




# Build Healthy Places Network

[www.BuildHealthyPlaces.org](http://www.BuildHealthyPlaces.org)

@BHPNetwork





**TOWARD A  
POPULATION  
HEALTH BUSINESS  
MODEL: AND HOW  
TO PAY FOR IT**

December 1, 2018

FEDERAL RESERVE BANK OF SAN FRANCISCO



**DAVID ERICKSON, PhD**

Director  
Community Development

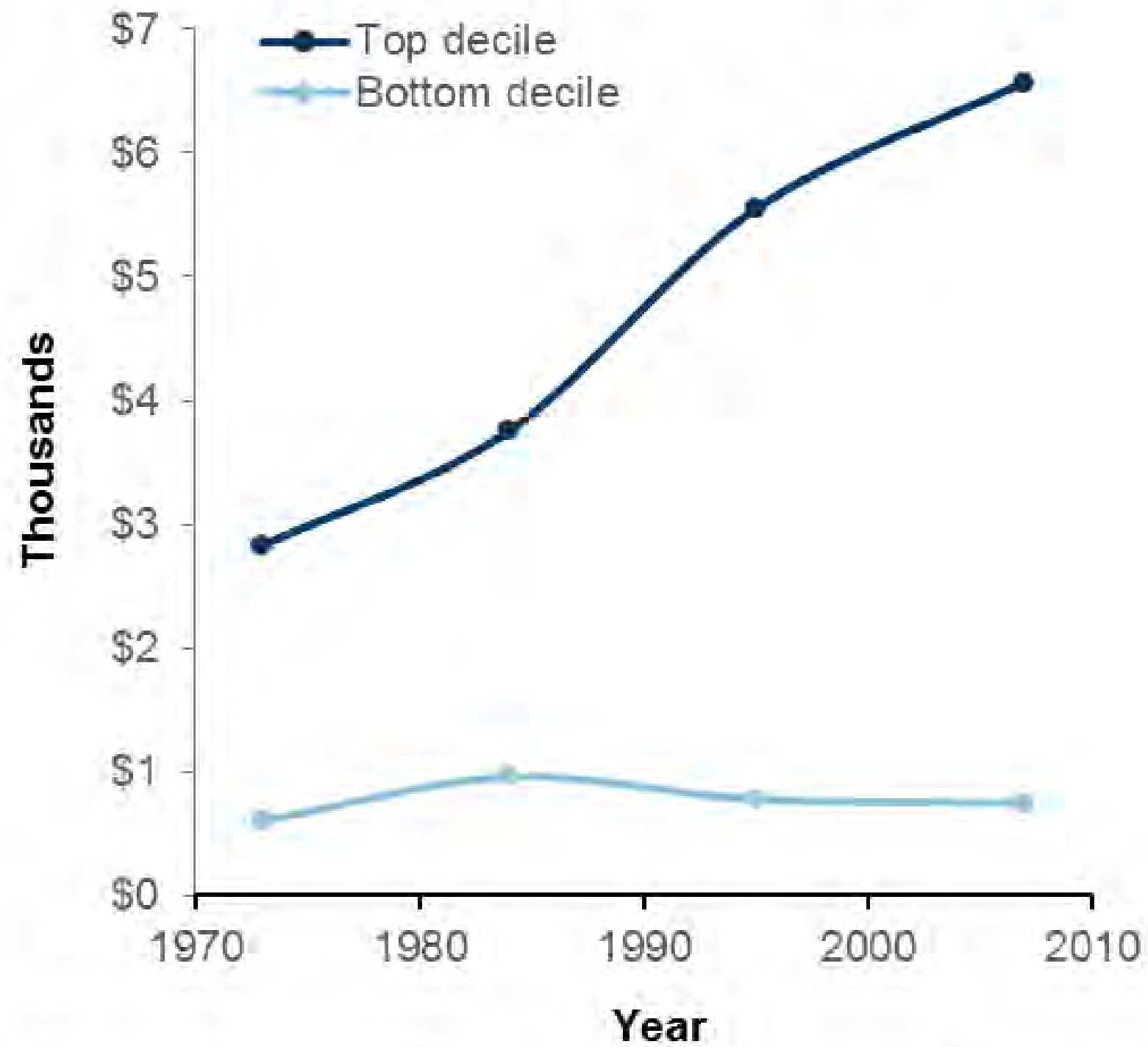
@DEricksonSF @sffed

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# Parental "Enrichment" Spending on Children



Source: Putnam (2015)

BROOKINGS

A young child with dark hair, wearing a white t-shirt with a floral pattern and red shorts, is walking towards the right. The background is a park setting with a large water fountain spraying water on the left. Other people are visible in the background, but they are out of focus. A white rectangular box is overlaid on the image, containing the text 'WHAT IS COMMUNITY DEVELOPMENT?'. A black arrow points from the bottom left of the box towards the water fountain.

**WHAT IS  
COMMUNITY  
DEVELOPMENT?**



## PAST COMMUNITY DEVELOPMENT

Pruitt-Igoe, St. Louis, MO  
1956 to 1972

Architect: Minoru Yamasaki





ZIP CODE IMPROVEMENT...

# HOUSING COORDINATED WITH SERVICES

**Solara, San Diego**

Zero Energy Affordable Housing





ZIP CODE IMPROVEMENT...

# HOUSING COORDINATED WITH SERVICES

Plaza Apartments, San Francisco  
Supportive Housing



ZIP CODE IMPROVEMENT...

# COMPREHENSIVE YOUTH DEVELOPMENT

*KIPP Academy, Washington D.C.*



ZIP CODE IMPROVEMENT...

# COMPREHENSIVE YOUTH DEVELOPMENT

Neighborhood Centers Inc, Houston



ZIP CODE IMPROVEMENT...

# RESIDENT-FOCUSED ECONOMIC DEVELOPMENT

**Baker-Ripley Center, Houston**



ZIP CODE IMPROVEMENT...

# RESIDENT-FOCUSED ECONOMIC DEVELOPMENT

Market Creek Plaza, San Diego

# **MATURE SECTOR WITH LARGE SCALE INVESTMENTS**

**Over \$150 Billion Dollars  
Annually Directed into  
Low-Income Neighborhoods**

## **Network of Organizations**

- Community Development Corporations (CDCs)
- Community Development Financial Institutions (CDFIs)
- For-profit & non-profit affordable housing developers

# **MATURE SECTOR WITH LARGE SCALE INVESTMENTS**

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Low-Income Neighborhoods**

## **Federal/State Tax Credits & Grants**

- Low Income Housing Tax Credit (LIHTC); New Markets Tax Credit (NMTC); Community Development Block Grants (CDBG); Healthy Food Financing Initiative (HFFI)

# **MATURE SECTOR WITH LARGE SCALE INVESTMENTS**

**Over \$150 Billion Dollars  
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## **Community Reinvestment Act Dollars**

- CRA-motivated loans and investments from private, for-profit banks



**COMMUNITY  
DEVELOPMENT AND  
HEALTH CO-INVESTING  
TO IMPROVE  
UPSTREAM #SDOH**





Dignity Health

## LA COCINA

\$300 million loan fund



Healthy Futures Fund\*

# CONWAY CENTER

Washington, DC





## **TOLEDO, OHIO**

**ProMedica, LISC launch \$45M partnership**



**HEALTHY  
NEIGHBORHOODS**  
EQUITY FUND I LP

# BOSTON

Historically underinvested neighborhoods





KAISER  
PERMANENTE®

# \$200 Million Affordable Housing Fund

Kaiser partners with Enterprise Community Partners to invest in Neighborhoods

## Writing a Prescription for Healthy Neighborhoods

**1%**  
**23%**

At Kaiser Permanente, just 1% of patients drives 23% of its preventable costs.



Many are low-income, high-need patients living in underserved neighborhoods.

Their neighborhood shapes their health, from lead poisoning to stress.



### That's why...

hospitals are investing in neighborhoods—to make people healthier before they ever need a doctor.



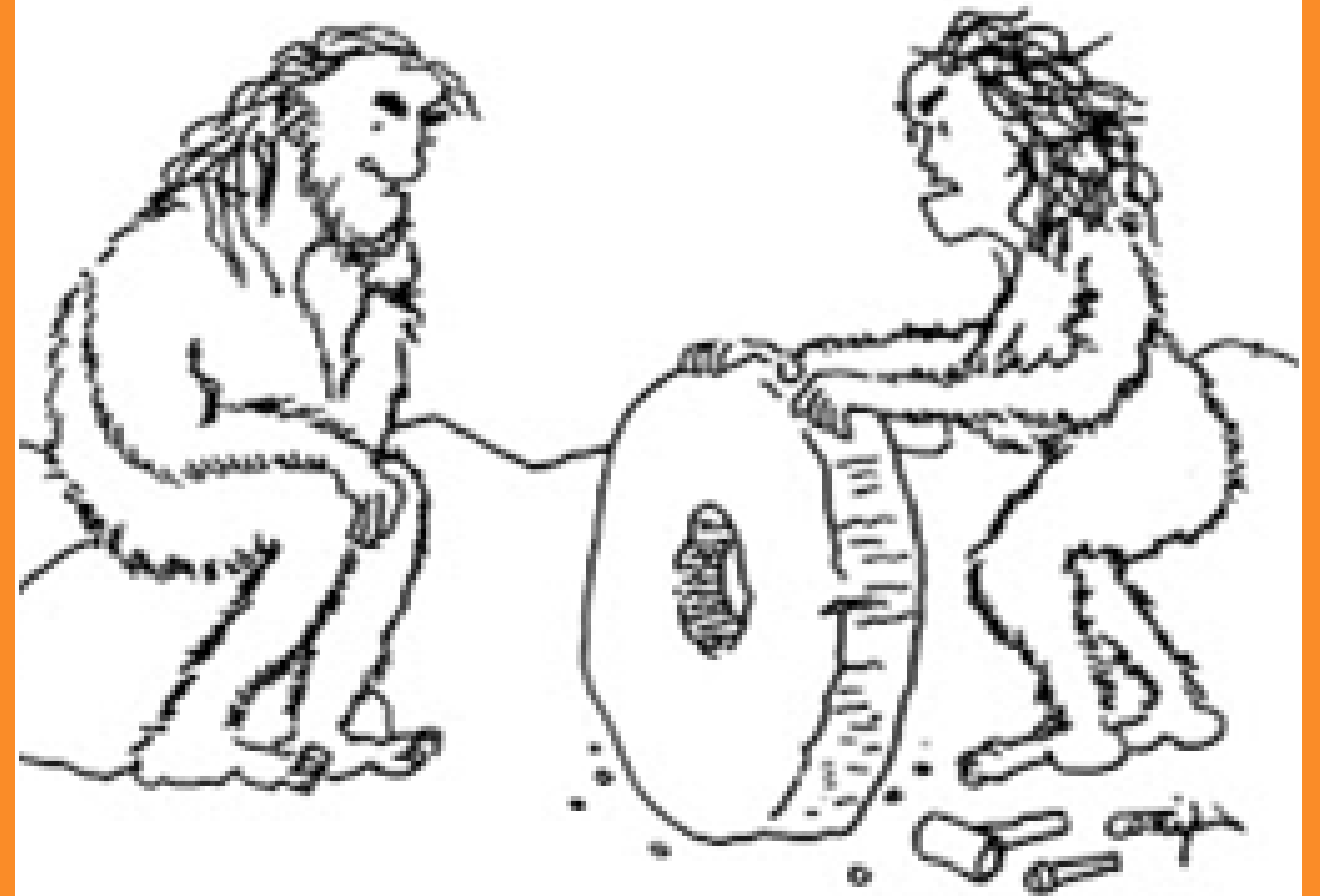
**COORDINATING  
UPSTREAM:**

**A MARKET THAT  
VALUES HEALTH**



**Economist Dean Baker argues that those on the left shouldn't see the market as the enemy: "This makes as much sense as seeing the wheel as the enemy. The market is a tool, it is incredibly malleable."**

**For the last time, no, I do not know what the ROI is on it!**







# **BUYERS**

**All who are willing to pay for better health**



# **PRODUCERS**

**Any entity that can improve the upstream social determinants of health**



# CONNECTORS

Those who can create the tools to  
connect the buyers to the sellers



**PAY FOR SUCCESS (SOCIAL IMPACT BONDS)**

**PRIZE-BASED PHILANTHROPY**

**ADVANCE MARKET COMMITMENTS**

**SOCIAL IMPACT GUARANTEES**

**INVESTMENT TAX CREDITS**

**POPULATION-HEALTH BUSINESS MODELS**

# **A MARKET THAT VALUES HEALTH**

**New Tools**



**WHAT MATTERS**  
**INVESTING**  
**IN RESULTS**  
TO BUILD STRONG,  
VIBRANT COMMUNITIES

Federal Reserve Bank of San Francisco  
& Nonprofit Finance Fund

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**[investinresults.org](https://investinresults.org)**

**KEEP IN TOUCH**

**[www.frbsf.org/community-development](http://www.frbsf.org/community-development)**

**@DERicksonSF @sffed**

**David.Erickson@sf.frb.org**



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