cop. ed
Sperling
Echaveste
Streett
Cahill
Podesta
Palmieri

THE PRESIDENT HAS SEEN
10-18-99

THE WHITE HOUSE

WASHINGTON

October 16, 1999

This looks good
Rex [illegible] to [illegible]
BC

MEMORANDUM FOR THE PRESIDENT

FROM: GENE SPERLING
MARIA ECHAVESTE
STEPHANIE STREETT
MARY BETH CAHILL

SUBJECT: NOVEMBER PRESIDENTIAL TRIP TO AMERICA'S NEW MARKETS

BACKGROUND

As you know, you will travel the week of November 3rd across the United States to continue to highlight underserved markets and to bring attention to the need for access to capital in economically distressed areas. Similar to the first New Markets trip in July, you will be joined by a congressional delegation, community leaders, and corporate executives who will make announcements about new private sector investments and initiatives in New Markets. **Our goal on this trip is to highlight meaningful, lasting efforts that can be sustained independent of the New Markets legislation.**

An interagency working group (HUD, Treasury, SBA, Commerce, Labor, Transportation, and USDA) together with White House staff have identified several potential locations and deliverables for the New Markets Tour. After an extensive review of numerous locations, we propose two itinerary options that would allow you to visit five cities, over a three-day period. While we considered locations on the West Coast and in the Pacific Northwest, we would prefer to save these locations for future New Markets travel focused on those regions. The options presented below reflect logistical constraints, such as travel times and press deadlines. Both of these options also allow you to:

- Visit a broad range of communities that reflect the cultural and geographic diversity of the country.
- Highlight numerous private sector investments and initiatives.
- Start each day with the strongest stories and events. We expect media coverage to be focussed principally on the first event of the day, similar to our experience during the July trip.

THE PRESIDENT HAS SEEN
10-18-99

PROPOSED ITINERARY

A more detailed itinerary from Scheduling is attached to this memorandum.

OPTION A:

Wednesday, November 3:	Chicago (Englewood), IL **and** Benton Harbor, MI
Thursday, November 4:	Newark, NJ **and** Hartford, CT
Friday, November 5:	Hermitage, AR

OPTION B:

Wednesday, November 3:	Chicago (Englewood), IL **and** Hartford, CT
Thursday, November 4:	Newark, NJ **and** New York (Brooklyn), NY
Friday, November 5:	Hermitage, AR

SUMMARY OF SITES

PROPOSED MORNING STOPS

1. **Chicago (Englewood), Illinois**

FOCUS: Investing in Inner Cities and BusinessLINC

Background and Potential Deliverables

- Englewood is a distressed community that has been highlighted by Reverend Jesse Jackson and Representative Bobby Rush as an example of a neighborhood that could benefit from the New Markets Initiative.
- Several major corporations are working with Shorebank (one of the country's premier community development organizations) to establish SB Partners, a fund that will invest in New Markets. . You could announce investments of $15.5 million in SB Partners, specifically targeted to inner city investing: $6 million from Bank of America, $4 million from State Farm, $3.5 million from Shorebank and possibly $2 million from Prudential Insurance.
- Congressman Bobby Rush is leading a formal planning process to redevelop the Englewood community. This plan is bringing together major corporations and developers from Chicago to create a blueprint for business and housing development in Englewood. Bank One and Fannie Mae are expected to participate in this effort.

Potential Site Visits and Events

- You could tour the Englewood community and highlight conditions that the New Markets Initiative is designed to address.
- You could highlight the local BusinessLINC (Business Learning, Investment, Networking and Collaboration) chapter operated under a national umbrella partnership led by the Business Roundtable. The Civic Committee of the Commercial Club of Chicago manages the Chicago BusinessLINC Coalition.

- You could participate in a kick-off ceremony to announce a new training partnership with Alliance, a minority owned business. Alliance has several corporate clients, including FedEx, UPS, Coca-Cola, McDonald's, McGraw-Hill and DePaul University as a result of its successful business partnership with Allied Van Lines which illustrates the objectives of BusinessLINC.

Issues to Consider

- The Community Empowerment Board and HUD have raised concerns about negative attention received over the last several years related to federal public housing projects and the Chicago Empowerment Zone. We believe the Empowerment Zone problems can be managed in the same way we were able to manage media for your New Markets visit earlier this year to the Atlanta Empowerment Zone, which had been the subject of negative findings in an Inspector General's report.

2. Newark, New Jersey

FOCUS: Investment by Sports Teams and Organizations in New Markets

Background and Potential Deliverables

- We are exploring an idea with Ray Chambers, from the New York Yankees and New Jersey Nets, of developing on-going and lasting partnerships related to sports organizations and investments in New Markets and/or young people. It is possible that a collaborative effort with sports team owners and/or organizations from around the country could be announced.
- The New Community Corporation (NCC) has plans to announce the Youth Automotive Training Center (YATC), an innovative partnership with Ford Motor Company, Bell Atlantic, and Hillside Auto Mall, to provide at-risk youth job training in automotive careers. NCC is the largest grassroots community development corporation in the United States and was founded in 1968 by residents of Newark Central Ward. Ford will invest $1 million in YATC, which soon will become an official training program and be used as a prototype for community organizations and local dealers to train and certify technicians in urban areas.
- The Urban League of Essex County in Newark, New Jersey is one of four National Urban League affiliates selected to operate a Technology Education and Access Center (TEAC), funded by the Department of Commerce. The TEAC in Newark has 30 personal computers connected to the Internet through an ISDN connection. Classes cover topics from computer literacy to basic Internet skills.
- The Mills Corporation, a developer of large outlet shopping malls (including Potomac Mills in Northern Virginia) hopes to connect several of their large-scale mall developments with existing sports centers. Specifically, Mills is working with the Rockefeller Foundation, the City of Newark, community organizations, and training/employment intermediaries to develop a recruitment, hiring, and retention program for its development near the Meadowlands.

THE PRESIDENT HAS SEEN
10-18-99

Potential Site Visits and Events

- You could lead a tour of a distressed Newark neighborhood where substantial redevelopment efforts are planned. The tour would include the site of a new sports and entertainment facility that will be constructed by Ray Chambers and Lewis Katz. The facility will be used by New Jersey sports teams, as well as for concerts and other entertainment events. Connecting the arena and stadium will be a 100,000 square feet new office complex, a 400-room hotel with dining, and retail and entertainment establishments in close proximity.

3. **Hermitage, Arkansas**

FOCUS: Agricultural Opportunities

Background and Potential Deliverables

- The Hermitage Tomato Cooperative Association is located in Bradley County, an area which has endured decades of persistent poverty and high unemployment. A group of 15 farmers with limited resources and limited land, who were on the verge of bankruptcy in 1996, formed the Hermitage Tomato Cooperative Association as a means of survival.
- In 1996, Burger King signed a Memorandum of Understanding (MOU) with the Rural Business-Cooperative Service of USDA through which Burger King buys commodities from local sources in rural areas. The Hermitage Cooperative grew out of this MOU, with Burger King agreeing to purchase the group's tomatoes. USDA provided a $3 million loan guarantee to purchase and modernize the processing plant where the tomatoes are cleaned and packaged. An additional $1 million loan guarantee financed a second processing facility increasing the number of jobs created from 75 to 116 in a community with a population of 650. There is now a growing list of farmers who want to join the cooperative.

Can we announce

[illegible]

- USDA is about to provide assistance to another cooperative, about 30 minutes from the tomato cooperative, to produce pickles. Burger King is planning to purchase a large portion of the output, once again demonstrating how private sector commitment to rural areas can spur the creation of jobs and economic growth.
- You could also announce an agreement between another cooperative and Burger King. A Colorado wheat cooperative, that is producing bread, is going to receive USDA assistance and enter into an agreement to sell its products to local Burger King franchisers.

Potential Site Visits and Events

- You could visit the Hermitage Tomato Cooperative Association to highlight how a corporate commitment and investment can help move farmers from the brink of bankruptcy to prosperity. The growing season will be over at the time of the visit. You could, however, have the opportunity to meet with the farmers who are member-owners of the Cooperative and discuss the importance of the linkage between the public and private sector that provided an opportunity for these farmers to become self-sufficient.

THE PRESIDENT HAS SEEN
10-18-99

PROPOSED AFTERNOON STOPS

In addition to the sites discussed above, we recommend that you stop in Hartford, Connecticut and either Benton Harbor, Michigan **or** New York, New York for afternoon events.

1. **Hartford, Connecticut**

FOCUS: Investment by New England Institutions in New Markets

Background and Potential Deliverables in Hartford:

- You could announce Aetna's commitment to contribute up to $20 million to the MetroHartford Millennium Project. The MetroHartford Millennium Project intends to raise $100 million from the corporate community to revitalize Hartford. This revitalization project includes plans for a convention center, a domed stadium for the University of Connecticut, and hotel/retail components.
- You could announce Citigroup's $5 million investment in Hartford's most distressed neighborhood. This investment will help redevelop a two-block area for commercial and residential purposes.
- You could announce the opening of a regional Fannie Mae office to help facilitate Fannie Mae investment in the Hartford area (similar to the announcement made in Pine Ridge, South Dakota).
- You could announce a multi-million investment by AFLAC in Fort Benning, Georgia, which mirrors the types of investments that are taking place in Hartford.
- You could highlight the Southside Institutions Neighborhood Alliance (SINA)/Trinity College Project which involves five private institutions from the Hartford that are working on a comprehensive neighborhood revitalization plan for the distressed area surrounding Trinity College. The project is a $300 million private/public partnership. It is possible that Aetna along with several private foundations will have announcements to make related to the group's efforts. It may also be possible to announce tenants who will occupy some of the retail space in the community.

Potential Site Visits and Events

- You could make the Metro-Hartford Millennium Project announcement at Adrian's Landing, which is a riverfront development linking Hartford to the Connecticut River.
- Chase Bank operates several programs that cover the New England Area. We could visit a business that was assisted by Chase's CIED (Credit Institute for Economic Development) or its Business Resource Center, both of which provide consulting and training for micro-entrepreneurs and small business.
- You could tour a training site that works to employ welfare recipients and inner-city youth. There are several community based efforts such as the Connecticut Workforce Partnership, a collaboration between the Connecticut Business and Industry Association, Hartford Public High School's Technology Academy, the A.I. Prince Vocation-Technical High School, and the National Association of Manufacturers. The Partnership is working to place welfare recipients and inner-city youth in jobs.

- You could host a roundtable event inside a colorful indoor market, known as the Mercado, located in the midst of the distressed area around Trinity College. Several Latino merchants who operate businesses in this market have been involved in the Trinity College Project, mentioned above.

2. Benton Harbor, Michigan

FOCUS: Investment in the Midwest

Background and Potential Deliverables

- Benton Harbor is the most distressed central city in Michigan. Examples of New Markets efforts in the community include the creation of Cornerstone Alliance, which was developed with funding from Whirlpool and other local businesses. Cornerstone Alliance makes grants and loans to support local job creation, business development, and education. More than 120 businesses contribute to Cornerstone each year.
- You could announce the formation of a new loan fund created by a consortium of local businesses including Bosch Braking Systems, Banc 1, Fifth Third Bank, Shoreline Bank, and Whirlpool. The loan fund will encourage homeownership in targeted lower-income communities and will loan potential homeowners up to $10,000 at 0% interest for a downpayment.

Potential Site Visits and Events

- You could visit a local community college center funded by the Cornerstone Alliance, Whirlpool, and others. Six million dollars were invested to help the community college create a training facility for high-wage, high-skill manufacturing jobs. The 44,000 square foot site is on a former brownfield.
- You could also visit the Atlantic Automotive Components factory, which opened in July 1999 and employs over 130 people. The company's success has been attributed in part to the work of the Cornerstone Alliance.

3. New York (Brooklyn), New York

FOCUS: Investment in Inner Cities and Investment by Sports Teams and Organizations

Background and Potential Deliverables

- You could announce the New Markets Lending Cooperative, an innovative program that will bring together all levels of capital funding to one of New York's most impoverished neighborhoods. The New Markets Lending Cooperative has obtained several million dollars in commitments from private venture capital sources. The Cooperative has obtained a commitment from a microlender, Accion, to issue $10 million in microloans in Brooklyn. The Cooperative will be a first-of-its kind effort in Brooklyn, a much-needed vehicle to bring debt and equity capital, coupled with technical assistance, to business owners in this predominantly Hispanic neighborhood.

Potential Site Visits and Events

- You could drop-by FirstSource Staffing in the Park Slope neighborhood of Brooklyn, a temporary placement employment agency established by the Fifth Avenue Committee, which specializes in job placement for low-income workers and is part of the President's Welfare-to-Work initiative.
- You could participate in the grand opening of a Small Business Development Center (SBDC) focused on the Hispanic community at Brooklyn's Boricua College. This SBDC is designed to provide business assistance to the currently untapped community in an effective, culturally-conscious environment. Funds for this program have already been committed by Banco Popular. Several other banking institutions prominent in the area are expected to announce their involvement shortly.
- We are also exploring the possibility of your joining members of the New York Yankees in an event highlighting youth training and education.

Issues to Consider

- As you know, Ray Chambers and Lewis Katz own both the New York Yankees and the New Jersey Nets, through a unique partnership that helps to fund youth organizations in the City of Newark. We envision a sports-related event in Newark as described above involving members of the New Jersey Nets, along with players from the New York Yankees. We could continue the event with a stop in New York.
- Potential risks associated with a New York stop include the need to invite local politicians. The participation of local elected officials, such as the mayor, could invite media attention that would detract from our message. In addition, a visit to New York City would require a role for Representative Charles Rangel, the lead sponsor for the New Markets Tax Credit legislation and Representative Nydia Velazquez. As you know Representative Velazquez, the anticipated lead sponsor for the New Markets Venture Capital Firm bill, is expecting you to visit to her district in Brooklyn, if you stop in the New York area. It is possible that Representative Velazquez would openly criticize the trip if you stopped in the New York area without visiting Brooklyn.
- Other political risks include the recent debates over management of the New York Empowerment Zones. Conflicts, among local officials and community leaders, related to the Bronx and Harlem Empowerment Zones have been well publicized.

OTHER STOPS THAT WERE CONSIDERED

In addition to the locations outlined above, we also considered numerous other sites, which were not included for specific reasons, including logistical problems, political concerns, and the need for geographic diversity. Because of your recent meetings and discussions with Governor Hunt and Erskine Bowles, we thought you might have a particular interest in information we researched on a possible visit to North Carolina.

1. North Carolina

FOCUS: Investment in Rural and Agricultural Areas

Background and Potential Deliverables

- You could announce the creation of the Economic Opportunities Fund Authority (the "Authority") which is being established with the help of USDA by the state treasurer and North Carolina's private investment community to support the formation of private investment funds. These funds will provide growth capital for entrepreneurial companies that are located in North Carolina's rural areas. The Authority will invest its capital in one or more private, for-profit, Economic Opportunity Funds that would raise additional capital from private individuals and institutional investors. The Authority will seek investment opportunities in Economic Opportunity Funds, which are utilizing the SBIC program. The goal of the state's Commerce Department and the Authority is to use an initial $30 million in investment from the State Treasurer to leverage as much as $360 million in growth capital.
- Erskine Bowles is heading another important effort in rural North Carolina. Appointed by North Carolina governor Jim Hunt, Erskine Bowles is currently chairing the 25-member North Carolina Rural Prosperity Task Force. The Taskforce is a comprehensive statewide effort to address rural economic development issues. We could highlight this initiative in a visit to any rural area in North Carolina.

Potential Site Visits

- You could host a banking roundtable focussing on bank support and participation in the New Markets efforts. The roundtable could highlight the Community Investment Corporation of North Carolina, which receives support from the CDFI Fund, as a successful model for collaboration between banks. The roundtable could be convened jointly by the Governor and the North Carolina Bankers' Association.
- Rocky Mount, NC: Located in a region facing economic uncertainty due to the decline of its core industries (textiles, agriculture commodities) this city is an Enterprise Community. It is also the home of Centura Bank, an institutional investor that has expressed a great deal of interest in the state's Economic Opportunity Fund and the New Markets initiative. Centura could also host the roundtable.
- Tarboro, NC: Located in Edgecombe County (northeast of Raleigh), Tarboro is the site of the worst Hurricane Floyd devastation in the Eastern Seaboard. The hurricane and resulting floods resulted in severe crop loss. There are several public sector efforts taking place in this area including farm ownership loan funds and crop loss disaster assistance.
- Raleigh, NC: Raleigh is home to the Self-Help Credit Union, which has received grants from the CDFI fund and could be highlighted as an example of successful investment activity in a rural area.

Issues to Consider

- While North Carolina could have been a possible stop on the trip, floods have damaged substantial parts of the state, in particular agricultural areas. Consequently, flood damage and disaster relief would probably dominate any news story.

THE PRESIDENT HAS SEEN 10-18-99

While the visuals might be compelling, they would detract from the New Markets' message. In addition, given our tobacco litigation, there would be a possibility of protests by farmers.

REQUEST AND RECOMMENDATION

Please indicate your preference below.

_______**OPTION A:**

Chicago (Englewood), IL
Benton Harbor, MI
Newark, NJ
Hartford, CT
Hermitage, AR

_______**OPTION B:**

Chicago (Englewood), IL
Hartford, CT
Newark, NJ
New York (Brooklyn), NY
Hermitage, AR

_______ **DISCUSS FURTHER**

DRAFT

October 15, 1999

MEMORANDUM FOR THE PRESIDENT

FROM: GENE SPERLING, MARIA ECHAVESTE
STEPHANIE STREETT, MARY BETH CAHILL

SUBJECT: NOVEMBER PRESIDENTIAL TRIP TO AMERICA'S NEW MARKETS

BACKGROUND

As you know, you will travel the week of November 3rd across the United States to continue to highlight underserved markets and to bring attention to the need for access to capital in economically distressed areas. Similar to the first New Markets trip in July, you will be joined by a congressional delegation, community leaders, and corporate executives who will make announcements about new private sector investments and initiatives in New Markets. **Our goal on this trip is to highlight meaningful, lasting efforts that can be sustained independent of the New Markets legislation.**

An interagency working group (HUD, Treasury, SBA, Commerce, Labor, Transportation, and USDA) together with White House staff have identified several potential locations and deliverables for the New Markets Tour. After an extensive review of numerous locations, we propose two itinerary options that would allow you to visit five cities, over a three-day period. While we considered locations on the West Coast and in the Pacific Northwest, we would prefer to save these locations for future New Markets travel focused on those regions. The options presented below reflect logistical constraints, such as travel times and press deadlines. Both of these options also allow you to:

- Visit a broad range of communities that reflect the cultural and geographic diversity of the country.
- Highlight numerous private sector investments and initiatives.
- Start each day with the strongest stories and events. We expect media coverage to be focussed principally on the first event of the day, similar to our experience during the July trip.

PROPOSED ITINERARY

A more detailed itinerary from Scheduling is attached to this memorandum.

OPTION A:

Wednesday, November 3:	Chicago (Englewood), IL **and** Benton Harbor, MI
Thursday, November 4:	Newark, NJ **and** Hartford, CT
Friday, November 5:	Hermitage, AR

OPTION B:

Wednesday, November 3:	Chicago (Englewood), IL **and** Hartford, CT
Thursday, November 4:	Newark, NJ **and** New York (Brooklyn), NY
Friday, November 5:	Hermitage, AR

SUMMARY OF SITES

PROPOSED MORNING STOPS

1. **Chicago (Englewood), Illinois**

FOCUS: Investing in Inner Cities and BusinessLINC

Background and Potential Deliverables

- Englewood is a distressed community that has been highlighted by Reverend Jesse Jackson and Representative Bobby Rush as an example of a neighborhood that could benefit from the New Markets Initiative.
- Several major corporations are working with Shorebank (one of the country's premier community development organizations) to establish SB Partners, a fund that will invest in New Markets. . You could announce investments of $15.5 million in SB Partners, specifically targeted to inner city investing: $6 million from Bank of America, $4 million from State Farm, $3.5 million from Shorebank and possibly $2 million from Prudential Insurance.
- Congressman Bobby Rush is leading a formal planning process to redevelop the Englewood community. This plan is bringing together major corporations and developers from Chicago to create a blueprint for business and housing development in Englewood. Bank One and Fannie Mae are expected to participate in this effort.

Potential Site Visits and Events

- You could tour the Englewood community and highlight conditions that the New Markets Initiative is designed to address.
- You could highlight the local BusinessLINC (Business Learning, Investment, Networking and Collaboration) chapter operated under a national umbrella partnership led by the Business Roundtable. The Civic Committee of the Commercial Club of Chicago manages the Chicago BusinessLINC Coalition.
- You could participate in a kick-off ceremony to announce a new training partnership with Alliance, a minority owned business. Alliance has several corporate clients, including FedEx, UPS, Coca-Cola, McDonald's, McGraw-Hill and DePaul University as a result of its successful business partnership with Allied Van Lines which illustrates the objectives of BusinessLINC.

Issues to Consider

- The Community Empowerment Board and HUD have raised concerns about negative attention received over the last several years related to federal public housing projects and the Chicago Empowerment Zone. We believe the Empowerment Zone problems can be managed in the same way we were able to manage media for your New Markets visit earlier this year to the Atlanta Empowerment Zone, which had been the subject of negative findings in an Inspector General's report.

2. Newark, New Jersey

FOCUS: Investment by Sports Teams and Organizations in New Markets

Background and Potential Deliverables

- We are exploring an idea with Ray Chambers, from the New York Yankees and New Jersey Nets, of developing on-going and lasting partnerships related to sports organizations and investments in New Markets and/or young people. It is possible that a collaborative effort with sports team owners and/or organizations from around the country could be announced.
- The New Community Corporation (NCC) has plans to announce the Youth Automotive Training Center (YATC), an innovative partnership with Ford Motor Company, Bell Atlantic, and Hillside Auto Mall, to provide at-risk youth job training in automotive careers. NCC is the largest grassroots community development corporation in the United States and was founded in 1968 by residents of Newark Central Ward. Ford will invest $1 million in YATC, which soon will become an official training program and be used as a prototype for community organizations and local dealers to train and certify technicians in urban areas.
- The Urban League of Essex County in Newark, New Jersey is one of four National Urban League affiliates selected to operate a Technology Education and Access Center (TEAC), funded by the Department of Commerce. The TEAC in Newark has 30 personal computers connected to the Internet through an ISDN connection. Classes cover topics from computer literacy to basic Internet skills.
- The Mills Corporation, a developer of large outlet shopping malls (including Potomac Mills in Northern Virginia) hopes to connect several of their large-scale mall developments with existing sports centers. Specifically, Mills is working with the Rockefeller Foundation, the City of Newark, community organizations, and training/employment intermediaries to develop a recruitment, hiring, and retention program for its development near the Meadowlands.

Potential Site Visits and Events

- You could lead a tour of a distressed Newark neighborhood where substantial redevelopment efforts are planned. The tour would include the site of a new sports and entertainment facility that will be constructed by Ray Chambers and Lewis Katz. The facility will be used by New Jersey sports teams, as well as for concerts and other entertainment events. Connecting the arena and stadium will be a 100,000 square feet new office complex, a 400-room hotel with dining, and retail and entertainment establishments in close proximity.

3. Hermitage, Arkansas

FOCUS: Agricultural Opportunities

Background and Potential Deliverables

- The Hermitage Tomato Cooperative Association is located in Bradley County, an area which has endured decades of persistent poverty and high unemployment. A group of 15 farmers with limited resources and limited land, who were on the verge of bankruptcy in 1996, formed the Hermitage Tomato Cooperative Association as a means of survival.
- In 1996, Burger King signed a Memorandum of Understanding (MOU) with the Rural Business-Cooperative Service of USDA through which Burger King buys commodities from local sources in rural areas. The Hermitage Cooperative grew out of this MOU, with Burger King agreeing to purchase the group's tomatoes. USDA provided a $3 million loan guarantee to purchase and modernize the processing plant where the tomatoes are cleaned and packaged. An additional $1 million loan guarantee financed a second processing facility increasing the number of jobs created from 75 to 116 in a community with a population of 650. There is now a growing list of farmers who want to join the cooperative.
- USDA is about to provide assistance to another cooperative, about 30 minutes from the tomato cooperative, to produce pickles. Burger King is planning to purchase a large portion of the output, once again demonstrating how private sector commitment to rural areas can spur the creation of jobs and economic growth.
- You could also announce an agreement between another cooperative and Burger King. A Colorado wheat cooperative, that is producing bread, is going to receive USDA assistance and enter into an agreement to sell its products to local Burger King franchisers.

Potential Site Visits and Events

- You could visit the Hermitage Tomato Cooperative Association to highlight how a corporate commitment and investment can help move farmers from the brink of bankruptcy to prosperity. The growing season will be over at the time of the visit. You could, however, have the opportunity to meet with the farmers who are member-owners of the Cooperative and discuss the importance of the linkage between the public and private sector that provided an opportunity for these farmers to become self-sufficient.

PROPOSED AFTERNOON STOPS

In addition to the sites discussed above, we recommend that you stop in Hartford, Connecticut and either Benton Harbor, Michigan **or** New York, New York for afternoon events.

1. Hartford, Connecticut

FOCUS: Investment by New England Institutions in New Markets

Background and Potential Deliverables in Hartford:

- You could announce Aetna's commitment to contribute up to $20 million to the MetroHartford Millennium Project. The MetroHartford Millennium Project intends to raise $100 million from the corporate community to revitalize Hartford. This revitalization project includes plans for a convention center, a domed stadium for the University of Connecticut, and hotel/retail components.
- You could announce Citigroup's $5 million investment in Hartford's most distressed neighborhood. This investment will help redevelop a two-block area for commercial and residential purposes.
- You could announce the opening of a regional Fannie Mae office to help facilitate Fannie Mae investment in the Hartford area (similar to the announcement made in Pine Ridge, South Dakota).
- You could announce a multi-million investment by AFLAC in Fort Benning, Georgia, which mirrors the types of investments that are taking place in Hartford.
- You could highlight the Southside Institutions Neighborhood Alliance (SINA)/Trinity College Project which involves five private institutions from the Hartford that are working on a comprehensive neighborhood revitalization plan for the distressed area surrounding Trinity College. The project is a $300 million private/public partnership. It is possible that Aetna along with several private foundations will have announcements to make related to the group's efforts. It may also be possible to announce tenants who will occupy some of the retail space in the community.

Potential Site Visits and Events

- You could make the Metro-Hartford Millennium Project announcement at Adrian's Landing, which is a riverfront development linking Hartford to the Connecticut River.
- Chase Bank operates several programs that cover the New England Area. We could visit a business that was assisted by Chase's CIED (Credit Institute for Economic Development) or its Business Resource Center, both of which provide consulting and training for micro-entrepreneurs and small business.
- You could tour a training site that works to employ welfare recipients and inner-city youth. There are several community based efforts such as the Connecticut Workforce Partnership, a collaboration between the Connecticut Business and Industry Association, Hartford Public High School's Technology Academy, the A.I. Prince Vocation-Technical High School, and the National Association of Manufacturers. The Partnership is working to place welfare recipients and inner-city youth in jobs.
- You could host a roundtable event inside a colorful indoor market, known as the Mercado, located in the midst of the distressed area around Trinity College. Several Latino merchants who operate businesses in this market have been involved in the Trinity College Project, mentioned above.

2. Benton Harbor, Michigan

FOCUS: Investment in the Midwest

Background and Potential Deliverables

- Benton Harbor is the most distressed central city in Michigan. Examples of New Markets efforts in the community include the creation of Cornerstone Alliance, which was developed with funding from Whirlpool and other local businesses. Cornerstone Alliance makes grants and loans to support local job creation, business development, and education. More than 120 businesses contribute to Cornerstone each year.
- You could announce the formation of a new loan fund created by a consortium of local businesses including Bosch Braking Systems, Banc 1, Fifth Third Bank, Shoreline Bank, and Whirlpool. The loan fund will encourage homeownership in targeted lower-income communities and will loan potential homeowners up to $10,000 at 0% interest for a downpayment.

Potential Site Visits and Events

- You could visit a local community college center funded by the Cornerstone Alliance, Whirlpool, and others. Six million dollars were invested to help the community college create a training facility for high-wage, high-skill manufacturing jobs. The 44,000 square foot site is on a former brownfield.
- You could also visit the Atlantic Automotive Components factory, which opened in July 1999 and employs over 130 people. The company's success has been attributed in part to the work of the Cornerstone Alliance.

3. New York (Brooklyn), New York

FOCUS: Investment in Inner Cities and Investment by Sports Teams and Organizations

Background and Potential Deliverables

- You could announce the New Markets Lending Cooperative, an innovative program that will bring together all levels of capital funding to one of New York's most impoverished neighborhoods. The New Markets Lending Cooperative has obtained several million dollars in commitments from private venture capital sources. The Cooperative has obtained a commitment from a microlender, Accion, to issue $10 million in microloans in Brooklyn. The Cooperative will be a first-of-its kind effort in Brooklyn, a much-needed vehicle to bring debt and equity capital, coupled with technical assistance, to business owners in this predominantly Hispanic neighborhood.

Potential Site Visits and Events

- You could drop-by FirstSource Staffing in the Park Slope neighborhood of Brooklyn, a temporary placement employment agency established by the Fifth Avenue Committee, which specializes in job placement for low-income workers and is part of the President's Welfare-to-Work initiative.
- You could participate in the grand opening of a Small Business Development Center (SBDC) focused on the Hispanic community at Brooklyn's Boricua College. This

SBDC is designed to provide business assistance to the currently untapped community in an effective, culturally-conscious environment. Funds for this program have already been committed by Banco Popular. Several other banking institutions prominent in the area are expected to announce their involvement shortly.

- We are also exploring the possibility of your joining members of the New York Yankees in an event highlighting youth training and education.

Issues to Consider

- As you know, Ray Chambers and Lewis Katz own both the New York Yankees and the New Jersey Nets, through a unique partnership that helps to fund youth organizations in the City of Newark. We envision a sports-related event in Newark as described above involving members of the New Jersey Nets, along with players from the New York Yankees. We could continue the event with a stop in New York.
- Potential risks associated with a New York stop include the need to invite local politicians. The participation of local elected officials, such as the mayor, could invite media attention that would detract from our message. In addition, a visit to New York City would require a role for Representative Charles Rangel, the lead sponsor for the New Markets Tax Credit legislation and Representative Nydia Velazquez. As you know Representative Velazquez, the anticipated lead sponsor for the New Markets Venture Capital Firm bill, is expecting you to visit to her district in Brooklyn, if you stop in the New York area. It is possible that Representative Velazquez would openly criticize the trip if you stopped in the New York area without visiting Brooklyn.
- Other political risks include the recent debates over management of the New York Empowerment Zones. Conflicts, among local officials and community leaders, related to the Bronx and Harlem Empowerment Zones have been well publicized.

OTHER STOPS THAT WERE CONSIDERED

In addition to the locations outlined above, we also considered numerous other sites, which were not included for specific reasons, including logistical problems, political concerns, and the need for geographic diversity. Because of your recent meetings and discussions with Governor Hunt and Erskine Bowles, we thought you might have a particular interest in information we researched on a possible visit to North Carolina.

1. North Carolina

FOCUS: Investment in Rural and Agricultural Areas

Background and Potential Deliverables

- You could announce the creation of the Economic Opportunities Fund Authority (the "Authority") which is being established with the help of USDA by the state treasurer and North Carolina's private investment community to support the formation of private investment funds. These funds will provide growth capital for entrepreneurial companies that are located in North Carolina's rural areas. The Authority will invest its capital in one or more private, for-profit, Economic Opportunity Funds that would raise additional capital from private individuals and institutional investors. The Authority will seek investment opportunities in Economic Opportunity Funds, which are utilizing the SBIC program. The goal of the state's Commerce Department and the Authority is to use an initial $30 million in investment from the State Treasurer to leverage as much as $360 million in growth capital.

- Erskine Bowles is heading another important effort in rural North Carolina. Appointed by North Carolina governor Jim Hunt, Erskine Bowles is currently chairing the 25-member North Carolina Rural Prosperity Task Force. The Taskforce is a comprehensive statewide effort to address rural economic development issues. We could highlight this initiative in a visit to any rural area in North Carolina.

Potential Site Visits

- You could host a banking roundtable focussing on bank support and participation in the New Markets efforts. The roundtable could highlight the Community Investment Corporation of North Carolina, which receives support from the CDFI Fund, as a successful model for collaboration between banks. The roundtable could be convened jointly by the Governor and the North Carolina Bankers' Association.
- Rocky Mount, NC: Located in a region facing economic uncertainty due to the decline of its core industries (textiles, agriculture commodities) this city is an Enterprise Community. It is also the home of Centura Bank, an institutional investor that has expressed a great deal of interest in the state's Economic Opportunity Fund and the New Markets initiative. Centura could also host the roundtable.
- Tarboro, NC: Located in Edgecombe County (northeast of Raleigh), Tarboro is the site of the worst Hurricane Floyd devastation in the Eastern Seaboard. The hurricane and resulting floods resulted in severe crop loss. There are several public sector efforts taking place in this area including farm ownership loan funds and crop loss disaster assistance.
- Raleigh, NC: Raleigh is home to the Self-Help Credit Union, which has received grants from the CDFI fund and could be highlighted as an example of successful investment activity in a rural area.

Issues to Consider

- While North Carolina could have been a possible stop on the trip, floods have damaged substantial parts of the state, in particular agricultural areas. Consequently, flood damage and disaster relief would probably dominate any news story. While the visuals might be compelling, they would detract from the New Markets message. In addition, given our tobacco litigation, there would be a possibility of protests by farmers.

REQUEST AND RECOMMENDATION
Please indicate your preference below.

________**OPTION A:**	Chicago (Englewood), IL Benton Harbor, MI Newark, NJ Hartford, CT Hermitage, AR
________**OPTION B:**	Chicago (Englewood), IL Hartford, CT Newark, NJ New York (Brooklyn), NY Hermitage, AR

________ **DISCUSS FURTHER**

October 16, 1999

MEMORANDUM FOR THE PRESIDENT

FROM: GENE SPERLING
MARIA ECHAVESTE
STEPHANIE STREETT
MARY BETH CAHILL

SUBJECT: NOVEMBER PRESIDENTIAL TRIP TO AMERICA'S NEW MARKETS

BACKGROUND

As you know, you will travel the week of November 3rd across the United States to continue to highlight underserved markets and to bring attention to the need for access to capital in economically distressed areas. Similar to the first New Markets trip in July, you will be joined by a congressional delegation, community leaders, and corporate executives who will make announcements about new private sector investments and initiatives in New Markets. **Our goal on this trip is to highlight meaningful, lasting efforts that can be sustained independent of the New Markets legislation.**

An interagency working group (HUD, Treasury, SBA, Commerce, Labor, Transportation, and USDA) together with White House staff have identified several potential locations and deliverables for the New Markets Tour. After an extensive review of numerous locations, we propose two itinerary options that would allow you to visit five cities, over a three-day period. While we considered locations on the West Coast and in the Pacific Northwest, we would prefer to save these locations for future New Markets travel focused on those regions. The options presented below reflect logistical constraints, such as travel times and press deadlines. Both of these options also allow you to:

- Visit a broad range of communities that reflect the cultural and geographic diversity of the country.
- Highlight numerous private sector investments and initiatives.
- Start each day with the strongest stories and events. We expect media coverage to be focussed principally on the first event of the day, similar to our experience during the July trip.

PROPOSED ITINERARY
A more detailed itinerary from Scheduling is attached to this memorandum.

OPTION A:

Wednesday, November 3:	Chicago (Englewood), IL **and** Benton Harbor, MI
Thursday, November 4:	Newark, NJ **and** Hartford, CT
Friday, November 5:	Hermitage, AR

OPTION B:

Wednesday, November 3:	Chicago (Englewood), IL **and** Hartford, CT
Thursday, November 4:	Newark, NJ **and** New York (Brooklyn), NY
Friday, November 5:	Hermitage, AR

SUMMARY OF SITES

PROPOSED MORNING STOPS

1. **Chicago (Englewood), Illinois**

FOCUS: Investing in Inner Cities and BusinessLINC

Background and Potential Deliverables

- Englewood is a distressed community that has been highlighted by Reverend Jesse Jackson and Representative Bobby Rush as an example of a neighborhood that could benefit from the New Markets Initiative.
- Several major corporations are working with Shorebank (one of the country's premier community development organizations) to establish SB Partners, a fund that will invest in New Markets. You could announce investments of $15.5 million in SB Partners, specifically targeted to inner city investing: $6 million from Bank of America, $4 million from State Farm, $3.5 million from Shorebank and possibly $2 million from Prudential Insurance.
- Congressman Bobby Rush is leading a formal planning process to redevelop the Englewood community. This plan is bringing together major corporations and developers from Chicago to create a blueprint for business and housing development in Englewood. Bank One and Fannie Mae are expected to participate in this effort.

Potential Site Visits and Events

- You could tour the Englewood community and highlight conditions that the New Markets Initiative is designed to address.
- You could highlight the local BusinessLINC (Business Learning, Investment, Networking and Collaboration) chapter operated under a national umbrella partnership led by the Business Roundtable. The Civic Committee of the Commercial Club of Chicago manages the Chicago BusinessLINC Coalition.

- You could participate in a kick-off ceremony to announce a new training partnership with Alliance, a minority owned business. Alliance has several corporate clients, including FedEx, UPS, Coca-Cola, McDonald's, McGraw-Hill and DePaul University as a result of its successful business partnership with Allied Van Lines which illustrates the objectives of BusinessLINC.

Issues to Consider

- The Community Empowerment Board and HUD have raised concerns about negative attention received over the last several years related to federal public housing projects and the Chicago Empowerment Zone. We believe the Empowerment Zone problems can be managed in the same way we were able to manage media for your New Markets visit earlier this year to the Atlanta Empowerment Zone, which had been the subject of negative findings in an Inspector General's report.

2. <u>Newark, New Jersey</u>

<u>FOCUS: Investment by Sports Teams and Organizations in New Markets</u>

Background and Potential Deliverables

- We are exploring an idea with Ray Chambers, from the New York Yankees and New Jersey Nets, of developing on-going and lasting partnerships related to sports organizations and investments in New Markets and/or young people. It is possible that a collaborative effort with sports team owners and/or organizations from around the country could be announced.
- The New Community Corporation (NCC) has plans to announce the Youth Automotive Training Center (YATC), an innovative partnership with Ford Motor Company, Bell Atlantic, and Hillside Auto Mall, to provide at-risk youth job training in automotive careers. NCC is the largest grassroots community development corporation in the United States and was founded in 1968 by residents of Newark Central Ward. Ford will invest $1 million in YATC, which soon will become an official training program and be used as a prototype for community organizations and local dealers to train and certify technicians in urban areas.
- The Urban League of Essex County in Newark, New Jersey is one of four National Urban League affiliates selected to operate a Technology Education and Access Center (TEAC), funded by the Department of Commerce. The TEAC in Newark has 30 personal computers connected to the Internet through an ISDN connection. Classes cover topics from computer literacy to basic Internet skills.
- The Mills Corporation, a developer of large outlet shopping malls (including Potomac Mills in Northern Virginia) hopes to connect several of their large-scale mall developments with existing sports centers. Specifically, Mills is working with the Rockefeller Foundation, the City of Newark, community organizations, and training/employment intermediaries to develop a recruitment, hiring, and retention program for its development near the Meadowlands.

Potential Site Visits and Events

- You could lead a tour of a distressed Newark neighborhood where substantial redevelopment efforts are planned. The tour would include the site of a new sports and entertainment facility that will be constructed by Ray Chambers and Lewis Katz. The facility will be used by New Jersey sports teams, as well as for concerts and other entertainment events. Connecting the arena and stadium will be a 100,000 square feet new office complex, a 400-room hotel with dining, and retail and entertainment establishments in close proximity.

3. <u>**Hermitage, Arkansas**</u>

<u>FOCUS: Agricultural Opportunities</u>

Background and Potential Deliverables

- The Hermitage Tomato Cooperative Association is located in Bradley County, an area which has endured decades of persistent poverty and high unemployment. A group of 15 farmers with limited resources and limited land, who were on the verge of bankruptcy in 1996, formed the Hermitage Tomato Cooperative Association as a means of survival.
- In 1996, Burger King signed a Memorandum of Understanding (MOU) with the Rural Business-Cooperative Service of USDA through which Burger King buys commodities from local sources in rural areas. The Hermitage Cooperative grew out of this MOU, with Burger King agreeing to purchase the group's tomatoes. USDA provided a $3 million loan guarantee to purchase and modernize the processing plant where the tomatoes are cleaned and packaged. An additional $1 million loan guarantee financed a second processing facility increasing the number of jobs created from 75 to 116 in a community with a population of 650. There is now a growing list of farmers who want to join the cooperative.
- USDA is about to provide assistance to another cooperative, about 30 minutes from the tomato cooperative, to produce pickles. Burger King is planning to purchase a large portion of the output, once again demonstrating how private sector commitment to rural areas can spur the creation of jobs and economic growth.
- You could also announce an agreement between another cooperative and Burger King. A Colorado wheat cooperative, that is producing bread, is going to receive USDA assistance and enter into an agreement to sell its products to local Burger King franchisers.

Potential Site Visits and Events

- You could visit the Hermitage Tomato Cooperative Association to highlight how a corporate commitment and investment can help move farmers from the brink of bankruptcy to prosperity. The growing season will be over at the time of the visit. You could, however, have the opportunity to meet with the farmers who are member-owners of the Cooperative and discuss the importance of the linkage between the public and private sector that provided an opportunity for these farmers to become self-sufficient.

PROPOSED AFTERNOON STOPS

In addition to the sites discussed above, we recommend that you stop in Hartford, Connecticut and either Benton Harbor, Michigan **or** New York, New York for afternoon events.

1. **Hartford, Connecticut**

FOCUS: Investment by New England Institutions in New Markets

Background and Potential Deliverables in Hartford:

- You could announce Aetna's commitment to contribute up to $20 million to the MetroHartford Millennium Project. The MetroHartford Millennium Project intends to raise $100 million from the corporate community to revitalize Hartford. This revitalization project includes plans for a convention center, a domed stadium for the University of Connecticut, and hotel/retail components.
- You could announce Citigroup's $5 million investment in Hartford's most distressed neighborhood. This investment will help redevelop a two-block area for commercial and residential purposes.
- You could announce the opening of a regional Fannie Mae office to help facilitate Fannie Mae investment in the Hartford area (similar to the announcement made in Pine Ridge, South Dakota).
- You could announce a multi-million investment by AFLAC in Fort Benning, Georgia, which mirrors the types of investments that are taking place in Hartford.
- You could highlight the Southside Institutions Neighborhood Alliance (SINA)/Trinity College Project which involves five private institutions from the Hartford that are working on a comprehensive neighborhood revitalization plan for the distressed area surrounding Trinity College. The project is a $300 million private/public partnership. It is possible that Aetna along with several private foundations will have announcements to make related to the group's efforts. It may also be possible to announce tenants who will occupy some of the retail space in the community.

Potential Site Visits and Events

- You could make the Metro-Hartford Millennium Project announcement at Adrian's Landing, which is a riverfront development linking Hartford to the Connecticut River.
- Chase Bank operates several programs that cover the New England Area. We could visit a business that was assisted by Chase's CIED (Credit Institute for Economic Development) or its Business Resource Center, both of which provide consulting and training for micro-entrepreneurs and small business.
- You could tour a training site that works to employ welfare recipients and inner-city youth. There are several community based efforts such as the Connecticut Workforce Partnership, a collaboration between the Connecticut Business and Industry Association, Hartford Public High School's Technology Academy, the A.I. Prince Vocation-Technical High School, and the National Association of Manufacturers. The Partnership is working to place welfare recipients and inner-city youth in jobs.

- You could host a roundtable event inside a colorful indoor market, known as the Mercado, located in the midst of the distressed area around Trinity College. Several Latino merchants who operate businesses in this market have been involved in the Trinity College Project, mentioned above.

2. Benton Harbor, Michigan

FOCUS: Investment in the Midwest

Background and Potential Deliverables

- Benton Harbor is the most distressed central city in Michigan. Examples of New Markets efforts in the community include the creation of Cornerstone Alliance, which was developed with funding from Whirlpool and other local businesses. Cornerstone Alliance makes grants and loans to support local job creation, business development, and education. More than 120 businesses contribute to Cornerstone each year.
- You could announce the formation of a new loan fund created by a consortium of local businesses including Bosch Braking Systems, Banc 1, Fifth Third Bank, Shoreline Bank, and Whirlpool. The loan fund will encourage homeownership in targeted lower-income communities and will loan potential homeowners up to $10,000 at 0% interest for a downpayment.

Potential Site Visits and Events

- You could visit a local community college center funded by the Cornerstone Alliance, Whirlpool, and others. Six million dollars were invested to help the community college create a training facility for high-wage, high-skill manufacturing jobs. The 44,000 square foot site is on a former brownfield.
- You could also visit the Atlantic Automotive Components factory, which opened in July 1999 and employs over 130 people. The company's success has been attributed in part to the work of the Cornerstone Alliance.

3. New York (Brooklyn), New York

FOCUS: Investment in Inner Cities and Investment by Sports Teams and Organizations

Background and Potential Deliverables

- You could announce the New Markets Lending Cooperative, an innovative program that will bring together all levels of capital funding to one of New York's most impoverished neighborhoods. The New Markets Lending Cooperative has obtained several million dollars in commitments from private venture capital sources. The Cooperative has obtained a commitment from a microlender, Accion, to issue $10 million in microloans in Brooklyn. The Cooperative will be a first-of-its kind effort in Brooklyn, a much-needed vehicle to bring debt and equity capital, coupled with technical assistance, to business owners in this predominantly Hispanic neighborhood.

Potential Site Visits and Events

- You could drop-by FirstSource Staffing in the Park Slope neighborhood of Brooklyn, a temporary placement employment agency established by the Fifth Avenue Committee, which specializes in job placement for low-income workers and is part of the President's Welfare-to-Work initiative.
- You could participate in the grand opening of a Small Business Development Center (SBDC) focused on the Hispanic community at Brooklyn's Boricua College. This SBDC is designed to provide business assistance to the currently untapped community in an effective, culturally-conscious environment. Funds for this program have already been committed by Banco Popular. Several other banking institutions prominent in the area are expected to announce their involvement shortly.
- We are also exploring the possibility of your joining members of the New York Yankees in an event highlighting youth training and education.

Issues to Consider

- As you know, Ray Chambers and Lewis Katz own both the New York Yankees and the New Jersey Nets, through a unique partnership that helps to fund youth organizations in the City of Newark. We envision a sports-related event in Newark as described above involving members of the New Jersey Nets, along with players from the New York Yankees. We could continue the event with a stop in New York.
- Potential risks associated with a New York stop include the need to invite local politicians. The participation of local elected officials, such as the mayor, could invite media attention that would detract from our message. In addition, a visit to New York City would require a role for Representative Charles Rangel, the lead sponsor for the New Markets Tax Credit legislation and Representative Nydia Velazquez. As you know Representative Velazquez, the anticipated lead sponsor for the New Markets Venture Capital Firm bill, is expecting you to visit to her district in Brooklyn, if you stop in the New York area. It is possible that Representative Velazquez would openly criticize the trip if you stopped in the New York area without visiting Brooklyn.
- Other political risks include the recent debates over management of the New York Empowerment Zones. Conflicts, among local officials and community leaders, related to the Bronx and Harlem Empowerment Zones have been well publicized.

OTHER STOPS THAT WERE CONSIDERED

In addition to the locations outlined above, we also considered numerous other sites, which were not included for specific reasons, including logistical problems, political concerns, and the need for geographic diversity. Because of your recent meetings and discussions with Governor Hunt and Erskine Bowles, we thought you might have a particular interest in information we researched on a possible visit to North Carolina.

1. North Carolina

FOCUS: Investment in Rural and Agricultural Areas

Background and Potential Deliverables

- You could announce the creation of the Economic Opportunities Fund Authority (the "Authority") which is being established with the help of USDA by the state treasurer and North Carolina's private investment community to support the formation of private investment funds. These funds will provide growth capital for entrepreneurial companies that are located in North Carolina's rural areas. The Authority will invest its capital in one or more private, for-profit, Economic Opportunity Funds that would raise additional capital from private individuals and institutional investors. The Authority will seek investment opportunities in Economic Opportunity Funds, which are utilizing the SBIC program. The goal of the state's Commerce Department and the Authority is to use an initial $30 million in investment from the State Treasurer to leverage as much as $360 million in growth capital.
- Erskine Bowles is heading another important effort in rural North Carolina. Appointed by North Carolina governor Jim Hunt, Erskine Bowles is currently chairing the 25-member North Carolina Rural Prosperity Task Force. The Taskforce is a comprehensive statewide effort to address rural economic development issues. We could highlight this initiative in a visit to any rural area in North Carolina.

Potential Site Visits

- You could host a banking roundtable focussing on bank support and participation in the New Markets efforts. The roundtable could highlight the Community Investment Corporation of North Carolina, which receives support from the CDFI Fund, as a successful model for collaboration between banks. The roundtable could be convened jointly by the Governor and the North Carolina Bankers' Association.
- Rocky Mount, NC: Located in a region facing economic uncertainty due to the decline of its core industries (textiles, agriculture commodities) this city is an Enterprise Community. It is also the home of Centura Bank, an institutional investor that has expressed a great deal of interest in the state's Economic Opportunity Fund and the New Markets initiative. Centura could also host the roundtable.
- Tarboro, NC: Located in Edgecombe County (northeast of Raleigh), Tarboro is the site of the worst Hurricane Floyd devastation in the Eastern Seaboard. The hurricane and resulting floods resulted in severe crop loss. There are several public sector efforts taking place in this area including farm ownership loan funds and crop loss disaster assistance.
- Raleigh, NC: Raleigh is home to the Self-Help Credit Union, which has received grants from the CDFI fund and could be highlighted as an example of successful investment activity in a rural area.

Issues to Consider

- While North Carolina could have been a possible stop on the trip, floods have damaged substantial parts of the state, in particular agricultural areas. Consequently, flood damage and disaster relief would probably dominate any news story.

While the visuals might be compelling, they would detract from the New Markets message. In addition, given our tobacco litigation, there would be a possibility of protests by farmers.

REQUEST AND RECOMMENDATION

Please indicate your preference below.

________**OPTION A:**	Chicago (Englewood), IL Benton Harbor, MI Newark, NJ Hartford, CT Hermitage, AR
________**OPTION B:**	Chicago (Englewood), IL Hartford, CT Newark, NJ New York (Brooklyn), NY Hermitage, AR

________ **DISCUSS FURTHER**