



Speech by Rip Rapson:

New Thinking Is Transforming Detroit

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Detroit. It's a word that summons vivid images. Automobiles. Motown music. But also, regrettably, blight, political dysfunction and economic crisis. I want to paint a different picture, however – of a community in the midst of profound positive change, a community working at the sharp edge of innovation because its very survival depends on it.

I head a foundation with deep roots in Detroit. So I want to give you three examples of how Kresge and its partners are using a very different kind of thinking to help the city re-imagine its future: public transit, entrepreneurialism and land use.

So first, transit. There is probably no place in America that has been more hostile to public transportation than Detroit. Philanthropy and the private sector have taken the lead in changing that.

Shortly after I arrived at Kresge some eight years ago, I had lunch with one of the city's great corporate leaders, Roger Penske, about his next civic contribution. I suggested that the city desperately needed a light-rail system along Woodward Avenue, the region's spinal cord.

Roger took the challenge seriously, subsequently convening a couple dozen civic leaders to discuss its feasibility. The price tag would be \$100 million. Roger looked at me and said that if Kresge would be willing to invest the first \$35 million, he would work to find the rest. It was a crazy idea – municipal governments, not foundations, build streetcars – but the audacity of the aspiration justified the risk, it seemed to me. I agreed.

We quickly formed a philanthropic/private-sector consortium that has had to navigate a seemingly endless cascade of obstacles – bureaucratic resistance, engineering complexity, delays and cost increases. You name it. But we've raised \$175 million, cleared out the political underbrush and accomplished what no city in America ever has – a light-rail line planned and predominantly financed by the philanthropic and private sectors. We will break ground next month.

It will change lives in Detroit. A nurse recently told me that her colleagues will, for the first time, be able to live downtown without needing to own a car. Instead they will hop the line to their jobs at the Detroit Medical Center.

So transit is the first example of new thinking changing Detroit's trajectory.

The second example is the creation of an entrepreneurial ecology.

Detroit has been an automobile monoculture for the better part of a century. Six years ago, the Ford, Kresge and Kellogg foundations made the lead investments in what would become a \$130 million fund to promote the diversification of the city's economy by supporting small businesses. At that point, it was the largest philanthropic fund assembled for any American city.

The resulting vibrancy has been breathtaking. Restaurants, tech firms, service businesses and arts activity are reweaving the fabric of the city.

Chef Clinton Moore is a perfect example. He recently opened a small restaurant in Indian Village, a neighborhood that hasn't seen a sit-down restaurant in a dozen years. He remarked, "I'm bullish on Detroit. There's a wide-open market for anything and everything to prosper."

So small-business development is the second example of new thinking.

The third example is land use. Detroit's 80,000 blighted and vacant properties consume a landmass the size of San Francisco. Kresge spent four long years helping to give birth to the Detroit Future City plan – a blueprint for reimagining the city's form by reinforcing its nodes of strength and converting blighted or abandoned land into productive uses.

Just last month, a blight task force announced a work plan within that larger blueprint.

The task force dispatched more than 125 young people with iPhones to survey the condition of every single parcel in the city – 390,000 of them. That inventory will drive decisions about which properties need to be demolished, which can be rehabilitated and which can be deconstructed and recycled.

Ann Burns, a resident of one of the most troubled neighborhoods in the city, may have put it best: “I see a sincere desire to get things done for people who have been waiting for a long time.”

The residents of Detroit have indeed been waiting a long time, an unconscionably long time, to see their life opportunities improve. The three examples of new thinking – public transportation, economic diversification and attractive, safe neighborhoods – suggest that the wait may be drawing to a close. Stay tuned. A new Detroit is coming into clearer focus.

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