

WORKING PAPER #3

COLLEGES AND UNIVERSITIES AS ECONOMIC ANCHORS

Profiles of Promising Practices

by

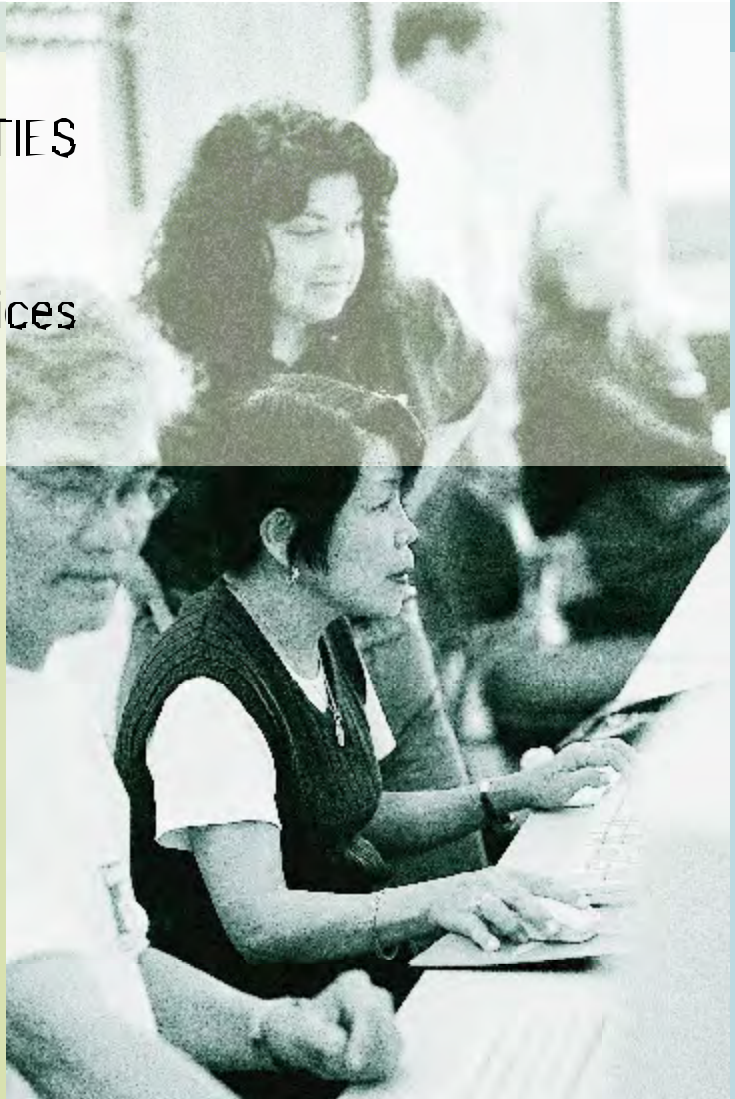
Andrew Hahn with
Casey Coonerty
and Lili Peaslee

Brandeis University
Heller Graduate School of Social
Policy and Management

Institute for Sustainable Development/
Center for Youth and Communities

and

POLICYLINK



The Annie E. Casey Foundation



Acknowledgments

Andrew Hahn is a Professor at the Brandeis University, Heller Graduate School for Social Policy and Management in Waltham, Massachusetts. Ms. Casey Coonerty is an MBA student at Northwestern University and a summer employee of PolicyLink in Oakland, California where the grant for this project has been housed. Lili Peaslee is a Brandeis graduate student pursuing a joint doctoral degree from the Politics Department and the Heller School. Thanks to Victor Rubin of PolicyLink for his guidance and his deep knowledge of university-community partnerships and a special thank you to Dr. Paula Dressel of The Annie E. Casey Foundation for suggesting and assisting in this review.

TABLE OF CONTENTS

Why Was This Report Written?	3
Why Are Economic Anchor Roles Important?	5
Framework: Universities and Colleges as Economic Anchors	6
Issues and Challenges	8
Steps Universities and Colleges Should Take	9
Anchors Aweigh!!	
Profiles of College and University Anchor Roles	11
<i>Purchaser</i>	10
<i>Employer/Workforce Developer</i>	12
<i>Real Estate Developer</i>	13
<i>Incubator</i>	14
<i>Advisor and Network Builder</i>	16
<i>Community Service and Advocacy For Economic Benefits</i>	17
<i>Comprehensive Initiatives</i>	19
<i>Carter Award Finalists: A Sampler</i>	19
Additional Sources	22

COLLEGES AND UNIVERSITIES AS ECONOMIC ANCHORS

WHY WAS THIS REPORT WRITTEN?

Higher education is relentlessly challenged to change and align its roles to respond proactively to the needs of students, communities and society as a whole. Economic relationships with the community and neighboring families are part of this challenge. Every college and university serves to some extent as an economic “anchor” in its respective community. They create jobs and many offer training and education for local residents; most support local businesses through the procurement of goods and services; some advance community development through real estate projects; others facilitate community service projects that have an economic component; and nearly all partner with government and civic groups to strengthen the economic health of the community. Occasionally, genuine issues arise through economic practices that can lead to strained relationships and destabilizing effects for all concerned. With a little planning and dedication however, colleges and universities can be tremendous economic and social assets for families and neighborhoods. This report highlights some of these “best practices” in the hopes of fostering such relationships.

Our report has rather modest goals, namely to encourage institutions of higher education to begin to *think about these economic anchor roles in a cohesive and coordinated manner*, that is, as an integrated cluster of activities and practices, and not as piecemeal and separate phenomena. The report advises that colleges and universities consider economic roles as an *organizing theme* in and of itself for planning, monitoring, fine-tuning, and ultimately institutionalization. Economic roles should not be something that are merely documented every so often in economic impact reports in lieu of taxes.¹

Given the significance of the economic relationships between higher education and local communities, *the full range of economic roles needs to be considered day in and day out* in the workings of higher education institutions. Finally, there is considerable peer learning that should take place among institutions of higher education so that inspiring examples and local practices migrate with appropriate adaptations to new settings.

What do we have to offer to further these goals? First, we believe we can help by sharing a framework for organizing the myriad ways economic contributions can be conceptualized. Second, the profiles presented at the end of this report are meant to inspire, to stimulate curiosity, to raise questions about their suitability for other settings, and to suggest further exploration in colleges and universities interested in a more strategic approach to their work. We do not offer detailed guides to implementation nor do we provide enough information to determine whether every higher education economic practice we cite actually works, that is, achieves its intended goals.² But even without evaluation data, we think the profiles speak for themselves in demonstrating the richness and creativity of local practice.

¹ Economic impact statements are occasionally appearing on universities' websites, for example, Johns Hopkins University at http://www.jhu.edu/news_info/reports/impact/. Appleseed will release a regional economic impact statement from seven Boston area research universities in early winter. The National Association of State Universities and Land Grant Colleges (1991) has produced an economic impact overview of its members in *Shaping the Future: The Economic Impact of Public Universities* (NASULGC, DC).

²There is little by way of formal evaluation literature of a comparative and comprehensive nature.

To repeat: economic contributions unfold day in and day out in the complex workings and relationships of higher education entities. They can be thoughtful, part of a plan, coordinated and reflective of “best practices” or they can be “seat of the pants,” reinvented daily, disconnected and of uneven quality and effect. We seek decisive action to promote the former and to diminish the latter.

These are simple goals, yet ones that can have a tremendous impact. Success in the economic arena translates directly into better lives for vulnerable families and healthier communities.

The Annie E. Casey Foundation has sponsored this review. The Foundation works to build better futures for disadvantaged children and their families in the United States. The primary mission of the Foundation is to foster public policies, human service reforms, and community supports that more effectively meet the needs of today’s vulnerable children and families. Colleges and universities are part of the equation. Many have come to recognize that their contributions to neighborhoods and families are not just located in the community service arm of the college but instead are infused throughout the campus.

WHY ARE ECONOMIC ANCHOR ROLES IMPORTANT?

An excellent report was recently released that, like this report, makes the case for the importance of economic roles in the revitalization of communities. *Leveraging Colleges and Universities for Urban Economic Revitalization: An Action Agenda* (2002) by the Initiative for a Competitive Inner City and CEOs for Cities (ICIC/CEO) provides an excellent framework for understanding the role of universities as economic anchors in urban neighborhoods.³

The report begins with some compelling statistics that warrant attention:

- More than half of the nation's colleges and universities are located in central cities and their immediate surroundings.
- In 1996, more than 1,900 urban-core universities spent \$136 billion on salaries, goods and services—nine times greater than federal direct spending on urban business and job development in the same year.
- Urban colleges and universities employ three million workers—two-thirds are non-faculty administrative and support staff.
- Between 1990 and 1999, the Education and Knowledge Creation cluster was the second fastest growing industry in the country. Colleges and universities added 300,000 new jobs in the 1990's.
- In 1996, urban-core colleges and universities held more than \$100 billion in land and buildings.

The ICIC/CEO report goes on to characterize some of the factors that have led particular schools to stand out from others. One theme stands out above the others and will be of no surprise: *university leadership, starting with the President, is the most important component in creating successful and sustainable economic programs.*

Why should higher education leadership make this a priority? What is in it for colleges and universities? The ICIC/CEO report repeatedly underscores the potential for long-term economic benefits associated with universities given universities' permanent place and role in neighborhoods. It tells the story about how the involvement of universities in communities can create strong working relationships with city departments that later work toward the mutual advantage of both parties. In one story the ICIC/CEO notes that the University of Pennsylvania could cite their positive contribution to the local economy through their Buy West Program as leading to less friction in subsequent meetings with the City Council over new development projects in the City Center.

³ We rely heavily on two resources in this report. The first is *Leveraging Colleges and Universities for Urban Economic Revitalization: An Action Agenda* (2002) by the Initiative for a Competitive Inner City (ICIC/CEO) and CEOs for Cities. To order: ICIC www.icic.org or CEOs: www.ceosforcities.org. Orders by phone: 617-451-5748 or download at http://www.icic.org/research/pubs_and_studies.asp#Anchor-Anchor%20Inst4.

The second is the federal Department of Housing and Urban Development (HUD) Office of University Partnerships (OUP) or www.oup.org. Please see the Additional Sources section at the end of this report for other useful sources.

FRAMEWORK: UNIVERSITIES AND COLLEGES AS ECONOMIC ANCHORS⁴

The ICIC/CEO report outlines a number of ways in which universities can serve as economic anchors in urban communities and we would add in rural ones as well: purchaser, employer, workforce developer, real estate developer, incubator, and advisor/network builder. We have added another category, Community Service and Advocacy for Economic Benefits, described after the others:

- **Purchaser:** Urban universities spend more than \$69 billion on the procurement of goods and services. Local purchasing programs creates “win-win” partnerships between universities and communities: the programs provide investment for local businesses while creating improved service and delivery of goods to universities, given the close proximity of local vendors. The ICIC/CEO report provides a useful “how-to” guide to implementing these programs including providing information to businesses, establishing relationships between managers and local businesses through Community Based Organizations (CBO), developing systems to make purchasing local vendor-friendly (e.g.: reducing payment time), linking major contracts to local vendors and building the capacity of local businesses.
- **Employer:** Employment at post-secondary institutions represent more than two percent of total employment nationwide. The report highlights efforts to recruit, train and hire prospective employees from neighborhoods which surround urban universities. To do so, universities must develop buy-in from human resource departments and can partner with local organizations to outsource skills trainings and recruitment efforts to community-based groups.
- **Workforce Developer:** Overlapping with the employer section, this category focuses on the role of universities in designing and implementing workforce training programs with local and regional businesses. If combined with the “employer” role described above, it can provide a more comprehensive package for universities on how to effectively hire and train local residents.
- **Real Estate Developer:** Given universities’ real estate holdings in both urban and rural areas, the use of these properties can be an essential ingredient for neighborhood revitalization. The report discusses how capital projects can boost at-risk economic corridors and employ local contractors, as well as the ways development can spur regional economies through the creation of industry clusters. While the ICIC/CEO report does not discuss other development issues such as affordable housing or transportation, these are closely allied with the real estate functions.
- **Incubator:** In order to link neighborhoods to technological innovation, the report highlights efforts to utilize the research capacity of universities in order to develop local knowledge-based economies such as biomedical parks and other industries. Focusing primarily on high skill industries, it should be noted that the incubator role has often by-passed high-poverty and low-income communities and often these incubator projects have not found ways to work with small businesses. In our profiles at the end of this report we also look at the incubator role, but focus more on small business development than high-technology incubation.

⁴ This report does not consider community college roles but we would generalize that in some areas, such as employer-based training and community development, community colleges have much to teach four-year colleges and universities. Public/Private Ventures (Philadelphia, 2002) describes some community college efforts in *The Best of Both—Community Colleges and Community-Based Organizations Partner to Better Serve Low-Income Workers and Employers*.

- **Advisor and Network Builder:** Highlighting business advisory programs, this category outlines the ways in which a university can provide consulting services and networking opportunities to local businesses. In the ICIC/CEO report, there is a good discussion of the need for a more comprehensive and interdisciplinary approach to advisory services.
- **Community Service and Advocacy for Economic Benefits:** The Earned Income Tax Credit (EITC) is major weapon in the United States for fighting poverty. Some institutions of higher education are helping to bring the EITC, a tax credit for low-income workers offered through the American tax code, to the attention of their own low-income workforce as well as to eligible people in the surrounding neighborhoods. Such a strategy often utilizes students who in turn get academic credit for “service learning” by helping to “market” the EITC. These efforts represent a kind of community service and advocacy, with a decidedly economic purpose. Along the same lines, some colleges and universities are participating in new Individual Development Account (IDA) schemes. These are matched, tax-advantaged savings accounts aimed at increasing assets to help low-income individuals invest in housing, education or small business development. Universities and colleges can match dollars by a formula and/or assist in financial education.

ISSUES AND CHALLENGES

The ICIC/CEO report mentions the following challenges to implementing economic-oriented university projects in the community:

- **Decentralized University Policies and Departments:** In order to implement local hiring or purchasing programs, it is difficult for universities to coordinate departments that have varying hiring and purchasing policies and protocols. The report suggests that universities hold intradepartmental meetings and that the university president provides strong and visible backing for the initiatives across the university.
- **Gaining Community Trust and Trusting Community Institutions:** Many communities mistrust universities, an attitude that may reflect previous negative relationships and treatment. The report suggests that universities partner with local community based organizations in order to work through a trusted institution in the community and gain positive community visibility. In addition, many university departments are wary of using local businesses or employees stemming from a lack of experience with these institutions and populations. The report recommends that universities gradually implement programs to build a track record over time and to provide information to managers around the positive benefits associated with using local businesses and employees.
- **Tax-exempt Status:** In relation to development projects, a university's tax-exempt status can take away a portion of a city's commercial tax base. This has flared up in the Boston metropolitan area with several universities. Some universities have arranged payments or services and complex philanthropic activities in lieu of taxes. This is a growing trend.
- **Lack of Interdisciplinary Programs:** Many advisory programs between universities and communities derive from business, public policy or city planning departments. Universities need to reach out to other departments—law schools, computer science departments, etc.—in order to provide more comprehensive and interdisciplinary services to community groups and local businesses.
- **Lack of Long-term Programs:** Many programs are short-term and therefore do not meet the needs of community institutions. Advisory programs that use student interns only run for four months—not sufficient for many businesses to solve their problems or build sustaining relationships. University departments must designate permanent staff to manage community relationships and provide an institutional framework for the provision of services. In addition, university officials must begin to work in the community by serving on nonprofit and community boards.
- **Lack of Collaboration in Planning University-Community Outreach:** While not a major focus of the ICIC/CEO report, the general literature on university engagement describes case after case of university indifference to community voices and a general lack of consultation and “buy in” from residents. Successful and sustainable practices typically have long gestation periods and planning that is bottom-up rather than imposed from a central source.

STEPS UNIVERSITIES AND COLLEGES SHOULD TAKE

The ICIC/CEO report discusses some key steps that are recommended to move the field forward. We have added to their list and considered them all in terms of degree of difficulty:

Relatively Easy Steps Toward Long-lasting, Strategic Change in Low Income Communities

- Partnering with community-based organizations that are linked to local businesses or community institutions in order to build trust with community residents and design programs to meet community needs.
- Incorporating job training and professional development programs in employee programs to ensure that residents are fully prepared for employment.
- Engaging multiple university departments in advisory relationships in order to create interdisciplinary and comprehensive services for communities.
- Creating explicit economic development goals in each department backed by strong university leadership and institutional incentives to do so.

Harder Steps Toward Meaningful Change

- Providing needed services for employees from the neighborhoods, such as childcare and transportation.
- Providing living wages and other provisions that will build the assets of local residents as part of a community economic strategy. Along the same lines, universities can provide living wages for its own employees!
- Developing hiring policies that emphasize hiring for permanent positions, instead of temporary arrangements or contract work.
- Developing explicit agreements with community institutions rather than promoting only loose targets and goals (i.e., local hiring agreements instead of local hiring goals).
- Enabling community residents to have a central and meaningful role in the planning process of real estate development efforts instead of involved after plans were produced.
- Directing incubators and workforce programs toward vulnerable populations and communities.
- Participating in affordable housing or transportation development.
- Adhering to “smart growth” principles as universities approach gentrification and displacement as a consequence of development in urban neighborhoods.

The Most Difficult Challenges

The next steps seem so simple yet there is a vital set of experiences documented by philanthropic, community and scholarly groups—such as The Annie E. Casey Foundation, Campus Compact and PolicyLink—that show that these seemingly straightforward tasks are extraordinarily difficult and nuanced.

- *Taking the time and devoting sufficient resources to building knowledge of local political and community institutions, needs and culture.*

- Anchor institutions must know what they are anchoring into—giving rise to the question of how universities can *learn to be better partners with community residents and institutions* and what criteria they should use in determining which economic initiatives to pursue given the needs and make-up of local neighborhoods. These principles speak to *broad stakeholder participation, integrating people and place strategies, building community capacity and collaborative relationship building*.⁵

⁵ Throughout the 1990s a number of organizations emerged to assist “mainstream” institutions, in this case, colleges and universities, to respond to the challenges of working in and with neighborhoods. PolicyLink (www.policylink.org) in Oakland California, a co-producer of this report is an example as is the national membership group, the National Community Building Network. (www.ncbn.org). Aspen Roundtable maintains a useful website on comprehensive community initiatives (www.aspenroundtable.org). Local resources providing assistance can be found in every American community.

ANCHORS AWEIGH!!

PROFILES OF COLLEGE AND UNIVERSITY ANCHOR ROLES

The following framework illustrates the categories of economic roles that colleges and universities typically assume. These were described previously in this report in general terms. In the present section, our goal is to provide profiles of on-the-ground initiatives in each of these categories. The examples we provide were obtained from web searches, literature reviews, the ICIC/CEO report, and some limited telephone research. While not exhaustive, even with these rudimentary search methods, the vitality of efforts is striking.⁶ We also include some profiles of finalists in an award competition in Georgia supported by a pilot grant from The Annie E. Casey Foundation whose aim was to put a spotlight on models of university-community collaboration.

Categories of Economic Roles:

- Purchaser
- Employer
- Workforce Developer
- Real Estate Developer
- Incubator
- Advisor and Network Builder
- Community Service and Advocacy For Economic Benefits
- Comprehensive Initiatives
- Carter Award Finalists (2002)

PURCHASER

University of Pennsylvania has experience with an exciting Preferential Contracting policy. During the building of Sansom Common, a residential and commercial complex, the University of Pennsylvania promoted the use of local and minority-owned businesses as contractors for the development's construction. Thirty-two percent of the total construction contracts, \$14 million, were given to minority-owned businesses with another \$5.6 million, or 13 percent of the total given to women-owned businesses. Over 168 West and Southwest Philadelphians gained employment during the construction process.

⁶ Many examples spanning several of these categories are found in HUD supported Community Outreach Partnership Centers. HUD with its Office of University Partnerships provides grants to institutions of higher education through annual procurement competitions and also offers a rich library of materials and evaluation reports on the general topic of college and university engagement. Other initiatives of this office include grants with the Historically Black Colleges and Universities, Hispanic-Serving Institutions and Native American Tribal Colleges. See the Office of University Partnership's website: www.oup.org. Another cluster of projects are found by consulting information on minority-serving Institutions of Higher Education. Donors in the public and private sector have recognized that historically disadvantaged colleges and universities have powerful roles to play in the economic development of surrounding communities. Finally, Campus Compact in Providence (www.compact.org) is dedicated to the issues described in this paper and has many relevant resources.

In addition, the Buy West Philadelphia program focused the University's considerable buying power of local businesses in the West Philadelphia neighborhood. The program culminated in \$50,000 worth of purchases in one year, a more than two-fold increase in local purchasing than the previous year. In addition, the University of Pennsylvania established a coalition named UC Brite to install outdoor lighting in a 100-square block area near the university in order to improve neighborhood safety. The program hired local electricians for installation, including a majority from the West Philadelphia neighborhood.

Two important elements of the initiative are cited in the ICIC/CEO report for the program's success: unwavering commitment from the University's administration and partnerships with two local nonprofits who understood the local business environment and served as an intermediary in the community. To assure successful implementation of the initiative, the University linked local purchasing goals to employees' performance evaluations, partnered with a nonprofit to serve as an external monitor of the program, and offered advisory services to build the capacity of local businesses through the University's Small Business Development program.

EMPLOYER/WORKFORCE DEVELOPER

The University of Southern California (USC) has instituted a program to increase employment at the University from neighborhoods immediately surrounding its campus. Focusing on recruitment and training, USC holds jobs fairs and information sessions and maintains a drop-in recruiting center with job information. Furthermore, USC created a professional development program where it provides training services for resume writing and interviewing and certification in job-related skills including English as a Second Language (ESL) and computers. In turn, one out of every seven applicants has been hired from the seven nearest zip codes, filling 170 positions for the university, according to the ICIC/CEO report.

The University of Illinois at Chicago (UIC) through its Great Cities Institute has provided coordination and technical assistance support for the Manufacturing Technology Bridge Program, a program that trains inner-city workers for higher wage manufacturing jobs. Working with community-based organizations, community colleges, an Institute of Technology, the Chicago Manufacturing Center and the Mayor's office, UIC provides comprehensive workforce training to residents resulting in more than 260 graduates, and 80% placement rate, increased starting wages (\$10.13 compared with pre-training wage of \$8.12) and placement in college courses.

Less skilled workers are the focus of **Harvard University's "Bridge to Learning and Literacy"** program. This initiative offers the University's service workers free classes in ESL, reading, writing, listening and speaking skills, basic computer skills and GED preparation. Harvard employees can take classes for up to four hours per week of paid released time. Eligibility has been expanded to include employees of on-site service contractors—primarily janitorial and food service workers. Enrollment has expanded since 1999 with more than 400 low-income people participating in 2002. The program is a steppingstone toward other employee education and training efforts in the Harvard system including continuing education and tuition-free courses.

The University of Vermont, (UVM) with an annual operating budget of \$281 million, more than 3,000 employees, and approximately 10,000 students, has considerable impact on its Burlington neighborhood and surrounding Chittenden County. UVM's Community Outreach Partnership Center is working with various community partners to assess how the university can use its economic influence to support workforce and business development for residents of Burlington's Old North End (ONE), where Community Outreach Partnership Center activities are targeted.

The ONE, which has been designated as an Enterprise Community and an Enterprise Zone Strategic Planning Community, has a high rate of poverty, caused primarily by loss of better paying jobs in Burlington, suburbanization of jobs, high unemployment, and barriers to entering the workforce. To help improve the economic life of local residents, the Community Outreach Partnership Center is working to create a workforce and business development partnership between UVM, the City of Burlington's Community and Economic Development Office, key private sector and community nonprofit organizations, and the ONE Enterprise Community Steering Committee. This partnership is identifying community economic needs and working with UVM to modify its employment, purchasing, and technology development policies to increase economic benefits for the ONE, the city, and the county. Specifically, the project focuses on how three university activities—employment, purchasing, and commercial ventures—might positively impact the economic well-being of ONE residents. In conjunction with this project, UVM developing an annual field study class called The University and the Local/Regional Economy as a vehicle for studying the economic relationships between UVM, the county, the city, and the ONE. Students also will examine ways in which these relationships might be improved.

REAL ESTATE DEVELOPER

Yale University: Homeownership and Public Housing: Yale University has committed more than \$50 million in neighborhood and commercial revitalization in various New Haven neighborhoods. In the Hill neighborhood, Yale's Medical Center worked with the Hill Development Corporation to develop 100 housing units and create a community master plan. The initiative provided incentives for affordable housing production, direct assistance with housing production and recruitment of new homebuyers. Yale also provides student interns, consultants and a staff person to the Hill Development Corporation for planning and redevelopment efforts.

In the Dwight neighborhood, Yale and the Greater Dwight Community Development Corporation secured a \$2.4 million HUD University-Community Partnership to reclaim 75 blighted buildings, expand commercial development in Dwight Place, and design and expand a local elementary school. The project went through an intensive community planning process involving over 300 local residents and participants. Moreover, Yale received a \$15 million grant from Connecticut's Finance and Housing Authority to rehabilitate housing stock and expand the area's Science Park in the Newhallville neighborhood.

Homeownership Initiative: In 1994, Yale established a Homebuyer Program for Yale employees. The program provides any Yale employee \$25,000 to purchase a home. The program has helped over 500 employees purchase their own home and eighty percent of Yale employees are first time homebuyers.

The program has been extended through December 2003. Home buying assistance is given for specific neighborhoods, which Yale has targeted for revitalization and development.

Housing Rehabilitation/Construction Training for Youth: Benedict College in Columbia, South Carolina is expanding the capacity and activities of the Benedict-Allen Development Corporation. The corporation is rehabilitating two duplexes into four rental housing units for low-income families, providing training in affordable housing construction for ten youths through HUD's YouthBuild program, creating a micro-enterprise loan pool to help construction trainees purchase tools and equipment, and hiring staff to oversee construction activities and provide outreach for a wide range of housing services.

Housing Rehabilitation via Jackson State University: A project is underway at Jackson State University in Jackson, Mississippi to increase homeownership in the surrounding Washington Addition neighborhood. The university is purchasing and rehabilitating six vacant properties, which will be sold to low- and moderate-income families that have successfully completed a homeownership education program. Proceeds from the sales will finance a revolving fund to continue the project after Jackson State's HUD grant for community development has ended, thus adding to the community's supply of affordable housing while helping eliminate blight and reverse the community's decline.

Community Facility Construction via Miami-Dade Community College-InterAmerican Campus: The college is constructing a Community/Youth Center in José Martí Park in Miami's Little Havana. The center will have a multipurpose room and four classrooms. Students from the college's School of Education will assist the center's staff in providing a wide range of services. The project is a collaborative effort of the college, the City of Miami Parks and Recreation Department, and three community-based organizations: Aspira (Puerto Rican), Center for Information (Haitian), and Abriendo Puertas (Cuban). The city has committed almost \$1.8 million to the project.

INCUBATOR

The Neighborhood Venture Capital Fund and its partner Georgetown University represents a consortia of individuals and organizations working in the North Capital and Mt. Pleasant/Columbia Heights neighborhoods of Washington, D.C. It will provide assistance and resources to new businesses through a special Venture Capital Fund that is being established by the HUD-funded Community Outreach Partnership Center at Georgetown University. The fund is part of a larger Local Entrepreneur Advancement Program (LEAP) that the Community Outreach Partnership Center (COPC) is instituting to provide training and technical assistance to local entrepreneurs. The fund will be available to entrepreneurs who start or expand their businesses as a result of the LEAP training program.

In the North Capitol area the average life of a business is five years and there is a 70 percent failure rate within 18-24 months of start-up. The Georgetown COPC-supported venture capital fund will provide equity financing for starting and expanding businesses. Several models exist that might be adapted for the creation of the fund. These include a community-owned corporation, a nonprofit trust with community residents as beneficiaries, a tax-exempt corporation soliciting grants and gifts, or a consortium of community lenders or for-profit corporations who wish to participate in mentoring or incubating roles. In developing the fund, the COPC is identifying potential sources of equity capital and selecting the

appropriate fund model. Legal, economic, and practical barriers to establishing the fund are being addressed by faculty members at the Georgetown Law Center as well as experts in the University's Business School.

Small Business Incubation through Kean University: Using Community Development Block Grant funds, Kean University in Elizabethtown, New Jersey established the Virtual Business Incubator to help fledgling small businesses in the neighborhood start up and remain viable. The incubator allows small businesses to access office and computer equipment. Staff work closely with the University's Small Business Development Center, which will review business plans and lend expertise to the entrepreneurs. In addition, undergraduate cooperative education students in Kean's School of Business, Government, and Technology receive college credit and a stipend to spend a full semester recruiting participants and providing business plan and technical assistance to the small business start-ups. Finally, job-training centers were established for faculty and students to help residents become entrepreneurs, earn general equivalency diplomas (GEDs), develop job skills, and receive training to become childcare providers.

Revolving Loan Fund via Santa Ana College: Myriad costs are associated with starting and maintaining a home-based childcare business. Often these costs are barriers to low- and moderate-income people who most likely have minimum assets and limited, if any, positive credit histories. To break down these walls Santa Ana College in California started a revolving loan fund. The \$150,000 in funds is held in the Fullerton Community Bank, which agreed to waive all loan fees, charge a low interest rate, and accept the recommendations of a loan committee that was established for the project.

Participants who complete training and a basic business plan are assisted in completing a loan application. Participants can request loans from \$250 to \$5,000 depending on their specific needs. The business plan, application, and a write-up are submitted to the loan committee for approval within 14 days.

A recent study by the Orange County Childcare and Development Planning Council identified Santa Ana, California as the city in Orange County with the greatest need for childcare. Additionally, the Santa Ana Empowerment Zone constitutes a pocket of severe poverty, with many single, female-headed households. The proposed Microenterprise Center for Childcare Providers will increase the amount of childcare available while also providing new business opportunities among the most needy population.

A special training program, supported by the Community Outreach Partnership Center at the **University of Louisville** in Kentucky, is preparing residents of the city's Enterprise Community to begin careers in contracting, subcontracting, or a related field. The program is aimed at women and minority individuals who have some experience with the contracting industry and need additional tools to venture into business on their own. This Women and Minority Contractor Training Program is a collaboration of several organizations, including the Neighborhood Development Corporation, the University of Louisville Center for Sustainable Urban Neighborhoods, the Kentucky Minority Supplier Developer Council, the AFL-CIO, and local contractors. The partnership has created a variety of training classes, which range from basic introductory-level sessions to classes that assist individuals who have established their own businesses and need additional information in specific areas.

ADVISOR AND NETWORK BUILDER

Alcorn State University through its Small Business Development Center (ASUSBDC) is a business development program of the U.S. Small Business Administration (SBA) office. The center serves as a resource of the SBA by providing comprehensive small business assistance to further the economic development of the Mississippi community. The ASUSBDC program is designed to provide quality assistance to small businesses in order to promote growth, expansion, innovation, increased productivity and management improvement. Services provided by the program include: one-on-one counseling; business training and education; start-up assistance; market research; information; procurement assistance; technology transfer, and small business advocacy.

Howard University Small Business Development Center Network (HUSBDC): The HUSBDC Network is a Howard University School of Business outreach program, working in partnership with the U.S. SBA, local universities, and community organizations, to provide free technical assistance and affordable training in all phases of small business development to small, minority-owned, and/or other disadvantaged enterprises. Trained and skilled business counselors provide one-on-one assistance in a myriad of areas, at no extra cost to the client. Each year, one-on-one counseling is provided to thousands of small business owners and managers. Counseling includes but is not limited to: cash flow analysis and financial forecasting, market research, procurement assistance, proposal cost analysis, overall business assessment, feasibility analysis, business plan assessments, strategic planning, and business start-up information.

COMMUNITY SERVICE AND ADVOCACY FOR ECONOMIC BENEFITS

Tulane and Xavier Universities: EITC and IDA Advocacy: The National Center for the Urban Community at Tulane and Xavier Universities in New Orleans, Louisiana, in collaboration with nonprofit agencies, state advocacy groups, foundations, churches, the Internal Revenue Service, a private energy company and bank regulatory agencies in New Orleans, formed the Central City Asset Building Coalition. The Coalition works to educate and train participants moving from welfare to work on financial literacy while supporting the use of the EITC for asset building. The coalition holds weekly financial education seminars and links residents to economic services such as credit counseling, saving accounts, homebuyer classes and EITC training. Tulane University's A.B. Freeman School of Business spearheads the volunteer recruitment effort by permitting students to receive "service learning" credit for participation in the initiative as trainers and outreach coordinators.

Individual Development Accounts (IDAs) are matched savings accounts designed to help low-income individuals save for activities that contribute to economic stability such as homeownership, education or small business development. Tulane and Xavier Universities' Levy Rosenblum Institute for Entrepreneurship and the National Center for the Urban Community work through the Individual Development Account Collaborative to match every dollar placed in an IDA four-to-one. In addition, Tulane University's Institute for Resident Initiatives matches IDA deposits two-to-one for residents of C.J. Peete Housing Community in New Orleans. The program provides financial education and training to residents.

Barber-Scotia College, Concord, North Carolina, promotes economic development. This historically black college has established an Individual Development Account program for the creation and expansion of microbusiness enterprises and created a \$1.4 million revolving loan pool for the residents of Carrabus County, North Carolina. The pool will be used for the acquisition of vacant land and for the rehabilitation of existing housing to increase the availability of decent, affordable housing. The college also will provide direct homeownership assistance in the form of down payment assistance as well as housing counseling services to help families purchase homes and become economically self-sufficient.

Through the Business Partners program additional funds will be made available to help small businesses compete for anticipated construction jobs due to the development of affordable housing. A loan review committee will be established, consisting of the institutions that have already committed funds for the revolving loan pool. Additional members may be added as the loan pool increases.

The Business Expansion Network (BEN) finds a home at The University of Southern California.

Funded in part by a Community Outreach Partnership Center grant, this project seeks to determine the best approach for establishing a community-based program offering Individual Development Accounts to provide an opportunity for savings and asset building in the Los Angeles Enterprise Zone (EZ). Individual Development Accounts (IDAs), as noted previously, are matched, tax-advantaged savings accounts for low-income people. They provide individuals with incentives to save by matching their deposits two-to-one. Public and private sector contributions usually fund the program matches. Participants may withdraw accumulated matches only for approved uses, such as home purchase, home repair, micro-enterprise, retirement, or post-secondary education. Savers may withdraw their own accumulated contributions for any purpose.

The project includes a survey of at least 100 low-income residents to gain insight into their savings behavior. BEN staff will also conduct one-on-one interviews with the chief executives and staff of at least ten community-based organizations to obtain feedback on setting up an IDA program within the EZ. When a suitable partner is identified, BEN will establish an alliance with that community-based organization and provide technical assistance in the program design and implementation.

The Westside Outreach Center (WOC) at the University of Colorado-Denver is working with Denver's Community Resource Center to organize a Section 8 Campaign. This is a resident-driven response to the Section 8 crisis. Community Outreach Partnership Center staff members currently meet regularly with 100 residents of Section 8 properties as part of WOC's Save Our Section 8 (SOS) campaign. WOC provides technical assistance to tenant organizers, funds tenant organizing efforts, and brokers meetings between campaign leaders and city officials. Residents involved in the campaign have already drafted a set of solutions for the Section 8 crisis, which they have presented to City Council members. Proposed solutions include instituting Section 8 voucher enhancements, creating an affordable housing trust fund, and developing mechanisms for residents to purchase Section 8 properties from owners.

Walter F. George School of Law at Mercer University: Students are cataloging unoccupied properties and vacant lots in Macon, Georgia's Central South neighborhood through a project managed by

the University's Community Outreach Partnership Center (COPC). The students work in consultation with the Macon-Bibb County Land Bank Authority and the Willing Workers Association of Central South, a community-based organization and COPC partner established by neighborhood residents in 1998. Researchers locate vacant and unoccupied properties through physical inspection and property records, identify them by ownership, and determine their property tax valuations. Zoning status and zoning requirements for construction of new housing also will be identified. The record that students generate for each parcel will be organized into a database and made available to the Central South Community Development Corporation. A Mercer adjunct professor of law supervises the cataloging of the vacant properties while the Mercer Center for Community Development, which administers the COPC grant, manages the project's database. Law students will complete the survey as part of their work in the University's Local Government Law class.

COMPREHENSIVE INITIATIVES

Many, if not most of the preceding institutions highlighted in the profiles would consider their efforts important parts of a comprehensive strategy for working with communities and families. An example—one of many we could give—of a comprehensive strategy is **Clark University** in Worcester, Massachusetts. We cite this example to give readers a taste of a multi-dimensional approach.

The University Park Neighborhood Revitalization Project is an ambitious and innovative partnership between Clark University, the Main South Community Development Corporation, the City of Worcester, local residents and business in the Main South area. The partnership focuses on five key elements of development in the Main South area which include: Public Safety, Economic Development, Physical Rehabilitation, Social/Recreational Development, and Educational Opportunities.

The vision of the University Park Neighborhood Restoration Partnership (UPNRP) program is to address the many needs of the community that are fundamental to its vitality and economic well-being. Through a comprehensive, collaborative approach to neighborhood revitalization, the UPNRP program realizes its vision by focusing on the program's development, creation and implementation.

The UPNRP economic development component incorporates a strategy for stimulating economic growth and opportunity within the specific target area of Main South and focuses on the following economic development programs: Small Business & Home Improvement Loans; First Time Home Buyer Program; the Main South Education Employment and Computer Training Center; the development of the center for Community Revitalization, which will offer community meeting/training rooms and the community policing center; and down payment assistance.

The UPNRP Housing & Physical Rehabilitation agenda focuses on reclaiming and restoring distressed properties in the University Park neighborhood for the purpose of creating affordable home ownership and rental opportunities including the rehabilitation of distressed commercial and residential properties; creation of affordable and safe apartment rentals in newly renovated buildings; a Clark Faculty/Staff Home Ownership Incentive Program; and improvement of public lighting, redirection of traffic and creation of more recreational space for residents.

CARTER AWARD FINALISTS: A SAMPLER

The Jimmy and Rosalynn Carter Partnership Award for Campus-Community Collaboration is open to Georgia colleges or universities working in partnership with community groups. The winning partners evenly share the award, which focuses on strengthening the lives of families and communities. Three recent finalists illustrate the many creative economic roles that colleges and universities can play.

Central South Neighborhoods and Mercer University

While we have already mentioned the Walter F. George School of Law's work, the Selection Committee for the Carter Award was impressed with the *comprehensive nature of the partnership* between Mercer and the targeted neighborhood in Macon, Georgia. This partnership's goal is to revitalize Central South Neighborhoods in Macon so that the area recaptures the energy it once had, the neighborhoods once again become places of choice to live, and the university and its environs are attractive places for prospective students to consider. Begun four years ago with a HUD grant to Mercer University for a Community Outreach Partnership Center (COPC) grant, Mercer incubated a South Central Neighborhood Community Development Corporation called CORE Neighborhood Revitalization, Inc. Then Mercer facilitated the creation of the Willing Workers Association of Central South (WWASC) as the vehicle for resident voices to be heard in revitalization efforts. One year later they formed the Central South Task Force as the umbrella organization for bringing together WWASC, public housing resident organizations, and faith-based organizations in support of neighborhood revitalization. The new partnership focuses not only on improving the physical infrastructure of the community but also preserving home ownership for current residents, supplying job training to link residents to work, advocating for public school improvements including after-school activities, tutoring youth, enhancing resident leadership, and promoting teens' sexual health.

Cobb Microenterprise Council (CMC) and Kennesaw State University (KSU)

Operating in Kennesaw, Georgia since 1998, this partnership's goals are to enhance the skills and improve the economic circumstances of low-to-moderate income persons in a 13-county area through the development of micro-enterprises and at the same time to bring real-world issues, concerns, and business problems into the classroom for Kennesaw State students.

Through five core partners (CMC, KSU, United Way, YWCA, Cobb Family Resources), microenterprise participants learn how to start a microenterprise business, access start-up capital, improve life management skills, and receive support for further education, all in the interest of attaining economic self-sufficiency. Microenterprise Individual Development Accounts (IDAs) are available at a three-to-one match for participants to save for and then purchase necessary business assets.

Some accomplishments to date include: 210 residents graduated from the 12-week program; 58 micro-businesses started and 72 expanded; 20% of participants left welfare rolls; 30% found sustainable employment in the community; 20% enrolled in institutions of higher education.

KSU faculty from the Coles College of Business and the Small Business Development Center offer business development training, and graduate students enrolled in a practicum act as mentors for

participants while they learn about small business issues in real-time. Approximately 60 students a year participate. New features since last year include: An Internet Marketing and E-Commerce program for growth-level micro-businesses that have graduated from the core program as a way of bridging the digital divide; Toastmasters Club created by program alumni to enhance their presentational and marketing skills; and a Microenterprise Mentor Protegee Institute to help other communities with replication.

Community Childcare Partnership (CCCP) with Quality Care for Children and Dekalb Extension Service, University of Georgia (UGA)

This partnership was forged in 1996, at the urging of the United Way. It promotes accessible, affordable, quality childcare by training Spanish-speaking women to operate home-based childcare businesses and by offering Spanish instruction to other childcare providers. Thus, both childcare services and economic development result from this effort. The UGA Extension Service supports the partnership in a variety of ways through its bilingual county agent, and the College of Family and Consumer Sciences at the University offers a training component in English and Spanish. The partnership has been successful in translating child development and family childcare materials into Spanish, including state rules and regulations.

Thirty-one family childcare businesses with the potential for caring for 186 children have been registered with the State of Georgia, and nine providers have received the national credential of a Child Development Associate (CDA). Parents of children receiving childcare also are included in trainings, social activities, and parent education classes so that they can be a part of the child's daily lives as well as receive valuable childcare information themselves.

Participants have benefited in "spin-off" ways as well. Several providers have been able to purchase their homes from the income received from the business, providers themselves have become trainers and developed other leadership skills, and children from all backgrounds who attend some of the childcare facilities have become fluent in Spanish along with their English language development.

Providers participating in the CCCP organized the Association of Latino Child Educators, the first Spanish-speaking childcare association in Georgia, to advance providers' roles as leaders and managers of the CCCP as well as provide a vehicle to give voice to childcare issues in Latino communities.

ADDITIONAL SOURCES

Beyond the Campus: How Colleges and Universities Form Partnerships with Their Communities. David Maurrasse, RoutledgeFalmer, New York. 2001. <http://www.routledgefalmer.com/>

Building Partnerships for Neighborhood Change: Promising Practices of the University Partnership Initiative. Fannie Mae Foundation, Practice Report, Washington, DC. 2001. <http://www.fanniemae.com/>

CityScope: A Journal of Policy and Development and Research. Community Outreach Partnership Centers: Connecting Communities and Institutions of Higher Education. Department of Housing and Urban Development. Office of Policy Development and Research. Volume 5, Number 1, 2000. <http://www.hud.gov/>

Colleges and Communities: Gateway to the American Dream. Office of Policy Development and Research, HUD, Washington, DC. 2000. <http://www.hud.gov/>

LandLines, Newsletter of the Lincoln Institute of Land Policy. "Universities as Developers," Volume 13, Number 4, Tufts University. Medford, MA. July 2001. <http://www.lincolinst.edu>

NewVillage Journal: Building Sustainable Cultures: Education for Community Building. Berkley, CA: Architects, Designers and Planners for Social Responsibility (ADPSR). Issue 3, 2002. <http://www.adpsr.org/>



The Annie E. Casey Foundation

701 St. Paul Street
Baltimore, Maryland 21202
800.222.1099
www.aecf.org