

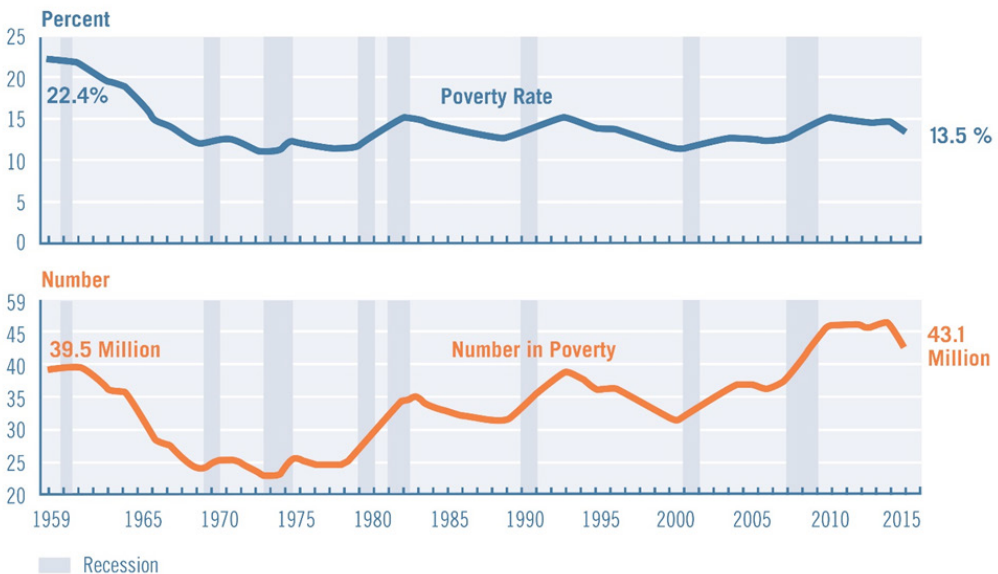
# The *What Works* Book Sparked an Ongoing Conversation about Better Interventions for Low-Income Communities

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The idea for the book *Investing in What Works for America's Communities* started with a challenge from the Citi Foundation to Nancy Andrews in 2011: write a white paper on what we have learned in 40 years of community development finance. Nancy reached out to Ian Galloway and me from the Federal Reserve and we quickly recruited Ellen Seidman as a visiting scholar to the Federal Reserve to help answer that call. That team met every Friday for several weeks to brainstorm ideas and in short order the white paper turned into a 419-page book with 41 authors.

The first *What Works* book rested on dual motivations: 1) a recognition that community development had made amazing strides deploying hundreds of billions of dollars to improve thousands of communities across the country, and 2) that accomplishment was not enough to push down the poverty rate. We seemed to be winning battles and losing the war (see Figure 1 below).

Figure 1. Poverty Rate and Number in Poverty: 1959 to 2015



Note: The data for 2013 and beyond reflect the implementation of the redesigned income questions.

Source: U.S. Census Bureau, Current Population Survey, 1960 to 2016 Annual Social and Economic Supplements.

Community development’s “theory of change” from the 1980s, as Nancy Andrews explained, was a belief that if we built the right high-quality real estate in disinvested neighborhoods, we would trigger a positive feedback loop that would generate more economic investment, create jobs, improve schools, and help stabilize families. Among the many accomplishments of this work was the construction of more than three million high-quality affordable homes for low-income Americans using the Low Income Housing Tax Credit. That’s a remarkable achievement—more housing built since 1987 than all the other federal housing programs dating back to the 1930s.<sup>1</sup>

Millions of people are better off thanks to the work of community development. But we still have nearly 50 million fellow citizens living in poverty. The positive feedback loop theory didn’t work. In those early brainstorming sessions, we tried to think about what new ideas, new partners, and new resources might be brought to bear on a new approach to community revitalization. When it came time to recruit authors, we cast a wide net to get experts with knowledge in health, transportation, education, asset building, banking, affordable housing, and more. We were asking authors to speculate on what innovations were necessary to create interventions in low-income communities that were commensurate to the challenges they faced. And, to our surprise, there was a good deal of integrated work underway outside of community development finance. Many social service providers were already finding ways to piece together cross-sector and place-based interventions. We learned a great deal from them.

Nancy Andrews and Ellen Seidman, two senior stateswomen of the community development movement, brought a mountain of connections, experiences, and insights to this debate. Both had 30-year careers with high positions in government, foundations, the private sector, and community development organizations. As we tried to cast the widest possible net for ideas and authors, they had the ability to make sure we could get those far flung perspectives into our project.

## The Idea for the Community Quarterback

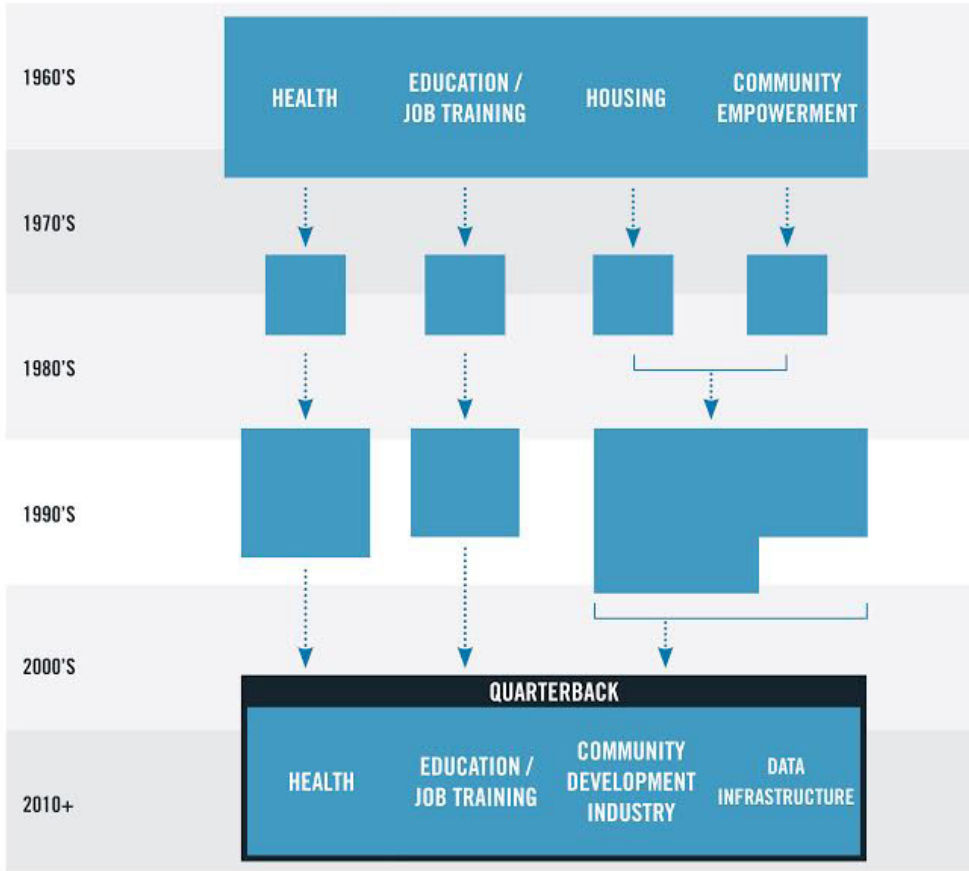
The idea for the “community quarterback” came out of our brainstorming sessions and we always recognized that the term was controversial. It’s gendered male. It claims credit for success when many “players on the field” contribute to the quarterback’s success. And yet what was abundantly clear in so many essays in the *What Works* book was a need for better coordination of cross-sector and place-based interventions to benefit low-income people. That coordination seemed to need one entity in charge. In long Friday conversations we speculated on other terms—wedding planner, symphony conductor—but in the end, quarterback stuck.

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1 David Erickson, *The Housing Policy Revolution: Networks and Neighborhoods* (Washington, DC: Urban Institute Press, 2009).

It may be cliché to talk about “back of the napkin” idea sketches, but this really happened for us in the cafeteria of the San Francisco Federal Reserve Bank. The initial concept was a visual depiction of the transition from the War on Poverty to today, and is formalized below in Figure 2.

*Figure 2. The Quarterback as Integrator*



In the 1960s, it was well understood that social exclusion in general was the product of multiple and overlapping social exclusions. In order to combat this, it was necessary to “grab the web whole,” in the powerful words of Robert Kennedy, from a speech he gave in 1966. And that is why the first bar (at the row of the 1960s) shows a cross-sector intervention in low-income neighborhoods. The vision was right; the implementation was not. Creating social interventions that are choreographed among multiple players, in the right sequence, with the right intensity is hard now. It was probably even harder 40 years ago without the stronger community-based organizations and improved communications technology that we have today.

The period in the 1970s and 1980s was a time of “silos,” where the many sectors of social policy became isolated from each other. Federal Qualified Health Centers started out steeped in the philosophy of Community-oriented Primary Care where they adopted the whole neighborhood as the “patient.” By the 1980s, however, these clinics were mostly just medical offices—billing Medicaid for medical procedures. Similarly, the community development and community empowerment aspects of the War on Poverty narrowed to focus more on real estate construction (apartments, stores, clinics, schools, etc.) and spent less time on the community building that was part of the “maximum feasible participation” of residents called for in the War on Poverty effort.

While the scope may have narrowed during this time, one positive development was improved capacity and sophistication, which is represented by the growing size of the boxes in the images above. What many of the essays in *What Works* were calling for was a marrying of the vision from the War on Poverty, with the increasing capacity of the social sector that developed during the 1980s onward, into a new whole where vision met capacity to meet the needs of low-income communities. Our belief was that could not be achieved without the coordination of a specific entity—the community quarterback.

### **Five Elements of the Community Quarterback**

Our better-coordination model to social interventions was based on examples highlighted in the book, such as the Harlem Children’s Zone, Strive Partnership, Purpose Built Communities, and Neighborhood Centers Inc. (now BakerRipley). We found that successful interventions had five common characteristics. Namely, they are: 1) built on a foundation of trust from the community they serve, 2) cross-sectoral (health, education housing, etc.), 3) place-based, 4) data-driven, and 5) led by a “community quarterback,” an organization that has as its main objective the overall managing and coordinating of the intervention.

Others have come to similar conclusions. The consulting firm FSG developed their idea about a “backbone” organization that would help execute a cross-sector intervention. And Don Berwick’s work around the “Triple Aim” in medical care proposes the need for an “integrator” that also serves a coordination function.

### **What’s Next?**

There is still much more to be learned about the community quarterback concept and the many ideas about cross-sector/place-based interventions raised in the *What Works* book. Even so, there are some limitations of the quarterback idea that are surfacing. The quarterback certainly provides better coordination but that may not be enough for a successful intervention. Success often requires much more than working more collaboratively or even having an entity—quarterback, backbone organization, or integrator—owning the project and managing it skillfully.

For example, I am thinking more about the need to create an “ecosystem” or “market” that incentivizes the creation of many community quarterbacks without as much top-down

direction as we describe in the original formulation. I imagine a system where many hundreds of community quarterbacks might be coordinated by an entity I have been referring to as a “community entrepreneur” even higher up the system.<sup>2</sup>

In all cases, two systems that cry out for an innovation breakthrough are: 1) data and measurement, and 2) new financial vehicles that finance outcomes and not simply outputs. Community quarterbacks (and community entrepreneurs) need better data, and as we wrote in our essay five years ago:

[T]he quarterback needs a sense-and-respond system that has at its core reliable, frequently updated data that are consistently assembled and aligned from myriad sources. Ideally, these data could be flexibly organized into a number of analytical frameworks, each useful for different reasons. Using the data in a neighborhood indicators framework, for instance, would allow the quarterback to ‘diagnose’ community conditions and monitor multiple dimensions of change over time. Further assembling these data into a community dashboard would allow the quarterback to evaluate a community at a specific moment in time to determine its standing along a specific dimension of change, and to compare progress across similarly situated communities and build community support for change. These data could also be employed by academic researchers investigating the still-vexing questions of which community development interventions work best and why.<sup>3</sup> That concept was the central organizing principle for the second book in the What Works series, *What Counts: Harnessing Data for America’s Communities*.

The third book in the series, *What It’s Worth: Strengthening the Financial Future of Families, Communities and the Nation*, takes the anti-poverty discussion to the household level and makes the case that every household’s financial health matters for the U.S. economy to thrive. Although household financial health may seem like a narrow idea, it is foundational to almost all other interventions; no matter what issue you care about (improved health, better education outcomes, safe affordable housing) there must be a strategy to stabilize individuals and families financially. It’s an essential arrow in the quiver.

Finding ways to pay for outcomes was the topic for the fourth book in the series, *What Matters: Investing in Results for Strong, Vibrant Communities*. This book explores social impact bonds and the many other tools that allow governments and philanthropy to pay for an outcome rather than an output; this is an inherently silo-busting tool and one that requires better cross-sector coordination along the lines of the community quarterback and the community entrepreneur.

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2 David Erickson, “The March Toward Outcomes-Based Funding,” *What Matters: Investing in Results to Build Strong, Vibrant Communities*, eds. Valerie Bartlett et al. (San Francisco, CA: Federal Reserve Bank of San Francisco and Nonprofit Finance Fund, 2017), pp. 29-54.

3 David Erickson, Ian Galloway, and Naomi Cytron, “Routinizing the Extraordinary,” *Investing in What Works for America’s Communities: Essays on People, Place, and Purpose*, eds. Nancy O. Andrews and David Erickson (San Francisco, CA: Federal Reserve Bank of San Francisco and the Low Income Investment Fund, 2012), pp. 377-406.

Population health business models are also promising silo-busting finance tools. In this new arrangement, one entity is paid per person/per year to keep that individual healthy, rather than paying per medical procedure. This creates a cash flow for interventions that can fund the fundamental building blocks of health—most of which are not medical procedures. If this new business model catches on, it may generate significant funds to finance the improved upstream social determinants of health—a job, good education, safe affordable place to live. And as this business model grows, you might actually see a new “market that values health” where there will be “buyers” of health (hospitals, health insurers, Medicaid and Medicare) looking for “sellers” of health—teachers, builders, small business owners and other employers—who will rely on “connectors” to provide the mechanisms for the marketplace. The connectors are likely to be banks, community development financial institutions, and other financial intermediaries, and the many players that are helping individuals and families stabilize their household finances.

### **Building a Bigger Tent**

Be forewarned, don’t ever write a book that has “What Works” in the title; people will expect that you have the answers. In all the pages written since 2011 we haven’t found any silver bullets. But we have witnessed a more robust and nuanced conversation around best practices and next steps. *What Works* turned into something more than a book. It was a platform for ideas and it inspired three subsequent books (and another one in production that will explore what elements of a neighborhood promote opportunity for low-income residents). It’s an ongoing conversation about the new ideas, new partners, and new resources that are necessary to help create opportunity in struggling communities.

Today public health professionals routinely talk about the need for affordable housing and building household financial well-being as a strategy to improve health. Transportation engineers are thinking of ways to incorporate affordable housing construction near train stations as a means of improving opportunity, increasing ridership, and limiting harmful greenhouse gasses. The Police Department in Milwaukee was the moving force behind a *What Works* book event in that city.

There are no easy answers in the *What Works* books. But they did inspire a vigorous debate and dialogue about what works with a much larger community that shares similar concerns. I hope that some of the experiments in community quarterbacking that are highlighted in this issue of the *Community Development Investment Review* spark a new round of debate with a sharper understanding of “what works.”

*David J. Erickson is director of community development at the Federal Reserve Bank of San Francisco. In this role, he leads the community development team in its mission to advance economic opportunity for lower-income Americans. Erickson’s book on the history of community development, The Housing Policy Revolution: Networks and Neighborhoods, was published in 2009 by the Urban Institute Press. He also co-edited all four books in the What Works series. He has a PhD in history from the University of California, Berkeley, and an undergraduate degree from Dartmouth College.*