05/11/99 06:36 FAX 001

Lisa
Did 7?
Sat?

MEMORANDUM TO: Secretary William Daley

FROM: Phillip Singerman PS

RE: "Sweet Auburn" Market
Sweet Auburn Commercial Revitalization Program
Atlanta, Georgia

On Tuesday President Clinton will announce his New Market Initiative and travel to Atlanta with several CEOs to visit the "Sweet Auburn" Market. The Market is located in an area that, to date, has received $3 million in assistance from the Economic Development Administration (EDA) for commercial revitalization. An additional $3 million in local funds were raised to match the original EDA grant.

In the run-up to the 1996 Olympics, held in Atlanta, EDA provided this assistance as one phase in the Sweet Auburn Commercial Revitalization Program to enable economically distressed areas to participate in and benefit from the Olympic activities. This specific project renovated and revitalized a 4,500 LF section of Auburn Avenue, a commercial corridor linking the Martin Luther King Historic Site to downtown Peachtree Street, which facilitated pedestrian tourist traffic and retail sales along Auburn Avenue. Comprehensively, the "Sweet Auburn Commercial Revitalization Program," addresses the housing, employment and business opportunity needs of the Auburn Avenue area. Although the "Sweet Auburn" Market did not receive, directly, EDA funding, it benefitted from the EDA infrastructure improvements in the commercial corridor.

EDA further assisted in redevelopment programs related to the Olympic Games by providing the City of Atlanta $2.4 million for the construction of infrastructure improvements in the area housing the Olympic Stadium. The EDA grant enabled Atlanta to generate an additional $3.1 million is funds. Thus, this project with total funding of $5.5 million, in addition to supporting the Olympics, laid the foundation for the revitalization, both residentially and commercially, of an urban area through the upgrading and replacing of a deteriorated section of the trunk lines.

On Tuesday afternoon President Clinton will lead a roundtable at the "Sweet Auburn" Market. One of the roundtable participants will be from the Northyards Business Park, which is located in a brownfield and an empowerment zone, within the overall "Sweet Auburn Commercial Revitalization Program." The Northyards Business Park has applied to EDA for $1.2 million in funding which is expected to generate approximately 150 permanent jobs.

Through these two projects, EDA provided $5.4 million in grants which, in turn, leveraged $6.1 million in locally-raised funds, yielding significantly more than a 50/50 match. The economic development programs funded by these EDA grants led directly to the creation of what was known as the Olympic Ring, a 1.5 mile radius around the Olympic Stadium, in which vibrant economic activity and job markets were established. <u>These projects are important examples of how EDA funds are partnerships in economic development that provide the infrastructure necessary for long-term business development in distressed urban areas of our country.</u>

Lisa Green
04/28/99 06:36:58 PM

Record Type: Record

To: Sarah Rosen/OPD/EOP@EOP
cc: Jonathan A. Kaplan/OPD/EOP@EOP
Subject: General Update

Whew! I feel like I'm just getting a chance to breathe for the first time today. I will stop by to see you (hoping that you are around) but I just wanted to summarize a couple of things in the order that they happened today.

Note: This is a really long, informal e-mail. Don't feel compelled to read the whole thing. I'll stop by to talk. This message is partly my way of keeping track ---- will every day be this busy?

Albuquerque Briefing - went well I thought, all things considered --- there were a couple of good questions/comments I made note of that we should probably keep in mind (or pass onto appropriate agencies) for implementation --- How will program be publicized, many small businesses are not well informed about programs; What is the status of fees under the new program, there should be as few as possible or none (I didn't have an answer because I'm still getting up to speed on details); Focus should be on big banks/financial institutions to do more in underserved markets. In general the group was very positive on New Markets!

Maria Meeting on 5/11 Trip -- As I understand the top cities are now **El, Paso** (which I don't have much more information on except that David did do some research for me on the Inc. 100 inner city companies and we have profiles now on TCG, Stagecoach and Spectrum, based on the descriptions I don't think there are any real good visuals there); **Atlanta** (I am looking for more info, David's research did uncover a company in Atlanta called Diaz Wholesale and Manufacturing which sound like it might be a good visual, they manufacture Hispanic foods and employ 85 people, no info yet however if they received funding from an SBIC or any other government program, David's looking for more on Diaz, there are unfortunately no CDFI's in Atlanta ; **New Orleans** (haven't really started digging yet and the one company on the Inc. 100 list is a real estate related company, so I don't think it's a good fit) ; **Providence, Rhode Island or Columbus, OH** (some info on Columbus --- David's research surfaced 2 companies on the Inc. 100 list --- but neither seems like it would be a great visual, I also wanted to clarify with you that both of these locations were on Maria's list, my notes are not all that clear, I think she and Alving went back and forth a little on these two spots); **TBD location(outside of Empowerment cities) -** my vote on a location that we can recommend tomorrow is **Akron, Ohio**, even though it is an EC; there are at least three things going on from which we can pick --- (1) The Enterprise Community Fund lot's of good info available --- they make capital loans to small businesses and micro-businesses and they were funded by CDFI (2) Business Linc --- Turner construction adn G. Stephens Construction --- although we probalby don't want to pick a construction company for a site visit because of the real estate message and (3) Jonathan Weiss passed on info about the Akron Edison Industrial Incubator, a model small business incubator with a multi-tenant facility that would probably be a great visual. Another possibility for the TBD location is Philadephia, although I think it's an old EZ which rules it out, since Atlanta would be the top choice if we go with an old EZ.

I will try to put together a memo, summarizing the pro's and con's of these sites --- including a grid on the other issues, i.e.logistics and political vet, and CEOs based there that are invited to the roundtable.

Based on that grid Atlanta is probably the winner. I am not getting in major assistance on this from OVP. Jonathan is frustrated because he spun his wheels and had others spinning this morning, only to be told there was a new list of cities hours later. Alvin is on travel for the rest of the day. I will do what I can --- but it's difficult to direct the traffic on this as the new kid on the block.

Meeting with Courtland Cox - I met with Courtland and Melanie Cooke today. No surprise that Courltand pushed on the minority development business programs. I somewhat committed to get the securitization effort back on track in June or later in the summer. I know our position on this is that it's not politically feasible to have a race based securitization focus, but in general I think it makes since to start up a working group (again? -- I think you may have pulled together people once on this already) to discuss the overall securitization of community development business loans. I have a made a note to myself and hopefully by June, I'll be in a position to work with Michael and Courtney and others on this issue. Courtland also mentioned that Secretary Daley will be going to California on May 12 to meet with state and local officials and this issue will be high on the agenda. I will try to get more info, but this may be something we want to make sure that Gene knows about.

Secretary Cuomo's Speech - It was actually a pretty good speech with great graphics in a slide presentation and nice anecdotal stories from his trips to distressed communities. I have notes I can share with you, but the main gist was that there are areas that have been passed over in the economic expansion and we have an obligation as a nation and to address their needs (sounds familiar, huh?). No major surprises except that he threw in "graying of the suburbs" into the mix and talked about struggling suburban areas. No specific mention of New Markets initiative, but the New Markets message was written all over it. I have an extra copy of the full boudn report "Now is the Time" if you want it. I also have a call into Xav to try to understand what happened --- where was the breakdown in communication on this. Have you heard any more on the discussions between Jackie, Cowan and Jon?

New Markets Legislative Strategy Meeting - My followup for the meeting are to meet with Courtney (~~please remind me of her last name~~) from OMB about credit subsidies. Also as you know we have a meeting tomorrow morning with Julia Rubin on SBA agenda. I will also try and give some thought to the targetting issue which I think I understand now. Anything else I should try to do in this are before Monday's meeting (except of course continue getting up to speed on the latest drafts). ~~By the way do you want me to have Sonyia do the scheduling for Monday~~?

Meeting with Jonatha Weiss - Fairly uneventful, although I did get info from him on Akron, OH. He was relatively pleasant with me --- hopefully I'll be able to do some relationship building that will help improve communication and understandings with OVP.

Miscellaneous - I got a message from Alice Veenstra today that nobody else from NEC was copied on. I will send you the message, but who is she? She was asking for input on a Q&A that Secretary Rubin is doing for the Treasury Postal appropriations about the New Market Tax Credit? They are asking for comments by monday. I need direction from you or John before I respond.

Okay, I think that's it. I'll stop in to see when (if) you have time tonight to chat.

Conference call: Bill - [illegible] from City [illegible] Coca Cola [illegible] CEOs to invite

call in 800-314-9553

Lisa Green
05/07/99 08:37:39 AM

Record Type: Record

To: Thomas D. Janenda/WHO/EOP@EOP, Richard L. Siewert/WHO/EOP@EOP

cc: Sarah Rosen Wartell/OPD/EOP@EOP, Jonathan A. Kaplan/OPD/EOP@EOP

Subject:

These are the options under consideration. We were able to eliminate several potential sites last night as indicated below. However, we can not narrow down the possibilities more until we have a confirmation from advance on what the surrounding area looks like. We need to confirm that the visual will be consistent with the New Markets them.

Empowerment Zone Sites

- **Renewal Atlanta:** A new recylcing business on a former industrial site. The newly purchased facility will create up to 65 full-time jobs for EZ residents. We got a confirmation from HUD that the plant is currently in operation. That report conflicts with previous reports that indicated building renovations are still underway. I believe this is the only real option in the EZ. SBA confirmed that the plant is operational. (Contact Info: Mr. George Toby, 352 University Avenue, 404-755-6330)

Sites Outside the Empowerment Zone

- **S & W International Foods** - This African- American owned company was established in 1996. The company cuts and repackages meat products and also manufactures a line of frozen biscuits. The company recieved two SBA guaranteed loans from Heller Financial and has grown from 12 employees to a staff of 60. The company's sales grew from $6 million in 1997 to $13 million at year end 1999. Many of the employees are former welfare recepients.The company also has contracts with large corporations (i.e. Sara Lee Corp, Walmart, and Kroger). The company's plant and headquarters are located in Forest Park, GA which is an industrial area outside of downtown, that according to the regional SBA staff person, would fit our criteria for a new market. (Contact Info: Jason Slaughter, President, 406 Main Street, Forest Park Georgia, 404-363-1199)

- **Dove Mailing Inc.** - This African-American owned business was established in 1987 and is a fully automated mailer for lettershop services and presort bureau. The company has recieved two SBA loans (both paid in ful) and has grown sales to $6.3 million with 41 employees. We believe this site is located in a neighborhood consistent with a new market. However, as a downside the company is very small. (Contact Info: Joyce Newton, President, 3560 Atlanta Industrial Drive, NW, 404-699-1278)

- **Diaz Foods** - This Hispanic owned business is a distributor of Hispanic foods. The company fits our profile except they have no federal funding. They may utlize the Welfare to Work Credit, but there is no public partnership we can point to. They are also located in an area which is only marginally an untapped market by our definition. However, they are a small business with 110 employees that has experienced significant recent growth (134% increase in sales over a 5 year period). They were listed in the Inc. 100 Magazine listing of top inner-city companies, although they are not technically in an inner city. Their warehouse and headquarters are located in an industrial park just within the city limits of Atlanta. The company's main source of financing is NationsBank which has been their lender

Coca Cola - [illegible]

for decades. The fact that they have no federal funding or partnerships combined with their location outside of the inner city makes this our third choice for a non EZ site.

Sites Eliminated

- **Fulton Cotton Bag Mill** - This project (which is primarily residential) is located in the Empowerment Zone and was recommended by Fannie Mae, directly from Raines office. The first phase of the project, involving 182 loft apartments, was underway however the property was struck by a major fire on Monday of this week. The second phase of the project will involve 140,000 square feet of office and studio space, which is not yet under construction. I would not recommend this site given the uncertainty resulting from this week's fire as reported in the local papers.

- **Williams Brothers Lumber Company** - Purcahsed in 1985 from a foreign company, this small business has recieved funding from Allied Investment Corporation, an SBIC. Allied made an initial investment of $870,000 in 1990, and another later investment of $500,000. The company has increased revenues from $22 million to $112 million over a 7 year period. The acquisition of the company saved 90 jobs and has since created 260 jobs. The firm has 9 locations in the metropolitan area. This company was eliminated given the nature of the neighborhoods in which the sites were located.

- Premiere

- Cygnet Systems

Leg Piece ← staff discussion drafts
meeting set up for Talent - Walt will
write-ups from Jenny
will be an
exchange

• AT&T wireless guy?

CEOs package ← CEO lists & bios
Cal. to work on 3 pager
package on NM Initiatives, president's speech, press package
articles
assign to someone else
assign articles

Paper ← Speeches
press pages

HUD Report - same for president - possibly @ empowerment zone
location
invites

call Xav to get articles and HUD empowerment person

Remake on CRA memo

Cardozo meeting

Validation - Good Briefings

non-urgent

daily or every other meetings for policy trips

agency / timing

to discuss over weekend

- long sound agenda
- have to work on trips
- speaking at for each organization
- people wise
- plans from each secretary

- HUD piece
- EDA
- Community empowerment - New Markets Initiative

list of what we need

time over weekend

we have to come with a plan
decide what we want

Mission of what we are doing

CEO's going on trips - will need to all ||

Report Back

PHOTOCOPY
PRESERVATION

Tony Porch
100 Black Men
of
404-521-1115

JONATHAN A. KAPLAN
05/06/99 04:10:27 PM

Record Type: Record

To: Melissa G. Green/OPD/EOP@EOP

cc:
Subject: Re: OVP request and pending substitute requests for 5/11 meeting

Here is where I think we come out on the pending CEO questions, but we need Gene's okay:

1. **BET.** Bob Johnson really wants his #2 Debra Lee who is President and COO to be there for him. I think that we should say no because we are just doing CEOs. But, Johnson is going to start calling people. The email below spells out where folks are. no

2. **AT&T Wireless.** Apparently, AT&T Wireless is a separate entity and Hess is CEO of it -- it also had $6 billion in revenues last year. I think that's pretty strong. We should do. no

3. **Coca Cola Enterprises.** OVP would like them involved. They want to send their President and CEO. Based in Atlanta, it's the world's largest bottler, it employs 60,000 people in 400 facilities. It seems pretty good. Plus, Coke can't make it, so this is a good connection. I think if we think they're okay, then Cheri should talk with them about what exactly Tuesday is, so we're all on the same page. yes

4. **MetLife.** Met Life wants to know if it can invite its former CEO Harry Kamen to Tuesday's event. He remains on the board of Directors. This seems kind of strange, but Jay Dunn is trying to find out how long ago he was the CEO. no

Kaplan
---------------------- Forwarded by Jonathan A. Kaplan/OPD/EOP on 05/06/99 03:48 PM ---------------------------

Maria Echaveste 05/06/99 02:59:06 PM

Record Type: Record

To: Jonathan A. Kaplan/OPD/EOP@EOP
cc: Ansley Jones/OVP@OVP, Cheryl M. Carter/WHO/EOP@EOP
Subject: Re: OVP request and pending substitute requests for 5/11 meeting

I think the coca-cola enterprises sounds to me like a totally independent company--and georgia pacific is a real company-focused on paper and lumber so I don't see the connection to urban investment, but if Ansley is pretty sure he won't be able to come, maybe the invite is enough---ATT wireless that cheri talked about made sense to me as a different company and finally, as for BET no. 2, jonathan--cheri and I have too much experience getting pushed by bob johnson--I guess we just were wimping out--so if Cheri hasn't invited bet yet, she should hold off and we should just take the lumps.
---------------------- Forwarded by Maria Echaveste/WHO/EOP on 05/06/99 02:54 PM ---------------------------

Ansley Jones @ OVP 05/06/99 02:00:42 PM

Record Type: Record

To: Jonathan A. Kaplan/OPD/EOP

cc: See the distribution list at the bottom of this message

Subject: Re: OVP request and pending substitute requests for 5/11 meeting

I agree that it is hard to have replacements (non-CEOs) at the table. Regarding the two CEOs that OVP would like to recommend, Coca Cola Enterprises is an entirely separate company. The stock trades separately, separate ownership, etc. Coca-Cola Enterprises is the world's largest bottler and is engaged in the processing and distribution of nonalchoholic refreshment businesses of the world's largest marketer, distributor and producer of bottled and canned beverage products of the Coca-Cola Company. It employs almost 66,000 people in more than 400 facilities. They typically get overlooked because people associate them with Coke.

Henry Schimberg is the President and CEO and would be a very good person for us to reach out to. He is an up and commer and from I hear, may be willing to be vocal about his support of the Administration. In addition, Doug Ivester, Chairman and CEO of the Coca Cola Company, will most likely not be able to attend. Regarding GA Pacific: GA Pacific is an international Fortune 500 Company with operations throughout the United States and throughout the world with 31,000 employees. Pete Correll, CEO, has served on a Presidential Commission and has been helpful to the VP's office re: enviro policy. He most likely will not be ablet to attend, but would be good to invite. and will take care of him another time. thanks for your help!

JONATHAN A. KAPLAN@EOP

JONATHAN A. KAPLAN@EOP

05/06/99 01:11 PM

To: Cheryl M. Carter/WHO/EOP@EOP

cc: maria echaveste/who/eop@eop, lisa green/opd/eop@eop, marjorie tarmey/who/eop@eop, sarah rosen wartell/opd/eop@eop, jackson t. dunn/who/eop@eop, ansley jones/ovp@ovp

Subject: Re: OVP request and pending substitute requests for 5/11 meeting

A couple of questions about these four executives:

If we start accepting non-CEOs, how do we propose to treat the companies equitably? Do we need to call back to the CEOs who have said they can't make it and tell them they can send someone else? Gene feels that he would certainly owe that courtesy to Notebart at Ameritech. Presumably there are others we would need to revisit as well.

As to the VP's requests, is Coca Cola Enterprises a completely independent entity? Is Coca Cola itself attending? Also, since we're trying to focus on large companies and not get regional on this, are Coca Cola Enterprises and Georgia Pacific large corporations by our standard for the roundtable? Just because we're visiting Atlanta later in the day doesn't mean we need to overdo Atlanta companies in the roundtable; in fact, there isn't really much of a connection between the roundtable and Atlanta at all.

Thanks.
Cheryl M. Carter

Cheryl M. Carter 05/06/99 11:30:25 AM

PHOTOCOPY
PRESERVATION

Record Type: Record

To: See the distribution list at the bottom of this message

cc: Ansley Jones/OVP@OVP
Subject: OVP request and pending substitute requests for 5/11 meeting

OVP wants to add the following 2 CEO's to the invite list (see below). The Coca Cola Enterprises CEO is totally separate from Doug Ivester the CEO of Coca Cola Company. Coca Cola owns 30 % of Coca Cola Enterprises. The CCE CEO is VERY important to OVP as well as the Georgia Pacific CEO...please advise.

Also, we need to address the two substitute requests asap from Bob Johnson and AT&T Michael Armstrong. Both requests are very high level executives, the AT&T request is for the President of their Wireless Company and Bob Johnson's request (he called me directly) is for his #2 in charge of his BET Holding Company. Both are important requests and my recommendation is that we go ahead with them. If we're not going to do them we need to let them know today...I at least need to start gently paving the way if we're going to say no...you all know that we will get lobbied very hard by both Johnson and AT&T if we say know...so just be prepared for the incoming calls!!

---------------------- Forwarded by Cheryl M. Carter/WHO/EOP on 05/06/99 11:22 AM ---------------------------

Ansley Jones@OVP 05/06/99 10:15:02 AM

Record Type: Record

To: Cheryl M. Carter/WHO/EOP@EOP, Alvin Brown/OVP@OVP

cc: Jackson T. Dunn/WHO/EOP@EOP, Jonathan Weiss/OVP@OVP
Subject: 2 CEOs to Add to the list for May 11th meeting in Cabinet Room

Oops -- the person we want to recommend from Coca Cola Enterprises (worlds largest bottler) is Henry Schinberg. He started out as a delivery truck driver, so it's a great story! Cheri, if he gets approved, can you please let me know. It would be great if VP could get credit for this one.
---------------------- Forwarded by Ansley Jones/OVP on 05/06/99 10:13 AM ---------------------------

Ansley Jones 05/06/99 10:08 AM

To: Cheryl M. Carter/WHO/EOP@EOP
cc: Alvin Brown/OVP@OVP
Subject: 2 CEOs to Add to the list for May 11th meeting in Cabinet Room

1. CEO of Coca Cola Enterprises, Summerfield Johnston (separate company from Coca Cola and active in community work in Atlanta)
2. Pete Correll of Georgia Pacific (very, very, very helpful to Gore and CEQ)

DISCUSSION ISSUES

LEGISLATIVE ISSUES

- Status
- Drafting of tax credit piece – Treasury/Rangel
- Our proposed June event

MAY 11 EVENT ISSUES

- Paper for May 11:

  1 page announcement: July event/CEO efforts
  list of CEOs and bios
  background on Atlanta EZ site
  2-3 pager on New Markets initiative
  Need to compile packet of info to send the CEOs

- Structure of roundtable:
  - -- Open press or closed
  - -- Cabinet and WH senior staff participation (who; roles?)
  - -- Location (Roosevelt Room, 450, other?)
  - -- Program: POTUS opens
    Options: POTUS asks for commitments, each CEO speaks
    POTUS asks for commitments, opens dialogue
  - -- Need script for the President
  - -- How seat the table?

- Structure of Rose Garden Announcement
  - -- Sperling/Jackson?/CEO/POTUS
  - -- VPOTUS? FLOTUS?
  - -- Flanking POTUS or in audience: CEOs? Members? Cabinet?

- Program for Atlanta Visit
  - -- Which business/venue to propose? Green recommends Diaz
  - -- Who speaks: Local member; CEO; small local business owner; POTUS

- Additional Names/Companies to Invite
  - -- Other list/diversity issues
  - -- Pathmark (eliminated when we decided not to go to New York)

- Starbucks (see front page Post article today)
- John Corzine (Chairman at Goldman Sachs) rather than Hank Polson (CEO)
- Alalnta companies added

- Readout for us on breakfast

- Update for Gene on Cuomo's call to Maria

- Incorporating CRA into message?

JULY EVENT ISSUES

Need to discuss

OTHER

- Requests for One Pagers

PROPOSED AGENDA for
NEW MARKETS ROUNDTABLE ~~AND TRIP~~
Tuesday May 11, 1999

8:30/9:00AM CEOs arrive in Roosevelt Room
Continental Breakfast Served

9:00 AM **Opening Remarks by POTUS**
Overall Message: "Many communities have not been a part of the current economic expansion as a result of information gaps and misperceptions about distressed inner-city and rural areas. I am issuing a challenging to you to be a leader in investing in these markets where you can do well by doing good"
Purpose: To (1) define new markets; (2) demonstrate (using very specific data and 1 or 2 charts) the investment potential in new markets; (3) summarize the framework for the New Markets Initiative and outline legislative plans; (4) issue a challenge to each CEO to have concrete new commitments by the July trip; and (5) acknowledge CEOs and invite each one to comment

9:10 AM **CEO Comments**
Format: Each CEO will be asked beforehand if they would like to speak about his or her company's current involvement in new markets; this part of the roundtable will involve very brief remarks from those who have agreed ahead of time to comment

9:30 AM **Comments by Secretaries of Treasury and HUD and SBA Administrator**
Format: Brief remarks in response to CEO comments related to each agency's role in the New Markets Initiative

will try to have Rubin come [illegible] involvement

9:40 AM **Q&A** Begin Dialogue
Format: Open Dialogue

10:20 AM **Closing Remarks by POTUS**

RG 10:30 AM **Group Moves to Rose Garden**

10:45 AM **Presidential Announcement of July Trip in Rose Garden**
President flanked by CEOs, Cabinet Secretaries, and invited Members
Press to attend.
Message: "I have just met with leaders from corporate America to discuss those markets in this country that have been left behind in the current economic expansion. These new markets represent untapped potential in our economy. The CEOs assembled here today have agreed to work with the Administration and to mobilize their peers to identify investment opportunities in distressed rural and inner-city areas"
Purpose: To (1) issue a challenge to all of corporate America and (2) briefly describe upcoming July trip – unprecedented 4 day domestic trip to new markets.

TRIP

11:30 AM	Rose Garden event ends
12:00 PM	Air Force One to Akron, Ohio or Atlanta, GA
2:30/3:00	Arrival at Destination (President, CEOs and invited members --- I assume that the Secretaries, if they participate at all, will not go on the actual trip) Visit to one or more businesses sites (TBD)
5:00???	Business site visits end (exact ending time TBD based on press deadlines) Air Force One Returns to Washington

- [illegible] what we would do [illegible] in each city — [illegible]
- this is [illegible]
- meet again

Sincerely
— [illegible]

JONATHAN A. KAPLAN
05/03/99 06:43:04 PM

Record Type: Record

To: Lisa Green/OPD/EOP@EOP
cc: sarah rosen wartell/opd/eop@eop, Melissa G. Green/OPD/EOP@EOP
bcc:
Subject: Re: New Markets Trip - One more thing

This is odd. Is this meant to amplify what the President is doing that day? If so, why not do it the next day with the specialty press that cover it? Is it press-focused or with groups?
Lisa Green

Lisa Green
05/03/99 06:33:44 PM

Record Type: Record

To: Sarah Rosen Wartell/OPD/EOP@EOP, Jonathan A. Kaplan/OPD/EOP@EOP
cc:
Subject: New Markets Trip - One more thing

Would you believe? HUD has scheduled a Briefing on Economic Development Opportunities by Deputy Secretary Saul Ramirez on Tuesday May 11 from 2:00 to 4:30 PM. Included on the agenda is a discussion of APICS and EZ/ECs. Hud has been participating in the working group and knows that the New Markets roundtable and trip are scheduled for that day.

I am just a little surprised about this. Should I followup with Xav or anyone else at HUD about this conflict? The meeting has actually been in the works for quite a while. But I'm surprised no one mentioned it before. Cheri brought it to my attention, based on information sent to her independtly.

The meeting is being billed as follows:
"The Briefing will explain HUD's new budget and discuss opportunities for business and community groups to receive funding from HUD programs... The briefing will be followed by breakout sessions on each of three items, led by senior federal officials."

Is this something I should bring to Gene's attention in the 8:00? Probably not a big deal, but he may want to know in case Cuomo raises it?

Lisa Green
05/03/99 06:46:56 PM

Record Type: Record

To: Jonathan A. Kaplan/OPD/EOP@EOP

cc: Sarah Rosen Wartell/OPD/EOP@EOP
Subject: Re: New Markets Trip - One more thing

I think its odd too. The focus is on businesses and community groups. It does not appear to be press based or focussed. I will try to find out more by tomorrow.

The Department of Housing and Urban Development
Cordially Invites You to a
Briefing on Economic Development Opportunities
by Deputy Secretary Saul Ramirez
and other Senior Federal Officials

Date: Tuesday, May 11, 1999
Time: 2:00 p.m. to 4:30 p.m.
Location: 7th and D Street, Southwest, Departmental Conference Room, 10th Floor

The Briefing will explain HUD's new budget and discuss opportunities for businesses and community groups to receive funding from HUD programs, including:

America's Private Investment Companies A new $37 million equity incentive program that will leverage $1.56 billion in private funds to support growth in America's new markets.

Community Empowerment Fund $750 million in grants and loans to increase capital for business investment and job creation in underserved inner city and rural areas.

Empowerment Zones/Enterprise Communities. Businesses in these areas receive tax breaks and low-cost capital for funding economic development. $170 million is allotted to fund these 24 Empowerment Zones and 15 Strategic Planning Communities.

****The briefing will be followed by breakout sessions on each of the three items, led by senior federal officials.** These sessions will give participants an opportunity to learn more about these economic development programs and to interact in an intimate setting with the officials who are experts in these areas.**

Please RSVP by Wednesday, May 5. You may RSVP by faxing the response form to **(202) 401-1390**. Should you have any questions, please call (202) 708-1216.

Attention: Business Briefing/Fax to: (202) 401-1390

____ Yes, I will attend HUD's Business Briefing.
____ No, I will not be able to attend HUD's Business Briefing, but please keep me informed of future opportunities to learn about HUD's programs.

Name: ____________________

Title: __________ Organization: __________

Address: ____________________

City: ________ State: ________ Zip: ________

Phone: ________ Fax: ________ Email: ________

Please let us know in which breakout session you wish to participate. (pick one)
___America's Private Investment Companies ____ Community Empowerment Fund
___ Empowerment Zone/Enterprise Communities.

FU with Xav

Lisa Green
05/04/99 03:20:50 PM

Record Type: Record

To: Xavier_Briggs@HUD.gov @ inet

cc:

Subject: NM Presidential Trip on May 11

Per our brief discussion this afternoon the New Markets event and trip, now scheduled for May 11, will involve:

- Morning Roundtable (with approximately 10-15 CEOs from major corporations)
- Rose Garden Event - Open Press (summarizing the morning roundtable and announcing the July trip involving visits to several New Markets)
- Trip (to either Atlanta, GA or Akron, OH) to visit with a business that illustrates the potential for succesful investment in distressed areas

Based on previous working group meetings and prior presentations, you probably have a good sense of the message for the day. But in a nutshell --- the President will be issuing a challenge to corporate America to participate in and invest in untapped or new markets. The expectation is that this meeting will mobilize major corporations and motivate them to make substantial investment commitments in new markets that we will be able to be announce at the time of the July trip.

Thanks for your help on this.

~~#~~ multi prong Strategy

1. Roundtable - Trip of Proposed Announcement
2. Empowerment Conference - he may come now?
3. Rose Garden - Signs Legislative Unveiling
4. July Trip

Call Chuck Brown
inquire to [illegible]
Rangel [illegible]
invite - closed press - no CEOs role, only —

Lisa Green
05/03/99 02:05:37 PM

Record Type: Record

To: Sarah Rosen Wartell/OPD/EOP@EOP, Jonathan A. Kaplan/OPD/EOP@EOP
cc: Melissa G. Green/OPD/EOP@EOP
Subject: NM Trip Meeting and Followup

NM Trip&Roundtable Agenda

Will either of you be able to attend the 5:00 New Markets trip meeting?

There are a few things I wanted to firm up beforehand.

(1) One I have taken a stab at "what the day will look like." Please review the attached proposed agenda. I have inserted specific questions into the draft about the agenda. Most importantly should we plan on inviting Cabinet Secretaries (specifically HUD, Treasury and SBA)?

Your input would be helpful. This agenda was a specific followup that we agreed to work on at the last meeting.

(2) Per my earlier e-mail, it would be great to have a sign off on the draft of the POTUS trip memo by this evening's meeting.

(3) A revised draft of the invitation letter has been sent to Gene. Cheri will probably want to have this ready for distribution to confirmed CEOs tomorow.

(4) Cheri has asked if we would mind inviting David Lambert, Sr. Vice-President of the NY Stock Exchange to the meeting. Minyon has a meeting set up with him on Wednesday to which she has invited us. It might make sense to have him be part of the group (non-CEOs) that sits in the room but is not at the table with the CEOs and the President. Also, the BET person and the AT&T Wireless person (both non CEOs) have not been told that they can or can not come, according to Cheri. We need to make a decision so that she can get back to them.

(5) Sarah, I hope to have the scheduling request for the Legislative Unveiling done by the end of today for your review. Jon, will you want to see this as well? As you know, we are trying to pin down a day to give Rangel, so that his staff will be motivated to finish drafting the legislation and also so that members know they will have their chance to shine on New Markets in June.

(6) Anything else, you can think of that I should be focussed on for the trip, that I might not know to do since this is my first trip? I can't believe it's only a week away!!!

7 @ call w/ [illegible]

Key Issues for Any Event

Advance
1, 2, 3 invites for audience - OPL
cabinet affairs - Ann McGuire
political affairs - Linda Moore

(1) CEO RT
(2) Rose Garden
(3) EZ/EC Trip

Papers
Press Paper (see Con Fin info)
by weekend 1 pager - first start - we do
- 4 pager w/ details on entire day
CEO list
- Background on EZ sites
- New Markets overview
- Presidents Remarks
- Event Memo goes to president the night before (Consumer Frame)
- Program for (1) (2) (3)
- Venues: e-mail over Stephanie bn signal out
- Advance Materials to CEOs
- RT script for POTUS, opening and for Dialogue Q&A

1 Pager
"Today President Clinton convened a group of signed CEOs challenging them to invest in
Following meeting, cited commerce July trip.
some new markets
↓
the day
budget #s

- 5 most important things from Gene to Gene

Program
- order of introductions
- people on road
- seating arrangements

Rose Garden possible speakers 1st Lady
Rubin, Jackson, Gene, CEO,
L opening remarks (welcome Jackson)
Jackson L
Sandy Weill → President DB

EZ/ECs - some CEOs
- Cabinet - Jackson
-
tour of facility
remarks
local elected - Congressperson
High Method who to → business person picks panelists

PROPOSED AGENDA
EVENT FOR NEW MARKETS INITIATIVE EVENT
Tuesday May 11, 1999

with NO posters

8:30/9:00AM CEOs arrive in Roosevelt Room/450 / East Room ?
[Jon, Sarah Is this the appropriate meeting room?]
Light Breakfast (Danishes, coffee served) Just Cabinet & White House Staff

9:00 AM Roundtable begins
[Sarah, Jon Do we plan to invite Secretaries? If so I recommend that we limit invites to HUD, Treasury and SBA --- I'm not sure how Commerce will feel about that but it will tough just finding a role for the three of them]

9:05 AM **Welcome by Gene Sperling** [Jon, Sarah is this a role Gene should play, if not Gene who should do this]
Purpose: To (1) welcome and individually acknowledge each CEO; (2) review the day's agenda; and (3) introduce the POTUS
Talking Points: Drafted by NEC

9:10 AM **Presentation by POTUS on New Markets**
Overall Message: "Many communities have not been a part of the current economic expansion as a result of information gaps and misperceptions about distressed inner-city and rural areas. I am issuing a challenging to you to be a leader in investing in these markets where you can do well by doing good")
Purpose of Presentation: To (1) define new markets; (2) demonstrate (using very specific data and 1 or 2 charts) the investment potential in new markets; (3) summarize the framework for the New Markets Initiative framework and outline related legislative plans; (4) issue a challenge to each CEO to have concrete new commitments by July trip; and (5) invite each CEO to comment and share thoughts about New Markets
Talking Points: Drafted by NEC

9:20 AM **Possible Presentations by Secretaries of Treasury, HUD and SBA**
Format: Brief overview of each agency's role in the New Markets Initiative
Talking Points: To be drafted by each agency's staff

9:35 AM **CEO Presentations**
Format: Each CEO will be asked ahead of time if they would like to talk about his or her company's current involvement in new markets; this part of the roundtable will involve very brief remarks from those who have agreed ahead of time to comment

10:00 AM **Q&A**
Format: Open Dialogue

10:20 AM Closing Remarks by POTUS or Secretaries

10:30 AM	Group Moves to Rose Garden
10:45 AM	**Presidential Announcement of July Trip in Rose Garden** (President flanked by CEOs, 3 Secretaries?, invited members --- Press to attend) Message: "I have just conducted a roundtable meeting with representatives from corporate America to discuss those markets in this country that have been left behind in the current economic expansion. These new markets represent untapped potential in our economy. Theses CEOs have agreed to work with the Administration and to mobilize their peers to identify investment opportunities in distressed rural and inner-city areas" Purpose of Announcement: To (1) issue a challenge to all of corporate America (2) briefly describe upcoming July trip – unprecedented 3-5 day domestic trip focussed on new markets. Talking Points: NEC and ???? (Sarah, Jon who would typically draft this type of announcement?)
11:30 AM	Rose Garden Event Ends
12:00 PM	Air Force One to Akron, Ohio or Atlanta, GA (Sarah, Jon, Press to attend?)
2:30/3:00	Arrival at Destination (President, CEOs and invited members --- I assume that the Secretaries, if they participate at all, will not go on the actual trip; We probably need to discuss with the full group the feasibility/logistics of a stop at more than one business site; I have listed potential sites in the trip memo in the order I would recommend them)
5:00???	Business Site Visits End (exact time based on Press Deadlines) Air Force One Returns to Washington

Sarah, Jon

General Questions
Who is responsible for inviting members? Who will do talking points for President at each individual business site --- do we need to put them on alert? There is a slim possibility that the First Lady will want to and be able to attend the morning roundtable. What role do we create for her? Who takes care of inviting and coordinating the press --- do we need to put them on alert? Anything else you can think of?

Other Tasks
In addition to trying to finalize the above agenda/schedule for the day, I am thinking through what type of background, informational package we will want to assemble for the CEOs. Also you should have gotten an e-mail on the draft invitation letter and the POTUS New Markets trip memo. The trip is exactly a week away ---Yikes!--- Your response/input on this proposal would be greatly appreciated as soon as possible.

JONATHAN A. KAPLAN
05/03/99 06:28:39 PM

Record Type: Record

To: Lisa Green/OPD/EOP@EOP
cc:
bcc:
Subject: Re: New Markets Trip Meeting

Perfect. Talk with MG first.
Lisa Green

Lisa Green
05/03/99 06:27:49 PM

Record Type: Record

To: Jonathan A. Kaplan/OPD/EOP@EOP
cc:
Subject: Re: New Markets Trip Meeting

Wasn't sure at the meeting if I should have volunteered to do this when Maria asked Cheri. I will follow through with Cheri and Melissa on this.

FU w/ Cheri

Public involvement

JONATHAN A. KAPLAN
05/03/99 06:28:39 PM

Record Type: Record

To: Lisa Green/OPD/EOP@EOP
cc:
bcc:
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cc:
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Wasn't sure at the meeting if I should have volunteered to do this when Maria asked Cheri. I will follow through with Cheri and Melissa on this.

JONATHAN A. KAPLAN
05/03/99 06:19:02 PM

Record Type: Record

To: Lisa Green/OPD/EOP@EOP
cc:
bcc:
Subject: Re: New Markets Trip Meeting

Looks fine. Why is Cheri dealing with Rubin's office on his attendance? If Melissa agrees, I think we should handle that, not OPL.
Lisa Green

Lisa Green
05/03/99 06:06:25 PM

Record Type: Record

To: Sarah Rosen Wartell/OPD/EOP@EOP, Jonathan A. Kaplan/OPD/EOP@EOP
cc: Melissa G. Green/OPD/EOP@EOP
Subject: New Markets Trip Meeting

Relatively uneventful, not a large turnout for the meeting and not a lot to report.

Trip Memo
Maria requested the draft of the memo to POTUS. I explained that Gene has not had an opportunity to comment yet. I have already let Melissa know that Gene should expect a call or an e-mail from Maria on the memo. It needs to be in the President's hands before he leaves for Germany tomorrow. As soon as I get comments from Gene I will revise and forward to Maria.

Participants in the May Roundtable Meeting
We briefly discussed the day's agenda. Consensus was that Cabinet Secretaries should be invited and in attendance (if possible) but have no speaking roles. According to Cheri, it is not unprecedented for the President to have a CEO meeting with cabinet members there but not actively involved in the discussion. Maria, wants to pro-actively solicit Rubin's attendance. She tasked Cheri with contacting someone to work on this. Presumably, if Rubin comes, then a lot of the others (Daley, Cuomo, Alvarez, Herman and maybe even Glickman will want to be there). There was also a brief discussion on Jackson. Apparently, he may now want to come on the trip? Perhaps we will hear more, after his meeting with the President tonight. Also Cheri is getting good response on the calls, she expects around 20 to confirm. We need to get back to her on the non-CEOs issue and about David Lambert, per my earlier e-mails. Cheri is also anxious to get the invitation letter from Gene to send to the CEOs as a followup to the calls. It would be great to send the letter out tomorrow.

Next Steps - Specific Site Selection
Next meeting will probably be Wednesday afternoon. Stephanie will be sending her folks out by then to

scope potential sites. On Wednesday we will nail down specific sites, how the day will run, and what should be the main points made during each part of th day. My recommendation for specific site visits would be Diaz Wholesale manufacturing plant in Atlanta (even though it's not physically in the EZ, Alvin was okay with that) and the Edison Incubator, multi-tenant facility in Akron. If Atlanta is selected we may expand the list to include some more Atlanta corporations.

CRA

Discussed very briefly. I indicated that Atlanta has lots of banks actively doing CRA lending/investment --- i.e. NationsBank, Wachovia, BankSouth, Trust Company Bank, and First Union. Maria wants us to keep the issue in mind for talking points, but didn't want anything specific to go into the POTUS memorandum on the trip.

DRAFT!!!   DRAFT!!!   DRAFT!!!   DRAFT!!! – as of 5/3/1999, 1:00 PM

May 4, 1999

Dear CEO,

On the morning of Tuesday, May 11, 1999 the White House will host a roundtable with CEOs from across the United States to discuss corporate America's role in revitalizing underservered communities. I am pleased to invite your participation in this event. The meeting will include a discussion of the Administration's recent work on a set of initiatives, known collectively as the New Markets Initiative, designed to spur new investment in urban and rural areas through tax credit and loan guarantee incentives. The purpose of this meeting is to exchange information with one another about successful investment programs and profitable businesses emerging throughout the country in economically distressed communities.

Following the roundtable, we invite you to join the President as he makes an announcement in the Rose Garden about plans to visit new markets in July. You are also invited to accompany the President on Air Force One for a brief visit to Atlanta, Georgia [or Akron, Ohio] where we will meet with local businesses that illustrate the investment potential in untapped and underserved markets.

As you know, America is experiencing the longest economic expansion in its history, marked by tremendous business and job growth. Despite this economic boom, many urban and rural areas of the country have not participated in the capital investment that has spurred job growth and economic development elsewhere at home and abroad. President Clinton's commitment to building one America is a commitment to making progress for all Americans in every home and community in the nation. We are seeking your commitment to help build a network of private investment institutions that can funnel credit, equity and technical assistance to businesses in America's new markets.

As part of the July trip, the President expects to highlight new investment commitments from major corporations, such as yours, to demonstrate corporate America's leadership role in new markets. The President will visit new markets throughout the country, showcasing successful examples of private investment in distressed rural and inner-city areas. We need your assistance in identifying success stories and developing new innovative investment strategies. It is our hope that by July you will be prepared to announce your company's initiatives and new investment commitments designed to leverage the untapped potential in communities that have been unable to access capital in the past. Participants in the morning roundtable will be asked to join the President as he announces this unprecedented domestic trip scheduled for July 1999.

Following the Rose Garden announcement, the President will travel to Atlanta, GA [or Akron, OH] to meet with businesses and financial institutions in the Empowerment Zone. Empowerment Zones are examples of untapped markets that are currently benefiting from private investment resulting from government programs and tax incentives. The visit in Atlanta will highlight successful examples of private investment helping to revitalize communities. We invite you to accompany the President and join us as we meet with local businesses.

We look forward to meeting with you next week. Additional follow-up information will be sent to your office later this week with a full agenda, background materials and logistics for the morning roundtable and the afternoon trip.

Respectfully,

Gene Sperling, Economic Advisor to the President
National Economic Council

DRAFT!!! DRAFT!!! DRAFT!!! DRAFT!!! – as of 5/3/1999, 1:00 PM

May 4, 1999

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Respectfully,

Gene Sperling, Economic Advisor to the President
National Economic Council

Lisa Green
05/03/99 01:03:04 PM

Record Type: Record

To: Melissa G. Green/OPD/EOP@EOP

cc: Sarah Rosen Wartell/OPD/EOP@EOP, Jonathan A. Kaplan/OPD/EOP@EOP, Cheryl M. Carter/WHO/EOP@EOP

Subject: CEO invitation letter - revised version

invite letter-for NM trip.d

Attached is a revised version of the CEO invitation letter. Please discard the earlier version. I have made changes based on Gene's comments on the first draft. The revised letter talks more about mobilizing the private sector than about our legislative efforts.

Per my earlier e-mail the letter needs to go out as soon as possible. Please have Gene take a look when possible thanks.

Lisa Green
05/04/99 02:10:49 PM

Record Type: Record

To: Melissa G. Green/OPD/EOP

cc: Jonathan A. Kaplan/OPD/EOP, Sarah Rosen Wartell/OPD/EOP
Subject: New Markets CEO Roundtable Invitations

Melissa for Gene - He may want to see this relatively soon. Thanks.

The purpose of this message is to update you on you on the invitation list and the status of responses from CEOs for next week's roundtable.

Update
OPL continues to make calls based on the original list. We have confirmed 4 CEOs from Fortune 500 companies and are waiting on an additional 5-10 CEOs, expected to confirm shortly. Cheri believes we may ultimately have as many as 20 CEOs from major corporations.

In addition to making calls from the original list, calls were also made from another list generated after discussions a few weeks ago about diversity and the need to identify some Women, African-American, and Hispanic CEOs. To accomplish this goal, it was necessary to look beyond Fortune 500 organizations. A list was generated that OPL then vetted (to confirm there were no problems w/ contracting, to check on political concerns, etc.). Due to some miscommunication, the list did not get back to us after it was initially vetted.

OPL called some individuals on this list and recieved two confirmations as indicated below.
We have asked OPL to hold off before making any additional calls or returning calls from this list. Please advise on our strategy to increase diversity in the group before we proceed.

CEOs Confirmed

Sandy Weill
Travelers

Sy Sternberg
NY Life

Dick Huber
Aetna

Ivan Seidenberg
Bell Atlantic

Very High Probability (have indicated yes, but we are waiting on confirmations)

Nations Bank
Rite Aid
Ralphs

Bank Boston

Possibles (have expressed interest - but have not yet indicated yes)

American Express
Prudential
Boeing (waiting on vet)
Fannie Mae
Freddie Mac

CEO Alternates Requested (the following companies have asked that an alternate be allowed to attend; we have not yet responded to these requests)

Dan Hess, President
AT&T Wireless

Debra Hill, President and COO
BET (Gene should expect to hear from Bob Johnson directly if we say no)

Richard Grasso
New York Stock Exchange
(this request is from Minyon)

Additional List of CEOs (these are the calls made beyond the original list)

Dr. Emma C. Chappel (invited and accepted)
United Bank of Philadelphia

Maceo Sloan (invited and accepted)
Sloan Financial Group

Melvin Clarke (left message)
Metroplex Corporation

John Johnson (left message)
Johnson Publishing Inc.

John Corella (left message)
Corella Companies

You ~~indicated~~ requested several weeks ago that we seek your guidance on where to visit ~~the first~~ when you travel in May to highlight the NMI initiative. As you know, you will be travelling ~~more extensively~~ on a more extensive trip in July to unveil major ~~corporate~~ private-sector commitments to underserved communities.

DRAFT! DRAFT! DRAFT! DRAFT!

MEMORANDUM TO THE PRESIDENT

DATE: April 30, 1999
FROM: ????

or   request your preference for   11   recommended

The purpose of this memorandum is to ~~recommend~~ two locations ~~as options~~ for your trip on the New Markets Initiative ~~scheduled for~~ May ~~12~~, ~~1999~~, following your morning roundtable with CEOs at the White House. The message for the roundtable and the trip is mobilization ~~of~~ private investment in underserved communities. ~~We propose a visit to one of the following three locations where we can highlight examples of economic success in untapped, non-traditional markets or New Markets, through visits~~ to one or more ~~business sites:~~

two

ATLANTA, GA

Background

Business Considerations

This city has an Empowerment Zone with many characteristics of a "New Market." [Alvin it probably would be good to add poverty and employment statistics if you have available]. Success stories in Atlanta and its Empowerment Zone include:

- The Atlanta EZ will be the site of the first **Blimpy franchise** opening under a corporate agreement to open franchises in 10 EZ/ECs across the country.
- **Diaz Wholesale and Manufacturing** is a small business recently featured in the Inc. Magazine cover story on the Top 100 Inner-City Companies, compiled from research conducted by Michael Porter's group, Initiative for a Competitive Inner City. Diaz manufactures and distributes Hispanic foods and employs 85 people. From 1993-1997 the company experienced a 138% increase in revenues.
- Building renovations are underway for **Renewal Atlanta**, a recycling plant that will generate 65 permanent jobs for EZ residents and 200 temporary jobs for students. Renewal Atlanta will make a $3.5 million plant investment in the EZ.
- Certification of **Mutual Federal Savings Bank** as Community Development Financial Institutions under Treasury's CDFI program. [Alvin, I expect more information on this group by tomorrow].
- **United Water Services Atlanta (UWSA)** was recently chosen to privatize the city's water system and will locate it regional headquarters in the EZ. UWSA employs 425 people and has committed to hiring 20% of its employees from the EZ. The company has also committed to provide a total of $500,000 for use as seed capital in new EZ businesses.

Advantages

Other Considerations

Atlanta is home to many important corporations, such as Coca-Cola and BellSouth, that we will enlist as partners in and supporters of the New Market Initiatives. We can expect that the CEOs from these companies will participate in the both the roundtable and the trip if Atlanta is selected as the location.

A visit to Atlanta on May 11 will also complement the planned SBA Workshop on New Markets scheduled for May 6 that will focus on SBA's Small Business Investment Company (SBIC) program. The workshop is designed to recruit potential new SBIC investors and management teams with experience investing in small businesses in low and moderate-income areas.

AKRON, OH

Background

Akron Ohio is a model Enterprise Community with many new businesses. [Alvin are there any statistics, evidencing this is a classic New Market?] Success stories include:

- The **Enterprise Community Fund (ECF)** is a non-profit business loan fund that makes working capital loans to small and micro-businesses in the distressed neighborhoods of the Akron Enterprise Community. ECF also provides businesses with much needed technical assistance. A 1998 CDFI Fund award is being used by ECF to expand its lending for small amounts of working capital that banks have been unwilling to finance.
- Turner Construction has joined forces with a small firm **G. Stephens Construction** through the BusinessLINC initiative that encourages larger businesses to link with and advise smaller firms, particularly those in economically distressed communities.
- The **Akron Edison Industrial Incubator** was created in 1983 and is a model small business incubator with a multi-tenant facility that provides entrepreneurs with space and a wide variety of administrative, management, technical and professional services.

Advantages

- The **Safe Harbor Minority Business Center** assists the development and growth of minority-owned office and service forms. The 7,000 square foot center currently houses nine businesses. Safe Harbor provides its tenants with centralized support services and technical assistance. The center also operates a micro-lending program in conjunction with Akron's Enterprise Community Program.
- The **Middlebury Grocery Shopping Center** is under development in the central city area through a loan under the Economic Development Initiative. The center will ultimately employ 30 full time and 100 part time workers. [Alvin, I will try to confirm by tomorrow what the status of this project is].

Other Considerations
[Alvin I couldn't think ~~of any~~thing else for ~~Akron here~~ --- please fill in if ~~you have~~ thoughts to add.]

SUMMARY OF RECOMMENDATION
After careful consideration and review of ~~10~~ ten other potential locations, Atlanta, GA and Akron, Oh were selected as the top two recommendations. These two cities exemplify characteristics of New Markets and illustrate the potential for successful private investment in underserved communities. These cities also fit the logistical travel constraints given our expected departure time from DC following the morning roundtable. ~~Please advise.~~

PREFERENCE:

Atlanta, GA ____

Akron, OH ____

Lisa Green
04/30/99 09:23:21 AM

Record Type: Record

To: Maria Echaveste/WHO/EOP

cc:
Subject:

Per you request at yesterday's meeting, I have written an initial draft of a memo to the President about the May 11 New Markets Trip. I am still waiting for information from Alvin and others to complete the memo. I also wanted to be sure that Gene had an opportunity to provide his input on the draft.

It is unlikely we will have a draft to you by 10:00 AM but will get you something as soon as possible. Sorry for the delay.

Sarah Rosen
04/16/99 08:09:11 AM

Record Type: Record

To: Melissa G. Green/OPD/EOP, Gene B. Sperling/OPD/EOP

cc: Cheryl M. Carter/WHO/EOP, Jackson T. Dunn/WHO/EOP, Jonathan A. Kaplan/OPD/EOP
Subject: New Markets Trip in Early May

MELISSA -- URGENT THAT GENE SEE QUICKLY. I AM OUT MOST OF DAY AND IN NY OVER WEEKEND (with skypager). IF GENE HAS QUESTIONS, HE CAN CALL CHERI TOO.

Cheri, Jay and I met, per direction at Maria's meeting, to scope out possible event for POTUS in early may.

As discussed, we envision a WH roundtable with 15-20 CEOs. The President would then take the "trade mission" on Air Force One with him to one or two sites to: (1) show the potential -- that it can work; (2) make a public challenge to them to invest in new markets; and (3) announce the trip in july where he plans to highlight the investments mobilized.

We talked about possible lists of CEOs for OPL to work from, including those who have already invested some in CD Venture Capital, those who have made commitments to EZs, those who have participated in Jackson's activities, those who have participated in the VP's business outreach activities, and those identified by the investment programs at the possible sites (e.g., Kentucky Highlands past investors). OPL is beginning outreach already.

As for possible sites, we discussed that CEOs are unlikely to travel more than one day and making it one day will help to distinguish it from the July trip. In one day, we could do one or two sites, depending upon proximity.

Among the most likely possibilities we identified were:

(1) Pathmark opening in East Harlem on April 30th. (We might be able to get them to move it a few days for POTUS, but must decide soon.) Rangel location. On message.

(2) Kentucky Highlands. Heavy on message. Unclear if there is a good visual, but one could probably be found. This group is the furthest along in the type of investment we want to highlight. If only one site, sends message that untapped markets aren't only cities. Possibility for bipartisan participation with some members of Kentucky Republican delegation.

(3) EZ -- Nearby existing EZs -- Philadelphia and Baltimore -- might make it easier to visit two sites. However, new EZs are better for message about legislation. Norfolk, VA is nearby. (Other round 2 EZs are:

Boston, MA (over 80 businesses made commitments including IBM, Microsoft, lots of banks, Boston Edison)

Cincinnati, OH (over 30 businesses made commitments including Toyota, Kroger, Proctor and Gamble, Cincinnati Bell, banks)

Columbia/Sumter, SC (over 10 businesses made commitments including NationsBank)

Columbus, OH (over 15 businesses made commitments including Deloitte and Touche, Fannie Mae)

Cumberland County, NJ (over 20 businesses made commitments including Caesars Atlantic City, Trump Casino Services, Computer Learning Associates)

El Paso, TX (over 80 businesses made commitments including El Paso Natural Gas, World Trade Center, banks, Chase Manhattan, Fannie Mae)

Gary/East Chicago, IN (over 20 businesses made commitments including numerous banks)

Huntington, WV/Ironton, OH (Over 10 businesses made commitments including BIOMASS Group, Ironton Iron)

Knoxville, TN (over 15 businesses made commitments including local banks)

Miami, FL (over 90 businesses made commitments including Marriott, Turner Construction, Norwegian Cruise Line, Wal-Mart, Knight-Ridder, American Airlines, BellSouth)

Minneapolis, MN (Over 10 businesses made commitments including various banks)

New Haven, CT (over 10 businesses made commitments including Olin, Science Park Development)

Norfolk/Portsmouth, VA (over 160 businesses made commitments including Golds Gym, VA Power, Office Depot, ERA Realty, Maid Brigade and various banks)

Santa Ana, CA (over 50 businesses made commitments including ITT Industries, FirstWorld Communications)

St. Louis, MO and East St. Louis, IL (over 20 businesses made commitments including Casino Queen, MasterCard International)

Desert Communities Empowerment Zone, CA (Souther California Edison, GTE Network Services, the Desert Sun)

Lake Agassiz, ND (Farmers Elevator Company of Cooperstown, bank loan fund consortium, Sheyanne Tooling and mfg)

Oglala Sioux Tribe Empowerment Zone, SD

Southernmost Illinois Delta (Southern Illinois Electric Cooperative)

Southwest Georgia United)

(4) DC -- DC CDFI. Would be easy to pair with trip to rural area in one day. Need to see if we can find the kind of business or equity investment (not just lending) here that we want to be highlighting.

Gene -- Not much time. Please share your thoughts. If you are comfortable with this approach, we can explore in more detail any of these sites that sound promising to you. Also, need to give Maria prelimary recommendations. Thanks.

DRAFT of - pol/can memo for tomorrow by 10 AM
letter

1 hour meeting - they will have to speak

Scripting The Day - substance, agenda, structure

Research Shutdown

Potential Sites for 5/11 POTUS Trip on New Markets

package for each of CEOs - including w/advance members

El Paso - rw 32

- ACCION El Paso, a nonprofit micro-enterprise fund funded by ~~CDFI~~ and part of a larger network of funds
- El Paso Association of Banks provided matching funds for ACCION El Paso
- Stagecoach Cartage & Distribution (#54 on Inc. 100 list) employs 220 people and is a transportation, distribution and warehousing company. 142 vehicles, 150 trailers possibly a good visual.

maybe will be valid

#3?

Existing Store

Atlanta

- Diaz Wholesale and Manufacturing could potentially have a good visual, they manufacture Hispanic foods and employ 85 people (#63 on Inc. 100 list)
- SBA is doing a New Markets Workshop on 5/6
- There are CDFIs, but waiting on confirmation on what's been funded. More than one have been certified by CDFI
- Current EZ with commitments from Nations Bank – a big player in the community development world, and potentially an even bigger player

#1

New Orleans

- No Inc. 100 Inner City Companies and No CDFIs

out -

Providence, Rhode Island

- Minority Investment Development Corporation, a multi-bank community development corporation is an excellent CDFI funded by the CDFI program. An event is planned for early June, but the would more than likely move it up for us. The group lends to minority and disadvantaged entrepreneurs throughout the state.
- No Inc. 100 Inner City Companies

no because of political reasons

political issues

Craig Hughes

Akron, Ohio,

- Old EC
- The Enterprise Community Fund lot's of good info available --- they make capital loans to small businesses and micro-businesses and they were funded by CDFI
- BusinessLinc with Turner construction and G. Stephens Construction --- although we probably don't want to pick a construction company for a site visit because of the real estate message.
- Akron Edison Industrial Incubator, created in 1983 is a model small business incubator with a multi-tenant facility that would probably be a great visual.
- EDI (Economic Development Initiative) – Development of Middlebury Grocery Shopping Center in central city area. City will loan 108 funds to developer with EDI being used to fund land acquisition costs. 30 full time and 100 part time jobs created.

#2

Durham, NC

- Self Help Credit Union – Model CDFI and Community Development Credit Union
- Proposed State SBIC to be matched by private capital – high priority of Governor

- Tks for V.P. & Roundtable to work on commitments
include talking points - send materials

- Next meeting on Monday
early next week Follow Through

- Plan for July, who is calling whom?

5/5 meeting commitments to

OVERVIEW OF CITIES REMAINING

Ranking

1. AKRON
2. PROVIDENCE
3. COLUMBUS
4/5 (tie) ATLANTA/ NEW ORLEANS
6. EL PASO

(GEORGIA RURAL EC INFO ATTACHED)

1. AKRON EC

- Excellent EC, with many new businesses started through its incubators
- The Edison Incubator is a multi-tenant facility that provides entrepreneurs with space at below market rates and a wide variety of administrative management technical and professional services that a new business may otherwise be unable to obtain or afford. Each Incubator is staffed by experienced individuals who understand the unique needs of start up companies Business people, community groups and local colleges and universities all actively participate in each of the Edison incubators The range of assistance and depth of staff expertise is enormous and invaluable
- Established in 1983, the Akron Industrial Incubator enjoys an international reputation as a successful small business incubator created through a cooperative partnership. The City of Akron, the Akron Development Corporation, the University of Akron, and the State of Ohio have jointly created the program to assist small businesses
- Businesses locating in the Incubator benefit from more than low cost, quality space. They benefit from 1) an atmosphere targeted for success; 2) an atmosphere that encourages an information exchange between businesses with similar interests, or industries, and 3) educational institutions located near the facility These businesses grow in an environment that provides a continuing source of information, knowledge, technical skills, and services not readily available to new emerging businesses outside the program
- In 1991, Safe Harbor Minority Business Center was opened to assist the development and growth of minority-owned office and service firms This project was jointly developed by the City of Akron and East Akron Neighborhood Development Corporation (EANDC) The 7,000 square foot center, located in east Akron currently houses nine businesses
- Safe Harbor provides its tenants centralized support services such as receptionist meeting rooms, copy machine, and fax capabilities Rents are below market rates, and technical assistance is available to help tenants with business plans, loan applications, and other business functions
- In 1995, Safe Harbor also initiated a Micro-Lending Program in conjunction with Akron's Enterprise Community Program. This program provides very limited start-up

businesses or startups are women owned and 98 are minority owned. In addition to providing access to technical assistance and consulting services, BIC has assisted 35 businesses and entrepreneurs with loan packaging.

III. COLUMBUS EZ (NEW EZ)

- SEE ATTACHED FOR BUSINESS INFO. Over 15 businesses made commitments to the Zone application, worth $700 million
- Zone has little tracking of new businesses created under EC, but there were several
- Zone used a grant supported creation of the Job Connection, a shared electronic data-base that coordinates employment, training and local development efforts targeted to the EC. The grant also established a training classroom in the EC with computers and Internet access, invested in computers with Internet access for 14 community-based organizations, and provided free Internet training for EC residents
- The Columbus Compact Corporation, the official board for the Columbus EC, developed "Building Blocks", a cable television program. The program, created in 1996 through efforts of the corporation and Community 21 television, promotes activities, programs, personalities, and concerns of the Columbus EC. "Building Blocks" has been so successful in promoting the EC that it was awarded the 1997 Pyramid Award for Best News and Public Affairs Show by Community 21 television.

Draft memo of

IV. ATLANTA EZ (NEW)

- SEE BUSINESS INFO ATTACHED. A $1 million EZ loan has been approved for Atlanta's Fulton Cotton & Bag Mill to renovate 173,250 square feet for commercial and retail space and provide 325 apartments, 40 percent of which will go to low-income families.
- The Blimpy franchise will open in approximately 10 EZ/ECs across the Country, with Atlanta already the first. Renovation is underway at Renewal Atlanta, a recycling plant which is opening this spring, generating 65 permanent jobs for Zone residents and 200 temporary jobs for students. Each youth will receive $4,000 in scholarship and career counseling during the 2-year period. Renewal will make a $3.5 million investment in a plant in the Atlanta EZ.

Zone Rep for Denise Major Comm

V. NEW ORLEANS EC

- BUSINESS INFO TO BE SENT. Mayor Morial is a particularly good friend and would be good outreach
- EC offers integrated approach, with emphasis on youth development and promoting entrepreneurial growth
- In EC, in 1997-98, 26 new businesses -- an almost 2,000 new jobs -- were created

- Enterprise Ice Cream Project, which is in the process of completion, is a good example. Public and private partners – including Brown Velvet, Inc, a Zone business -- have joined forces to develop a retail ice cream store in the EC that act as a catalyst for revitalization and enhanced youth employment. The Brown Velvet headquarters could be a possible site location for a visit.
- Excellent "Schools as Safe Harbors" training program, providing training to residents at EC schools

VI EL PASO EC

- Low ranked based on RK, though actually quite strong
- Former EC, now an EZ. Highest poverty rate, 58%
- Good Hispanic outreach visit but our conference will be in Rio Grande (note Bush factor as well)
- As part of U.S.-Mexico border region, the Zone gives residents opportunity to benefit from cross-broder and global trade partnerships and take advantage of potential long-term opportunities in NAFTA.
- Poverty rate is highest among new Zones.
- Hispanics make up 72% of population (58% don't to speak English as their primary language)
- $900 million in proposed public-private sector commitments with Over 80 businesses, community groups, and academic institutions to create over 800 new job opportunities.
- New business commitments include several Banks, El Paso Natural Gas, and El Paso Electric Company
- There is a good success story from the EC in the new MCI facility there. MCI has located an operator network center in the El Paso EZ. The center represents a $4.6 million investment, creating 69 new jobs for zone residents. The EZ has thus far spent over $50,700 in customized job training. To date, MCI has provided over $200,000 in in-kind payments to the EZ trainees. An available work force and training funds were critical to MCI's decision to locate in the former EC. The center provides general operator and directory assistance services to customers in both English and Spanish.
- The City of El Paso has committed $100,000 of their EZ funds to establish a small business revolving loan fund and leveraged a dollar for dollar match by the Association of Banks. The Association is working with *Accion*, a non profit organization tasked with managing the match contributions. *Accion* was the 1997 Presidential Award Winner for Development in Microenterprise
- Over the past 15 years El Paso has become the home for a number of large electronic manufacturers. The computer industry has been especially well represented with companies such as Keytronics, Axxion Manufacturing, Phillips and Acer establishing manufacturing facilities in the area. Acer has recently made El Paso the headquarters of their North American laptop division, which are manufactured exclusively in El Paso.