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A Reporter's Analysis by Martin Merzer

Sept. 15, 2008



Photo by Martin Merzer for Knight Foundation

**Anita Williams of Detroit outside her home, built with funds seeded by Living Cities: "I felt like a better person the moment I moved in here," she said. "I thought, 'Look at that. I have a brand new home. I have my own place.'**

**Living Cities Assessment**

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DETROIT — Anita Williams recalls the day she moved into her new home: “I felt like a brand new person. I felt like I was a better person already. I had my own place.”

Now, five years later, let's take a look.

Check out the framed mirrors and the glass-brick kitchen counter and the wooden moldings where the walls meet the floor. Notice the large framed pictures of the kids — Teonna, a nursing student; Quinesha, who's studying criminal justice; Christopher, who soon will be in high school and needs to take it a little more seriously.

Did you see the bright green bathroom? The neatly trimmed yard? The concrete patio?

This is 4116 Wayburn, one of about 100 neat, two-story houses in an area called Morningside Commons in a city called Detroit.

It is a lovely development that, in truth, cannot be said to be transforming the city or even the neighborhood. Rather, it is something of an oasis in a desert of decay and despair and disregard. But in its sixth year, Morningside Commons has demonstrated impressive staying power, and it *is* transforming those who live there.

“The kids are more secure and have a more positive attitude and I feel pretty comfortable and content now,” said Williams, 48, a housekeeper at the Motor City Casino. “Everything fell right into place here.”

Like thousands of projects in some of the nation's most neglected urban centers, Morningside Commons was seeded with loans or grants from Living Cities, a consortium of foundations, banks, insurance companies and the government. Knight Foundation was a founding member 17 years ago and has stayed the course.

In a complex, multilayered, perplexing field where success can be rare and fleeting, these affordable housing programs and related community-development efforts have assisted tens of thousands of people in the 23 U.S. cities served by Living Cities, including four — Detroit, St. Paul, Philadelphia and Miami — of special resonance to Knight Foundation.



Photo by Martin Merzer for Knight Foundation

**Honey Bee: The newly expanded Honey Bee supermarket in Detroit’s Mexicantown neighborhood. The owner weighed his options for years, but finally decided to expand after seeing nearby areas revitalized by grants and loans seeded by Living Cities.**

spiral of deterioration, repair some of the damage and ultimately restore a neighborhood’s sense of self, you must work more systemically.

That means pockets of new, attractive, affordable housing. Commercial corridors revitalized with freshened storefronts, new street lighting and festive pennants. A modern shopping center, a new bank, a police substation. Add programs to improve health, education, financial skills and economic stability. Only when taken together can these enhancements begin to make a difference.

“When these things get connected, you have a livable community again,” said Mitch Alexander, a neighborhood program officer for one of Living Cities’ partners in Detroit.

### **Toward a more systemic approach**

And so, fundamental change is in the air at Living Cities and already is manifesting itself on the ground. Within the last year, in response to the intensifying challenges of urban redevelopment and the growing concerns of its funders, Living Cities recruited an energetic new leader, significantly broadened its mandate and developed a far more encompassing strategy that is utterly alter-

Since its creation in 1991, Living Cities has invested \$570 million, priming other financial pumps that collectively poured \$5.2 billion of direct investment into those 23 cities.

Narrowing the focus, Living Cities received \$22.2 million from Knight Foundation, according to an analysis by the consortium for this report, and invested \$79.5 million in the four Knight communities, though those grants and loans seeded matching contributions and projects of far greater value.

Most of this activity has involved housing, but revolutionary change is sweeping Living Cities and the entire field of urban renewal. Experts now recognize that affordable housing alone is not the answer. To stem and reverse the

ing its investment model.

No longer will Living Cities concentrate almost solely on housing. Now, working more closely with its funders, it also will stretch farther, probe deeper. It will look for ways to improve the total environment surrounding residents of deteriorating urban neighborhoods — including quality of life issues such as education, health care, financial literacy, physical infrastructure, and job training and availability.

## Knights Investments

Knights Foundation funding for Living Cities includes six three-year “rounds” and two special initiatives

1991-1994 Core	\$2,500,000
1994-1997 Core	2,000,000
1997-2001 Core	4,000,000
2001-2004 Core	4,000,000
2004-2007 Core	4,800,000
2007-2010 Core	4,000,000
Urban Markets Initiative	500,000
Gulf Coast Initiative	400,000
Total:	\$22,200,000

*Source: Living Cities*

And no longer will it rely on two national intermediaries — the Local Initiatives Support Corporation (LISC) and Enterprise Community Partners (formerly the Enterprise Foundation) — as the sole aggregators of its projects and only distributors of its grants and loans.

This is a sea change in Living Cities’ most basic philosophy. Already, only about one-third of the consortium’s current three-year round of funding is flowing through the two intermediaries.

“Our approach going forward is to continue to focus on the bottom up, which involves the neighborhood, but also focus on the top down — getting public officials and political leaders committed to re-engineering the broken systems that keep people from succeeding,” said Ben Hecht, who became Living Cities’ president and chief executive officer in July 2007.

Some of this change already is evident.

Take the Eastside Financial Center along the revitalized Payne Avenue commercial corridor in St. Paul. Funded through a program seeded by Living Cities, it opened in January 2008 in a historic building abandoned by the Payne Avenue State Bank. The center already serves hundreds of residents, many of them Latino or Asian immigrants, with credit union accounts and a broad range of financial counseling services.

“It’s really a one-stop shopping place for financial assistance and education for families who are otherwise unbanked,” said May Xiong, the center’s director. “The need here is just immense, and we’re starting to get a handle on it.”

Amid such multifaceted change, this seems like an opportune moment to review and assess Knight Foundation's enduring and resilient involvement in Living Cities and seek answers to several fundamental questions:

■ *What has been accomplished?*

**Quick answer:** Some successes, some setbacks, but overall quite a bit: 40,743 housing units in Living Cities' 23 target cities — 7,845 of them in the four Knight communities (as of June 30, 2007).

Those numbers rise to 147,727 housing units in the 23 cities, 15,997 of them in Knight communities, if the separate initiatives of Living Cities' two intermediaries are included. They probably should be, as revitalization programs tend to be mutually dependent.

■ *Has Living Cities lived up to its potential and its billing?*

**Quick answer:** Not entirely. Many observers, including some within Living Cities, use the word “underperformance” to describe the effort thus far. This is what drives the new, wider investment model.

■ *What benefits and risks could be associated with a change in Living Cities' operational model?*

**Quick answer:** Quite a few. Exactly what will replace the consortium's tried and true strategy of funding its work solely through LISC and Enterprise remains a work in progress. Hecht cites such possible alternatives as partnerships arranged with universities, hospitals, locally embedded philanthropies, public agencies and others.

■ *What has Knight Foundation gained through its association with Living Cities?*

**Quick answer:** The ability to leverage its grants and loans to an enormous degree, while sitting at the same table as — and extracting knowledge from — larger, better-known foundations.

■ *What has Knight surrendered or forfeited through its association with Living Cities?*

**Quick answer:** Many opportunities to advance its name recognition, and a significant amount of accountability — the ability to monitor specifically what it intended or otherwise accomplished with its money.

That said, no one interviewed for this report expressed major new concerns about Living Cities, and this report was not commissioned as a result of any particular unease over the Knight Foundation-Living Cities collaboration.

“The key for me is not the relationship between Knight Foundation and Living Cities,” Knight Foundation President Alberto Ibarguen said. “I don't think that's broken. The question is, is the model the right model to provide the best kind of economic development for our communities?”

“And when you fund a consortium like this, it’s often difficult to get a clear sense of what really did happen to your money,” Ibargüen said. “You have to look at the origins of Living Cities and ask, ‘Is this structure adding value?’ ”

### **The origins: NCDI**

Knight Foundation joined the effort from the beginning as one of eight initial funders. Produced by the intertwined DNA of several corporations and foundations, the partnership also benefited from serendipitous timing.

Originally named the National Community Development Initiative (NCDI), the consortium was organized in 1991 by Peter Goldmark, then president of the Rockefeller Foundation. Goldmark also was a director of Knight Ridder, the media company built by Jack and Jim Knight. Goldmark brought the idea to Knight Foundation President Creed Black, who presented it to the trustees as a \$2.5 million, three-year commitment — both highly unusual for the foundation at the time.

Another twist of the DNA: One of those trustees was James Batten, then chairman of Knight Ridder, who also served as chairman of Greater Miami LISC, the local branch of one of NCDI’s key intermediaries-to-be.

Moreover, during the early 1990s, Knight Foundation was marked by rapid growth and engaged in its own transformation, blessed with huge cash infusions from the Knight brothers’ estates. It sought a place on the national stage and entry into the major leagues of the foundation community — along with the accompanying reach and stature.

“This was on more of a national scale than we normally had been, but we heard Goldmark out and we ended up recommending a grant,” Black, who retired in 1997, recalled. “It was a very big step for us.”

“The National Community Development Initiative ... was the foundation’s most significant collaboration of the 1990s and paved the way for exploring other relationships,” Virginia Henke wrote in 1998 in Knight’s official history.

To some extent, it was a natural and symbiotic relationship. Knight Foundation aspired to the wider arena provided by NCDI/Living Cities. At the same time, Living Cities saw in Knight Foundation a growing source of funds, the advantage of geographical diversity and, importantly, a fresh outlook and creative approach, especially within the often stodgy world of foundations.

“Knight is viewed by many as a very unusual place,” Hecht said. “They may not know it, but they are. They have a focus on communications, and the people who work there tend not to be professional philanthropists. They tend to come out of the Knight Ridder [newspaper] family, so they look

at the world in a different way. They're a little less academic, and that's good."

In fact, Knight Foundation executives helped shape the program's direction in the second decade, when NCDI was relaunched in 2002 as Living Cities, a nonprofit with a wider mandate and more capabilities. It also sought — and obtained — more active involvement from the consortium's funders.

"Knight's role in Living Cities was central at the outset, when Creed had the good sense to jump right in with Peter Goldmark and Rockefeller in creating it," said Hodding Carter III, the foundation's president from 1998 to 2005, who had intensely lobbied for the new direction at NCDI. "It [Knight] remained central when we transformed the old confederal organization into a separate entity, Living Cities, which allowed us to do everything from lobby Congress directly to look beyond the intermediaries and do work on our own." Said Carter: "To put it another way, Knight was a central, not peripheral, player."

### **How it works**

For 17 years, Living Cities has done its work and funneled its funds through those two respected and formidably positioned intermediaries, LISC and Enterprise. The objective: to help those intermediaries become stable and sustainable poolers of capital, talent for technical assistance and players in national policy. In turn, those two organizations distributed funds to hundreds of local community development corporations (CDCs) — nonprofit, community-based organizations created to improve specific neighborhoods.

The funding flow generally has operated like this:

- Knight and other funders contribute to Living Cities, responding to the general framework of each three-year "round" of work, plus occasional contributions for special initiatives. Importantly, virtually all of these contributions are pooled in a general fund rather than targeted to specific projects in specific cities.
- Living Cities also expresses its general interests, preference of emphasis and areas of concerns to LISC and Enterprise, carefully avoiding rigid instructions.
- In turn, the two intermediaries consult with their local offices, which bring in local CDCs and others.
- In the end, local CDCs and others map plans and submit proposals, which are vetted by the intermediaries and, if found worthy, funded with grants and loans.

This is changing. As noted, future projects will no longer be funded solely through LISC and Enterprise. Another model, still being developed, will be employed as Living Cities seeks to widen its strategic focus while narrowing the number of cities in which it works.

“We’ve been really focused on building housing units — it was basically affordable housing,” said Paula Ellis, Knight Foundation’s vice president of strategic initiatives and a member of Living Cities’ board of directors. “And what folks were realizing was, ‘Boy, this isn’t solving poverty in neighborhoods.’”

“So we’re turning up the volume on the policy,” Ellis said. “We’re working more comprehensively with communities and bringing in new players on both ends, in the delivery of services and in attracting new funders. It’s a pretty wrenching strategic shift.”

Michael Rubinger, LISC’s president, sees the writing on the wall, even if it’s still a little fuzzy, but said his organization’s survival is not in jeopardy. Historically, LISC has received major grants on its own accord from Knight Foundation and many other funders.

In addition, LISC also is broadening its outlook to make it more systemic. Its current strategic plan, called Building Sustainable Communities, is a comprehensive approach to community development — and it was written and shared with Living Cities’ funders back in 2006, Rubinger said.

“We’ve had a very good run with Living Cities and it’s been an extraordinary collaboration,” Rubinger said. “I honestly don’t have a terrifically clear picture of what the new Living Cities is going to be doing, but logic would suggest that we need to prepare ourselves, if not for no Living Cities money, then for less.”

At any rate, over the years, the use of proven intermediaries has provided Living Cities with ready access to needy areas, enhanced local control and allowed the consortium to avoid redundant administrative costs. It was a bold initiative when it began in 1991 and it has demonstrated remarkable staying power and leveraging ability.

(Though the leveraging of its seed money is impressive — \$570 million into \$5.2 billion between 1991 and June 2007 — the 30-1 leverage ratio often associated with Living Cities can be misunderstood. It refers to the ratio between Living Cities’ \$570 million of direct investment and the total \$17.6 billion cost of projects undertaken by Living Cities and, separately, its two intermediaries.)

Another key point: Nearly everyone interviewed for this report praised the core tenets of Living Cities’ business model — it encourages and supports flexibility in the duration of its grants, often making multiyear awards. It also encourages and supports local control, permitting those who best know their neighborhoods to create and implement improvements without bowing to one-size-fits-all mandates from Washington.

“We use Living Cities money as a spark to get things going,” said Andriana K. Abariotes, executive director of Twin Cities LISC. “Say it’s something the other funders wouldn’t jump into until they see someone else already in there. Now, we can walk around and say, ‘We have \$100,000 already committed to this [from Living Cities],’ and that makes the other funders get on board.”



Rubinger: “Living Cities money is relatively unrestricted and that makes it very precious.”

### **A look at the assessments**

In general, Living Cities has earned positive reviews from independent analysts and from many within the somewhat insular, inter-related world of foundations.

“The National Community Development Initiative [now Living Cities] has rightly won acclaim for the staying power of the national collaboration and the contributions it has made to community development as it is practiced in the beginning of the 21st century,” the Urban Institute reported in a December 2002 analysis.

In April 2005, September 2006 and as recently as March 2008, Metsis Associates took additional evaluative looks at Living Cities. The most recent report concluded: “The availability and flexibility of the Living Cities funds helped the intermediaries increase the pace and scale of real estate developing in the Living Cities-assisted cities.”

These successes are all the more notable when considering that the group tackles some of the most complex redevelopment projects in many of the nation’s most neglected urban communities. And its work has spanned several economic cycles, including downturns.



**Ben Hecht, president and CEO, Living Cities**

But the reviews are not universally kind.

Some of those reports also noted several weaknesses and challenges, including the need to strengthen some CDCs and little direct connection between local participants and national funders such as Knight Foundation.

For his part, Black said he grew worried during the late 1990s over what he described as a growing degree of gridlock at Living Cities’ uppermost management level.

Similar concerns were expressed in *The Foundation*, a seminal analysis of American foundations published in 2007. Author Joel Fleishman offered some measured compliments for Living Cities, but said its initiatives often were undermined by weaknesses in focus and the varying perspectives of its many funders.

“Here is one illustrative case that is less a story of failure than of underperformance and drift,”

wrote Fleishman, a Duke University law professor who served on several foundation and corporate boards.

Hecht accepts the criticism of “underperformance” but objects to the term “drift.”

“I think it remained incredibly focused,” Hecht said. “How can you say doing the same things for 15 years is drift?”

Another issue: The multiple layers of organization, the pooling of most contributions and the fact that LISC and Enterprise independently fund other projects in many Living Cities communities all complicate accountability, shrouding and diminishing the public profiles of Living Cities and its funders.

As a result, Knight Foundation and other funders can encounter difficulty achieving clarity on precisely where and how their funds are being employed.

Worse, Living Cities remains largely unknown to the general public and the mainstream media.

These issues present themselves even at the most granular level.

Dozens of people were interviewed for this report and only those at the upper ranks of Living Cities and LISC knew that Knight Foundation was a funder of Living Cities.

In addition, virtually none of the residents or newly minted entrepreneurs who had benefited from projects seeded by Living Cities recognized the name of the consortium.

Anita Williams, the new Detroit homeowner: “Living Cities? Is that new or something?”

Even the professionals have trouble sorting it out. Knight Foundation’s program directors in St. Paul, Detroit and Miami candidly acknowledged the difficulty of distinguishing between Living Cities projects and other projects funded by Knight Foundation or by LISC and Enterprise.

“LISC is also a funder,” Polly Talen, Knight Foundation’s St. Paul program director, wrote. “There are many, many partners in each neighborhood. I personally don’t know what was LC supported and what wasn’t.”

Brenda Price, Knight Foundation’s program director in Detroit, harbors similar feelings but takes it a step further.

“I’ll be frank — the money is passed through LISC and what always has concerned me is that LISC claims all the credit for it,” Price said.

Due to this layering effect, seeking answers to even the most fundamental questions about funding levels is fraught with complexity and uncertainty. For instance, when asked to provide the total amounts contributed by Living Cities — through LISC — to the four Knight communities,



Photos by Martin Merzer for Knight Foundation

**Left: A house at 669 Sims Street in St. Paul, renovated through a home ownership program seeded by Living Cities funds. At right, another house across the street which recently fell into foreclosure and abandonment, one of several such structures that now blight a block that had been coming back. The current mortgage foreclosure crisis threatens to undermine much of the progress by Living Cities and its intermediaries.**

Living Cities and LISC often provided disparate responses.

For the record, Living Cities reported the following total grants and loans from the beginning (July 1, 1991) through June 30, 2007:

- Detroit: Investments of \$12 million, which directly seeded \$116.8 million worth of development and produced 1,412 residential units. When other LISC commitments are added, \$342.3 million worth of development produced 3,608 living units.
- Miami (South Florida): Investments of \$18.1 million, which directly seeded \$183.9 million worth of development and produced 1,766 residential units. When other LISC commitments are added, \$293 million worth of development produced 2,715 living units.
- Philadelphia: Investments of \$30.4 million, which directly seeded \$452.5 million worth of development and produced 2,748 residential units. When other LISC commitments are added, \$694 million worth of development produced 5,284 living units.

- St. Paul (Twin Cities): Investments of \$18.8 million, which directly seeded \$202.8 million worth of development and produced 1,919 residential units. When other LISC commitments are added, \$605 million worth of development produced 4,390 living units.

Though residential units were the only specific measures provided, consortium funds also support training programs that have significantly enhanced and improved the management of community development corporations, built mixed-use retail and commercial properties that help resuscitate neighborhoods, and created job training programs and health-care and day care centers.

### A look at the communities

All four cities present challenges, some of them extreme. In fact, these four rarely are mentioned when Living Cities cites its most notable accomplishments.

One that occasionally is mentioned, however, is St. Paul, where program managers praise public officials for their willingness to cooperate with private organizations. It is difficult to drive through many St. Paul neighborhoods without spotting signs of Living Cities-funded and/or LISC-funded improvements.

Abariotes, LISC's local leader, reported that Living Cities money not only helped build thousands of affordable homes and apartments. It also allowed LISC to create 1.17 million square feet of commercial and retail space in St. Paul and Minneapolis, and substantially improve the management of local community development corporations.

For a first-hand look, take a walk down Payne Avenue and spend time in Plaza Latina, a market built with funds seeded by Living Cities. It now supports five new minority owned businesses.

One of them, a dress shop called Angelitos Creations, is owned by Alicia Pinal, 35. She arrived from Mexico 17 years ago, has seven children and, until recently, worked as a dishwasher at a local 3M Co. plant. Business is a little slow these days at Angelitos Creations, but that's OK.

"This is much better," Pinal said. "This is a good place and I have a plan now."

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— Ben Hecht, president, Living Cities

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From neighboring Minneapolis comes evidence that such targeted investments can produce more than prosperity and social development. They also can produce stability and a measure of harmony.

Fourteen years ago, Latinos and newly arrived African Americans owned not a single business along Lake Street, one of the city’s major but — at that point — deteriorating commercial corridors. Now, assisted by programs connected to Living Cities, 300 Latinos and 200 African Americans own businesses in that revitalized area.

Representatives of both communities say the tensions that sometimes flare between those groups in other cities are rarely on display here.



Photo by Martin Merzer for Knight Foundation

**Hussein Samatar, executive director of the African American Development Center of Minnesota, and Ramon Leon, executive director of the Latino Economic Development Center, stand in front of one of many restaurants and shops in the Midtown Global Market complex. It and many other commercial enterprises along Minneapolis’ Lake Street were created with help from Living Cities funds but also through the efforts of a “Careership” training program seeded 10 years ago by Living Cities. It is still going strong.**

“Without discussion, without organization, without development, there would be tension,” said Hussein Samatar, executive director of the African American Development Center of Minnesota. “But I have never had a call from someone who said, ‘I am just fed up with the Latinos.’”

Successes also can be found in Philadelphia. There, Living Cities is helping to fund the Main Street Program, a project intended to ensure the commercial viability of seven key corridors through historic but endangered neighborhoods.

Living Cities and LISC also are supporting major residential and commercial projects commissioned by Philadelphia’s community development corporations. One such group, *Asociación Puertorriqueños en Marcha* (Association of Puerto Ricans on the Move), has built scores of homes for individual ownership and several rental housing developments.

Still, there are significant challenges, especially in Detroit and Miami. Program managers there and in many other cities have endured setbacks, struggling to overcome deeply rooted structural problems.

## Housing Units

Here is a breakdown of loans and grants and the number of housing units produced by Living Cities and by its intermediaries in the four Knight communities and nationwide between July 1, 1991 and June 30, 2007. "Total Development" includes outside funds seeded by Living Cities and its intermediaries.

Place	Living Cities Investment	Intermediary Investment	Total Development	LC Units	All Units
Detroit	\$12,015,527	\$17,128,930	\$342,339,514	1,412	3,608
Philadelphia	30,477,039	36,778,293	694,084,612	2,748	5,284
South Florida	18,171,804	75,256,084	293,445,173	1,766	2,715
Twin Cities	18,837,077	23,684,270	605,068,387	1,919	4,390
Nationwide	\$570,168,474	\$1,249,621,551	\$17,562,156,428	40,745	147,727

*Source: Living Cities*

"Detroit is just a mess," Hecht said. "It's a classic example of how you take a mosquito, which is the community-based neighborhood organization and housing developments, and put it on an elephant, which is the end of manufacturing as we know it."

And Miami, with its well-known failures of political leadership, ethnic tensions and history of fraud and waste, remains a particularly difficult problem. [See the Overtown Reporter Analysis: [www.kflinks.com/overtown](http://www.kflinks.com/overtown)].

### Going forward

In those areas and elsewhere around the country, urban redevelopment activists are discovering that isolated new or revitalized houses tend to fall back into disrepair if a certain scale of redevelopment is not quickly attained. In essence, they are overwhelmed by their surroundings.

In addition, the mortgage foreclosure crisis threatens to undo much of the progress already achieved in many neighborhoods. Along St. Paul's Sims Street, for instance, a beautifully renovated house at 669 Sims stands across the street from the weed-choked yard of a recently abandoned house at 684 Sims — a disincentive for other improvements on the block.

"Some of these areas have started slipping back," said Steve Peacock, a senior program officer for LISC's local office. "But at least we've been through this before, so we don't have to start from scratch."

Financially, Knight Foundation's cumulative contributions of \$22.2 million — about 4 percent

of the funds directly raised by the consortium since 1991 — place it in the second tier of Living Cities’ 17 current funders.

Still, it sits alongside — and shares equal voting rights with — the Ford Foundation, Bill and Melinda Gates Foundation, the Rockefeller Foundation, John D. and Catherine T. MacArthur Foundation, J.P. Morgan Chase & Co., Bank of America and others.

In this context, however, Knight Foundation’s public image remains a work in progress. A lengthy Wall Street Journal article (Feb. 28, 2008) that focused largely on Living Cities listed eight of the 17 funders. Knight Foundation was not among them. In addition, Living Cities’ own boilerplate summaries of its funders — included in press releases and other public documents — often fail to mention Knight Foundation.

Other issues to consider:

- Does it still make sense to rigorously segment the foundation’s work into separate communities programs and national programs — a distinction that leaves Knight Foundation’s on-site community program directors unable to monitor or often even identify Living Cities programs that are partially funded by the foundation?
- Should Knight Foundation lobby for swiftly reactive initiatives by Living Cities, similar to the consortium’s quick-trigger response to Hurricane Katrina? That effort, pushed by Ibargüen, provided assistance to Biloxi and other ravaged areas along the upper Mississippi Gulf Coast, and earned noteworthy praise. During an interview, Hecht appeared open to considering such initiatives.
- Should Knight Foundation not only remain a funder of Living Cities but also consider playing a larger role behind the scenes? Hecht maintains that Knight Foundation is an extremely valuable partner and, if anything, he would appreciate more input from Ibargüen, Ellis and other foundation executives.

“They do some of the most unusual grant-making out there and that point of view is unique, even among the other people sitting around my table,” Hecht said. “Knight makes investments for the 21st century that look dramatically different from investments for the 20th century.”

As for Anita Williams of Detroit, though she may not recognize the term “Living Cities,” she certainly recognizes what it has done for her and her family.

“I can honestly say that living in this house, on this block, has changed our lives,” she said.

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*Martin Merzer, formerly The Miami Herald’s senior writer, recently retired after a 35-year career at the newspaper and at The Associated Press.*