

Seedco

Partnerships for Community Development

Facsimile Transmission

To: Lisa Green Date: June 24, 1999
Company: National Economic Council Fax #: (202) 456-2223
From: Roland Anglin
Copy to:
Re: The President's New Markets Initiative

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Thank You. *Jonella*

Seedco

Partnerships for Community Development

To: Lisa Green
From: Roland Anglin *RVA*
Date: June 24, 1999
Subject: New Markets Initiative

Thank you for inviting the Structured Employment Economic Development Corporation (Seedco) to the briefing on the President's New Markets Initiative. As requested, please find enclosed some of the innovative and exciting projects in which Seedco is currently involved. I am aware that the sites for the President's visit have been chosen, but you were clear that additional recommendations were welcomed to base similar trips by various cabinet secretaries. If any of our projects interest you, please let me know. We would be happy to provide more information. At the briefing, you mentioned that we should indicate if our president, William Grinker, or our board chair, Larry Sills (President of Standard Motor Products), would be interested in participating in the trip. I am sure that space is filling up, but please consider either Bill Grinker or Larry Sills as participants on the trip. We have a unique development perspective and practice that links anchor institutions (hospitals and educational institutions) to the process of economic development and minority business creation. This perspective would add much to the President's welcomed focus on the potential for private sector opportunities in distressed areas. Again, thanks. I will touch base soon.

Boston, MA

In partnership with Northeastern University, Seedco is pursuing several innovative economic development projects in the Roxbury neighborhood of Boston. Highest in priority is the proposal to develop an industrial cluster project which will site five minority-owned business-to-business service businesses (such as toner cartridge remanufacturing, bottled water, legal document copying and storage, moving, and courier businesses) in a light industrial complex in the Roxbury neighborhood within walking distance of the residential area. One of the obvious reasons for co-locating these businesses in the neighborhood is to facilitate job creation for local residents with low skills and poor work histories. Beyond that, Northeastern University and Seedco are committed to assisting the five selected minority-owned businesses in packaging their services and selling them to the large Fortune 500 companies located in the downtown area. It is anticipated that this innovative approach will create more than 500 jobs for area residents. As such, this project promotes asset building not only among the area's residents but also among the entrepreneurs who will be community leaders and stand out as models of success for this low asset community's youth. We are also in the preliminary stage of discussing workforce development, youth entrepreneurship, and employer assisted housing initiatives with this site.

New York, NY

Seedco is in the midst of taking on several interesting and dynamic economic development projects in New York City. Among them are two welfare-to-work initiatives which are already being held up as national models. NSP (Neighborhood Strategies Project) Works is a coalition of three community-based workforce development providers facilitated by Seedco and its

affiliate, the Non-Profit Assistance Corporation, that received a \$5 million Round 1 Department of Labor competitive grant to administer an innovative model in workforce development which has already enrolled 600 participants, primarily immigrants with limited English speaking ability.

Based on the success of NSP Works, Seedco/N-PAC will officially launch another workforce development initiative this fall called **EarnFair**. Under this initiative, Seedco has partnered with LIISC and eleven community-based workforce development providers to establish a limited liability corporation that will own and operate an employee leasing/temporary staffing business. The business will provide low skill/entry level employees for business clients while providing people coming off of welfare with a subsidized, transitional employment experience for up to two years with fully supported case management activities. Integral to the success of this initiative will be the buy-in of large businesses in the New York area to commit to leasing twenty to twenty-five **EarnFair** employees at a time. Thus far serious expressions of interest have been made by the Coalition of Nonprofit Prepaid Provider Health Plans of New York State on behalf of its 14 member businesses and the Great Harbor Design Center. Another aspect of this project is first-ever proposed syndication of welfare-to-work tax credits as a means of providing the necessary equity that the company will require.

Another innovative project that Seedco recently financed is a \$500,000 working capital loan to the Greenpoint Manufacturing and Design Center (GMDC) in support of the pre-development costs associated with a five-phase, mixed-use \$100 million redevelopment project in Brooklyn along the East River waterfront. Upon completion, the Greenpoint Terminal Market will employ more than 1,200 people and provide more than 600 housing units for the neighborhood. The Market will cater to providing light industrial space for woodworkers/craftspeople in phase 1 and the food preparation/packaging industries in phase 2, two niche industries which have a special interest in being in the New York area to serve the core clientele yet are increasingly being pushed out of Manhattan due to the ever-increasing cost of real estate. In addition, phase 3 will provide affordable office space for nonprofit social service providers who are seeking to serve this immigrant Hispanic and Polish community.

In addition to the aforementioned programs, Seedco has strong partnerships with many of the nation's Historically Black Colleges and Universities. Details of two of our joint initiatives follow.

Jackson, MS

The Jackson State University/Seedco partnership has created one of the most comprehensive community development programs in the country. It links business development, homeownership opportunities and social services through several innovative projects.

The partnership has produced a variety of housing opportunities for its neighborhood residents. These projects include transitional housing units with supportive services for low-income families and homeownership opportunities for families and individuals to increase their wealth-building efforts. It also has a number of successful social service initiatives including an after school program for at-risk children from kindergarten to twelfth grade, a program to enhance

community based leadership in neighborhood groups, and GED preparation classes and job training and job readiness training programs for local residents.

Most significantly, the partnership has led to several economic development initiatives in one of the poorest communities in the nation. These projects include the establishment of a Commercial Revolving Loan Fund, capitalized at \$500,000 to provide financing to small, African American-owned neighborhood businesses and the creation of a for-profit manufacturing business, West Jackson Apparel, in partnership with the New Lake Church. This business manufactures choir robes and custom draperies and provides jobs for former welfare recipients.

Another major effort is the ongoing plans to redevelop a commercial corridor. These plans were prepared by the Urban Land Institute and commissioned by Jackson State University and call for the development of a major retail center, classes for entrepreneurial training and business creation opportunities for neighborhood residents. It will also guide the further implementation of the comprehensive neighborhood redevelopment efforts undertaken by the university and the community.

Charlotte, NC

In 1995, Seedco, in partnership with the Northwest Corridor Community Development Corporation, based at Johnson C. Smith University, facilitated the area's first commercial development project in twenty-five years. The project consisted of a 55,000 square foot shopping center with a major grocer retailer. The commercial project replaced a blighted strip mall and allowed for a community of 15,000 to have a local market instead of traveling five miles or more outside of their neighborhood to purchase quality groceries. Since that development, more private investments have been attracted to the area, including Biddle Point Medical Clinic, which replaced a dilapidated and vacant furniture store, a fresh Seafood market, and a daycare facility.

Currently, the Pride Campaign is transitioning into a revised "vision concept" for the two-mile business corridor. The business corridor is linked to Charlotte's center city core and the University/Community plan to enhance that linkage with the Vision Concept Plan for attracting new businesses and catalyzing existing businesses to improve their facades. A private lender has awarded a \$2 million low interest loan to support existing businesses and relocate new businesses to this vibrant and historical African American commercial corridor.