

THE KRESGE FOUNDATION

Kresge's deep commitment to Detroit began very soon after our namesake built his first five-and-dime store there in 1899. Although we are a national foundation, our core identity has always been tied to Detroit – and proudly so.

This is in part why Detroit's resurgence means so much to us, particularly given that we were able to play a central role in resolving Detroit's historic bankruptcy with an historic solution: The Grand Bargain. And we are now playing a critical role in designing the strategies and forging the partnerships needed to sustain Detroit's renaissance.

It's important to note at the outset that the engagement of business with Detroit has been pervasive and profound since at least 1820. People sometimes forget that the reason Henry Ford picked Detroit was because its economy at that time was as strong and diverse as anywhere in the nation.

We gathered this "snapshot in time" polling data in the spirit. We see the poll as having a number of purposes:

- It takes stock of public perceptions surrounding Detroit;
- It creates a benchmarking tool to understand the impact of public-private revitalization efforts to-date and in the future;
- It seeks to capture lessons of what's worked and what hasn't worked in Detroit – and share those key learnings with others engaged in reinvigorating urban communities;
- And it attempts to determine how national business leaders – a critical component of Detroit's rebound – see the city today.

With caveats, I think it's fair to say that Business is very bullish on Detroit.

Here's why I say that:

- First, nearly three-quarters of the business leaders we polled believe Detroit is a good place to invest.
- Second, the top characteristic they use to describe Detroit is 'a city in economic recovery.'
- Third, nearly eighty-five percent are confident that Detroit can be a great city again - and that number goes to ninety-five percent if you just count the top CEO's we polled.
- And fourth, going even further, almost one hundred percent believe that all cities are capable of overcoming very serious challenges – an optimism about cities that gives so many of us great hope.

What makes these positive findings even more remarkable is that we also learned that only sixteen percent of business leaders outside of Detroit were aware that the City has actually emerged from bankruptcy! Newsflash to America: we have – and we accomplished that consensually and at warp speed. One can only assume that once that fact is more widely absorbed by the public, the findings will be even more positive.

As it is, results like these will help continue to change the narrative about Detroit. I strongly believe that investment comes to a place that possesses a sense of optimism – and the Detroit of today embodies that sense of the possible.

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After seeing these initial overall findings, we wanted to dig a little deeper into the data – and tease out not just the fact that business leaders are bullish about Detroit, but why.

I don't think we found or could find direct causality between these findings and the feelings behind them, but I think we found some very suggestive possibilities.

First, an enormous percentage of business people have a connection to Detroit.

Almost fifty per cent of the business leaders we questioned have or have had business operations or made investments in Detroit. Between visiting Detroit for business or pleasure or having friends or family in the area, more than ninety per cent of business leaders we polled have some relationship with Detroit.

Second, they like what they are hearing about the city.

We asked everyone to evaluate their general impressions of Detroit from all they have read or heard lately. Two-thirds said that their impressions of Detroit had become more favorable recently. Among many conclusions one could draw from this is although they may not know precisely that Detroit has emerged from bankruptcy, they do know that the news is better than it might have been – or than they expected.

Third, the essential identity of Detroit is real to business leaders.

When given a list of various characteristics of cities, Detroit was rated highest by nearly seventy-five per cent of business leaders for having a rich cultural history and for being ethnically and racially diverse. In other words, business leaders “get” Detroit. Regardless of the city's recent struggles, what Detroit is and what it stands for remain a powerful presence in their lives.

This is great news.

But we also have to be honest and acknowledge that there are serious concerns reflected in this poll as well.

For example, we probed the business leaders on what they look for when measuring the health of communities, the strength of the economy, and the likelihood of getting ahead in a city.

It turns out the feature they are most looking for in almost every instance is a low crime rate, and there, Detroit falls short. Eighty per cent believe a low crime rate is essential for success, but only fifty-two percent rate Detroit as “excellent or good” on crime.

Similarly there remains a significant gap between the importance business leaders place on the “an effective local government” and a “sound municipal budget” and what they perceive Detroit's performance to be for each.

Obviously these are sobering findings. But not unexpected. The city has made considerable progress in multiple measures of safety and is once again in the hands of responsive and competent municipal government. Yet, we continue to work in the shadow of a long period of political dysfunction and corroded municipal services. So at the same time we take satisfaction in the very good news in this survey, we recognize that we have to be clear-eyed about the challenges it spells out and the need to take them head-on as we move forward.

These data are part of larger efforts Kresge is undertaking to share lessons with other cities across the country about what we've learned from our experience in Detroit. Those lessons are tied to a handful of building blocks that Detroit has put in place over the last seven years to spur its resurgence.

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- We have recalibrated the roles and responsibilities of the public, private, nonprofit, and philanthropic sectors, creating a model of distributive leadership that optimizes what each of those sectors does best and elevates the importance of partnerships among them.
- We've invested in the residential and commercial vitality of downtown and along Woodward Avenue, creating the preconditions for the market to return to Detroit.
- We've developed a land-use framework to power planning and investment decisions to convert the city's vast swaths of blighted land into productive uses such as green-blue infrastructure, reclamation of abandoned homes for community purposes, public spaces and reforestation, and urban farming.
- We've begun channeling greater investments into Detroit's, animating our land-use strategies through expansive blight remediation efforts, innovative support for home mortgages, targeted commercial corridor development, and innovative re-use of abandoned and vacant land.
- We've created a sophisticated and effective entrepreneurial and small business development infrastructure that created a flywheel of small business formation – from restaurants to tech start-ups, from arts and cultural centers to barber shops and bakeries.
- We've taken the first step toward creating a comprehensive and equitable public transportation system through our investment in the M-1 light rail line along Woodward.

I believe that the forces propelling the rebirth of Detroit over these last seven years were crystallized in the resolution of Detroit's bankruptcy, when the very unlikely mix of foundations and unions, a museum and municipal and state government, came together to pull Detroit through an existential crisis that could have catapulted a once-great city into a decade-long death spiral of litigation, investor uncertainty, and government paralysis.

The rapid and consensual resolution of that crisis was a pre-condition to all else. It put us in the starting blocks – and it began erasing what had theretofore been indelible images of entropy and apocalypse too long associated with Detroit

These poll results suggest that we have every reason to believe that we can move out of those starting blocks and begin what is part sprint, but mostly a marathon. Certainly the citizens of Detroit believe we have taken the initial, vitally important steps in that direction. It is uplifting to see that business leaders across America believe it as well and appear at the ready to embrace Detroit's new arc of aspiration.

A handwritten signature in black ink, appearing to read "Tip Toppan". The signature is stylized with a large, looped initial "T" and "P".