

DATE 10/28

**THE WHITE HOUSE  
NATIONAL ECONOMIC COUNCIL**

**WORKING GROUP COMMUNITY EMPOWERMENT ZONES**

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Note: The attached memo to the Community Enterprise Board has also been sent directly to the Cabinet Secretaries.

**FROM: NICOL LINDSAY**

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**PAGES FOLOWING COVER SHEET 7**

## THE WHITE HOUSE

WASHINGTON

October 27, 1993

## MEMORANDUM FOR MEMBERS OF THE COMMUNITY ENTERPRISE BOARD

FROM: THE VICE PRESIDENT  
CAROL RASCO  
ROBERT RUBIN

SUBJECT: FALL SCHEDULE

We wish to thank all of you for your hard work and enthusiasm thus far on the empowerment zones implementation effort. We also want to take this opportunity to give you our thoughts on the direction and schedule of the Community Enterprise Board's work for this fall.

As you know, President Clinton created the Community Enterprise Board by a memorandum issued on September 9, 1993. Since that time, representatives from the agencies that comprise the Board have been working cooperatively on implementing the empowerment zones legislation. At the same time, the Vice President has convened a series of meetings with the agencies and outside experts to inform our thinking both about designing the empowerment zones application and the broader potential of the Enterprise Board to assist communities in their development and reinvention strategies. We hope that these sessions will challenge us to think innovatively about how we can work together to be responsive to the real needs of American communities.

With the convening of these additional sessions, we expect to issue the request for proposals for empowerment zones in December -- not November, as originally scheduled. We believe, however, that the sessions are critical to developing an application process that is responsive to the needs and problems of applicant communities and will benefit all applicants -- whether or not they are selected.

During the next month, we ask that the issue groups that are working on aspects of empowerment zones implementation to complete their work and prepare a report of recommendations. Agencies should also move immediately to provide us with a list of the contributions and commitments they will make to empowerment zones and enterprise communities, as the President requested in his September 9, 1993 directive.

Upon the completion of the panel sessions, the issue group headed by HUD, USDA, and HHS will submit to us a revised draft application for empowerment zones that is informed by the panel sessions and the agency and issue group recommendations. Members of the Board will then have an opportunity to comment on draft the application.

-2-

Attached is a memorandum that sets forth a specific timetable for our work and identifies the existing issue groups and group leaders. Although the Enterprise Board will be consumed primarily with empowerment zones implementation over the next two months, we will also begin to take up broader issues, such as the refining of the proposed community empowerment principles and the process by which we will entertain waiver and coordination requests from states and other communities.

We appreciate all of your efforts. As you know, we are committed to developing a process of cooperation that works for you and, most importantly, builds a team that works for American communities. To that end, we welcome your comments and suggestions for organizing the future work of the Board.

THE WHITE HOUSE  
WASHINGTON

October 27, 1993

MEMORANDUM FOR THE VICE PRESIDENT  
BOB RUBIN  
CAROL RASCO

FROM: Kumiki Gibson  
Paul Dimond  
Sheryll Cashin  
Paul Weinstein

SUBJECT: Workplan for Empowerment Zone Implementation

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Outlined below is the (updated) workplan for the Community Empowerment Working Group.

**WEEK OF OCTOBER 25, 1993**

October 26, 1993: Seminar on Application/Planning Process  
Staff members work with issue groups on reports (List B)

**WEEK OF NOVEMBER 1, 1993**

Agencies revise contributions, cooperation, and participation -- including regulations from Treasury on the tax provisions of the OBRA

Issue groups revise reports

November 2, 1993: Meetings with Mayors & Governors

November 3, 1993: Education Seminar

November 5, 1993: Seminar on Public Safety

**WEEK OF NOVEMBER 8, 1993**

White House reviews agency and issue groups reports

Working group meeting to review reports and resolve issues

**WEEK OF NOVEMBER 15, 1993**

HUD, USDA, and HHS complete draft NOFA, application (including selection criteria, performance measures, process of assistance and designation); plan for workshops, assistance, communication, inspiration

Working group meeting to discuss any issues

**WEEKS OF NOVEMBER 22, 1993 AND NOVEMBER 29, 1993**

White House reviews NOFA, application, and plans for workshops

Resolution of any outstanding issues by Chair and Co-chairs and, as necessary, the President

**WEEK OF DECEMBER 6, 1993**

Final revisions, planning, preparation

**WEEK OF DECEMBER 13, 1993**

Announce the selection criteria, goals, and federal assistance and inducements to the country and issue the relevant regulations

**WEEKS OF DECEMBER 20, 1993 THROUGH JANUARY 14, 1993**

Hold workshops in all regions; explain how federal government can be of assistance to applicants to engage in transforming public-private-community planning

**JANUARY 15 - MAY 1994**

Federal Assistance with community planning (To Be Decided)

**MAY 1994**

Due date for applications

**JUNE - JULY 1994**

Review applications

Complete any negotiations regarding strategic plans

**AUGUST 1, 1994**

First round of designations will be made by the Secretaries of HUD and USDA (in consultation with the Enterprise Board)

**AUGUST 1994 - JUNE 1995**

Complete remaining designations. (We have not yet determined whether this will be accomplished through a second round of applications or through a process of rolling applications and designations.)

Provide assistance to designees to implement strategic plans; complete any additional necessary legislative action in Congress by June 30, 1995; customer driven, performance review of progress of designees in implementing strategic plan based on agreed goals and benchmarks

## EMPOWERMENT ZONES ISSUE GROUPS --

## AGENCY RESPONSIBILITY (WHITE HOUSE STAFF OVERSIGHT)

Empowerment Zone Implementation, Challenge Grant -- HUD,  
Agriculture, HHS (Dimond-Gibson)

Capital Formation for Business Development -- SBA, Commerce,  
Treasury (Cashin)

Capital Formation for Housing and Community Development -- HUD,  
Agriculture (Cashin-Weinstein)

Legislative issues, Waiver-Coordination Strategy -- OMB  
(Weinstein)

Public Safety -- Justice (Gibson, Suzan Johnson Cook)

Technology Development and Information Network -- OSTP, NIST,  
ARPA (Gibson-Dimond)

Transportation -- DOT (Cashin)

Sustainable Development and Physical Infrastructure -- EPA, OEP  
(Gibson)

Area Labor Market and Job Networks -- Labor (Cashin-Dimond)

Indian Communities -- Interior (Dimond)

Support for Working Families -- HHS, DoEd (Kamarock)

E-BOARD

DISCUSSION OUTLINE  
VP MEETING ON ENTERPRISE BOARD  
September 22, 1993

I. UPDATE ON PROGRESS SO FAR

- working group that developed EZs, CDB, & CRA proposals
- subcabinet group met several times since pres. directive

II. MAJOR ISSUES (Focus on Empowerment zones today; E-Board Friday)

A. Goals for EZs: what we want to achieve

1. Yardstick for ourselves; some direction for comms.
2. Our view of Pres's objectives and legislation:
  - 1) Economic revitalization (and independence)
  - 2) Changing the way govt does business in these comms.
    - work better/cost less
    - listen to comms; ideas from bottom up
3. Other views
  - Non-econ: early intervention; social experiments
  - Impose from Washington: Model Cities concentration
  - We should see what we get; but don't lose econ focus
4. Think these over -- much heat at E Board mtgs

B. Timetable

- Nov. 93: Announce criteria & process  
Begin workshops
- Apr. 94: Applications due
- June 94: First designations

C. What Has to Happen Between Now and Then

1. Agency Commitments and Participation (Dimond)
2. Cooperation & Flexibility of NPR (Kamarck/Weinstein)
  - Bottom-Up Grant consolidation in October surprise
3. Getting Community Interest
  - 1) Meet with comms. customers about application itself
  - 2) Success story summit about what's possible
  - 3) Regional workshops to help comms. apply
  - 4) Outreach to private sector (\*\* Sheryll: tools)

D. Enterprise Board and How It Works

- we've created a monster

*Enterprise Board*

THE WHITE HOUSE  
WASHINGTON

September 16, 1993

MEMORANDUM FOR PETER EDELMAN

FROM: PAUL DIMOND  
SUBJECT: ENTERPRISE BOARD

Thank you your for your helpful suggestions with respect to technical assistance, evaluation and reporting. I will ask the issue group chaired by Agriculture, HUD and HHS to include consideration of your suggestions.

Again, I apologize for the short turnaround time to comment on the draft Presidential directive. The directive is designed, however, to ensure a cooperative venture between HUD and Agriculture and all other agencies in the planning, designation and implementation process and between HHS, HUD and Agriculture in particular in considering the related issues under the Title XX provisions of the empowerment legislation.

With respect to the set of issues raised in point 3 of your memorandum, the 9 September 1993 Presidential Memorandum directs in pertinent part:

- "The first task of the Board [including HHS] is to assist in the successful implementation of the Administration's empowerment zone legislation...This Act authorizes the Secretaries of HUD and Agriculture to designate certain localities as empowerment zones and enterprise communities..."
- Each Board member, including HHS, will provide "recommendations...on the criteria to be used for selection and designation of empowerment zones and enterprise communities..."
- Each of the agencies, including HHS, will "cooperate fully with the Chair, Vice-Chairs, and the Secretaries of HUD and Agriculture in assisting designated zones and communities in successfully implementing their strategic plans..."
- The Secretaries of HUD and Agriculture will "consult with the Board [including HHS] regarding...the designation...of empowerment zones and enterprise communities..."
- The "Secretaries of HUD, Agriculture, and HHS (in consultation with the Board) [will] take by November 1, 1993, the appropriate regulatory measures to ensure that the use of all Title XX grants awarded under the Act meets the criteria of Section

-2-

13761 of Act, including specifically, that portion of Subsection C that requires, among other things, localities to use Title XX grants (1) in accordance with the strategic plans approved by the Secretaries of HUD and Agriculture, (2) for activities that directly benefit the residents within the designated empowerment zones and enterprise communities, and (3) to promote economic independence for low-income families and individuals."

In our previous Working Group discussions we also agreed, at the suggestion of HHS representatives, that HHS, HUD and Agriculture will work cooperatively to take the lead for the first issue group in developing the "timeline and process for application and designation, selection criteria, draft RFP and maximizing state, local and private sector match." That cooperative planning process, which includes all issues under Title XX, is now underway. In addition, in thinking about how to achieve relevant and timely input from the agencies in effectively assisting the Secretaries of HUD and Agriculture in designating zones and communities, I have also asked this issue group to consider whether it makes sense to detail staff from the agencies (including HHS) to assist in the review of the applications, strategic plans, and requests for waivers or for other interagency assistance from local communities.

Given the thoughtful and cooperative relationship demonstrated by the representatives of HHS, HUD, and Agriculture in the discussion at our Working Group meeting yesterday, I do not foresee any jurisdictional barriers that will stand in the way of implementing the President's directive. However, if you perceive any such issues arising hereafter, please call me so that we can work together to move forward to implement the President's empowerment initiative.

There are, of course, many planning and implementation issues yet to be resolved along the way. I am confident that, with your continuing counsel and that of the HHS staff, we can work together to resolve them. Thank you, and all of the HHS staff, for your continuing cooperation and constructive assistance.

cc Carol Rasco  
Robert Rubin  
Jack Quinn  
Andrew Cuomo  
Bob Nash  
Bruce Reed  
Gene Sperling