictive covenants that were officially prohibited by the
00:16:40 --> 00:16:44: Fair Housing Act were then replaced by exclusionary zoning that
00:16:44 --> 00:16:47: was based on income and think about it if the
00:16:47 --> 00:16:49: income and the wealth development.
00:16:49 --> 00:16:53: Of families often times was tide to homeownership and black
00:16:53 --> 00:16:56: families were denied opportunities for homeownership.
00:16:56 --> 00:17:01: Those exclusionary zoning restrictions at restricted by income also then
00:17:01 --> 00:17:03: began restricting by race,
00:17:03 --> 00:17:06: and so those inclusionary zoning laws that were put in
00:17:06 --> 00:17:09: place and and policies that were put in place began
00:17:09 --> 00:17:12: to do the same type of creating the same type
00:17:12 --> 00:17:16: of segregated communities that were created beforehand.
00:17:16 --> 00:17:19: And so we just continue to see that legacy and
00:17:19 --> 00:17:21: what that legacy has evolved into.
00:17:21 --> 00:17:26: Are the disparities in homeownership today in our society today
00:17:26 --> 00:17:31: in our country today Blacks rate of homeownership is 41.8%
00:17:31 --> 00:17:36: compared to whites 71.9%. That's just on the homeownership component
00:17:36 --> 00:17:40: and we know how that feeds into the development of
00:17:40 --> 00:17:40: wealth.
00:17:40 --> 00:17:43: So now we have a wealth gap in this country
00:17:43 --> 00:17:46: where whites wealth is 10 times higher than that of
00:17:46 --> 00:17:47: black 12 on average.
00:17:47 --> 00:17:50: Then overlay that with the pandemic of kovid,
00:17:50 --> 00:17:53: right? So often saying when we look at Cove and
00:17:53 --> 00:17:56: we talk about pre existing conditions they are not limited
00:17:56 --> 00:17:57: to health.
00:17:57 --> 00:18:00: They're not limited to high blood pressure and diabetes.
00:18:00 --> 00:18:04: They're also in. They also include lack of decent affordable
00:18:04 --> 00:18:05: housing options.
00:18:05 --> 00:18:07: Lack of access to health care,
00:18:07 --> 00:18:11: lack of access to adequate educational opportunities,
00:18:11 --> 00:18:14: schools that could even go online and be remote and

00:18:14 --> 00:18:17: still be effective in this moment.
00:18:17 --> 00:18:21: So we're seeing the legacy we're seeing the cascading impacts
00:18:21 --> 00:18:25: of what had been created in our country decades ago.
00:18:25 --> 00:18:29: Now when you have to enter into the actual development
00:18:29 --> 00:18:31: of real estate in this context,
00:18:31 --> 00:18:35: it requires us in this industry as developers.
00:18:35 --> 00:18:39: As thought leaders, as policy makers to be very intentional
00:18:39 --> 00:18:42: about how we begin to dismantle this very well constructed
00:18:43 --> 00:18:45: system that has created these two societies.
00:18:45 --> 00:18:48: So Chris, with that we can get into more specifics,
00:18:48 --> 00:18:51: but I think as we think about the context in
00:18:51 --> 00:18:54: which we're operating in as we hear more about the
00:18:54 --> 00:18:57: impact of redlining and its legacy,
00:18:57 --> 00:19:00: I think it's important as we strive to to create
00:19:00 --> 00:19:03: the new reality that we call America that we think
00:19:03 --> 00:19:06: about what our intentionality needs to look like.
00:19:06 --> 00:19:08: And I'm happy to have conversations about some of the
00:19:08 --> 00:19:10: potential policy remedies that could help.
00:19:10 --> 00:19:13: Perhaps assist us as we do so.
00:19:13 --> 00:19:17: Great, thanks Natasha, that's that's a really helpful starting point
00:19:17 --> 00:19:19: and I'd like to move to Amy now who can
00:19:19 --> 00:19:21: kind of talk on the a little bit on the
00:19:21 --> 00:19:23: solution side. Amy, as I mentioned,
00:19:23 --> 00:19:25: is with United Housing in Memphis.
00:19:25 --> 00:19:28: I was actually born at Baptist Hospital in Memphis many
00:19:28 --> 00:19:29: many moons ago,
00:19:29 --> 00:19:32: but haven't had a chance to spend much time there
00:19:32 --> 00:19:32: lately.
00:19:32 --> 00:19:35: But maybe I know the work that you have been
00:19:35 --> 00:19:35: doing there,
00:19:35 --> 00:19:38: particularly around homeownership, financial security,
00:19:38 --> 00:19:42: enabling families to lay that foundation that they may not
00:19:42 --> 00:19:45: have had the opportunity in the past is really groundbreaking,
00:19:45 --> 00:19:47: so thanks for being with us.
00:19:47 --> 00:19:50: And look forward to hearing more about your work of
00:19:50 --> 00:19:51: course.
00:19:51 --> 00:19:54: Thanks Christopher for having me and also thanks Ron for
00:19:54 --> 00:19:57: having me on this great start to the series.
00:19:57 --> 00:20:00: Just a brief background on what United Housing does and
00:20:00 --> 00:20:02: I hope y'all can hear me.
00:20:02 --> 00:20:04: There's some work being done outside,

00:20:04 --> 00:20:08: but um. So United housing began 25 years ago with
00:20:08 --> 00:20:13: a mission to provide an equal quality housing opportunities for
00:20:13 --> 00:20:13: memphians.
00:20:13 --> 00:20:17: We are a primarily single family developer and during the
00:20:17 --> 00:20:22: Neighborhood Stabilization program we acquired and renovated over 50 homes
00:20:22 --> 00:20:24: and one neighborhood alone,
00:20:24 --> 00:20:28: we renovated over 35 homes and that was a browned
00:20:28 --> 00:20:31: about a million of acquisition and rehab value.
00:20:31 --> 00:20:34: With the resale value of over 2 million.
00:20:34 --> 00:20:37: So we were able to increase values there.
00:20:37 --> 00:20:40: By about one point, $1,000,000 just in the one neighborhood
00:20:40 --> 00:20:44: where we were able to help with the Neighborhood stabilization
00:20:44 --> 00:20:47: program through single family development.
00:20:47 --> 00:20:50: And then of course we have our housing counseling program,
00:20:50 --> 00:20:53: so we're the largest in the top five of the
00:20:53 --> 00:20:55: housing counseling agencies in the state.
00:20:55 --> 00:20:59: Last year we helped over 1000 people with financial coaching,
00:20:59 --> 00:21:03: literacy, homebuyer education and then we're also a community development
00:21:03 --> 00:21:05: financial institution,
00:21:05 --> 00:21:08: so we are able to offer some mortgage financing both
00:21:08 --> 00:21:09: first mortgage and.
00:21:09 --> 00:21:14: Down payment assistance, closing cost assistance and home repair loans
00:21:14 --> 00:21:15: and so.
00:21:15 --> 00:21:19: Last year we helped to finance over 336 homes through
00:21:19 --> 00:21:20: that program.
00:21:20 --> 00:21:24: We work with bank partners who provide CRA investments into
00:21:24 --> 00:21:28: our loan pools and from there were able to provide
00:21:28 --> 00:21:32: those first and second mortgages and we helped over 500
00:21:32 --> 00:21:38: memphians get access to homeownership which did leverage is $65,000,000
00:21:38 --> 00:21:39: first mortgage.
00:21:39 --> 00:21:44: Leverage their interest in the city of Memphis.
00:21:44 --> 00:21:46: We are. We work Shelby County wide.
00:21:46 --> 00:21:50: We've always tried to work on foreclosure prevention as well.
00:21:50 --> 00:21:53: And then, you know, during the foreclosure crisis,
00:21:53 --> 00:21:54: like I said with MSP,

00:21:54 --> 00:21:57: we were able to acquire and renovate,
00:21:57 --> 00:22:00: put a lot of the vacant houses back into use.
00:22:00 --> 00:22:01: I guess a brief background,
00:22:01 --> 00:22:04: Chris, if you want to bring up the map Now,
00:22:04 --> 00:22:07: if you're from Memphis and you're talkin,
00:22:07 --> 00:22:12: you're listening in. You've seen this map before as most
00:22:12 --> 00:22:13: of y'all know.
00:22:13 --> 00:22:17: The redlining was happening all over the country and we
00:22:17 --> 00:22:20: knew it was also happening in Memphis,
00:22:20 --> 00:22:24: but we didn't really ever have the proof until this
00:22:24 --> 00:22:25: map surfaced.
00:22:25 --> 00:22:28: The Digital scholarship lab to the left,
00:22:28 --> 00:22:32: the red and yellow, literally was lined out too as
00:22:32 --> 00:22:36: risky not to be invested in and that's our downtown,
00:22:36 --> 00:22:38: South and North Memphis areas.
00:22:38 --> 00:22:44: So began 90 years of disinvestment of through restrictive covenants.
00:22:44 --> 00:22:48: And urban renewal other intentional housing policies that basically declined
00:22:48 --> 00:22:50: investments in these neighborhoods,
00:22:50 --> 00:22:52: and it went into the subprime today.
00:22:52 --> 00:22:56: These same neighborhoods were then targeted by the subprime loan
00:22:56 --> 00:22:57: market,
00:22:57 --> 00:22:59: and so when the bottom fell out,
00:22:59 --> 00:23:02: you know a lot of these neighborhoods were targeted by
00:23:02 --> 00:23:05: investor owners who came in and started buying up most
00:23:05 --> 00:23:09: of these properties and turning the homeownership housing into rental
00:23:09 --> 00:23:12: housing. Which then you had a lot of deferred maintenance.
00:23:12 --> 00:23:14: And so now we're seeing.
00:23:14 --> 00:23:17: Low inventory, low home values and a continued gap in
00:23:18 --> 00:23:21: racial wealth as you as we were talking about earlier
00:23:21 --> 00:23:22: and then again.
00:23:22 --> 00:23:25: Now as you can see the map on the right
00:23:25 --> 00:23:28: is the lending even after the foreclosure crisis,
00:23:28 --> 00:23:32: the same neighborhood. So the light color and the yellow
00:23:32 --> 00:23:34: and the red are overlaid.
00:23:34 --> 00:23:37: So this was just a continued over a year.
00:23:37 --> 00:23:40: Rear rear of disinvestment and we're still not seeing the
00:23:40 --> 00:23:45: mortgage lending in these neighborhoods like you're seeing another.
00:23:45 --> 00:23:49: Areas. So that's why we are doing our loan program

00:23:49 --> 00:23:51: in these areas.
00:23:51 --> 00:23:54: We do our home repair program to help with some
00:23:54 --> 00:23:58: of the maintenance an rehabs in some of these areas,
00:23:58 --> 00:24:02: but the bottom line is that there's still obviously not
00:24:02 --> 00:24:06: enough and we still have 35,000 units short for very
00:24:06 --> 00:24:07: low income residents,
00:24:07 --> 00:24:10: and when we talk about equity in housing,
00:24:10 --> 00:24:15: we really literally mean equity in housing for too long.
00:24:15 --> 00:24:18: Homeownership has not helped. Black Americans they have not seen
00:24:18 --> 00:24:22: the same equity and wealth building through homeownership as white
00:24:22 --> 00:24:24: families as we just heard.
00:24:24 --> 00:24:27: So we really want to work towards building equity for
00:24:27 --> 00:24:30: black borrowers as well as increasing property values in our
00:24:30 --> 00:24:32: neighborhoods and in the end.
00:24:32 --> 00:24:35: And we need more inventory in those neighborhoods as well.
00:24:35 --> 00:24:38: So United housing I'll just mentioned a few things that
00:24:38 --> 00:24:39: we've been working on,
00:24:39 --> 00:24:41: one I've already kind of talked about,
00:24:41 --> 00:24:43: which was the housing counseling,
00:24:43 --> 00:24:47: you know, we look at the person's whole financial situation.
00:24:47 --> 00:24:50: We're not just looking at a credit number credit score.
00:24:50 --> 00:24:52: Now we're looking at alternative credit options,
00:24:52 --> 00:24:56: utility bills, rental payments, and we're helping walk through the
00:24:56 --> 00:25:00: real estate industry from start to closing and then post
00:25:00 --> 00:25:03: closing with home maintenance and all of that so we
00:25:03 --> 00:25:07: really walks people through the home ownership.
00:25:07 --> 00:25:10: Sing the whole thing and then we also helped to
00:25:10 --> 00:25:11: bring down debt.
00:25:11 --> 00:25:14: We have a predatory refai program.
00:25:14 --> 00:25:17: We know credit predatory loan storefronts are the most in
00:25:18 --> 00:25:21: the state is in our County and the target minority
00:25:21 --> 00:25:22: neighborhoods as well,
00:25:22 --> 00:25:26: which then can make your ability to borrow that much
00:25:26 --> 00:25:26: harder.
00:25:26 --> 00:25:29: So we do have a predatory re 5 program.
00:25:29 --> 00:25:32: It's up to $1500 and so we're working on that
00:25:32 --> 00:25:34: to help people get down their debts.
00:25:34 --> 00:25:39: High cost debts. Another program that we've it's brand new.
00:25:39 --> 00:25:42: Just started piloting it. It's the rental preservation loan.
00:25:42 --> 00:25:45: There's a lot of home repair for owner occupied residence,

00:25:45 --> 00:25:48: but there's not a whole lot for the rental properties
00:25:48 --> 00:25:49: and 40%
00:25:49 --> 00:25:51: of our home sales at the end of the quarter
00:25:51 --> 00:25:53: last year went to investors,
00:25:53 --> 00:25:55: so we know that single family homes.
00:25:55 --> 00:25:58: There's a lot of them that are rental in Memphis,
00:25:58 --> 00:26:00: and So what can we do to help those property
00:26:00 --> 00:26:02: owners maintain their properties?
00:26:02 --> 00:26:05: This is low cost financing to landlords who can make
00:26:05 --> 00:26:09: those necessary repairs and renovations to improve their single family
00:26:09 --> 00:26:12: rental or a very small multifamily property.
00:26:12 --> 00:26:14: It's up to 80,000 per unit.
00:26:14 --> 00:26:17: It's a five year term and it's an alternative to
00:26:17 --> 00:26:20: the hard money that a lot of landlords,
00:26:20 --> 00:26:23: just that's the only option that they would have and
00:26:23 --> 00:26:26: so hopefully we can be that in between about the
00:26:26 --> 00:26:29: hard money in the bank to help get these homes
00:26:29 --> 00:26:32: into good repair.
00:26:32 --> 00:26:34: We also provide, like I mentioned earlier,
00:26:34 --> 00:26:37: the home purchase assistance you saw the map earlier.
00:26:37 --> 00:26:41: There's not a lot of mortgage lending happening in many
00:26:41 --> 00:26:42: of our neighborhoods.
00:26:42 --> 00:26:44: That's because of their small balance.
00:26:44 --> 00:26:47: The housing values are between 40 and $70,000,
00:26:47 --> 00:26:50: so we have a small balance loan program that's up
00:26:50 --> 00:26:53: to 70,000 purchase price that we help people get into
00:26:53 --> 00:26:56: those homes as well as our closing costs and down
00:26:56 --> 00:26:59: payment assistance programs that are huge barriers and Memphis to
00:26:59 --> 00:27:01: access to homeownership.
00:27:01 --> 00:27:02: And then Lastly is our.
00:27:02 --> 00:27:05: The value gap program or the appraisal gap program.
00:27:05 --> 00:27:08: Our state is put on they right now,
00:27:08 --> 00:27:10: piloted it for nonprofit developers only.
00:27:10 --> 00:27:13: But it does provide $20,000 to make up for that
00:27:13 --> 00:27:16: value in construction or the construction costs.
00:27:16 --> 00:27:19: Then the value out of it isn't there,
00:27:19 --> 00:27:21: so it'll make up for some of that.
00:27:21 --> 00:27:23: But it's only for nonprofit developers.
00:27:23 --> 00:27:27: There is an act that were watching the Neighborhood Homes
00:27:27 --> 00:27:30: Investment Act that is a tax credit to kind of.

00:27:30 --> 00:27:33: Does the same thing incentivize development?
00:27:33 --> 00:27:36: And low value areas to to provide that value gap.
00:27:36 --> 00:27:39: So those are things that we've been working on.
00:27:39 --> 00:27:41: If there's any questions later,
00:27:41 --> 00:27:42: I'd be happy to go into them,
00:27:42 --> 00:27:47: but that's what we've been doing and thank you.
00:27:47 --> 00:27:50: Thanks Amy, it's it's great to hear how you're kind
00:27:50 --> 00:27:53: of turning back the tide on those old redlined neighborhoods,
00:27:53 --> 00:27:55: bringing some of them back to life.
00:27:55 --> 00:27:58: Giving some folks of opportunity who may not have had
00:27:58 --> 00:28:01: an opportunity to be owners in Memphis before,
00:28:01 --> 00:28:03: but all great work that you're doing.
00:28:03 --> 00:28:05: So thanks again for joining us.
00:28:05 --> 00:28:07: I do want to say if you have questions,
00:28:07 --> 00:28:10: please do type type them in the Q and a
00:28:10 --> 00:28:12: box rather than in the chat box and we will
00:28:12 --> 00:28:13: get to the questions.
00:28:13 --> 00:28:16: After our other panelists or through presenting.
00:28:16 --> 00:28:19: But you can go ahead and enter them now,
00:28:19 --> 00:28:22: so. Thanks very much now will turn to AJ Jackson.
00:28:22 --> 00:28:25: AJ again is is with JBG Smith and working in
00:28:25 --> 00:28:30: another city that has a strong racial identity in history
00:28:30 --> 00:28:33: that has a great impact on what we see on
00:28:33 --> 00:28:35: the ground today in Washington DC.
00:28:35 --> 00:28:38: And so AJ really happy to have you here and
00:28:38 --> 00:28:40: I'd love to hear both.
00:28:40 --> 00:28:44: Kind of the work you're doing on the ground Washington
00:28:44 --> 00:28:49: Housing Initiative in that very creative means of investing that
00:28:49 --> 00:28:50: JBG Smith is.
00:28:50 --> 00:28:54: Ben has created but also like to think about at
00:28:54 --> 00:28:58: the dealmaking level and at that on the other end
00:28:59 --> 00:29:00: of the of the deal.
00:29:00 --> 00:29:04: What can folks in development industry do to ensure that
00:29:04 --> 00:29:06: we are being inclusive again,
00:29:06 --> 00:29:09: not just in the way that we're putting housing on
00:29:09 --> 00:29:10: the ground,
00:29:10 --> 00:29:15: but in the deals that come together together to make
00:29:15 --> 00:29:18: that happen at the end of the day?
00:29:18 --> 00:29:21: Thank you, thank you Chris and thank you Ron again.
00:29:21 --> 00:29:23: I made you Jackson with JBG Smith.
00:29:23 --> 00:29:25: For those who don't know,
00:29:25 --> 00:29:28: JBG Smith is a large public publicly traded for profit

00:29:29 --> 00:29:31: real estate company in the Washington area.
00:29:31 --> 00:29:34: We do development, investment, property management,
00:29:34 --> 00:29:38: asset management, across office, retail and residential.
00:29:38 --> 00:29:42: An really focus on bringing those things together at large
00:29:42 --> 00:29:43: scale and in locations.
00:29:43 --> 00:29:46: So we come out at this issue from a little
00:29:46 --> 00:29:48: bit of a different perspective.
00:29:48 --> 00:29:52: But I think it's important where we're Natasha started to
00:29:52 --> 00:29:54: talk a little bit about history,
00:29:54 --> 00:29:57: and I'll talk specifically about history in DC,
00:29:57 --> 00:30:00: you know, do you see it's a place that has
00:30:00 --> 00:30:02: been known as Chocolate City,
00:30:02 --> 00:30:05: not just for its majority black population,
00:30:05 --> 00:30:08: but really for a thriving black culture in the in
00:30:08 --> 00:30:09: the city.
00:30:09 --> 00:30:11: And like many cities in the country,
00:30:11 --> 00:30:16: was severely impacted in particularly in those historically African American
00:30:17 --> 00:30:19: corridors by the riots of 1968.
00:30:19 --> 00:30:22: And following those riots was a long period of decline.
00:30:22 --> 00:30:26: Both the population but also loss of business in the
00:30:26 --> 00:30:30: city which ultimately culminated in the bankruptcy essentially of the
00:30:31 --> 00:30:31: city,
00:30:31 --> 00:30:32: in the in the 1990s.
00:30:32 --> 00:30:36: We can't technically go bankrupt because of the federal status
00:30:37 --> 00:30:37: of DC,
00:30:37 --> 00:30:41: but it went bankrupt. The city has rebounded tremendously,
00:30:41 --> 00:30:43: and as the city has come back,
00:30:43 --> 00:30:46: a lot of of of development pressure has pushed into
00:30:47 --> 00:30:52: neighborhoods in those corridors that were damaged into those historically.
00:30:52 --> 00:30:56: Black communities and push sort of East across the city
00:30:56 --> 00:30:56: and Ron.
00:30:56 --> 00:30:58: If you could put up the first,
00:30:58 --> 00:31:01: the first picture that I that I sent over,
00:31:01 --> 00:31:06: I just want to give people context of DC because
00:31:06 --> 00:31:07: in DC.
00:31:07 --> 00:31:09: As that redevelopment is happened,
00:31:09 --> 00:31:13: it has meant gentrification, which is just investment in these
00:31:13 --> 00:31:14: neighborhoods.
00:31:14 --> 00:31:15: But in DC in particular,

00:31:15 --> 00:31:20: in the Washington region, writ large gentrification has been synonymous

00:31:20 --> 00:31:24: with displacement and displacement of African Americans and displacement of

00:31:24 --> 00:31:25: other low income,

00:31:25 --> 00:31:29: low income people. And these are just two headlines from

00:31:29 --> 00:31:30: the Washington Post.

00:31:30 --> 00:31:33: Recent articles. In the past past years.

00:31:33 --> 00:31:35: So so as we saw this happening in the city

00:31:36 --> 00:31:39: and thought about it really out from a from a

00:31:39 --> 00:31:40: private business perspective.

00:31:40 --> 00:31:43: How can we have a city that is more inclusive

00:31:43 --> 00:31:45: that is welcoming to everyone?

00:31:45 --> 00:31:49: We launched something called the Washington Housing Initiative that was

00:31:49 --> 00:31:53: designed to help preserve affordability in these corridors,

00:31:53 --> 00:31:56: so we have a mission of preserving affordability,

00:31:56 --> 00:31:59: preventing displacement, and helping the residents to share in the

00:32:00 --> 00:32:03: benefits of economic growth and to a point that Ron

00:32:03 --> 00:32:04: made in his opening.

00:32:04 --> 00:32:08: We really try to focus on neighborhoods that provide opportunity

00:32:08 --> 00:32:11: as opposed to neighborhoods that are simply affordable so that

00:32:11 --> 00:32:15: we can have better outcomes for residents who live there.

00:32:15 --> 00:32:19: Particularly children, so the Washington Housing Initiative is something that

00:32:19 --> 00:32:20: that I run for.

00:32:20 --> 00:32:22: JBG Smith. We have raised a fund of a little

00:32:22 --> 00:32:24: more than 100 million dollars,

00:32:24 --> 00:32:26: primarily from third party investors.

00:32:26 --> 00:32:29: We are significant investors in the Fund is primarily third

00:32:29 --> 00:32:30: party investors,

00:32:30 --> 00:32:33: and we deploy that capital to nonprofit borrowers,

00:32:33 --> 00:32:36: including the Washington Housing Conservancy,

00:32:36 --> 00:32:40: which is a nonprofit focused exclusively on affordable workforce housing.

00:32:40 --> 00:32:43: But other non-profit bars, as well as mission aligned for

00:32:43 --> 00:32:44: profit board,

00:32:44 --> 00:32:46: but they can go into corridors like this.

00:32:46 --> 00:32:50: Acquire naturally affordable housing and keep it affordable and then

00:32:50 --> 00:32:54: layer in the resources that are necessary to help residents

00:32:54 --> 00:32:55: thrive in place.
00:32:55 --> 00:32:57: So there's a role state component,
00:32:57 --> 00:33:00: and there's also a social impact component with regard to
00:33:00 --> 00:33:04: the resident success and and and wealth creation over over
00:33:04 --> 00:33:05: over time.
00:33:05 --> 00:33:08: And I'm happy to talk more about the washing housing
00:33:08 --> 00:33:10: initiative and how that works,
00:33:10 --> 00:33:12: but but I will say our core idea there was
00:33:12 --> 00:33:15: to really try to bring private capital at scale into
00:33:15 --> 00:33:19: the preservation and creation of workforce housing in a way
00:33:19 --> 00:33:21: that hadn't been done before.
00:33:21 --> 00:33:24: And we think it's important that's important because the issues
00:33:24 --> 00:33:27: of displacement are so great now and the issues of
00:33:27 --> 00:33:30: housing affordability or so great now that they think they're
00:33:30 --> 00:33:33: beyond the scope of just public sector solutions and just
00:33:33 --> 00:33:34: philanthropic solutions,
00:33:34 --> 00:33:37: we need to find ways to channel private capital into
00:33:37 --> 00:33:40: these spaces while at the same time providing real commitments
00:33:40 --> 00:33:43: to affordability and providing benefits for residents.
00:33:43 --> 00:33:45: Everything I want to talk about goes to sort of
00:33:45 --> 00:33:46: what you said wrong,
00:33:46 --> 00:33:48: which is our. I'm sorry,
00:33:48 --> 00:33:52: Chris, which is really this issue Christopher of.
00:33:52 --> 00:33:55: We can leave that second image up of what I
00:33:55 --> 00:33:57: call cultural displacement,
00:33:57 --> 00:33:59: but this is that second image is a shot of
00:34:00 --> 00:34:02: 14th St and in Washington DC.
00:34:02 --> 00:34:05: One of these historically black corridors,
00:34:05 --> 00:34:07: and on the left sort of the early 2000s,
00:34:07 --> 00:34:11: Unabandoned Laundromat and on the right is that that shot
00:34:11 --> 00:34:16: today that was taken about 2010 minutes essentially today pre
00:34:16 --> 00:34:20: covid obviously of an Aurora new French Bistro that opened
00:34:20 --> 00:34:23: up in that location. And one of the things that
00:34:23 --> 00:34:28: happens in corridors with gentrification is not just displacement of
00:34:28 --> 00:34:30: residents because prices rise,
00:34:30 --> 00:34:34: but also really a feeling of what I'll call cultural
00:34:34 --> 00:34:34: displacement,
00:34:34 --> 00:34:38: which is not feeling at home in your own neighborhood.
00:34:38 --> 00:34:41: Being a resident on 14th St who was here through

00:34:41 --> 00:34:42: the Sixties,
00:34:42 --> 00:34:45: 70s, and 80s and coming out to the 14th St
00:34:45 --> 00:34:48: on the right side of the image there with a
00:34:48 --> 00:34:51: French restaurant serving $25 hamburgers use,
00:34:51 --> 00:34:55: you start to. Feel that the neighborhood has left you,
00:34:55 --> 00:35:00: even if you haven't left that left the neighborhood and
00:35:00 --> 00:35:03: so one of the we realized this as we were
00:35:03 --> 00:35:08: doing development in this corridor as well as another corridors
00:35:08 --> 00:35:11: and decided that we needed to try to be more
00:35:11 --> 00:35:16: proactive in our development processes about including an equity lens
00:35:16 --> 00:35:20: and so working with some folks here in DC,
00:35:20 --> 00:35:23: we did a series of sessions essentially.
00:35:23 --> 00:35:25: Training if you if you will,
00:35:25 --> 00:35:28: for our development team to think about equitable development and
00:35:28 --> 00:35:30: and what it really boils down to,
00:35:30 --> 00:35:33: is thinking about not only shoes in the room when
00:35:33 --> 00:35:35: we're making development decisions,
00:35:35 --> 00:35:38: but who's impacted by this decisions that isn't in the
00:35:38 --> 00:35:39: room.
00:35:39 --> 00:35:42: Who's going to benefit from what we're creating?
00:35:42 --> 00:35:43: Who's going to be burdened from?
00:35:43 --> 00:35:46: What we're creating? An? I think you know,
00:35:46 --> 00:35:49: for those of us who have done some some larger
00:35:49 --> 00:35:50: scale developments,
00:35:50 --> 00:35:53: we may be familiar with the with the neighbor process
00:35:53 --> 00:35:53: and your.
00:35:53 --> 00:35:55: You're in the Dnieper processor,
00:35:55 --> 00:35:57: reviewing a project and saying,
00:35:57 --> 00:36:00: what are my impacts and how my mitigating those impacts,
00:36:00 --> 00:36:02: and I think the same lens really needs to be
00:36:02 --> 00:36:04: applied to development.
00:36:04 --> 00:36:06: What are the impacts of what we're doing?
00:36:06 --> 00:36:08: How are we mitigating those impacts?
00:36:08 --> 00:36:09: Who's not in the room?
00:36:09 --> 00:36:12: Who is being impacted that were not that we're not
00:36:12 --> 00:36:13: hearing from?
00:36:13 --> 00:36:15: And I think the training for our development team,
00:36:15 --> 00:36:19: especially our young or younger developers who are out leading
00:36:19 --> 00:36:22: a lot of the project interaction was so important to

00:36:22 --> 00:36:23: me because.
00:36:23 --> 00:36:25: This is a lens that needs to be as much
00:36:25 --> 00:36:29: a part of development analysis as pro forma analysis as
00:36:29 --> 00:36:31: its financial analysis is.
00:36:31 --> 00:36:34: So we train people and how to do underwriting.
00:36:34 --> 00:36:37: We train people and how to do environmental assessment.
00:36:37 --> 00:36:41: We don't really train people on how to do assessments
00:36:41 --> 00:36:44: around equity and that I think is an important part
00:36:44 --> 00:36:49: of what's what's missing from the development landscape and what
00:36:49 --> 00:36:52: can can help to mitigate some of the impacts and
00:36:52 --> 00:36:55: change the direction of development going forward.
00:36:55 --> 00:36:59: To make it more more inclusive and more equitable,
00:36:59 --> 00:37:01: so I'll stop there and we can.
00:37:01 --> 00:37:03: We can talk more during the Q&A.
00:37:07 --> 00:37:09: Super thank you very much AJ.
00:37:09 --> 00:37:12: Um important work that the initiative doing is great to
00:37:12 --> 00:37:16: hear about the training program you have and having that
00:37:16 --> 00:37:17: process in place.
00:37:17 --> 00:37:22: I'm sure that that something will be interested that's interesting
00:37:22 --> 00:37:24: to a lot of our participants here.
00:37:24 --> 00:37:27: Finally returned to do you carry and you have a
00:37:27 --> 00:37:31: lot of amazing experience working with some major cities range
00:37:31 --> 00:37:33: of different issues related,
00:37:33 --> 00:37:36: not just equity but the climate to say the same
00:37:36 --> 00:37:37: thing.
00:37:37 --> 00:37:40: A looking at how cities can work to bring people
00:37:40 --> 00:37:46: together around those kinds of priorities would really appreciate hearing
00:37:46 --> 00:37:49: your perspective on on how cities can go about to
00:37:49 --> 00:37:54: put the right policies, incentives or whatever the case may
00:37:54 --> 00:37:58: be in place to ensure that that would development happens.
00:37:58 --> 00:38:02: It's done in the right way and that that equity
00:38:02 --> 00:38:06: lens that AJ talked about is kind of fully implemented.
00:38:06 --> 00:38:10: Agent, I mean sorry Kerry.
00:38:10 --> 00:38:12: Well yeah, thank you Christopher.
00:38:12 --> 00:38:15: Thank you for a run for the opportunity to participate
00:38:15 --> 00:38:17: in this in this very important discussion,
00:38:17 --> 00:38:21: I'm going to focus on local government policy and really
00:38:21 --> 00:38:25: reflecting on how it shapes our economic and social landscape

00:38:25 --> 00:38:26: in in our cities today.
00:38:26 --> 00:38:29: I'm I'm a partner HRT advisors for those of you
00:38:29 --> 00:38:33: not familiar with our firmware and economic development,
00:38:33 --> 00:38:36: real estate in public policy consultancy that works with the
00:38:36 --> 00:38:37: range of public,
00:38:37 --> 00:38:40: private and nonprofit profit partners,
00:38:40 --> 00:38:42: I've spent a fair amount of my career,
00:38:42 --> 00:38:46: focus on economic development, alot of which is really a
00:38:46 --> 00:38:49: focus on how we create more inclusive outcomes of that
00:38:49 --> 00:38:49: work.
00:38:49 --> 00:38:52: I'm sure as many of you have have felt over
00:38:52 --> 00:38:54: the coming over the past months.
00:38:54 --> 00:38:57: It's been a real point of somewhat overdue reflection.
00:38:57 --> 00:38:58: On the work we do,
00:38:58 --> 00:39:01: and it's brought me to question some of the basic
00:39:01 --> 00:39:04: precepts of the work of Economic Community development and even
00:39:04 --> 00:39:06: some of the most progressive policy.
00:39:06 --> 00:39:09: So I'm going to talk a little bit about that.
00:39:09 --> 00:39:13: Economic development policy has really helped to underpin the transformation
00:39:13 --> 00:39:15: of the American city over the past decades.
00:39:15 --> 00:39:18: It's helped return investment to our downtowns itself,
00:39:18 --> 00:39:21: created viral places where talents want wants to be where
00:39:21 --> 00:39:22: businesses want to grow,
00:39:22 --> 00:39:25: and up until covid. Many of our cities were capitalizing
00:39:25 --> 00:39:28: really an historic periods of economic growth.
00:39:28 --> 00:39:31: An increased demand for living and working in cities,
00:39:31 --> 00:39:33: but I think if we all take a hard look,
00:39:33 --> 00:39:37: many of these policies that have driven that transformation also
00:39:37 --> 00:39:39: deep in the racial divide.
00:39:39 --> 00:39:42: There's a strong imperative in the economic development business to
00:39:42 --> 00:39:43: build on strength,
00:39:43 --> 00:39:46: and that's tended to see resources to buy neighborhoods to
00:39:46 --> 00:39:48: central business districts.
00:39:48 --> 00:39:50: So so much of what we need to do is
00:39:50 --> 00:39:53: take a hard look at at past and present practice
00:39:53 --> 00:39:57: in local government to understand how policies have impacted communities
00:39:57 --> 00:40:00: for better for worse. And whom they benefited.
00:40:00 --> 00:40:03: So take two tools that are typical core parts of

00:40:03 --> 00:40:04: cities,

00:40:04 --> 00:40:08: toolkits and driving and spurring development tax abatements of tax

00:40:08 --> 00:40:12: increment finance in work we did in Columbus to help

00:40:12 --> 00:40:14: them re enact new policy.

00:40:14 --> 00:40:16: We found that parcels in one for affluent,

00:40:16 --> 00:40:21: predominantly white neighborhood were three times more likely to receive

00:40:21 --> 00:40:23: property tax abatements that,

00:40:23 --> 00:40:26: in comparison, instead of less affluent,

00:40:26 --> 00:40:30: predominantly black communities.

00:40:30 --> 00:40:32: You know the city was under fire for the fact

00:40:33 --> 00:40:36: that there were affluent condo owners who are paying less

00:40:36 --> 00:40:40: property taxes than struggling families in other neighborhoods.

00:40:40 --> 00:40:43: Yeah, another tool that's that's a core part of the

00:40:43 --> 00:40:47: of the economic development will get tax increment finance.

00:40:47 --> 00:40:48: I do a lot of work in Houston,

00:40:48 --> 00:40:51: you know 10% of the cities property tax base there

00:40:51 --> 00:40:55: is collected within 26 different tax increment reinvestment zones.

00:40:55 --> 00:40:58: If you think about the you know wells accumulation here,

00:40:58 --> 00:41:02: four of the wealthiest districts combined retain more tax increment

00:41:02 --> 00:41:03: that remaining 22,

00:41:03 --> 00:41:06: which they get to reinvest locally.

00:41:06 --> 00:41:09: So Tiffin tax abatements have no doubt been powerful tools

00:41:09 --> 00:41:11: in revitalizing our neighbors.

00:41:11 --> 00:41:14: You know they're important in times of economic recovery,

00:41:14 --> 00:41:17: but I think we as Economic Community developers need to

00:41:17 --> 00:41:21: ask ourselves test questions about who benefited from these policies,

00:41:21 --> 00:41:23: and if you think of those those cases,

00:41:23 --> 00:41:26: the primary direct beneficiaries have been land owners in real

00:41:26 --> 00:41:27: estate developers,

00:41:27 --> 00:41:29: predominantly white and male constituents.

00:41:29 --> 00:41:31: So you know, my point is that yes,

00:41:31 --> 00:41:34: we need to continue to grow our housing supply in

00:41:34 --> 00:41:35: our economies,

00:41:35 --> 00:41:38: but our policy is really warranty rethinking to address their

00:41:38 --> 00:41:43: racial disparities that have been either intentionally or unintentionally exacerbated.

00:41:43 --> 00:41:46: And I think we are seeing movement in city government.

00:41:46 --> 00:41:50: I've certainly seen it over past years to think critically
00:41:50 --> 00:41:51: about these dynamics.
00:41:51 --> 00:41:53: I think we're going to see a lot more of
00:41:53 --> 00:41:56: that much more deeply and at the time of fiscal
00:41:56 --> 00:41:58: constraint allow greater scrutiny.
00:41:58 --> 00:42:01: But where? Where I'd really like to see us go
00:42:01 --> 00:42:04: with cities is a real pain in the perceived mission
00:42:04 --> 00:42:07: and role of economic development to two top racial equity
00:42:07 --> 00:42:09: and shared prosperity is our core mission.
00:42:09 --> 00:42:13: So yes, where are we seeing opportunities for communities that
00:42:13 --> 00:42:14: really make progress?
00:42:14 --> 00:42:18: In Dragon history development, I'm going to talk about a
00:42:18 --> 00:42:21: couple different areas where I've seen I've seen real.
00:42:21 --> 00:42:23: Well, I think there's real opportunity where we've seen some
00:42:24 --> 00:42:25: cities doing interesting things.
00:42:25 --> 00:42:28: First, you know it's so important for cities to clearly
00:42:28 --> 00:42:31: articulate their values and to use them to structure all
00:42:31 --> 00:42:32: that we do in our investments.
00:42:32 --> 00:42:36: We're seeing changes in cities and thinking how they're thinking
00:42:36 --> 00:42:37: about equity in the work they do,
00:42:37 --> 00:42:40: but this is really about leading with our values prosper.
00:42:40 --> 00:42:42: Portland is A is a phenomenal example.
00:42:42 --> 00:42:47: This is Portland's economic and Urban Development Agency.
00:42:47 --> 00:42:49: City that has a deep legacy of racism.
00:42:49 --> 00:42:52: They five years ago made a very important transition.
00:42:52 --> 00:42:56: They made racial equity the foundation of all their community
00:42:56 --> 00:42:57: economic development work.
00:42:57 --> 00:43:00: You know, I, I can't overstate how important is to
00:43:00 --> 00:43:04: explicitly name brace in that mission and that transition that
00:43:04 --> 00:43:06: they made and it drives everything they do.
00:43:06 --> 00:43:08: It drives their work around,
00:43:08 --> 00:43:12: grown widely shared prosperity, growing a more equitable outcome,
00:43:12 --> 00:43:15: growing more vibrant neighborhoods and communities.
00:43:15 --> 00:43:18: Those values for us need to translate to the tools
00:43:18 --> 00:43:22: for deploying that drive development drive economic development.
00:43:22 --> 00:43:24: So to go back to Columbus,
00:43:24 --> 00:43:27: we worked with them to really re envision their tax
00:43:27 --> 00:43:31: abatements and mechanism to foster private sector investment and mixed

00:43:31 --> 00:43:34: income neighborhoods rather than think of A1 size fits all
00:43:34 --> 00:43:38: tool, it is now applied differently in different neighborhoods that
00:43:38 --> 00:43:43: have different characteristics along the development economics but also community
00:43:43 --> 00:43:47: distress characteristics and now require many communities.
00:43:47 --> 00:43:52: Delivery affordable housing as part of a mixed income project
00:43:52 --> 00:43:54: to receive an abatement.
00:43:54 --> 00:43:56: You know the other way that these values,
00:43:56 --> 00:43:58: nature functions for resource allocation.
00:43:58 --> 00:44:01: We have a deep resource allocation question here and we
00:44:01 --> 00:44:04: need to shift far greater resources to investments that are
00:44:04 --> 00:44:05: promoting racial equity.
00:44:05 --> 00:44:08: We're seeing a lot of scrutiny over city budgets today.
00:44:08 --> 00:44:11: That's a great thing. It's certainly topic around policing,
00:44:11 --> 00:44:13: but we're seeing and extending to other areas.
00:44:13 --> 00:44:17: I think economic and Community development deserves burning.
00:44:17 --> 00:44:19: You know, there's a lot of stake here to go
00:44:19 --> 00:44:21: to New York Times to study that tried to estimate
00:44:21 --> 00:44:23: state and local government.
00:44:23 --> 00:44:27: Business and real estate incentives 80 billion dollars annually so
00:44:27 --> 00:44:28: a lot of money.
00:44:28 --> 00:44:31: We need to be really thinking about and we need
00:44:31 --> 00:44:34: to think about these expenditures in these assets as a
00:44:34 --> 00:44:38: portfolio of primary objective of which I would argue should
00:44:38 --> 00:44:42: be creating more example. Local economies so doing that requires
00:44:42 --> 00:44:43: you know as AJ said.
00:44:43 --> 00:44:46: You know training people and in how to think about
00:44:46 --> 00:44:48: equity and how to deploy equity.
00:44:48 --> 00:44:51: It's going to require us to look back at the
00:44:51 --> 00:44:53: beneficiaries of these investments.
00:44:53 --> 00:44:55: It's going to require us to shift how who we're
00:44:55 --> 00:44:57: targeting and how we're working with them,
00:44:57 --> 00:45:01: and we're going to far greater transparency.
00:45:01 --> 00:45:02: In terms of housing policy,
00:45:02 --> 00:45:06: you know there's a need to really balance growth with
00:45:06 --> 00:45:06: that goal.
00:45:06 --> 00:45:09: Outcomes, which is attention. I think we all see in
00:45:09 --> 00:45:13: all of our communities that begins with issues that Amy
00:45:13 --> 00:45:14: brought up around land use.

00:45:14 --> 00:45:18: The correlation between single family housing zoning today and red

00:45:18 --> 00:45:19: line Maps,

00:45:19 --> 00:45:22: and really some of the laudable work that's being done

00:45:22 --> 00:45:26: in places like Minneapolis to abolish single family housing,

00:45:26 --> 00:45:30: zoning and break apart the segregation of their neighborhoods.

00:45:30 --> 00:45:33: I know near and dear to the church through intermission

00:45:34 --> 00:45:34: is,

00:45:34 --> 00:45:37: you know, a commitment to increasing the supply of housing

00:45:37 --> 00:45:40: as a means to preserve long-term affordability.

00:45:40 --> 00:45:43: That's something that can be so powerful when done well,

00:45:43 --> 00:45:47: but in many cities, we're still we're still struggling to

00:45:47 --> 00:45:50: get by rise owned by resigning from multifamily Aquarius and

00:45:50 --> 00:45:53: in many places are let our zoning is not even

00:45:53 --> 00:45:55: keeping up with our population projection.

00:45:55 --> 00:45:58: So you know, in many ways I think as an

00:45:58 --> 00:45:58: industry is,

00:45:58 --> 00:46:01: we have to sort of take a step back and

00:46:01 --> 00:46:01: take.

00:46:01 --> 00:46:03: A different look at the problem.

00:46:03 --> 00:46:06: I saw a question and in the Q&A asking about

00:46:06 --> 00:46:09: you know is it a housing affordability powers in an

00:46:09 --> 00:46:10: income problem.

00:46:10 --> 00:46:13: You know, I think it's very easy in this industry

00:46:13 --> 00:46:16: to focus on development pro forma demand has been high

00:46:16 --> 00:46:17: supplies being constrained.

00:46:17 --> 00:46:20: It's been a profitable. Dynamic first bill state,

00:46:20 --> 00:46:24: but individually rational choices don't always translate to the right

00:46:25 --> 00:46:26: holistic outcome.

00:46:26 --> 00:46:28: An we've seen that. The pressure of the lack of

00:46:28 --> 00:46:29: affordability.

00:46:29 --> 00:46:32: We've seen the pressure of racial disparity.

00:46:32 --> 00:46:34: As you know the part is gone,

00:46:34 --> 00:46:35: so hard boiled over you know,

00:46:35 --> 00:46:39: we've seen that certainly around housing affordability in New York

00:46:39 --> 00:46:41: and the changes around rent regulation,

00:46:41 --> 00:46:43: which have which are forcing the bid,

00:46:43 --> 00:46:47: the real estate Institute essentially reinvent their business model.

00:46:47 --> 00:46:51: So it's important that we all see the linkages between

00:46:51 --> 00:46:54: prosperity and a long term healthy real estate market.
00:46:54 --> 00:46:55: We have a wage problem.
00:46:55 --> 00:46:59: No question nationally. We haven't seen the average American is
00:46:59 --> 00:47:02: not seem income growth in the past 50 years in
00:47:02 --> 00:47:02: real terms.
00:47:02 --> 00:47:05: We need that income growth to drive equitable prosperity.
00:47:05 --> 00:47:07: We needed to ultimately drive the growth of the real
00:47:07 --> 00:47:08: estate market,
00:47:08 --> 00:47:10: and if we as an industry ignore that issue,
00:47:10 --> 00:47:12: it's going to be a problem.
00:47:12 --> 00:47:13: So I think that means as,
00:47:13 --> 00:47:17: whereas we're grappling with legacy of redlining,
00:47:17 --> 00:47:19: not just looking at housing development,
00:47:19 --> 00:47:21: which is a critical part,
00:47:21 --> 00:47:24: but also thinking about how we connect our work to
00:47:24 --> 00:47:25: wealth generation.
00:47:25 --> 00:47:28: You know, black black people are almost 13%
00:47:28 --> 00:47:30: of our population there. 4%
00:47:30 --> 00:47:32: of our nation's business owners.
00:47:32 --> 00:47:35: And while we've had, you know M WBE policy is
00:47:35 --> 00:47:38: traditionally bananas are driving these outcomes.
00:47:38 --> 00:47:41: You know we really need to sort of double down
00:47:41 --> 00:47:42: on those opportunities.
00:47:42 --> 00:47:44: And efforts to bring more wealth.
00:47:44 --> 00:47:47: The black communities I was pleased to see in the
00:47:47 --> 00:47:50: news just the other day DC released a new development
00:47:50 --> 00:47:52: opportunity that for the first time in the district,
00:47:52 --> 00:47:56: provider preference for teams led by black disadvantage businesses.
00:47:56 --> 00:47:57: So it's not just an FWB,
00:47:57 --> 00:48:01: you know, target or requirement is actually selecting teams that
00:48:01 --> 00:48:02: have doubt that leadership,
00:48:02 --> 00:48:05: but you know eight states still in the country ban
00:48:05 --> 00:48:06: affirmative action.
00:48:06 --> 00:48:09: So there's a lot of policy work that needs to
00:48:09 --> 00:48:10: be done together.
00:48:10 --> 00:48:13: This and I think there are opportunities for us even
00:48:13 --> 00:48:15: on a small scale to think about the projects we
00:48:15 --> 00:48:16: built.
00:48:16 --> 00:48:18: To drive a black book wealth creation.
00:48:18 --> 00:48:21: What if we thought it mixed income development projects is

00:48:21 --> 00:48:23: real opportunity to do so.
00:48:23 --> 00:48:25: It would mean adopting models like Oakland,
00:48:25 --> 00:48:27: CA, Black Art Business Improvement District,
00:48:27 --> 00:48:29: some really exciting work there.
00:48:29 --> 00:48:32: They are established a new local Development Corporation.
00:48:32 --> 00:48:36: They leverage new development to underwritten impact fund.
00:48:36 --> 00:48:38: That fund supports black artists,
00:48:38 --> 00:48:41: black businesses and fries. Technical assistance for them to have
00:48:41 --> 00:48:44: a place to grow in their community even as new
00:48:44 --> 00:48:46: development is coming in so.
00:48:46 --> 00:48:48: You know all this in my mind points.
00:48:48 --> 00:48:51: Do I need to change the industry to make sure
00:48:51 --> 00:48:55: that we are bringing more leaders of color into the
00:48:55 --> 00:48:56: development industry?
00:48:56 --> 00:49:00: We are bringing up black round and female leader through
00:49:00 --> 00:49:04: our own organizations whereas AJ said committing to mentor ship
00:49:04 --> 00:49:08: and committing to rethinking how we do the work we
00:49:08 --> 00:49:11: do. And you know, I think this platform having a
00:49:11 --> 00:49:15: discussion here is you always so important because you like
00:49:15 --> 00:49:18: to play such a critical role in really.
00:49:18 --> 00:49:20: In really driving that, thank you.
00:49:23 --> 00:49:26: Thanks, Kerry really really great.
00:49:26 --> 00:49:29: Great perspectives on some of the opportunities there are out
00:49:29 --> 00:49:32: there and we have had some good response in the
00:49:32 --> 00:49:33: Q&A box.
00:49:33 --> 00:49:36: So we will move to some of the audience Q&A
00:49:36 --> 00:49:39: now and AJ there's been a lot of interest in
00:49:39 --> 00:49:42: your program that JBG Smith in terms of implementing that
00:49:42 --> 00:49:45: equity lens and folks have asked both,
00:49:45 --> 00:49:48: can you give a little more detail about about?
00:49:48 --> 00:49:51: What the process is or what the metrics are that
00:49:51 --> 00:49:52: you look at.
00:49:52 --> 00:49:54: Or could you give an example of maybe a decision
00:49:54 --> 00:49:57: that changed as a result of applying the lens?
00:49:59 --> 00:50:01: Look, I think you're still on mute there,
00:50:01 --> 00:50:03: AJ.
00:50:03 --> 00:50:06: Sorry bout that. It's much more process than metrics for
00:50:06 --> 00:50:07: us and not,
00:50:07 --> 00:50:11: but that's right or wrong that that's that's where we
00:50:11 --> 00:50:11: are.

00:50:11 --> 00:50:13: But it's really been what,
00:50:13 --> 00:50:16: what, what we have been learning about it being being
00:50:16 --> 00:50:20: trained about is really again who we engage in discussions
00:50:20 --> 00:50:24: with what perspective we're considering because development.
00:50:24 --> 00:50:29: It's a series of conversations and incremental decisions that ultimately
00:50:29 --> 00:50:32: lead to you know it ultimately lead to the final
00:50:32 --> 00:50:32: project,
00:50:32 --> 00:50:35: and so it's. Using the room is not in the
00:50:35 --> 00:50:37: room and then who are you checked through?
00:50:37 --> 00:50:40: Are you checking in with and changing that that perspective
00:50:41 --> 00:50:43: so that you know most developers don't want to get
00:50:43 --> 00:50:45: blindsided at the Planning Commission?
00:50:45 --> 00:50:48: Or have you know that kind of a set back
00:50:48 --> 00:50:49: and so they want to say,
00:50:49 --> 00:50:50: OK? I've checked in with her,
00:50:50 --> 00:50:52: I've got covered my basis right,
00:50:52 --> 00:50:55: and so it's really kind of what this is about
00:50:55 --> 00:50:56: is redefining the basis,
00:50:56 --> 00:50:58: righted redefining the basis for us,
00:50:58 --> 00:51:01: redefining the basis with the with the public sector,
00:51:01 --> 00:51:03: so it's much more of that than sort of we've
00:51:03 --> 00:51:04: done.
00:51:04 --> 00:51:05: You know, we have this.
00:51:05 --> 00:51:07: This this metric I will say,
00:51:07 --> 00:51:11: though, that we've looked at the in the as part
00:51:11 --> 00:51:14: of the washing housing issue we were looking at a
00:51:14 --> 00:51:18: development project in DC with it with a partner and
00:51:18 --> 00:51:22: ultimately ended up having to adjust the first,
00:51:22 --> 00:51:26: adjust the sort of the development program of the of
00:51:26 --> 00:51:27: the of the project,
00:51:27 --> 00:51:33: and ultimately really adjust the development economics or the program
00:51:33 --> 00:51:36: because it became apparent that.
00:51:36 --> 00:51:40: There was such from it from a social equity perspective.
00:51:40 --> 00:51:45: There was such an important need to include a significant
00:51:46 --> 00:51:47: amount of.
00:51:47 --> 00:51:49: Low and moderate income family housing.
00:51:49 --> 00:51:52: In this project. Much more so than the sort of
00:51:52 --> 00:51:55: the pro forma you would have said.
00:51:55 --> 00:51:58: Well this is not really a rational economic decision,
00:51:58 --> 00:52:01: but our partner had been a part of this community

00:52:02 --> 00:52:02: when it was,
00:52:02 --> 00:52:06: you know pre sort of pre gentrification were very rough
00:52:06 --> 00:52:09: place had been there through the rise and wanted to
00:52:09 --> 00:52:13: continue to be there in felt very strongly about despite
00:52:13 --> 00:52:17: the economics of of other options of really.
00:52:17 --> 00:52:19: Creating both an anchor or housing there,
00:52:19 --> 00:52:23: but also creating an anchor for them in that communion
00:52:23 --> 00:52:25: so that you know.
00:52:25 --> 00:52:29: Being open to that perspective and understanding that that point
00:52:29 --> 00:52:32: of the oil changed the direction of that project went
00:52:32 --> 00:52:35: for for us and changed our involvement in it and
00:52:35 --> 00:52:38: and and really changed. Actually the long run economics as
00:52:38 --> 00:52:41: well for us to the benefit of the partner,
00:52:41 --> 00:52:44: but that's that's that's a smaller example.
00:52:44 --> 00:52:46: I think you know it will take time for us
00:52:46 --> 00:52:48: to see what the what the what,
00:52:48 --> 00:52:50: the long term results are.
00:52:50 --> 00:52:53: But again, it's really more about the process of you
00:52:53 --> 00:52:54: know who you're engaging,
00:52:54 --> 00:52:58: who you consider to be the stakeholders.
00:52:58 --> 00:53:00: Right having their outright people in the room.
00:53:00 --> 00:53:03: That sounds like the big takeaway and one of the
00:53:03 --> 00:53:06: questions that was raised in the in the QA boxes
00:53:06 --> 00:53:10: are there examples of kind of unexpected sources of capital
00:53:10 --> 00:53:13: that any of you have seen because you were specifically
00:53:13 --> 00:53:16: focused on an equity or the history of redlining.
00:53:16 --> 00:53:18: I you know AJ had a partner who had an
00:53:18 --> 00:53:22: interest that helped them along but I wonder if anyone
00:53:22 --> 00:53:25: 's actually seen funding sources who came in because of
00:53:25 --> 00:53:25: that.
00:53:29 --> 00:53:30: It would be a good thing for sure.
00:53:33 --> 00:53:36: Well, one thing I would say to that is talking
00:53:36 --> 00:53:40: to Heather Worthington from Minneapolis and the process that they
00:53:40 --> 00:53:44: went through there of getting rid of single family zoning.
00:53:44 --> 00:53:48: It was really when they started talking about the racial
00:53:48 --> 00:53:51: aspect of the issue that they had a real chance
00:53:51 --> 00:53:53: to get it done at the end of the day.
00:53:53 --> 00:53:57: And I think that it's not necessarily finding that capital
00:53:57 --> 00:53:58: source necessarily,
00:53:58 --> 00:54:00: but I think it is a way to get at

00:54:00 --> 00:54:01: some of the barrier.
00:54:01 --> 00:54:03: Some of the Nimbyism some of the.
00:54:03 --> 00:54:07: Unfounded concerns that people had and get him out into
00:54:07 --> 00:54:09: the open and address them an I think at the
00:54:09 --> 00:54:12: end of the day because they put race front and
00:54:12 --> 00:54:15: center in what they were trying to do in Minneapolis,
00:54:15 --> 00:54:17: they were ultimately able to to achieve that.
00:54:17 --> 00:54:21: Now again, it's a little different than bringing capital to
00:54:21 --> 00:54:21: the table,
00:54:21 --> 00:54:23: but I do think that there's a.
00:54:23 --> 00:54:27: There's an important important lesson there.
00:54:27 --> 00:54:31: I will say more so from the nonprofit philanthropic spaces
00:54:31 --> 00:54:32: that you are,
00:54:32 --> 00:54:35: we are starting to hear specific requests by potential donors
00:54:36 --> 00:54:36: an investors.
00:54:36 --> 00:54:38: Both 'cause I work with our CDF.
00:54:38 --> 00:54:40: I as well on you know,
00:54:40 --> 00:54:43: do you have explicit programs targeting black homeowners,
00:54:43 --> 00:54:47: for instance? And looking to really rectify that gap of
00:54:47 --> 00:54:47: black,
00:54:47 --> 00:54:50: the black homeownership gap in this country?
00:54:50 --> 00:54:53: So I do think that there are many others who
00:54:53 --> 00:54:57: have pots of money who were specifically focusing in on
00:54:57 --> 00:54:58: this issue.
00:54:58 --> 00:55:01: Of development with equity as a focus.
00:55:01 --> 00:55:04: And one thing I appreciate hearing your comment on,
00:55:04 --> 00:55:07: Natasha was a little bit of talk about about income
00:55:07 --> 00:55:10: because income levels are clearly a big problem across the
00:55:10 --> 00:55:12: board right now with covid.
00:55:12 --> 00:55:15: But the reality is, a lot of black income levels
00:55:15 --> 00:55:17: have been stifled by the housing that take that they
00:55:18 --> 00:55:21: lived in their inability to build wealth to access educational
00:55:21 --> 00:55:25: opportunities. I just would invite you to provide any perspective
00:55:25 --> 00:55:27: on the wealth gap portion of the income gap portion
00:55:28 --> 00:55:31: of the conversation as opposed to that absolutely just and
00:55:31 --> 00:55:32: I know we're at drawing.
00:55:32 --> 00:55:35: Close on our time, there's obviously a difference between the
00:55:35 --> 00:55:38: income gap in the wealth gap to a certain degree,
00:55:38 --> 00:55:41: right income is focusing on kind of being equities,
00:55:41 --> 00:55:44: and the pay scales that folks are receiving and the
00:55:44 --> 00:55:46: types of work that they have access to.

00:55:46 --> 00:55:49: Wealth gap is that that those incomes accumulating overtime,
00:55:49 --> 00:55:51: and So what we're seeing in a lot of our
00:55:51 --> 00:55:54: communities also is not just a recovery from some of
00:55:54 --> 00:55:55: the state,
00:55:55 --> 00:55:57: federal, and local legislation and practices,
00:55:57 --> 00:56:00: both the private and the public sector of the 1930s,
00:56:00 --> 00:56:03: Forties and 50s there. These families are still trying to
00:56:03 --> 00:56:04: recover.
00:56:04 --> 00:56:06: From the 8 Great Recession right and so as you
00:56:06 --> 00:56:07: know,
00:56:07 --> 00:56:10: many of you have heard this kind of flippantly said.
00:56:10 --> 00:56:13: When America gets a cold Black America gets the flu.
00:56:13 --> 00:56:16: And unfortunately in this instance gets covid.
00:56:16 --> 00:56:19: So when you're in this space and how that begins
00:56:19 --> 00:56:20: to impact.
00:56:20 --> 00:56:23: These communities that were already vulnerable.
00:56:23 --> 00:56:25: It really does put paint a larger why to the
00:56:26 --> 00:56:29: commentary and the the intent that we content that we've
00:56:29 --> 00:56:32: heard from Kerry from Damian from AJ and if I
00:56:32 --> 00:56:35: could Chris Christopher just at the end of this statement
00:56:35 --> 00:56:36: say.
00:56:36 --> 00:56:38: One of the things that I think is so great
00:56:38 --> 00:56:40: about those of you on this call in the work
00:56:40 --> 00:56:43: that you allow is doing is you have such a
00:56:43 --> 00:56:46: great opportunity to become the architects of the new America.
00:56:46 --> 00:56:49: If we're bold and courageous enough at all aspects of
00:56:49 --> 00:56:50: development,
00:56:50 --> 00:56:53: we become the ones who can construct and build communities
00:56:53 --> 00:56:56: all over this country that look different from the way
00:56:56 --> 00:56:59: that they look now and what's so powerful in that
00:56:59 --> 00:57:02: community building component is that those are the places where
00:57:02 --> 00:57:06: you have unintentional relationships and ronins with people who look
00:57:06 --> 00:57:07: different than you.
00:57:07 --> 00:57:10: If we construct these communities so in the grocery store
00:57:10 --> 00:57:12: in the libraries in the line to vote,
00:57:12 --> 00:57:15: you begin to meet people who look who don't look
00:57:15 --> 00:57:16: like you,
00:57:16 --> 00:57:18: and because they are part of your neighborhood,

00:57:18 --> 00:57:20: they have a human has a humanizing aspect.
00:57:20 --> 00:57:24: Part of this political divisiveness that we're experiencing now is
00:57:24 --> 00:57:26: because we are so segregated in separate.
00:57:26 --> 00:57:29: We have no way, even on social media,
00:57:29 --> 00:57:32: now in our neighborhoods of coming together with people who
00:57:32 --> 00:57:35: look different than less who think differently than we do.
00:57:35 --> 00:57:38: So when we talk about these policies on the homeownership
00:57:38 --> 00:57:39: front,
00:57:39 --> 00:57:42: when we talk about. Improving access to down payment assistance
00:57:42 --> 00:57:45: and access to affordable credit in the rental market when
00:57:45 --> 00:57:49: we talk about having greater access to housing choice vouchers,
00:57:49 --> 00:57:54: investing in segregated communities using the the Neighborhood Homes Improvement
00:57:54 --> 00:57:54: Act,
00:57:54 --> 00:57:58: another opportunity zone. Opportunities to invest in opportunity zones.
00:57:58 --> 00:58:02: I mean, those really are opportunities to change the landscape
00:58:02 --> 00:58:03: of this country,
00:58:03 --> 00:58:06: the political landscape, the social landscape and when we do
00:58:06 --> 00:58:06: it.
00:58:06 --> 00:58:08: Kerry with an equity lens,
00:58:08 --> 00:58:10: we begin to shape a new America so.
00:58:10 --> 00:58:12: I'm so excited to be a part of this conversation.
00:58:12 --> 00:58:15: I hope that it pushes us to really do what
00:58:15 --> 00:58:17: we can do in this moment.
00:58:17 --> 00:58:21: Well, thank you Natasha. I think that's a wonderful place
00:58:21 --> 00:58:24: for us to leave it and a real opportunity lies
00:58:24 --> 00:58:25: before us as an industry.
00:58:25 --> 00:58:29: As a country we have a shameful history that we
00:58:29 --> 00:58:32: have an opportunity to actually do something about.
00:58:32 --> 00:58:34: So thanks so much for joining us.
00:58:34 --> 00:58:36: Thank you, AJ. Amy Carey.
00:58:36 --> 00:58:40: Really wonderful discussion that we've had today and I really
00:58:40 --> 00:58:43: appreciate you taking the time to be apart of it.
00:58:43 --> 00:58:46: For those who had questions in the Q and a
00:58:46 --> 00:58:48: box that were not answered.
00:58:48 --> 00:58:52: I will distribute those questions to our panelists and try
00:58:52 --> 00:58:55: to get some answers back to you and appreciate your
00:58:55 --> 00:58:56: interest.

00:58:56 --> 00:58:59: Your taking the time to participate in all of the
00:58:59 --> 00:59:02: questions that you presented today.
00:59:02 --> 00:59:06: Look for our Twilegar Center second webinar next month in
00:59:06 --> 00:59:09: August and again thanks everyone for being here.
00:59:09 --> 00:59:12: Thank you Ron for joining us today and I hope
00:59:12 --> 00:59:15: everyone has a great afternoon.
00:59:15 --> 00:59:19: Take care thanks everybody. Care about you safe.

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