

**Section 3 Business Development
Project In Community Economic
Development**

Final Report

Project Advisor: Woullard Lett

**Submitted By: Connie Russell
December, 1996**

Definition of the Problem

History
and
Analysis of Its Root Causes

History

Lexington, North Carolina

The Public Housing Community

Analysis of Its Root Causes

Lexington, North Carolina is located in the Piedmont Triad region of North Carolina (west of the North Carolina Coast; east of the Blue Ridge Mountains; south of Raleigh, the state capital; and north of the queen city, Charlotte).

According to the Piedmont Triad Regional Council Data Center 1990 Census, Lexington, a textile and furniture manufacturing town, has a population of 16,581. The 1990 Census also reports that the Lexington Housing Authority (LHA) composition is comprised of 75% African-American, 25% Caucasian and Hispanic, 55.6% single heads of households. The median income for households in Lexington is \$24,150 and for families, it is \$28,500. However, for the residents of the LHA public housing community, the medium income is between \$6,000 to \$12,000. Sixty-four point nine percent of the public housing residents are unemployed in a city which has only a 3.0 unemployment rate.

Lexington, a small town with inner city problems, is known as the furniture capital of the world because its major industry is furniture manufacturing. The furniture industry makes up 80% of the employment for city and county residents (over 3,000 employees). The other 20% is comprised of 15% textiles and 5% other (small businesses which have 500 or less employees). Public housing residents are rarely chosen for employment because of where they live, and for the most part, because they are unskilled. Those who are employed work long hours and receive low wages. Oftentimes jobs are given to immigrants who move into the Lexington area, making it virtually impossible for the public housing resident to get a decent job with good pay. The resident is then forced to work for fast food chains at less than minimum wage.

According to recent statistics from the Lexington Housing Authority, there are over 1100 residents (including children); of which 58 are wage earners. The statistics, tentative upon the growth and decline of the resident population, also show that there are 68 residents who receive Workfirst Family Assistance (formerly Aid to Families with Dependent Children/AFDC). Seventy-six residents receive social security and or SSI, or veterans benefits, 13 residents

receive voluntary or involuntary child support, and 63 residents have no form of income.

ROOT CAUSES

Ineffective training programs, lack of skills, and lack of formal education are the root causes to poverty in public housing. Programs such as the *Work First Program (Work First)* isn't working because it forces the recipients of welfare to enter into jobs that are less than minimum wage. The *Davidson County Job Training and Employment Program (JTEC)* isn't working because it forces the participants of welfare to enroll in classes that do not offer then a wide choice of employment opportunities. Welfare recipients who are already enrolled in school (continuing education program) have to quit school to enroll in the Work First and JTEC programs if the classes taken do not meet the programs criteria. For instance, in Lexington there is no great market for cosmetologists, probation officers, Licensed Practical Nurses (LPN's), etc. For welfare recipients who are enrolled in Crimmlinal Justice, LPN, and cosmetology classes, they are forced to enter into training programs to develop skills to work in an industrial environment. *Work First* is mandatory. For some, they have only two years to receive welfare; for others, they have five years. A vast majority of the Work First recipients have never worked, and are afraid that they will not be able to keep a job if they get one.

The Lexington economy has undergone radical change within the last five years. Where there were many job positions in the furniture and textile industry, some plants have closed and companies that remain open have downsized. This means that there are only a limited amount of jobs available. Most companies are hiring through temporary agencies for short term assignments without fringe benefits.

ASSESSMENT

My assessment is that the current training programs are only moderately successful. The people in Lexington, specifically the public housing community remain marginalized and vulnerable in times of economic change. They have resorted to illegal measures (drug trafficking, illegal gun sales, etc.) to bring income into the household. I have identified business development as the strategy to overcome economic oppression and put low to moderately low income people on the road to self-sufficiency.

Section 3 programs such as Step-Up and YouthBuild provides both entrepreneur training and skills development to its participants. The

participants development skills in lawn care, maintenance, painting, electric wiring, drywalling, etc. that allows them to contracts with the housing authority, the City of Lexington, and private businesses. The housing authority will contract with the resident management corporation who will hire the residents (begin with five residents) to perform the work needed. These residents, once fully trained, will work under contract with the resident management corporation (RMC). If the work performed was satisfactory, the RMC will enter into partnership with the City of Lexington to contract with the resident businesses. The million dollar economic development grant will assist residents to enter into employment or businesses. Sixty eight people have signed up to enter skills and business development training.

Project Goals

What I Set Out to Accomplish in
My Project
Intended Outcomes

Project Goals

What I set out to accomplish in my project and the intended outcomes:

- o to identify and assist ten residents with starting small businesses by the end of 1997
- o to have five of those businesses operating by the end of the CED Program
- o to provide business development training classes and technical assistance via the B.O.N.D. Program
- o to establish a peer lending group to provide seed-capital for small business ventures
- o to establish a small business incubator on site for specific businesses

This initiative would influence residents to feel like stakeholders in the developments where they live, and it would provide much needed and future employment for the high percentage of low income and unemployed residents in Lexington and Raleigh, North Carolina public housing communities.

Methods

**Steps Taken to Accomplish
Objectives and Changes Made Along
the Way**

Methods

Steps Taken to Accomplish Objectives

The Process

- Discussed the concept of business development with members of my organization
- Contacted five local banks
- Set up interviews with the banks Compliance Officers
- Discussed the CRA and how it can be used to assist the businesses
- Discussed if there were any set-aside funds to assist public housing residents with starting small businesses

What I discovered that none of the five banks contacted have any set-aside funds to assist minorities with starting businesses.

The Next Step

Surveys were taken and flyers were circulated throughout the community to seek out residents who would be interested in starting businesses.

Davidson County Community College Small Business Center and The B.O.N.D. (Building Opportunities Necessary for Development) were contacted to set up business development classes for the emerging entrepreneurs.

I contacted Carole Woodward, President, Lexington Area Chamber of Commerce about the small business incubator that will open in early 1997 in Lexington, NC. After receiving a profile of the incubator, I learned that it would not serve the low income population, particularly people living in public housing.

Changes in the Process

The residents of Heritage Park Resident Management Corporation decided they did not want to participate in economic development but would rather involve themselves in social programs. Secondly, the residents of Lexington public housing can not see themselves as entrepreneurs. Their reasoning is based on fear; fear that if they start making money legitimately, their rent will go up and they will lose their food stamps and other benefits. Because of the poor response and the attitudes of the residents and because Raleigh no longer wants to participate, the business development concept has taken a different twist. I must use a different approach for getting residents involved in business development.

Having to decide which direction to take, I discussed this problem with my project class. The class suggested that I target a smaller group of residents, and seek out those residents who are already providing services for money (hair care, nails, catering, etc.) but do not have a business license. More flyers were sent out to the targeted group and a meeting was scheduled to discuss setting up businesses. Although they appeared enthusiastic, they were afraid to commit because of the fear of losing their benefits.

My next approach was to contact some other resources. I contacted the North Carolina Commission in Raleigh, NC and requested assistance. I discussed with them my project plans and the difficulty I was experiencing in getting resident participation. The Commission gave me names of other agencies to contact. One of which was the North Carolina Low Income Housing Coalition (referred to as the Services for Shelter in the April, 1996 project update). Mr. Curt Coomes, coordinator, public housing programs put together a package of resources and programs that were used by the Coalition and other organizations to leverage funding and to build the moral of the residents. After receiving the package and reading the material sent to me, a meeting and visit to our site was scheduled to determine the real need.

Mr. Coomes suggested that we begin with a job fair since so many residents were unemployed, and provide training programs that teach basic life skills, interviewing techniques, etc.. He suggested we have business people at the fair who can provide technical assistance to anyone wanting to start a business. Once the residents attend the job fair, they would become more participatory in the business development.

I first contacted the Chamber of Commerce to get a listing of all the businesses in Davidson County; their list consisted of Chamber members only. I obtained

the names and addresses of other employers from the yellow pages of the local telephone directory. I telephone each company that was not on the Chamber's list to ascertain the name of their personnel director and or human resource officer.

After watching a local news broadcast, I saw where a neighboring city, Winston-Salem, NC held a job fair. I called the television station to get the name of the contact person or persons who set up the fair. I telephoned Mr. Brad Turner, employment training specialist, Goodwill Industries, Winston-Salem, NC to inquire about the job fair. Mr. Turner offered to assist me with setting up a job fair in Lexington. Mr. Turner and I scheduled a meeting to begin the layout for the fair. Mr. Turner shared generously with me information he used for the job fair that was held in Winston-Salem.

The job fair has four components; employment opportunities, career exploration, business development, and a fund-raiser. Employment opportunities targets the job seeker, career exploration targets the high school senior who will not enter college immediately after finishing high school, business development focuses on the persons with a business idea or persons who are already in business but need technical assistance. Lastly, the fund-raiser serves to leverage funds for the continuing work of the organization and future job fairs. The fund-raiser consists of the sale of advertisements for the program booklet, raffle ticket, and tee shirt sales.

The Lexington Housing Authority, our parent company, was presented with a proposal requesting funds to support the fair. One half of the funds would be reimbursed once the raffle tickets and tee shirts. The housing authority questioned our ability to repay the money if the ads, tickets and shirts didn't sell. We assured them that the money would be repaid out of the Tenant Opportunities Program (TOP) funds if we didn't meet our sales quota.

A planning committee consisting of members of the Employment Security Commission of NC, the Dept. of Social Services, Davidson County Job Training and Employment Center, Vocational Rehabilitation, Goodwill Industries of Northwest NC, and other agencies was formed. I presented to the committee a draft of the job fair set up and asked each member to review the draft and make comments. Space, transportation, interpreters for the Hispanic population and the deaf and hearing impaired were the concerns of the committee. Transportation was provided by two local dealerships who donated three vans each. Our organization provided one. We had a total of seven vans to provide transportation to and from the job fair. We contacted the local Center for the Deaf and Hearing Impaired to recruit interpreters, and

we contacted several of our Hispanic residents to get someone to translate for our Spanish-speaking population. Space was no problem, we reserved the senior high school gymnasium.

Two hundred sixty-two letters requesting participation in the job fair, a job fair fact sheet, a registration form, and a copy of the ad sizes for advertisement in our program booklet were mailed to each employer. Out of two hundred sixty-two mailings, fourteen companies registered for the fair. For the most part, many of the employers were downsizing. Timing of the fair was an impediment for some of the employers; they had other obligations. Though they wanted to participate, they were unable to. Several attempts were made to secure a videographer to video certain segments of the fair. Finally, we contacted a company located about two hours from the job fair location.

A tour of the City of Lexington was made to map out the routes for the vans. Flyers were distributed throughout the city indicating the locations and times for van pick ups.

We faced with many challenges, and the date of the job fair grew closer and closer. The housing authority dragged their feet and later refused to give us the money for the job fair. Because of that we were unable to purchase the tee shirts needed to help raise funds or pay to have a video-taped. We had to cut cost tremendously. We were unable to raise the eighteen thousand three hundred dollars we expected to raise through raffle ticket sales, shirt sales, and the sale of ads for the program booklet.

A Second Meeting Held

One week before the job fair, a second meeting with the planning committee was held to discuss the changes and to go over last minute details. While finalizing the plans for the fair, the housing authority telephoned to inform us that the tables and chairs would not be available for our use. Their refusal to let us use the chairs had created a problematic situation. The TOP funds were limited to a fixed dollar amount for each line item; therefore, we could not afford to rent tables and chairs. The school telephoned to ask if we would rather use the cafeteria instead of the gym. The gym floors would have to be covered, and the exhibitors would not be able to bring food and drinks into the gym area. The cafeteria was equipped with more than enough tables and chairs and the exhibitors did not have to leave the area to get their meals.

Some of the tables and chairs were moved out to make more room.

Results

Accomplishments/Outcomes

Results

Accomplishments and Outcomes

Accomplishments

On October 5, 1996, The "Opportunities '96" Community Economic Development Job Fair was held at the Lexington Senior High School Cafeteria. The fair began promptly at 10:00 a.m. A continental breakfast consisting of cherry danish, orange juice, coffee, and water greeted the early morning exhibitors and volunteers. The breakfast was provided by the school's nutrition department.

Outcomes

There had only been twenty job seekers the first hour of the fair. I was feeling a little uneasy and frustrated by this time. As time moved on, job seekers came out to talk with employers, business men, and attended the workshops. The fourteen exhibitors there were three hundred fifty jobs available. Our goal was to have a thousand jobs available. We didn't reach our goal of twenty-five hundred to three thousand participants; however, five hundred job seekers visited to the fair. The attendance of the public housing residents were less than one hundred.

We sold twelve hundred of the raffle tickets; the majority was sold prior to the fair. Twenty-six hundred dollars was raised from the sale of program booklet ads. We raised a total of thirty-eight hundred dollars. Our goal was twenty-five thousand dollars.

I was really depressed about the outcome of the fair. I wondered why we had such a small turn out as compared to other job fairs I've heard about in other cities. I questioned why the public housing population was so few in number.

Based on their comments and fair evaluation forms, the exhibitors enjoyed the fair and are looking forward to participating next year. They praised me for a job well done.

Analysis/Conclusions/ Recommendations

Analysis/Conclusions/Recommendations

What People Should Learn from My Project

What I think people should learn from my project is that your goals aren't always reached in your own time frame. Covey (1989) tells us that "*There are sequential steps of growth, each step is important, and each step takes time*". My project, Section 3 Business Development, began with my enthusiasm to get public housing residents started in business and to have those businesses operating by the end of the CED Program. However, my project ended up as a job fair with a business development component. I also think people should learn that there must be true collaboration between everyone that's involved; otherwise, a successful plan for economic development and self-sufficiency will be limited.

Was It Successful? Why or Why Not?

My project in terms of 'business development' was not successful. My goal was to identify ten residents who wanted to start businesses, and to have five of those businesses operating and generating revenue by the end of the CED program. For the most part, the community was not ready for economic change in terms of business development. However, my project in terms of a 'job fair' was successful. Although the participation of the employers and job seekers was far below my expectation, and because major changes occurred one week before the fair date, the overall rating of the fair is to be considered successful. "We did have a job fair" as planned, some of the participants did get jobs, workshops were held, and some of the participants received technical assistance from the business consultants.

What I Learned About the Problem I Tackled?

What I learned about the problem I tackled is to:

- Include people in the decision-making process at the beginning of the plan;
- Set realistic goals;
- Assess the community's strengths and weaknesses early on;
- Plan future events in the spring or summer when there is less activity going on in the city;
- Have an alternative plan;

- Stay focused on my goals; and
- Praise myself often for my hard work and effort.

The Next Steps

- o Meet with the residents who showed an interest in starting businesses and assist them with business ideas, naming the businesses, obtaining tax identification numbers, etc.;
- o Seek out business people who will provide short term micro-enterprise development training on site;
- o Enroll residents in the B.O.N.D. Program's small business development classes in September, 1997; and
- o Plan for next year's job fair.

Continue with business development by:

- o Submitting our organization's contract proposal for dual-management;
- o Providing a training program to prepare residents to provide lawn care and maintenance service to the housing authority under the leadership and direction of our organization;
- o Assisting residents who have completed the training, and who have exhibited knowledge and expertise, to contract with public and private sector businesses;
- o Assisting our organization with writing and submitting a contract proposal to the housing authority for full management of a one hundred thirty unit housing development;
- o Submitting to the US Dept. of Housing and Urban Development a bid to purchase the property;
- o Selling units as cooperatives and single family dwellings to residents who are interested in purchasing the units;
- o Hiring residents to perform all work on the one hundred thirty unit site once they are fully trained; and

- o Purchasing the remaining one hundred thirty-eight units of public housing.

The Community's Attitude, Politics, etc., vis-à-vis the Problem

The attitude of the general community indicated that they were somewhat reluctant to participate in the job fair. Their reluctance was caused by a history of negative publicity which our organization and the housing authority received from the local news media. Because companies were having difficulty meeting their hiring needs, some of the employers challenged the opportunity; the job fair presented them with the opportunity recruit some potential employees.

Some of the local politicians and the housing authority officials believed that public housing residents were incapable of performing anything positive. A task as large as a job fair to be performed by public housing residents, unheard of, especially since the fair was the first one ever held. The attitudes of some of the politicians were, if you give them enough rope, they will hang themselves. It is believed that the housing authority intended to ostracized our job fair efforts since a large number of public housing residents failed to participate. On the other hand, there were many supporters who liked the job fair concept and who are looking forward to participating in next years' job fair.

Project Contract

PROJECT CONTRACT

Section 3 Business Development

January 8, 1996

From: Connie Russell

To: Woullard Lett, Advisor

A. Background: Section 3 Business Development (Section 3 of the US Housing & Urban Development Act of 1968, as amended) is a component of S.H.E. Resident Management Corporation, a non-profit, community-based, resident organization located in the public housing community in Lexington, NC. Section 3 is a statute initiated by the US Congress and was amended in 1992. Its design is to provide low and very low income persons with employment and other economic opportunities. I will be working with youth (ages 14-21) and adult residents of Southside Village, Helen Caple Village, and Eastview Terrace (Lexington, NC public housing communities) and Heritage Park (Raleigh, NC public housing community). My relationship to the public housing community is that I am a resident. Not only am I a resident of public housing but I am also the Section 3 coordinator for our community-based resident organization and consultant/trainer for The Challenge Corporation (my own business which specializes in developing employment and business opportunities for public housing residents. What I think is most important for people to know is "not all people living in public housing are lazy and complacent with their current standard of living, and people who live in public housing have goals and ambitions of succeeding just as much as people who live in urban areas". The resident management corporations of Lexington and Raleigh, North Carolina were organized to give residents a hand in controlling their own environment but there is limited participation from members of the communities. My assessment is that the residents do not solidly recognize themselves as being a part of the community in terms of positive change. Equally important for residents to know is that they own and operate their own businesses while living in public housing, and to know that owning their own businesses provides them with the incentive to become self-sufficient. By becoming business owners, employment opportunities for other residents of public housing will be provided. As a result, the business owners and their employees move out of public housing and move into private sector housing. The potential for business growth is expanded.

B. Problem Statement: If no solution is found over the next seven years, then the public housing communities in North Carolina will face a decline in the economy coupled by limited access to income and employment opportunities.

C. Goal Statement: To articulate 10 resident-owned businesses for public housing residents living in Lexington and Raleigh, North Carolina by the end of 1997 by providing a training base through the B.O.N.D. Program (a microenterprise development training center) and an incubator for continuing microenterprise development at each community. The project will articulate businesses that have low start-up costs and businesses that will generate revenue quickly.

D. Project Product: At the completion of the project there will be an increase in the employment opportunities for public housing residents. A job training program will be in place, based upon actual jobs, that serves unemployed adults and youth in the public housing community. The resident -owned businesses will be located on site (home-based). The home-based businesses will alleviate the problem of transportation to and from work for the residents of the community.

E. Outputs: These are the critical elements that have to be put in place to assure that there is a product at the end of the project: businesses named and identified (product or service); business or action plans developed; business name check (state and local level); applications for tax identification numbers submitted; business cards and letterheads designed and printed; businesses operating; peer lending group organized.

F. Inputs: To assure that this project will occur in a timely fashion, the following resources are needed: 10 residents who are interested in starting their own businesses; banks/money (banks to provide funds under the Community Reinvestment Act (CRA); a minimum of \$1,000 for start-up costs for each business to purchase inventory and equipment (total amount needed \$10,000). eight weeks of microenterprise development training; written materials on the specific business ventures; information about the market for each of the business.

G. Implementation: Implementation of this project will begin by surveying each community to identify which residents would be interested in starting businesses. Each member of the resident management organizations and other interested residents will assist with interviewing potential business owners. Once the surveys have been completed (by the end of February 1996), applications to enter the eight week microenterprise training will be taken. The training will be provided by The B.O.N.D. Program, a microenterprise development training center for low income individuals in the Lexington and Raleigh area. Classes will begin in September, 1996. The Challenge Corporation will consult with bankers in the Lexington and Raleigh area to obtain seed capital for the businesses, and provide written materials about specific businesses. The Challenge Corporation will also assist in helping the business owners identify their market. The incubator (will begin November-December, 1996) will provide on-going guidance and information to the businesses.

H. Minimum Objectives: I expect that by the end of the CED Program to have at least five of the ten businesses operating and generating revenue. A year from next December I will be satisfied with accomplishing having a minimum of fifteen to twenty residents working in their own businesses.

**Interim
Reports
and
Monthly Updates**

SECTION 3 BUSINESS DEVELOPMENT PROJECT UPDATE

February, 1996

As a result of the project focus group discussion on February 10, 1996, the number of resident-owned businesses to be completed by the end of the project has been scaled down significantly. The initial contract states that ten resident-owned businesses would be articulated by the end of the project. The number of resident-owned businesses to be completed by the end of the project is now two (one business for each public housing community, Lexington and Raleigh, NC).

Activities Undertaken This Month

Calling local bankers and setting up interviews were among my activities this month to identify resources to provide funding for the start up microenterprise businesses. The purpose of the interviews is to determine if there are any set-aside funds to help develop businesses in public housing and or other low to moderate income neighborhoods in the Lexington area. All bankers contacted were in the Lexington area. No bankers have been contacted in the Raleigh area at this time. Of the five banks located in the Lexington area (Lexington State Bank; Perpetual Savings Bank, SSB; Branch Banking and Trust; First Union National Bank; and Wachovia Bank of North Carolina, NA), none of them claim to have any set-aside funds to assist small businesses get started in the public housing communities. However, Wachovia Bank's financial officer, ED Jordan stated, "Wachovia has contributed money to the small business incubator which is being formulated by the City of Lexington". Lexington State Bank's compliance officer, Mark Vaughn, stated, "the bank had already donated money to the B.O.N.D. Program (located in Lexington, NC) to provide technical assistance to public housing residents and other low and moderate income residents who were interested in starting a business". A meeting with

Lexington Housing Authority Board Chairperson Wayne Bradby disclosed that the housing authority could not at this time finance a peer lending group because of the federal budget cuts. The federal budget cuts have reduced the amount of funding public housing authorities receive under the Annual Contribution Contract. However, Lexington Housing Authority in conjunction with S.H.E. Resident Management Corporation (S.H.E.), a non-profit, community-based resident organization, is formulating a Section 3 business development program for the residents in Lexington public housing. The Section 3 business development program is a direct result of our organization (S.H.E.).

THE NEXT STEP

The next step is to schedule an interview with city officials to find out how exactly will the proposed small business incubator will work, and how will it assist public housing residents and other low and moderate income residents in starting their own businesses.

SUPPORT NEEDED

The need to redirect my plans for articulating resident-owned businesses seems to be emerging. All comments and criticisms are welcomed.

CED Project Update
Submitted By: Connie Russell
April 13, 1996
Project Advisor: Woullard Lett

Section 3 Business Development-

This project is designed to create a collaborative of resident-owned businesses, peer lending groups, adult and youth entrepreneurial training programs, and residents to create a vehicle which will serve to provide experience and business opportunity for residents in Lexington and Raleigh, NC public housing communities.

Activities Undertaken This Month-

A lot of networking was done this month to leverage resources for Section 3 Business Development. Several contacts were made via telephone. The following is a list of accomplishments and challenges:

Accomplishments

I. Contacts Made.....

Davidson County Community College, Lexington, NC - Their charge: to provide a hands on practical application life skills program for residents who have never been in the job market. Residents will be identified who need training. Free seminars will be held once monthly for residents who want to start a business.

Corporation for National Services (Americorp-Vista) Washington, DC- Their charge: to provide a list of resources to foster the production of the project.

N. C. Commission, Raleigh, NC- Their charge: to provide a list of resources...The Commission provides a wide variety of training. A list of the of the services we want to secure will be submitted to Ms. Jackie Kennedy, Director, as requested by April 19, 1996.

Service for Shelter, Raleigh, NC- Their charge: to help identify resources and provide technical assistance. Mr. Curt Koontz is putting together a package of resources and programs that were used by the shelter in leveraging funding. After receiving the package, a meeting with Mr. Koontz and members of another company will take place. The date and time has not been set at this time.

II. Contacts Pending/Not available:

Jodie Christopherson
Microenterprise Loan Program
Booneville, NC

Ruth Rambo
Regional Director/NCCC

SPIKE Guidelines
Charleston, SC

Denise Allen
First Start/First Step
Winston-Salem, NC

A tentative date for a job fair has been set for August 3, 1996 to assist in leveraging funds, equipment, and supplies from local merchants. In addition to the Lexington area merchants and other private and public sector businesses, there will be a collaboration of other entities from different areas of North Carolina.

CED Project Update
Submitted By: Connie Russell
May, 1996
Project Advisor: Woullard Lett

Section 3 Business Development-

This project is designed to create a collaborative of resident-owned businesses, peer lending groups, adult and youth entrepreneur training programs, and residents to create a vehicle which will serve to provide experience and business opportunity for residents in Lexington and Raleigh, NC public housing communities.

Activities Undertaken This Month:

A meeting has been scheduled for May 6 with Mr. Curt Coomes of the Low Income Housing Coalition's Services for Shelter. Mr. Coomes will assist in the design of the job fair which is scheduled for August, 1996.

The Lexington Area Chamber of Commerce was contacted to obtain a calendar of events in Lexington and Davidson County. The Calendar will not be ready until next month. The request was for a calendar was made to better plan the date for the job fair. The August 3 date for the fair has been changed. The new date will be announced by the next project class.

Several contacts were made with local entities request their participation in the job fair.

- o Lexington Housing Coalition
- o Lexington State Bank
- o Davidson County Community College
- o Lexington Police Dept.
- o Davidson County Sheriff Dept.
- o Employment Security Commission of NC

**New Hampshire College
Manchester, NH
CED Project Update
Submitted By: Connie Russell
June, 1996
Project Advisor: Woullard Lett**

Section 3 Business Development

The initial contract states that ten resident-owned businesses would be articulated by the end of the project. This project is designed to create a collaborative of resident-owned businesses, peer lending groups, adult and youth entrepreneur training programs, and residents to create a vehicle which will serve to provide experience and business opportunity for residents in Lexington and Raleigh, NC public housing communities. Since the initiation of the contract, there have been many challenges and new developments.

Challenges

Ten resident-owned businesses was scaled down to two; one business for each public housing community (Lexington, NC and Raleigh, NC).

Local bankers were contacted in the Lexington area to leverage funds for the start-up of microenterprise businesses only to find out that there were no set-aside funds for small business development.

The small business incubator referred to in the February report will target the middle to upper class persons who are already operating small businesses but need access to space and office equipment, and who have the ability to borrow one hundred thousand dollars from the local banks; minority businesses are not included in this program.

Raleigh, NC is no longer included in the Section 3 Business Development plan. The number of business to be developed is still two (Lexington, NC public housing community)

The tentative job fair date of August 3, 1996 has to be changed. I am still waiting on the Chamber of Commerce to produce a calendar of events of activities taking place in Lexington and Davidson County for the rest of the year. Until a calendar is made, I'm not sure when to plan the fair. I recently learned that the Chamber of Commerce is hosting a community showcase that includes a two hour job fair. On With The Show!

New Developments:

The strategy for articulating small business development, peer lending groups, and adult and youth entrepreneur training programs has changed. Because of a lack of participation from the public housing population, a job fair is proposed to solicit participation from residents of public housing. The job fair has three components; career exploration, employment, and microenterprise development resources. The fair is to be a forum for local companies in need of employees and local job seekers to connect with one another, for leveraging resources for small business ventures, and career opportunities for graduating seniors who are unable to attend college.

Opportunities '96 Community Economic Development Job Fair information sheet has been designed. Included in the information sheet is basic information such as date, location, and time of fair, the overview and the specifics such as: registration closing date, cost for participation, food service, set up times, child care, information packets, table size, and registration information. An employer survey has been designed. Each employer will be required to fill out the survey. Admissions applications, business profiles, and an Opportunities '96 Job Fair evaluation for employers, small business consultants, and career exploration consultants have also been designed. A general letter promoting the job fair (to be sent to local employers) and a thank you letter for each job fair participant have been drafted.

The Chamber of Commerce has been instrumental in providing a listing of manufacturers, retailers, and other businesses in the Lexington and Davidson County Communities. Other resources in identifying local businesses have been taken from the yellow pages of the local telephone directory and word of mouth.

S.H.E. Resident Management Corporation (a Lexington, NC public housing organization is sponsoring the event. Agencies participating in the event's organization and development are: The Lexington Area Chamber of Commerce, Division of Vocational Rehabilitation, The Work First Program of the Dept. of Social Services, Lexington/Davidson County Schools, Davidson County Community College, Davidson County Employment and Training, NC Low Income Housing Coalition, Employment Security Commission of NC, The B.O.N.D. Program, Self-Help Credit Union, the Small Business Administration, and the Employment and Training Center of Goodwill Industries of Northwest North Carolina, Inc.

The fair designed for recruitment, career exploration, and microenterprise development will be opened to the general public as well as designated groups. Job seekers will complete an "admissions application" to enter the fair and to be used as a reference source for the employers and job seekers as they dialogue. Microenterprise developers will complete a "business profile" to be used as a reference source for business consultants and microenterprise developers as they dialogue.

Lastly, I met with Mr. Curt Coomes (Low Income Housing Coalition of NC, Raleigh) as scheduled. A meeting with Mr. Brad Turner, Employment and Training Specialist for Goodwill Industries of Northwest North Carolina, Inc. provided the model for the job fair.

CED Project Update
From: Connie Russell
Advisor: Woullard Lett
July, 1996

Accomplishments:

The date of the job fair has been set for October 5, 1996.

Letters will be mailed to employers requesting their participation by the end of July.

An advertisement booklet has been designed to solicit funds (employers will purchase ads by page size and a mini copy of the booklet has been enclosed with the letters).

Raffle tickets have been designed. The tickets will be printed by the end of July/

Project and CED Update

August, 1996

Project Advisor: Woullard Lett

Submitted By: Connie Russell

Activities Undertaken This Month:

A proposal and budget were presented to the Lexington Housing Authority for stipends based on the number of units in public housing to underwrite the cost of the fair. Transportation to and from the fair is donated by Plaza, Ford, Lincoln, Mercury and M & L Motors of Lexington, NC. The Chamber of Commerce is underwriting the cost for printing fair materials, and Lexington State Bank is underwriting the cost for printed tee shirts to be sold at the fair (bank logo on back of shirt; fair logo on front of shirt). A continental breakfast and lunch will be provided by the Lexington City School System at a very low cost.

A job fair planning meeting with the Lexington Area Chamber of Commerce, the Employment Security Commission of NC, the Department of Social Services, Davidson County Employmentg and Training, and Goodwill Industries was held on August 30, 1996. Each agency was very supportive and brought to the table new ideas for the fair.

Letters have been mailed to employers and other companies for their participation in the job fair. The Dept. of Social Services will mail fair advertisement to food stamp recipients and include information about the fair on surplus food commodities cards for September's mailings. Davidson County Community Action is printing flyers to be distributed throughout the City of Lexington (flyers will be printed in both Spanish and English). The Employment Security Commission is handing out fair literature to job seekers who visits their Lexington and Thomasville offices.

A second planning meeting is scheduled for September 10, 1996. Employer registration forms will be completed and the number of jobs available will be calculated.

Challenges:

Lexington Housing Authority is moving slowly; our organization has not had any real commitment from them. The fair is schedule for October 5, 1996, and we need the Housing Authority to commit to our proposal request for funds.

Project and CED Update

Sept., 1996

Project Advisor: Woullard Lett

Submitted By: Connie Russell

Activities:

The job fair registration date was extended to September 21, 1996 because of the low volume of responses. Over 2,000 flyers were made and given to different agencies throughout the city for their distribution. Our organization printed twenty-eight hundred inserts to be placed in with the food stamps and mailed them to the food stamp mailing center.

The Davidson County Dept. of Social Services mailed over 3,000 inserts to AFDC recipients; these inserts were placed in with the AFDC October checks. The Chamber of Commerce printed 3,000 raffle tickets for the fair. The tickets were picked up on Sept. 5th. Twelve hundred of the tickets were sold by September 30th. The tickets sold for \$1.00 each. The remaining tickets will be sold at the fair.

Lexington State Bank telephoned to say that they would not be able to underwrite the cost of the tee shirts because their budget restrictions. The cost would be somewhere around \$6,000 he indicated. Lexington State Bank purchased a \$50.00 ad for our program booklet.

Two other banks were contacted to underwrite the cost of the shirts; Wachovia and BB&T. Both of the banks thought the budget was too high. Each of them donated \$200 to support the job fair.

With only one month left before the fair, the Lexington Housing Authority denied our request for funds. We received no support from them at all.

Program booklet advertisements were continuing to be sold, and businessmen continued to call to see if it was too late to register.

Project and CED Update

October, 1996

Submitted By: Connie Russell

Project Advisor: Woullard Lett

Section 3 Business Development--

Activities Undertaken This Month

The job fair was held as scheduled. The location of the fair was changed from the Lexington Senior High School gymnasium to the school's cafeteria which easily accommodated the fourteen exhibitors and the five hundred job seekers.

A continental breakfast of cherry danish, orange juice, coffee, and water was convenient for the early morning exhibitors and the volunteers as each prepared their stations for exhibit.

The first hour of the fair was very slow. There were periodic spurges of job seekers, etc. The fair traffic picked up around noon. Job seekers dialogued with the various employers, filled out applications, attended job readiness workshops, and talked with businessmen.

The videographer was late; it was just as well. We were not able to pay him anyway because we did not receive the monetary support we anticipated from the housing authority. Neither the local television station nor the local newspaper cover the fair although they were notified in plenty of time. October is not a good time to have a job fair in the Piedmont Triad area. Why? Because it's barbecue festival time in Lexington, it's Dixie Classic Fair time and Homecoming for Winston-Salem State University in our neighboring city, Winston-Salem.

What I thought was careful and timely planning, turned out to be untimely planning. I was frustrated because I contacted the Chamber of Commerce early on to obtain a calendar of events to prevent a conflict in scheduling. After notifying me that I was the first to go to their calendar, I received a calendar that did not list our job fair at all. Nonetheless, the job fair was held.