

An Interview with
Kathy Osborn

at *The Historical Society of Missouri* St. Louis
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Oral History Program

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PREFACE

The interview was taped on a placed on a tripod. There are periodic background sounds but the recording is of generally high quality.

The following transcript represents a rendering of the oral history interview. Stylistic alterations have been made as part of a general transcription policy. The interviewee offered clarifications and suggestions, which the following transcript reflects. Any use of brackets [] indicates editorial insertions not found on the original audio recordings. Physical gestures, certain vocal inflections such as imitation, and/or pauses are designated by a combination of italics and brackets []. Any use of parentheses () indicates a spoken aside evident from the speaker's intonation, or laughter. Quotation marks [""] identify speech depicting dialogue, speech patterns, or the initial use of nicknames. Em dashes [—] are used as a stylistic method to show a meaningful pause or an attempt to capture nuances of dialogue or speech patterns. Words are *italicized* when emphasized in speech or when indicating a court case title. Particularly animated speech is identified with **bold** lettering. Underlining [] indicates a proper title of a publication. The use of underlining and double question marks in parentheses [(??)] denotes unintelligible phrases. Although substantial care has been taken to render this transcript as accurately as possible, any remaining errors are the responsibility of the editor, Josephine Sporleder.

Kathy Osborn: I'm Kathy Osborn. I'm the executive director of the Regional Business Council.

Blanche Touhill: I know that you established and created the Regional Business Council. Would you talk a little bit about what it is and why you decided it should be created and what they do.

Kathy Osborn: Sure. For a number of decades in St. Louis, among the civic and the business community, there had been talk about how to engage what was generally called mid-cap companies. There had been an organization in town since really the early '50s called Civic Progress. They had really funded and pushed forward a number of major projects over many, many decades and have done a fabulous job and are very active today. But there are about 30 companies and, really, that had been many other companies that had grown up during that time: family-owned companies; private companies and public companies that had their corporate offices here but their majority of their workforce and their work was around the world and there was no way to engage those people and so there had been a lot of discussion how to do it. I met a gentleman; actually met him at University of Missouri-St. Louis, Dez Lee and he built a mid-cap company. He was a contemporary of Sam Walton's and when he retired he set on his career as a philanthropist but one of his ideas was, "Why don't we engage mid-cap companies?" and I was very close to him and he kept talking about this. He thought maybe Civic Progress would expand. They said, "No, I think this kind of works but we will absolutely be supportive. We absolutely have to engage a broader business community," and so he kept talking about it and ultimately, the regional chamber here incubated it I was asked to head that up and I did and that's about 15 years ago. Today, it's 2015. So that was probably 2000. So what we've done is we've brought a core group of business people together and sort of decided, what would this look like? What it would look like, it would be 100 CEOs of large companies; it would be diverse; different backgrounds; different industries, but the company had to be large and the company had to have good leadership. Then we decided what the mission is, which is to act on...and this is the important part...high impact. Anybody can do easy stuff so most of the things we do are difficult, so high impact business, civic and philanthropic affairs. We

also decided we would be a funder, that we would figure out a way to bring in enough money from our membership...we take no public dollars...and then figure out how we could fund things. But we didn't fund anything unless our engagement came along, our leadership. So anything we take on is because our leadership says, "Yes, we think this is important. We think we have some expertise." So over the years, we've funded a whole variety of projects. We were, early on, involved in school reform issues here. I would say I think we played a pivotal role in terms of bringing it to the attention that the St. Louis School System could not go on. Ultimately what happened is the state took that district over but in the process, we really helped to bring a lot of the resources and the structure the school needed. We helped to bring TFA here.

Blanche Touhill: What's TFA?

Kathy Osborn: Teach For America. It was a model that was developed by a young Princeton student who thought, "Hey, they're recruiting from Wall Street at Princeton. Nobody's recruiting for schools. We ought to have a recruitment system for schools" and Teach For America was developed and they became...really, from 2000 to today, they were really the reformers in American education and they went into urban schools and they went into rural schools, impoverished rural schools to really help the children along.

Blanche Touhill: And that became a national movement.

Kathy Osborn: It's a national movement. We fund them to this day.

Blanche Touhill: In St. Louis?

Kathy Osborn: In St. Louis.

Blanche Touhill: Is that the metropolitan area?

Kathy Osborn: Yeah, uh-huh, in St. Louis, and so we focused a lot on the St. Louis Public School System, Principals Academy. We've hired recruiters to help them recruit the principals. We've done training. We've funded libraries. So we really said, "Let's focus on this district." We tend to not try to do everything. Our philosophy is, if you try to do everything, you do nothing. So we would rather take pieces of things. So we decided to focus on St. Louis Public School System, did a lot in school reform. We've done a lot in

professional diversity. We have a Young Professionals Network which we developed over the last six years which has 3,000 young people of color working in our companies, 65% African American, 10% Asian, 10% Hispanic and then nationalities from all over the world. We believe St. Louis future is hinged on this whole global talent hunt. We have to be a city that's welcoming to people from all over the world. So we've done a lot of landmark work in that and we sort of see now, everybody is talking about how important this is for St. Louis. We've been very generous. We give about 12 to 13 million dollars a year to the United Way and it's the only thing we collectively fundraise for and we do that because United Way serves about 170 organizations and it's the most needy. It's the best but the most needy. So for our companies, they can kind of feel like they're getting money directly. They can't fund those 170 but they can indirectly. So, as we developed our expertise, there was no doubt...and I will tell you frankly...my background in education became quite helpful because many people in education will say, "Why don't those business people do this, that or the other?" Well, business people are there to run a business. They really aren't education experts and many are very generous but it's not like they know education in the way that, say, those of us whose careers have been in education. So I think that I was able to provide some leadership of..."No, that may not be the place we want to be"; "Yes, that is something that is important," and then frankly, educating our members about the issues. I remember when Dez Lee first started investing in our school districts, his friends would say, "Why are you doing that? It's not a functioning district. Nothing is going to change," but, of course, he believed it could change and I think all of us understand that we have to believe education for our youth can be better than it is and St. Louis is a great example of having some of the best public/private/parochial schools in the country. Executives come here and they said, "We can't believe how many choices we have." On the other hand, like every other urban area in the country, we have some areas that are shameful, are shameful.

Blanche Touhill:

So I know that when the Ferguson situation developed, you all were involved, particularly yourself and I know that there are a lot of perspectives on it but I think that you, probably more than a lot of other people, have a longitudinal view of Ferguson and so would you sort of speak to that view? What happened? When? How did you get involved?

What all did you do? What are you doing now? What do you think is the future?

Kathy Osborn:

Sure. I do think that in terms of my background, the fact that I had been at University of Missouri-St. Louis in a high level position and had gotten to know the community and as now the world knows, St. Louis County has a number of municipalities, probably far more than we need to have and many of those municipalities are in North County. So if you are at University of Missouri-St. Louis, you get to know those communities and there's a lot of pride among those communities and so I knew the people...not the people currently in office or the individuals, but I understood the communities and I understood that a lot had changed, a lot had changed over probably two decades. The other thing about Regional Business Council is, we're not a white paper group. We have a propensity to action so we are kind of nimble so, unlike some organizations, if we see something that we think is important and we can do something about it, we will take action. We operate on a consensus so the whole group has to say, "Yeah, this sounds like a good idea; let's do something." So I think, as our members, particularly our leadership, and then myself, watched in horror as things unfolded in Ferguson with the death of Michael Brown and particularly that first week or two where I think for many St. Louisans, you didn't think it could happen here and, of course, people were confused what really did happen and there's a lot of complexity going on. Our police departments are fragmented so it's not like in St. Louis City, currently, where you at least have one department and one department therefore has a lot of training and education about a variety of issues. So that fragmentation, I think, was unfortunate. But as we looked at, there were so many things, as a St. Louisan, you said, "Oh, we need to do this, this and this." What we looked at is, is there something we can do as a business organization that's appropriate and we particularly wanted to be careful to understand the hurt of the people involved and to be careful about...sometimes good people try to do things sometimes and it's not as helpful. We decided that the small businesses was an area we knew business and you could see the businesses were in distress and you could see that most of them were minority so we thought, some kind of direct help to small business and then, secondly, the schools. Remember, at the time, it was August. Schools were just ramping up and what was happening is, parents weren't sending their kids to school. There were whole apartment

complexes where they were cordoned off. You couldn't get out and you couldn't get in, couldn't get to school. People couldn't get to work. In some cases, schools wanted to have school but teachers couldn't get in and teachers were afraid and parents were afraid. It was a somewhat chaotic situation and if there's one thing we've learned at RBC and I've known for a long time, it's time on task for kids, particularly kids from disadvantage backgrounds. Every hour they're not in that classroom is potentially an hour they're going backward. So this idea of getting kids back in school, for us, became paramount. So our chairman and I talked quite frequently. The other thing I did, because I'd been around for a while here, I called about six African Americans almost every day and I said, "What do you see is happening? Where do you think the need is?"

Blanche Touhill: The same six?

Kathy Osborn: By and large, yes, and I'll give you an example of some of the names:(Orv Kimbro at the United Way; Starsky Wilson at the Deaconess Foundation; Mike MacMillan at the Urban League; Brittany Packnet and a few others and because our role was not to protest what had occurred or even make a statement because there wasn't enough information to know, but our job was to see where can we be helpful of St. Louisans. At the time, there was also just a sense of, how can we put the hand of help out to people because it was a desperate situation there for, really, many months but particularly for the first couple of weeks. So, with that, our group said, "Yes, schools and small business, let's get active." We decided to start a fund, reinvest North County. We wanted to be careful. We didn't want to appear to be raising money in a crisis for all the wrong reasons, even though our reasons were pure. I called North County Inc. and I had been on that board when I had been at the University and I knew that it had been around a long time. I did not want to do this...I wanted to have a North County entity involved. So I called them, the executive director, Rebecca Zohl. She knew of me but we had not met and I called her and I said, "Here's what we want to do. We'd like to put the fund there. Do you have a 501C3 arm?" She did. I said, "But we got to get going now" and anybody knows the RBC and knows me, I'm an impatient person. I wanted it very quickly, to get the flow. Also at the time, people were frozen. They didn't know what to do. So most people just...in a crisis, what happens is people either freeze, they move away and then a few people move towards and we felt like we needed to move towards but

we needed to do it in a really thoughtful way. So we established the fund there and I called five people in town and said, "I need \$10,000 from each of you" and they said, "You'll have it tomorrow" and very quickly the fund grew. Before I called her, though, I put together a very diverse allocations committee because if there's one thing I learned from Blanche Touhill, Historian/Chancellor at University of Missouri-St. Louis, is you have to look at things that you do in these kind of crises: what will people look at a month from now, a year from now, twenty years from now? And what I wanted to make sure is we had a very diverse allocations committee, that it wasn't just the RBC deciding how the money should be allocated. It was a diverse group of people. So we called the Clergy Coalition and we called the Urban League and we called North County. I got a business owner who had been around a long time in North County. I had people from all walks of life: the Convention and Visitors Bureau, marketing expertise. I wanted to pull in Brittany Packnet from Education. So it was very diverse.

Blanche Touhill: Was it Teach For America in those days?

Kathy Osborn: Teach For America in those days, and her father...few people know this...her father, Ron Packnet, was on the chancellor's council at University of Missouri-St. Louis many years ago. He died young. He was the pastor at, I think, Central Baptist Church, as I remember and after he passed away, his wife had these two young babies and she came to work at the University of Missouri-St. Louis and now has a Ph.D. It's an aside but the daughter comes back, I think really, to fulfill her father's mission. So she's a remarkable young woman. So I put a good allocations committee together and money started to come in, from just the most interesting places: a law firm in town called and said, "We're going to challenge every law firm to do \$10,000. Small donations came in. People from different parts of the country came in and we never really fundraised. We just wanted it out there quickly. Corporate donations came in because, frankly, at the time, think about it, even well-meaning people, much less corporations, it's hard to know in a crisis that's that dramatic, that painful...well, what do you do? So putting into a fund became a good place for people and so what I realized is, we provided the vehicle for companies, foundations, individuals to put some money and feel like it was going to be deployed in the right way because they

trusted us, they trusted me, they trusted we had a process in place. So we did that.

Blanche Touhill: Did you sign off on the money allocations ultimately?

Kathy Osborn: Ultimately, Rebecca Zohler and myself did, but the allocations committee made all the recommendations.

Blanche Touhill: I understand that but you were fiduciary...your fiduciary responsibility continued?

Kathy Osborn: That's exactly right.

Blanche Touhill: So they knew that when they gave to North County Inc. that RBC was going to make certain that the money was spent in projects that were agreeable not only to the allocation committee, but no doubt to the director and did you review them too?

Kathy Osborn: Oh, absolutely.

Blanche Touhill: And did you have the power to say, "No, I don't want it to go there"?

Kathy Osborn: Well, I think there is no doubt that it's unlikely I would have gone against anything the allocations committee would have recommended so I think, in effect, I wouldn't have exerted that.

Blanche Touhill: Well, the reality is, you knew who the committee was.

Kathy Osborn: I knew who the committee was.

Blanche Touhill: And you had faith that they were going to spend it appropriately?

Kathy Osborn: That's exactly right, but also, frankly, they did have faith in the Regional Business Council. They knew we had credibility. They knew that I knew a lot about education and, frankly, that we would make sure that money would go to the people in the most need.

Blanche Touhill: And that Ms. Zohl would make sure that it was going as well?

Kathy Osborn: That's exactly right.

Blanche Touhill: Everybody had an interest?

Kathy Osborn: That's exactly right.

Blanche Touhill: To help Ferguson?

Kathy Osborn: That's right, and do the right thing.

Blanche Touhill: Yeah. The reason I mention that is a lot of people collect money and it sort of dissipates and I'm not talking about anybody doing anything wrong; I'm talking about, it's spent on things that really aren't the focus of what you're really trying to do.

Kathy Osborn: I spent a lot of time assuring people and making sure that that money went exactly where it needed to go and ultimately we decided that there were small businesses. I've learned a lot about the small business community in Ferguson. I wouldn't say I know them all. I don't but I learned a lot and we invested in 55 businesses over a period of about six months. Our first allocation was the first week of September, so think about it: This happened somewhere second week of August and by the first week of September, we have money going directly out to businesses. Now, we had to put a lot of things in place: who were the most needy; what does need look like. A lot of the businesses were destroyed physically. Many had their cash registers, their computers, their business license, their product taken; nothing; gone in one second. They were confused. They were scared but more than anything else, they felt a responsibility to the community. Many lived in the community. These were small business owners. Almost all that we gave to were minority because that's who was there and they were people who loved the community. They provided basic services. So, for instance, many of us don't understand...now, we didn't fund a Quick Trip. We funded no large businesses but the Quick Trip became a symbol of really everything wrong, really in our country ultimately but it became that symbol. What people don't understand about a Quick Trip and why symbolically that's so important to many poor communities is, that's the everything. That's where mom gets the diapers. That's where you go to get the child something to eat before you go take them to school. That's where you get a cup of coffee on the way to work. That becomes that place because there aren't that many places. Schnucks is there. They closed only a couple days. They stayed open, wonderful that they were there but for most people, a Quick Trip is that place. So what we decided to do is to very quickly begin researching, finding out, and that's where I will tell you North County was helpful. They had a much better hold on who were

those businesses. I visited that area myself, probably, three days after Michael Brown was shot. I did that with one of our members, Tony Thompson, a very, very generous man and at the time, we went up...there was a group of professional women who said that mothers can't get diapers and they can't get the basics for the kids so we organized going into stores, buying up everything we could that fit that and was bringing it up to a church. The church was holding that. So went out there, I wanted to get a sense of the community and kind of my bearings about where everything was and you could just see, first off, the devastation but you could also see all these small businesses. So anyway, we decided that we would do small business allocations. We came up with kind of what the focus would be, which would be grants because these are people...at this point, alone does them no good. They needed the next day to figure out how to put the board up or how to get the cash register in, or how to figure out how to pay an employee. So our goal was this: we knew public dollars would have actually come in and the public sector did come in, about five months later but we knew they would but we needed to do something short-term so we decided, it was a grant system. So we gave grants, gifts, of two thousand to five thousand dollars to 55 businesses. We did five rounds of funding. It was very deliberate. They had to have a business license. The secretary of state and the state treasurer were wonderful. I just called them up. I said, "They've lost their business license. Check it." We needed to make sure they paid their taxes. This is now kind of an historical thing. You don't want somebody later to say, "Oh, my goodness, you gave money to people and these are people that didn't even pay their taxes." Well, guess what? These people paid their taxes and they had business licenses. We had to help them find them. We didn't give to bars. I mean, we were careful, liquor stores. There were certain things we just said, you know, that's really kind of out of our purview, and this was all the allocations committee. So our first round was almost entirely focused on business owners. I'll talk about schools in a second but let me sort of tell you what I've sort of learned now over this last, almost close to a year.

Blanche Touhill: Let me just interrupt.

Kathy Osborn: Yes, please.

- Blanche Touhill: So, what the allocations committee did is they sent out a request for a form...for a...
- Kathy Osborn: North County Inc. had a form on their website and you could apply. Anybody could apply.
- Blanche Touhill: But did they, at that time, say, "These are the areas that we will fund"?
- Kathy Osborn: Yes and then what we did is we also made some decisions, the allocations committee. What happened is, first off, we had to figure out, do they have a business license, are they a legitimate business, because, as you know, in these situations, good people can give money to somebody who isn't even in business. We didn't any of that to happen. We wanted forever more, people would say, "You know what? We gave to somebody who was really a hard working business owner."
- Blanche Touhill: But I mean, before they filled it out, they knew what the guidelines were?
- Kathy Osborn: They did, but they were very broad.
- Blanche Touhill: But they were to the point?
- Kathy Osborn: That's right, yeah.
- Blanche Touhill: Okay. I didn't mean to interrupt you.
- Kathy Osborn: No, no, please. No, they knew what it was. They applied on the website and then we had to sort through, and understand, what we decided to do...and this is the allocations committee. We recommended it but this is the allocations committee, was, start with the people that were actually physically damaged, that were in the center of what happened and then move out because the truth is, over time this hurt all of North County. There were businesses wide distances away that were very much affected. Nobody wanted to come to North County. So it affected a lot of businesses but we felt like the businesses that we should focus on are those right in that immediate area. So we presented this to the allocations committee. They reviewed it. I think we had all the right kind of processes in place and decisions were made. The thing that I did in the allocations process, the giving of the check to businesses, I very much didn't want this to be a white person just handing a check to, in most cases, a person of color. I felt that that was not the appropriate way to proceed. So I felt it was very important to have members of our

allocations committee to go and be part of giving the checks. I actually gave no checks out myself, personally. I did hire an African American photographer. I asked him to go up and take a picture of every single check allocation and I did that because I wanted to make sure forever more, you saw the person with their business sign right there in their business and you saw their face as they got the check and I wanted to make sure they understood, this was the entire committee so Mike MacMillan, a gentleman from the Urban League; we had one of our young professionals, a partner at Reuben Brown who had grown up in Normandy, went to Normandy schools; a reverend from the Clergy Coalition. They were on most of the...when we handed over the checks and here's what they reported and here's what I've seen on the videotapes: the amazing gratitude of people, people who had no idea anybody in St. Louis ever even thought about them or cared about them, outside of their little world. I mean, there were people in tears. There were men business owners who said things like, "I will work for the rest of my life to pay this back" and would say, "You don't understand. You don't need to pay it back. Stay in business." So that has been pretty much the story. Now, what we've tried to do now is move away from cash, because if you're in a for-profit business, typically your business should fuel it and help them fuel their business. Not all will, the truth is, not all will survive. They won't. But our hope is that many will and so what we've been doing, North County Inc. and a much broader partnership of people now have been doing seminars and classes in finances, marketing, simple things, like how do you display your goods in a way that's more attractive to having people come in. The St. Louis Economic Partnership and a whole consortium of people started to make loans and for some of the businesses, loans have been a way to really get back on their feet. But at the end of the day, for those businesses to survive, that community will have to survive. So it's all interlocked. You can't take one piece separate from the rest of it. But what I think I've taken away...and initially I heard people in the media say...outside of St. Louis, but they say things like, "Well, why would you give money to those businesses? They've destroyed their own...it's their people." I said, "No, no, no, I'm sorry, you don't seem to understand the complexity here." So there were a lot of things that were being talked about that were not really reality. I'll give you an example: one of the news media nationally called and they wanted to do a story that the Asian businesses were targeted because

the African Americans didn't like the Asian businesses. I called up my friend, a young professional who started the Asian American Chamber of Commerce and I said, "I need you to go up to these businesses, find out what's going on. I don't think this is true," and couldn't have been further from the truth. These were business owners who were providing things directly for these communities. So we were able to dispel, this wasn't anything where somebody didn't like somebody else.

Blanche Touhill: They said that at once?

Kathy Osborn: Yes.

Blanche Touhill: The Korean businesses were distrusted by the African American community and enraged and retaliated.

Kathy Osborn: Yeah, it was not true. It was, I think, somewhat of an equal opportunity situation, and remember, initially this happened, I believe, in a spontaneous display of emotion and sadness and anger. It happened and there's a lot of reasons for that and they're complex. Then the second part is education.

Blanche Touhill: Don't leave that, and maybe you're going to get that at the end, but I just have to ask you: Many of the businesses were burned out...

Kathy Osborn: Yes.

Blanche Touhill: And they're still boarded up.

Kathy Osborn: Right.

Blanche Touhill: From what you're saying, if the business does not recover, either with the current group or with a new group that will come in, Ferguson is in danger as a community?

Kathy Osborn: Let me step back for a second on that, before I answer that. I think for the broader St. Louis community, there were things that were not right.

Blanche Touhill: Yes.

Kathy Osborn: And I'm going to focus right now on North County. There was escalating poverty. I was not aware of it. I truly think of myself as a pretty informed person. The level of poverty in North County is staggering. If the rest of this community understood it in the way that I've come to understand it,

but we didn't know. The schools have been deteriorating for a long time and we saw it but, truthfully, what happens in society...and it's happening all across our country...most of the urban problems were happening in cities so when you look at where did the help come to, it goes to cities, and frankly, we put a lot of our money into the City of St. Louis: into the schools; into policing, we started a police foundation, I mean, all kinds of things to help the city. But what had silently been happening is city residents had moved into the county. Some have done very well; some not so well. They came for jobs. Maybe the jobs weren't there. They came for better schools, were there for a while, and then they weren't there. So all of a sudden you have urban problems coming into suburbia and suburbia doesn't even know it. And I think, in part, many of the citizens of North County who had been there for a long time actually were not fully aware of what was happening right in their own communities. People could say, "Well, how could that happen?" Well, things happen. So you had a complicated issue. It was about housing. It was about poverty. It was about a municipal court system that should never, ever, ever had existed. What I try to say to people is, "You can turn poor people into criminals but why would you do that?" And, in part, we turned some poor people into criminals just by the kind of system that was there and how impossible that was to work through. So you have all these multi-faceted problems: racism and economics and jobs and transportation. But nobody kind of saw it and it all converged. So I think, in life...and we feel this way very strongly and I think most leadership in St. Louis feels...a problem has emerged on a grand scale and there's no putting the pieces back like they were. They have to be dealt with. So for St. Louis, as painful as this is, I think we will grow from this. I think we will take care of problems we didn't understand existed. I think we'll have better mutual understanding. Now, is it going to be hard? Is it going to take a long time? Yes, it is. So I think in terms of Ferguson, Ferguson, like the rest of the region, we're interdependent. Anybody who thinks this is a Ferguson problem, they're wrong. We're all interdependent here. So I think, as they are changing and trying to deal with this and more change will have to happen, so will we. So, it is fragile. It's fragile for us; it's fragile for them but I will tell you, I, myself, think that America is a resilient place and that we essentially...our core beliefs are that we can do better than we did before. We believe in education so we believe, if you give the right education, the right opportunity, that people then can

come into the full economics. But some people don't feel that way. They feel left out and we got to make sure we include them in. Did that cover that part?

Blanche Touhill: Well, the reason I mentioned that is, I'm searching for your opinion, just focused on Ferguson, that if the business doesn't return, what is the future of Ferguson, and the reason I say that is America has had these kinds of uproars from the time of some of the Martin Luther King period, although he was a great believer in passive resistance, sometimes you would have...

Kathy Osborn: That's right.

Blanche Touhill: From my perspective, there were a lot of those communities, when the businesses get burned down; no one comes in to replace them.

Kathy Osborn: Yes.

Blanche Touhill: And no one there is able to hang on long enough to keep in business.

Kathy Osborn: Yes.

Blanche Touhill: Then the people in the area that have nice little houses, they go elsewhere for their shopping. The community loses its revenue and the schools then go down.

Kathy Osborn: Mm-hmm.

Blanche Touhill: So, from my perspective, it seems that the return of business is extremely important.

Kathy Osborn: We feel that it is.

Blanche Touhill: But whether it will or not, I don't know whether that's the tipping point.

Kathy Osborn: Yes. I think, first off, in order for most businesses to survive who are serving a local community, which many of those businesses are, you have to have the people so the people have got to have money. I mean, it really is connected so unless you can educate people and they can get a job to make some money to buy the services, so it all does fit together. I will say one of the things that I think we've come to see...and this is why there's a Company, Senteen, very successful company and the nature of their business is such that, very quickly, they felt they could and should

step up and they've put, I think, a call center there in an area. I mean, my understanding is, the CEO of that company said to their people on a Thursday that "I want the property by Monday and we're going to tell people we're going to go there" and that's a whole different kind of business but that's a business where a lot of people could get jobs. So I think what we're seeing is, the small businesses...which is where we initially focused, because they are the ones that are most in a crisis, most volatile, and that's where you had also people live in the neighborhood. That's where you can really say, person-to-person, we want you to make it. So, our great hope is, and I think there's government forces that are trying to help many of them to survive, but other businesses have come in, there will be other things coming in that hopefully will lift it up and hopefully all people in Ferguson, that there won't be one group that leaves and goes someplace else, that they will figure out how to work through their issues.

Blanche Touhill: So what you're saying is it's not the small business that's there now that might survive or not survive. They're not the tipping point but there is a need for some revenue generation...

Kathy Osborn: That's right.

Blanche Touhill: ...other than through the municipal courts?

Kathy Osborn: That's exactly right, that's right.

Blanche Touhill: And other than the small business, as long as something comes in...

Kathy Osborn: That's right.

Blanche Touhill: ...to feed the revenue of the area, then people will want to move next to that industry or that company?

Kathy Osborn: That's right.

Blanche Touhill: And they will pay taxes themselves...

Kathy Osborn: That's right.

Blanche Touhill: Okay, that makes sense.

Kathy Osborn: So that's sort of how...

Blanche Touhill: ...change will come?

Kathy Osborn: Change will come because this is an example where...and what we've seen now, we didn't know a year ago or we didn't understand...this created all of a sudden explosions across the country where people began to say something's wrong in certain communities. And so there may be differences of opinions about that but there is a national dialogue. Wherever you are, people are talking about these issues.

Blanche Touhill: And a lot of the issues here are the same across the country.

Kathy Osborn: They're the same across the country. So, Brookings Institute recently put out a book, under a year ago, and I had this author come to St. Louis and she wrote a book called *Poverty in Suburbia* and what she had done is tracked poverty across the country over several decades. Why did she do that? She began to notice that in urban areas, there was a seepage of poverty into suburban areas and the whole book is showing you the data that is happening all over our country; that number two, suburban areas do not have a governmental structure to deal with that. So our current county executive just elected last year, he's going to face things no other county executive ever faced and most of those issues are urban issues, that if you look at urban mayors across the country, they have the structures now. They have the people that handle some of that. They know how to deal with it. Suburban areas don't and that's happening across our country. So all of those urban issues: declining schools; density in certain poverty housing stock; poverty and lack of good distribution of that; lack of jobs; crime, it's here.

Blanche Touhill: What about healthcare?

Kathy Osborn: Well, healthcare, I'm not the best to comment on that because healthcare, because of so many changes at the federal government level, as I understand it, more people have access to healthcare than they used to have. So how that's going to fold out, I don't know.

Blanche Touhill: And they went to hospitals outside the area already.

Kathy Osborn: That's correct, that is correct.

Blanche Touhill: And people would have general have doctors' offices so I see.

- Kathy Osborn: But it's a big problem. I'm just not...this is not something we've delved into so I'm not the best to speak to that.
- Blanche Touhill: Did you delve into transportation?
- Kathy Osborn: Well, just to this extent, a couple things, kind of learned sort of big things in observations, and let's just take North County but you could talk about suburbia in general. So in North County, there is highly dense areas but they're relatively small around apartment complexes where you have lots of poor people in a very dense area, but if you go outside of that, actually suburbia and North County is very spread out. So one of my observations is, if you look in the areas that were most affected here: Ferguson-Florissant; Dellwood; Normandy; Jennings, you didn't have the civic infrastructure that you might have in a city and if you had it, it didn't do any good that it was in Hazelwood because they couldn't access that. It was too far away. So if you have a Boys and Girls Club, lovely club that it might be in an area far away, you might as well have it in Kansas City, in terms of the feelings of the community. So part of what we are needing to do now is build a civic infrastructure. There needs to be something that says "Job Training Site." There needs to be something that says, "Early Childhood Center." There needs to be something that says, "Food Pantries," and we just didn't have that infrastructure in place.
- Blanche Touhill: And there needs to be a transportation...
- Kathy Osborn: And there needs to be transportation because it's too hard to get around. So one thing that I think is very visionary about the current head of Metro, which is our bus, light rail system, he understood that light rail wouldn't serve everybody's need. Getting people to jobs and to schools needed buses and so they're actually putting...I think the name is "A Rapid Transit Center." It was already in the plans, it was already happening but it's going to be opening up where there it's a place where people can go and get the bus, easily accessible.
- Blanche Touhill: This is happening? Or, where's it going to be?
- Kathy Osborn: I believe it's Ferguson. It may not be Ferguson, it may be on the border of there but it's right in that general area.
- Blanche Touhill: Because the old St. Louis bus companies used to have those centers.

Kathy Osborn: That's right.

Blanche Touhill: Wellston was one of them.

Kathy Osborn: That's right.

Blanche Touhill: I think Ferguson was one at one point.

Kathy Osborn: And the reality is, in St. Louis, jobs are dispersed so the key issue for the city has always been, and now a key issue for the county is, you need to get people who need the jobs, who need the work in the grocery stores or in the retail or in the hospitals. You need to get them from where they are to those jobs because in many cases they don't have cars. So that dependence on point to point almost bus service becomes terribly important. So that's going to have to be a big factor in all this. There's no doubt about it.

Blanche Touhill: And you are moving to education?

Kathy Osborn: Well, education...

Blanche Touhill: Now, I had heard recently that the schools were in danger of losing their accreditation.

Kathy Osborn: Yeah. So we focus on four school districts: Normandy, Jennings, Ferguson-Florissant and River View Gardens. Why? Because what I quickly found out was, if you take, say, the apartment complex where Michael Brown was shot, which basically was shut down and you take all the children and all the parents in there, well, their children might be one day at Normandy and they be another day at River View Gardens. I would say the River View Gardens Elementary School was in the most drastic need immediately afterwards. You don't know those things unless you talk to the superintendents. The thing that I sort of realized is, there's no advocate for the districts there. Nobody talked to them. I mean, think about it, we make public policy and we never ask...do we ask the St. Louis Public School system what they think? Yes and they've got somebody who advocates for them. Who's advocating for Jennings? Nobody is. So what I did, and at first I was very reluctant, I began to meet with those four superintendents together and I thought, boy, I'm going to waste their time because they're in the trenches but, boy, did I learn a lot. I learned a lot about how isolated they were. I learned a lot about how

heroic they are. I learned a lot about, well, of course the kids are going from district to district. That's what we know they go in all the urban districts, they go from school to school. But this is worse because you're going from district to district.

Blanche Touhill: So the curriculum is different.

Kathy Osborn: It's all different, and then the other thing you learn is that the level of poverty was so severe in those school districts that fundamental to the educational process was the food pantry. So the idea that kids would come and get two, sometimes three meals a day, Jennings sends them home with little backpacks and they stuff food in little backpacks. They don't know whether the kid gets it or the mom and pop but the other thing I've thought about this whole thing about poverty, kids are a wonderful way to get to the guardians, to the parents who may feel left out of this as well and they come home with a little backpack of food, at least it communicates somebody cares. So I learned a lot, that the districts had some severe problems. Initially it was things like, we can have no evening events, we have no security; we have to have security. We have to do diversity training because everybody's confused about what the messaging is. We have to get our parents and our kids' morale up. They feel embarrassed. They feel something's wrong with them. They need to feel like school is a good place to come. We needed transportation. I mean, I found out things...Ferguson-Florissant has a beautiful Early Childhood Center. There's no way to get kids there so they're not coming so the very kids you want have no ability to get there. So initially what we focused in on is money for direct things they needed at the time. I remember Jennings had an alternative school and the windows were all broken out and, yeah, they got insurance but they couldn't have the school. Well, the very kids that are in that school need to be in school. So we said, "Get the windows fixed. We'll worry about all this later." So in the process...now, over the last year, we've done tutoring things that they needed; we've done books; Parents as Teachers agreed to come into Normandy. Every child that sort of fits the age group, no books. Okay, we'll pay for all the books. So we did very immediate things. We found out there was no science equipment in River View Gardens. Okay, science equipment. I will tell you, one of our companies, Monsanto, came forward with a \$200,000 gift and they have a long history in science education for kids. So their expertise, they had

one of their people be on our committee, came into this. So what we were able to do in education is provide things that they directly needed. Most of them did not have foundations. They had no private money. They'd never had anybody say, "I want to give you money for something." So, what I also learned is they wanted to meet: "Please, let us meet because we don't have anybody to talk to." So part of what we have done is given them access to the broader community, introduced them to the foundation community, introduced them to the corporate community. We introduced them to the political leadership so that at least the political leadership could understand where these superintendents are. Now, specifically in terms of the districts, River View is unaccredited at this point, has a very stable board and an incredible reform-minded superintendent. Great hope for that district, great hope. Jennings has probably one of this country's best educators as a superintendent. She's absolutely remarkable, wears running shoes because she runs from school to school. All of her kids live in poverty, all are black. There's no bus system. They walk to schools. She feeds them and she educates them and she believes they get the best education. She has a very stable board and they're still accredited. They're fragile but accredited. Normandy is unaccredited, very much in the media of the times and they have a superintendent and an appointed board. They have the biggest challenge and what their future will look like is unknown. They're optimistic. We want to be optimistic but at the end of the day, we believe children need to be in schools where they can learn and if ultimately that cannot happen, then we need to take a look at that but for now, Normandy very much wants to make a run at providing what those children need. And Ferguson-Florissant is the largest. It is accredited. It's fragile as well. They have a new superintendent coming and in that community, there's been a lot of diversity of opinions about things. Remember, many of these communities were traditionally white communities and over time they become more diverse and consequences of that is you end up in many places having white boards with predominantly more diverse populations and that all will change and it is changing but it will change; it has to change. So they're bringing in a new superintendent. I'm very hopeful and excited. I haven't met him as yet. I'm looking forward to it but that will be important because the size of the district is such that they have to keep themselves going on the right road. So for me right, for RBC, we're going to redeploy some of our

money and our time towards North County districts. We think we know some things about what's needed. We have got some credibility in the philanthropic community, to talk about this a lot. We think we know places where you can make a good investment and places where maybe not so much so and we're determined to help the superintendents there and the people that are there to build their school districts back because right now we're going to fix the consequences of not having the kind of school districts we needed but let's start fixing it for the little ones now so they come up through the system and then we've got to make sure there's jobs and there's training and there's a future. So, I guess my final thought is, what we've learned in terms of education is, public policy right now in education is terribly important to attracting the right people so what you have is reform-minded people from all over the country who go to places where they see opportunity. So what decisions we make about school reform in Jefferson City is really important because reform-minded people want to be in places where you can make some change and get some things done and if you look at Jennings and River View and Normandy, they're not going to get it done by what we used to do; they're only going to get it done by a whole different way of looking at educating kids and that public policy piece needs to be in place and so that's an important issue and we want to make sure the superintendent, who had different opinions...Ferguson-Florissant has a very different opinion on this than River View and Normandy because River View and Normandy right now have to pay money to another district to educate their children. So public policy and reform go hand-in-hand. So, with the reinvest fund, we've raised \$800,000; we've allocated already a half million dollars, to schools and to those small businesses and in the process, the group of us have really learned a lot about the issues. We've been very strong advocates for municipal court reform. It cannot go on like this. Many people like myself knew that if you go to North County, if you go to UMSL, wherever you go and if you're going down a little tiny hill and you don't have your foot on the brake, you will get a ticket and as much as we didn't like it, even as a student, I somehow figured out how to pay that ticket. I never stopped to think what would it be like to be a mom trying to get their child to school and you're getting a ticket because the municipality said you've got to issue so many tickets in order to make the revenue. That has to change and I will tell you, there's legislation that we passed, I believe the governor will sign it. People

across the country are saying, "How did you do that in nine months?" and that's really a credit to Republicans and Democrats, activists and corporate, everybody came together and said, "This piece cannot go on like this."

Blanche Touhill: What percentage now can be...of the budget...

Kathy Osborn: I believe it's 12.5%. They had gone for 10; there were some people who wanted 15; some people wanted this, so I believe that's where the number ultimately landed and I heard a presentation by one of our state senators, Eric Schmidt, just this morning and he said, "You know, the truth, if you think about it, even 10% of your revenue would come from your own people" and this is not an issue that we want people...do we want people to obey the traffic laws? Yes, we do but we don't want is a system where governmental entities, out of necessity, I'm sure, say to themselves, "Where do we get the money? We get the money by tickets" and so things like this happen. Okay, you were going three miles over the speed limit. You get a ticket and then you're stopped and then they say, "Oh, your license plate is falling off" or "Oh, you don't have this" and all of a sudden you've got two tickets and then they say, "You've got to come to court" and then you go and it says you can't bring your child in. Well, the court is in the evening time and then you get a fine. Now you owe a thousand dollars and now you call and say, "I can't pay a thousand dollars. Can I do it fifty dollars a week?" and they say, "No, you pay a thousand dollars." The next thing that happens to you, you're in jail. So that system has to stop and I don't think there's anybody in this region...I don't care where you live or who you are who doesn't get that that is wrong and that has to change. Now, what's going to come out of that is that means a lot of these governmental structures...and I say this with great empathy towards them, they're all going to have to figure out how are they going to fund this and maybe they're not going to be able to fund the things they were funding and maybe they can't have their own police department and maybe they're going to have to...domino effect in that arena is going to occur just because of that one bill. Lots of other things need to happen but that one is at least moving in the right direction.

Blanche Touhill: What's your thought about success in North County, over a period of 50 years?

Kathy Osborn: Sure. I think we have a great opportunity to build a community back that has an amazing history and we can turn this into a place that said, "We've got to deal with these issues. We've got build the community back. It's multi-faceted. We're going to do it. It will be hard. There will be differences of opinions. There will be misunderstandings" but I think the nice thing about a crisis is, what alternative do you really have? You have to do it and I do believe in the fundamental goodness of people. I will tell you, if there's one thing the reinvest fund did for me and is really...you know, you can watch on TV something happening, you can make all kinds of judgments about people but then you meet the person and you realize, well, they're just like me. They want to provide for children. They want to get a job. So I think there's a fundamental goodness to people and I think certainly St. Louis has our fair share. We're going to have to get past a lot of misunderstandings but we're certainly determined to put time, effort and money into helping turn that around.

Blanche Touhill: Did you get assistance from the local Higher Education community, both private and public?

Kathy Osborn: I would say...was creating our Young Professionals Network made up of persons of color, all backgrounds, 3,000 of them now and we've done a lot of the demographics on where they live and we think of St. Louis as central corridor up 64. Where they live is South City, up through the Central West End, up into University City, up into Ferguson-Florissant, Hazelwood, et cetera. That's where they live. These are people who have high level professional jobs who are raising families, who own the homes so they're our hope. Is there hope? Yes. They're well educated. They're committed to St. Louis and what we need to do is also help them to understand not that they have to quit their job to become the mayor but run for city council, be on the school board, get active on a task force, go to your community government and say, "I want to get active and involved," and those are the people we've got to keep...those are the people we've got to keep in these communities and they're highly educated. I think for me, that's another piece. I talk with them all the time and I see their excitement. They don't understand all this fragmentation so for them, they don't get it: "Why is it all broken up the way it is?" So they question things that many of us never question and I think they're doing it from a position of strength and I think they want to be here. Let's be frank: where can you go in the country to get this

quality of life, this kind of sports amenities, this kind of cultural amenities, a parks and trail system. I ask young people, "What do you want?", young professionals. They want outdoor stuff and they think St. Louis is an outdoor place. I've never thought of St. Louis as...well, they think of it because we've got Forest Park, we've got a park system now that runs the whole entire gamut of the region. That's what they're looking for. So those people are really going to build and they're going to determine if North County is going to grow and I would say, my great hope is that they put those roots down and they demand better schools and they demand a government that works better. So, it's in some ways not so much what I'm going to do; it's really what they're going to do and my job is to hopefully help and empower them and educate them as to what we need to do.

Blanche Touhill: Well, thank you so much, Kathy. It was a very wonderful conversation that we had and I hope you're right about it.

Kathy Osborn: Yeah. Well, I think about it when I come up here. I do. That's the benefit of working for an historian. You understand and I say so many times to our business people, "You have to write that down. You have to have that there because your family will want to know. Someday the community will want to know and it's so easy to forget it."

Blanche Touhill: Thank You.

Kathy Osborn: Thank You.