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An Urban Age in Detroit: The Case for State Reform and Community Renewal by Bruce Katz

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Introduction

Thank you for the invitation to speak at this gathering. This is my first visit to Sacred Heart; what a magnificent facility and asset to the community.

For the past year or so, I have been working with a team of international urban thinkers, practitioners and policymakers on a global city initiative.



The premise of our work is quite simple:

“The late 20th Century was the age of economic globalization. The first part of the 21st Century will be the age of the city, the ‘Urban Age’.... The design of the built environment, the distribution of urban density, and their impacts on social inclusion and the quality of life, are at the forefront of political discussion in towns and cities across the globe.”

What do we mean by an Urban Age?

- Competitive cities and suburbs that create and nurture strong, resilient, adaptive economies.
- Sustainable cities and suburbs that promote accessible transport, residential and employment density and energy efficiency.
- Inclusive cities and suburbs that grow, attract, and retain the middle class and give all individuals, irrespective of race, ethnicity or class, access to quality jobs and good schools.
- Livable cities and suburbs that promote and preserve quality neighborhood design, abundant open spaces, irreplaceable environmental treasures, and distinctive public spaces as a foundation of competitiveness, sustainability and inclusivity.

Is an Urban Age possible in our suburban nation? More pointedly, is an Urban Age possible in Detroit?

A decade or two ago, many Americans would have scoffed at this notion. An urban age in the land of strip malls, exit ramps and big boxes?

On the ground, the American story of the past 50 years has been relentlessly suburban. In region after region, the low density dispersal of people and jobs—“sprawl” in a word—has dominated our physical landscape. A whole new lexicon has been created to describe America’s unique contribution to human settlement: “edge cities,” “edgeless cities,” “exurbia,” “boomburbs,” “spatial mismatch,” and, my personal favorite, the “exit ramp” economy.

Well, if that was the exclusive story in the US, we could all pack up and go home—or at least confine our discussion of the Urban Age to other parts of the globe.

But my colleagues and I think hidden beneath the dominant story of sprawl and decentralization is an emerging narrative about the power and potential of cities and urban places.

My argument today will go as follows:

First, broad demographic, economic, fiscal, and cultural forces give cities their best chance in decades to compete for businesses, workers and residents and are already fueling a visible though uneven and incomplete resurgence of American cities.

Second, Detroit, despite many assets, is barely participating in this urban resurgence and continues to be characterized by high levels of poverty and racial separation and low levels of educational attainment and income.

Third, Detroit’s weak performance is due in part to state and federal policies—what I call the “rules of the development game”—that almost uniformly favor sprawl, concentrate poverty, and undermine cities and older suburbs.

Fourth, a true renaissance in Detroit will not occur until major structural reforms are made to state policies, reforms that are possible if we rethink political coalitions in this region and this state.

Finally, Detroit LISC and community leaders in this city and region can be a major partner in state reform as well as a major leader in redefining what community development means in the context of a weak market city like Detroit.

So let’s start with the big picture.

Everyone in this room can attest to the breathless pace of demographic change that is sweeping the nation.

- Our country is growing by leaps and bounds—33 million people in the past decade, 24 million in the decade before

- Our growth is being fueled in part by an enormous wave of immigration. Thirty-four million of our residents are foreign born, 12 percent of the population, the highest share since 1930
- Immigration is essential to offsetting another major demographic trend—the aging of our population. Like much of the industrialized West, the U.S. population is growing older and living longer
- And our family structure is changing. Women and men are delaying marriage, having fewer children, heading smaller households.

These demographic forces are giving cities and urban places their best shot at attracting and retaining residents—rather than watching them disperse out across the landscape—than at any time since the 1950s.

- Immigrant families who seek communities that are tolerant and welcoming
- Elderly individuals who seek places with easy access to medical services, shopping and other necessities of daily life
- Middle-aged couples whose children have left the nest and are open to new neighborhoods and shorter commutes
- Young people who are experimenting with urban lifestyles popularized on television shows like “Seinfeld,” “Sex and the City,” and “Friends.”

The pace of demographic change in our country is matched only by the intensity of economic transformation.

- Globalization and technological innovation are reshaping and restructuring our economy and altering what Americans do and where they do it
- These forces have accelerated the shift of our economy from the manufacture of goods to the conception, design, marketing, and delivery of goods, services, and ideas
- These forces are placing a high premium on education and skills, with communities and firms now engaging in a fierce competition for talented workers who can fuel innovation and prosperity
- These forces are changing the ways businesses manage their disparate operations—enabling large firms to locate headquarters in one city, research and design somewhere else, production facilities still somewhere else, and back-office functions—within or outside the firm—in still other places.

As with changing demographics, the restructuring of the American economy gives cities and urban places a renewed economic function and purpose—a function that holds out hope for re-centering regions and using land more efficiently.

Yes, globalization and technology do have decentralizing tendencies and have made possible “Sprawl-Mart.”

But, an economy based on knowledge bestows new importance on institutions of knowledge—universities, medical research centers—many of which are located in the heart of central cities and urban communities.

More generally, the shift to an economy based on ideas and innovation changes the value and function of density.

We now know that employment density and cities with efficient transport systems contribute to labor productivity.

Residential and employment density also enhances innovation. This happens partly by creating a “quality of place” that attracts knowledge workers and partly by enabling interactions and knowledge-sharing among workers and firms, within and across industries.

Finally, the evidence shows that the urban form is not only competitively wise, but fiscally sound.

We have known for decades that compact development is more cost efficient—both because it lowers the cost of delivering essential government services (police, fire, emergency medical) and because it removes the demand for costly new infrastructure.

These broad market, demographic and cultural forces are already altering American growth patterns, giving our cities a second life.

To be sure, low-density development continues to dominate the physical landscape.

But cities are growing again after decades of decline. Atlanta, Chicago, Denver, and Memphis literally “turned around” by converting a 1980s population loss into a 1990s population gain.

Immigrants are fueling population growth in cities and, in the process, renovating housing, revitalizing neighborhoods and spurring entrepreneurial activity. The Hispanic population in the top 100 cities grew by 43 percent during the 1990s, or 3.8 million people. The Asian population in the top 100 cities grew by 40 percent during the 1990s, or 1.1 million people.

Beyond demographics, cities have gained a strong footing in the “Ideas Economy.” Some 60 percent of the jobs in America’s cities fit squarely into “new economy” categories compared to only 40 percent in suburban communities.

Other signs of urban resurgence abound:

- Poverty rates declined in cities during the 1990s

- The number of people living in high poverty neighborhoods—and the number of high poverty neighborhoods—declined precipitously during the past decade
- Homeownership went up... jobs grew... unemployment fell... incomes increased... the numbers of minority and women owned businesses soared.

Now my second point: the resurgence of American cities has, for the most part, bypassed Detroit.

Let us review the facts.

First, population growth: While most US cities grew during the past decade, Detroit's population declined by 7.5 percent. The city lost 76,000 people, second only to Baltimore.

Second, immigration was relatively sluggish and was not sufficient to offset the outmigration of other residents. While the immigrant population in the top 100 cities rose by 45.4 percent, Detroit's foreign born population grew by 32 percent or only 11,051 people. Detroit ranked 75 out of the top 100 cities on this important indicator.

Third, poverty remained high in the Motor City—26.1 percent in 2000, Seventh highest among the top 100 cities. Detroit's poverty rate compares to a national average of 12 percent and a national city average of 18 percent.

These poverty statistics are obviously aggregate figures. The poverty rates for children are actually much worse.

Fourth, educational attainment, the ticket to prosperity in our changing economy, is dangerously low. Only 11 percent of the adults over the age of 25 in Detroit had a bachelor's degree in 2000, the fourth lowest among the top 100 cities. Only Newark, Santa Ana, California, and Hialeah, Florida had lower educational attainment rates.

By comparison, the average for B.A. attainment among the top 100 cities is 26.6 percent. Cities like Minneapolis, Washington, D.C., Seattle, and other high tech performing cities all have over 35 percent of their adults with a bachelor's degree.

Fifth, if low educational attainment depresses income (as seen by the poverty statistics), then low home values depress wealth creation for Detroit's residents. That is important since ownership of real estate remains the principal vehicle by which American families build assets and wealth.

An impressive 55 percent of Detroit's households own their homes. Yet the average value of a home in Detroit is only \$71,604, less than half the national average of \$152,000.

Finally, the decentralization of people and jobs—sprawl in a word—dominates the physical and economic landscape of Detroit.

Although the metropolitan area and the state grew relatively slowly during the 1990s, population continued to spread out—flooding exurban towns and villages far from the urban core.

As I said before, the city lost 7.5 percent of its population during the past decade.

But the metropolitan area grew by 4.1 percent, or by about 185,000 people.

As people go, so do jobs. By our calculations, Detroit has the second most decentralized economy in the United States, behind Baton Rouge, Louisiana.

Across the largest 100 metropolitan areas, 22 percent of people still work within 3 miles of the traditional downtowns. In Detroit, incredibly, only 5 percent of the metro's workforce is employed within three miles of the central business district.

Across the largest metropolitan areas, only 35 percent of people work more than 10 miles away from the central business district. In Detroit, an astounding 78 percent of workers—78 percent!!—are employed more than 10 miles away from the central core.

This metropolis has essentially built the nation's and perhaps the world's most advanced manifestation of an "exit ramp economy"—where the bulk of the jobs are located along arterials in low density environments of office parks and strip malls.

These are depressing, even brutal, statistics. They paint a picture of a city ill prepared to compete in the global economy, where families and neighborhoods are struggling mightily to succeed. They also send a strong signal to the broader region. Given the interdependence of city and suburban economies, the economic potential of the entire Detroit metropolis and, by extension, Michigan, will be retarded until the city of Detroit becomes a vital, contributing force.

But I don't recite this litany of woe to trigger despair and helplessness.

By contrast, I think this frank, honest assessment should liberate you and your allies to design and implement bold state and local strategies of recovery.

In Detroit, to use a term coined by Ned Hill and Jeremy Nowak: "You have nothing left to lose." Why not throw out the conventional urban play book of convention centers and stadiums and focus on developing a mix of policies and initiatives that have the potential to transform the physical, economic and social landscape of the city.

That brings me to my third point. The city, given its fiscal, social and economic condition, cannot bear the exclusive burden of rejuvenation.

The hard fact is that the sluggish performance of Detroit is due in large part to state and federal policies that almost uniformly favor sprawl, concentrate poverty, and undermine cities and older suburbs.

The states and the federal government exert enormous influence on growth patterns. The choices they make on economic policy, regulatory and administrative decisions, tax and spending programs all send strong signals to consumers and the market about what and where to build.

We simply cannot overestimate the roles that States play in metropolitan growth and development. Five state roles deserve particular consideration.

First, states set the geography of governance. They decide how many units of general purpose local government there are and then decide whether the boundaries of these local governments are fixed or subject to change through annexation—whether they are, in the words of David Rusk, “little box” or “big box.” They also decide the borders of school districts as well as other special purpose governments.

Second, states set the powers of local governance. They decide what powers to delegate to municipal governments and establish the parameters for how those responsibilities are exercised. They also decide which level of government wields such powers, be it local municipalities, counties, or even regional entities. For our purposes, the most important delegation involves land use, zoning, and planning powers. The devil here is in the details: Some states permit and encourage innovative land use techniques; others stifle it. Some states require that local planning conforms to regional or state visions; others allow localities almost unfettered control.

Third, states establish the fiscal playing field for municipalities and school districts. They decide the form of taxes that municipalities can impose on residents and businesses —property taxes, sales taxes, incomes taxes, fees. They also determine the extent to which the state levels the playing field between rich and poor jurisdictions through general or specific tax sharing efforts.

Fourth, states help design the skeleton of regions through their investments in physical infrastructure, main street, downtown, public parks, and green space. How and where states distribute economic development subsidies (whether to lower-end retail projects in the greenfields or high-value pursuits in established areas) also makes a big difference.

Finally, states help shape the quality of the economic growth that occurs in metropolitan areas through their investments in K–12 education, higher education, and workforce development. State activity of this sort may also stress higher-wage industries, such as health care, corporate research, or higher-value producer services as opposed to lower-end service jobs. The regulation of the real estate sector is particularly important and many states, for health and safety reasons, have established uniform rules and codes for construction and building.

In almost all states throughout the country, the intersection of these disparate powers and policies has created in what I call the “rules of the development game”—rules that favor the creation of new communities over the redevelopment of older ones, rules that promote and even subsidize greenfield development rather than brownfield remediation, rules that often consign low wage workers and minorities to the “wrong side of regions.”

Let me illustrate how sprawl and regional inequity is embedded and hardwired in the powers and policies of one state: your neighbor, the Commonwealth of Pennsylvania. As many of you know, Brookings released a major report on the state of growth in Pennsylvania in December 2003.

Our report demonstrated the sprawl-inducing and city-emptying effect of an intricate network of state governance, spending, tax, regulatory, and administrative policies. Among these were:

- State governance policies that chop the commonwealth into 2,566 municipalities and then delegate land use and zoning powers to every single one of these municipalities

- State building codes that make it cheaper to build new rather than renovate older properties
- State tax policies that leave cities stranded with tax exempt properties, saddled with the costs of maintaining older infrastructure and responsible for supporting a large portion of school expenses through their property taxes
- State transportation policies that spent only 42 percent of road and bridge spending in older urban communities, where 58 percent of the population lives
- State economic development policies that subsidize industrial parks on greenfields in exurban communities, while perfectly suitable sites on historic commercial corridors lie vacant and abandoned three or five miles away.

The list in Pennsylvania, as in Michigan and other states, goes on and on and on.

The end result of these policies is to create a dynamic in which every community in the state wakes up every morning trying to out compete its neighbors for growth that brings economic and fiscal benefits: high end residential, high end retail, high end commercial.

But the rules of the competition are stacked in favor of new communities.

Want to attract a new mall or government facility? The state will generously pay for new infrastructure and roads.

Want to grow your fiscal base? The state will allow newer communities to benefit exclusively from residential and job growth—and garner 100 percent of the tax revenues—without taking any responsibility for the impact of growth on regional traffic patterns or the environment.

Want to avoid serving low-income families? The state will allow newer places to zone out affordable housing for low wage workers, let alone shelters for the homeless and the most vulnerable in our society.

Given this backdrop, the twin patterns of sprawl and urban abandonment that have defined Pennsylvania's development since the end of World War II are not accidental or happenstance; they are the logical, almost predetermined, outcomes of state policy.

States, of course, are not alone in setting policies that shape metropolitan growth patterns. The federal government also impacts growth patterns in some fundamental and more recognizable ways.

As with state policies, the federal government, on balance, principally encourages the decentralization of people and jobs and the concentration of urban poverty—subsidizes wealth creation in newer communities and subsistence in the core.

Federal transportation policies support the expansion of road capacity at the fringe of metropolitan areas and beyond, enabling people and businesses to live miles from urban centers but still benefit from metropolitan life.

The deductibility of federal incomes taxes for mortgage interest and property taxes appears spatially neutral but in practice favors suburban communities, particularly those with higher income residents.

Federal and state environmental policies make the redevelopment of polluted “brownfield” sites prohibitively expensive and cumbersome, increasing the attraction of suburban land.

Other federal policies have concentrated poverty rather than enhancing access to opportunity.

Until recently, federal public housing catered almost exclusively to the very poor by housing them in special units concentrated in isolated neighborhoods.

Even newer federal efforts—for example, the low-income housing tax credit program—are generally targeted to areas of distress and poverty, not to areas of growing employment. Fifty-eight percent of low income housing tax credits during the 1990s went to central cities, though these places have 30 percent or so of the population.

We now know that concentrating poor families in a few square blocks undermines almost every other program designed to aid the poor.

We also know intuitively that concentrating the poor places huge pressures on growth, and can throw it miles out to the fringe of metropolitan areas.

Sprawl and concentrated poverty are flip sides of the same coin.

Now my fourth point: An Urban Age in Detroit will not occur until and unless we alter the rules of the development game that are set at the state and federal levels.

The policies that I have discussed here today are not inevitable or somehow divinely inspired.

They are the product of political systems and political compromises and political tradeoffs.

Politics, in a word, determines policies, and policies shape markets and growth patterns and family opportunities.

My contention is that throughout the country, sprawl and economic and social change has left in its wake the potential for broad majoritarian coalitions that can reset policies to fit a new time and achieve a new set of objectives.

Our challenge in this room is to realize the potential of this mostly latent, still theoretical political coalition and stimulate the creation of networks of leaders and advocates across municipal jurisdictions, across disciplines, across racial and ethnic lines, across “red” and “blue” states and regions.

Given political and fiscal realities, our first line of offense is the states.

I believe that a growing number of states are ripe for change:

- Because they are experiencing the fiscal wastefulness of unbalanced growth patterns
- Because they recognize that an economy of ideas, innovation, and creativity thrives in dense, urban areas
- Because they are worried that endless sprawl is endangering the rural landscapes and environmental treasures that define many places.

The states are ripe for change if we can change the political equation that drives decisions in state capitals.

And, if American history has taught us anything, states—as laboratories of democracy, as political battlegrounds for federal presidential contests—have the power through their experimentation to shape federal policies and practices for decades to come.

Let me give you a hopeful lesson from our Pennsylvania work.

What we discovered in Pennsylvania was a smart growth coalition that was less than the sum of its parts. Pennsylvania, like many states, does not lack for talented mayors or business owners or community, faith-based, and civic leaders or real estate practitioners or university presidents or heads of health care systems or environmentalists or conservationists.

Yet these talented people are rarely organized to pursue structural change. City is pitted against city. Urban constituencies are pitted against urban constituencies. The city/suburban divide—sometimes racial, sometimes not—is deep and pronounced. Environmentalists and conservationists rarely talk to, let alone relate to, urban advocates and business leaders.

Urban advocates, conservationists, and many fellow travelers, in short, have perfected the “art of the deal” – the downtown real estate transaction, the major stadium or convention center, the major land acquisition—and neglected the “art of politics”—the mechanics of coalition building.

Only a year later, what we are witnessing in Pennsylvania is the slow, gradual evolution of a vibrant political coalition that is leading a discussion about city revitalization, balanced growth, and state competitiveness.

The confluence of powerful ideas, a progressive governor (Ed Rendell, the former mayor of Philadelphia) and a vocal network of advocates is already reforming policies:

The state is embracing “fix it first” policies in transportation—stopping sprawl inducing road projects at the fringe in order to fund infrastructure repair in the metropolitan core

The state has resuscitated its State Planning Board to bring coherence to the actions of dozens of state agencies.

The state has revitalized an Interagency Land Use Team to better focus the state's actions and investments.

The governor recommended – and the voters approved – a \$625 million bond referendum to dedicate new resources to urban revitalization, environmental remediation and land acquisition, illustrating the potential for common ground between old and new communities.

The governor is pursuing bold new reforms to prepare the Pennsylvania workforce for a radically different economic era.

And policy fermentation is breaking out:

- Should Pittsburgh consolidate with Allegheny County?
- Should metro areas in the state be allowed to experiment with new taxing regimes and governance forms?
- Should the state's fiscal receivership law be turned into a tool for attacking the structural roots of urban decline and distress?

Now the road in Pennsylvania is going to be long and hard. But we have started on the path towards systemic and structural reform. And how far we travel down that path will depend, in large part, I think, on how effective we are at organizing new coalitions.

Is Pennsylvania unique? I do not believe so. In fact, I think if structural reform can happen in Pennsylvania—fragmented, balkanized, riven by divisions—then it can happen anywhere.

I submit it can happen in Michigan... and it's already happening to some extent.

One of Governor Granholm's first actions upon taking office in 2003 was to appoint a bipartisan commission on land use. That commission, led by former Governor Gilligan and former Attorney General Kelley, identified dozens of statutory and regulatory reforms that could help curb sprawl, preserve open space, and promote reinvestment. Some of those reforms have since been enacted or promulgated; others remain to be pushed through.

Governor Granholm has also pursued an initiative called "Cool Cities," which provides planning grants to cities to help revitalize arts districts and cultural destinations. This is a relatively small initiative in the scheme of things, but it is helping to alter the perceptions of "urban" and "community" in a state that has dismissed the role and function of cities for two generations.

And Governor Granholm has taken steps to transform the mission and culture of the state's transportation department, which has almost uniformly promoted decentralization and sprawl for decades. Her focus on "fixing it first" has the potential to focus scarce resources on the preservation and maintenance and reconstruction of the existing road and infrastructure network,

rather than subsidize the further out migration of people and jobs to the fringes of Michigan's metropolitan areas.

Governor's Granholm's actions to date provide an opportunity to have a broader discussion about cities—their contributions to the state's economy, their close linkages with their suburbs, their role in broader growth patterns—in the 2006 elections.

There clearly is a growing network of constituencies in Michigan—urban, first suburban, environmental, conservation, farm preservation, business, faith-based, nonprofit and civic leaders—who are dissatisfied with the status quo and believe that structural change is needed to build a competitive and sustainable future for this state.

Why not use the next fourteen months to have a rich, robust and provocative discourse about how this state can become more prosperous and competitive by revitalizing its cities and urban places, curbing sprawl and enhancing education?

Why not hold candidate forums in every major city and metro as well as other urban communities and towns and have candidates articulate their vision of competitiveness, revitalization and fiscal accountability?

Why not go further and develop a unified urban agenda among the broad cross-section of constituencies described above—an agenda that connects the dots between a whole host of state policies—brownfield remediation, urban land reclamation, affordable housing production, urban school reform, metropolitan infrastructure, higher education investments—that are generally kept separate and distinct?

The kind of cross constituency collaboration that is represented here today is exactly the kind of activity that needs to be multiplied a hundred fold in this state—and taken to the public in a strategic and focused way.

Elections are a great vehicle for policy fermentation. They are often competitions for ideas amongst parties and politicians who rarely have the time or capacity to think deeply and broadly about the profound challenges facing our people and places.

You—and the constituencies that share your views—have the power to use the 2006 elections as a vehicle to fashion and communicate a new generation of urban policies.

That brings me to the final point – the role of community development in the broader movement of state reform and local and regional action.

In most cities, community development corporations have been highly pragmatic, focusing on getting business done—perfecting the crafting of purchasing land, assembling land, dealing with local zoning, acquiring financing, building and renovating housing. That is hard work and you are getting it done.

But in a weak market city like Detroit—or Cleveland or St. Louis or Hartford—it is simply impossible to build your way out of neighborhood distress. That distress is fundamentally rooted in the broader trends described before.

So, strapped and overwhelmed as you are, you need to play a broader role.

Here you have three great opportunities that build on your strengths and the credibility and legitimacy you have amassed after decades of hard work.

First, be a voice and catalyst for state reform.

You have the knowledge to help design the broader, unified urban agenda that I discussed before. In particular, you have the expertise to design and recommend cutting edge reforms on a wide array of urban related policies—urban land banks, homeownership tax credits, commercial corridor restoration, and so forth. State leaders and government need concrete policy ideas that are rooted in practice and experience, and you have the “right stuff” to provide them.

But proposing new policies is not sufficient. Coalitions need to be built—across the region, across the state, across partisan and ideological divisions—to get them enacted and implemented.

Here too, you have the ability to be part of building a broader tent of constituencies and interests who can advocate for more robust, more fiscally effective urban policies. Your partnership with the Michigan Land Use Institute is already an excellent start in this regard.

Second, be a catalyst for regional collaboration.

The broad demographic, market and development forces discussed before have left you and other urban constituencies with new alliances to be built, particularly in the older suburbs right across the border from the city. These older suburbs, in many cases, are facing the same challenges that you are—struggling neighborhoods, challenged schools, inadequate tax bases, aging housing, aging infrastructure.

There is common ground, in essence, to build from across city and suburban lines. And community groups—with their focus on practical gains and practical issues—can be some of the first organizations to forge meaningful relationships across borders.

Those relationships can be about more than just dialogue and discourse. As they evolve, the knowledge and expertise of city community development leaders can be applied in suburban jurisdictions. In fact, it is not hard to imagine that some community development corporations will ultimately evolve into regional housing corporations.

That broader vision of community development obviously makes sense economically, given the decentralization of economic and residential life and opportunity in metro areas like Detroit.

But it also makes sense politically, for all the reasons we have already discussed.

Finally, be a catalyst for local reform in policy and practice

I said before that a place like Detroit needs to throw out the traditional playbook of community development and invent a new one.

Community development leaders in this city—and in struggling cities that are facing similar daunting challenges—need to reassess how they are focusing their energies and applying their talents.

It may be time—with support from the public, corporate and philanthropic sectors—to reinvent the traditional role of community development corporations and housing intermediaries.

The conventional focus on producing affordable housing is too limited in neighborhoods where schools are failing, where employment opportunities are scarce and where job networks are almost non-existent.

So I have one central idea for Detroit LISC and your community allies.

Why not be the first housing intermediary in the nation to make school reform your central focus and priority—in the neighborhoods in which you are already operating?

This approach of “school oriented development” is now being tried in a number of cities, mostly as a consequence of public housing redevelopment and HOPE VI. In St. Louis a private developer, Richard Baron, has used the redevelopment of Murphy Park to modernize and reform the local elementary school with corporate, philanthropic and public funds. In Atlanta, the local housing agency has used the redevelopment of Centennial Place to build a new school on the campus of the new community.

In both cases, these catalysts for change understand that they will never be able to attract moderate income families with children unless and until the local school aspires to excellence. And they understand that merely building more quality housing for low income families will not lift their children out of poverty unless and until the neighborhood school functions.

This model of “retail” school reform seems to be tailor made for the community development movement, particularly in weak market cities. You are neighborhood based. The universe of neighborhood schools is known and constrained. There is a marriage to be made here—to, at a minimum, apply your knowledge of quality building to school reconstruction; at a maximum, to apply your entrepreneurialism to school reform.

The bottom line is that for most Americans, housing IS about schools. Why shouldn't that be the case for community developers?

These are big ideas which some of you will question on practical grounds of funding and scope and organizational capacity.

And all of those criticisms and concerns are perfectly warranted.

But I return to my initial assessment: the current housing oriented focus of community development will not alone revitalize neighborhoods in weak market cities like Detroit. It is really not a question of whether we change our ways of operating—but how and when.

In the end, I believe that this state can grow differently.

And I fundamentally believe that this city—the most challenged of the big cities in our nation—can build a brighter future.

But this vision will not just happen.

We will need to fight for it with focus and discipline.

We will need to question some conventional assumptions about our institutional roles and responsibilities – and perhaps change what we do and where we do it.

And we will need to build new majoritarian political coalitions that demand supportive state and federal policies.

We can be the majority if we act, organize, and govern like one.