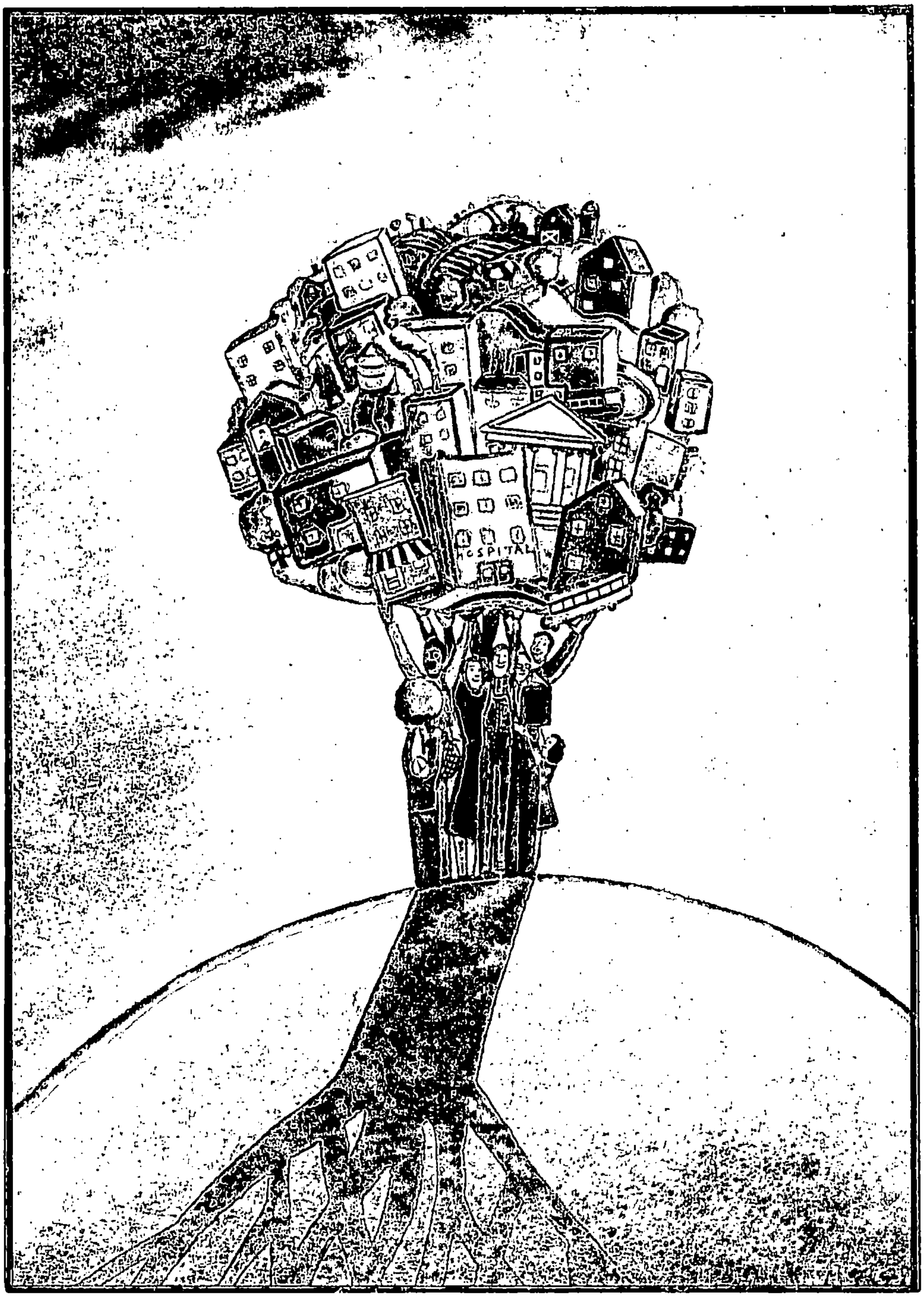
THE PRESIDENT'S COMMUNITY ENTERPRISE BOARD

VICE PRESIDENT
AL GORE,
CHAIR



BUILDING COMMUNITIES: TOGETHER

EMPOWERMENT ZONES & ENTERPRISE COMMUNITIES

U.S. DEPARTMENT OF
HOUSING AND URBAN
DEVELOPMENT

Henry G. Cisneros, Secretary

U.S. DEPARTMENT OF
AGRICULTURE

Mike Espy, Secretary

THE PRESIDENT'S COMMUNITY ENTERPRISE BOARD

Vice President Al Gore, Chair

Secretary of Housing and Urban Development Henry Cisneros,
Designating Secretary for Urban Areas
Secretary of Agriculture Mike Espy,
Designating Secretary for Rural Areas

Assistant to the President for Domestic Policy Carol Rasco, Vice Chair
Assistant to the President for Economic Policy Robert Rubin, Vice Chair

Secretary of Health and Human Services Donna Shalala
Secretary of the Treasury Lloyd Bentsen
Attorney General Janet Reno
Secretary of the Interior Bruce Babbitt
Secretary of Commerce Ronald Brown
Secretary of Labor Robert Reich
Secretary of Transportation Federico Pena
Secretary of Education Richard Riley
Director of the Office of National Drug Control Policy Lee Brown
Administrator of the Environmental Protection Agency Carol Browner
Administrator of the Small Business Administration Phil Lader
Administrator of the General Services Administration Roger Johnson
Chair of the Council of Economic Advisors Laura Tyson
Director of the Office of Management and Budget Alice Rivlin
Chief Executive Officer of the Corporation for National and Community Service Eli Segal

EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES

INITIATIVE SUMMARY

The **Empowerment Zones** (EZ) and **Enterprise Communities** (EC) initiative is designed to empower people and communities all across the nation by inspiring Americans to work together to create jobs and opportunity.

Six urban and three rural Empowerment Zones will be designated. As required by the statute, of the six urban zones, one is a bi-state zone and one is in community of less than 500,000 population. Sixty-five urban and thirty rural Enterprise communities will be designated.

Key Evaluation Principles: In making the Zone and Community designation decisions, Secretary Cisneros and Secretary Espy have applied four key principles:

- **Economic Opportunity.** Creating jobs within the community, attracting private investment and expanding access for residents to jobs thorough the region is a first priority to enabling residents to become self-sufficient and communities to revitalize

- **Sustainable Community Development.** Sustainable economic development can only be successful when part of a coordinated and comprehensive strategy that includes physical and human development, for example, safe streets, clean air and water, lifelong learning, and a commitment to personal, family and civic responsibility.

- **Community-based Partnerships.** A strategic plan for revitalization must start with broad participation of the entire community, including community residents, community groups, private and non-profit sectors, educational and religious institutions and local and state governments.

- **Strategic Vision for Change.** A vision for change is not a laundry list of concerns, shortcomings and deficits. It is a vision that describes what the community will become, e.g., a center for emerging technologies or a key export center for farm projects. It is also a strategic map that builds on assets and coordinates a response to the needs of the community by integrating physical, human and other strategies.

Overcoming Federal Barriers: A primary goal of this initiative is to renew the commitment for cooperation among the federal, state and local governments. The Community Enterprise Board (CEB) will work with all communities that have submitted a strategic plan for change -- even if they are not designated as an EZ or EC -- to overcome programmatic, regulatory and statutory impediments and encourage more effective economic, human, physical, environmental and community development strategies.

Tax Incentives: The program provides for approximately $2.5 billion in new tax incentives. Both EZs and ECs are eligible for new tax-exempt facility bonds for certain private business activities. Businesses located in EZs will also be afforded an employer wage credit of up to $3,000 per year per employee for wages and training expenses for employees who both work and live in the zone. Zone businesses will also be afforded additional Section 179 expensing deductions of up to $20,000 (for an annual total of up to $37,500). In addition, although not limited to EZs or ECs, individual investors are eligible for a 50% exclusion of capital gains for investments in certain small businesses. Corporate and individual investors may now defer the gain on the sale of publicly traded securities by reinvesting the proceeds in a Specialized Small Business Investment Company (SSBIC), an SBA-licensed venture capital firm that provides equity investment and loans to socially nd economically disadvantaged businesses.

Social Services Block Grants: The EZ/EC program includes $1 billion in flexible social services block grant (SSBG) funds that can be used to promote economic self sufficiency and reduce dependency. In EZs, designated areas will receive up to $100 million for each urban zone and up to $40 million for each rural zone for approved activities identified in their strategic plans.

National Challenge to the Private Sector in Each Region: With the EZ/EC application process, and the tools listed above, local communities and governments have a unique opportunity to build strategic alliances with the private sector in their region. Many tools, such as One Stop Capital Shops, Community Development Banks and Financial Institutions legislation, CRA Reform, and the SSBIC rollover, offer positive incentives for the private sector to get involved. The EZ/EC initiative is a national challenge to all sectors to come together to realize a strategic vision for community revitalization.

EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES

AVAILABLE RESOURCES

In addition to the $3.5 billion in tax incentives and social service grants authorized in last year's Budget Reconciliation Act, Empowerment Zones and Enterprise Communities (EZs/ECs) will have access to additional federal resources of up to $3 billion, plus billions of additional private investment. By going through the process of developing a strategic vision for change and the support of broad-based community partnership, EZs/ECs will also put themselves in a position to be given consideration for additional federal investments that may total upwards of $3 billion, plus a substantially larger amount of private investment in business expansion, housing and community development. For a complete listing of these programs, see the HUD and USDA Federal resource guidebooks which will be updated for 1995. Examples include:

o **One Stop Capital Shops**: Up to 9 Small Business Administration (SBA) One-Stop Capital Shops will be located in designated EZs or ECs. The Capital Shops can also serve as regional capital distribution points for undeserved markets, with each shop having the capacity to provide $300 - $400 million in private loans and equity investment over five years. The One Stop Shops will also provide significant technical assistance to potential borrowers

o **Community Development Corporation (CDC) Tax Credit**: Twenty non-profit CDCs have been designated to receive an important new tax benefit. The program will provide up to $1 million in tax credits for up to $2 million in contributions to a CDC. Several of these CDCs are located in EZs and ECs.

o **Fannie Mae**: Fannie Mae has opened Partnership offices in a number of communities, which will be the site of Empowerment Zones and Enterprise Communities. Fannie Mae is committed to work with EZs and ECs to generate substantial private investment for housing and homeownership based on their trillion dollar "Showing Americans A New Way Home" initiative.

o **Community Development Financial Institutions**: The Community Development Bank and Financial Institutions legislation authorized $382 million in financial assistance on a matching basis and technical assistance to a network of financial institutions that are specially dedicated to community development. This program will leverage approximately $2 billion in public and private investment in low- to moderate-income communities.

o **Community Policing**: The Crime Bill which was enacted by the 103rd Congress will help put more police officers on the streets to work cooperatively with communities that make a long-term commitment to public safety.

o **USDA Grants**: USDA has proposed for priority consideration $75 million for designated rural EZs and ECs. The funding will be available for community facilities, business development, and water and waste systems, and the Americorps/Rural Development Team.

o **Additional Federal Programs**: On September 9, 1993, the President issued a Presidential memorandum creating the Community Enterprise Board and directing agency members of the Board to identify existing programs that further the goals of the EZ/EC initiative and make resources available from those programs for use by EZs and ECs in implementing their strategic plans.

Clinton Presidential Records
Digital Records Marker

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a tabbed divider. Given our digitization capabilities, we are sometimes unable to adequately scan such dividers. The title from the original document is indicated below.

Divider Title: CEB MEMBERS

Clinton Presidential Records
Digital Records Marker

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a tabbed divider. Given our digitization capabilities, we are sometimes unable to adequately scan such dividers. The title from the original document is indicated below.

Divider Title: EZ/EC PROGRAM SUMMARY

Clinton Presidential Records
Digital Records Marker

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a tabbed divider. Given our digitization capabilities, we are sometimes unable to adequately scan such dividers. The title from the original document is indicated below.

Divider Title: APPLICATION REVIEW PROCESS

THE HUD EMPOWERMENT INITIATIVE REVIEW PROCESS

The Empowerment Initiative Review Process was completed in two stages:
Beginning on July 5, 1994 and continuing through the summer, the EZ/EC Task Force conducted Stage One of the Review Process:

- Approximately 100 federal executives from the agencies of the Community Enterprise Board (CEB) thoroughly analyzed the 74 urban Empowerment Zone and 219 urban Enterprise Community applications.

- Individual reviewers worked in teams managed by leaders from five separate federal agencies. Team leaders and members attended training sessions during the week before the Review Process began.

- The interagency team reviews resulted in extensive written and oral presentations to a three-member review panel. The work of the review panel and teams resulted in preliminary divisions of the EZ and EC applications on the basis of relative quality.

- Finally, most of the agencies of the CEB conducted independent reviews of the applications during Stage One. For example, a large team from the Department of Health and Human Services reviewed applications for Title XX funding eligibility and assessed the quality of social service components, and the Department of Justice examined the public safety aspects of the applications.

Stage Two of the Review Process was completed within the last week and has culminated with the meeting of the Community Enterprise Board. During Stage Two the EZ/EC Task Force concentrated on the following projects:

- **Waiver Requests**: Approximately 1,138 requests made by urban EZ and EC applicants for federal program waivers have been distributed by the EZ/EC Task Force to federal agencies. To date, approximately 659 preliminary decisions on these waiver requests have been returned to the Task Force. The EZ/EC Task Force will continue to process the waiver requests from each of the EZ and EC applicants, whether or not the applicants receive designations. In addition, the Task Force will concentrate on significant waiver requests that are common to many applications; this analysis will help define ways federal agencies can best serve local communities.

- **Federal Program Funding Requests**: Approximately 2,322 requests made by urban EZ and EC applicants for federal program funding have been distributed by the EZ/EC task force to federal agencies. To date, approximately 1,479 preliminary decisions on these funding requests have been returned to the Task Force.

- **Second Round of Panel Reviews**: The review panel and review teams completed a second round of written and oral presentations. These presentations included the input of the federal agencies regarding application quality, the results of the federal waiver and program funding requests, and additional analysis by the review teams. The second round presentations, made by the same reviewers and team leaders who managed the first round of presentations, led to the review panel's final, broad categorizations of the applications on the basis of relative quality.

- **Final Federal Agency Reviews**: During the week of December 5, 1994 the agencies of the CEB received a list of EZ applications under serious consideration by the HUD Secretary for final EZ designation. Between December 5 and the CEB meeting, federal agencies completed their last evaluations of the EZ finalist applications.

Clinton Presidential Records
Digital Records Marker

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a tabbed divider. Given our digitization capabilities, we are sometimes unable to adequately scan such dividers. The title from the original document is indicated below.

Divider Title: URBAN EZ FINALISTS

URBAN EMPOWERMENT ZONE FINALISTS

8 Empowerment Zones

1. Atlanta, GA
2. Baltimore, MD
3. Boston, MA 25
4. Chicago, IL
5. Cleveland, OH $
6. Detroit, MI
7. Houston, TX 25
8. Kansas City, KN & Kansas City, MO $ 25
9. Los Angeles, CA $
10. Miami Metro-Dade, FL
11. New York, NY
12. Oakland, CA 25
13. Philadelphia, PA & Camden, NJ

ATLANTA, GA

City Population: 6,478,000
Zone Population: 49,998
Zone Area: 9.29 square miles
Poverty rate: 57.4% residents live in poverty
Unemployment Rate: 17.9%
Education: Over 44% residents lack high school diploma

OVERVIEW

The Atlanta Empowerment Zone is located immediately to the east, west and south of the central business district. A poverty rate of 57.4%, concentrated in an area of only 9.3 square miles, gives the area one of the highest levels of economic distress in America.

The 1996 Centennial Olympic Games will have their most significant venues in and immediately adjacent to the Zone. Furthermore, the area contains the Atlantic University Center (the nation's largest concentration of historically black colleges), major hospitals and health facilities, the Martin Luther King, Jr. Historical Site, recreational facilities, transportation routes and many businesses.

The City intends to expand its role to build regional unity by serving different diverse cultures and networking with cities around the world. Atlanta's vision, as stated in its strategic plan, is to create "Urban Villages" working together to improve the quality of life and conditions of the neighborhoods. This vision seeks to empower and inspire members of the neighborhood, especially children and youth, to promote cooperation, collaboration and partnerships among different participants and to create livable communities. If successful, the area will become a self-reliant, self-determined cooperative village.

KEY ACTIVITIES

Economic Opportunity - As many as 5,000 jobs will be created by expanding employment and investment opportunities in the Zone. An entrepreneurial initiative will generate 100 to 200 home-based businesses. One stop capital shops will provide assistance for small business expansion and new business development. A comprehensive program for job training will utilize universities, colleges and technical schools and promote upward mobility.

Sustainable Community Development - Atlanta's plan will create safe, livable communities through comprehensive planning, community policing, capital improvements to public infrastructure, and restoration of the environment. Human services, designed to lift youth and families out of poverty, will encourage self-sufficiency. These initiatives will be coordinated at four neighborhood service centers. By offering special housing assistance, the plan will facilitate the provision of adequate housing for all.

Community-Based Partnerships - An array of partnerships were formed to develop the plan and propose to remain together for implementation and beyond. Atlanta promoted the development of partnerships throughout the strategic planning process involving nearly 300 entities. This effort will continue during implementation with different levels of government, community groups, the private and non-profit sectors, educational institutions and other community institutions.

Urban Village Centers- Each Urban Village Center will be staffed by a partnership of service providers, but operated by a non-profit neighborhood association and linked by a computer network to a larger community center. Residents will have access to services and/or information on health, housing, employment, training, education, transportation, business development and public safety. These "one stop shops" will create a model for service delivery within the inner city. Trained volunteers from the Atlanta University Center and local churches will provide assistance in accessing the full range of services available. The computer network will also be accessible from school-based and home-based computers.

MAJOR PUBLIC SECTOR COMMITMENTS

Atlanta Housing Authority: $120 million of public housing funds for 13 developments within the Zone for employment, public safety, and youth programs as well as redesigning complexes to create smaller communities

City of Atlanta: Over $80 million from Capital Improvements Program, 1994 bond referendum, and the Departments of Housing and Water.

State of Georgia: $56 million for various activities in the Zone.

MAJOR PRIVATE SECTOR COMMITMENTS

Atlanta Committee for the Olympic Games: Over $330 million in investments for the Olympics that will occur in EZ neighborhoods, including an Olympic Stadium, job training programs for residents, construction, and student training.

Corporation for Olympic Development of Atlanta (CODA): $60 million for neighborhood revitalization programs, infrastructure improvements, landscaping and public works of art in conjunction with preparations for the Olympics.

Associated Training and Education Corporation (ATEC): $46 million for the West City Center Initiative-- a one-stop job training and service delivery center.

Habitech, Inc: Plans to invest $25 million in plant, inventory equipment, training, labor, materials and supplies to produce affordable housing in the Zone.

Atlanta Chamber of Commerce: $11.5 million for entrepreneurial development loan fund to provide financial resources for businesses in the Zone.

URBAN EMPOWERMENT ZONES / ENTERPRISE COMMUNITIES
APPROVED FEDERAL FUNDING

ATLANTA

Agency / Request	Approved	Amount
CNCS		
YOUTH DEVELOPMENT, JOB TRANING	Y	$1
DOC		
EDA Revolving Loan Fund	Y	$1
DOI		
Land and Water Conservation	Y	$36,000
Urban Park and Recreation Recovery	Y	$200,000
DOJ		
C.L.E.A.N.	Y	$600,000
Comprehensive Community Program	Y	$6,000,000
Operation Weed and Seed	Y	$750,000
Project Pact	Y	$6,000,000
Urban St Gang Drug Trafficking Prog	Y	$100,000
DOT		
Innovative Projects	Y	$6,000,000
Priority Intermodal Projects	Y	$2,400,000
Transit Travelers Center	Y	$1,500,000
ED		
Urban Comunity Service	Y	$1,813,656
Community Outreach Partnership	Y	$750,000
Emergency Shelter Program	Y	$350,000
HOPWA	Y	$3,133,000
NEA		
Challenge Program	Y	$1,000,000
Local Arts Agencies	Y	$250,000
Visual Arts	Y	$15,000

Total Requests approved: 21 *Total:* $ 89,047,658

Y = Yes A = State Formula Allocated Funds
If the amount listed is $1, the amount was not indicated in the application.

BALTIMORE, MD

City Population: 736,000
Zone Population: 72,362
Zone Size: 6.8 square miles
Poverty Rate: 41.2%
Unemployment Rate: 17.3%
Education: 55% of EZ residents lack a high school degree

OVERVIEW

The Baltimore Empowerment Zone consists of 3 non-contiguous areas -- East Baltimore, Sandtown-Winchester, and Fairfield -- that contain 33 different neighborhoods just east, west and southeast of downtown. Baltimore plans to integrate a combination of small and large scale neighborhood revitalization efforts by connecting its big growth generators located just east and west of downtown, primarily the health care industry, with the many Zone residents in need of jobs.

The City's overall vision is to create neighborhoods of choice rather than environments of last resort by connecting the Zone workforce to the area's mainstream economy, rebuilding all social and neighborhood systems simultaneously through comprehensive approaches, and solving problems through "village partnerships" directed by neighborhood residents.

The strategic plan is the result of an extensive outreach effort to all members of the community, including government, businesses, neighborhood and community organizations, local financial institutions, universities, and foundations. Through this effort, Baltimore is able to leverage $8 for every $1 of federal EZ funds. These funding partnerships will focus on the following areas:

- Economic Development
- Community Development
- Public Safety
- Housing
- Health and Family Development
- Youth Support
- Education, Training and Literacy

KEY ACTIVITIES

Integrated Neighborhood Revitalization: The City is working to link its big growth generators, represented by its health care industry and the nation's greatest concentration of life sciences, in a development corridor with its tourist industry. The revitalization of the communities surrounding the health care facilities will help attract students, faculty and staff to the life science complex. This in turn will help keep the Johns Hopkins Medical Group, the area's largest employer with 10,000 jobs, in the City and connect people who live in these communities with employment opportunities.

Ecological Industrial Park: This project will be developed and financed by a consortium consisting of the Cornell University Waste Management Institute, the World Alliance Merchant Finance Company (WAMFCO), City and State governments, the private sector and the south Baltimore community in which the industrial park is to be located. The lead tenant will be a WAMFCO subsidiary, and the goal is to attract other environmentally-oriented tenants and investors in an incubator-like arrangement using a closed loop production system linked to resource recovery technology that maximizes use of resources while demonstrating both business and environmental efficiencies and providing jobs to the community.

Health Care Partnerships: Over $5 million has been committed from the Johns Hopkins Hospital and Medical Systems, University of Maryland Medical System, Coppin State University, Kennedy Krieger Institute, Bon Secours Hospital, Total Health Care and Liberty Medical Center for health screening, coordination of social and health services delivery, and Harbor Hospital continuum of care for the elderly.

Oil Tank Reclamation and Used Tire Reprocessing: To be carried out at a facility to be constructed after clearing and decontaminating a lightly settled area of the Fairfield industrial area in South Baltimore.

Community Development Bank: City is negotiating with the South Shore Bank of Chicago to capitalize a branch bank in the Zone for home acquisitions and improvements.

Secondary Mortgage Assistance: City is negotiating a $100 million commitment with Fannie Mae to purchase secondary market mortgages from local lenders and the state's mortgage revenue bond program for lending to homeowners to pay for rehabilitation costs.

MAJOR PUBLIC SECTOR COMMITMENTS

Local Government Resources: $209,500,000 for small business loans, Harbor Research Campus, Cruise Ship Terminal, Ecological Industrial Park, "Health Advocates" (resident program of health care screening in village centers).

State Government Resources: $130,340,000 designated for affordable housing, economic development incentives, Harbor Research Campus and Cruise Ship Terminal, education and social service programs.

MAJOR PRIVATE SECTOR COMMITMENTS

NationsBank: Will provide a total of $16 million, including $5.5 million to establish a business information center in the Zone

World Alliance Merchant Finance Company: Will develop and provide equity for the Eco-industrial park in Fairfield

Union Trustees Pension Fund: $80 million to finance the Eco-industrial park

Lenders/Developers Consortium: $130 million from a consortium of lenders and developer equity to build the Harbor Research Campus in East Baltimore

Local Banks: 5 local banks have committed over $50 million in a variety of business and residential loans for the Zone

Foundations: 7 foundations have committed 1% of the value of their assets for each of the next 5 years to Zone projects.

URBAN EMPOWERMENT ZONES / ENTERPRISE COMMUNITIES

APPROVED FEDERAL FUNDING

BALTIMORE

Agency / Request	Approved	Amount
DOL		
YOUTH FAIR CHANCE	Y	$3,143,211
	Total Requests approved: 1	*Total:* $ 3,143,211

BOSTON, MA

City Population: 574,283
Zone Population: 57,425
Zone Size: 5.8 miles
Poverty Rate: 36%
Unemployment Rate: 16%
Education: 43% of Zone residents over 25 lack a high school degree

OVERVIEW

The City of Boston's proposed Empowerment Zone is located in the central city, stretching from downtown and Boston Harbor to Boston State Hospital in Mattapan. The Zone contains 12% of the city's land area, including such main centers as Andrews Square, Chinatown/Midtown, Crosstown Industrial Park, Dudley Square and Ruggles Center.

Boston's strategic plan seeks to provide EZ residents with access to greater choices and opportunities to move themselves out of poverty by creating economic opportunity and jobs. The plan also hopes to promote vibrant cohesive communities by using an integrated strategy founded on grass-roots idea of needs, partnership approaches to long-term solutions, and tangible commitments from the community.

Boston's strategic plan affirms that true economic opportunity exists only when there is diversity of economic development, education and targeted skills building, decent housing, safe neighborhoods, and support for healthy children & families. Consequently, Boston's plan encompasses integrated programs tied to the following primary initiative areas:

- Economic opportunity and jobs
- Education and work readiness
- Healthy children, families and neighborhoods
- Computerized technology to share information as well as to learn.

KEY ACTIVITIES

Economic Opportunity: Among Boston's many innovative proposals is a project called "Building Community through Technology". The City has worked on this proposal with the U.S. Department of Commerce's National Telecommunications and Information Administration (NTIA). The proposal envisions a Citizen's Activist Network whereby community activists will obtain computers with modems that will be linked to Hands-Net, a electronic network for community change.

Another innovative project is the Boston Center for Business Development & Education, a one-stop center for business development. A key feature of the Center will be a Business Development Department where people will have assess to technology, counselling, and database information. The Center will include Community Computing & Technology Centers complete with computer access and training. The One Stop Human Service Network will link Boston City Hospital, child care centers, multi-service centers and settlement houses. Each center will have assess to micro-max software a package which determines eligibility for government assistance.

Individual Neighborhood and Family Development: With an estimated 35% of the children that enter school developmentally disabled, the strategic plan's goal is to enable children to be developmentally and educationally prepared for school and support families to create nurturing environment. To accomplish this the plan proposes project SEED for two public schools that will provide a support system for inner city youths through counselors and advocates and a ten hour day structured program including academic, counselling, tutoring, recreation, friendship.

Community Health Care: The strategic plan calls for a number of initiatives targeted for children and youth, including an Expanded Community Center Program for extended day and weekend programs at Boston Community Centers . There will be a city-wide approach with funds for a staff coordinator who will work among the Boston Public Schools, Community Centers, and Neighborhood community centers.

Local health centers, Boston public schools, and Boston hospitals will work with providers doing substance abuse training to identify problems at an early age. Funds would be used to train teachers, youth worker, day care workers, health professionals. Furthermore, there will be a number of programs specifically for parents who are offenders, including domestic violence prevention, substance abuse prevention, and child development and parenting.

Education and Work Readiness: Boston's plan places a significant emphasis on education and work readiness. Some key programs include the Family Education Project, the Skills Upgrade Evening Program, Evening High School, a Job Training Day Care Voucher Initiative and a School to Work Transition program.

MAJOR PUBLIC SECTOR COMMITMENTS

Boston's Capital Plan: $238 million capital improvements either just completed or under construction in the zone. $63.8 million in State and Federal capital monies are also being spent. Improvements include the Ruggles Center, a mixed use development that opened in 1994 and includes the state registry of motor vehicles; Boston Police Headquarters in Ruggles Plaza, which is under construction; and Boston City Hospital, which recently completed reconstruction.

Massachusetts Bay Transit Authority (MBTA): $4 million bond issue for circumferential transit service starting with three pilot bus routes.

Massachusetts Housing Finance Agency (MHFA): $20 million for single family programs for the Empowerment Zone for one to four family homes in the Empowerment Zone.

The Land Bank: $9 million for economic development projects and affordable housing development in the zone. The Land Bank administers the Emerging Technology Fund (ETF) which has the capacity to guarantee $50 million in loans is available to the City in its efforts to nurture the growth of emerging technology firms. The Land Bank is also ready to participate in the Business Development Center that will be established to coordinate technical assistance and financing resources for the Empowerment Zone.

Massachusetts Industrial Finance Authority: $1 million commitment will be made available with a matching block grant in leveraging an additional $10,000,000 in private financing for small businesses. These funds would be used to lower the equity requirements small businesses face when seeking loans from traditional sources.

MAJOR PRIVATE SECTOR COMMITMENTS

Bank Loan Fund: Seven large Boston banks, including Bank of Boston, Bay Bank, Citizen's National Bank & Trust, and Boston Company will each provide $5 million over five years, a total of $35 million, for commercial lending in the Empowerment Zone. These loans will be available under each bank's particular lending program for women and minority small business owners. These programs make provision for either less rigid lending criteria or lower rates.

Boston Edison: Boston Edison offers a discount economic development electricity rate for companies which provide new manufacturing jobs through a five year program. The non-fuel costs of electrical use is discounted by 40% in the first year with the percentage of discount reducing annually over the five year period. Boston Edison will work with the City and individual businesses that promise to employ large numbers of local residents to develop a deeper discount on electricity charges in the Empowerment Zone. Boston Edison offers additional services including a group of 170 Massachusetts Chief

Executive Officers committed personally to selling the advantages of a Boston location for business. These kinds of services and assistance will be available in the Empowerment Zone at the new Business Development and Education Center.

Massachusetts Minority Enterprise Investment Corporation: MEEK has $1.4 million available for equity investment in minority-owned businesses. MEEK has been capitalized by the banking industry. This money will be available for investments in small minority-owned businesses in the Empowerment Zone. Eight banks have agreed to augment this Fund by $1 million once it is expended.

Technical Assistance-Banks: Seven banks will provide a total of $625,000 over a five year period to supplement the ongoing small business technical assistance initiatives presently being performed by MEEK.

URBAN EMPOWERMENT ZONES / ENTERPRISE COMMUNITIES

APPROVED FEDERAL FUNDING

BOSTON

Agency / Request	Approved	Amount
ED		
School To Work	Y	$1,080,940
HHS		
Ctr Subst. Abuse $423,776	Y	$423,776
PR-4: Adm. for Children & Families	Y	$250,000
HUD		
1-YouthBuild	Y	$2,000,000
	Total Requests approved: 4	***Total:*** $ 3,754,716

CHICAGO, IL

City Population: 2,800,000
Zone Population: 199,938
Zone Size: 14.33 square miles
Poverty Rate: 49.9%
Unemployment Rate: 25%
Education: 56% of Zone residents over age 25 lack a high school diploma.

OVERVIEW

The City of Chicago has approximately 1,120,000 people or 40% of its population that reside in areas that meet the poverty criteria for inclusion in the Empowerment Zone. The City has selected 96 census tracts with 200,000 residents in three areas, identified as West Cluster, Pilsen/Little Village Cluster and South Cluster, as the Empowerment Zone. The West and South Clusters are predominately African-American and contain many public housing projects as well as areas that were devastated by riots in 1968 after the death of Dr. Martin Luther King, Jr. The Pilsen/Little Village Cluster is 86% Hispanic and the area serves as a port of entry for newly arrived immigrants.

The Zone contains many assets including: a strong transportation system, first-rate medical facilities, colleges and universities, sports and cultural facilities, parks, recreational facilities, abundant industrial and commercial land on which to build, dedicated and talented residents, community based organizations with historic involvement in their communities, and three major highways and industrial corridors.

The City has identified two major goals for the Zone: 1) Alleviating poverty, creating economic opportunities and enabling low-income residents to seize these opportunities, achieve self-sufficiency and build sustainable communities; and 2) Reinventing government by fundamentally changing the way Federal, State, county, and city governments interact with their constituents, especially low-income citizens.

Chicago has developed seven key strategic initiatives which will become the building blocks for a systematic approach to fulfilling these goals:

- Human and Organizational Capacity
- Linking Health and Human Services
- Public Safety
- Economic Empowerment
- Development of Affordable and Accessible Housing
- Building on Cultural Diversity as a Critical Asset
- Youth Futures

KEY ACTIVITIES

Chicago has devised a number of strategies for economic empowerment, including:

Financial Development -- Creating new subsidized guaranteed loan programs for small business and microenterprises.

Neighborhood Enterprises -- Creating new "green businesses" from clean-up efforts including the development of small firms which use recycled materials or make energy-efficient products.

Job Development -- Training community residents for employment opportunities and develop hiring agreements with labor unions.

Land and Capital Improvement -- Removing refuse and chemical contamination from vacant lots and abandoned buildings to aid redevelopment efforts.

Regional and Metropolitan Economic Integration -- Increasing the productivity and global competitiveness of the regional manufacturing base through the Chicago Manufacturing Technology Extension Center, which coordinates State, regional and national resources.

MAJOR PUBLIC SECTOR COMMITMENTS

City of Chicago: Issuance of general obligation bonds to construct capital improvements; provision of high impact tax suspension or tax credits for local businesses locating in Zone; and creation of Tax Increment Financing District.

State of Illinois: $50 million set-aside that will be divided among the successful Empowerment Zone and Enterprise Community applicants over a ten year period; the State also proposes set-asides for State programs to assist EZ/EC communities.

Department of Transportation: $325 million previously commited for the improvement of the Green Subway line.

MAJOR PRIVATE SECTOR COMMITMENTS

Lenders Underwriting Community: Eight banks have pledged over $1 billion for affordable and accessible housing loans.

Neighborhood Business Assistance Service (NBAS): $5 million over five years by helping increase the access to capital, credit, and technical assistance for neighborhood based small businesses. The initiative, led by Chicago's banks, non-profit lenders, public agencies and technical assistance providers, will coordinate the services of existing financial services to create a simpler system of referral by outreach staff. NBAS will establish a neighborhood-focused outreach and delivery system for accomplishing these activities.

Local Initiative Support Corporation (LISC): Nearly $48 million in loans, grants, and equity for community development corporations and their projects in the Empowerment Zone.

Crane Carton Company: Located in the proposed Empowerment Zone, the Company has spent $9,900,000 to renovate a building and buy new equipment and is planning to spend another $3,100,000 to expand and modernize their operation. Crane Carton Company will be working with The Greater North Pulaski Development Corporation in implementing a school to work program, having employees serve on advisory boards, and offering internships to students.

URBAN EMPOWERMENT ZONES / ENTERPRISE COMMUNITIES

APPROVED FEDERAL FUNDING

CHICAGO

Agency / Request	Approved	Amount
DOC		
EDA Planning Assistance for State&U	Y	$50,000
DOI		
UPAAR Discretionary-Austin Town Hal	Y	$200,000
HHS		
PR-2. Ryan White Care Act III	Y	$758,000
PR-3.HIV Related Tuberculosis Demo	Y	$310,000
PR-4. HIV Vaccine Preparedness Stud	Y	$8,638,000
PR1-S.S.I. Outright Demonstration	Y	$198,000
HUD		
Program to train Youth and Pres Hou	Y	$100,000
	Total Requests approved: 7	***Total:*** $ 10,254,000

CLEVELAND, OH

City Population: 505,616
Zone Population: 50,597
Zone Size: 5.8 square miles
Poverty Rate: 46%
Unemployment Rate: 25%
Education: 53% of adults in the Zone lack high school degrees

OVERVIEW

The City of Cleveland has selected three east side neighborhoods - Fairfax, Hough, and Glenville - as the proposed Empowerment Zone, which is located two miles east of downtown. These three neighborhoods possess a number of highly motivated residents' organizations with a history of working in partnership and collaboration with other institutions to achieve community-wide goals. The area also contains valuable land resources of 7,500 undeveloped vacant lots for commercial and housing development and is the home of several major employers and institutions.

Cleveland's vision includes three main elements: economic development, labor force development and community building. This vision will be implemented through the following major activities:

- Employ a business organizer to work directly with businesses and manufacturers to meet their service, technical and resource needs and to cultivate a climate for job creation and growth.

- Create the Alliance for Economic Opportunity, a zone-wide organization that will work to develop job training to meet current employer needs as well as future zone jobs.

- Coordinate the activities of Community Development Corporations (CDCs), such as the Fairfax Renaissance Development Corporation and Hugh Area Partners in Progress, with public and private organizations, such as Fannie Mae, Neighborhood Development Investment Fund, the newly created Cleveland Development Bank, and Neighborhood Progress, Inc. to develop housing and commercial ventures and entrepreneurial opportunities.

- Create family resource centers in the three neighborhoods. The centers will provide for human and family development through education, job training, and access to social services including health care, crisis intervention, day care, counseling, mental health and parenting to meet family needs.

KEY ACTIVITIES

Job Training: The JOB-Match program will be expanded and enhanced to provide vocational guidance services.

Small Business Support: Job development, entrepreneurship and investment will occur through: 1) support of existing and new businesses through creation of "business organizers"; 2) development of enterprise centers or incubators; 3) establishment of land development revolving loan fund for land banking and site development; and 4) real estate development controlled, neighborhood based development corporations.

Entrepreneurship Opportunity: Cleveland Development Bancorporation with $17 million in private funds will operate three entities: a commercial bank, a real estate development company, and a 165,000 sq. ft. incubator project.

Family Resource Centers: Each neighborhood will have at least one family resource center that will provide for human and family development. The resource centers will be staffed by a coordinator, specialized health workers and five family coaches.

MAJOR PUBLIC SECTOR COMMITMENTS

City of Cleveland: $40 million designated for public investment and employment producing activities.

State of Ohio: $1.8 million for loan and training programs, housing, and roadway development.

MAJOR PRIVATE SECTOR COMMITMENTS

Cleveland Development Bancorporation $7.5 million designated for primary financing of three small business enterprise centers.

Cleveland Enterprise Group : $500,000 a year in support of technical assistance services for new entrepreneurs.

Neighborhood Progress, Inc.: $150,000 to support strategic planning activities in the three neighborhoods.

URBAN EMPOWERMENT ZONES / ENTERPRISE COMMUNITIES

APPROVED FEDERAL FUNDING

CLEVELAND/CUYAHOGA COUNTY

Agency / Request	Approved	Amount
HHS		
PR-3. Bureau of Primary Health Care	Y	$125,000
PR-5: Admin. for children & Family	Y	$350,000
HUD		
1-CDC tax Credits	Y	$3,000,000
John Heinz Neighborhood Dev.	Y	$225,000
	Total Requests approved: 4	***Total:*** $ 3,700,000

DETROIT, MI

City Population: 1,027,974
Zone Population: 101,279
Zone Size: 18.3 square miles
Poverty Rate: 47%
Unemployment Rate: 29%
Education: 51% of adults over 24 lack high school diploma.

OVERVIEW

The Detroit Empowerment Zone incorporates the most needy neighborhoods in the East Zone, Central Zone and Southwest Zone of Detroit, a total of 48 census tracts. These are the neighborhoods with the highest unemployment, highest crime, highest poverty, highest number of people receiving public assistance and with the lowest income and lowest vehicle ownership in the City. The Zone follows the Detroit River facing Windsor, Canada and includes many under-utilized automobile production plants that have now moved to other locations. It is anchored by, but does not include, the Renaissance Center.

Detroit developed its strategic plan through an extraordinary effort of grass roots outreach and by forging alliances between State and local governments, the business community and neighborhood-based organizations. The Detroit EZ aims to:

♦**Rebuild the Industrial Base** by capitalizing on existing community resources and opportunities, such as advanced technology in the surrounding industries and academic institutes; abandoned and under-utilized facilities in the area that can be revitalized; significant private financing and business expertise to attract new businesses; and, the city's central location, port facilities and proximity to Canada that will enable Detroit to grow into an international trade and tourist center.

♦**Foster the Development of Emerging Industries** such as transportation, health care, environmental preservation and recovery, and arts and entertainment.

♦**Create a Viable Work Force** of local residents by improving job training, child care and educational opportunities.

♦**Create New Jobs for EZ Residents**, including 500 in auto companies, 375 in new corporate positions, 200 in financial institutions, 2,000 in health industries and 200 in utilities.

♦**Leverage Local and Private Commitments** totalling nearly $2 billion.

KEY ACTIVITIES

♦ **Job Training:**

- Community Outreach Program of United States Tank-Automotive Research Development and Engineering to teach, mentor and provide jobs.
- Industry Specific Training program, funded at $19.663 million from local, state, private, SSBG and other Federal sources, responding to the needs and opportunities of the four focus industries in the zone: manufacturing, health care, construction and green industries.
- Motivational Training to promote self reliance and entrepreneurship.
- JOBNET (job linkage program).
- Training for disabled persons.
- Training in job readiness and workplace skills.

♦ **Small Business Support - Financing and Technical Assistance:**

- Train to gain access to capital and technical assistance ($8.241 million).
- Establish a Community Development Bank ($59.531 million).
- Establish an Empowerment Zone Financial Consortium ($1.5 million).
- Establish a New Commercial Development Corporation ($2.580 million).

♦ **Strengthen the Business and Technology Base:**

- Implement a Business Modernization Program.
- Establish a Science Park.
- Provide Incubator Facilities and Assistance.
- Develop a Model Industry Area.
- Form an EZ Business Attraction Consortium, and
- Operate a Land Bank.

♦ **Entrepreneurship Opportunity:**

- Establish a World Trade Center, including development of an international port, to capitalize on proximity to Windsor, Canada.
- Revive Mexitown as a retail mall, festival and welcome area.
- Support the culture and arts industries.
- Promote development of automotive industry support businesses.
- Enhance and expand existing medical center and services.
- Develop an environmental clean-up and restoration service industry with a national market.

♦ **Community Health Care and Social Support Services:**

- Build strong and healthy families through Community Self-Sufficiency Centers.
- Strengthen the Michigan Families Coordinated Services Center.
- Expand the Family Support Services Center.
- Assist in early child and parenting through parenting and pre-school education, comprehensive early childhood development training, male responsibility classes, and comprehensive early childhood health care.
- Provide independent living, health care and prevention and social services to elderly and HIV populations.

MAJOR PUBLIC SECTOR COMMITMENTS

State of Michigan: $100 million over the next ten years through the State's JTPA, Michigan State Police special programs, the Department of Transportation, the Department of Natural Resources and the Department of Human Services.

Michigan State Housing Development Authority (MSHDA): Over $20 million in grants and low interest loans for housing and another $13 million (in addition to the $67 million already allocated) to rehabilitate of 1,768 units within the Zone.

Michigan Jobs Commission: $1 million to train new and existing employees of businesses located in the Zone.

Michigan Employment Security Commission (JOB Pact): $500,000 for registration, training, job matching and transportation to jobs for residents in the EZ area.

City of Detroit: $110 million in Community Development Block Grant, HOME, and HOME Program Income funds.

Department of the Army: The Army's Tank-Automotive Research Development Center (TARDEC) has initiated a multi-outreach program to transfer to the private sector, and especially to small businesses, critical technologies that will enhance industrial performance; also involved in associated community youth outreach program activities including high school mentoring programs, Engineering-in-the-Classroom seminars, a speakers bureau, an Internet program, and summer hire and co-op job programs.

MAJOR PRIVATE SECTOR COMMITMENTS

Chrysler Corporation: Complete a projected $120 million expansion of 700 new jobs, 10% to 15% for zone residents, and support creation of $50 million development fund for new businesses.

Ford Motor Company: $8 million to help create a Development Fund and Community Development Bank with up to $50 million of private sector financing for economic development.

General Motors Corporation: $8 million to the creation of a development fund; transfer its Cadillac Engineering Building and adjacent emissions laboratory and parking (value: $5 million) to the Detroit Public Schools for use as a vocational and technical education center in the Zone; make $50 million in purchases from minority companies in the zone; build a multi-hundred million dollar manufacturing venture that would create more than 500 jobs, establish a multi-million dollar "value-added" assembly operation within the Zone.

Bank and Financial Institution Consortium: $1 billion commitment to Empowerment Zone investments in the 10-year plan, and will provide technical assistance and apply liberalized lending criteria for new Zone businesses.

URBAN EMPOWERMENT ZONES / ENTERPRISE COMMUNITIES

APPROVED FEDERAL FUNDING

DETROIT/WAYNE COUNTY

Agency / Request	Approved	Amount
DOC		
EDA Local Technical Assistance	Y	$50,000
ED		
Detroit's Indian Educ. & Cultural C	Y	$256,861
HUD		
1-Youthbuild	Y	$3,000,000
	Total Requests approved: 3	***Total:*** $ 3,306,861

HOUSTON, TX

City Population: 1,631,766
Zone Population: 102,008
Zone Size: 19.8 square miles
Poverty Rate: 41.6%
Unemployment Rate: 8% City wide (Zone rate not provided)

OVERVIEW

The Houston Empowerment Zone encompasses 29 census tracts over a 20 square mile area surrounding the inner city core. The Zone contains high concentrations of poverty and unemployment, low educational achievement, and a greater incidence of substance abuse, crime and neighborhood stagnation. One of the Zone's most striking characteristics is its youthful population. Over 45% of the population is under the age of 24; nearly half of these young people live below poverty level.

Through a wide and diverse community input effort, Houston coalesced around a common vision: a better future for children and youth through community-based partnerships. The strategic plan that emerged contained four major components:

- Human Development
- Economic Development
- Housing and Sustainable Development
- Infrastructure

KEY ACTIVITIES

Human Development -- Houston plans to devote a significant portion of the Zone funds on implementing and expanding a wide variety of existing programs. covering education, health, and public safety, particularly for children and youth.

These programs include: Communities in Schools, which is designed to reach each school in the Zone to deal with external problems of at-risk children; the Ready to Learn Program to provide screening at birth for at-risk babies and families; and Advance, a one-stop service program from substance abuse and related support services.

Economic Development -- Recognizing the need for job creation, especially for youth, the plan includes a number of economic development proposals, including the construction of a new convention center hotel that will create 1200 permanent jobs (600 for youth from the EZ) and the creation of Neighborhood Economic Development Managers for nine neighborhoods within the Zone.

Housing and Sustainable Development -- Over 2800 units of new or rehabilitated housing are planned in the Zone. Other development projects include a homeless gateway facility, creation of parks, water conservation, toxic clean up (including lead paint) and wetland habitat creation.

Infrastructure -- The most significant program targets local street improvements, to facilitate affordable housing and economic development projects in the EZ.

MAJOR PUBLIC SECTOR COMMITMENTS

The City of Houston, Harris County and the State of Texas have identified over $40 million to be leveraged with a variety of block grant and other public funds.

City of Houston: $37.7 million
Harris County: $0.9 million
State of Texas: $15.1 million

These funds will be applied to various education, teacher development training, parks and recreational programs, day care and housing programs.

MAJOR PRIVATE SECTOR COMMITMENTS

NationsBank: Will lend $30 million to be used for various activities within the zone.

University of Houston System: $60 million commitment over ten years for expansion and renovation within the Empowerment Zone.

Texas Commerce Bank: 10% of designated branch profits will be designated for distribution by community groups to human development projects within the zone.

Central Houston, Inc.: $350,000 per year for five years to underwrite the staffing and operating the empowerment board of the Empowerment Zone.

New Neighborhoods: $1.5 million over three years to assist the Community Development Corporations within the Zone to increase housing availability.

URBAN EMPOWERMENT ZONES / ENTERPRISE COMMUNITIES

APPROVED FEDERAL FUNDING

HOUSTON

Agency / Request	Approved	Amount
DOJ		
Police Supplemental	Y	$3,000,000
	Total Requests approved: 1	***Total:*** $ 3,000,000

Kansas City, KS & Kansas City, MO

Kansas City, MO Population: 435,146
Kansas City, KN Population: 149,767
Zone Population: 49,399
Zone Area: 19.6 square miles
Poverty Rate: 39%
Unemployment Rate: 16.6%
Education: 45% of Zone residents over 24 lack high school degree

OVERVIEW

The cities of Kansas City, Missouri and Kansas City, Kansas form the nucleus of a metropolitan area that includes 1.6 million residents, 11 counties, 138 cities, 66 schools districts and 2 states. Kansas City, MO, the central city in the metropolitan area, contains a massive 316 square miles within its city limits. Consequently, the metropolitan area contains the highest number of highway miles per capita of anywhere in the country. Because of its western origins and lack of physical constraints, Kansas City has an abundance of land to accommodate growth and a low density of development that has created almost complete reliance on the automobile for transportation.

The proposed Empowerment Zone encompasses 35 contiguous neighborhoods in both States. Kansas City summarizes its vision for the zone as "mirroring the spirit of the people for whom it was created." It is a people-centered vision, in which success will be measured by the impact they have on the lives and attitudes of people who live in the zone. They seek to empower the zone by ensuring that its residents and neighborhoods participate fully in the economic and social progress of the metropolitan area.

The KCK/KCM zone strategy was developed through a highly visible grassroots process involving a wide array of techniques including opinion surveys, neighborhood forums, town workshops, interview and individual conversations. The focus of the plan is Connections - connecting people, institutions and programs to one another and to the broader community.

The strategic plan is organized around seven key objectives:

- Create broad economic self-sufficiency
- Create healthy neighborhood environments
- Provide support systems to meet the particular needs of all families and individuals
- Provide opportunities for life-long learning
- Re-establish community, citizenship and caring
- Strengthen community decision-making processes
- Improve the metro context of the urban core

KEY ACTIVITIES

There are three key initiatives that will leverage social service grant resources to strategically intervene in the community's comprehensive agenda for change:

- **The Economic Empowerment Initiative**, an aggressive integrated agenda to create jobs, neighborhood businesses and economic success in the Empowerment Zone.
  - The fundamental purpose of this initiative is to create quality jobs within the Empowerment Zone for the residents of the zone and to equip the residents to participate in the metropolitan economy as full partners. In addition, this initiative seeks to develop and support businesses within the Empowerment Zone that serve zone residents and/or are owned by zone residents.

- **The Neighborhood Empowerment Initiative**, includes an innovative community action network and investments to ensure quality housing.
  - The Neighborhood Empowerment program includes two components: Community Action Network and Quality Housing. Community Action Network will be a series of centers providing a range of services that will be available to every neighborhood in the zone. The centers will be linked to one another by computer and are intended to connect residents with information, programs and services. The location for the centers will be determined by the neighborhoods and could be found in schools, existing or proposed community centers, churches or storefronts.
  - Quality Housing priorities will be established in each neighborhood for demolition or renovation of abandoned structures.

- **The Family Advocacy Initiative**, ensuring outreach and problem-solving support for families and individuals in need.
  - The Family Advocacy Program is a multi-level assistance network to provide peer and professional support to individuals and families in need. The program will serve at least 700 families or individuals in the zone at any time. The program will provide a continuum of care, beginning with improved access to existing services and peer support, with referral to more intensive services if needed.

MAJOR PUBLIC SECTOR COMMITMENTS

State of Missouri: $43.75 million to be set aside each year for the next 10 years from the State's "Missouri First Linked Deposit Program" to enhance job creation and housing production in the Zone by placing below-market rate deposits of state funds in Missouri financial institutions. Eligible borrowers then receive low-interest loans backed by those deposits.

Missouri Department of Economic Development: Targeted tax credits totalling $5 million over ten years for Empowerment Zone small businesses.

Missouri Department of Economic Development: $8 million over ten years to support "gap financing" for Zone small businesses.

Cities of Kansas City, Missouri and Kansas City, Kansas: Over $15 million in the cities' HOME and CDBG funds will be prioritized to support the development of affordable, single-family, owner-occupied housing within the Zone.

School District of Kansas City, Missouri: Commitment to locate one or two of the first four Kansas City School Health Organizations (KC-SHO) programs at schools within the Zone.

MAJOR PRIVATE SECTOR COMMITMENTS

Southwestern Bell Telephone Company: Extensive deployment of fiber optic network to community institutions and business centers in the Zone, an estimated commitment of $31 million over five years.

Higher Education Consortium: Commitment to develop seamless financial aid system and to produce a coordinated job training system. Five primary academic institutions serving the Zone have committed to develop a system to coordinate the inter-campus transfer of financial aid to ensure broader access to specialized training programs for Zone residents.

Foundations: $2.5 million in future grants and technical resources for Zone initiatives.

URBAN EMPOWERMENT ZONES / ENTERPRISE COMMUNITIES

APPROVED FEDERAL FUNDING

KANSAS CITY, MO/KANSAS CITY, KS

Agency / Request	Approved	Amount
DOC		
EDA Northeast Industrial District S	Y	$1,612,500
ED		
Centers of Independent Living	Y	$233,786
HHS		
Head Start Child Dev Corp	Y	$6,438,686

Total Requests approved: 3 ***Total:*** $ 8,284,972

LOS ANGELES, CA

City Population: 3,485,598
Zone Population: 198,703
Zone Size: 19.3 square miles
Poverty Rate: 40%
Unemployment Rate: 24.6%
Education: 62% of zone residents over age 25 lack a high school diploma

OVERVIEW

The Los Angeles Empowerment Zone encompasses the traditional industrial core of Los Angeles including the Downtown Alameda Corridor, the Historic Core, Central Avenue, Watts and Firestone. The nominated area consists of three noncontiguous parcels with a total of 41 census tracts.

The Zone follows the route of the Alameda transportation corridor which connects the major rail hubs and wholesale and manufacturing districts of downtown Los Angeles to the largest harbor ports of Los Angeles and Long Beach.

Through a strategic plan which targets the neighborhoods of greatest poverty coupled with the commercial industrial space of greatest promise, the Los Angeles EZ aims to:

- Improve and enhance the competitiveness of existing industries, safeguarding jobs and creating new opportunities
- Foster the development of emerging industries in transportation, health care and arts and entertainment
- Create a viable workforce by improving job training, child care and educational opportunities for residents

KEY ACTIVITIES

Small Business Support: Small business incubators to be designed to focus on disadvantaged youths and adults to provide skill training, transportation services and financial counseling in partnership with United Way and GTE.

Entrepreneurship Opportunity: UCLA and private foundations will provide a site in the empowerment zone to house manufacturing facilities for use in small business development.

Community Health Care: Drew Medical Center, LISC and several neighborhood associations will join in partnership to create community-based health services.

Job Training: Several training programs for zone residents, in particular, Mission College and North Valley Occupational Center will collaborate in providing training in graphic arts, computer assisted design, printing, fabric design and entrepreneurship in Pacoima.

MAJOR PUBLIC SECTOR COMMITMENTS

City Capital Budget: $461 million has been designated for infrastructure improvements including upgrading police and fire facilities, libraries, public buildings and recreational sites in the Empowerment Zone.

Community Redevelopment Agency: $91 million has been programmed for expenditure in the area's nominated Empowerment Zone and Enterprise Communities. Additional preference will be given to projects within the nominated EZ that target housing, commercial and industrial development, community facilities and transportation activities.

Metropolitan Transit Authority: $2.1 million for the Miriachi Plaza Music Academy and Transportation Training Center which will include a musical and cultural academy with job training at a planned metro stop in the Zone.

City and County: $1.8 billion in health services, youth programs, economic development, housing, cultural affairs, transportation, and recreation facilities for the Empowerment Zone and other proposed Enterprise Communities in Los Angeles County.

MAJOR PRIVATE SECTOR COMMITMENTS

Local Initiatives Support Corporation (LISC) : $2.54 million to be used in demonstration program to build a community-based health service economy in 2-4 low income neighborhoods. A total of $2.65 million in grants and loans have been raised to date to help Community Development Corporations expand community health services. The anticipated outcomes include not only an improved community health delivery system in the zone but also health related jobs.

Drew Medical Center: The Medical Center, in partnership with LISC and the Drew Economic Development Corporation, will develop a Preventative Medicine and Primary Care Center and will also provide $500,000 to expand medical services to community clinics.

Foundations and Banks: $4.2 million in the development of small businesses and capital ventures including a micro-business center, training facilities and employment opportunities.

Mission College: Mission College and North Valley Occupational Center will collaborate in providing training in graphic arts, computer assisted design, printing, fabric design and entrepreneurship. The college will also provide $200,000 for curriculum and related costs.

URBAN EMPOWERMENT ZONES / ENTERPRISE COMMUNITIES

APPROVED FEDERAL FUNDING

LOS ANGELES/LA CO/VERNON/LYNWOOD

Agency / Request	Approved	Amount
DOC		
EDA Lanzit site-Business Incubator	Y	$1,900,000
DOT		
Bikeways Program	Y	$3,300,000
Call for Projects	Y	$16,500,000
Capital Improvement Program	Y	$46,200,000
Los Angeles Neighborhood Initiative	Y	$5,200,000
Transit Travel Center	Y	$1,875,000
NEA		
Arts Organization Stabilization	Y	$240,000

Total Requests approved: 7 *Total:* $ 75,215,000

MIAMI METRO-DADE, FL

City Population: 358,548
Zone Population: 49,616
Zone Size: 13.1 square miles
Poverty Rate: 45%
Unemployment Rate: 13%
Education: 63% of adults in the zone have not completed high school

OVERVIEW

The Miami Metro-Dade Zone incorporates census tracts in three non-contiguous Dade County locations: Miami, Liberty City, and Homestead/Florida City. The overall distress in this area has been exacerbated by the devastation caused by Hurricane Andrew and the closing of Homestead Air Force Base.

The strategic plan is a comprehensive, coordinated approach that focuses on the greatest potential economic opportunities within the County, while building on existing strengths and a limited number of proven programs. The Miami Metro-Dade plan is bolstered by a partnership among residents, community-based organizations, public and private service institutions, Federal, State and local governments, business, labor unions, and educators. Following are some primary goals of the Miami Metro-Dade EZ:

- The City will focus investment in programs which provide individuals opportunities for economic lift instead of programs that seek to alleviate the negative effects of poverty.

- The creation of a Job and Business Core in the central parcel to link the Airport to the Seaport, as well as the Medical Complex and the Central Business District will occur. This will also link the distressed communities of Melrose/Allapattah, Overtown, Wynwood, and Little Havana in an EZ.

- Streamlining, improving and promoting the job training and placement efforts of public and private institutions throughout the County.

KEY ACTIVITIES

- **Economic Growth:** The creation of 77,355 jobs through the expansion of the Miami National Airport, initiatives to increase tourism at the Port of Miami, and the creation of a Medical Center Complex and a Central Business District.

- **Transportation Needs:** Construction of East-West Rail line and intermodal centers downtown and at the airport and the construction of high speed train lines connecting Orlando, the airport, and downtown. The South Dade Metrorail line to Florida City will provide essential linkages to residents of South Dade, Metro-Miami and the redevelopment of Homestead Air Force Base.

- **Homestead Air Force Base Re-Use Plan:** World Teleconferencing Center and "smart" buildings to capitalize on trend of outsourcing data processing and telecommunications operations to reduce operating costs. Dual military/civilian aviation operations, including general aviation and related job training through a relocated branch of Miami Dade Community College

- **Public Safety:** Expansion of the existing community policing activities (Neighborhood resource Officers attached to neighborhood Enhancement Team officers for 2 instead of 1 shift per day; expansion in the number and capability of on-broad computer terminals in police Drew Medical Center, LISC and several neighborhood associations will join vehicles.)

MAJOR PUBLIC SECTOR COMMITMENTS

Metro-Dade Multi-Purpose Revolving Loan Fund- $1.9 million revolving loan fund providing up to $100,000 financing.

State Match to Federal Empowerment Grant- $5 million to allow for additional overlay of tax incentives.

EDA Grant- $1 million grant secured to build a customized Computer Integrated Manufacturing Training and a demonstration site for new technologies developed for the apparel industry.

MAJOR PRIVATE SECTOR COMMITMENTS

Tacolcy Economic Development Corporation, East Little Havana Community Development Corporation, Anne E. Casey Foundation: $3 million commitment over the next four years granted to the State for the implementation of a mental health initiative for urban children to devise new ways of delivering mental health services to children and families in low-income neighborhoods.

PIC Network of 48 service providers: $36 million for a comprehensive individualized education and training for unemployed low income people in the zone.

March of Dimes and University of Miami Medical School: $3.7 million initiative for universal access to primary health care for children and pregnant mothers in the Zone to be provided through two mobile care units.

URBAN EMPOWERMENT ZONES / ENTERPRISE COMMUNITIES

APPROVED FEDERAL FUNDING

DADE COUNTY/MIAMI/HOMESTEAD

Agency / Request	Approved	Amount
DOC		
EDA Southest Infrastructure	Y	$6,747,677
DOD		
Construct Product Advncmnt/COEngrs	Y	$300,000
DOJ		
1- High Intens Drg Trafkg Area (HID	Y	$465,000
DOL		
4- School-To-Work Local Partnership	Y	$675,000
DOT		
FAA Airport Improvement Program	Y	$3,469,700
Section 3 Discretionary Funding	Y	$34,879,000
FEMA		
404 Hazard Mitigation Grants/P Ap	Y	$26,575,000
406 Hazard Mitigation Grants/P Ap	Y	$1,860,000
Hazard Mitigation Grant Program	Y	$1,188,660
HHS		
PR-1:State & Lcl Comp School Health	Y	$290,515
HUD		
Emergency II	Y	$14,110,000
Model Cities Initiatives Grant	Y	$21,000,000
NEA		
ZZ Challenge	Y	$300,000

Total Requests approved: 14 *Total:* $ 131,485,202

NEW YORK COUNTY/BRONX COUNTY, NY

City Population: 7,322,564
Zone Population: 199,375
Zone Size: 7.6 square miles
Poverty Rate: Harlem area - 39%; South Bronx area - 43%
63% of population earned less than $20,000/year
Unemployment Rate: Harlem - 17.8%; South Bronx 15.6%
Education: 34% high school education
17% college graduates

OVERVIEW

The New York County/Bronx County Empowerment Zone (EZ) consists of 40 census tracts in Harlem at the northern end of Manhattan and 20 census tracts in the southwest quarter of the Bronx. Connected by three bridges across the Harlem River, the two communities are socially connected by the historic expansion and development of New York City. Each has experienced the pressures of high population density, similar racial and ethnic changes, and today, share similar economic and social characteristics. Harlem is primarily a residential community, with some commercial and industrial areas. The South Bronx blends industrial, commercial and residential areas, and is fed by a network of rail lines and freeways.

In order to address the Zone's profound needs, their strategic plan builds upon the communities' full range of attributes: several neighborhood organizations, access to universities, colleges and medical facilities, and new business and job potential in its industrial clusters, emerging companies, rail facilities, and waterfront. The plan sets forth long-range goals for revitalizing the economic, social and physical infrastructure of the zone's neighborhoods:

- Significantly expand the range of economic opportunities available to Zone residents and improve access to capital, training and new jobs;

- Aggressively target youth in order to prepare them for leadership, work and a productive future through community-run mentoring and development programs for families and children;

- Ensure the availability and high quality of a broad scope of essential educational, recreational, vocational and family-based services to the whole community;

- Restore and maintain the physical environment including housing, infrastructure and open space, with a particular emphasis on crime prevention and safety;

KEY ACTIVITIES

Expand Business Opportunities - increase and diversify the retail capacity of the major commercial strips and secondary arterials of the EZ, creating small and microbusiness opportunities, and reducing the money flowing out of the EZ. Specifically:

- create several new business improvement districts to provide extra services to organized local businesses;

- create an incubator program for locally-based entrepreneurs including crafts, catering and design businesses;

- develop a comprehensive small business assistance program to support the expansion of small businesses and build on existing private sector commitments to invest in the EZ;

- develop a privately capitalized and operated community capital bank and organize a multi-bank community development corporation;

- create a vendors' mall at Yankee Stadium, expand the Kilmer Park greenmarket and redevelop and consolidate distribution facilities at the Bronx Terminal Market;

- create learning centers located in community institutions specializing in computer literacy, and linked to job training and arts organizations;

Job Training - increase labor market participation among EZ residents and increase levels of employment by improving access to training and jobs, for example:

- consolidate assessment services, career development services, customized job training, basic skills education, and placement services in a single location;

- link job training to the private sector in developing and targeting job growth;

- expand adult education programs directly related to occupational opportunities;

- establish training and re-training services for health care and construction workers;

- convert AFDC and home relief funds into wage and training subsidies for private-sector and non-profit employers who hire public assistance recipients.

Youth Support and Development - prepare the children and youth of the EZ for leadership, new employment and opportunities, specifically:

- create a public service internship program with community-based organizations;

- expand, through "Neighborhood Education Centers" community-run educational, training, mentoring, counseling, and recreational programs for the families;

- create a model school-to-work program and a model independent school district consisting of charter schools that can experiment with new educational structures and programs;

- encourage continued school enrollment, create a trust fund matched by private contributions for paid internships and graduation incentives;

- expand efforts by local colleges and universities to develop the technological infrastructure of EZ schools;

- design a home instruction program and parenting centers to encourage parental involvement in education;

- expand day-care slots and upgrade existing early childhood development services;

Family Services - to ensure the availability of high quality, basic support services for families, the following are proposed:

- convert schools into community centers by expanding the number of "Beacon Schools" in the EZ and transform those Beacon Schools into Neighborhood Education Centers offering a full range of educational, recreational, vocational and family-based services to the whole community;

- reform the social service delivery system by creating comprehensive services that are community based, including community health care centers and a local EZ Health Consortium to develop and plan health care projects;

- develop neighborhood-based Family Investment Centers where individuals and families can receive individualized assistance in accessing an array of services and entitlements.

Community Viability - to restore and maintain the physical environment of the EZ, its housing, infrastructure, and public safety, the plan aims to:

- construct 1,200 units of housing in Manhattan and 350 units of infill housing in the South Bronx beginning next year;

- request waivers from HUD in order to develop joint projects between the Public Housing Authority, HPD and private entities;

- increase the pool of mortgage loans and guarantees available to low and moderate-income EZ residents;

- establish a first-time homebuyers fund available to low-income EZ residents;

- increase access to capital and banking services;

- create an information technology assistance center within the One-Stop Capital Shop;

- initiate capital projects to improve subway stations, streets and highway access and interchange routes, bus shelters, greenways and pedestrian ways; and improve passenger security with better station lighting, PA systems and better police surveillance;

- strengthen community policing and continue "weed and seed" initiative to address violent crime;

- significantly expand security in all public housing;

- create a community-based public safety council to solve problems, collect information, and coordinate public safety initiatives throughout the EZ;

MAJOR PUBLIC SECTOR COMMITMENTS

City of New York: $100 million designated for use along with matching Federal funds for more than one hundred zone activities.

State of New York: $100 million designated for use along with matching Federal and City funds for many of the same activities.

MAJOR PRIVATE SECTOR COMMITMENTS

Fleet Financial Group: Nearly $48 million in small business loans, a new community development corporation, and affordable housing construction and mortgage loans.

<u>New York Housing Partnership</u>: In excess of $500 million to finance housing and street-level commercial development in the Zone, creating at least 6,000 units of housing and 300,000 square feet of commercial business.

<u>Community Preservation Corporation</u>: Sponsored by more than fifty banks and insurance companies in the New York City metropolitan area, CPC commits to create a $50 million investor pool to provide partial mortgages for affordable housing in the Zone. CPC to dedicate a portion of a city-wide $100 million investor pool to finance commercial development in the Zone.

URBAN EMPOWERMENT ZONES / ENTERPRISE COMMUNITIES

APPROVED FEDERAL FUNDING

NEW YORK COUNTY/BRONX COUNTY

Agency / Request	Approved	Amount
DOL		
Youth Fair Chance Initiative	Y	$3,219,230
DOT		
Sec. 6; 26B Innovative Techniques	Y	$60,000
	Total Requests approved: 2	***Total:*** $ 3,279,230

OAKLAND, CA

City Population: 372,242
Zone Population: 46,040
Zone Size: 13.44 square miles

Poverty Rate: East Oakland: 44.7%; West Oakland: 55.3%; Fruitvale: 53.2%; San Antonio: 43.8%

Unemployment Rate: East Oakland: 15.2%; West Oakland: 20.3%; Fruitvale: 14.1%; San Antonio: 16%

Education: East Oakland: 45% of the zone population lack high school degree
West Oakland: 43.2%; Fruitvale/San Antonio: 50.2%

OVERVIEW

The Oakland Empowerment Zone incorporates the neighborhoods of West Oakland, East Oakland, and Fruitvale/San Antonio. The Zone target areas constitute 12.4% of Oakland's total population, but include nearly half of all Oakland residents living below the poverty level.

The strategic plan focuses on training and empowering residents to assume responsibility for their neighborhood's problems. EZ programs will also provide opportunities for residents to succeed in today's job market. Oakland's three strategic themes are:

- Community Building - Community Building Teams of local residents will be employed by the EZ; recreation, comprehensive health care, mentoring and after school programs will be established at each of the fourteen schools in the target area; an early warning system will be established with the Alameda County Department of Social Services to identify families in crisis or at-risk.

- Collaboration and Accountability - Community Councils will be provided with training, information, and support to identify community needs and develop solutions; furthermore, the Councils will be provided both the resources and the authority to implement and evaluate those solutions.

- Sustainable Development - Development in the Empowerment Zone will center around four multidimensional concepts: economic development, historical/cultural development, social sustainability and environmental safety.

KEY ACTIVITIES

Community Building Teams: The program will hire and train local residents over a period of two years, providing them with work experience and marketable skills, while allowing them to participate in rebuilding their communities. In the second year, Community Building Teams will transfer to an Institution Building Team in the area of their vocational interest. Team areas will include school-based activities, family-building, neighborhood revitalization, public safety teams, sports and culture.

Anchor Projects:

Fruitvale Transit Village - Fruitvale BART (Bay Area Rapid Transit) station mixed-used development will include a health clinic, the Latin American Library branch, a community center, a senior services center, a Head Start center, retail shops and senior and family housing;

Seventh Street Revitalization - will revitalize West Oakland and provide retail space, entertainment and cultural facilities, and mixed income housing;

Electric Vehicle Conversion Facility - to be established as a joint public-private partnership, will begin as a conversion and maintenance facility for electric buses, but will be developed into a general purpose alternative energy vehicle conversion and maintenance depot;

Oakland Airport Aircraft Maintenance Facility - located within the East Oakland Target Area, will create 100-200 direct jobs;

Oakland Airport Gate Expansion - will produce 200 additional jobs within 5 years, for which preference will be given to EZ residents.

Support for Entrepreneurship:

Entrepreneurship Training for 2,000 residents over the ten-year period of the Zone.

Small-business Incubation - a number of the Community Building Team activities will be directly focused on creating small businesses that can be spun off to residents, including Food Purchasing Services, Intermodal Transportation Services, and Home Maintenance and Home Repair.

MAJOR PUBLIC SECTOR COMMITMENTS

Oakland Housing Authority: $25.5 million for physical renovation, building maintenance, social services, community services; $3 million for 5 FTE Community Police-OHA Police Force for 10 years.

Oakland Police Department: $2.4 million for 3 FTE Community Police Officers for 10 years; $620,301 for 3 FTE Police Cadets for 10 years; $517,230 for vehicle maintenance costs.

Port of Oakland: $20 million for estimated cost of aircraft maintenance facility; $30 million for estimated cost of airport gate expansion.

Oakland Unified School District: $2.5 million for expanded Social Work Case Management Programs in EZ schools; $3.6 million estimated CHDP/EPSDT/MediCal Revenue from school clinics.

MAJOR PRIVATE SECTOR COMMITMENTS

East Oakland Youth Development Center/East Oakland Fighting Back: $12.5 million for social service programs: It Starts Now, Project Joy, Jamani, Social Work Case Management.

East Bay Community Recovery Project: $2.5 million for Lockwood Gardens Community Organizing Teams.

Spanish Speaking Unity Council: $12.4 million for Fruitvale Transit Village.

Fruitvale Collaborative: $2.5 million for community organizers.

Alameda County Child Health and Disability Prevention Services: $918,310 for volunteer dentist for school dental clinics

URBAN EMPOWERMENT ZONES / ENTERPRISE COMMUNITIES

APPROVED FEDERAL FUNDING

OAKLAND/SAN LEANDRO/ALAMEDA

Agency / Request	Approved	Amount
DOC		
NTIA/Telecom & Info Infrastructure	Y	$100,000
DOD		
1-Technology Reinvestment Project	Y	$40,000,000
DOT		
FHWA/ISTEA STP	Y	$7,000,000
FTA Section 9 Fruitsvale Transit	Y	$1,230,000
FTA/Section 3 - Fixed Guideway Mods	Y	$41,000,000
Section 9 ADA Fare Collection	Y	$1,500,000
HHS		
Comm Prevention Coalition Dmstn	Y	$500,000
Comm Prevention Communication Supp	Y	$50,000
PR-5 Refugee Resettlement	Y	$250,000
PR1- Healthy Schools, Healthy Comm.	Y	$285,000
HUD		
1-Youthbuild	Y	$100,000
Community Outreach Partnership Ctrs	Y	$744,945
Housing and Supportive Svcs Elderly	Y	$5,300,000
	Total Requests approved: 13	***Total:*** $ 98,059,945

PHILADELPHIA, PA & CAMDEN, NJ

Philadelphia, PA Population: 1,585,577
Camden, NJ Population: 87,492
Zone Population: 49,645
Zone Size: 4.4 square miles
Poverty Rate: Philadelphia: 51%; Camden: 46.1%
Unemployment Rate: Philadelphia: 24%; Camden: 18%
Education: Philadelphia: 64% of residents 18 years of age and older lack a high school diploma
Camden: 40% of the secondary student population drop out between the freshman year and graduation

OVERVIEW

Under the theme of unified neighborhood development and a new regional economic strategy, the cities of Philadelphia, Pennsylvania and Camden, New Jersey have applied for a bi-state Empowerment Zone. The Zone area in both States possess a number of similar distress factors including a scarcity of trained, educated workers, widespread public safety concerns, outdated land-use plans, crumbling infrastructure, prohibitatively high insurance rates and environmental abuses.

Philadelphia's portion of the proposed zone consists of three neighborhoods: American Street, West Philadelphia, North Philadelphia. More than three-fourths of all Zone families are headed by a single parent and nearly to 60 percent of these families are existing on incomes which fall substantially below the poverty level. The Camden portion of the Zone contains 15% of the city's household population and nearly 25% of its land area. Median household income is 60 percent lower than the State median. Some of the best and worst of Camden's socioeconomic, physical and environmental conditions are reflected in the Zone.

In the last few years, Philadelphia and Camden have been involved in several community-based planning efforts which have resulted in forward-looking, comprehensive strategies. This partnership formed the basis for the Empowerment Zone planning process, problem solving and program implementation goals. The Philadelphia/Camden strategic plan will focus on two main areas:

1. **Economic Opportunity** -- Community banking, entrepreneurship and local business growth, preparing adults for employment opportunities, working with youth to build the workforce of the future, and infrastructure development.

2. **Sustainable Community Development** -- Housing, youth programs, public health, safety, urban landscape, human development, and arts, culture and recreation.

KEY ACTIVITIES

- **Economic Growth:** The creation of over 10,000 jobs as well as job training through various Bi-State partnerships including: Capital Partners/Neighborhood Enterprise Centers; Bi-State Job Bank; Bi-State Labor Force Information Network; Bi-State Technical Assistance Bank; Bi-State Marketing Program; Bi-State Futures Consortium.

- **Housing:** Expanded housing opportunities through the creation of a Housing Trust Fund to serve as a revolving loan and grant fund enabling the development of over 1,000 affordable dwellings for homeowners and renters within two years.

- **Families:** Expansion of existing child care centers and creation of a Family Center to serve as a one-stop-shopping approach to a broad array of family support services.

- **Public Health:** Additional intake facilities for drug and alcohol programs and nurse-supervised lay home visiting to all pregnant women, their infants, and people with AIDS.

- **Safety:** 40 new Town Watch programs, expanded community policing and Community Safety Centers to reduce crime and make residents feel safer.

MAJOR PUBLIC SECTOR COMMITMENTS

<u>State of Pennsylvania</u>: $54 million of dedicated State funding made available through Capital Redevelopment Assistance in FY 94; several additional projects in North Central and West Philadelphia, totaling $12 million, are underway; $2 million increase in the Neighborhood Assistance Tax Credit program is enabling several large Philadelphia corporations to develop new, long-term partnerships with neighborhood organizations.

<u>New Jersey Housing and Mortgage Finance Agency</u>: $3.2 million is expected for up to five projects in the Zone. They have also committed $1 million to rehabilitate Royal Court, a conversion of public housing to homeownership housing.

<u>Bridge Loan Program</u>: $15 million of new State funds will increase the capacity of non-profit housing development groups and stimulate private investment in affordable housing.

MAJOR PRIVATE SECTOR COMMITMENTS

<u>Pew Charitable Trusts</u>: $5 million pledge to the new Bridge Loan Program to stimulate

affordable housing development in low income neighborhoods in Philadelphia.

PNC Bank N.A., PECO Energy Co. and Meridian Bancorp, Inc.: Financial and staff resources over a five-year period to assist community organizations.

Campbell's Soup: $100,000 city-wide clean-up program beginning last summer in Camden.

URBAN EMPOWERMENT ZONES / ENTERPRISE COMMUNITIES

APPROVED FEDERAL FUNDING

PHILADELPHIA / CAMDEN

Agency / Request	Approved	Amount
None approved		
	Total Requests approved: 0	***Total:*** $ 0

Clinton Presidential Records
Digital Records Marker

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a tabbed divider. Given our digitization capabilities, we are sometimes unable to adequately scan such dividers. The title from the original document is indicated below.

Divider Title: RURAL EZ FINALISTS

RURAL EMPOWERMENT ZONE FINALISTS

1. Eastern Arkansas (AR)

2. Central Savannah River Area (GA)

3. Kentucky Highlands (KY)

4. Tri-State Delta (LA, AR, MS)

5. Mid-Delta (MS)

6. Rio Grande Valley (TX)

EASTERN ARKANSAS EMPOWERMENT ZONE

State: Arkansas
Counties: Cross, Lee and St. Francis

Zone Population: 27,392
Zone Area : 871 square miles
Poverty Rate: 37.2%
Unemployment Rate: 11.56%
Per Capita Income: $12,509
Education: not available

OVERVIEW

Eastern Arkansas continues to suffer from the chronic economic distress that emerged from the mechanization of agriculture following WWII. A second economic blow was delivered to the region during the 1980's when much of its manufacturing sector, primarily centered in St. Francis, Phillips and Monroe Counties, declined by nearly half.

The resulting out-migration of population helps define the human needs context for the region. first, since younger persons tend to out-migrate at a much higher rate than older persons, the population of these counties is becoming significantly older despite having higher than average birth and death rates.

Secondly, males have been out-migrating significantly faster than females. The age specific female to male ratios change radically in post-high school years. Three factors underlie the social and health stress in the Target Area: high rates of birth to single mothers and teenagers, low educational attainment, and a growing sense of futurelessness that leads to high risk behaviors.

East Central Arkansas Economic Development Corp. plans to use an incremental approach, with five two-year implementation phases. The first two years will be used for capacity building; precise study of problems, causes, and solutions; detailed analysis of resources, strengths, weaknesses, and human development. There are eight issues in a grouping of three, as follows: Group 1 - human development (youth and education, social services and health, elderly, and arts, culture and recreation), Group 2 - economic development (business expansion and development, industry, recruiting and international development), and Group 3 - community development (infrastructure, physical assets, public safety, h housing, and environment).

The overriding effort is for the development of people. The community wants to break the cycle of poverty and outmigration. Their key priorities and issues are: improve access to health care and preventive services, improve services to the elderly, increase early intervention and prevention services in alcohol/drug abuse and family violence, improve school-to-work programs, and school retention, decrease teen pregnancies, strengthen early childhood efforts, and develop multi-use youth recreation and cultural enrichment.

The application includes a two-year workplan and a budget, but did not identify the funding sources, specifically. Their physical environment requires an increase in available affordable housing, improved appearance of the community, increased capacity of small town governments, and address water and environmental concerns.

KEY ACTIVITIES

The goal of this plan is to do the following: (1) Build the capacity of health and human service systems to respond to needs. They plan to develop an HHS committee in each county, and develop a Delta HHS consortium, staff it, and develop a regional parent and child resource center; (2) Early intervention in health and social care needs through health education, screening programs, and implement a lay health advisors program; (3) Increase the availability of primary care services, alcohol/drug abuse prevention, non-institutional services for the elderly, early childhood development services, youth recreation and cultural enrichment services, and adult literacy programs\; (4) Increase accessibility of services to smaller communities through development of satellite service sites, and improved transportation; (5) Develop career awareness for children and youth, and provide school-to-work training; and (6) increase the capacity of women to improve the quality of life for themselves and their families through the creation of a regional women's center.

MAJOR PUBLIC SECTOR COMMITMENTS:

Highlights: There is a two year budget and a ten year budget. The rationale for this methodology for budget preparation is not clearly explained. Therefore commitments will be explained by both budgets. Local, State, and Federal government resources are combined. The application does not define the budgets further.

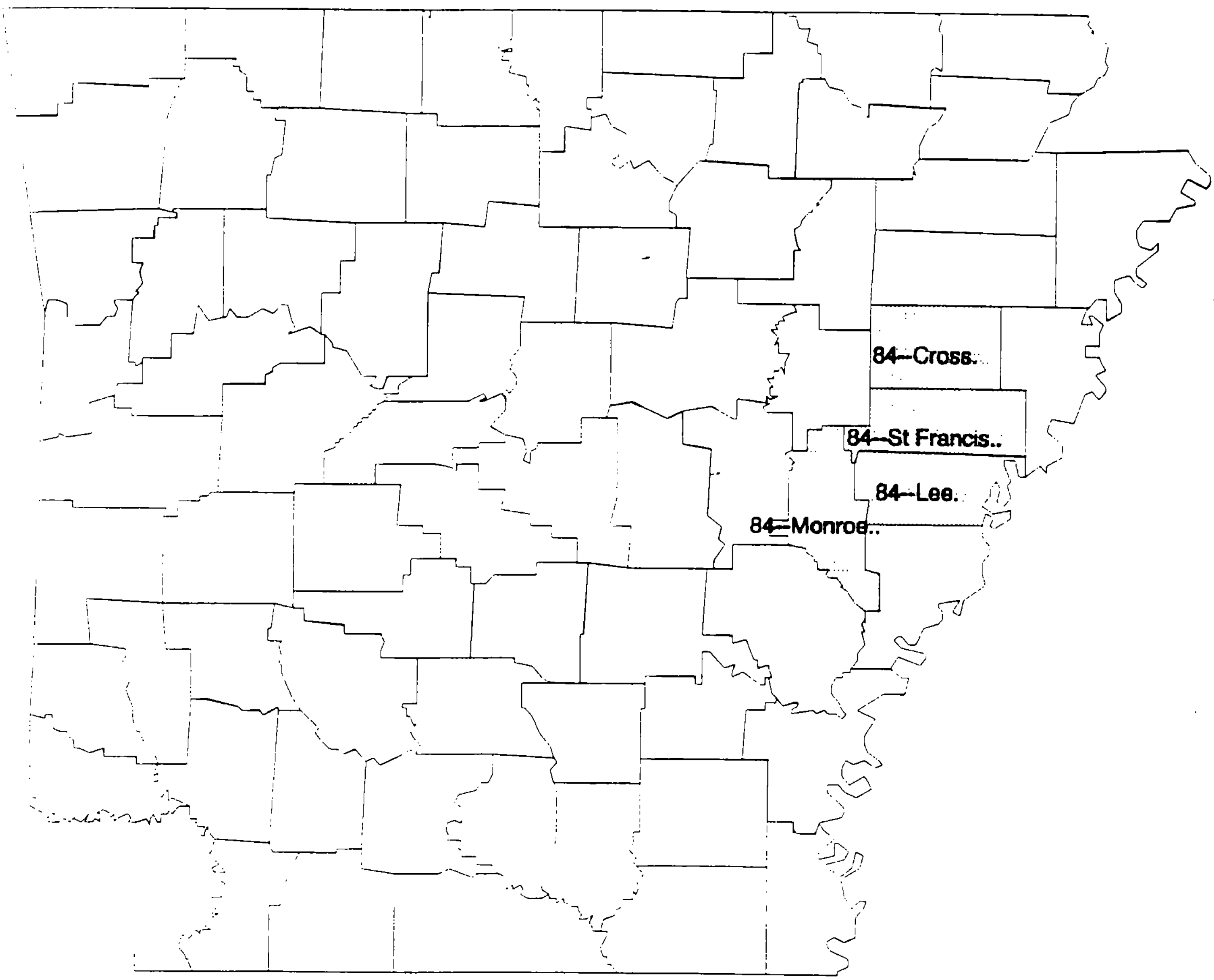
Local Government Resources: Letters of support from local government agencies have been provided.

State Government Resources: Public sector support is evidenced by two letters from congressional state representatives. None of them state that commitments will be forthcoming, but all pledge good wishes. Since all Arkansas community plans are part of the overall Arkansas 10-year strategy supporting EZ/EC communities, estimated funding needs are documented under various program initiatives. However, despite this information, no formal statement of commitment is offered.

Federal Government Resources: Total EZ budget is for $40,000,000.
Under the two year budget: $2M for human development, $4.7M for agricultural economic development, $14.8M entrepreneurial and industrial development, and $4M for community development. Under the ten year budget: $5.2M for human development, $5.8M for economic development, and $3.4M for community development. Program specifics are not discussed in the application.

PRIVATE SECTOR COMMITMENTS: Letters of support from the private sector and non-profit organizations have been provided.

Highlights: The applicant furnished several commitment forms to various private enterprises. Because this tactic was taken, no formal committmentes are cited.



Eastern Arkansas

CENTRAL SAVANNAH RIVER AREA EZ/EC

State: Georgia
Counties: Burke, Hancock, Jefferson, McDuffie, Taliaferro, Warren

Zone Population: 1,200
Zone Area: 123 square miles
Poverty Rate: 26%
Unemployment Rate: 11.2%
Other Data: 74% of households headed by females

OVERVIEW

The plan was developed by the Central Savannah River Area Regional Development Center located in East Central Georgia.

Formerly a major source of income and employment, farming has declined in recent years in the area. Many residents have sought off-farm employment at nearby factories and retail outlets. However, some residents lacked the skills and education to qualify for these jobs.

The EZ/EC applicant seeks to effect some change in the following area deficiencies: 1) lack of access to convenient entrepreneurship training programs, 2) prevalence of a large, unskilled labor pool, 3) low highschool graduation rates coupled with high dropout rates, 4) absence of resident health care providers and family practice physicians, 5) shortage of mortgage funds for low-income residents, 6) lack of recreational or cultural facilities, 7) inadequate public infrastructure, particularly, water, sewer or solid waste management, 8) economic dependence on the agricultural economy, and 9) substantial crime, unemployment, welfare dependency, and substance abuse.

The community's EZ/EC plan is to bring prosperity to persons living in distressed areas by using creative and obtainable approaches to human and community development. The plan weds economic recovery with empowerment of each citizen to achieve his or her greatest potential. All proposed programs are to serve as a means of promoting and strengthening the family. The strategy includes increasing the value of the region's agricultural base, protecting the environment and finding market interfaces between agriculture and industries of the future.

KEY ACTIVITIES

Economic Opportunity - CSRA intends to pursue the development of value-added farm products with assistance from USDA's Alternative Agriculture Research Center. There is promise to attract additional Japanese investment in the area based on the success of three African American farmers who have a 200-ton soybean contract to Japanese export entrepreneurs. A catfish farm will be re-opened by the East Central Committee for Opportunity, with projected production of about 8,000 pounds of catfish a week. Small business incubator seeks to fund the construction of a 16,000 square foot building to house retail outlets, and to provide training in a range of business practices for residents who want to start businesses.

Sustainable Community Development: Educational program aimed at AFDC mothers and children. Provide vocational training and special education. Projections are that illiteracy will be reduced by 20-percent and that high school graduation rates will be increased to 85-percent in 10 years.
Energized housing program resulting in a 50-percent reduction in number of houses without bathrooms or kitchens, and a 35-percent increase in home ownership in 10 years.

PUBLIC SECTOR COMMITMENTS: Over $40 million (includes private sector and volunteer and in-kind services)

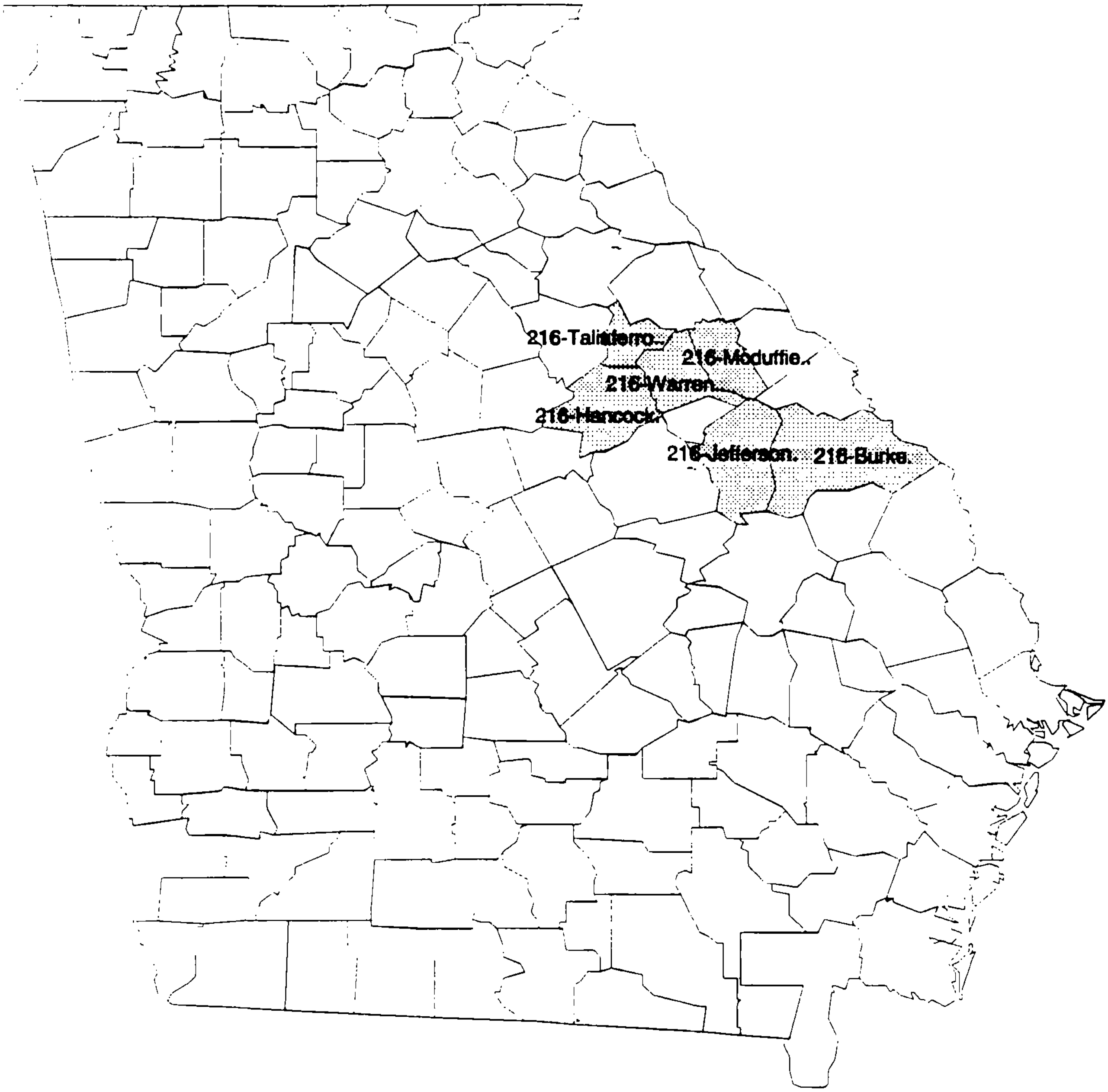
Local Government Resources: List of participants included several local government officials. The CSRA EZ/EC Zone has secured committed match resources of over $20 million in existing facilities, programs, services and cash contributions pledged from counties, cities and area agencies. (Plus over $5 million in estimated volunteer and in-kind services which has been committed by the more than 300 Zone residents who are the heart and soul of this application.)

State Government Resources: The CSRA EZ/EC has obtained commitments for matching resources of over $10 million in existing facilities, programs, services and cash contributions from non-profit organizations, private corporations, foundations and public utilities.

Federal Government Resources: (same as state)

Total Private Sector Commitments: The CSRA EZ/EC Zone has secured committed match resources of $5 million in existing facilities, programs, services and cash contributions from non-profit organizations, private corporations, foundations and public utilities.

Budget: The EZ budget projects $40 million in EZ/EC funding and $544 2 million in other county, state, federal and private sources. The EZ budget projects $3 million in state support.



Central Savannah River Area

KENTUCKY HIGHLANDS INVESTMENT CORPORATION EZ/EC

State: Kentucky
Counties: Clinton, Jackson, Wayne

Zone Population: 27,219
Zone Area: 753 square miles
Poverty Rate: 37.7 % of residents live in poverty
Unemployment Rate: Clinton County 8.8%
Jackson County 9.0%
Wayne County 7.9%
Median family income range: $12,700 to $16,400

OVERVIEW

The Kentucky Highlands Investment Corporation (KHIC) is a community development corporation with a 25 year history of successes. KHIC's approach is focused on promoting entrepreneurship and establishing extensive community-based partnerships. Their application articulates a community-based planning process wherein residents and county governments from Clinton, Wayne and Jackson counties developed their needs and visions and designed strategies that focus on the social and economic value of entrepreneurship as a solution to most social ills.

The high poverty rate is a result of the dependency on traditional agriculture, the tobacco industry, and the coal industry. Economic development has been inhibited by a deteriorating infrastructure and the exploitation of natural resources. The applicant explains, "Outside interests timbered, tunneled and stripped great, raw scars across the landscape" that had attracted and sustained settlement for years but left those settlers dependent upon the volatile coal and timber industries and their patronizing outsiders.

The plan emphasizes the creation of economic opportunity and entrepreneurship through the growth of tourism, industry and agricultural diversification. The strategy for developing tourism and agriculture is in concert with protecting and enhancing the area's natural resources. Job creation strategies also include training in computer technologies for home-based data entry jobs. The proposal also addresses social services, drug prevention and family support systems, for families venturing into employment or private or home-based economic activities.

KEY ACTIVITIES

Economic Opportunity - KHIC will work with the Eastern Kentucky University (the region's only Historically Black College) - to continue its Aspiring Entrepreneur Program. A Development Venture Capital Fund will be created to support two entrepreneurial start-ups annually over the next 10 years. KHIC will form a partnership with Wilson Fields, Inc. by providing technical and marketing assistance for 100 free range chicken farming houses that will generate a 30% premium price for area farmers. Training will be provided by Eastern Kentucky University. An Alternative Crop Research Fund will be created in partnership with Cumberland

Farm Products, Inc., to assist farmers in shifting away from tobacco farming. Cumberland will provide technical and marketing assistance while KHIC will support a $1 million credit line for farmers. Sustainable agriculture demonstration farms will be built in each county.

Community Building - To promote self-development and economic independence, A partnership with Image Entry, Inc. will provide home-based jobs for 150 mothers, of which at least 100 will be set aside for AFDC recipients. In addition, these families will be provided with Home Learning Center software appropriate for their children. This approach supports family development, childhood education and self-sufficiency. KHIC will partner with Southeastern Kentucky Rehabilitation Industries to locate two sheltered workshops to employ 200 developmentally disabled persons.

Sustainable Economic and Community Development - The plan seeks to remedy environmental damage from the timber and mining industries by designating an infrastructure Development Director to oversee all economic development, tourism, water treatment, waste management and transportation issues. A partnership between the local school system and manufacturers will develop a wood products manufacturing education center to provide job skills for area students and promote sustainable timber harvesting. The plan includes the sustainable development of Lake Cumberland and Dale Hollow Lakes. The community resolved to grant limited access to the lake for tourism and local enjoyment while at the same time preserving the natural beauty of the area.

MAJOR PUBLIC SECTOR COMMITMENTS:

Local Government Resources:
$1,100,000
State Government Resources:
none
Federal Government Resources:
$40,000,000 EZ
$25,225,000 Other Fed agencies

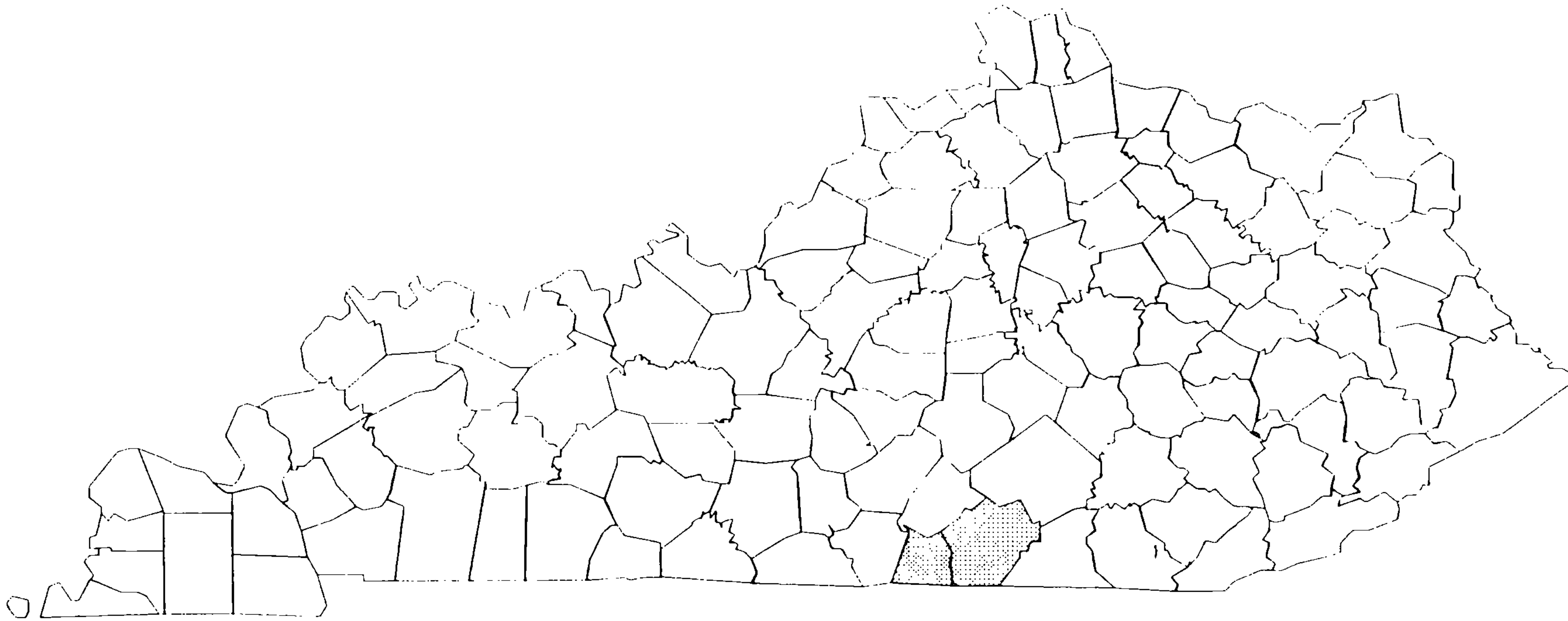
MAJOR PRIVATE SECTOR COMMITMENTS:

KHIC will leverage $33,000,000 with State, Banks, SBA, NBC, USDA-RECD to create the Development Venture Capital fund.
Local Banks will provide $ 1 million for Cumberland cooperative and
$10 million from local and state banks for range chicken farming

RURAL EMPOWERMENT ZONES/ENTERPRISE COMMUNITIES
APPROVED FEDERAL FUNDING

Kentucky Highlands

Agency/Request	Approved	Amount
FEMA - Emergency declaration	Y	$71,756



Kentucky Highlands

TRI-STATE DELTA EMPOWERMENT ZONE

State: Arkansas, Louisiana, and Mississippi
Counties/Parishes: Chicot County, Arkansas, East Carroll Parish, Louisiana, and Washington County, Mississippi.

Zone Population: 28,969
Zone Area: 767 square miles
Poverty Rate (average of all tracts): 51.3-percent
Unemployment Rate: 18%
Per Capita Income: $7,000
Education: Approximately 50% of residents lack a high school diploma

OVERVIEW

The proposed Empowerment Zone is characterized by pervasive poverty, unemployment and general distress. The quality of life has eroded to the extent that, when compared with the nation as a whole, this area and the surrounding Mississippi Delta region could be properly labeled "America's Third World". Statistics for the EZ indicate that poverty in this area is substantially higher than in comparable areas of the three states. Conditions associated with perpetuating poverty , such as high unemployment, low educational level and high dropout rates, inadequate housing, and a large number of female heads of household, contribute to the general malaise. The major premise presented in this application was that a regional approach to revitalization is the most efficient and desirable alternative. A cooperative effort by the local and State governments is essential to the success of this effort.

The community had a realistic perspective of the potential for the region and proposed initiatives which will address issues relating to education, economic development, health care, transportation, housing, public safety, recreation and the environment. Since the Delta region is rich in natural and historical attractions, tourism has a particular potential for the area. Various projects were proposed to capitalize on this potential.

KEY ACTIVITIES AND PROJECTS

Economic Opportunity - Economic recovery and sustainability requires a shift from agriculture to a mixed industry base. However agriculture will continue to be vital sector in the region. Thrusts include development of alternative crops and effective marketing strategies. Major economic development strategies include:
1) Educational activities to prepare the workforce for employment; 2) Job creation through aggressive recruitment and support of manufacturing, food processing, warehouse, and service businesses in industrial parks; and 3) Recruitment of companies in the textile, wood/furniture, and tourism industries as potential employers of Zone residents. small business and entrepreneurial activity will be encouraged in the zone through an increase in the available capital, establishment of a One Stop Capital Shop (SBA Program), and the creation of a small business incubator.

Community Building - The application highlighted public participation in the planning process. Continued involvement of residents was strengthened by the concept of "The Tri-State Delta Umbrella Model", in which information and initiatives flow from the local communities to the administering authorities.

Sustainable Economic and Community Development - Education is a basic element of the economic development strategies. Strategies include proposals to prepare potential workers for employment and increase the academic achievement of the residents. Major educational programs are proposed as follows:

1) Address inadequacies in education from pre-school through high school, including the problems of drop-outs and teen parents.
2) Target vocational-technical programs and adult education.
3) Improve teacher preparedness, recruitment and retention.

4) Improve facilities and equipment, especially computer use in all classrooms.

Economic Development Programs:

Target workforce preparation, especially in industries that could be attracted to the region.
Facilitate access to capital, encourage entrepreneurship.
Provide incentives for business and economic development.
Develop an aggressive campaign to attract business, industrial and tourist development.
Promote matchmaking opportunities to support existing businesses.

Housing Programs:

Support programs that increase home ownership and home maintenance.
Support development of affordable rental housing.
Work with communities to improve neighborhood quality through code enforcement, removal of derelict housing and debris.
Assist in the provision of housing for the homeless.

Public Safety:

Support investments in salary enhancements, training, and equipping law enforcement personnel.
Support stricter law enforcement and greater citizen involvement in combating crime.

Recreation and Culture:

Work with communities to provide a full range of indoor and outdoor recreational facilities.
Support greater investments in libraries and opportunities to experience the arts.
Encourage the preservation and revitalization of historic sites and districts.

Health Care and Social Services:

Provide access to health care, through comprehensive community health centers.
Provide incentives to attract health care providers to the Delta.
Address the characteristic health problems associated with each age group.
Address the health care needs of African Americans who have higher incidence of health problems.
Help make access to health care and social services more convenient.

Transportation:

Support widening of highways and construction of a new Mississippi River bridge.
Advocate for improved rail transportation, especially to facilitate industrial and warehousing development.
Support aggressive marketing of ports in the region.
Advocate for expanded airport capacity in the region.

Environment:

Support programs to reduce mosquitoes and fire ants.
Encourage regional solutions to problems of flooding and water pollution.

MAJOR PUBLIC SECTOR COMMITMENTS

Highlights: $ 22.5 million
Local Government Resources: $ 0.9 million
State Government Resources: $21.6 million
The governments of Arkansas, Mississippi, and Louisiana were called upon to grant special status to the implementing entity and to cooperate in the implementation phase. Numerous waivers of State regulations will be requested. Endorsements from the State Governors indicate a strong commitment to this effort.
Federal Government Resources: Other than EZ/EC $0
The application indicated that the implementing entity (TSDEZ, INC) is aware of many of the available Federal and State programs and intends to apply for the appropriate financing and technical assistance. Federal programs which could provide funds to implement the strategies of the strategic plan were listed in detail. However applications have not been made and estimates of the total funding were not provided.

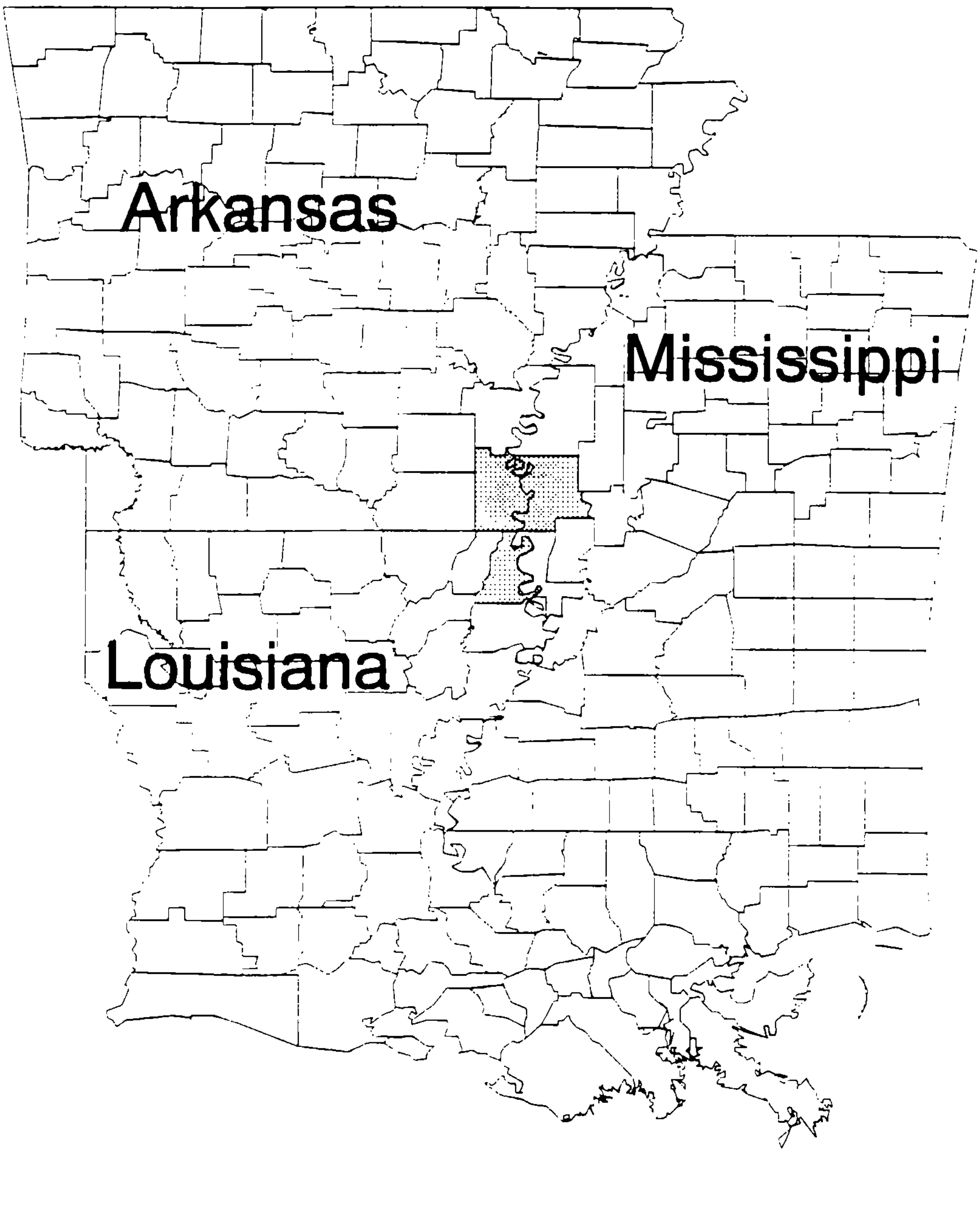
PRIVATE SECTOR COMMITMENTS

Highlights: $ 1.1 million
The dollar commitments are as follows:

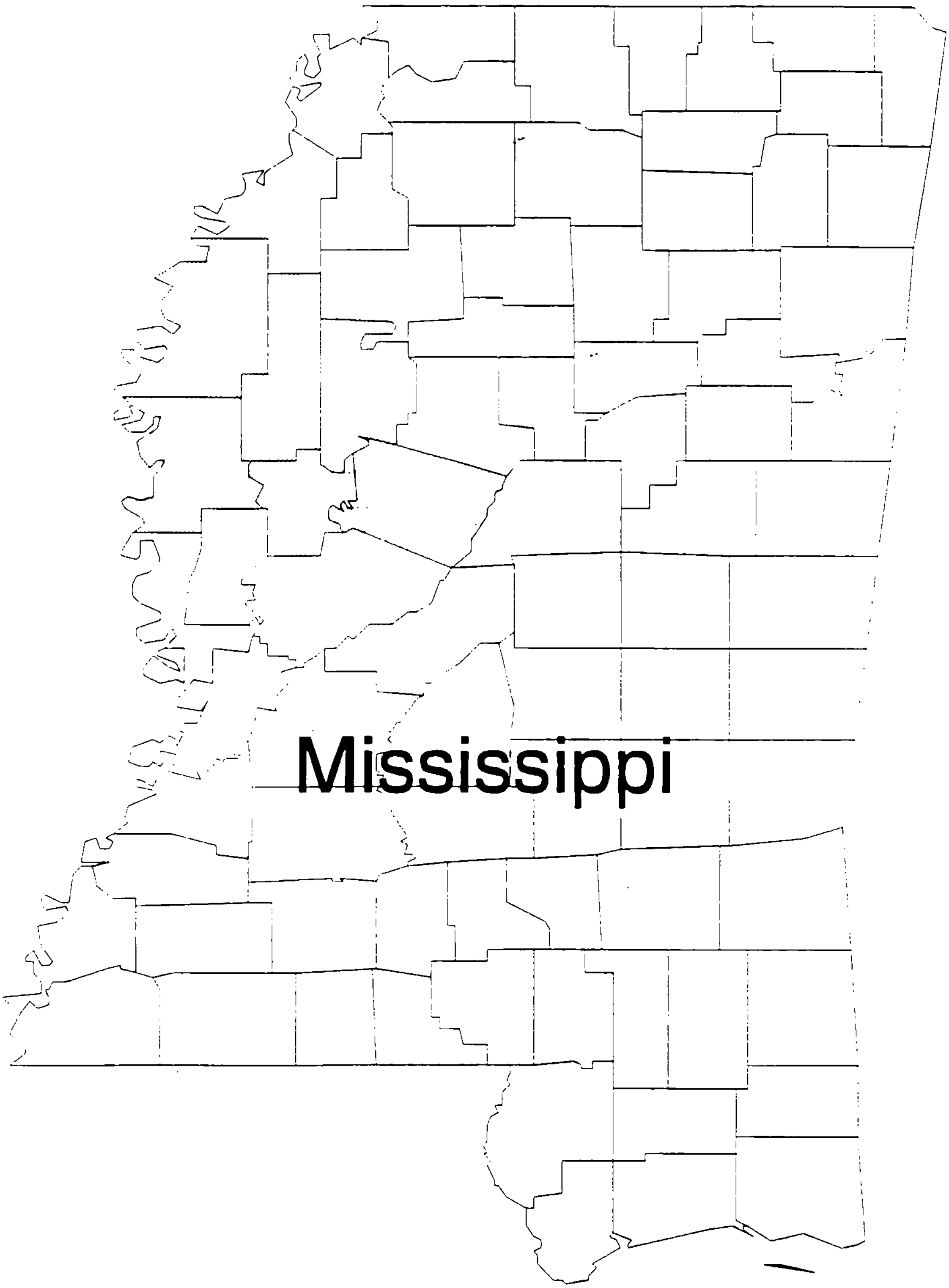
Planters Bank and Trust is committed to a contribution of $500,000 for revolving housing loan fund, to assist rehabilitation of existing housing, and loan counseling.
Las Vegas and Cotton Club Casinos committed $500,000 for construction of a boat ramp.
Association for Quality of Life committed $15,000.
Mississippi Power and Light Co. committed at least $18,000 over six years for matching grants (business development).
Association for Quality of Life committed $40,500 for workers to conduct a survey.
The Foundation for the MidSouth committed $20,000.

Numerous commitments by private businesses, local organizations, State and local agencies and others indicated support in the form of services, space and technical assistance. The value of these in-kind contributions was not estimated.

Tri-State Delta



Mid-Delta



MID-DELTA

State: Mississippi
Counties: Bolivar, Sunflower, Leflore, Washington, Humphreys, Holmes

Zone Population: 29,457
Zone Area: 981 square miles
Poverty Rate: 45.3% of residents live in poverty
Unemployment Rate: 14.5%
Per Capita Income: $6,584
Education: Over 79% of residents lack a high school diploma

OVERVIEW

The Mississippi Empowerment Zone consists of three non-contiguous parcels that cover six counties in the northwest area of the state of Mississippi. The area includes sixteen municipalities, with a population of 29,457 persons and an overall poverty rate of 45.3 percent. Rental housing comprises 38% of the housing stock, and of these rental units, only 38% have telephone service. In the entire six county area, approximately 28% of the residents receive public assistance, 13% live in substandard housing, and 3% live in houses that lack standard plumbing. (In comparison, the similar rates on a national average are 8.9%, 5.3% and .8%, respectively.)

The applicant was formed as an "alliance" by the joining of two organizations whose memberships share a long history of enmity: The Delta Council, an association of large land owners, and the Delta Foundation, a group created out of the civil rights movement. The Alliance set up a steering committee that includes the spectrum of community-based organizations, planning and development districts, local and regional development groups, businesses, and the banking industry.

The strategic plan relies on existing community resources such as industrial parks, river ports, railroads, educational and financial institutions, and private, non-profit organizations. The applicant set a goal of making the existing financial infrastructure work in elevating poverty and stimulating economic development. The strategy is to maximize available resources housing, economic development, health care, leadership and other factors affecting the quality of life for zone residents, while lessening long term dependency for area residents.

The Alliance intends to manage the implementation of the plan as a resource that will coordinate and provide information on resource, as a forum for the coordination of existing community assets, and as an avenue of continuing policy input for the residents of the zone.

KEY ACTIVITIES

Economic Opportunity - The Alliance intends to develop an adult vocational-technical training center in Bolivar County. There is a strong possibility for the location of a new manufacturing facility, which the company predicts will be a $120 million investment and manufacturing facility, which the company predicts will be a $120 million investment and employ 400 highly trained technicians initially, doubling that figure within five years. A "One Stop Capital Shop" will be set up with the relocation of three existing Small Business Development Centers that will include a mobile unit to "circuit ride" the area of northwest Mississippi. Efforts will be made to preserve agriculture as a significant element of economic development; the Alliance will continue to explore opportunities for local processing of products and promote diversification.

Community Building - The plan includes a major focus on development activities that will assist in improving race relations within the Zone. Community cooperation will be increased by activities of the South Delta and North Central Planning and Development Districts, local and county governments and the four-year universities. Activities such as sponsoring lectures, seminars and workshops on multi-county collaboration will be conducted.

Sustainable Economic And Community Development - To maintain and improve local and county governments, the Alliance, with the South Delta and the North Central Planning and Development Districts and the Stennis Institute of Government, will provide training and technical assistance programs for local and county officials on topics including: grant writing, quality assurance and program evaluation techniques and office and financial management.

Institutions of higher leaning intend to collaborate with the Delta Council and industrial development organizations to access the National Information Infrastructure Initiative to facilitate the development of a fiber optic telecommunications network with nodes at the USDA Research Station at Stoneville and institutions of higher learning.

MAJOR PUBLIC SECTOR COMMITMENTS

Applicant estimates that almost $136 million in cash, credit and in-kind services is committed to the Zone over a ten year period.

Local Government Resources: Local colleges and universities would contribute $ 217,560 toward the Delta One Stop Capital Shop operations.

State Government Resources: State to match $5 million for the construction of an adult vocational-technical training facility.

Federal Government Resources:
* SBA $77,000 for a One Stop Capital Shop, $80,000 for a business information center.
* USDA $440,000 for a business incubator demonstration project.
* HHS Public Health Service more than $1 million for two rural health grants.
* Corporation for National Service $94,000 for the Delta Volunteers program.
* National Science Foundation $22,000 for NSFNET linkage.

MAJOR PRIVATE SECTOR COMMITMENTS

The Cleveland-Bolivar Chamber of Commerce: currently negotiating with a large manufacturer to open a new site in the Zone, capital investment will be approximately $120 million.

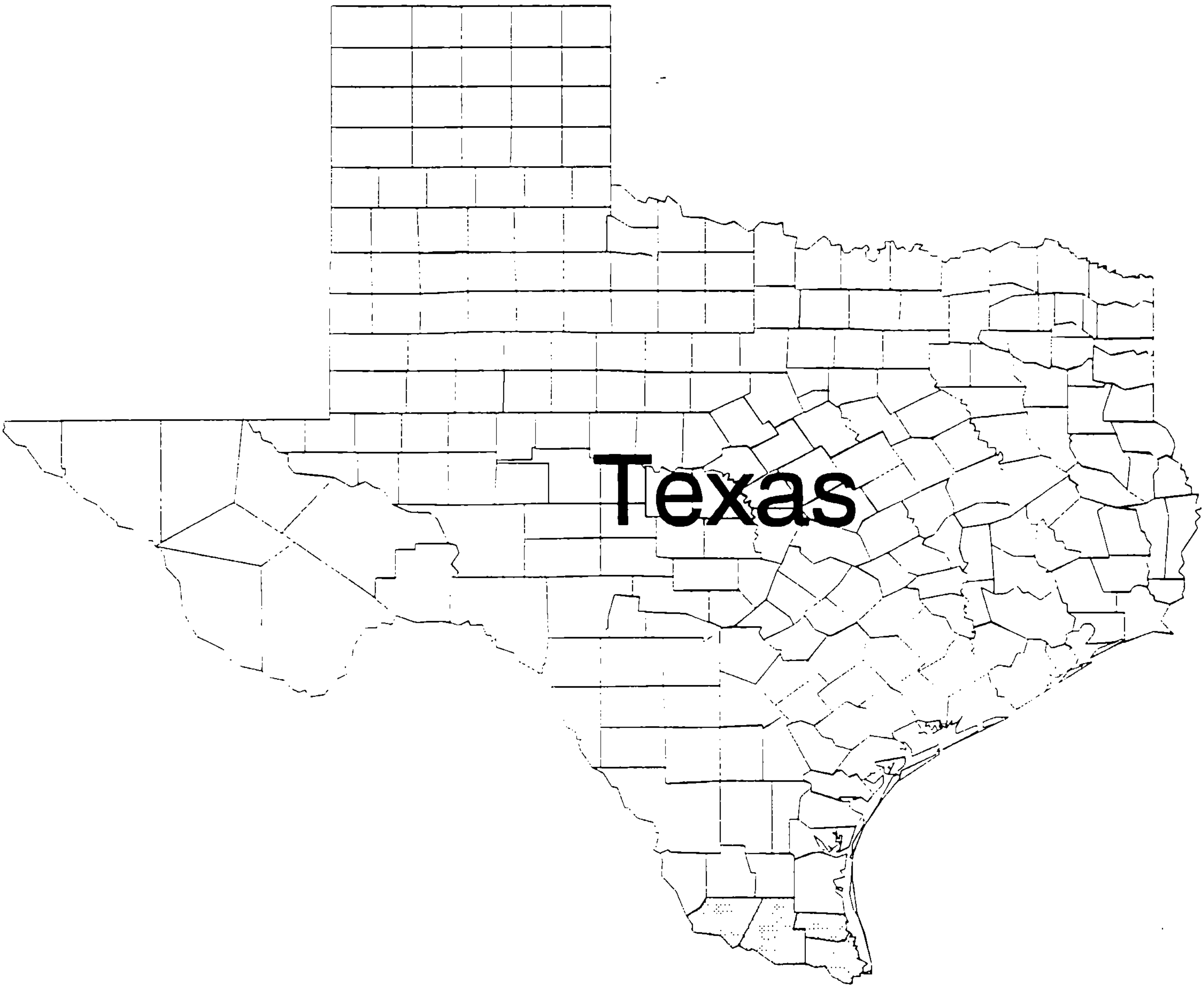
Chamber of Commerce: will allocate $5 million for construction and operation of an adult vocational-technical training facility.

RURAL EMPOWERMENT ZONES/ENTERPRISE COMMUNITIES
APPROVED FEDERAL FUNDING

Mid-Delta

Agency/Request	Approved	Amount
HUD - Delta Foundation, CDC	Y	$300,000
SBA - One Stop Shop	Y	$77,000
NSF - Connect Delta State University to NSFNET	Y	$22,827

Rio Grande Valley



RIO GRANDE VALLEY EMPOWERMENT ZONE

State: Texas
Counties: Starr, Cameron, Hidalgo and Willacy

Zone Population: 29,859
Zone Area : 227 square miles
- **Poverty Rate**: Average poverty rate is 52%
- **Unemployment Rate**: 30%
- **Per Capita:** $6,000
- **Education:** Over 53% of residents lack a high school diploma

OVERVIEW

The Rio Grande Valley is land bordered on the south by the Rio Grande River and Mexico and on the east by the Gulf of Mexico. The Valley has a predominately Hispanic population with more than 42.18% of the population living below poverty creating the most impoverished conditions in the nation. Approximately 80% of the population live in crowded and substandard housing.

The Rio Grande Valley, home to 701,888 people includes the four southern counties in Texas. This area is noted for its fertile farm land and mild climate where cash crops and livestock are raised throughout the year, but less than 5% of the local jobs are in agriculture. Jobs do exist but the regional workforce does not have the skills necessary to take these positions. Hundreds of nurses and teachers are recruited from other areas in the US and abroad to fill positions. Commitments made in NAFTA will create additional jobs. There are openings for Engineering Technicians, Paralegals, Public Safety Officers, Diesel Mechanics, Machinists, Electricians, Emergency Medical Technicians, Drafters, Secretaries, Child Care Workers, Machine Operators, Carpenters, Plumbers.

The Center for Entrepreneurship and Economic Development at the University of Texas-Pan American will serve as a catalyst for business and economic development, job creation and income growth. The Center will provide a broad range of educational and technical assistance activities targeted to business and economic growth.

Vision Statement: "To be a prosperous region with quality communities, have a skilled workforce employed in sustainable jobs paying livable wages and offer equal opportunity for all citizens."

The objectives of the strategic plan are to:

- Improve the quality of life for all citizens and provide opportunities to discourage an "exodus" from the area.
- Increase literacy levels, identify real jobs, and develop corresponding training to satisfy the required skills for these jobs;
- Build new collaborative efforts and partnerships Initiate regional business development: lower barriers, maximize use of existing public and private resources and programs; and
- Improve access to quality housing and health care.

Community based partnerships include: The University of Texas at Brownsville, Texas; Southernmost College, University of Texas/Pan American, Texas State Technical School, Texas A&M Extension Service, and South Texas Community College.

KEY ACTIVITIES AND PROJECTS

Economic Opportunity--The University of Texas-Pan American will serve as a catalyst for business and economic development, job creation and income growth. C.E.E.D counsels entrepreneurs on business development. Incorporated into the strategic plan, C.E.E.D will assist businesses to acquire capital resources for start-up and expansions.

The ADVANCE Program and PROJECT QUEST--a state initiative will assist the zone of training and job placement. A significant portion of the budget is dedicated to training--including a 2-year program which will significantly improve the skills of residents in depressed communities and provide high quality jobs with livable wages.

Community Building--Jobs already exist in this area, but the residents of the distressed area are not sufficiently trained to become gainfully employed. The plan incorporates "big time" training, job placement, and assistance with business development so that this population can become active in the workforce.

Sustainable Economic And Community Development-The plan offers solutions to improve health care through a Licensed Visiting Nurse Program. Other initiatives include: transportation services and infrastructure improvements (including water and sewer) capable of linking residential environments, commercial areas and social/recreational centers; family and youth support; insurance for empowerment zone businesses (bonding and comprehensive insurance coverage) police, fire & emergency response; crime prevention; and housing programs to eliminate Colonias structure.

It should be noted that the state is committed to planned highway improvements totalling over $150 million, over a ten year period, that will be spent either within the Empowerment Zone, and its contiguous planning area or elsewhere that will provide improved mobility to or from major areas of education, employment, retail and services.

The plan includes quantitative performance measures with some flexibility as planning and implementation proceed.

MAJOR PUBLIC SECTOR COMMITMENTS:

Local Government Resources: $11 million

The Colonias are of special concern in the area. Local funds will be used along with federal funds to attack the problem of Colonias. The plan advocates real home ownership (mortgages) and seeks to inform the community of housing opportunities, rehabilitation, rental, lease and single family housing.

State Government Resources: $18.2 million

Business development, including, a Microbusiness Program, the CEED Program, and job support services will be funded using a variety of SSBG, state and federal funds.

Texas EDAP committed $18.2 Million for the Colonia problem.

Federal Government Resources: $40,001,181 from the SSBG

Planned promotional efforts and improvements in infrastructure will spur interest from outside developers.

Federal funds will be used for infrastructure (about 35% of the EZ budget). Federal funds will also be used to support housing initiatives (25%), a health care network and campaign to attract health care professionals to the area.

PRIVATE SECTOR COMMITMENTS: $330,000
Highlights: Nations Bank contributed $10,000 to help raise the $330,000 needed to finance the application process.

Signed pledges were included in the application. These pledges are composed mostly of Valley

Clinton Presidential Records
Digital Records Marker

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a tabbed divider. Given our digitization capabilities, we are sometimes unable to adequately scan such dividers. The title from the original document is indicated below.

Divider Title: AGENCY WAIVERS

URBAN EMPOWERMENT ZONES / ENTERPRISE COMMUNITIES

FEDERAL AGENCY WAIVER RESPONSE COMPILATION

	# of Requests	*# of Responses*	*Positive Responses*	*Negative Responses*	*Pending Responses*
ADVISORY CNCL ON HISTORIC PRESERVATION	3	3	0	2	1
DEPT OF COMMERCE	18	7	3	4	11
DEPT OF DEFENSE	3	1	1	0	2
DEPT OF INTERIOR	3	1	0	1	2
DEPT OF JUSTICE	12	1	0	0	12
DEPT OF LABOR	181	123	45	75	61
DEPT OF TRANSPORTATION	19	17	11	6	2
DEPT OF EDUCATION	43	35	20	15	8
IVIRONMENTAL PROTECTION AGENCY	58	30	16	14	28
FEDERAL EMERGENCY MANAGEMENT AGENCY	2	2	0	1	1
GENERAL SERVICES ADMINISTRATION	2	1	0	0	2
DEPT OF HEALTH AND HUMAN SERVICES	234	122	71	37	126
DEPT OF HOUSING AND URBAN DEVELOPMENT	463	243	94	133	236
NATIONAL ENDOWMENT FOR THE ARTS	7	7	4	3	0
OFFICE OF MANAGEMENT AND BUDGET	4	3	3	0	1
SMALL BUSINESS ADMINISTRATION	49	39	23	14	12
DEPT OF THE TREASURY	24	18	2	16	6
UNITED STATES DEPT OF AGRICULTURE	13	6	1	5	7
RAND TOTALS	**1138**	**659**	**294**	**326**	**518**

URBAN EMPOWERMENT ZONES / ENTERPRISE COMMUNITIES

FEDERAL AGENCY WAIVER RESPONSE SUMMARY

UNITED STATES DEPT OF AGRICULTURE

(USDA)

Total Number of Waiver Requests:	13
Total Number of Responses Received:	6
Total Number of Positive Responses:	1
Total Number of Negative Responses:	5
Total Number of Pending Responses:	7

URBAN EMPOWERMENT ZONES / ENTERPRISE COMMUNITIES

FEDERAL AGENCY WAIVER RESPONSE SUMMARY

DEPT OF COMMERCE

(DOC)

Total Number of Waiver Requests:	18
Total Number of Responses Received:	7
Total Number of Positive Responses:	3
Total Number of Negative Responses:	4
Total Number of Pending Responses:	11

URBAN EMPOWERMENT ZONES / ENTERPRISE COMMUNITIES

FEDERAL AGENCY WAIVER RESPONSE SUMMARY

DEPT OF DEFENSE

(DOD)

Total Number of Waiver Requests:	3
Total Number of Responses Received:	1
Total Number of Positive Responses:	1
Total Number of Negative Responses:	0
Total Number of Pending Responses:	2

URBAN EMPOWERMENT ZONES / ENTERPRISE COMMUNITIES

FEDERAL AGENCY WAIVER RESPONSE SUMMARY

DEPT OF EDUCATION

(ED)

Total Number of Waiver Requests:	43
Total Number of Responses Received:	35
Total Number of Positive Responses:	20
Total Number of Negative Responses:	15
Total Number of Pending Responses:	8

URBAN EMPOWERMENT ZONES / ENTERPRISE COMMUNITIES

FEDERAL AGENCY WAIVER RESPONSE SUMMARY

DEPT OF HEALTH AND HUMAN SERVICES

(HHS)

Total Number of Waiver Requests:	234
Total Number of Responses Received:	122
Total Number of Positive Responses:	71
Total Number of Negative Responses:	37
Total Number of Pending Responses:	126

URBAN EMPOWERMENT ZONES / ENTERPRISE COMMUNITIES

FEDERAL AGENCY WAIVER RESPONSE SUMMARY

DEPT OF HOUSING AND URBAN DEVELOPMENT

(HUD)

Total Number of Waiver Requests:	463
Total Number of Responses Received:	243
Total Number of Positive Responses:	94
Total Number of Negative Responses:	133
Total Number of Pending Responses:	236

URBAN EMPOWERMENT ZONES / ENTERPRISE COMMUNITIES

FEDERAL AGENCY WAIVER RESPONSE SUMMARY

DEPT OF INTERIOR

(DOI)

Total Number of Waiver Requests:	3
Total Number of Responses Received:	1
Total Number of Positive Responses:	0
Total Number of Negative Responses:	1
Total Number of Pending Responses:	2

URBAN EMPOWERMENT ZONES / ENTERPRISE COMMUNITIES

FEDERAL AGENCY WAIVER RESPONSE SUMMARY

DEPT OF JUSTICE

(DOJ)

Total Number of Waiver Requests:	12
Total Number of Responses Received:	1
Total Number of Positive Responses:	0
Total Number of Negative Responses:	0
Total Number of Pending Responses:	12

URBAN EMPOWERMENT ZONES / ENTERPRISE COMMUNITIES

FEDERAL AGENCY WAIVER RESPONSE SUMMARY

DEPT OF LABOR

(DOL)

Total Number of Waiver Requests:	181
Total Number of Responses Received:	123
Total Number of Positive Responses:	45
Total Number of Negative Responses:	75
Total Number of Pending Responses:	61

URBAN EMPOWERMENT ZONES / ENTERPRISE COMMUNITIES

FEDERAL AGENCY WAIVER RESPONSE SUMMARY

DEPT OF TRANSPORTATION

(DOT)

Total Number of Waiver Requests:	19
Total Number of Responses Received:	17
Total Number of Positive Responses:	11
Total Number of Negative Responses:	6
Total Number of Pending Responses:	2

URBAN EMPOWERMENT ZONES / ENTERPRISE COMMUNITIES

FEDERAL AGENCY WAIVER RESPONSE SUMMARY

DEPT OF THE TREASURY

(TREAS)

Total Number of Waiver Requests:	24
Total Number of Responses Received:	18
Total Number of Positive Responses:	2
Total Number of Negative Responses:	16
Total Number of Pending Responses:	6

URBAN EMPOWERMENT ZONES / ENTERPRISE COMMUNITIES

FEDERAL AGENCY WAIVER RESPONSE SUMMARY

ENVIRONMENTAL PROTECTION AGENCY

(EPA)

Total Number of Waiver Requests:	58
Total Number of Responses Received:	30
Total Number of Positive Responses:	16
Total Number of Negative Responses:	14
Total Number of Pending Responses:	28

URBAN EMPOWERMENT ZONES / ENTERPRISE COMMUNITIES

FEDERAL AGENCY WAIVER RESPONSE SUMMARY

FEDERAL EMERGENCY MANAGEMENT AGENCY

(FEMA)

Total Number of Waiver Requests:	2
Total Number of Responses Received:	2
Total Number of Positive Responses:	0
Total Number of Negative Responses:	1
Total Number of Pending Responses:	1

URBAN EMPOWERMENT ZONES / ENTERPRISE COMMUNITIES

FEDERAL AGENCY WAIVER RESPONSE SUMMARY

GENERAL SERVICES ADMINISTRATION

(GSA)

Total Number of Waiver Requests:	2
Total Number of Responses Received:	1
Total Number of Positive Responses:	0
Total Number of Negative Responses:	0
Total Number of Pending Responses:	2

URBAN EMPOWERMENT ZONES / ENTERPRISE COMMUNITIES

FEDERAL AGENCY WAIVER RESPONSE SUMMARY

NATIONAL ENDOWMENT FOR THE ARTS

(NEA)

Total Number of Waiver Requests:	7
Total Number of Responses Received:	7
Total Number of Positive Responses:	4
Total Number of Negative Responses:	3
Total Number of Pending Responses:	0

URBAN EMPOWERMENT ZONES / ENTERPRISE COMMUNITIES

FEDERAL AGENCY WAIVER RESPONSE SUMMARY

OFFICE OF COMPTROLLER OF CURRENCY

(OCC)

Total Number of Waiver Requests:	2
Total Number of Responses Received:	2
Total Number of Positive Responses:	0
Total Number of Negative Responses:	2
Total Number of Pending Responses:	0

URBAN EMPOWERMENT ZONES / ENTERPRISE COMMUNITIES

FEDERAL AGENCY WAIVER RESPONSE SUMMARY

OFFICE OF MANAGEMENT AND BUDGET

(OMB)

Total Number of Waiver Requests:	4
Total Number of Responses Received:	3
Total Number of Positive Responses:	3
Total Number of Negative Responses:	0
Total Number of Pending Responses:	1

URBAN EMPOWERMENT ZONES / ENTERPRISE COMMUNITIES

FEDERAL AGENCY WAIVER RESPONSE SUMMARY

SMALL BUSINESS ADMINISTRATION

(SBA)

Total Number of Waiver Requests:	49
Total Number of Responses Received:	39
Total Number of Positive Responses:	23
Total Number of Negative Responses:	14
Total Number of Pending Responses:	12

URBAN EMPOWERMENT ZONES / ENTERPRISE COMMUNITIES

FEDERAL AGENCY WAIVER RESPONSE SUMMARY

ADVISORY CNCL ON HISTORIC PRESERVATION

(ACHP)

Total Number of Waiver Requests:	3
Total Number of Responses Received:	3
Total Number of Positive Responses:	0
Total Number of Negative Responses:	2
Total Number of Pending Responses:	1

Clinton Presidential Records
Digital Records Marker

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a tabbed divider. Given our digitization capabilities, we are sometimes unable to adequately scan such dividers. The title from the original document is indicated below.

Divider Title: IMPLEMENTATION PLAN

THE EMPOWERMENT INITIATIVE IMPLEMENTATION PLAN

The Empowerment Initiative will succeed only if the CEB maintains the extraordinary level of interagency cooperation that has been achieved during the selection phase of the Initiative.

The implementation process must achieve three primary goals:

- First, coordinate interdepartmental cooperation and maximize the involvement of decision-makers at the highest levels of the domestic federal agencies, ensuring that these key agencies are continuously and thoroughly engaged in the vital aspects of the Empowerment Initiative;

- Second, consolidate and streamline the HUD and USDA implementation plans, minimizing to the greatest extent possible the need for full-time personnel from CEB agencies;

- Third, under the overall direction of the Office of the Vice President, the CEB and the White House Oversight Team, assign the bulk of the routine day-to-day staff work to the interagency EZ/EC Task Force.

To accomplish these three goals, the implementation process will be made up of the following essential components:

- ***The Community Enterprise Board***

Each Cabinet Member will play an important, active and ongoing role in the implementation of the Empowerment Initiative. Cabinet Members will support the EZs and ECs through federal program funding commitments, positive decisions on waiver requests, visits to designated areas to promote the Initiative, and responsibility for major implementation projects in the EZs and ECs.

The Empowerment Initiative Working Group, composed of executives with decision-making authority from the agencies of the CEB, will meet as often as necessary, and no less than once every two weeks. The Working Group, under the direction of the Vice President and the CEB, will be responsible for overall policy direction, for review of the White House Oversight Team, and for ensuring that all federal agencies are quickly responsive to the needs of the EZs and ECs. Working Group members must have the power to engage their agencies fully throughout the implementation process and to force key decisions on waivers, federal program funding, and other key inter-agency issues.

- ***The White House Oversight Team***

The White House Oversight Team will be composed of approximately six high-level executives assigned or detailed from the various CEB agencies. The White House Team will have four primary objectives:

- *Facilitate Interagency Cooperation:* The White House Oversight Team will ensure that the highest possible degree of cooperation and coordination exists among the departments of the CEB.

- *Engage CEB Members and Federal Agencies:* The White House Team will assist the Cabinet Secretaries of the CEB and federal agencies as they continue vigorously to implement the President's Empowerment Initiative. The involvement of the Cabinet Secretaries will range from the supervision of important initiatives within the Empowerment Zones to targeted visits and work on behalf of the Enterprise Communities. The White House Team will be charged with encouraging, coordinating and facilitating this effort.

- *Promote of the Empowerment Initiative:* The White House Team will be primarily responsible for coordinating the promotion of the Empowerment Initiative.

- *Monitor and Assist Implementation:* The White House Team will be responsible for overall monitoring of the day-to-day operations of the Empowerment Initiative.

- *The Empowerment Task Force*

The Task Force will conduct the day-to-day operations of the Empowerment Initiative. The Vice President intends to continue the EZ/EC Task Force throughout the Empowerment Initiative implementation process. Both HUD and USDA have been instructed to jointly manage the Task Force and to consolidate the urban and rural implementation systems to the greatest possible extent.

The agencies of the CEB must continue their active participation on the EZ/EC Task Force. Each of the agencies of the CEB is therefore being asked to devote three full-time staff members to this joint HUD/USDA Task Force. Agencies are free to select the staff members who will participate; agencies are also free to rotate participating staff members in and out of the Task Force over the next two years.

The President's Empowerment Initiative will succeed only if every federal agency remains fully engaged. Every agency's continued participation on the EZ/EC Task Force will symbolize the Administration's commitment to changing old ways of doing business.

PRESIDENT CLINTON ANNOUNCES DESIGNATION OF MORE THAN 100 EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES

Wednesday, December 21, 1994

Moving to restore economic opportunity to America's distressed neighborhoods and enable communities to take responsibility for their own futures, President Clinton will today announce the designation of more than 100 Empowerment Zones (EZs) and Enterprise Communities (ECs). The President, joined by the Vice President, will notify 15 of the designated communities via a telephone call from the Oval Office. The President and Vice President will then proceed to OEOB 450 to announce the entire list of designees and deliver remarks.

Nine Empowerment Zones - six urban (Atlanta, GA; Baltimore, MD; Chicago, IL; Detroit, MI; New York, NY; Philadelphia, PA/Camden, NJ) ; and three rural (Kentucky Highlands, KY; Mid-Delta, MS; Rio Grande Valley, TX) - will be designated. Each urban zone will receive $100 million in flexible social service block grants and tax breaks for zone businesses; each rural zone will receive $40 million in assistance and tax breaks.

The President will also announce the designation of two Supplemental Empowerment Zones -- Los Angeles, CA and Cleveland, OH -- which will receive economic development grants through the Department of Housing and Urban Development. Los Angeles will receive $125 million in grants, Cleveland will receive $90 million.

In addition, the President will name 95 Enterprise Communities -- designated to receive $3 million each in social service block grants and tax exempt bond financing for EC businesses -- and four Enhanced Enterprise Communities. A full list of EC designees is attached. The four Enhanced ECs -- Boston, MA; Houston, TX; Kansas City, KS/Kansas City/MO; and Oakland, CA -- will receive a total of $25 million each in economic development grants and social service grants.

The urban EZs and ECs were selected by Housing and Urban Development Secretary Henry Cisneros; the rural EZs and ECs were selected by Agriculture Secretary Mike Espy.

BACKGROUND ON PRESIDENT CLINTON'S EMPOWERMENT ZONE/ENTERPRISE COMMUNITY INITIATIVE

President Clinton's Empowerment Zone/Enterprise Community initiative represents a new way of doing business for the federal government. This approach recognizes that communities know their own needs and is based on a pact between the federal government and each EZ/EC community whereby:

The federal government, working across agency lines and in a new partnership with state and local government and the private sector, will provide distressed communities with the tools they need and the flexibility they desire, in the form of block grants, tax breaks and waivers.

In return, EZ/EC communities - residents, community leaders, businesses, state and local governments and schools - must demonstrate that they are taking responsibility for their own futures by developing and implementing a plan to utilize these tools.

The EZ/EC program was established in the Omnibus Budget Reconciliation Act of 1993. Under the program, HUD is authorized to designate six urban EZs and 65 ECs, USDA is authorized to designate three rural EZs and 30 rural ECs. In September, 1993, President Clinton established the Community Enterprise Board to assist HUD and USDA in implementing the program. *Fact sheets on the EZ/EC program, on public-private partnerships, on assistance to non-designees and on the EZ/EC application process are attached.*

ANNOUNCEMENT CALL BY THE PRESIDENT AND VICE PRESIDENT

The President and Vice President will notify 15 communities of their selection via telephone calls to their respective mayors or other designated officials. The call will be closed press, but video will be made available via satellite and audio of the calls will be available on the mults and PA of the White House Press Briefing Room.

The President and Vice President are expected to call the following officials:

Urban Empowerment Zones

Atlanta Mayor Bill Campbell, Baltimore Mayor Kurt Schmoke, Chicago Mayor Richard Daley, Detroit Mayor Dennis Archer, New York City Mayor Rudolph Guiliani, Philadelphia Mayor Ed Rendell and Camden Mayor Arnold Webster

Urban Supplemental Zones

Cleveland Mayor Mike White and Los Angeles Mayor Richard Riordan

Urban Enhanced Communities

Boston Mayor Thomas Menino, Houston Mayor Bob Lanier, Oakland Mayor Elihu Harris, Kansas City, KS Mayor Joseph Steineger and Kansas City, MO Mayor Emanuel Cleaver

Rural Empowerment Zones

Kentucky Highlands - Official TBA, Mid-Delta Region, MS - Official TBA, The Rio Grande Valley - Official TBA

FACT SHEET: EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES

Selection of EZs and ECs were based on a community's ability to satisfy four fundamental principles:

- **Economic Opportunity**: Creating jobs, attracting private partnerships and training residents for new job opportunities.
- **Sustainable Community Development:** Promoting physical and human development - such as safe streets, clean air and water, lifelong learning and a commitment to personal, family and civic responsibility - as part of a long-term strategy of economic development.
- **Community-Based Partnerships**: A strategic plan must involve the entire community, including residents, community groups, private and non-private sectors, education and religious institutions and local and state governments.
- **Strategic Vision for Change:** There must be a strategic map that coordinates a response to the needs of a community by integrating economic, physical, human and other strategies.

Summary of Federal Incentives: The federal incentives offered are: (1) tax incentives; (2) flexible block grants; (3) waivers and flexibility with existing federal resources; and (4) priority consideration for discretionary federal programs.

Overcoming Federal Barriers: A primary goal of this initiative is to renew the commitment for cooperation among the federal, state and local governments. On September 9, 1993, the President issued a Presidential memorandum creating the Community Enterprise Board (CEB) and directing 13 agency members of the Board to identify federal programs that should be coordinated in the EZ/EC initiative and to respond to the waiver requests of all EZ/EC applicants. More than 1200 waiver requests were received and are being processed. The CEB will work with all communities that have submitted a strategic plan for change -- even if they are not designated as an EZ or EC -- to overcome programmatic, regulatory and statutory impediments and encourage more effective economic, human, physical, environmental and community development strategies.

Tax Incentives: The program provides for approximately $2.5 billion in new tax incentives. Both EZs and ECs are eligible for new tax-exempt facility bonds for certain private business activities. Businesses located in EZs will also be afforded an employer wage credit of up to $3,000 per year per employee for wages and training expenses for employees who both work and live in the zone. Zone businesses will also be afforded additional Section 179 expensing deductions for plant and equipment of up to $20,000 (for an annual total of up to $37,500).

Social Services Block Grants: The EZ/EC program includes $1 billion in flexible social services block grant (SSBG) funds that can be used to promote economic self-sufficiency and reduce dependency. In EZs, designated areas will receive $100 million for each urban zone and $40 million for each rural zone for approved activities identified in their strategic plans. Each EC will receive approximately $3 million in grant funds.

HUD Supplemental Economic Development Grants: In order to enable more communities to implement their strategic plans, HUD will utilize grants, under the Economic Development Initiative (EDI), ranging from $25 million to $125 million to create two supplemental empowerment zones and four enhanced enterprise communities. The grants will enable communities to provide financing for economic development, housing rehabilitation and essential development projects that best meet their needs.

Additional Federal Programs: The Community Enterprise Board identified approximately $3 billion in additional federal programs that further the goals of the EZ/EC initiative and EZ/EC applicants received technical assistance and/or priority consideration in competing for these funds. Where EZs and ECs offered viable, competitive strategies in support of their overall strategic vision, additional grants were made. Designated EZs and ECs will continue to receive such technical assistance and priority consideration during the 10-year initiative.

Clinton-Empowerment Zones,600
Clinton Pledges $3.5 Billion to Aid 106 Cities and Rural Areas

WASHINGTON (AP) President Clinton pledged up to $3.5 billion in grants and tax breaks to 106 distressed cities and rural areas Wednesday. The money is to help them revive their economies and create jobs with local energy and ideas.

The communities were selected from among 520 that entered the government's competition to become ``empowerment zones'' or ``enterprise communities'' qualifying for extra help from Washington. The aid will be available over the next five years.

The biggest winners were nine communities designated as ``empowerment zones,'' six of them urban areas and three of them rural.

The urban zones Atlanta, Baltimore, Chicago, Detroit, New York and Philadelphia-Camden, N.J. will receive $100 million each in flexible social services grants, as well as tax breaks for businesses.

The rural zones Kentucky Highlands, Mid-Delta in Mississippi, and Texas' Rio Grande Valley will receive $40 million each in assistance, as well as tax breaks.

Clinton also announced:

``Supplemental Empowerment Zones'' in Los Angeles and Cleveland that will receive economic development grants through the Department of Housing and Urban Development. Los Angeles will get $125 million in grants; Cleveland will get $90 million. These zones do not get new tax breaks.

Ninety-five ``Enterprise Communities,'' 60 of them urban and 35 of them rural. They will receive $3 million each in social service block grants and tax-exempt bond financing for businesses.

Four of the ``Enterprise Communities'' are ``Enhanced Enterprise Communities'' Boston, Houston, Oakland, Calif., and Kansas City, both in Missouri and Kansas. Each gets $25 million in economic development and social services grants.

Clinton said the communities would use the federal help to leverage local dollars and maximize grassroots efforts to boost their economies.

``We have got to rely on the energy and the capacity of people to work at the community level, where, frankly, they work in a far less partisan atmosphere than we have worked in Washington, where people deal with human problems in a human way,'' Clinton said in announcing the program.

But Republican Jack Kemp, one of the pioneers of the enterprise zone idea, said Clinton's ``rhetoric is familiar but the results are a rather pale imitation.'' Kemp, a potential 1996 presidential contender, said Clinton's plan was a ``timid'' proposal that would do little to stimulate new jobs or entrepreneurship.

``I think it's going to be very disappointing to a lot of people,'' said Kemp, a former housing secretary and congressman.

Each community came up with its own ideas on how it could use federal help to create jobs. Atlanta, for example, wants to create ``urban villages'' in needy areas by promoting more home-based businesses, job training and better access to health, housing and other services.

Detroit, for another, wants to revitalize abandoned or under-used plants, improve child-care and job-training opportunities, and create more jobs in auto companies, health care, and financial institutions.

On the rural side, Mississippi's Mid-Delta region formed an alliance of the Delta Council, an association of large land owners, and the Delta Foundation, a group that grew out of the civil rights movement. The alliance wants to promote vocational training, focus on development projects that improve race relations and attract new plants.

Clinton linked up with leaders of 15 of the selected communities in a conference call Wednesday just before he announced the full list of grants.

``We're going to give a lot of people jobs and opportunities that don't have it,'' he said.

APNP-12-21-94 1556EST

Copyright (c) 1994 The Associated Press
Received by NewsEDGE/LAN: 12/21/94 3:56 PM

FACT SHEET: LOCAL AND PRIVATE SECTOR PARTICIPATION

Across the country, from the Mississippi Delta to Detroit, the existence of a common goal has brought together diverse groups that rarely, if ever, cooperated in the past. Many communities have for the first time developed a comprehensive approach to economic revitalization that encompasses both capital formation strategies and the provision of social services, such as child care, job training, education and health care. In short, all the applicants are winners.

> "Whether or not Houston wins an empowerment zone designation, the participation of a wide variety of community players to prepare the application will result in on-going discussions. ... ***The process has brought people together who had never worked with each other before.*** " Judy Butler, aide to Mayor Bob Lanier (Houston Chronicle, May 28, 1994)

> "It [the application process] also illustrates that the media's constant focus on Chicago's very real neighborhood problems masks significant physical and human assets in these same communities. . Linking these neighborhood leaders with the resources necessary to act on their plans must be a priority in the future. . . . In many respects. ... ***Chicago is already a winner. The empowerment zone process is a strong statement that meaningful city government-neighborhood planning can work in Chicago.*** " Thomas Lenz, Local Initiatives Support Corporation and member of Chicago's Empowerment Zone Coordinating Council (Chicago Tribune, May 23, 1994)

Examples of Private-Sector Commitment:

- In Detroit, more than $2 billion in private sector commitments have been pledged. Major automobile companies will train and hire EZ residents. Growing industries will locate and expand in the Detroit zone. Banks will invest more than $1 billion in homeownership and small business. Lawyers and accountants will donate their services to start-up businesses.

- Baltimore's plan leverages $8 in outside resources for every $1 of federal funds. Six local banks have committed over $50 million for a variety of business and residential loans to the targeted zone. Seven foundations have committed 1% of the value of their assets each for the next 5 years for zone.

- In St. Louis, major corporations have pledged to hire more than 3000 residents in low-income neighborhoods over 10 years.

- In Boston, seven banks have committed $5 million each for commercial lending in the proposed zone and will provide $625,000 for minority and small business technical assistance. Boston Edison will offer deep utility discounts to new businesses that commit to employ zone residents.

- In Kentucky, the Kentucky Highlands Investment Corporation has attracted $33 million in commitments from state and local banks to create the Development Venture Capital fund and $11 million from local banks for free-range chicken farming.

EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES
Commitments to Non-Designated Communities

The Clinton Administration is determined to continue working with communities that do not receive EZ or EC designations. We will attempt to grant their waiver and program funding requests. We will provide technical assistance to help them implement their strategic visions. And, working through the Community Enterprise Board (CEB), we will work to reinvent the relationship between the federal government and local communities.

Immediate Contacts: Members of the HUD and USDA EZ/EC Task Force -- an interagency team comprise of approximately 50 officials from the 13 federal agencies represented on the CEB will be contacting non-designated communities to inform them about plans for future assistance.

Waivers and Federal Program Funding Requests: All communities will receive decisions on waivers and federal program funding requests that they submitted in their EZ/EC applications, whether or not they receive designations. Where legally permissible, the CEB will attempt to ensure that all EZ and EC applicants receive priority consideration for funding requests submitted in their strategic plans.

Technical Assistance: The EZ/EC Task Force will maintain a permanent unit charged with outreach to non-designated communities. HUD will also enter into a $2 million annual contract with expert advisers who will assist non-designated communities in strategic plan components such as economic development, community participation and integrated service delivery. In addition, to assist all applicants and distressed communities, HUD and USDA will publish a 1995 guide to federal programs.

Commitments from Third Parties: The Community Enterprise Board and the EZ/EC Task force will be reaching out to interested third parties -- such as foundations, academic institutions and national business organizations -- to work on special projects that can help all EZ/EC applicants successfully implement their strategic plans. Ideas for special projects include assistance with linking communities to electronic networks so that communities can access information on best practices, programs and sources of additional assistance, publishing a best practices casebook and sponsoring regional technical assistance conferences for EZ/EC applicants.

EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES: The Application Process

Background: After a nationwide competition that attracted 520 applications, 104 communities are receiving designations either as an empowerment zones (EZs) or an enterprise communities (EC). In order to apply, communities had to meet certain eligibility criteria regarding size, poverty, unemployment and general distress. They had to be nominated by their states and local governments. And, they had to submit strategic plans developed with the input of community residents that described the community's vision for the future and explains how the vision would be implemented. Communities were given six months to develop their strategic plans.

Designating Secretaries: Secretary Cisneros of HUD is designating 6 urban empowerment zones, 2 urban supplemental zones, and 65 urban enterprise communities (4 of which are enhanced with additional economic development grants). Secretary Espy of USDA is designating 3 rural empowerment zones and 30 rural enterprise communities.

Key Evaluation Principles: The strategic plan served as the foundation for each community's applications. They were judged on the basis of four key principles: economic opportunity, sustainable community development, community-based partnerships, and strategic vision for change.

Number of Applications: By June 30, 1994, the application deadline, HUD and USDA received a total of 520 applications. HUD received 74 urban EZ and 219 urban EC applications. USDA received 88 rural EZ and 139 rural EC applications.

Review Process: An interagency review team of over 100 federal executives from the agencies of the Community Enterprise Board (CEB) thoroughly analyzed the urban and rural EZ and EC applications. The interagency team reviews resulted in extensive written and oral presentations to separate review panels set up at HUD and USDA. Review panels considered the input of the federal agencies regarding application quality, the results of the federal waiver and program funding requests, and additional analysis by the review teams. Using the information provided by the review panels, the Designating Secretaries identified EZ/EC finalists, consulted with members of the CEB on EZ finalists, and announced their proposed designations for EZs and ECs at a meeting of the CEB on December 19, 1994.

Waiver Requests: Approximately 1,138 requests made by urban EZ/EC applicants and 134 request by rural EZ/EC applicants for federal program waivers were distributed to the appropriate federal agencies represented on the CEB. The EZ/EC Task Force will continue to process the waiver requests from each of the EZ and EC applicants, whether or not the applicants receive designations.

Federal Program Funding Requests: Approximately 2,322 requests made by urban EZ/EC applicants for federal program funding have been distributed by the EZ/EC task force to federal agencies. Approximately 466 requests were made by rural EZ/EC applicants. The EZ/EC Task Force will continue to work with designated communities on these requests.

EMPOWERMENT ZONES

URBAN EMPOWERMENT ZONES

Atlanta GA
Baltimore MD
Chicago IL
Detroit MI
New York NY
Philadelphia PA & Camden NJ

URBAN SUPPLEMENTAL ZONES

Los Angeles CA
Cleveland OH

RURAL EMPOWERMENT ZONES

Kentucky Highlands
(Clinton, Jackson, Wayne Counties, KY)

Mid-Delta Mississippi
(Bolivar, Holmes, Humphreys, Leflore Counties, MS)

Rio Grande Valley Texas
(Cameron, Hidalgo, Starr, Willacy Counties, TX)

URBAN ENHANCED ENTERPRISE COMMUNITIES

Boston MA
Houston TX
Kansas City KS -- Kansas City, MO
Oakland CA

URBAN AND RURAL ENTERPRISE COMMUNITIES

STATE	RURAL ECs	URBAN ECs
ALABAMA	Chambers County	Birmingham
	Greene & Sumter Counties	
ALASKA	--	-- [None Eligible]
ARIZONA	Arizona Border Region: Cochise, Santa Cruz & Yuma Counties	Phoenix
ARKANSAS	Mississippi County	Pulaski County
	Eastern Arkansas: Cross, Lee, Monrow & St. Francis County	
CALIFORNIA	Imperial County	Los Angeles (South Central/Huntington Park)
	City of Watsonville: Santa Cruz County	San Diego
		San Francisco (Hunters Point)
COLORADO	--	Denver
CONNECTICUT	--	Bridgeport

STATE	RURAL ECs	URBAN ECs
		New Haven
DELAWARE	--	Wilmington
DISTRICT OF COLUMBIA	--	Washington
FLORIDA	Jackson County	Dade County/Miami
		Tampa
GEORGIA	Crisp & Dooly Counties	Albany
	Central Savannah River Area: Burke, Hancock, Jefferson, McDuffie, Taliaferro & Warren Counties	
HAWAII	--	-- [No Applicants]
IDAHO	--	-- [No Applicants]
ILLINOIS	--	East St. Louis
		Springfield
INDIANA	--	Indianapolis

STATE	RURAL ECs	URBAN ECs
IOWA	--	Des Moines
KANSAS	--	--
KENTUCKY	McCreary County	Louisville
LOUISIANA	Northeast Louisiana Delta: Madison County	New Orleans
	Macon Ridge: Catahoula, Concordia, Franklin, Morehouse & Tensas County	Ouachita Parish
MAINE	--	-- [No Applicants]
MARYLAND	--	--
MASSACHUSETTS	--	Lowell
		Springfield
MICHIGAN	Lake County	Flint
		Muskegon
MINNESOTA	--	Minneapolis
		St. Paul

STATE	RURAL ECs	URBAN ECs
MISSISSIPPI	North Delta: Panola, Quitman & Tallahatchie Counties	Jackson
MISSOURI	City of East Prairie: Mississippi County	St. Louis
MONTANA	--	-- [No Applicants]
NEBRASKA	--	Omaha
NEVADA	--	Clark County/Las Vegas
NEW HAMPSHIRE	--	Manchester
NEW JERSEY	--	Newark
NEW MEXICO	Mora, Taos & Rio Ariba Counties	Albuquerque
NEW YORK	--	Albany
		Buffalo
		Newburgh-Kingston
		Rochester

STATE	RURAL ECs	URBAN ECs
NORTH CAROLINA	Halifax, Edgecombe & Wilson Counties	Charlotte
	Robeson County	
NORTH DAKOTA	--	-- [No Applicants]
OHIO	Greater Portsmouth: Scioto County	Akron
		Columbus
OKLAHOMA	Southeast Oklahoma: Choctaw & McCurtain Counties	Oklahoma City (EZ)
OREGON	Josephine County	Portland
PENNSYLVANIA	City of Lock Haven: Clinton County	Harrisburg
		Pittsburgh
RHODE ISLAND	--	Providence
SOUTH CAROLINA	Williamsburg County & Lake City: Florence & Williamsburg Counties	Charleston
SOUTH DAKOTA	Beadle & Spink Counties	-- [No Applicants]

STATE	RURAL ECs	URBAN ECs
TENNESSEE	Fayette & Haywood Counties	Memphis
	Scott County	Nashville
TEXAS	--	Dallas
		El Paso
		San Antonio
		Waco
UTAH	--	Ogden
VERMONT	--	Burlington
VIRGINIA	Accomack & Northampton Counties	Norfolk
WASHINGTON	Lower Yakima County	Seattle
		Tacoma
WEST VIRGINIA	Central Appalachia: Braxton, Clay, Fayette, Nicholas & Roane Counties	Huntington
	McDowell County	

STATE	RURAL ECs	URBAN ECs
WISCONSIN	--	Milwaukee
WYOMING	--	-- [No Applicants]