

*Site
Outline
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May 28, 1999

MEMORANDUM FOR GENE SPERLING

FROM: JON ORSZAG

SUBJECT: NEW MARKETS TOUR EVENT IDEAS

Here are three ideas for possible events on the President's July "New Markets Tour."

- **Release of the Third Annual "Falling Through the 'Net" Report/"NextDay" Event:** In the last week of June (June 28, 29, or 30), the NTIA will release their third annual "Falling Through the 'Net" study. The study is designed to shed light on who is connected, who is not, the reasons for connectivity, and how people are using the Internet. The report – expanded this year to include information regarding the wheres and whys of how people access the Internet as well as concerns about confidentiality online – is likely to show that the "digital divide" persists in America. The report will recommend ways to close the divide.

The report could be released at a "NextDay" event, a program based on the successful "NetDay" program and designed to combat the "digital divide." The program focuses only on schools in selected empowerment zones (the first six are Oakland, the Mississippi Delta, Detroit, New York City and Washington) and provides the students' family with a computer in addition to the ones put in schools. AmeriCorp members will provide the necessary computer training to the schools and families. The major launch of the "NextDay" initiative is targeted for October.

- **Native American Reservations and Technology:** On June 15, the EDA is releasing their "Assessment of Technology Infrastructure Needs in Native Communities." The report is the product of an August 1998 Presidential request to study the technology infrastructure of American Indians and Alaskan Native communities. The report finds that Native communities continue to lag the rest of the country in technology access and use, but does not come to the conclusion that technology alone will solve all of the problems facing them.
- **Government Investment Success Stories.** The President could visit an example of where government investment in a community has prompted private investment and the creation of private sector jobs. Examples include: [see attached for more details]
 - An abandoned Chrysler site in Highland Park, MI that is being redeveloped with the EDA's help into an industrial center that will eventually employ 3,000.
 - The former U.S. Air Force Finance and Accounting Center in Denver is being renovated into a business development park with help from the EDA.
 - EDA will rebuild infrastructure needed to develop an industrial park and access a newly-reconfigured airport in Linden, NJ.
 - The renovation of a downtown building in Scranton from single to multi-tenant use is projected to help bring 950 jobs into the community.
 - The EDA is helping rebuild the infrastructure needed to support a 120-acre industrial park in Artesia, New Mexico.

GOVERNMENT INVESTMENT SUCCESS STORIES

Through its Bureaus, the Department of Commerce has worked with other government bodies and private enterprise to fund projects and programs that help revitalize communities and create private sector jobs.

LOCATION	COMMERCE FUNDING	OTHER FUNDING	JOBS CREATED
Highland Park, MI	\$675,550	\$1.351 million	3,000 +

EDA helped fund redevelopment of abandoned Chrysler site into an industrial center that will employ 3,000. The EDA provided \$675,550 to help rebuild the infrastructure (road, sewer, and water) around a long-abandoned -- but strategically located -- central city Chrysler Motors site and transform it into an industrial center. EDA worked with the City, the local development corporation and a developer who identified the site as a prime area for industrial growth. Projected employment at the site -- which will support initiatives of sustainable development and brown fields -- is expected to exceed 3,000 over time. The project is nearing completion.

LOCATION	COMMERCE FUNDING	OTHER FUNDING	JOBS CREATED
Inner-City Development Corp., Denver, CO	\$1.75 million	\$13.7 million	N/A

EDA will construct a business assistance center and rebuild local infrastructure to support redevelopment of former U.S. Air Force Finance and Accounting Center site. The EDA will renovate a building at the Innerlock Business Development Park (the former site of the U.S. Air Force Finance and Accounting Center) for use as a businesses assistance center and make the infrastructure improvements (water mains, access roads, etc.) needed to serve the site. The EDA is working with the Inner-City Development Corporation, a community based development corporation, the City of Denver and the Denver Urban Renewal Corporation to redevelop the 38 acre Development Park. The Park, located in Denver's Empowerment Zone/Enterprise Community area, will be a national model for industrial redevelopment, for living wage economic development, and for community entrepreneurship.

LOCATION	COMMERCE FUNDING	OTHER FUNDING	JOBS CREATED
Linden, New Jersey	\$1 million	\$2 million	350

EDA will rebuild infrastructure needed to develop industrial park and access reconfigured airport. The EDA will help construct an access road and supporting infrastructure to a vacant 25+ acre parcel of land adjacent to the Linden Municipal Airport, a reliever to Newark International Airport. The parcel will be used for commercial and industrial use in order to attract jobs to the community. The road will also allow access to the newly reconfigured airport. The project is projected to create 350 long-term jobs and the City projects a \$20,000,000 private sector investment at the project site.

LOCATION	COMMERCE FUNDING	OTHER FUNDING	JOBS CREATED
Scranton Lackawanna Industrial Building Company (SLIBCO)/The Parking Authority of the City of Scranton, PA	\$1.25 million	\$4.15 million	950

EDA's grant will help renovate downtown building for multi-tenant use, eventually adding 950 jobs to area. Working with Greater Scranton Chamber of Commerce, the EDA is helping fund the renovation of the six-story, 255,000 square foot Globe Building in Scranton. For years the building, formerly the home of the region's principal department store, has been viewed as a possible site for use by multiple commercial businesses, but the significant cost of the renovation needed for multi-tenant use was prohibitive. After Diversified Records Services, Inc., an information and document imaging services company, agreed to lease about 40 percent of the structure, the EDA approved a \$1,250,000 Economic Adjustment Program grant to assist in the purchase and renovation of the to suit the needs of Diversified Records and of other future office and commercial lessees.

By converting Globe Building space for use by Diversified Records, it is known that 550 new jobs will be created by the company and it is estimated that approximately 400 additional jobs will be created when the rest of the building is leased.

LOCATION	COMMERCE FUNDING	OTHER FUNDING	JOBS CREATED
Artesia, NM	\$1.1 million	\$763,000	85

EDA's funding will improve infrastructure needed to attract and retain business in Artesia. Without help from the EDA to improve its infrastructure, Artesia cannot develop its 120-acre industrial park because the city's water treatment facility is nearing capacity, the sewer system is not in compliance with the State Environmental Department and Environmental Protection Agency regulations, and there is inadequate road access. The project will also support the efforts of Dairy Express and the Rider Truck Company to create 85 new jobs and contribute \$350,000 in private investments toward planned business expansions.