

SOL PRICE

RETAIL REVOLUTIONARY
AND
SOCIAL INNOVATOR

BY

ROBERT E. PRICE

FOREWORD
BY JIM SINEGAL

SAN DIEGO HISTORY CENTER

2012

Managing Editor: Iris Engstrand
Assistant Editor: Rebecca Goodpasture
Designer: Allen Wynar

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ISBN 978-0-9886806-0-9

Printed by RR Donnelley

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Dedication

*To my wife Allison, my parents Helen and Sol,
and to all of Sol's many friends and business colleagues*

Acknowledgments

Sol always said that teamwork is the key to success. In the case of writing this book, fortunately, I had plenty of assistance both from those people who shared their memories of Sol with me to others who helped with editing and review of early drafts of the book.

The book's editor Iris Engstrand, Professor of History at the University of San Diego, devoted countless hours to providing advice, preparing multiple drafts, editing, and formatting. Professor Engstrand's historical and literary experience were instrumental in bringing together all of the elements that comprise a proper biography.

I also would like to recognize and thank a few other people who helped with editing, design, and general support. My longtime assistant Sherrie Cousineau provided incredible support throughout this book-writing endeavor. Whenever I needed help she was there. Rebecca Goodpasture, an Aaron Price alumna and a student at the University of Texas, worked as an assistant editor during her summer break assisting Professor Engstrand in a variety of ways. I was particularly pleased with Rebecca's excellent work and the fact that she had a personal connection to the book through the Aaron Price Fellows Program.

My thanks go to book designer Allen Wynar for his talent in creating the layout and his patience in making necessary changes. I am also grateful to copyeditors Barbara J. Barr and Cynthia van Stralen for their assistance and fine work in proof reading and making corrections where required.

There are dozens of Sol's friends and former colleagues who made themselves available for interviews and informal discussions concerning their personal relationships with Sol. I would especially like to thank Jim Sinegal for his sensitively written foreword to this book and for his

generosity in giving of his time and advice. Jim worked with Sol for many years and their friendship continued until the final days of Sol's life.

Finally and most importantly, I want to acknowledge and thank my wife Allison for her careful reading of the final drafts of this book. Allison was uniquely qualified to discern the nuances of my writing in terms of how people might personally feel about what I had written. Allison has lived through most of the story, she knew my father well, and he was very fond of Allison. And, of course, she knows me perhaps better than I know myself.

This two-year book writing effort is now concluded.

Robert Price

Foreword

About four years ago—shortly before his death, and a few days after we had lunch together, I received a letter from Sol Price.

Dear Jim,

I enjoyed our lunch the other day. It's always nice seeing you and experiencing your enthusiasm, knowledge and commitment to your values. You've been very generous about giving me some credit for influencing you. I suspect that's true, but you would have been a great achiever under any circumstance.

I've related only the first paragraph of this letter because Sol went on to say some very complimentary things that I will keep personal. My assistant, Karen Paulsell, had opened the letter and had brought it in to me immediately, despite the fact I was in a meeting with some of my Costco colleagues. Upon reading it I turned to Karen and said, "I've been waiting 50—ing years for this letter." It was well known that compliments from Sol came around about as frequently as Halley's Comet.

After digesting the letter, I reflected on the fact that here I was in my 70s, and still seeking approval from this guy! What was it about the man that engendered so much admiration and respect—not just from me—but from thousands of us who worked with Sol over the years?

Certainly there was his intelligence and creativity, but that's not the complete answer because, as we know, there are millions of bright people in the world and only a handful make a lasting impact. There was so much

more to Sol's leadership qualities that touched all of us and made everyone confident that we would persevere regardless of the obstacles.

I started working at FedMart in 1954 while still in college, a path that was followed by many of Costco's current executives. Sol gave us incredible opportunities to learn the business, teaching us the skills and core principles we applied throughout our business careers and then later when we launched Costco in 1983. Sol's teachings had a great impact on our business ethics, our core values and of course on our merchandising philosophy. He believed in developing strong operating efficiencies and he continually emphasized passing on savings to customers. He also insisted that suppliers and employees be treated with respect and that the latter be paid competitive wages.

In 1993, our two companies, Price Club and Costco, merged to form the "Costco" we know today. We owe our legacy to the retail concept that Sol pioneered with FedMart and Price Club, as do all our competitors in the industry and big-box retailers in general. For example, Sam Walton, who started Walmart in 1962, eight years after FedMart was founded, later admitted he had "borrowed" many of Sol's innovations, to which Sol reportedly replied, "If I was so helpful, why don't you just pay me a finder's fee?"

On another occasion in the mid-1980s when the nation was recovering from the recession, Sol was asked at an analysts meeting if he were concerned that the "Price Club" might not be as popular in an improved economic climate. Sol paused for a moment and then said "I don't believe we're in grave danger of prosperity."

But Sol was not only a business innovator. Early in his career, he did considerable pro bono work as an attorney, and later created the Price Family Charitable Fund and Price Charities. Through these organizations, Sol spearheaded the redevelopment of City Heights, an economically challenged area of San Diego. His efforts led to the development of school programs in the area and to the building of a new library and a police station.

Perhaps Sol's greatest business legacy was the creation of the "Price Club" concept that as many as a dozen existing retailers and "start-ups" attempted to clone. At one point a reporter asked Sol how it felt to be the "father of an industry" to which he wryly replied, "I should have worn a condom."

A mind as creative as Sol's, however, was much more adept at conceiving rather than operating, and so his son Robert played an invaluable role not only in grasping the genius of the "Price Club concept," but also recognizing the importance of operating disciplines that would later be essential to the business's success. I have stated many times over the years that Robert has received insufficient credit for his contributions, and I am convinced that Costco's success resulted from observing and learning that lesson.

In summing up, the remarkable thing about Sol was not just that he knew what was right. Most people know the right thing to do. But he was able to be creative and had the courage to do what was right in the face of a lot of opposition. It's not easy to stick to your guns if you are swimming against the current of traditional thought when it comes to wage and compensation plans for employees.

I'm pleased that Sol is recognized as the father of the warehouse club industry, as well as for his business acumen and his philanthropic efforts. More importantly, I'm honored to have worked for and with Sol and to have known this "GIANT" for so many years. His lessons and philosophy—that business is about more than making money and that a company also has an obligation to serve society—are still valuable reminders for many of us in business today. The fact that he instilled these concepts in so many who were around him is, in my mind, his greatest legacy.

Jim Sinegal, Co-Founder and Director
Costco Wholesale

Introduction

A few months before my father's death on December 14, 2009, we were having lunch at Sammy's in La Jolla when I asked his thoughts about the idea of writing a book about his life. Sol reflected for a few moments, then he said, "Why do you want to do that?" To which I responded, "The book won't be a typical biography. The purpose of the book will be to give people the opportunity to learn from you." That was the end of the conversation. I knew he wouldn't like the book idea, but I felt an obligation to tell him. He deserved the opportunity to say no. For more than forty years we had worked together; I had learned that my father expected to be fully informed, openly and honestly, even if he did not like what he heard.

The decision to write this book comes from my conviction that the story of Sol Price's life and work is worth telling so that family, friends and former business associates will have a permanent and, as nearly as possible, accurate account of Sol's remarkable 93 years. But more importantly Sol's life truly offers a unique learning experience. Hardly a day goes by that I don't apply something I learned from my dad. He was a really smart man. Everyone who knew him would attest to that. But what truly distinguished Sol was his exceptional wisdom.

Stephen Hall in his book *Wisdom* writes about the qualities of a wise person—knowing what's important—moral reasoning, that is, the ability to judge right from wrong; compassion; kindness and empathy; humility; altruism; patience; successfully dealing with uncertainty.¹ My dad's life encompassed all these qualities.

1. Stephen Hall, *Wisdom: From Philosophy to Neuroscience*. (New York, 2010).

Sol always said that luck plays a big part in what happens during one's lifetime. This is undoubtedly true. Sol was lucky. His parents emigrated from Russia to the United States well before World War II. He was born with a brilliant mind. He was in good health for most of his life. His family moved from New York to California, which led to his love affair with and marriage to my mother. What Sol added to his good luck is what this book is all about.

Perhaps nothing expressed Sol's approach to life better than how he dealt with the death of our son, his grandson, Aaron. In 1989 my wife and I experienced the worst nightmare that can ever confront parents, the death of our 15-year-old son, Aaron. Sol, my mother Helen, and my wife Allison's parents suffered the loss of their grandson too, but also suffered their children's pain. Sol was determined to find a way to turn tragedy into legacy. And he did. In 1991 Sol launched the Aaron Price Fellows Program—a way to honor Aaron's memory by providing high school students with a rich learning experience. He gave our family a way to channel our grief into something positive and made it possible for Aaron to live on through the lives of the Aaron Price Fellows.

People often have good ideas. Sol was inspired to make his good ideas happen. Sol's actions were rooted in a value system that he learned early in life and from which he never strayed, a belief that life can and should be lived with purpose, and lived in the right way. Sol's life was a testament to the truth that success can be achieved by acting in the right way.

The chapters flow from Sol's early years to his life in San Diego practicing law and raising a family, to his years at FedMart, then his revolutionary Price Club years, followed by the years after Price Club when Sol pursued his innovative philanthropic work. While telling Sol's story, I have woven in his value system, his outlook on life, and why he was able to overcome so successfully the significant challenges that he faced throughout his life.

Sources for this book include Sol's oral history and his written notes, conversations with my dad, my mother, and with Sol's mother (my grandmother), conversations with people who knew Sol, letters from

friends, colleagues of Sol in all areas, and people who were touched by his generosity. Other information is drawn from periodicals, historic records stored at the San Diego History Center Research Archives, and a DVD recording of the memorial tribute to Sol that took place on January 8, 2010.

My thanks and appreciation go out to Sol's friends who were so kind and loyal in the good times and never wavered during the tough times at the end of Sol's life.

Robert Price

October 28, 2012

Chapter 10

Giving Back

“A good businessman has to find the time to take care of being involved with his family and charity; it gives him balance. If you’re lucky, you have the obligation to put a lot back into the pot.”—Sol Price

Throughout his life, Sol Price devoted a great deal of thought, energy, and money to causes in which he believed. An underlying theme of Sol’s life was his generosity and concern for others. All through his legal and business careers, Sol remained active helping people by giving of his time and money. Growing up in New York, Sol was surrounded by family and family friends who, as Jewish immigrants, had a natural inclination to help each other, to promote the interests of the working class, and, generally, to support progressive causes. Whether in running his businesses, supporting Democrats, or giving away his money, Sol never lost sight of his immigrant roots and the need to help the underdog.

Sol conceived his approach to philanthropy within an intellectual and strategic framework. He believed that people give charity for one or more of three reasons: ego, guilt, or emotion. Sol said that his main motivators were guilt and emotion, not ego. His generous nature was certainly a product of his emotional response to the hardships and suffering of others. People who really knew Sol understood that beneath his gruff exterior, he had an empathetic soft side. He said that if he had been a woman, he would have been pregnant all the time because he just couldn’t say “no.”

Sol’s guilt did not correspond to the traditional definition of guilt—a sense of regret for wrong behavior and a desire to make amends. Rather,

Sol's "guilt" was related to his realization of the capriciousness of life, his having such good fortune compared to those who were not so fortunate. For Sol, sharing his advice and financial resources with someone in need was his way of trying to right a wrong and even out the playing field.

With regard to ego, Sol maintained a low profile in everything he did. He never sought publicity or recognition. His and Helen's names were not usually attached to the gifts they made. Sol did have an ego, and a strong one at that. His ego was defined by his existential sense of the meaning of life—the idea that he always had to be thinking and doing, functioning at the highest performance level to find the right answers, whether in business, in making someone's life better, or in improving society.

At another level, Sol approached philanthropy as an extension of the way he had formulated his general conception of the responsibility wealthy people have to society. He believed that philanthropy was a very personal matter—that it was up to each person to decide what to give and how much to give. But, in Sol's view, people who had been fortunate enough to accumulate wealth were obligated to share their good fortune both by being generous and by paying their fair share in taxes. As a point of reference he cited Andrew Carnegie: "The man who dies rich . . . dies disgraced."

The logic for rich people to give back personally and through taxes took two paths—fairness and political pragmatism. Sol believed that fairness was a moral imperative. He would say that rich people often think that they gained their wealth on their own when, in fact, their success was the product of their teachers, along with government workers, service providers, and the employees in their companies. He believed that a just and fair society provides good wages and benefits to the working people who are, fundamentally, partners in wealthy people's success. Sol often said that progressive taxes, public policies that promote fairness, and philanthropy directed to support vital not-for-profit organizations in the community are all part of recognizing the fact that financial success is a shared activity.

Sol's feelings about taxes were expressed in a letter to *The San Diego Union-Tribune* dated August 9, 1993, in which he responded to the

SOL PRICE

7979 RANHOE AVENUE, SUITE 520
LA JOLLA, CALIFORNIA 92037
(619) 551-2345

August 9, 1993

The San Diego Union-Tribune
P.O. Box 191
San Diego, CA 92112

Attention: The Editor

Gentlemen:

I'm one of 2% of Americans who will be paying substantially higher income taxes, including the surcharge. Would I rather not? - of course. Is it needed? - of course. Is it fair? - I think so.

Over the past 40 years I have started three businesses* that all became public companies and, by most standards, would be considered successful. When the first company was founded, the top individual rates were 89%. The top rates when the second company was started were 70%. The top rates when the third company was started were 31%. Never once did the tax rate enter into my decision to start these businesses. Any entrepreneur worth his salt would not be deterred from starting a business because of tax rates.

* Fed-Mart 1954

Price Club 1976

Price Real Estate Investment Trust 1991-92

Sincerely,



Sol Price

newspaper's editorial position claiming that high taxes deter entrepreneurs from starting businesses.

The politically pragmatic reason for philanthropy and a progressive tax system, in Sol's view, was to avoid a "have and have not" society. Sol had lived through and witnessed the Great Depression of the 1930s, a time when the very foundation of democratic government was threatened by dire economic times. He felt that an ever-present risk in society is the erosion, over time, of a sense of fairness and a consequential lessening of people's hope for the future. Sol used the analogy of a pressure cooker, the

idea of taking off the pressure that can build up in society when people believe that the system is working against them. In contrast, Sol believed that a just society provides people the opportunity to make a decent living, receive good health care, afford quality housing, and ensure a better future for their children.

Sol's more formal education in philanthropy took place at the Weingart Foundation where he was involved in transforming the foundation into a vibrant philanthropic organization. As a member of the Weingart Foundation board, he participated in guiding the foundation's grant making to serving the needs of challenged children and families. Service as a member of the Weingart board of directors also gave Sol the opportunity to learn more about the legal and technical aspects of running a foundation.

Because the Weingart Foundation was created in Los Angeles, a majority of the foundation's grants were and are directed to Los Angeles area not-for-profits. Sol was successful, however, in having some of the Weingart grants benefit not-for-profits in San Diego. In 1998 the Weingart Foundation and Sol and Helen's family foundation—the Price Family Charitable Fund—each contributed \$35 million to establish the Weingart Price Advised Fund at the San Diego Foundation. During the ten years of the Advised Fund's existence, the original \$70 million resulted in \$120 million of charitable donations in San Diego County.

During Sol's tenure as a board member of the Weingart Foundation, he served with a number of successful businessmen including Harry Volk, former president of Union Bank of California; John T. Gurash, former CEO of the Insurance Company of North America; and Roy Anderson, former CEO of Atlantic Richfield. In a letter to me written



Murray Galinson.

in August 2012, Sol's close friend Murray Galinson,¹ a Weingart board member at that time from San Diego, recalled what it was like at Weingart with Sol and the other longtime board members:

I was first elected to the Weingart Board in July 1997 and became, at that time, the third person from San Diego to serve, in addition to Sol and Bill McGill, former Chancellor of UCSD. Sol and I used to drive up to Los Angeles the day before the meeting. The next morning, we would have breakfast with Harry Volk, Ben's banker. Sol and Harry discussed all kinds of things, but never Weingart matters that were coming before the board that day. Politically they were as opposite as any two people could be, but both were dedicated to making grants that would be very helpful and be doing something that "Ben would have wanted to do."

Our meetings were held at the Weingart Foundation Board Room in downtown Los Angeles, which had a portrait of Ben looking down at us. I would ask, when the program applying for a grant seemed questionable, "is this something Ben would have wanted to give to?" Sol, Harry and John Gurash would always answer "Ben wanted to take it with him."

During Sol's time on the board, there were numerous gifts made to charities in San Diego County. The gifts amounted to five to ten million dollars a year, making the Weingart Foundation one of the largest donors in San Diego County.²

One particular donation of which Sol was especially proud was a student loan program for undergraduate private independent colleges

1. Murray L. Galinson served as chief executive officer and president of San Diego National Bank from September 1984 to September 1997. Galinson served as a director of Price Enterprises and PriceSmart, Inc. and as an investor in The Price Group.

2. Letter from Murray Galinson to Robert Price, August 24, 2012.

in Southern California. In 1987, when the student loan program was inaugurated, many independent colleges were facing financial pressure as a result of declining enrollment and rising expenses. As described in John Farrell’s book *Ben Weingart & Weingart Foundation*, the student loan program was a great success:

With its characteristic brand of entrepreneurial ingenuity, the (Weingart) Foundation found a landmark solution: the Foundation’s thirteen year, \$28 million program for interest-free student loans at fourteen private colleges in Southern California. Under the program, the Foundation provided interest-free loans to the colleges, and each college established a trust, funded by the Foundation’s money, to make interest-free loans to qualified students. Each college guaranteed repayment of the student loans to the trust.³

In 1982 Sol and Helen established their own private family foundation—The Price Family Charitable Fund (“The Fund”). Sol’s decision to establish a private foundation resulted from his experience with the



Robert Fellmeth, Sol Price, and Helen Price at the University of San Diego.

Weingart Foundation, also a private foundation. Sol could have continued to make philanthropic donations by simply signing a personal check, but he preferred what the private foundation provided—a more structured way to deal with philanthropic grant making: the benefit of funding the foundation with The Price

3. John Farrell, *Ben Weingart & Weingart Foundation*, p. 234.

Company stock, an asset that had dramatically increased in value: and an immediate personal tax benefit—a tax deduction for the market value of the assets contributed to the foundation. Under the rules established by the Internal Revenue Service, The Fund, a private foundation, was obligated to contribute annually no less than 5% of the value of its assets.

Prior to establishing The Fund, Sol and Helen Price endowed a chair in Public Interest Law at the University of San Diego's School of Law. The chair was awarded to Robert Fellmeth, who had joined the law faculty at USD in 1977 after a career in public interest law in Washington, D.C., where he worked with Ralph Nader. In 1987, Fellmeth, knowing of Sol's interest in issues affecting young people, met with Sol to ask for funds to create a Children's Advocacy Institute. In 1989, The Price Family Charitable Fund approved a grant for the Children's Advocacy Institute (CAI). Since that time, CAI has made major contributions toward strengthening children's legal rights. CAI trains child advocates and operates a legal clinic that provides advocates to represent children in dependency and delinquency court. CAI supports a statewide legal effort to lobby the California legislature on behalf of children's rights. During the past two decades, CAI has had a major role in legislation requiring children to wear bicycle helmets, swimming pools to be fenced, and child-care regulation to be reformed. CAI has also been responsible for child welfare improvements and has enhanced the collection of money in child support cases.

In 1983, Carla Hills, The Price Company's special counsel and a partner in the Los Angeles law firm of Munger, Tolles, Hills and Rickerhouser, introduced Sol to William Gorham, founder and president of the non-profit Urban Institute in Washington, D.C.⁴ Hills, chair of the Board of Trustees of the Urban Institute at that time, asked Sol if he would be willing to meet with Gorham. At their first meeting, Gorham asked Sol if he would agree

4. Carla Hills served as Secretary of Housing and Urban Development during the presidential administration of Gerald Ford and served as United States Trade Representative during the presidential administration of George H. W. Bush.

to approach the Weingart Foundation for an unrestricted grant to support the Urban Institute. Sol responded that he was reluctant to recommend grant money for general operating support. As an alternative, he suggested to Gorham that the Weingart Foundation might be willing to approve a grant to fund research on the economic, social, and cultural impact of Hispanic immigration in Southern California. During the early 1980s, the prevailing public opinion, according to Gorham, was that “a large majority of the public saw immigration from Mexico and Central America as costly, . . . that Hispanic immigrants held wages down in the occupations where they competed with locals, . . . and were disproportionately responsible for the rising crime rates in Southern California.”⁵

The Weingart Foundation approved the grant and, as a result, the Urban Institute conducted the study. The research findings were published in 1985 in a book titled *The Fourth Wave*. Tom Bradley, mayor of Los Angeles at the time, praised *The Fourth Wave* “as taking us a giant step forward in our understanding of what immigration means for California, for the nation [and] for the private sector.” Sol said that *The Fourth Wave* confirmed his belief that, on balance, immigrants were a net positive to Southern California both financially and socially.⁶

For many years Sol had contributed time and money to Jewish community organizations in San Diego, but he had not been a financial supporter of Israel. In 1985, Sol’s friend Leo Model,⁷ a New York investment banker, introduced Sol to Teddy Kollek, mayor of Jerusalem. Kollek was the first mayor of a united Jerusalem after the Six-Day War.⁸ Sol was attracted to Kollek because

5. William Gorham to Robert Price, July 23, 2012.

6. Quoted by William Gorham, *ibid*.

7. Leo Model served as chairman of Bache, Model, Roland International, an investment banking firm in New York. Model, born in Germany, immigrated to the United States shortly before the outbreak of World War II.

8. The Six-Day War, also called the Third Arab-Israel War or June War, took place June 5-10, 1967, and involved Israel and the neighboring Arab states of Egypt, Jordan, and Syria. As a result, Israel acquired the Gaza Strip, Sinai Peninsula, West Bank, East Jerusalem, and the Golan Heights. Debate over these territories continues to spur Arab-Israeli conflict.

of his forceful personality and the fact that Kollek was governing Jerusalem as a pluralistic city for the benefit of Jews and Arabs alike.

Sol and Kollek certainly had differing views on Israel. Sol expressed his disappointment with Israel for not having made a stronger effort to negotiate a peace deal with the Palestinians and for not doing enough for Israel's Arab citizens. In a letter to Sol in June 1987, twenty years after the Six-Day War, Kollek responded:

Over the past twenty years—since 1967—we in Jerusalem have been trying to follow a different policy and set different standards than those on the West Bank. We have succeeded to some degree, also helped by many friends around the world, including yourself to an extent.

So why punish us when you are upset with the government of Israel? I too am upset by what is happening on the West Bank. On the contrary, why not help us even further to show, and prove through our successes, that things can be done differently?⁹

Sol quickly responded:

I think you are assuming facts that are not in evidence when you assume that I am not doing anything or that I don't plan to do anything. At the moment, I am involved in trying to get a dialogue going between Palestinians and Israelis. In addition, I am trying to determine how best to give some economic aid to Palestinians so that they can develop some economic independence. More important, I am trying to make it respectable to discuss openly in the Jewish and non-Jewish community here different approaches,

9. Letter from Teddy Kollek to Sol Price, June 18, 1987. Price Family Archives. See also "Jerusalem: Barriers Are Gone, but Divisions Remain," *International Herald Tribune*, June 3, 1987.

including discussions with the PLO, without being tainted as anti-Semitic, anti-Israel, or anti-American.¹⁰

Although they never came close to resolving their differences, Sol and Kollek remained friends. Sol made his first and only trip to Israel in 1992. He took a number of people with him, including Charles Schroeder, who had served as president of the San Diego Zoological Society from 1953 to 1972. One of Teddy Kollek's dreams was to replace the old Jerusalem Zoo with a new zoo. Schroeder met with Kollek to focus the new zoo's identity as a biblical zoo. The zoo—the Tisch Family Jerusalem Zoo—opened in 1993 and has been a success beyond anyone's expectations. Each year zoo attendance exceeds 700,000 people representing all segments of society—secular and religious, Jews and Arabs. The Price Family Charitable Fund has contributed funds to a number of the zoo's major animal exhibits.

Sol remained interested in supporting Israel by focusing on improving the lives of Arab citizens of Israel. In 1997 Sol provided scholarships for five Arab Israelis to attend law school at Tel Aviv University. In 1999 the incoming president of Tel Aviv University, Itamar Rabinovich,¹¹ and the university's Chairman of the Board of Governance, Benno Gitter, met with Sol and me in San Diego. That meeting eventually resulted in the Price Brodie Initiative for Jaffa.¹² The Initiative created a close relationship between Tel Aviv University and Jaffa, a community of the city of Tel Aviv, linking professors and students from the university with residence in the disadvantaged Jewish and Arab neighborhoods of Jaffa. More recently, and as an outgrowth of the Price Brodie Initiative, the Price Family Charitable

10. Letter from Sol Price to Teddy Kollek, June 19, 1987. Price Family Archives.

11. Itamar Rabinovich, who received a Ph.D. from UCLA, was the Israeli ambassador to the United States from 1993 to 1996. He then became the President of Tel Aviv University, where he had received an M.A. degree. Rabinovich was, in 2012, a visiting professor at the Kennedy School of Government at Harvard University.

12. The Price Brodie Initiative was named for Marion and Dr. Earl Brodie, deceased former stockholders of The Price Company and FedMart Corporation.

Fund supports the Bidayat (“Beginnings” in Arabic) preschool program for Arab Israeli teachers and parents at Al Qasemi College,¹³ an Arab college in Baga-El-Gharbia, Israel, and in Jaffa.

In the early 1990s, Sol directed most of his philanthropy to causes related to honoring the memory of our son Aaron, who died in December 1989. In 1990 the Price Family Charitable Fund made a \$1 million gift to San Diego Hospice to endow a fund to provide financial pediatric assistance to families for end-of-life hospice support. The pediatric endowment was established as the Doris A. Howell Children’s Trust, named in honor of Dr. Howell, one of the founders of San Diego Hospice and a family doctor who had been of major help to our family during the final months of Aaron’s life.¹⁴ *The San Diego Union* in April 1990 reported that:

The gift launches San Diego Hospice’s campaign for H.O.P.E. (Hospice Operations and Pediatric Endowment), a fund-raising drive which, in addition to establishing a pediatric endowment, will also help pay for operational costs of the San Diego Hospice Center.¹⁵

Aaron had received most of his medical intervention at the University of California San Francisco (UCSF). Shortly after Aaron’s death, Sol was approached by Dr. Charles Wilson, chairman of the department of neurosurgery at UCSF, with a request to help fund a new brain tumor research center at the University. Sol responded by approving a \$6 million contribution to the center. Sol also approved a donation to Duke

13. Al Qasemi College, founded in 1989, is located in the Arab Triangle area of Israel. Al Qasemi has received national recognition from Israel’s Knesset. Dr. Mohamed Issawi serves as president of the college.

14. Doris A. Howell, M.D. joined the faculty at the UCSD Medical School in 1974 and chaired the Department of Community and Family Medicine. In 1977, Dr. Howell, along with a group of caring individuals, established San Diego Hospice, the first—and now largest—nonprofit hospice program in San Diego County.

15. *The San Diego Union*, April 1990.

SOL PRICE

University for pediatric brain tumor research.

But Sol wanted to do more to honor Aaron—a living tribute to Aaron’s memory through “a program in which Aaron himself would have enjoyed participating.” Sol formed a committee to make recommendations for such a program. The plan presented to Sol was soon adopted as the Aaron Price Fellows Program, a program for high school students Aaron’s age that would incorporate active learning related to civic responsibility. Its goals are expressed in the program’s mission statement:

To expose Aaron Price Fellows to local government, business and cultural institutions in an effort to illustrate the significance and relevance of these institutions in their lives;

To provide exposure to a variety of career opportunities;

To introduce Aaron Price Fellows to a diverse group of high school students within the program in order to accept and appreciate diversity while forming lasting friendships.



*To Sol Price
With best wishes, & thanks— Bill Clinton*



Aaron Price Fellows, 2010, assembled in Washington, D.C.

The first Aaron Price Fellows class was selected in April 1991. Fifty-four students, including Aaron's 15-year-old sister Rebecca, were chosen from ninth grade public schools in the city of San Diego. Susan Davis, who would later serve as a Congresswoman from San Diego, was the first executive director of the program. She, Sol, and a few of Sol's friends, including Retired Admiral Ray Peet, created a curriculum for the Fellows, including a camp retreat and behind-the-scenes programs at San Diego government offices, the courts, *The San Diego Union-Tribune* newspaper, Rady Children's Hospital, and various other community organizations.

One of the first activities in which the Aaron Price Fellows participated was a summer camp consisting of five days away from home at a campsite in the mountains fifty miles east of the city of San Diego. The Fellows camp experience in a rustic outdoor environment afforded an opportunity for fifty-four diverse young people to get to know each other and to bond with one another. In a series of workshops titled "breaking down barriers," counselors conducted workshops designed to encourage open-mindedness, appreciation, and acceptance of racial, ethnic, and gender diversity.

The Fellows' second and third years were a continuation of behind-the-scenes field trips in the community. In place of going to camp during their second summer, the Fellows lived on the campus of the University of California San Diego, where they learned about college opportunities while attending programs at the university. The highlight of the Fellows' three-year-journey was the trip to Washington, D.C., during the summer prior to beginning their senior year in high school. Sol and Helen, Admiral Peet and his wife Dian, and the Aaron Price Fellows staff, traveled to Washington, D.C., for a one-week journey to learn about the federal government's role in their lives. Sol made arrangements for the Fellows to meet their San Diego Congressional delegation and to attend seminars with other important public figures in the Capitol.

The Aaron Price Fellows Washington trip continues in much the same way Sol envisioned. Because of Sol's friendships and connections with elected officials and policy makers, the Fellows have met with senators;

congressmen; policy makers, including William Gorham, founder of the Urban Institute; and civil rights leader Congressman John Lewis. In more recent years Fellows have met with Supreme Court Justices, members of the House of Representatives, and ambassadors from foreign countries.

As the Fellows senior year came to an end, the Fellows and their parents attended a graduation dinner party. The event was happy and sad at the same time. The previous three years had exceeded everyone's expectations in every respect. Yet, the graduation ceremony evoked memories of Aaron, the sadness deeply felt by Sol and Helen and my wife Allison and me as we had time to reflect on Aaron and his tragically short life.

Congresswoman Davis captured the essence of Sol's vision when she spoke at Sol's memorial service:

This is what I think Sol believed: that the power of investing in young people and helping them to understand how society functions was something that would bring huge dividends to them and the people and community where they can and will make a difference.¹⁶

Sol had a special emotional attachment to that first class. He attended almost every event and came to know each Fellow. Sol had a particular affection for Willie Jones, a student from Lincoln High School in the inner-city neighborhood of Southeast San Diego. An outstanding student and athlete, Willie had been admitted to attend Cornell University with a full four-year scholarship and a major in pre-med. Three weeks after the Fellows graduation ceremony, Willie was attending an alcohol and drug-free graduation party when he became the unintended victim of a gang-related drive-by shooting. Willie's death was a devastating experience for his classmates and it hit Sol very hard. Although Sol continued to attend Fellows events for the classes that followed, he never again developed

16. Susan Davis, Sol Price Memorial Service, January 8, 2010.



Willie James Jones III, 1994.

close personal connections with individual Fellows. In Willie's memory, Sol established the Willie Jones scholarships, one each for a boy and a girl graduate of the future Aaron Price Fellows classes.

Since the program's inception in 1991, over 700 public high school students have had the opportunity to participate as Aaron Price Fellows. Susan Davis remained as executive director of the program for three years. For the past eighteen years, Program Director Jacquelyn Sherman Rustin and Assistant Director Theresa Battle have continued to operate the Aaron Price Fellows Program in the tradition and with the spirit envisioned by the founders. Aaron Price Fellows alumni take with them the knowledge of how their community institutions support the fabric of society, an appreciation for diversity, and an understanding of their own responsibility to do their part in giving back.¹⁷

The Aaron Price Fellows Program was Sol's major philanthropic endeavor during the early 1990s, yet he remained committed to his goal of giving away much of the money he had made at The Price Company. In 1991, Sol was presented with the opportunity to make a major donation to the University of California San Diego (UCSD).

UCSD Chancellor Richard Atkinson met with Sol to ask him to make a \$2 million donation to help fund the construction of a new campus student center—the total construction budget was \$18 million. For a \$2 million donation, Sol was offered the naming right for the student center. At first Sol was hesitant, not so much about the \$2 million, but about having his family's name on the building. The name proposed was Price Center.

17. See Robert Price and Karen Lawrence, *The Aaron Price Fellows Story*, 2nd edition (San Diego, 2012).

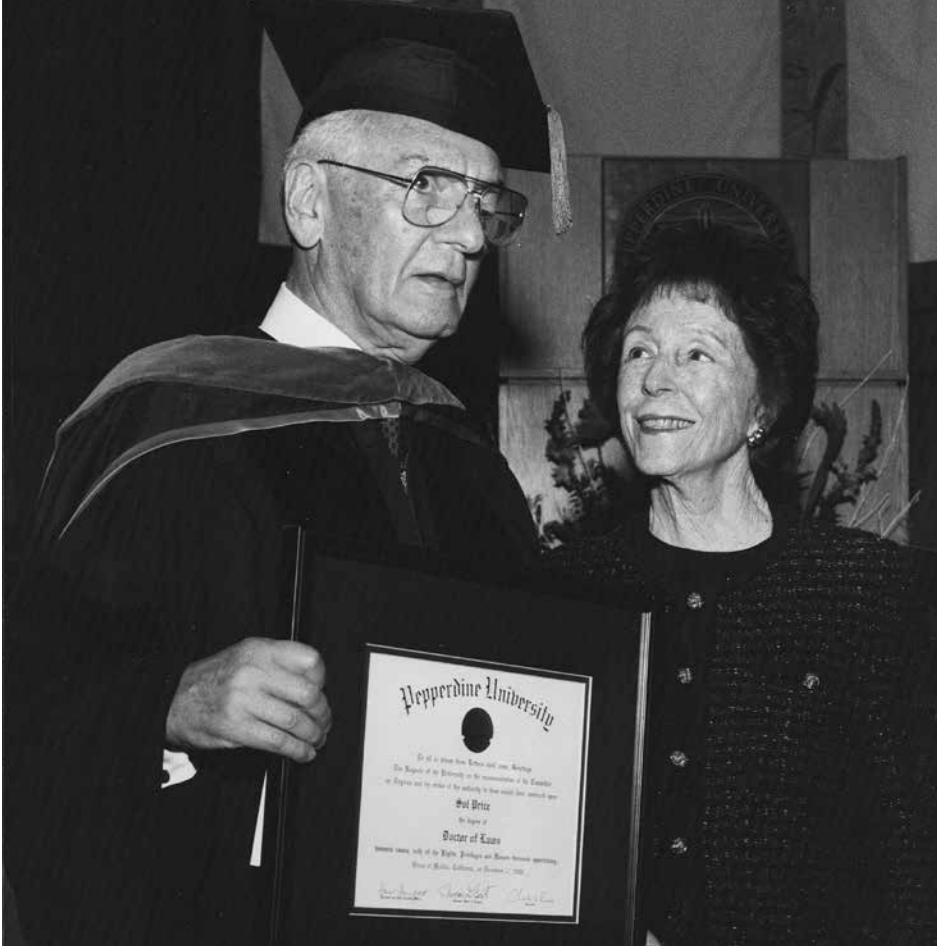


Price Center at the University of California San Diego.

After giving the matter some thought, Sol concluded that Price Center would more likely be associated with the Price Club than with his family name. Sol agreed to make the donation and the student center bears the name Price Center.

Many people made money from their investments in The Price Company, especially original investors such as Mandell Weiss. A number of those investors approached Sol to seek his advice concerning charitable gifts and, once in awhile, Sol encouraged some of those investors to make donations to particular organizations. Mandell Weiss was one of those people.

Sol encouraged Weiss to donate some of his Price Company stock to fund a theater on the campus of UC San Diego. Weiss agreed and the new theater was named the Mandell Weiss Theatre. Weiss was 91 years old at the time he made the gift and, remarkably, lived another ten years, during which time he immersed himself in the life of that theater. According to Sol, Weiss may have been the only person who ever found his life's greatest joy and fulfillment during his 90s.



Sol Price, with Helen Price, receiving an honorary doctorate from Pepperdine University, December 17, 1988.

Sol maintained that it was a lot easier to make money than to make the right decisions about how to give the money away. His approach to philanthropy steered him to focus the Fund’s resources on a few high-impact grants rather than many smaller grants and to look for grant making opportunities in San Diego, the city where our family lives and where we had our business successes. Also, Sol was searching for a way to combine his philanthropic interests with his talent for innovation. City Heights, an inner city community of San Diego, would soon become the place for Sol to apply his entrepreneurial skills in the form of social innovation.

Chapter 11

The City Heights Initiative

“The revitalization of City Heights has been a real partnership between the city, the school district, and Price Charities”—Jack McGrory, former City Manager of San Diego

In 1993, at the age of 77, Sol was in good health—his mind was sharp and he remained active overseeing the Price Enterprises real estate business, serving on the Weingart Foundation board, traveling to Europe with Helen and friends and to Washington, D.C., to meet with senior Democratic Party leaders. Although no longer a practicing attorney, he remained busy helping many people with advice and money. Still, Sol was neither ready to retire nor to stop innovating. He yearned to do something transformative in an inner-city neighborhood.

During The Price Company years in 1986, Sol had launched Gateway Marketplace, a retail store in Southeast San Diego. Sol had negotiated a redevelopment agreement with San Diego Southeast Economic Development Corporation (SEDC) to construct a building and open a store, Gateway, on property SEDC had designated for redevelopment. An important feature of the agreement was Sol’s commitment to create a “College of Retailing” on the second floor above the store. The idea was for Gateway to hire young people from Southeast San Diego who had not earned their high school diplomas to work at the store and attend the College of Retailing. By earning both a diploma and obtaining retail work experience, the goal was for these individuals to find jobs in the retail trade.

After the Gateway opening, it became obvious that the Gateway store was not going to be successful, and Gateway was converted to a Price Club.



*William Jones, President and
CEO, CityLink Investment Corp.*

The College of Retailing, however, continued to operate until the Costco merger, at which time the San Diego Community Foundation received a grant from The Price Family Charitable Fund to continue what became the Price Scholars Program. To this day, the program continues much as Sol envisioned, with San Diego City College providing the education and support while students earn scholarships through working for not-for-profit organizations.

During the time that Sol was involved with the Gateway supermarket, he met William Jones, a former San Diego City Councilman from Southeast San Diego. After retiring as a city councilman, Jones attended an executive MBA program in real estate at Harvard University, where he received a master's degree.¹ When Jones returned to San Diego, he and Sol met and discovered that they both wanted to use real estate as a vehicle for improving an inner-city neighborhood.

In 1993 Sol and Jones formed CityLink Investment Corporation as the vehicle to carry out their vision for a redevelopment project in the inner city. They traveled to a number of large cities throughout the United States learning about other redevelopment projects—some that had failed and others that had succeeded. Because they believed that their redevelopment project would probably be located in the area of Southeast San Diego, they spent time in that community interviewing residents about their wants and needs.

In early 1994 Vons Corporation announced the closing of a Vons store in City Heights. The announcement was soon picked up by *The San Diego Union-Tribune*. Both Sol and Jones saw the story and quickly made a trip to

1. William Jones is President and CEO of CityLink Investment Corporation, a real estate development investment company focusing on the urban core, with an emphasis on neighborhood revitalization. He received San Diego Dialogue's Civic Excellence Award in 2010 for his work in City Heights.

City Heights to look at the property. The Vons building was just what they had been looking for—a large parcel of real estate in a poor community. But there was just one problem—the City of San Diego was negotiating to buy the property and convert the store to a police station.

City Heights had emerged in the early 1900s as a suburb east of San Diego. In response to local needs and a feeling of neglect in amenities such as street lights, water, sewers, playgrounds, and paved streets, residents planned to form a separate city. Concerned citizens initiated a drive to incorporate in 1912 as the City of East San Diego.² From the start, however, the new city was consumed by difficulties. Even though the San Diego trolley line had been extended to the area in 1905 and promoters highlighted clear, fog-free air, and lots selling for \$200 to \$750, property sales remained slow. Political problems, tax increases, a lack of services, and a general feeling that the County of San Diego could direct growth and development more efficiently soon caused its downfall. The city as incorporated ended in 1923 when it was annexed by the City of San Diego. Only a plaque in front of the public library honors “East San Diego as The Golden Rule City” to remind residents of its once-promising future.³

During the 1980s and early 1990s, City Heights, a community of over 70,000 residents, had steadily become more and more a community of immigrants—a poor community in an environment of high crime, substandard housing, and a general shortage of public services. Successive waves of immigrants had settled in City Heights from Mexico, Central America, Southeast Asia, and East Africa. Sol had always been conscious of his own immigrant roots, which may have accounted for his interest in improving life for people in City Heights.

Sol and Jones then decided to contact the city to convince San Diego city officials to find another spot for the police station. The city manager at the time, Jack McGrory, said that the police department was too far

2. El Cajon and La Mesa also planned the same actions.

3. Although annexed to San Diego in 1923, problems remained unsolved in the area.

along to change plans. But McGrory also said that it would be four or five years before the police station could be opened because the city was short of money. This delay in constructing the police station had serious implications because City Heights had often been described as a community that was “out of control” in terms of crime.

The discussion between McGrory and CityLink Investment Corporation continued and eventually evolved into two significant agreements. The first covered a loan from Sol to the city to expedite the construction of the police station. As a condition for making the loan, Sol requested the city to make three changes to the proposed police station. The first was for the city to build a gymnasium next to the station where police officers and community residents could meet and get to know each other in a friendly recreational environment. The second asked the city to provide public meeting rooms for the community to use. The third request was for the police station to have windows facing Fairmount Avenue, a major thoroughfare running in front of the proposed police station. The city agreed to the first two but the police department objected to the windows—fearing drive-by shootings. Sol asked Jack McGrory to arrange a demonstration at the police firing range to prove that the windows were bullet proof. The police were convinced and soon all of the senior police officers were bidding for an office with windows.

The second agreement with the city of San Diego encompassed a plan to redevelop a large, blighted parcel of real estate directly across the street from the future police station. The redevelopment project soon became known as the Urban Village—a master plan to replace the blight with a new recreation center, a public library, a black box theater, a park and recreation center, office space, and a Headstart preschool. The vision for City Heights had grown from a retail redevelopment project to a major investment designed to revitalize a very challenged inner-city community.

The Urban Village, a \$65 million investment paid for by the City of San Diego, the Weingart Foundation, and The Price Family Charitable Fund, was a commitment Sol believed needed to be made to the community

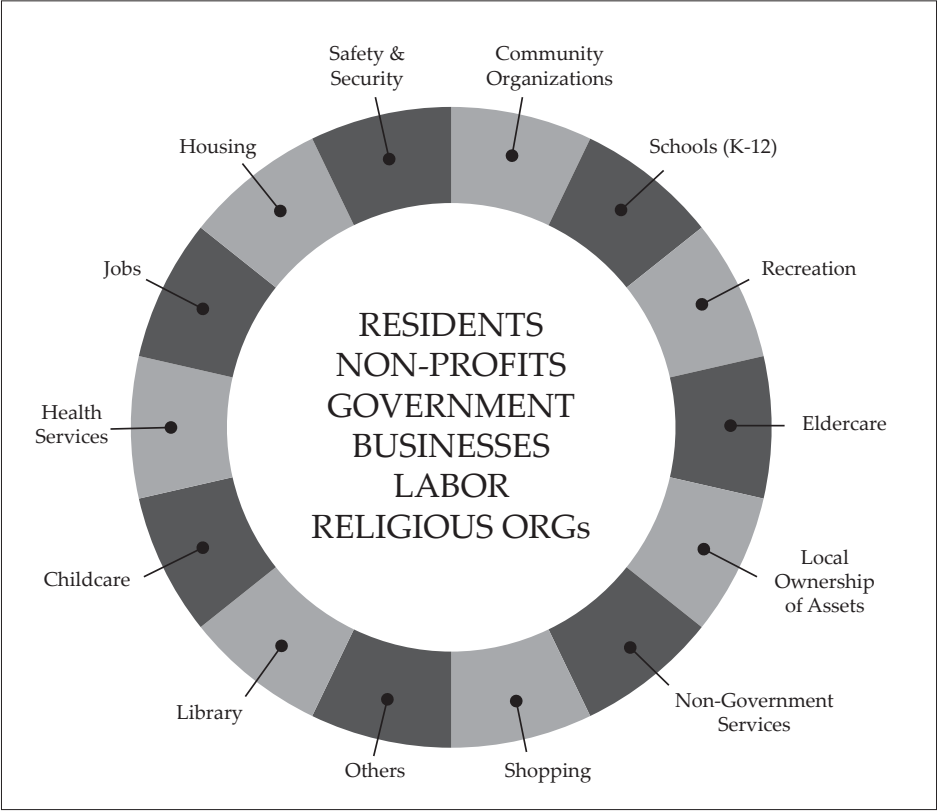


The Weingart Library at the Urban Village, which opened in November 1996.

of City Heights to demonstrate to community residents that change was possible. Too often in other communities, foundations and individuals had made overtures to help inner-city communities only to walk away without a tangible result. Sol wanted to be sure that the residents of City Heights would see and feel the change.

The Urban Village was completed in 1996. At the opening, there were representatives from local government, the Weingart Foundation (funder of the library), the Price Family Charitable Fund, and community organizations, along with residents of City Heights, William Jones, and, notably, a very enthusiastic 81-year-old Sol Price—all of whom expressed their hopes that the Urban Village would be a catalyst for further improvements in City Heights.

The successful completion of the Urban Village convinced Sol to make City Heights the major focus of his philanthropic work. He was going to devote the remainder of his life to using his unique talents and financial resources to meet a challenge. Rather than being known primarily as a retail revolutionary, Sol transformed himself into a social innovator. Now, he would apply new ideas and strategies to solving social problems



A graphic representation in the form of a wheel showing the factors needed for a healthy community.

in a community that was under siege. He would approach the challenge the same way he had approached every other challenge in his life—with creative thinking, hard work, and money.

Sol’s vision for City Heights was set forth in the initiative’s mission statement: *To make City Heights a community that retains its current residents and attracts new ones.* As a companion to the mission statement, Sol developed a graphic representation of “The Wheel”—a circular pie chart listing all of the factors needed for a healthy community—such as good schools, health facilities, safety, high-quality, affordable housing, and public amenities.

Shortly after the completion of the Urban Village, Sol cast his sights on another large, blighted parcel of land just northwest of and across the street from the Urban Village. The final plan for the property was a

redevelopment project to include housing and commercial offices. Sol was advised that his private family foundation could not engage in real estate development. Sol directed his attorney Joe Satz to apply to the Internal Revenue Service for approval to form a public operating foundation that would be permitted to operate a not-for-profit real estate business. The application was approved. Henceforth, the new foundation, San Diego Revitalization Corporation (later renamed Price Charities), would be the vehicle for Sol's real estate redevelopment efforts in City Heights.

The redevelopment master plan for the large parcel of land just a block northwest of the Urban Village included a 120,000 square foot office building; 116 townhomes; and a multi-level 400-car garage. The redevelopment project was a partnership between San Diego Revitalization and the Redevelopment Department of the City of San Diego. Revitalization created a redevelopment plan for the property and the Redevelopment Department used its power of eminent domain and its ability to participate financially in the project.

Space in the six-story office building was and continues to be leased primarily to not-for-profit organizations, including a Headstart preschool and Rady's Children's Hospital Pediatric Clinic and Urgent Care Center. San Diego Family Care Community Clinic leases space from Children's



City Heights Square apartments and retail, which opened in October 2011.



City Heights Village Townhomes, a complex that opened in 2002.

Hospital and operates the children’s clinic Monday through Friday. Rady’s Children’s Hospital operates the urgent care center during evening hours and on weekends. The Price Family Charitable Fund and Price Charities offices are located on the sixth floor of the office building. Sol’s reason for having not-for-profits as tenants developed from his idea that not-for-profits would bring jobs and needed services to City Heights and increase employment in the community.

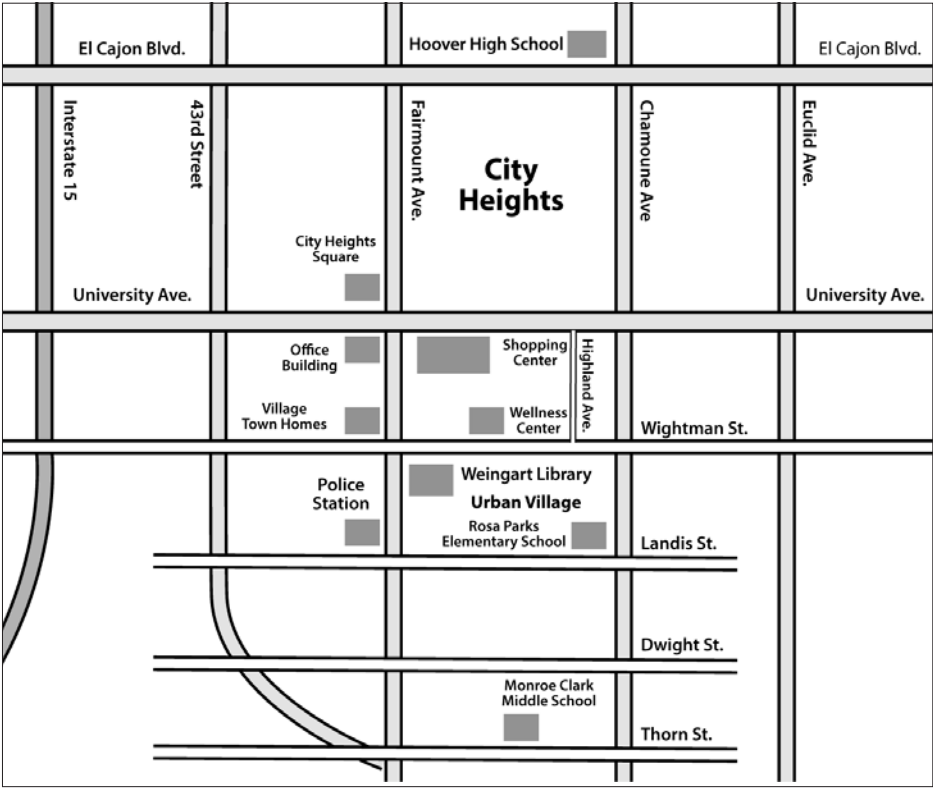
The 116 Village Townhomes are mostly 1300 square foot three-bedroom units. Sol wanted the townhomes to be spacious to encourage families to become tenants. The Village Townhomes were originally leased to City Heights residents and to people who worked in City Heights. Initially, Sol had hoped to finance the sale of the townhomes to City Heights residents. He had always sought ways to promote property ownership for residents of low-income communities. Sol changed his mind because of his concern about the risk of potential lawsuits resulting from owners’ claims of construction defects.⁴ Thus, the Village Townhomes were rented rather

4. In California, there is a ten-year period from date of completion for owners of condominiums to file lawsuits related to construction defects.

than sold. Of the total of 116 townhome units, 34 are rented as “affordable housing” and 82 are rented at “market rates.”⁵

Although the City Heights Initiative was supporting transformational changes in the community, Sol wasn’t convinced: “I don’t see any evidence that it has worked.” In fact, Sol was expressing the reality of measuring results in the field of community development. Every foundation involved in funding community development projects grapples with how to evaluate the effectiveness of the money being spent. As compared to a business with a financial bottom line, philanthropy is often difficult to evaluate.

In addition to redevelopment, Sol took a major interest in improving



Map showing central area of City Heights (not to scale).

5. The San Diego Housing Commission requires multi-family residential developers to provide affordable housing for a portion of these units. The rental rates are set by the Commission based on median family income in the neighborhood.

education in City Heights. The Price Family Charitable Fund had made a number of grants to City Heights schools, including Hoover High School and Crawford High School, both of which serve City Heights students. In 1997 Hoover High School's principal, Doris Alvarez, was named a national high school principal of the year. Sol accompanied Alvarez to the awards ceremony in Washington, D.C., where he met Larry Rosenstock, then working for the US Department of Education on a special project to learn about best practices in high school education. Sol was impressed with Rosenstock and offered him a job as president of The Price Family Charitable Fund, which Rosenstock accepted.⁶

At about the same time that Rosenstock came to work at The Fund, Sol learned that two new public schools were scheduled to open in City Heights—Rosa Parks Elementary School and Monroe Clark Middle School. Rosenstock suggested to Sol that he consider a partnership with San Diego State University whereby the two new schools, along with Hoover High School, would serve as “teaching hospitals” for the university's faculty and students. Rosenstock pointed out that over the next ten years, there would be a need for approximately two million new public school teachers, many of whom would work in urban schools. Colleges of education, including San Diego State's College of Education, would benefit from exposure to the realities and challenges of operating schools in inner-city neighborhoods.

Sol met with Stephen Weber, president of San Diego State University, and suggested that the university assume responsibility for academic oversight at Rosa Parks, Monroe Clark, and Hoover. Weber liked the idea, especially as a vehicle for engaging the university's faculty and students in the community. Then Sol met separately with Alan Bersin, San Diego Unified School District's Superintendent at the time, and Marc C. Knapp,

6. In 2000, Rosenstock became the CEO and founding principal of High Tech High, the first of now eight schools in the country based on the design principles of personalization, real-world connection, and common intellectual mission.

president of the San Diego Teachers Association, the union representing the teachers.

A four-party agreement was signed by The Price Family Charitable Fund, San Diego State University, San Diego Unified School District, and the San Diego Teachers Association. The agreement, “The Educational Pilot,” designated San Diego State University’s College of Education to take responsibility for educational instruction at the three schools, with a total population of 5,000 students in kindergarten through twelfth grade. Sol pledged, on behalf of The Price Family Charitable Fund, \$3 million per year for six years, a total of \$18 million to support The Educational Pilot. Most of the funding was directed toward academics and a smaller portion of the money was spent on non-academic support including social workers, nurses, and after-school programs.

The Educational Pilot, initially, accomplished much of what Sol had envisioned. San Diego State University’s College of Education provided student teachers to the three schools—benefitting both the school and the soon-to-be teachers. The three schools received academic resources from the university, especially related to reading and writing. Some of San Diego State University’s professors became engaged with the schools; others did not. School teachers were given the opportunity to earn their master’s degrees at San Diego State University. Many took advantage of the program.

There were a number of important lessons learned from The Educational Pilot experiment. First, it is almost impossible for a third party to operate a public school unless the school becomes a charter school. In the case of the pilot, San Diego Unified School District continued to be legally accountable for the educational results and for all of the non-education functions of the schools. Second, the single most important factor contributing to low student performance in the three schools is language—the fact that so many of the students are Spanish speakers as their first language. The Educational Pilot was never able to develop the right language interventions to help enough of these students. Third, characteristic of inner-city schools is a high rate of teacher turnover. Initially, The Educational Pilot, with assistance



School in the Park at the San Diego History Center (Balboa Park). ©SDHC Photo collection.

from the teachers’ labor union, maintained a very stable teacher corps.

But as time went on and as the school district’s financial problems worsened, the union seniority rules forced many of the younger teachers out of their jobs. Finally, the single most important determinant of a school’s success or failure is the principal. Rosa Parks opened with a great principal, Emilie Watts, who remained at the school for a number of years. Rosa Parks improved every year while Watts was principal, despite the fact that the enrollment at a school designed for 1,000 kindergarten through fifth grade students increased to 1,500 students. The current principal, Carolanne Buguey, continues to offer Rosa Parks’ students exceptional educational opportunities. Monroe Clark Middle School and Hoover High School also improved, but not as much as Rosa Parks.

Sol, taking note of the high enrollment at Rosa Parks Elementary, formulated a creative way to ease the enrollment pressure. Once again he put two seemingly unrelated facts together to form a clever solution. First, Rosa Parks was under pressure because of its high enrollment. At the same time, the museums in Balboa Park were not busy at all Monday through Friday. Sol’s solution was to create what became known as School in the Park. Balboa Park museums along with the San Diego Zoo were turned

into classrooms, an off-site extension of the Rosa Parks Elementary School campus. Rosa Parks students, grades three through five, spent up to 25% of their school year going to school at the Balboa Park cultural institutions. The cultural institutions received a grant from The Fund, based upon student daily attendance.

At first the Rosa Parks teachers were skeptical of devoting so much time to out-of-classroom instruction. But they soon became convinced of the value of taking inner-city kids into a stimulating learning environment. Children from an inner-city neighborhood were gaining the opportunity to leave their neighborhood to learn and be exposed to a world that they might never have seen. The Balboa Park cultural institutions were gaining revenue that could be used to strengthen their education departments. And, Rosa Parks Elementary was gaining some relief from overcrowding.

School in the Park is a unique educational model that exists nowhere else in the United States. But because of the pressure imposed on teachers for their students to perform well on standardized tests, there have been increasing demands to reduce the time that children spend at Balboa Park. Much of this pressure has occurred in the few years following Sol's death. Taking the lead from how Sol might have responded, we are working diligently to find the right answer.

What began as an idea Sol had for opening a store in an old Vons building in City Heights has grown into one of the most ambitious and comprehensive community interventions anywhere in the United States. As of the time this book was written, a total of nearly \$200 million has been invested in City Heights by the two foundations that Sol created. About half the investment has been in real estate and the other half in programmatic support.



Sol Price and Jack McGrory at a City Heights program.



City Heights Urban Village Park.

Sol's innovative City Heights Initiative has accomplished much of Sol's mission. City Heights families are more likely to remain in the community and additional families are moving in. Many challenges remain, including a still-too-high rate of violent crimes, but much progress has been made.

To our knowledge, no other community in the United States has engaged in a comprehensive community development plan on the scale of City Heights. Why? One reason may be the financial investment required to make a meaningful change in a community. To date, The Price Family Charitable Fund and Price Charities have each invested more than \$100 million in City Heights. Another reason the City Heights Initiative has not been replicated is the challenge of maintaining financial support over many years. At present the City Heights Initiative has been in existence for 17 years.

Sol would be proud of our work in City Heights. He would surely say that there was room for improvement. He would be pushing for new, creative ways to help the community. He would also raise the big questions: How long should Price Charities continue to invest in City Heights? When will City Heights be ready to get along without Price Charities support? For those of us who worked with and for Sol, asking the questions that Sol would have asked is a natural part of how we go about our work.