

OPPORTUNITIES-2016/02/23

THE BROOKINGS INSTITUTION
FALK AUDITORIUM

PATHWAYS TO OPPORTUNITY:
HOUSING, TRANSPORTATION, AND SOCIAL MOBILITY

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Welcome:

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Managing Partner, theGROUP; Trustee, The Brookings Institution

Moderated Conversation:

AMY LIU, Moderator
Vice President and Director, Metropolitan Policy Program, The Brookings Institution

THE HONORABLE JULIAN CASTRO
Secretary, U.S. Department of Housing and Urban Development

THE HONORABLE ANTHONY FOXX
Secretary, U.S. Department of Transportation

Panel Discussion:

ROBERT PUENTES, Moderator
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P R O C E E D I N G S

MR. COLLINS: Good afternoon. We can do better than that. Good afternoon. Thank you so much. And welcome. Let me first of all, on behalf of the Board of Trustees and the entire Brookings family, welcome you. I'm Art Collins, a member of our Board of Trustees. And we are excited about today's program.

There are many additional participants who are on our webcast. We welcome you for being with us today. But in particular, we want to thank each of you who came out and weathered today's rain and joined us. We're going to have an exciting discussion and look forward to your participation.

As you know, we're gathered today to discuss the importance of social mobility. The idea that regardless of where you're from, where you live, you should have access to employment, education, housing, and the vital services, which provide the quality of life that you should expect for you and your family. These issues are personally important to me, having grown up in the inner city of Chicago. These issues are issues that many residents face every day, and they're not a given. It is not a given that you will have quality education. It is not given that you will have access to quality housing, affordable housing. And so, for these reasons, our subject matter is an important discussion.

Under the leadership of Amy Liu, the head of our Metropolitan Policy Program at Brookings, relays her focus on social mobility and other issues. Issues that revolve around assisting cities and metropolitan areas as they build their economies and work for all segments of the population, where every member of that community benefits.

So, let's kind of move on to what we're here for today. We're pleased to be joined by two of the president's cabinet members. Housing and Urban Development Secretary, Julian Castro and my good friend, Secretary, Anthony Foxx. Thank you for being with us today.

Both of our cabinet secretaries have been through the highest calling in life. They were big-city mayors. (laughter) The toughest job in America in elective office. I remember the days of living in Chicago, and I saw mayors come and go, and some went without their own design because they didn't pick up the trash on time or they didn't remove the snow on time. And, so, those are really tough jobs where you have to frontline with the elect (inaudible) and citizens. They of course, are from San Antonio and Charlotte, respectively. And both are perfectly positioned and appreciative of the on-ground

implications of the federal policy that they're administering within their respective agencies.

Today, we'll be hearing from each of them as they implement President Obama's Opportunity Agenda and what that looks like through the eyes of housing and transportation. After the panel with the cabinet members, we will have a response panel of leaders from Baltimore, Chicago, and Kansas City. And we'll talk about what's being done in their respective regions. What's working and what's not working, and the challenges that they face, and the opportunities that they are presented with.

And with this backdrop, we will move forward, and I'll bring to the stage, Amy Liu, as well as Secretaries, Castro and Foxx. Welcome them as they come. (Applause)

MS. LIU: Thank you so much, Art. I can barely see him. There he is. But it's been a real pleasure getting to know and work with Art over the last few months. Welcome everyone this afternoon. I'm very excited and honored to facilitate this conversation between Secretary Castro and Secretary Foxx. The last time Brookings had two secretaries on the stage at the same time, was 5 years ago when Secretary LaHood and Secretary Donovan had a conversation facilitated by my predecessor, Bruce Katz. So, it's clear, we at Brookings, love the partnership between HUD and DOT.

But today's topic, pathways to opportunity, is a very important and timely one. Yes, the US economy has grown. We have seen 71 consecutive months of job growth. But many people and households are not better off. And this is particular true if you're poor and cut off from jobs, from good schools, and opportunity. So, let me bring this to sharp relief, in two metropolitan areas that these two mayors -- mayors -- former mayors know well, which is Charlotte and San Antonio.

Both Charlotte and the San Antonio metropolitan areas have experienced remarkable job growth since 2000's and since the recession. And these two regions have seen enormous growth in poverty. Charlotte, in particular, has seen its number of poor residents more than double since 2000, both in the city and the suburbs. Meanwhile, we know that living in neighborhoods of high poverty, concentrated poverty is the most socially and economically isolating. Well, the number of high poverty neighborhoods and the share of poor residents living in them have grown in both the San Antonio and Charlotte metropolitan areas.

So, in short, while the nation and those two metropolitan areas have experienced economic expansion, it has come with economic exclusion. So, today, we have an opportunity to have a

OPPORTUNITIES-2016/02/23

conversation with two distinguished leaders who have the prospective of being in the community, leading cities through change, but also now, trying to do it from the platform of the federal apparatus. We're going to talk about the role of federal policy in trying to break down these former barriers to opportunity, so we can increase opportunity for more Americans.

So, I'm going to start with Secretary Castro. So, at the heart of this, is the importance of housing choice. And, so, last summer, HUD announced a new rule to further affirmatively fair housing. I'm sure we get that stumbling all the time.

SECRETARY CASTRO: Oh, I know. I do. I do.

MS. LIU: And that is consistent with the Civil Rights Act and the Fair Housing Act back in 1968. And it actually followed a Supreme Court ruling on disparate impact last summer. So, can you explain for all the transportation buffs that are here, primarily to see Secretary Foxx, what that role means. What does it actually mean in practice to see fair housing advanced. And what is new about the rule.

SECRETARY CASTRO: Yeah. And first of all, thank you so much, Amy and everybody here at Brookings. Art, thank you and the board and my great colleague, Secretary Foxx. It's really a treat to be here and to get to talk about issues that really press at the heart of the work that we love to do and put at the center, the people that we love to serve. And it was fascinating to hear San Antonio and Charlotte and what's happened there. And I think, you could write that story, as you say, in city after city, community after community.

So, as the folks in this room, many of the folks know, the administration has been very focused on how we can create opportunity throughout the nation and in every part of communities in the United States. And the President has said very often that a child's zip code should not determine where he or she goes in life. Shouldn't determine destiny. At the same time, in St. Louis, for instance, we find that somebody growing up in the Clayton neighborhood, the upscale Clayton neighborhood, can expect to live 18 years longer than somebody growing up in the Jeff-Vander-Lou neighborhood, not too far away in that metro. And, this analysis that I've often cited, is the Washington Post did an analysis and found that there were 14 neighborhoods in the Baltimore area that had a lower life expectancy than North Korea. Including the neighborhood where Freddy Gray grew up.

And so, it's clear, and I think all of us know it, that we have a lot of work to do when it comes to making investments to ensure that we have high opportunity areas everywhere. And if you think about it, kind of, there are two ways that HUD does that. One way has been with our traditional resources of investing in neighborhoods. Whether it's through CDBG or home or place-based work. More recently, like Choice Neighborhoods, Promise Zones, and other things. The other way, is by creating mobility. And this is best expressed in our Housing Choice Voucher Program, ensuring that folks can go in to the private market and live where they want to live.

The Affirmatively Furthering Fair Housing rule is a piece of unfinished business from the 1968 Fair Housing Act that basically said that the secretary of HUD has an obligation to affirmatively further fair housing. And to me, what that means, the way that I think about it, is that you can't stack and you can't segregate, basically. If you think about what a lot of cities have done, and to connect this just individual to transportation, right, we always think about people that lived on the other side of the tracks, for instance. That every city, including my city of San Antonio, literally had folks that were concentrated into areas. The story of the last 20 years, is that we've been working in different ways to de-concentrate poverty. So, I think of it, is that you can't stack folks and you can't segregate folks.

And AFFH basically says, we're going to give you a new set of tools to do an assessment of fair housing in your community that gives you data about where concentrated poverty is, where the community assets are, what the segregation index looks like in your community. So that you can make, if you're a local policy maker, smarter decisions about how investments should be made and what policy should be put in place, so that you don't have concentrated poverty, and that you increase the ability of folks to be mobile.

All of us saw the research last year by Raj Chetty and the group of folks out of Harvard, about the impact, the personal impact that mobility and higher opportunity areas can make. What AFFH does, is that it really gives communities the tools that they need, I think, to make smarter decisions. When you combine that with work that we've been trying to do, for instance, with state housing finance agencies, in their QAP's so that they use LIHTC in a smarter. And then the work that Gustavo Velasquez and our Fair Housing folks do every day, to try from the federal level to ensure that there's a fair housing landscape out there. All of that adds up to, we believe, an unprecedented opportunity. Cause you asked

OPPORTUNITIES-2016/02/23

at the end of your questions, what's new about this. Really, it's an unprecedented opportunity to both, make smarter decisions, and then there is, I think, also, more a stick to this, as well. There's more of a carrot and a more of a stick. It's for those communities that absolutely refuse to desegregate, to in the face of housing opportunities that are not fair, to do anything about it, then it says, look, you can't just keep taking federal money and get away with that.

And gone are the days where we're going to look the other way. This is also a commitment to more robust enforcement after we have worked with these communities to do better. But that's a very important caveat. We want to first work collaboratively with communities and let local leaders lead the way. But when that fails, because there's just intractability there, and we hope that doesn't happen but sometimes it does, we've had these spectacular examples in places in New York and other parts, then we are going to enforce it, and we are going to hold folks accountable.

MS. LIU: Secretary Foxx, there's clearly a role for transportation in this. Secretary Castro already sort of suggested this. But I think in the history of cities, we hear more about the role of insurance redlining, of the construction of public high rise, public housing, in perpetuating segregation. But transportation policy has not been off the hook here. So, you've been very passionate about the importance of making sure that federal transportation policy begins to address some of those legacy practices. Tell me, what have you been doing, either new or proposed, current policies or proposed policies to really begin to unravel those historic barriers to opportunity?

SECRETARY FOXX: Well, thank you, Amy. And I also want to thank you and Brookings for having us here today. And it's always a great pleasure for me to join the stage with my great colleague, Julian Castro with HUD.

This is an issue that concerns me because I think, not only does transportation play a role, I think transportation has exacerbated some of these divisions in city after city across the country. In my own hometown of Charlotte, which you mentioned, if you made a pie, and you cut into four segments, there's really only one segment of that city that has a substantial positive impact on property values. The rest of it has been, more or less, trailing. So, you've got three quarters of the city where property values are basically flat or declining one quarter where they've been increasing. That's emblematic of the type of structural problem that we had in the city of Charlotte.

When I look back over the history of it though, what I see is that, when the highway system was organized and developed back in the 1950's, a lot of the designs actually ran through parts of the community that were high minority, high low income. And people were basically robbed of the one asset they had, which was their home. And in several of those early years, there was no reimbursement program for the losses that occurred. And, so, folks were literally left with the value of a home lost due to eminent domain. And the cities and the states could value it at the price with the highway running through it, which was almost pennies on the dollar.

So, we have a very ugly history of our infrastructure system being built, and that's one of the reasons why we use transportation metaphors to describe where people live, other side of the tracks or what have you. And, so, I've taken it seriously to try to figure out how transportation can both be used to get people places but also, how transportation can be more of a level setter on place making. So, for example, there are projects we're doing all across the country now where the point of it is mobility for sure, but also, part of the point of it is growing more revitalization activity in historically underserved areas. For example, a light rail project in Crenshaw, Los Angeles, where who would have thought 30 years ago, we'd be putting light rail in Crenshaw. But it's actually coming in there. Through local hire, we're able to have people in the neighborhood working on the project in their backyard. And we are starting to see businesses get more attracted to those areas. And so, neighborhood services are coming in, like laundry facilities and pharmacies and grocery stores and these types of things where we've seen deserts in the past.

So, I think the future for transportation in this area of opportunity is both at the local and state level. We've got to have enlightened mayors and governors and leaders at the local and regional levels who are thinking creatively about, not only how transportation can increase mobility, but how transportation can bring down some of these barriers that we've had history. And I'll give you one more example, Rochester, New York, which got a TIGER V grant. That was a community where the highway system literally did bifurcate the neighborhoods running through the downtown area. They asked us for a TIGER grant to actually tear down part of that highway to restore the connectivity. And we've been able to help them get that project moving. And so, we're even seeing communities now beginning to rethink the design of the original system, and the Federal Government should play a role in helping them do that.

OPPORTUNITIES-2016/02/23

MS. LIU: Great. I want to now talk about implementation and how we give more states and localities the tools to really execute on the promise of the both things that you both talked about. So, I'm going to start with Secretary Castro. And I know that given the rule, localities and states essentially have up to about 5 years to begin to be in compliance starting from last year, correct?

SECRETARY CASTRO: The whole round of folks will start -- have to be in compliance, starting in later 2016. But there are basically, there are 22 communities this year and then some next year. It will run through about 2020, before all of them have had to comply.

MS. LIU: When I think about how daunting that is, because what you're talking about is not a lot of time to change programs, restructure things that have imbedded in a lot of behaviors. It's about housing land-use laws. You know how hard zoning ordinance changes are. Changing the attitudes of developers and apartment owners. So, what tools, either beyond the ones you've just mentioned but even in the FY17 budget, are you giving to states and localities to make sure they really can meet those standards?

SECRETARY CASTRO: That's a great question, and I'll answer that specifically in just a second. Let me just say that really, I think the key to this was that we started beforehand. You all may remember, that for folks that follow it, the AFFH actually came up in the 1990's. There was an attempt in '97 or '98 to get this across the finish line. It did not. So, one of the things that happened starting a few years ago was that, the team, our team, went to different cities and localities and got their input on how they could do this in a way that was feasible and implementable.

So, the rule itself and the tools that I mentioned, I think, are geared to be user friendly in a way that is going to help them be implemented. But on top of that, number one, we're offering a whole bunch of technical assistance out there to communities to get this right. It helps that these are going in tranches, so we don't have all of the entitlement jurisdictions that are due the same year. Secondly, we're, as part of that, we're increasing our staff in the Fair Housing Office that is going to be able to reach out and help communities. And then on top of that, and I'll be sure to talk a little bit more about this, but we're doing something that we're calling a "Prosperity Playbook," that relates very well to AFFH. In 5 cities, we're going to be engaging in deep-level conversations with the elected officials, policy makers, nonprofits, and community about how all of these issues tie together. Including issues like transportation.

MS. LIU: Great. So, Secretary Foxx, I think what's the most interesting things out of the head start that you've been doing on preparing for the rule, is that a lot of the NPO's in the Council of Governments have really stepped up and are now the word, quarterbacking, a number of these regional efforts. Regional opportunity. Regional mobility. So, again, what kind of tools are you thinking that you can give to NPO's and many of their partners ensuring to advance regional opportunity mobility?

SECRETARY FOXX: Well, one of the best tools we can provide NPO's is money.

(Laughter)

MS. LIU: I think you just --

SECRETARY CASTRO: That is true. (Laughter) That's what they like the most.

MS. LIU: I think you're getting a lot of head nodding from across the webcast on that one.

SECRETARY FOXX: And the president's fiscal year 2017 budget actually takes seriously an argument that we've been making in the department for a while, which is that the NPO's that are succeeding at regional planning and getting projects done and really taking in to account a holistic view towards regional growth. I think in many ways are doing it despite the way we treat those NPO's from a federal government perspective, not because of. And so, we're trying to put resources in place through this budget to support the visions that come up from the ground up. And we also are working on some rules to strengthen the incentive for NPO's to work on a regional basis. The Brookings Institution has a long history of promoting the concept of megaregions, and the fact that our economies are beginning to organize around those regions. And yet, many of them -- we have 400 and something NPO's around the country, and we don't have that many megaregions. And the problem we have is that we've almost incentivized the local jurisdictions to create these loci of control even though they are much smaller than the area of economic influence. And so, we're trying to craft rules that get us closer to having that decision making where the economic influence is most felt. It's a challenge, but we're going to continue working towards it. Both money and structural changes to ensure the NPO's are working in the way they were actually designed to work.

MS. LIU: Well, you've launched something called Ladders of Opportunity, correct? How does that fit into all this?

SECRETARY FOXX: So, Ladders of Opportunity is sort of, I would call it like a three-pronged strategy within the department. One of it -- one of the focuses of it is with the resources that we deploy. With our TIGER Grant program, there's now actually a way that we measure the degree to which communities are actually proposing projects that are going to create more access points for folks. Secondly, we're looking at our practices and programs to ensure that even when we're not putting out discretionary grant money, as we're reviewing projects and using our administrative discretion, that we also have our eye on that. And the third piece of it is, the Department of Transportation makes thousands of decisions every day. For example, we know that now increasingly, in my view unfortunately, around the country, folks are having to show ID's to vote. Well, what happens when a state shuts down a bunch of DMV's that we pay money to invest in, to hold up? We're actually starting to step up some of our Title VI enforcement power. We're actually investigating Alabama for closing down some DMV locations and limiting folks' access to driver's licenses. So, we're looking very broadly at how opportunity is impacted, not only by the dollars that we spend, but by the design of projects that get built around this country and by the projects that get to the top of the list and those that are at the bottom. Trying to make sure folks are thinking about incoming equality and spreading opportunity more as they build infrastructure. Because as I said, the history is not very good.

MS. LIU: So, I want to hear you both talk about the way the two agencies can work together, because I think you both talked tools that each of you give. And as I mentioned, when Secretary LaHood and Secretary Donovan were here, I think in part with a spirit created under the Sustainable Communities initiative, where it was a formal interagency effort. And I think because of that collaboration, you're now seeing hundreds of cities around the community that are now starting to think more deliberately about how to link housing, land use, and transportation in ways, that thinks about new criteria and new ways. How can that infrastructure that has been built in a number of cities, those partnerships and collaborations, how can that be tapped given this new emphasis and more urgent around opportunity and access to good schools and good neighborhoods?

SECRETARY CASTRO: Well, you're right, Sustainable Communities was, I think, a ground-breaking effort and just a great example of silo busting. And it's something that I certainly took note of when I was mayor of San Antonio. And the good news is that even though that has sunsetted, in

terms of funds going out there, those communities that received planning grants did some fantastic work. And now, the departments are marking investments in working with those communities to make those plans come to life. And so, that work continues. But in addition to that, we're working on things like promise zones that involve multiple departments, including HUD and Transportation in different ways. Not in every city where we have promise zones, but when they have housing and transportation-related issues, we're -- when we do our Choice Neighborhoods competition, one of the things that we take in to account are issues related to access to transit and education and so forth. And so, there's a natural working relationship there. And this "Prosperity Playbook," that I talked about -- so, this is basically an effort that at the end of the day, what we want in 2016, is a work product based on these 5 cities. We just launched it in Kansas City and that region that says, what can communities do in terms of policies and place-based work to enhance mobility. And a couple of the cities that we're looking at, specifically, I think the best example is Denver, with its FasTracks that runs across the region, one of the concerns is going to be, well, how can you use the fact that you have this fantastic investment of rail, to build affordable housing opportunities around that and in a robust way, and one that also is from a fair housing perspective. It gives housing opportunity to people in different income levels and so forth. So, the work continues, and the Department of Transportation and Secretary Foxx have just been excellent about taking in to account, I think, like I know the President would want all of us to do, and we'd do. Not just housing issues or transportation issues, but how these things and other issues come together.

MR. FOXX: I would whole heartedly agree. Maybe to put a final point on something I said earlier, I think the old way of thinking about transportation in this space is, we're going to take somebody out of the rough, kind of, rough and tumble neighborhood they live in and get them to a place where they can go to school or a job or something else. And we still need to do that. The question that we're asking together and working on together is how do you create transportation access that begins to punch above its weight in that neighborhood? How do you start to see that neighborhood changed in a positive way as a result of the investments we make? And we don't make, really, any of our discretionary decisions about grants like TIGER or whatever anymore without consulting with our colleagues at HUD and getting a sense of their sense of how a community is going to tackle those issues.

MS. LIU: So, I'm going to ask a question that builds off your comment about prosperity.

OPPORTUNITIES-2016/02/23

Because this about, again, taking these issues out of their silos. So, I'm going to ask you to put your mayor's hat on. How does it feel? Do you miss it?

SECRETARY CASTRO: It feels a lot more nonpartisan. (Laughter) Suddenly, I feel a lot calmer. I feel like everybody is with me and not just (inaudible) people. (Laughter)

MS. LIU: But when I think of the work of mayors, I think about, and all the other jurisdictions and communities, the amount of stuff on their plate. They have to balance a budget. They have a looming pension crisis. They are trying to figure out to do community policing now and create safe streets. There's pressure to grow jobs and create a strong economy. There is ability to, as Art said at the beginning, basic services and cleaning up snow removal. There's a lot of pressure on your plates. Why would fair housing come up as a priority? Why would breaking concentrations of poverty come up as a priority? How do you mainstream these issues in the dialogue of a day-to-day agenda setting of a local or regional, I guess, playbook? And I know that when Brookings has certainly worked with a lot mayors and cities and regions around the country, around economic opportunities, and the issues that you talk about don't rise up as central. They're there, but they're not central. How do you make them central?

SECRETARY CASTRO: I would say to think about it at the local level. (Laughter)

MS. LIU: Yeah, what would you say to your other mayors?

SECRETARY CASTRO: Let me take a crack at that. I would say that it's about neighborhoods. At the federal level, I've noticed we don't talk. You always hear the word communities, like the folks on the staff are always writing the word communities. And when I was at the local level, you would hear about the neighborhoods. Neighborhood associations. Folks that represent neighborhoods. And for local officials, it's thinking about the concerns of the people in your council district or your county commissioner precinct or district. The people that you represent and making sure that there's opportunity throughout neighborhoods in the city. And so, I think that, you're right, I can tell you, when I was back in San Antonio, it's not like I gave it no thought. But it almost seems like we don't, at the local level, you don't -- you think that somebody else is kind of doing that.

And so, getting the vernacular right, but more importantly than that, connecting with folks at the local level in terms of creating prosperity for all of these neighborhoods that you represent and what that would mean to folks that you're going and visiting with at their community center, their rec center.

OPPORTUNITIES-2016/02/23

The people that email you in about concerns in their neighborhood. Infrastructure or transportation. Housing. Bringing it down to that level, I think, is important to get folks to care. I would say at the national level, all of this talk about incoming equality, which I think is very justified, and opportunity, I mean, this is very much it. But at the local level, I don't (inaudible) people. Yeah, they're following the national level about incoming -- the discussion about incoming equality, but that's not the way that I think folks see it or feel it. It's really what's happening in their neighborhoods. And to the extent that we can bring it down to that level, I think, that we'll get more interest and take up in these local -- from these local officials.

SECRETARY FOXX: Yeah, I would build on that by saying that, I think this country -- my sense of the American people in general and my specific experience as a mayor is that, I think people are kind of -- I think we're tired of being stuck in the same boxes we've been in. This impending feeling that some of the problems that have been with us for 50, 60 or longer number of years are so (intractable), but I think people want to break out. And the problem is that, not the high-level concept, but to Julian's point, when you start getting in to the practical elements of how you break out of the box and actually start to solve these problems, becomes a great challenge. One of the things that -- my favorite things about Julian was as a mayor, he was able to convince his community to invest in pre-K. He did one of the most sweeping efforts to pre-k education I think any mayor's done. That's a big deal. But it takes a lot of hand-to-hand combat to get those conversations going.

In my case, I was trying to use infrastructure to solve some of these problems. And a lot of what I heard back was, oh, you want to put this streetcar to nowhere, or what have you. And the thing that I would remind people, is that in 1971, I was born in a neighborhood that was basically surrounded by freeways. And my neighborhood, 10 years before, had multiple ways in and out. By the time I came along, there's was only one way in and out. And the horizon was something I couldn't see because of the physical barriers of our highways. So, the infrastructure I was trying to build was infrastructure that had it been there when I was growing up, maybe there would be a pharmacy in my neighborhood. Maybe there would have been a doctor's office in my neighborhood. Maybe there would have been a grocery store in my neighborhood. But I didn't have those things.

And so, I think we have to -- in order for us to solve some of these ultimate questions we

have about opportunity, we have to do things differently. And I think it's the doing part that gets challenging at the local level. And so, I think the powerful thing about the President's focus on this is that when the Federal Government says, what are your ideas to solve this problem in your backyard. There's a sense that the Federal Government's actually going to do something to help. And when we do Choice Neighborhoods or when we do the Ladder Step Program or Ladders of Opportunity work, communities start to get a sense that they can actually solve these problems. And seeing it happen in community after community, gives you a lot of hope for the future.

MS. LIU: Well, I think you just witnessed why having two mayors lead federal agencies is a very powerful, grounded experience. We're going to open this up for questions in just a moment, including those who are watching on the webcast. So, get your questions ready. And if you are interested in asking a question, you can also answer it through the Twitter, using #PathwaysTo. But let me close with the real burning question, which is that -- goes back to the point that you made, Secretary Foxx, about how these issues have endured. At the end of the day, the reason why enforcement has been so hard, or getting to this vision is so hard, isn't just simply because of local housing policies or because of legislation. It is because of race. Racial discrimination. And I think for folks who've been working on these issues for a long time, there's been just constantly community resistance to affordable housing in their neighborhoods, mixed-income units in their neighborhoods, multifamily units in their neighborhoods. And so, while this all sounds great, is when you get down to the neighborhood level, the community obstacles are pretty large. So, I want to hear how you -- what language you would use to appeal to a wider group of residents and leaders about why creating opportunity rich neighborhoods, why embracing diversity is part of the pathway to prosperity. What's in it for them?

SECRETARY CASTRO: It's a great question. And there is no easy answer to that. I saw, I remember, as councilman and as mayor every other week basically, we would have zoning cases come up. A zoning agenda. And as in any big city, it was guaranteed that just about every time we did that, there were -- you had a case of nimbyism somewhere. But the argument that I used to make was: Number one, trying to humanize people, because often folks are demonized or characterized in unflattering and negative ways. And point out the cases where people have actually had a chance to reality test. This was a point that was well made, I think, in the HBO miniseries *Show Me a Hero*, after the

Yonkers case. And I forget the woman's name that was originally like really against the housing development and then got a chance to interact and meet with and eventually help a lot of the residents who moved in to the affordable housing there in Yonkers.

But pull out the instances and scenarios where people have gotten to reality test and have seen that that multi -- the people, not just the units, but people that live in those multifamily units were just like everybody else. And more than that, there wasn't the nightmare of problems that people thought were going to happen. Pull out the concrete cases to relate to folks what has happened in the past. And then secondly, and this is just as important I think when these decisions are actually made and voted on as a practical matter, making the argument to colleagues who are voting on it, that really, it's everyone's responsibility throughout the community to ensure that they're doing their part. That's not always an easy argument or one that wins the day. But there are so many of these that come up, that it might be in my district today and your district tomorrow. And people have to work together to ensure that communities throughout and area shoulder what they think of. Even if they think of it in negative terms as a burden, and often they do think of it in negative terms because it creates this controversy. And so, I've just found that trying to humanize the situation is probably the best approach and then making sure that folks understand that everybody has a responsibility.

SECRETARY FOXX: I would say that the environmental movement, I think, has given us a good frame for dealing with these issues in the sense that. Of course, there are moral reasons to think differently about the future than we've probably thought in the past on some of the issues of race and poverty and so forth. But there also are very clear economic reasons. Poverty is actually pretty expensive, both for the country and for the poor. And I think we're on the cusp of a new round of complications of poverty as we start to see the suburbanization of poverty, where people are moving because their value -- property values and the cost of owning or renting something in the center city is now so much more, people are moving out to the suburbs to work. But they end up becoming more isolated because the transportation systems there are not as robust, and they don't have cars. And it gets to be much more complicated.

And so, I think if we took a rational look at this, we would say that we need to really figure this out because ultimately, America's prosperity is so much stronger when we have more people in the

OPPORTUNITIES-2016/02/23

middle class and more people having a real shot to get in to the middle class. And as long as folks are trapped physically, psychologically, economically, we're going to have problems in this country, and it's going to be more expensive.

The only other thing I would say is that I also think that in conversations like this, when we start getting in to topics about race or income, I think they are too philosophical. In other words, it's down to the practical. What are we willing to invest to solve these problems? Whether it's education. Whether it's housing. Whether it's transportation. What are we really willing to do? And that's why I think empowering local officials, who are best positioned in my view, to grapple directly with some of the nuts and bolts of these issues and investing in them the resources and the accountability to make sure they deliver, I think that's really where some of these issues get resolved from a governmental standpoint.

MS. LIU: Okay. It is your turn. Any questions from the audience or from the webcast? I see a hand from Sandra Baer. Why don't you introduce yourself and your affiliation to?

MS. BAER: Thanks, Amy. Sandra Baer with Personal Cities. My question is really exactly what you've just been talking about. Dealing with the city of Atlanta and how important this race issue is. What are your ideas about, I mean, the USDOT grant has mobilized this city and 77 others around the US, I think, so that's really exciting, but what, in your ideas, would be the very best next step to sort of gaining access to transportation, to get to jobs and education, to get the middle class more solid in the city? I mean, I think there's so much that's -- it's like everybody's responsibility and no one's. So where is the -- what's the nugget that you could tell us that, I mean, I'm sure it's not one-size-fits-all, but what could you tell us to sort of get these cities mobilized to keep this momentum going? Thank you.

SECRETARY FOXX: Well, I would say that having enlightened leaders who are -- who care about this issue and are willing to lock arms with each other at the local level, be it a mayor, county executive, NPO representative, and having them think comprehensively about what each part of this is. From my vantage point, I frankly think we need to look at some of our highway facilities in this country and rethink them. Because they were literally in some cases designed to do exactly what they're doing, which is to pose a physical barrier to economic opportunity. And if somebody in 1956 can determine the future of somebody in 2016 that way, we've got a problem.

I would also say that the integration of transportation and land use, which gets in to the

OPPORTUNITIES-2016/02/23

housing aspects, is so critical. So, for example, when I was sitting in my zoning meetings, there'd be a lot of pressure to allow more density in the area of my city that was fast growing and very positive economic growth areas. There was very little push for that density in the other three-quarters of the city. And the problem with that is that that is a recipe for sprawl. Because eventually, rather than going to those three-quarter areas, the development is going to go in to the exurbs. And so, I think having a robust strategy for how those underserved areas play in to the overall economy is very important. And being very clear, that the community's life blood depends on having those areas as strong as they can be. I think that conversation just can't happen enough, in my view.

MS. LIU: Other questions? Right over here and then here. Yes, go ahead. I'm going to ask you both to -- go ahead and stand up. I'll have you both raise -- pose your questions, and we'll answer both of them.

SECRETARY CASTRO: Is it a battle if we do it that way? (Laughter)

SECRETARY FOXX: Lip-sync battle, right now.

MR. GREENE: Hi. Solomon Greene from the Urban Institute. And my question is primarily directed at Secretary Castro, and this question about how do you centralize, not just an equity agenda at the local level and make it part of a mainstream strategy, but specifically, with regard to AFFH. One of the ways you do that is by having constituents and advocates pushing for it and making sure that this is -- has sort of broad support and vocal supporters. One of the challenges, I think, with the AFFH rule, is that the housing field itself is somewhat divided and sees in it both a threat to place-based initiatives and a threat to mobility strategies. It's like the blind man and the elephant. You can find the problem, but it -- what do you say to reassure and help unite the housing field around AFFH and opportunity promotion -- promoting strategy?

MS. LIU: And let me ask -- go ahead and ask his questions, and we'll just get to both.

MR. GLADNEY: Calvin Gladney, Mosaic Open Partners. Many of the trends in cities today, whether it's housing; smaller units, multifamily; TOD or transportation; new types of infrastructure; bike lanes, street cars, and alike, face lots of opposition from lower-income and long-term stakeholders in those cities. What would you say to them for them to better understand the benefits they get from those new approaches?

SECRETARY CASTRO: Thank you all, both, for the questions. And just taking the first one mostly, and I'll touch a little bit on the second. I'm sure Secretary Foxx would want to answer a lot on that. With regard to AFFH, number one, I think your question underscores the importance of the outreach that Gustavo and his team are going to be doing really over the next several years to ensure that local communities are engaged. And that there's a new level of seriousness with which they take the assessment of fair housing, more than the analysis of impenitence that's been in place, so that it's more revealing, more substantive, more proactive, and ultimately, will do more to help desegregate communities. That's number one.

Secondly, though, I think that we have to continue to emphasize to folks that we want to do both things. We want to invest in older, challenged, distressed neighborhoods. And we also want to create mobility for folks. Because every time you have, and Minneapolis is a perfect example of a city where they're torn over this questions, every time you start a conversation about mobility, people say right -- well, what about the people that don't want to move? I don't want to move. And I've been waiting for a sidewalk or I've been waiting for better housing in my neighborhood forever, like for 40 years. It doesn't mean that we're forgetting about that. That's why I say that in our traditional investing in our programs, we want to do a lot to lift up distressed neighborhoods. But at the same time, AFFH can be a powerful tool to enhance mobility and to make very plain in that data, reveal very well, how underinvested in those older, distressed neighborhoods have been. Whether it's in infrastructure or in housing dollars or in education dollars and so forth. So, I think that if communities are engaged, and if they're well informed, and they take it seriously, that they have what they need there. And we want to have -- we want to help them have the tools to put together powerful plans for the future that can balance these competing concerns.

Then on the other question, what Anthony was very kind and he didn't say, was that he was actually able to get a street car through Charlotte, whereas I failed miserably in San Antonio.

(Laughter)

Like 2 weeks after I left, they -- the new mayor and County Judge did away with the street car plan that we had. But you're right, I think I'll just take a very quick crack at that.

Number one, there's opposition to rail. Anytime, anywhere, any place that it is proposed,

OPPORTUNITIES-2016/02/23

just about. And I think it's true, and you're the one that told me, that you have to get the first part of it done at least. But in the context of creating opportunity, one of the lessons that I did learn on the San Antonio experience was, which you alluded to, like you do have to make it relevant to people's lives. Because one of the critiques that comes up is, why am I -- I'm not going to ride this. This doesn't -- and what if it doesn't go near me. And I'm not going to take this -- this route. I think that's a challenge with regard to transportation, investments, and other types of investments as well. And that's why I do think though, at the local level, sometimes even more than at the national level these days, where I think it's become harder and harder to summon a common national identity. But at the local level, where it is more nonpartisan, and you can have the wind at your back in terms of a sense of community identity, to try to connect the dots for folks that number one, the intention is for the investment to be made throughout the community one day.

And secondly, that there is an overall economic benefit that the community gets, and so, there is a connection that people have in that sense. Those types of arguments that really strike at a common interest.

SECRETARY FOXX: I might just—2 seconds on this. I think there's a lot of history there. And there are people who remember the last time the state or the local government said they were going to an infrastructure project what happened to them. And so, I think we have to be very sensitive to that. And I think it was Senator Daniel Patrick Moynihan who said that transportation is far too important to leave to civil engineers. And I think there's some truth to that, which is that as public input processes go forward and as community input is tested in the early stages of these projects, I think we have to be very attuned to the fact that infrastructure hasn't always been seen as a positive in every community. And as we're trying to put infrastructure in place that can actually help deal with some of the intractable problems in communities, we have to expect a little resistance and a lot of conversation.

MS. LIU: Great. I think we have time for just two more questions, and we're going to ask them both at the same time, as we did last time, so you can field them both at the same time. I'm going to allow this woman who's been patient and then one question from the Twitter -- webcast and the Twitter. Oh, no, the -- sorry.

MS. MAREFAT: Thank you very much. My name is Mina Marefat. I'm an urban

OPPORTUNITIES-2016/02/23

designer and I also am a historian, and I teach. And thank you, Mr. Foxx, for addressing history. I think it's really important to remember that in the 1950's when several policies at the national level coincided. Not intentionally, but perhaps, unintentionally, was the highway act, it was the housing act, it was the urban renewal act, and it was the desegregation act. All of them coincided and together, a perfect storm was created, and our cities were changed forever. And suburbanization, as we know it today, emerged. And we are still trying to recover from those without realizing that those policies, well intentioned as they were, were the cause of what happened. In today's age, with all of the complexities and all of the issues with climate and all of the social injustices of inequality that we have, can we actually start thinking again about policies? And they may be outside the realm of housing and transportation. They may be in the realm of education. But shouldn't we be thinking of national policies that once again may try to ameliorate some of the issues that we face on a daily basis in cities?

MS. LIU: Great. And --

And this question comes from the Intersector Project. How can government work with private and non-private sectors to create pathways to opportunity at the local and national level?

SECRETARY FOXX: Well, I think what you're hearing from me on this question is; I think we have enough experience at the federal level of screwing this up to know that the local communities and the regions should really have more autonomy, if you will, to vision for themselves and with the support of the Federal Government, address those visions with not only resources but programmatic support. That's my over-arching view of this.

I would say corollary to that, I think the Federal Government is ill equipped to deal adequately with these issues. There are a lot of urban/suburban rural food fights that happen in Washington. And what happens at the programmatic and policy level is you get -- you end up with things like a highway trust fund that puts 80 percent of every dollar in to roads and 20 cents on every dollar in to transit. When a far more sensible way to do it would be to create the flexibility for state and local governments to put those dollars where they will most -- do the most good for mobility. But that's a next-stage kind of question.

On this -- on the issue that was raised, I think nonprofits and the private sector actually play a fairly significant role in transportation decision making today. If you look at state boards of

OPPORTUNITIES-2016/02/23

transportation, who gets appointed to those. A lot of them end up being business people. If you look at local communities and chambers of commerce and local philanthropic agencies, their voices actually need to turn more to these issues. Because it is no longer just a question of how many cars can you get through a certain lane at a given hour of the day, although that's really important. I think increasingly, these quality of life issues are going to play an increasing role. And I think those agencies need to be thinking more holistically about some of these issues. About how we live together. Because that's ultimately going to be what defines a good community going forward.

SECRETARY CASTRO: I would just say that, and it's clear, in this time when demand for whether it's transportation, infrastructure, or affordable housing, outstrips the investment that is being made, that we have to be creative. And we have to engage nonprofit world and sector and the private sector. A good example of this is recently, we did something called Connect Home, which was an effort with internet service providers and nonprofits to connect public housing residents in 28 communities to the internet. Because the vast majority of them right now are not connected to the internet. And all of us know how important that internet connection at home is to actually getting ahead in life. And this is something that basically \$50,000 of federal government money plus staff time, but just \$50 thousand in allocated money is being spent on. The rest of this is being invested in almost completely by these internet service providers like Google Fiber and Sprint and Comcast and a number of others. So, yes, we need to do more of that and be smart about it. And I do think the administration has been smart about that over the years.

And then just to answer your question, I think you bring up a very good question and putting it in to historical context of these things coming together in the 1950's, '60's. But then, we get in to the Johnson era, The Great Society. And that's where we got the Voting Rights Act, the Civil Rights Act, the Fair Housing Act, which if you think about it, should have been a temper on some of those trends that you're talking about. That's why we were so pleased to finally get AFFH done. And if we do it well, in conjunction with local communities, then we can see a blossoming of opportunity in more neighborhoods out there and for more people out there of different backgrounds with different skin colors and different last names and income levels and so forth. And so, that's our way of trying to kind of right the ship, so to speak. I think that we can continue to make those gains.

MS. LIU: So, I think we just saw a display of incredible interagency partnership but also of partnership between the Federal Government and cities and metropolitan areas. Please join me in thanking Secretary Castro and Secretary Foxx. (Applause).

I'm now going to introduce the next panel, which is going to be led by my colleague, Rob Puentes, who is a Senior Fellow at the Metropolitan Policy Program.

MR. PUENTES: (audio cutoff) about how housing policy can help. And then Secretary Foxx, really about the challenges of transportation policy and how that actually has been a real hindrance for a lot of things that we've been talking about here today. This whole thing about mobility being a very positive word for housing strategies and really a pejorative word when it comes to transportation. I thought that was a really neat thing. And then this whole thing around how the Federal role is really about fostering these kind of collaborations between places. Secretary Foxx talked very specifically about the need for cities and metro areas to be, he said, creative and innovative. I think that that's exactly right. And I think that's a perfect segue in to the panel that we have here today. So, the purpose then of this panel is to focus squarely then on that issue, to hear from folks that are on the frontlines of these issues, doing this work on the ground, and better understand how this is playing out in cities and suburbs and metro areas across the country. We have three great regions here to talk about. I'm not going to be able to read their entire bios. I won't do justice to the wealth of experience that is up here. I'm just going to be very short. There are bios, I think, in the back or when you walked in. So, definitely take a look at those because it's really impressive.

But starting here on my left, Frank Lenk is the Director of Research Services at the Mid-American Regional Council in Kansas City. The group is called MARC. It is the metropolitan planning organization for the Kansas City region. It includes 119 local governments, 9 counties, 2 states. So, clearly, he can speak to the challenges and opportunities of regional collaboration, I think really well.

Next to Frank, Robin Snyderman, who knows as much about, I think, housing and community development as anyone. She is a Principal at BRick Partners, LLC and a Nonresident Senior Fellow here at Brookings, at the Metro Program. She has done a ton of work in and around Chicago, pioneering new collaborative management strategies, which we're going to hear about. A place like Chicago obviously really needs that. Also, done a lot of work nationally; Baltimore, Milwaukee, Buffalo, I

think, lots of different places.

Next to me, Scot Spencer is Associate Director for Advocacy and Influence. It's a great title at the Annie E. Casey Foundation in Baltimore. He is the Co-chair of the Opportunity Collaborative, which is charged with creating metro Baltimore's regional plan for sustainable development. You all check that out, it's very good. My colleagues and I have worked closely with Scot for a number of years on issues on housing and transport and urban planning over a number of years. And the Casey Foundation provides generous support to the Metro Program, which helps make the work that we do possible.

So, before I begin, I have to reiterate Brookings's commitment to independence and underscore that the views and comments that are expressed here today are solely those of the panelists. I guess by extension, audience questions are solely those of the audience. Tweets are of those of the Twitters, Tweeters. #PathwaysTo, don't forget. But I think it's important. We want to hear this range of perspectives. These are really, really complicated issues. As we got in to with the Secretaries, it's clearly important to hear the variety of stakeholder concerns that go in to it. Because it's not just about housing. It's not just about transport. We talked about schools. We talked about lots of different things. So, we have to hear from a diversity of opinions on this one.

HUD's final rule on affirmatively furthering fair housing didn't just come out of nowhere. It didn't just come out of the last year. We've had fair housing laws on the books for a generation. And my colleagues Alan Berube and Natalie Holmes note, that since the Fair Housing Act became law 45 years ago, the country's become, as we all know, much more racially and ethnically diverse. Poverty in metro areas has shifted well beyond its historical confines in to -- away from inner-city neighborhoods. So, although poverty rates are still much higher, as well all know, in center cities, today, more people -- more poor people live in suburban places. The problem is that most anti-poverty policies and programs were not built with the suburbs in mind. So, we talked a lot about the historical context. There was a good question earlier today. But things are really, really different right now. Development patterns are different. Where the poor people live, obviously, is different.

So, for us here at Brookings Metro, and I'm sure to many folks in the room, we talk about fair housing and increasing access to high-opportunity places, that means taking a regional and

metropolitan area approach. So, the rule, I don't think, is a top-down kind of federal mandate. This isn't something that Washington is just imposing but really strikes me as a partnership and a response to what's going on in the real world in cities and metro areas all across the country. Both the good and the positive initiatives, which we're going to talk about here in just a second, as well as ongoing and unfortunately, probably intractable challenges in a lot of places.

So, let me stop talking and turn it over the panel. Let's start with on broad question for everybody. In the rule book, HUD notes that in the Fair Housing Rule book, to be effective, housing must tackle tough issues. They use that term "tough issues." So, describe for us, in your community, what are those tough issues? What are the key things, and what do you think the rule is going to do to address them?

We'll start with Frank and then we'll just ahead and down the line here.

MR. LENK: So, I'll start out with something you alluded to, that we're pretty spread out. We have a lot of cities and counties. We work really well across those counties on most issues. But it does create a dynamic that with the poverty that is still concentrated in the core, that there's areas of opportunity, areas where opportunity is deficient. That makes cooperation on some issues harder. Economic development is one of those issues. Issues of affordable housing is another. So, that remains an issue. and I think that poverty may be more pro people in the suburbs. But the poverty in the core is still a different kind of poverty. It's a real poverty of place. Poverty is still really concentrated and it's still largely minority poverty. So, where two-thirds to three-quarters of poor African Americans and poor Hispanics live in areas of concentrated poverty, only a third of Whites. Now, that's a huge increase from where we were in 1990 when only 15 percent of the poor Whites lived in concentrated poverty. So, I think that creates some anxiety among the majority population. And that's both an opportunity and a little bit scary.

MS. SNYDERMAN: Thanks Rob, and thanks to you and all your colleagues at Brookings for continuing to focus on metro strategies for advancing housing and economic development at the needed scale. Local leadership and tools are still essential, but housing and community development challenges rarely adhere to municipal borders or public housing authority borders or county borders. There are so many efficiencies to be gained from local leaders joining forces to advance shared priorities,

OPPORTUNITIES-2016/02/23

even via shared staff and shared programs. So, it's very encouraging to see the progress on these issues thanks to the leadership at HUD and Department of Transportation and other federal agencies, like the EPA and Economic Development Administrations. And trailblazers at the local level really need -- they benefit from this kind of momentum and some of the innovations proposed in the 2017 Budget. As to tough issues and how the AFFH rule helps, I'm thinking of Secretary Castro's phrase "Hand-to-hand combat."

The two issues I thought I'd raise are capacity and community acceptance, which are both different ways of looking at hand-to-hand combat. At the simplest level, interagency coordination or silo busting, as Secretary Castro kept saying, is a challenge. I applaud the two gentlemen who are up here with Amy for like role modeling how to do this. But, I see a couple of my colleagues from -- who are here like me who got their initial footing in the housing field at a little community development corporation in San Francisco. And I remember even at that level, the way the housing developers and the social service providers and the property managers and the tenant organizers, really had a hard time being on the same page recognizing they were all equally important, and they needed to be advancing the same strategy. And I recognize a lot of people in this room today who are from larger planning and advocacy civic organizations, who have exchanged a lot of war stories with each other about how to get their housing and transportation colleagues understanding each other and respecting each other's priorities and applying them at the same time and in the same place. So, then pan out to the regional level, that Frank was talking about to answer your first -- to answer your question.

And the first key challenge I'll focus on is just sustaining the capacity to be effective in the suburbs, working at the right scale with the needed level of technical and political support. So, housing authorities, municipalities, nonprofits, they all struggle with this. And, yes, the new rule helps. It provides the metrics to assess demand from a lot of different perspectives. Encouraging a broader dialogue among the entities that don't always talk to each other. Don't always agree with each other. Don't always understand each other. And so, it provides the opportunity for silo busting and collaboration, so that not just neighboring towns and counties and municipalities, but the fair housing field, and I think this is what you were getting at, Solomon, the neighborhood revitalization field. The regional planners can all sit down with towns and housing authorities and hopefully people who care about workforce stability and

education and come up with a joint approach.

There are a lot of talented and knowledgeable housing experts who really care about access to opportunity, whether through new options near good jobs and good schools and good transit or through community revitalization. But to sustain the interagency thing and the interjurisdictional thing is a really tough nut to crack. And I commend NPO's like Kansas City, like Baltimore's in the room, Chicago has an amazing metropolitan planning organization, CMAP, for stepping up to the plate even though there's not really core funding to sustain this effort yet. And Alan Berube and Elizabeth Kneebone's work on suburban poverty really spotlights the lack of both public and private resources, and it spotlights the innovation. But this sort of gets to the second key issue. and then I'm going to wrap up, I promise.

We all know from experience that persuasive data and studies aren't necessarily enough to open doors and create opportunities in areas that have been out of reach. So, capacity is not only about the technical knowhow and support but also about the effective communications, and Amy, I think you asked this questions really well, needed to anticipate and address the political realities and gain community acceptance. Many suburban mayors in opportunity areas over the years have been really frank about the barriers that interfere with their ability to inspire the local support needed to introduce new housing options. Even a small senior housing development in their community, let alone, address the challenge at the needed scale. The advocacy housing resources are often insufficient. But when transportation dollars are dangled out there, and many of these -- and repeating what I've heard from the suburban mayors, that if they're told they're going to be less likely to receive transportation and economic developers unless they are thinking about whether there's housing affordable to the workforce near that transportation, then that changes things. That is compelling. Similarly, when employers step up and say, we need housing that's affordable to our local workforce, so that they're not coming to work tired.

And again, I think the AFFH rule provides the impetus for that dialogue. In Illinois, which as you were saying earlier, is notorious for its appetite for local control with 280-something municipalities in the Chicago region alone, HUD and transportation and Brookings have all helped local leaders try a few reputable and scalable innovations through our municipal and public housing authority collaborative. More recently, Cook County's new strategic plan got the okay from HUD and EDA to focus -- tow the same timeline -- to have the same timeline -- to have the same deadlines to look at housing and jobs and

workforce development in the same place at the same time. That -- it was a rocket science.

MR PUENTES: From the federal government.

MS. SNYDERMAN: From the federal government. It was -- it seems so obvious, but it took a lot of work. And it -- and to get to yes took a lot of work and then to implement and roll it out -- is -- takes a lot of leadership for local level. So, around the country, we've had the chance to work with some of Scot's inspiring colleagues in Baltimore. I see Dan in the back of the room. And the PHA's as well as Frank and his colleagues in Kansas. And like Chicago, they're pulling in the diverse set of partners. But while the new data that HUD is providing makes it easier to convene the conversation, I think the challenge is to sustain it and to staff it.

MR. SPENCER: First of all, thanks for having me. Thanks for having the two secretaries. I think the candor of their comments, their questions about, and their answer to the questions about both the role and the limits of government are really a good point to begin that type of a conversation. And I think it's a really good place to start. For me, the big -- the big challenge that we face in the region, and I would take your question another 20 years back to the homeowner loan corporations redlining. And it's almost 80 years -- 80 years ago that that law came in to effect. And if you sit in Baltimore, and actually, if you overlay the maps of data that point out racial disparity based on childhood outcomes, based on ability to learn, succeed, find jobs, have access to decent housing, they basically overlay those maps.

And, so I think Secretary Castro's sort of entre around the discussion with Freddy Gray was very much sort of really helped to tee that up is what was -- what is the big challenge in our region. And I say that because this is a structural discussion. This is not a discussion about an individual or how someone else feels about someone else. This is about the system that was laid in place generations ago that is hardwired and has a lasting impact.

And, so what the federal rule does and what the -- what it actually helps to do or what I hope it will help to do, is to start to daylight that. And it sort of gets to Solomon's questions as to by providing the information, by providing the data, hopefully it will create a groundswell of both action and really compulsion by people to say, this is not the way we need to be. And there are lots of reasons for it, and I think Secretary Foxx alluded to it. Because it's not about black and white -- black, brown, or white,

OPPORTUNITIES-2016/02/23

it's about green. And the way we're sitting right now with the lack of access to decent, affordable housing, and I had to make sure we had to put the word decent in there, because you can find affordable housing in East and West Baltimore. It is not decent in lots of cases. And the gaps that it provides between where you live and where you get to work, those are the challenges that we face. And what we saw last April in our city and what the mapping of what you see of opportunity in West Baltimore, highlights are that there is very little in way of access to opportunity for low-income people in Baltimore, either from the housing prospective or from the access to jobs prospective.

And so, I will leave it there because I know we have much more conversation, and I could probably jump much -- jump in to these points of the conversation. But for me, it was really the challenge of overcoming and really, having frank discussion, like we were starting to have just now, around racialized policies that have been set in place. And my term for it is that, it has been around so long that it has become the DNA of our systems. And so, that is a hard thing to change over a period time. And a rulemaking may not necessarily do it, but it may actually start to begin the process to unravel that DNA.

MR. PUENTES: And that's where I was going go, just there. The rule itself doesn't get to some of those amazingly structural problems that we're not going to be able to hammer through. But I think that it gets to your point about capacity, Robin, you talked about it a little bit. and I didn't want to start with too of a wonky question to begin, but this issue of working -- of connecting up the public housing authorities with the NPO's.

MS. SNYDERMAN: Did you just call me a wonk? (Laughter) Did you just call me a wonk?

MR. PUENTES: We're all wonks. We're all wonks. It's exactly okay to say. But so, describe in Chicago, in particular, how you linked up then the PHA's with the NPO's. Cause we talked about it earlier in the panel, we mentioned these -- I think these three regions --

MS. SNYDERMAN: Yes. Yes.

MR. PUENTES: -- as NPO's that are thinking about this. It doesn't strike me that this is the norm in NPO's across the country. They're still very traditional in a lot of ways and still very transport focused. How did you do that at an NPO in Chicago, and then actually for the other -- for you guys as well, I think, cause both of you have dealt with (inaudible).

MS SNYDERMAN: So, the initiative that you're talking about is called the Regional Housing Initiative. And when it began, it was actually before Chicago -- the creation of the Chicago Metropolitan Agency for Planning, it began with us three of our public housing authorities and a housing finance agency and the Metropolitan Planning Council, which is an independent nonprofit regional policy and advocacy organization. And now, RHI is facilitated by CMAP, and it includes 10 of our region's public housing authorities. There are 15, so we still have a ways to go.

MR. PUENTES: Fifteen in the region.

MS. SNYDERMAN: To 15 in the region, but the bulk of the largest ones are involved right now. And our housing finance agency has increased its role as well. And it started in a very different market. And I want to stress that because I think the versatility of this initiative in different markets is part of what makes me confident that it is replicable and scalable, not to mention the interests of Baltimore, which is just rolling one out now. St. Louis, which has -- seems to be very interested in getting something going. And this particular initiative, obviously, started before the AFFH metrics. But similarly, it was born out of data. There was a regional rental market analysis that really showed how the housing stock was not accommodating the population and jobs boom, especially, outside of the city of Chicago.

MR. PUENTES: Who was doing that analysis?

MS. SNYDERMAN: It was analysis that HUD largely funded together with state and the city of Chicago and the housing authority, that the University of Illinois, Urban Institute and area (inaudible) area. So, there was quantitative. There were interviews with developers and housing trust voucher holders, and employers and elected officials. And it started at the point in time when the Chicago Housing Authority was looking at tearing down its high rises and was required to either redevelop them or voucher out and had to figure out what the market could absorb. And they advocacy was to look at the regional level. And it was at a point in time where a new business group was starting, Metropolis 20/20, was talking at the time about what they called the alleged (inaudible) mismatch. So, there was the conception of thinking regionally at that point. And I think one of the surprises to many people was not so much that the housing stock was shrinking in the suburbs when jobs and population was booming, but just realizing that while housing authorities were really getting beat up for segregating people. And there

OPPORTUNITIES-2016/02/23

was a lot of segregation, and obviously, Chicago still is perhaps the worst in the nation on this. The truth was that in areas where there were good schools and good jobs and good transit, there was a shortage of multifamily rental stock. There wasn't the supply there. So, the premise was that these housing authorities would just pool some of the turnover of their tenant-based vouchers. And HUD allows them to project base up to 20 percent, but at this point in time, they just said, 10 percent of this years' turnover. And that was -- that was step one to agree to do that. But then to decide how and where to invest those vouchers, I guess I should have stressed the other thing was not just that there wasn't a supply in those areas, but that the housing authorities like DuPage Housing Authority, McHenry Housing Authority, that might have been the more desirable places with good jobs and good schools, have little housing authorities and not a lot of vouchers and no development track record. At the same time, the suburban mayors were meeting and talking about the data, and they formed for the first time ever, a housing committee on top -- they already had a caucus, but they formed a housing committee. And they spent a really long time talking about how to take leadership on this issue and stay in office. And at the end of a lot of discussions, they came up with some very basic housing endorsement criteria that said that the housing is affordable to the local workforce and a range of others, if it's well managed, well designed, near transportation, near jobs, and it's good, and we need it, and we will give incentives to developers, and we will preserve --and we will support housing authorities.

So, the regional housing initiative -- the selection criteria were based on those criteria, which helped build a lot of community acceptance. And then our housing finance agency at the time gave three extra points to developers who came to us first. Now, you could -- it's a lot more than that. It's 10 just for the vouchers. It's another 10 if it's an opportunity area or revitalization area. So, there's the developers that makes it so much easier to see all those funders lending.

MR. PUENTES: Did that get fed then in to the regional planning process that the NPO was doing? Did it affect transport spending, for example in this case?

MS. SNYDERMAN: So, more recently, HUD invested as a pilot, in the Regional Housing Initiative, and part of the assignment was to find a permanent home for it. There was a longstanding pilot. And that's when CMAP came in. and I think for CMAP, it was a big decision to the Chicago Metropolitan Agency for Planning and what -- they had the Fair Housing Equity Assessment, right, they received that

through the Sustainable Communities Initiative. So, they increased the metrics, but they also had been doing TA to municipalities all over the region and suddenly, this could be introduced as a reward, right, to developers and towns that were advancing the regional goals.

MR. PUENTES: Is there a similar story then in Kansas City? I mean, also another highly fragmented metro area of two different states. How did the NPO take on such a large role when it comes to promoting fair housing?

MR. LENK: Well, I think our role is different. The public housing authorities still are fairly fragmented, I would say. And our entry in to this is with helping the local governments prepare regional analysis of impediments and then the FHEA, the Fair Housing Equity Assessment as well. And now, we're involved with the city of Kansas City, Missouri, who is one of those first 22 metropolitan -- communities having to fulfill the new requirement under the AFFH.

So, our work has been to help with the analysis and help the understanding and then also to bring the larger community together. When we approached other communities in the region about doing a regional AFFH, which is what HUD's desire is, and one of the issues was that most of the communities don't have to do it until 2019. Only KCMO has to do it this year. And so, getting those schedules synched up is a really difficult issue to try and figure out. But they're all willing to do it. They all would see the value in doing it. But the timing of how we do it. So, we're trying to do an initial study that will create a framework for our regional analysis.

MR. PUENTES: Your NPO will do the study.

MR. LENK: We'll do it with the city of Kansas City, Missouri under contract to them. And then do that in a way that the other cities can join in as their time comes forward. So, there's a lot of interest in working together and addressing the issues that really need to be addressed regionally at that scale. But there's a lot of technical issues in preventing that.

MR. PUENTES: This is your fragmentation (inaudible) because as you were saying, Scot, that this is one of those structural issues, right? Just the proliferation of local governments. And Chicago is the most fragmented in the country, arguably. Kansas City is very fragmented. Baltimore is not. It's actually one of the least fragmented in the country. But there has to be something -- this can't -- there has to be something else then that's behind this besides just the proliferation of -- or the lack of the

proliferation of local governments in local (inaudible).

MR. SPENCER: That created our process? Or where we've gotten to?

MR. PUENTES: Yes.

MR. SPENCER: Well, in a frank sense, failure led to collaboration. And our failure was - we wanted to win the HUD Sustainable Communities grant, and we didn't get it the first time. And sort of the failure in the process of doing that, actually led us to a truth. And the truth was in the data. And the data really pointed out that we live in a superiorly wealthy region. And where the richest county and Baltimore city are about a 60 percent difference in median income. Within Baltimore city itself, there's probably almost another 30 percent difference in median income. And the jobs access issue. and so, the data just laid itself out -- in certain ways, laid itself out for us, that the issues of housing, transportation, and workforce development were the issues that needed to be addressed.

And so, the wisdom of collaboration with a bunch of brave people coming together. And really, people who in certain ways, may have -- can sometimes sit at odds with one another. Government advocacy groups and somebody sitting in the middle to help to sort of calm the waters or to help to facilitate the process, really enabled us to identify those three areas as the way to work and really try to move the path forward together. For us, that -- the resulting factor was that our state legislature payed attention to what was coming out of our HUD Sustainable Communities process. And they were then inspired to really change the charge of the NPO, to expand the charge of the NPO from its historic role as the principal transportation planner to add on the responsibility of housing and transportation to its work.

For our workaround, we did the AI as a part of the original Sustainable Communities process. And I think, again, part of it is daylighting process and sort of the collaboration amongst the region -- or the counties within region led to their co-investment. Because originally, when we actually did the grant, we were going to hire somebody to do the housing work, and they were going to be a part-time person. It was the county's acknowledgment of the importance of the outcomes of the AI to actually then coinvest, to up the role of the person to be a full-time person. That person is still there doing the work, which is a good thing because the counties are continuing to invest in that work. And so, we are a 2019, we are going to be a 2019 region. And right now, I can't remember the title of it, but it's like the Baltimore Regional Fair Housing Collaboration or something like that.

But it is the combination of the counties and the housing authorities that are going to be doing the regional analysis. They're also going to be doing an individual jurisdictional analysis, so that they can figure out how to work, either in the regional context, which I think would be the -- personally, I think it would be the ideal thing. But also, it gives them the latitude to address the issues that the contextual issues that reside in their jurisdiction and to allow them to use their land-use discretion that they have, and they quite honestly, probably don't want to give up, to really work on addressing the issues of the impediments to fair housing.

MR. LENK: Can I add something? So, I would say that one thing that we are success at is broadening the discussion of equity beyond housing and how we are -- we put an equity lens into virtually everything that we do. So, we created a new set of planning policy of planning-sustainable places where the equity net -- we created an equity network of people that are involved in this equity every day. And they have a voice in our transportation funding decisions and in our planning decisions. And that happens every time we meet. We build partnerships really well in Kansas City, we're Kansas City nice. And as someone said, the intersection between nice and smart. We like that one. (Laughter)

And so, whether working on homelessness issues or on new financing mechanisms, I think financing is one of those places where right now, the money is very specific generally and it's hard to leverage and so consequently, not enough gets done with the money. The idea -- one of the great things about this partnership between DOT and HUD is the increased flexibility. Look at how much energy that you're able to create by saying, here's a little bit of money you guys figure out how to spend it the best. By the way, you can leverage other Federal money with it. And you just get a ton more and higher quality of work that has a bigger impact because it makes local sense. And then, we work on all aspects of this, so not just housing and transportation but working on the jobs part.

So, we have a whole other initiative with the business community around trade-talented innovation that we call KC Rising. And then, we're also active in workforce, so trying to get a better workforce system that works better with business, so we have a demand-led, a business-led talent production system. So and also working on all the -- getting both the new entrance in to college and adult learners as well because we have 300 thousand folks who have started college but not finished a degree.

So, the opportunity agenda is much broader than just housing and transportation. It

includes jobs. It includes education, and we're involved in all of that. And basically, we're opportunistic. Wherever there is energy, wherever we can find partnerships and engage folks, that's where we're going to be.

MR. SPENCER: And I think we're looking to become more opportunistic. But I would say that one of the things that is leading us to the pathway is, again, the uncovering of information along our path to the Regional Plan for Sustainable Development, really sort of again, highlighted the need for intersectionality. So, much to, I think, a lot of peoples' surprise in the Baltimore region. When we did a survey of workers and employers about what the barriers were to employment opportunity, we would think that it was probably going to be somewhere around criminal records or histories and things like that. The number one barrier was transportation. So, while we may have been chasing down the pathway of expungements, which are really important to do and things like that, if we're not starting to address the issue of what the connectivity is to that last mile, what the connectivity is to the first mile, what the connectivity is around the cost of transportation and how we're dealing with that, then we're not really starting to address the issues that are principally impacting the people. And that's what's gotten us to this point of really working with the transportation folks, the workforce investment boards, and everyone, and actually, some housing folks around making those connections.

MR. LENK: That's a great point. In Kansas City, I think, our latest assessment is that only 9 percent of jobs are accessible by transit within a 60-minute commute. And so, we have a TIGER grant. So, a transportation grant to double that access. So, over the next 10 years, which is great, it's still won't be a lot of jobs. There's a lot of work to be done in promoting transportation access to jobs. But I will also point out that when we had to do the Fair Housing Equity Analysis, our most poverty impacted, racially concentrated areas of poverty are right next to our biggest corridor of jobs, with great transit access to it. So, it's more than just transit. There -- and if you look in the detail, what you find is that there's 9,000 people in this one area that have jobs that don't have a high-school education. All the jobs that are around there, most of them, not all of them, but most of them, require at least a high school or better degree. And so, there's this big educational mismatch.

MS. PUENTES: We've made progress on getting transport as part of this discussion, but, I think, clearly you're right, it's not enough. It's not the only thing that we can get to. I want to go to

the audience soon. How are we doing on time? Are we okay? I did want to ask one more question before we go to the audience though. On this issue of incentives, because this is what we keep getting to when we work in these regions, what are the incentives for the local governments to work together? Everybody is so (inaudible) and all this kind of stuff. We talked about three incentives, I think, so far. Three motivators. Nice and smart. I don't know if we can replicate that everywhere besides Kansas City but elsewhere. The money, we talked about the little bit of green, that there actually is some Federal money or some other kind of source that actually does go a long way. Then we talked about getting the business community involved, making it more of an economic kind of impact, irrespective of the social one and an equity lens, that there's a business (inaudible). Are there other incentives that we should be thinking about? Things that you've seen that's worked. Things that other communities can take from that.

MS. SNYDERMAN: I think the other one that Frank mentioned was sort of loosening the regulatory environment a little bit. Yeah, I wanted to stress that in talking about the Regional Housing Initiative, there was a convening at the end of January, and this gets to your question, where 7 regions were brought together. And soon after we left, we found out in the 2017 Budget, there is a regional mobility demo to support up to 10 regions ideally with money that's proposed in the budget, and let's let everybody go out and vote for that. But also, by letting HUD know what sort of waivers are needed to support. Especially the consortia idea, right, there's not a consortia rule right now, let alone a partial consortia rule, so that housing authorities can pilot certain programs together but not throw everything in. and there's also language in there about working with the private sector. And I know in Chicago and in conversations with Baltimore, thinking about how to be very intentional about introducing this issue to address the self interest of the business community and developers. That's a real challenge.

MR. LENK: What Secretary Castro said about humanizing, really resonated with me. That none of this happens without really strong engagement of all the communities in the process and giving them a real meaningful role in the decision and decision making. I think that's one of the things that helps make this happen. And then the other thing that makes it happen, is success. And, so, in the downtown area, which has been -- had its difficulties, we have a new starter street car line and other place-based investments that have allowed a charter school to open up, and now it's merging with

another charter school to create a high school downtown. The first time that's ever happened that we've had a high school downtown since I can remember anyway. And so, that kind of -- that builds families, which then makes a more attractive place, which then -- and one of those charter schools, I'll give a plug to my wife's school, it's in a Choice neighborhood. It's in a depressed neighborhood with a high minority population, about (inaudible) population. But now they have access to a high school that really -- in an opportunity area, that they wouldn't have had before.

MR. PUENTES: It's one of the first high schools in the downtown area. It's mindboggling when you think about it.

MR. SPENCER: One thing I'd add in some of the work that's been going on in Baltimore, one of the groups that we worked with has been looking at what it would take to grow sort of the African-American middle class. And part of the incentive around strategy and really looking at policies and strategies that promote stronger equity, there is a very strong economic component to it. It points out that by moving -- by helping people increase their income, the increase in city tax rolls, the increase to state tax receipts, the decrease in crime, the increase in home ownership. Again, if you're not going to -- if you don't want to do it. I think I've heard Mayor Hodges from Minneapolis say it, if you don't do it for the -- if you don't want to do it for the moral reasons, do it for the economic reasons. But it's true, there's enough information out there that says by moving the needle on these metrics, that it is either an economic boost to the region or it is a cost saver to the individual. And if you can talk to the individual about how it might be able to put more money into their pockets because you're not paying money to institutionalize someone, to keep someone on a government support roll, and they're able to be contributing members of society, humanizing them, then I think there's a very strong argument to made for that.

MR. PUENTES: You move a lot worse issues from economic --

MR. LENK: I'd say one more thing, that we do this in a way so that everyone benefits, so all communities are talking about more mixed use. Communities for all ages, which gets the young and the old, which allows us to talk about disability. It talks about lower affordable housing for the young, which can be affordable housing for anyone. And so, there's ways to talk about it. Good language really helps.

MR. PUENTES: I think we can do a better job at that for sure. So, let's take some

questions. There's mic runners around here. Please identify yourself, your organization, and try to keep your questions short. My boss, Strobe Talbott, here says, your voice (inaudible). Up at the end, if it's a question. Keep away from statements and go for questions.

MR. APGAR: I'm Sandy Apgar, Baltimore. I live in one of those high-net-worth communities, about 1 mile from Freddy Gray's. So, your comments are very gelling, very appropriate. As both Rob and Amy know, I've been a practitioner of public/private partnerships for some time. And with particular emphasis on the private business aspect of P3's. And the question, which is as much for the previous panel as you, but from your collective prospective locally, can we realistically continue the governance model of federal departments being in effect the innovators to create programs and then push them out, versus a different model we seen in the private sector where the federal departments in effect become investors, venture capitalists. Those who provide the funding but enable and of course incentivize the local and regional innovators to invent and innovate. That's a sea change, obviously. The one federal department that in effect is built on this model despite its bureaucracy, is the Defense Department, which creates a market and an industry for the private sector and increasingly for innovation. There may be others that I'm less familiar with. But that is a governance question then from your local prospective and experience as well as the scholarship that may be behind this would welcome your view.

MR. LENK: I'd argue that actually, I think it is starting to change. I think we've some examples with a little bit -- that the Federal Government is starting to recognize, and I can add that the days of these big federal programs are kind of playing themselves out.

MR. SPENCER: I was going to say, that if I had the Defense Department's budget to incent partnerships and collaboration, I'd be very happy too and see a lot of it happen. But I think, I agree, I think -- I actually think what the Sustainable Communities effort did, in having been partied and involved in a previous generation of stuff with the Empowerment Zone. What the \$3.5 million allowed us to do in the Baltimore region was: One, to bring together a table of talks. To really focus in on the contextual solutions that are germane to us in the region. And so, really for us to be able to set up a blueprint in order to that.

The second thing it enabled us to do, and the requirement of using 10 percent of the dollars for community engagement. If I were to give advice, I probably would have said, oh, if there were

a way, we should have probably invested more in that. But one component that were able to do out of that was actually to set up and Opportunity Fellows program, which was really creating the opportunity for 34, 35 people, local people to dig into the work of the regional plan for sustainable development and to become the sort of this next generation of leadership to push the change.

So, when I say the daylighting of the AFFH was a good thing, hopefully those folks will actually be a part of the process that will hold a level of accountability to systems that this has to continue and that means, this has to be able to move forward. So, I mean, I think it started the process. We didn't have the resources to finish it, but there are a lot of creative minds out there, and I'm looking back at the Director of our Baltimore Metropolitan Council, as really one of the true thinkers about thinking smartly, about how to pool resources, connect resources, and really try to move elements in to action around this. And that's with \$3.5 million dollars, so.

MR. PUENTES: Let's do this idea we did before, let's have a question from the audience and the we have a Twitter question or comment? Not yet. All right, let's go for a question from the audience. Right down here.

MR. CAMPBELL: My name is (inaudible) Campbell. I'm on the board of directors at two public companies, and both of the companies are involved in housing. In 1923, the French architect, Le Corbusier, said that "Building is at the root of social unrest." And I think that's largely true today. I worked at HUD under President Nixon and Secretary Romney. I worked at Commerce as the assistant secretary for Economic Development under President Reagan. I've been to 55 counties. If you check the website for livable cities, you'll find that there are none of the cities in the United States amongst the top 10 livable cities in the world.

I have a question about scale and commitment. The question about scale is this: When we have hurricanes, you'll find that it takes tens of billions of dollars, somewhere between \$30 and \$70 billion dollars to deal with Katrina. If you look at Sandy, I think that was north of \$30 billion dollars. I've been the -- I don't know if I said I've been in 55 counties. If you look around the United States, you'll cities like Reading, Pennsylvania, Stockton, California, Camden, New Jersey. They're all going south. I won't even mention Detroit. But my question is this, and by the way, I was interviewed last Friday by the New York Times about the fair housing because, when I came here in 1965, I was turned down by 39

OPPORTUNITIES-2016/02/23

different places. And one of the things that I found was that HUD was part of the problem. It wasn't called HUD then, it was HHFA, that the area-wide Commissioner, Childs, actually lied to me about the need to have the Federal Government exercise leverage, because President Kennedy had written an Executive Order. Coincidentally, my father was founder of a bank in New York and was a close friend of Bob Weaver, so he was able to get Childs called on the carpet. I wrote a one-page letter and got the River House to desegregated, 1,661 units. My concern -- my question is this, you interrupted me, I was going to tell you. My question is this, I personally, from my experience, feel that the Government is not really committed to, not only fair housing, but equitable housing and sustainable housing and to put that in context. My question really is this, it's about commitment, a serious commitment along the lines of the scale. And why is that the Governments of England and Scandinavia can guild sustainable housing, it's not about the difference in the ethnicity, but why is it -- are their governments committed, and our government is not? I think we're going around in a merry-go-round. I've been listening to this for over 50 years, and it's always this program, that program, this program. But nobody is really meeting -- dealing with the issue of ethnicity and the concentration and the isolation of poverty and the drugs and all of that. Last point, if you check out the website for City Observatory, you will find the proliferation of what I call dystopian neighbors, is increasing exponentially, and we aren't really solving this problem. We're talking about it, and we're giving isolated -- interesting names, but really, we're not cutting through. So, that's my question.

MR. PUENTES: So, the other international examples -- but what are we doing here that -
- what can be learned from other places. I think that's where I got the question. I think that none of the question was there are a lot of things that are happening internationally. Are there things we can learn from elsewhere. What's wrong with the structure we have here. We talked a lot about the structural problems with the city. Are there structural problems in the Federal level?

MS. SNYDERMAN: I would look Brookings to answer that one.

MR. LENK: The thing that I think that if I read the question right is that we haven't humanized the poor and disadvantaged and the people that are racially isolated. And so, we have this persistent problem of underfunding but we don't really perceive as a problem. And in this era of where racism isn't quite as overt, we've sort of shifted from where racism is more covert and more about

OPPORTUNITIES-2016/02/23

perception than it is about stated belief. And so, that makes it even harder sometimes to get the resource and get the problem understood. But I don't know what to do about it other than to keep raising the issue.

MR. PUENTES: And things in Europe and elsewhere are changing, as we know, dramatically, so it's hard to find places that are doing things right. Do we have time for one more? We have time for one more question. We have a mic for you. Keep it to a question.

Yes. Thank you all very much. I'm concerned about the lack of income integration as opposed to the historical effects of du jour segregation in to de facto. And particularly, in suburbs where, I live in the suburb near here, across the river, and the goal of the county is essentially separate but equal. No integration economically, you have schools with 90 percent people on free and reduced lunch and other schools in the same school system with none. And the goal of the school board and the county is essentially, we want to bring up the low income but not have income integration within the schools. So, I - my question to all is, are you seeing that? Is that just a goal you'd like to have, that at least they're equal? Is that a goal that's sufficient?

MR. LENK: We talk a lot about mixed income housing, that's clearly where we need to move. It's a hard thing to do, I think. But that is -- I wouldn't say the goal is to segregate by income. Is that what you're saying?

Sorry, but if you have a single-family area, and then you have (audio dropped). But you end up getting on (audio dropped) Because the schools (audio dropped)

MR. LENK: So, our land-use planning, land-use planning is around mixed-use centers where you would mix up single-family, multi-family, multiple uses. And so, you would have within a community, a more integrated environment. Have we achieved it yet? No. But that's certainly what we're planning for.

MR. SPENCER: My short answer is no. That is not a good goal. But I would give -- it's funny. There's a woman from East Baltimore who talks about, and not that I'm promoting segregation at all, but she talked about how when Baltimore was a segregated city, probably differently segregated in some ways. But when it was a segregated city, that in one neighborhood, you would have doctors, lawyers, because they couldn't go to -- they might not be able to go to White doctors. You had Black doctors, Black lawyers, Black this, Black that, sitting and living next door to the Department of Public

Works person. And so on and so forth. And there was an integration. There is enough evidence out there that talks about the benefits to all of having people of mixed incomes blending together. And so -- and by the separation of zoning, really, it's a zoning question, of people by zoning, which then sets up separation by income, what you're doing is sort of perpetuating this cycle. You're really actually reinforcing the DNA structure that I talked about. You're just doing in a different way with a different set of coding. And that's the stuff we need to work on deconstructing. But as long as, well, I won't say as long as zoning is the province of local jurisdictions. And someone said to me once, that if you really, really want to see change happen, go to a zoning board meeting.

MR. PUENTES: The Secretaries both talked about their days as mayors, and they still remember those. So, we leave it there on a really easy issue like that (inaudible). The Secretaries, they started late, they went a little bit over. I think they had a great conversation. But we do have to cut off if you all want to be respectful to the panels since everybody in the room. I thought we in true Brookings style, we kind of raised more questions than we answered. I think we clearly demonstrated that this is complicated stuff. A lot of things that are moving in the right direction. But we have an awful long way to go. I think these issues about partnerships was a really good one. I think we need to keep proliferating those. We need to pursue more of those innovations between organizations. All the surrounding incentives. How do you actually get people to do the right thing? Local land use and zoning is at the top of that list. And, Frank, your issue of how do you put equity into everything? How do you make this part of the conversation, so it's not something that we do every year, but it actually is the thread that connects throughout? And then housing and transport don't seem like these two foreign things that we're connecting, but it actually matters very much.

So, I want to thank the panel. I want to thank our Events Team for pulling together a great event. Video and web clips will be posted on our website soon, so check back for those. This conversation clearly doesn't end right here. We know that the Administration is going to stay engaged in this. I know the panelists are going to stay engaged in this. We're going to stay engaged in it, at Brookings, and I hope you all will too. So, thank you all very much. Please join me in thanking the panelists. (Applause)

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