

# WITHDRAWAL SHEET

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DOCUMENT NO. & TYPE	SUBJECT/TITLE	DATE	RESTRICTION
1. report	Background on roundtable participants who have moved from welfare to work, 1p	9/10/96	P6/B6
2. report	Background and personal information about welfare to work roundtable participants, 4p	9/9/96	P6/B6

### RESTRICTIONS

- P1** National security classified information [(a)(1) of the PRA].
- P2** Relating to appointment to Federal office [(a)(2) of the PRA].
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C. Closed in accordance with restrictions contained in donor's deed of gift.

POTUS KC event  
9/10/96

## **BACKGROUND FOR WELFARE REFORM ROUNDTABLE**

### **The Full Employment Council**

The roundtable discussion will take place at the Full Employment Council, which oversees Kansas City's program of using welfare and food stamp funds to subsidize new jobs for welfare recipients. The Full Employment Council is affiliated with the Local Investment Commission (LINC), a public-private alliance that is trying to change the focus of the county's social services agencies away from income maintenance toward finding people jobs. The Full Employment Council received a grant as part of the enhanced enterprise community in Kansas City, Missouri and Kansas City, Kansas.

The Kansas City program was profiled in a front-page New York Times article on the Sunday after your convention speech. It is considered both a model program for other communities and evidence of how difficult the challenge of moving people from welfare to work will be. The Times article is attached.

### **Turning Welfare Checks into Paychecks**

One of the most powerful job placement tools that states can use is wage supplementation -- taking the money now spent on welfare and/or food stamps and using it to help employers hire people off welfare and give them paychecks. Missouri is one of 12 states that use this approach under waivers from the Clinton Administration. The others are Oregon, Arizona, Florida, Illinois, Maine, Massachusetts, Mississippi, Missouri, North Carolina, Ohio, Vermont, and Virginia. (Some other states do wage supplementation on a more limited basis without a waiver.) Under the new welfare reform law, any state can now use welfare and food stamp funds to subsidize paychecks without a waiver from Washington.

We've given 77 waivers to a total of 43 states. The welfare rolls have dropped 1.8 million since January 1993.

THIS FORM MARKS THE FILE LOCATION OF ITEM NUMBER 1  
LISTED IN THE WITHDRAWAL SHEET AT THE FRONT OF THIS FOLDER.

## Welfare-to-Work Plans Show Success Is Difficult to Achieve

By JON NORDHEIMER

KANSAS CITY, Mo. — Deborah C. Washam shook her head with an emotion that appeared to be equal parts sorrow and exasperation.

Of the more than 80 women she has hired over the last 17 months as part of a generous welfare-to-work program sponsored in part by this city's corporate community, fewer than 25 remain on the job. Many of the others quit in a huff over perceived slights to their dignity — Mrs. Washam calls it their refusal to follow directions.

"I don't think they've had much exposure to structure in their lives," said Mrs. Washam, president and chief executive of Community Home Health Care, a licensed agency that dispatches homemakers to assist elderly and disabled residents of Kansas City's urban core with light housework and shopping.

"As single mothers, they are on their own and think of themselves as

### BEYOND DEPENDENCY

*A special report.*

authority figures," Mrs. Washam said. "They won't take routine supervision at work."

President Clinton, in accepting the Democratic nomination on Thursday, declared "a moral obligation" under the Welfare Reform Act he signed two weeks ago to move Americans off welfare and into jobs. But the magnitude of this task seems best appreciated by those already dealing with the challenge.

Overcoming years of dependency on open-ended entitlement programs is daunting, those who administer welfare-to-work efforts say.

Employers express satisfaction with new employees who show initiative and a willingness to learn, even when that has required training in rudiments like the proper way to answer phones. But as the program here shows, business people are frustrated by many welfare veterans. Many among those hired, while the most qualified of those screened, have problems that include absenteeism, lack of discipline about work hours, poor reading and communications skills, and open resentment when given direction. And the current programs have not even reached people on welfare who have more serious problems, like alcohol and drug abuse or low intelligence.

These concerns resonate nationally with business leaders, who are only beginning to figure out employers' roles as the states begin a trek this fall into uncharted territory under mandates that those on welfare must find work or face the loss of

## Russia and Chechens Face Unsure Peace

After 20 months of a war that has ravaged Chechnya and profoundly scarred the battered Russian psyche, the leading military officials from both sides have now announced that the bloodshed is over.

"Now we must think about the peace," says Aleksandr I. Lebed, the Russian national security adviser. But many vexing issues — including the republic's future status — have yet to be resolved.

*News analysis, page 15.*

*Continued on Page 18, Column 1*

# In Existing Welfare-to-Work Plans, S

Continued From Page 1

benefits for themselves and their children.

"In the view of the small-business person, welfare is right up there with balancing the budget as what's wrong with big government," said Jeffrey R. Joseph, vice president for domestic policy at the United States Chamber of Commerce. "Yet the average business person — or the average politician, for that matter — has no clue as to what's coming now that the welfare bill has been passed. They want welfare people to go out and work, but there's a big difference between visceral reactions and actually dealing with programs that can help lead them to work."

Mr. Joseph said a "hodgepodge" of plans had been advanced to ease the welfare-to-work transition, adding that the national picture is more confused than coherent. "Those with low unemployment are serious about finding reasonable ways of accomplishing the goals of reform — they need every worker they can get," he explained. "Areas with high unemployment and low sophistication, where they can't figure out what to do with people who already have skills, may be less interested."

## What Is Role Of Business?

President Clinton challenged "every business person in America who has ever complained about the failure of the welfare system to try to hire somebody off welfare, and try hard." Yet some leaders of business groups are blunt in disavowing any suggestion that the private sector should assume responsibility for making welfare reform work.

"Business is not in the business of providing jobs for welfare recipients," Robert T. Jones, president and chief executive officer of the National Alliance of Business, said in a telephone interview before the President's speech, contending that it is up to the states to prepare people for entering the work force.

Still, some communities — notably places where unemployment is low and unskilled workers are in demand — have already undertaken efforts to move welfare recipients into the work force.

In Tulsa, Okla., for example, the Metropolitan Chamber of Commerce created a nonprofit corporation in 1992 to train adults on welfare for assembly and manufacturing jobs at companies that pick up the training

costs. Tim Westberry, the program manager, said that in the first eight months of 1996, 60 full-time and 13 temporary jobs were filled by the heads of families on Aid to Families with Dependent Children who underwent training with them. The over all retention rate, he said, is above 80 percent over the history of the program.

In Indianapolis, existing community-based groups accustomed to assisting the urban poor with housing and other social needs have redirected their energies, with the aid of business leaders, to find work for those on welfare. "Functional illiteracy and alcoholism are the biggest barriers to employment for our clients," said the Rev. John Hay, a minister who runs a community center on the city's east side, where whites account for 80 percent of the A.F.D.C. caseload.

Here in Kansas City, an alliance called the Local Investment Commission, or LINC, financed by public and private sources, is quietly shaping a model of inner-city dynamics for the post-welfare world.

Backed by corporate leadership groups and the purses of the Kansas City Foundation and the Ewing Marion Kauffman Foundation, the alliance is striving, with blessings from the state, to change the focus of the existing social-service apparatus from assisting people in getting welfare benefits to finding them jobs, among other far-reaching plans.

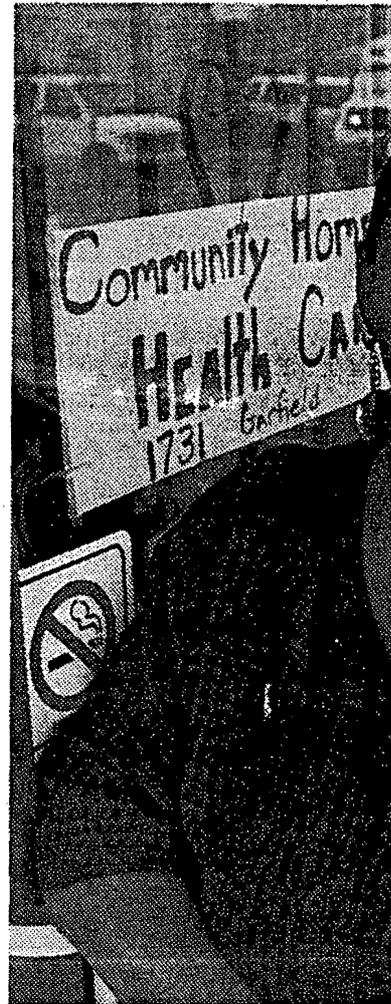
As part of LINC, an agency called the Full Employment Council is using Federal welfare and food stamp funds to subsidize new jobs for welfare recipients.

When a participant is hired, \$500 a month in wage supplements goes to the employer, explained Clyde McQueen, the council's president and chief executive. That works out to about half the \$6 an hour at which most of those hired start.

Families also continue to receive full Medicaid benefits and day-care coverage for four years — services that would cost ordinary workers another \$600 or more a month in after-tax income, he said.

Though under the Welfare Reform Act beneficiaries will have no choice about going to work, the Kansas City program's extended benefits are designed to attract people who believe they would gain more by staying home than by going to work. Critics of the new law say it will cost states billions each year to extend such benefits to everyone who will have to move off welfare. Yet the legislation calls for spending \$55 billion less over six years, rather than more.

Mr. McQueen said the Kansas City



Deborah Washam said few women welfare-to-work program in Kans:

program is also designed to give people new to the work force some practical experience and self-confidence before they are made to fully support themselves.

## Dropout Rate Remains High

And that has happened in a lot of cases. Randy Tegtmeyer, general manager of Midwest Typewriter and Computer, said he found "a gem" when he hired Rene Moore, a 20-year-old single mother, through the Full Employment Council's 21st Century program. And Ms. Moore expressed delight at obtaining a job she confessed she never would have found on her own.

"When I came in for the interview, I saw only one or two black faces in the office, and I thought I might have problems with racism here — not just because I'm black, but because I'm young and on welfare," she said,

# Success Is Proving Difficult to Achieve



Photographs by Lauren Chapin for The New York Times  
she has hired as homemakers from a  
as City, Mo., were still on the job.

going about her clerical duties clad in a tailored green suit.

Instead, she said: "People have been very nice and helpful to me. It's like they have a real interest in seeing me succeed."

But over all, Mr. McQueen said, Kansas City's welfare-to-work experiment has turned out to be more trying than was anticipated. Since the program began in April 1995, 545 of the 1,162 job openings certified for participation have been filled by welfare recipients, but only 217 of those hired remain at work. Most of the rest have returned to the welfare rolls — a high failure rate, even though those selected for the program were among the highest qualified from the 7,726 eligible families.

"We had mistakenly assumed that the \$500 monthly subsidy was sufficient motivation for the businessmen to hire our participants," Mr. McQueen said. "But increasingly we got feedback from employers who said, 'Send us people who get to work on time, can read and follow instruc-

tions and want to stay on the job.'"

Mr. Teghtmeyer, for instance, talked to 11 other welfare beneficiaries before he hired Ms. Moore — none of whom, he said, exhibited even minimal aptitude for what is essentially an entry-level office job.

"I'd love to hire another Rene, but I don't have the time to go through that number of interviews again," he said.

## The Question Of Attitude

The council provides three days of job readiness training for participants and assigns a case manager to work as a liaison with the employer to mediate potential problems. Still, some employers think the preparation is inadequate.

"A lot of the problem we encounter is that the participant gets advice on how to deal with problems in the workplace from friends who have never held a job," said Gerry Buchman, a 33-year-old case manager.

"If someone tells them what to do, they think they are being disrespected," Mr. Buchman said.

Phyllis Ray-Taylor, a former A.F.D.C. recipient who helps run the training program, said most of the participants initially came to the program angry that they were being forced to work.

"Perhaps 20 percent are ready for the job market and just need a little push," Ms. Ray-Taylor said. "Many of the others have been so brainwashed by the welfare system for so long you have to de-program them and get them into another mode."

Then there are people like Alex Haley. The 41-year-old father of two young sons said he had been a productive worker for years in a variety of jobs before diabetes and hypertension forced him on the welfare rolls two years ago.

This spring, he was told to report to the Full Employment Council to be screened for work. Mr. Haley said he was hired by a microfilm company and was paid \$6 an hour "to remove staples from paper all day." He was the only man in a room filled with women, he recalled, and when he started to take days off to look for a better job, he was dismissed.

Mrs. Washam at Community Home Health Care said welfare recipients with similar attitudes were in for a rude awakening once limits were placed on the duration of benefits.

"Ladies with initiative and drive will get out of the welfare system," she said. "But a lot will have to fall

before they realize there's not going to be a safety net below them anymore."

Sharita Hargrove, a 28-year-old office worker at Mrs. Washam's company, understands why so many of her former co-workers quit. "They felt they were disrespected by supervisors who talked down to them like children," said the mother of three.

Ms. Hargrove is far from content herself. "I don't see where work is benefiting me at all," she scowled during an interview. "My two-week take-home pay is \$523, and since I've been working my rent went from \$25 a month to \$277. And I used to have \$364 a month in food stamps."

The Kansas City program's financial arrangements, she said, failed to take into account the realities of life on welfare. "I've been employed forever even if it was under the table," she said. "The money I got from welfare was a joke; it isn't like you could live on it."

What have the administrators of such programs learned about how to make them more successful? First, that more training before the job begins can help, on subjects like dressing appropriately, working with other people, following directions and expressing grievances.

Also, Mr. McQueen and his staff say, the program administrators must address unanticipated problems outside the workplace, such as getting a new battery for an old car so daily trips to a job do not become adventures, finding an optometrist for those who cannot fill out application forms because of poor eyesight or intervening when distractions at home keep people away from work.

"We spent so much time getting people in the front door we didn't think enough about what was needed to keep them there," Mr. McQueen said.

Still, there are enough success stories to give those in the Kansas City alliance confidence the program will be financed by the State of Missouri as block-grant money becomes available.

"This is an enormous challenge to business," said Landon H. Rowland, chairman of LINC and president and chief executive officer of Kansas City Southern Industries, which owns rail and mutual-fund companies. "Great Society programs compartmentalized social services and kept the business community outside. Now we're seeing firsthand that the issues go far beyond jobs. We've learned that the social context has to be provided so people can remain in jobs."

Bruce Reed  
Rm # 216

THE WHITE HOUSE  
WASHINGTON

September 9, 1996

**MEMORANDUM FOR DISTRIBUTION**

FROM: Emily Bromberg, Intergovernmental Affairs  
SUBJECT: Welfare Reform Roundtable

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Attached please find a first draft description of the former welfare recipients and employers meeting with the President in Kansas City tomorrow. A final copy will be distributed this afternoon.

Please call me at 6-2896 if you have any questions.

THIS FORM MARKS THE FILE LOCATION OF ITEM NUMBER 2  
LISTED IN THE WITHDRAWAL SHEET AT THE FRONT OF THIS FOLDER.

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from previous  
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## CARING COMMUNITIES: A Summary

# LINC

### Brief history

In 1989, four state department directors realized that their departments were dealing with many of the same children and families, usually in very disjointed ways. Thus, the departments of Elementary and Secondary Education, Health, Mental Health, and Social Services decided to pilot new ways of serving children and families by listening to what a community needs, pooling their resources, and integrating their services as defined by the community. This plan was piloted in two school/neighborhood sites in the state, one urban and one rural.

Since that time, Caring Communities has gradually expanded through Schools in Excellence Grants and has become a key feature of the Urban Education Policy supported by the State Board of Education.

In 1995, the four state departments and the Department of Labor and Industrial Relations formed a partnership relationship with collaborative decision-making entities called "Community Partnerships" in six communities in the state. The goal of these partnerships was to achieve better results for children and families through more effective and accessible programs, local decision-making, and more flexible financing. The Local Investment Commission (LINC) was identified as the Community Partnership for Jackson County.

In an effort to achieve more flexible financing for school-linked services, these five state departments pursued and received a joint appropriation from the State Legislature during the 1995 session to expand the Caring Communities concept and work with Community Partnerships to expand school-linked services in the state.

In its role as a Community Partnership, LINC is the point organization that works with the state agencies, who have placed responsibility and accountability for pro-

gram design and implementation with LINC. LINC administers Caring Communities Funds in Jackson County and facilitates the planning and development process, in cooperation with local school districts and the community.

### The Planning Process

Through it's history, Caring Communities has evolved into a process, as opposed to a project or program. The process involves school and neighborhood collaboration for the effective and efficient delivery of multi-disciplinary services through neighborhood linkages with local schools. Since children spend a significant portion of their day in school, it is a logical and convenient site to link children and their families to other needed services. Services provided with Caring Communities funds are focused on achieving a core set of results including:

- Parents working;
- Young children ready to enter school;
- Children and youth succeeding in school;
- Children safe in their families and families safe in their communities;
- Healthy children and families; and
- Youth prepared to enter productive adulthood.

Although the collaborative process and results focused on may be similar across school/neighborhood sites in Jackson County, the methods for achieving the results may vary for each site. Specific strategies are developed at the site level by an Advisory Committee composed of school personnel, neighborhood residents, business/civic representatives, youth, parents, and neighborhood service providers. This planning process at the site level is guided by the following parameters set by LINC:

**Develop** services and supports for families that are comprehensive, preventive, family-centered and family-driven, integrated, flexible, culturally sensitive and competent; and results-oriented.

**Build** on existing efforts and strengths of the school and community. The intention is not to supplant or duplicate these efforts, but rather, to expand the array of services and supports for families and improve the effectiveness of existing efforts.

**Demonstrate** active involvement of the community, parents, and school in designing and implementing the program.

**FOCUS** on measurable results and benchmarks to assure accountability.

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## LINC's Role with Caring Communities

**LINC serves as a broad policy-making board that sets parameters to guide the site level planning efforts.**

In this role, LINC established a "Request for Interest" process that assured that all sites selected for Caring Communities demonstrated interest and commitment from parents, neighborhood residents, and school and agency personnel. LINC also requires that planning and implementation efforts at each site are directed by an advisory council composed of parents, neighborhood residents, school personnel, business/civic leaders, youth, and agency representatives.

**LINC provides training, technical assistance, and support to the sites.**

LINC provides a Development Coordinator to work with each site. Each Coordinator works with approximately six sites at a time. LINC also provides planning funds for the sites, ongoing training and professional development, specialized consultants as needed, and brings all the sites together on a periodic basis for peer assistance.

**LINC facilitates system reform that moves Caring Communities beyond a "program" to the core of an improved system of supports and services.**

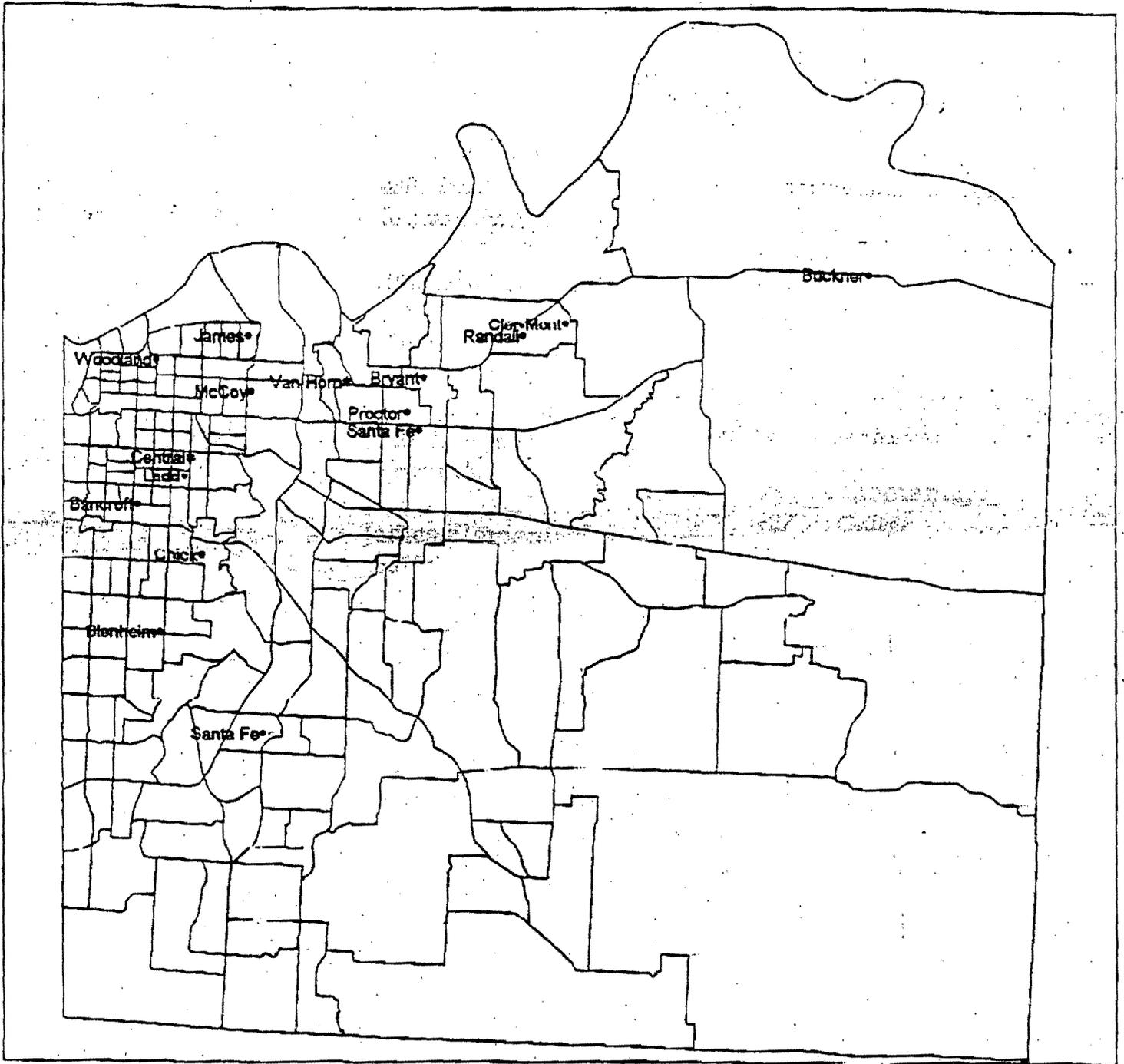
Caring Communities is part of a system reform effort directed at developing more effective services for children and families that are comprehensive, preventive, flexible, family-driven, and accessible. LINC brings this together with welfare reform, economic development and job creation, child welfare, health care, and education to form an integrated system of supports and services. Through this effort, agency workers are being repositioned to school/neighborhood sites, agencies are agreeing to provide services closer to where people live and go to school, and resources are being redirected.

**LINC assures accountability and results.**

LINC is focusing on results and assuring that benchmarks are established to measure progress, effective evaluation systems are developed, results are reported, and that quality assurance and improvement is ongoing.

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# Jackson County Caring Communities Sites



**School Sites**

- High Schools
- Elementary Schools

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Miles



# Caring Community Sites in Jackson County

## Fort Osage School District

### Cler-Mont Elementary

19009 Susquehanna  
Independence, Mo. 64058

### Buckner Elementary

13 Sibley  
Buckner, Mo. 64016

## Independence School District

### Bryant Elementary

827 W. College  
Independence, Mo. 64050

### Proctor Elementary

1403 W. Linden  
Independence, Mo. 64052

### Randall Elementary

509 Jennings  
Independence, Mo. 64056

### Santa Fe Elementary

1301 S. Windsor  
Independence, Mo. 64055

## Hickman Mills School District

### Santa Fe Elementary

8908 Old Santa Fe Road  
Kansas City, Mo. 64138

## Kansas City, Mo. School District

### Bancroft Elementary

4300 Tracy  
Kansas City, Mo. 64110

### Blenheim Elementary

2411 E. 70th Terr.  
Kansas City, Mo. 64132

### J.S. Chick Elementary

4101 E. 53rd St.  
Kansas City, Mo. 64130

### James Elementary School

5810 Scarritt  
Kansas City, Mo. 64123

### Ladd Elementary

3640 Benton Blvd.  
Kansas City, Mo. 64128

### McCoy Elementary

1524 White  
Kansas City, Mo. 64126

### Woodland Elementary

711 Woodland  
Kansas City, Mo. 64106

### Central High School

3221 Indiana  
Kansas City, Mo. 64128

### Van Horn High School

1109 S. Arlington  
Independence, Mo. 64053

## **Kansas City Question and Answer**

**Q:** What is the program that the President highlighted in Missouri today? How can the President take credit for it?

**A:** Today, the President highlighted “21<sup>st</sup> Century Communities” a model welfare-to-work program operating in targeted areas, including Kansas City. President Clinton can take credit for the program – “21<sup>st</sup> Century Communities” was initiated under a welfare reform waiver approved by the Clinton Administration in 1993.

Under the “21<sup>st</sup> Century Communities” demonstration project, AFDC and Food Stamps benefits are “cashed-out” and provided to employers to supplement participants’ wages. Participants are eligible for wage supplementation for a maximum of four years, and wages are paid directly into individual accounts established for eligible community residents by participating banks.

“21<sup>st</sup> Century Communities” is a component of Kansas City’s Local Investment Commission (LINC), an innovative partnership between the Missouri Department of Social Services and local leadership designed to streamline and improve social service delivery.

## PRESIDENT CLINTON'S WELFARE-TO-WORK JOBS CHALLENGE

*Providing Opportunity For All, Demanding Responsibility From All*

September 10, 1996

*"This is not the end of welfare reform, this is the beginning. And we have to all assume responsibility. Now that we are saying with this bill we expect work, we have to make sure the people have a chance to go to work."*  
 — President Bill Clinton

Working in Presidential partnership with states and businesses to move people from welfare to work. Today, President Clinton will highlight a number of ways America is responding to the challenge he outlined in his acceptance speech to move people from welfare to work.

- \* **Personal responsibility.** First, the President will meet with a number of people who have successfully moved from welfare to work in Missouri.
- \* **A challenge to the states to turn welfare payments into paychecks.** After the meeting, the President will address the Southern Governors' Association, challenging each state to do what eleven have already done by turning payments from welfare into paychecks for work.
- \* **Highlighting America's response.** In his speech to the Governors, the President will highlight a number of CEO's, such as Robert Shapiro of Monsanto and Bill Esrey of Sprint, who have responded to the President's challenge of hiring welfare recipients into the workforce.
- \* **Sprint will announce that they starting a toll-free 800 number that any employer can call for information on how to meet the challenge of moving welfare recipients into the workforce.**

**PRESIDENT CLINTON BEGINS THE PROCESS OF MOVING PEOPLE FROM WELFARE TO WORK.** The goal of welfare reform is to move people from welfare to work and President Clinton is committed to ensuring that there are job opportunities for welfare recipients. President Clinton is proposing a Welfare-To-Work Jobs Challenge -- a three-pronged \$3.4 billion initiative to create job opportunities for the hardest-to-employ welfare recipients. This initiative is fully paid for with the elimination of corporate subsidies: not one penny of this challenge is paid for with savings from welfare reform. The three components of the Welfare-To-Work Jobs Challenge are:

1. **TARGETED WELFARE-TO-WORK TAX CREDIT.** Building off of the Work Opportunity Tax Credit (WOTC) -- signed into law by President Clinton on August 20, 1996 -- President Clinton proposes a targeted Welfare-To-Work Tax Credit to create new job opportunities for long-term welfare recipients.
2. **TAX INCENTIVES TO INCREASE INVESTMENT IN DISTRESSED AREAS.** President Clinton has a comprehensive strategy to increase investment in distressed communities, including the use of Community Development Banking and Financial Institutions, Empowerment Zones, Enterprise Communities, and Brownfields tax incentives. President Clinton has proposed to expand this strategy by a new tax credit to investors in qualified community financial institutions and venture capital funds.
3. **WELFARE-TO-WORK JOBS INITIATIVE.** President Clinton's Welfare-To-Work Jobs Initiative is designed to help communities move one million of the hardest-to-employ welfare recipients into jobs by the year 2000, while giving states and communities maximum flexibility in developing job creation strategies. At the same time, it will demand both performance and accountability, with an emphasis on expanding what has worked around the country.

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### **Detroit Development Bancorporation**

Location: Detroit, Michigan  
Award: \$3 million equity  
Type: community development bank holding company  
Service area: target area on Detroit's east side  
Products: full service bank, small business loans, housing loans, real estate development and enterprise development  
Contact: Ms. Ellen Burzynski - (312) 753-5684

This is a new effort for a comprehensive community development bank holding company with a strategic plan to revitalize a well defined investment area on the east side of Detroit. This presents a promising approach to achieve large scale community revitalization in Detroit. The CDFI Fund's \$3 million equity investment will be a major boost to a fundraising effort that may raise up to \$20 million in capital for this startup effort. The Detroit holding company, which will be established in stages, is designed to have three subsidiaries. A full service bank in the target area will provide small business loans and housing loans, and can leverage its equity many times over through deposits. A for-profit real estate development company will initially focus on the development of 500 houses for home ownership in a 30 square block area. A nonprofit enterprise development affiliate will have three functions -- small business assistance to strengthen small manufacturers in the region and businesses in the target area, creation of a labor force development strategy to link potential workers with employers' skill needs, and homebuyer training and pre-purchase services for first time homebuyers. The Detroit based bank holding company will be a subsidiary of Shorebank Corporation.

### **Douglass Bancorp**

Location: Kansas City, Kansas  
Award: \$1.753 million (\$1.6 million equity and \$153,000 technical assistance)  
Type: community development bank  
Service area: • Kansas City, Kansas and Missouri  
Products: full service bank, housing loans and business loans  
Contact: Mr. Ronald Wiley - (913) 321-7200

Founded in 1946, Douglass Bancorp is the oldest African-American owned bank west of the Mississippi River. Five years ago Douglass was in serious financial difficulty but has since engineered a remarkable financial turnaround. It is now focusing on becoming a community development bank. To help accomplish this mission, Douglas has formed an alliance with the Kansas City Neighborhood Alliance and has expanded its operations into Kansas City, Missouri. Douglass is making housing and small business loans in distressed neighborhoods with a target area encompassing the entire bi-state Enhanced Enterprise Community. The CDFI Fund's \$1.6 million equity investment will provide the bank's holding company with the net worth it needs to

achieve its community development objectives in revitalizing distressed neighborhoods and serving the Kansas City area's African-American residents. Douglass is an important model worthy of close attention.

### **Enterprise Corporation of the Delta**

Location: Jackson, Mississippi  
 Award: \$2 million grant  
 Type: small business loan fund  
 Service Area: 55 counties in the Delta region of Arkansas, Louisiana and Mississippi  
 Products: asset based term loans and working capital loans  
 Contact: Mr. William J. Bynum - (601) 944-1100

Enterprise Corporation of the Delta (ECD) is a start up loan fund serving a 55-county market area suffering from persistent and entrenched poverty. At least 16 counties in the market are served by ECD have more than 40% their residents living below poverty. ECD is a promising initiative that is taking on the enormous challenge of helping to transform the Delta region's economy. The area's culture -- including that of its commercial lenders -- continues to be oriented to the agricultural sector despite the facts that it currently employs only a small percentage of the population. EDC was established in 1994 with support from a variety of regional and national interests including foundations led by the Pew Charitable Trusts and corporate partners such as the Entergy Corporation and Wal-Mart Inc. To date, ECD has made almost 40 loans and investments to promising businesses. The CDFI Fund's \$2 million grant will help to capitalize ECD's efforts to provide financing for small manufacturers and other businesses offering employment opportunities for lower-income people. ECD is also connecting with efforts to improve workforce skills and job readiness.

### **Faith Community United Credit Union**

Location: Cleveland, Ohio  
 Award: \$350,000 (\$200,000 grant and \$150,000 technical assistance)  
 Type: community development credit union  
 Service area: Cleveland's lower east side  
 Products: consumer financial services and loans  
 Contact: Ms. Rita Haynes - (216) 271-7111

Started as a church congregation based credit union in 1957, Faith has grown into a full fledged community development credit union to better serve the low-income African-American community on the east side of Cleveland. It now has almost 2,500 members and serves its membership with consumer, auto and mortgage loans. A \$200,000 grant from the CDFI Fund will provide a significant boost to its net worth which can be leveraged many times over through

~~POTUS~~ KC event  
9/10/96

Bruce and Nicole,

"U" shaped table. To the President's right is Clyde McQueen, (President of the Full Employment Council); to his left is Gayle Hobbs (Executive Director of the Local Investment Corporation).

Clyde McQueen speaks, POTUS makes remarks, press leaves. Then POTUS turns to the right side of the table where the following participants are seated and speak in the following order: Shaira Burris (former recipient), Bruce Gershon (President of Arrow Fabricare and Shaira's employer), the Mayor (who does not speak at this time) and Congresswoman McCarthy (who does not speak at this time) Then POTUS turns to the left side of the table, where the following participants are seated and speak in the following order: Birdella Smith (former recipient), Cathy Romero (former recipient), and Tom Davidson (President of Davidson Archives)

POTUS can then turn to Gayle Hobbs, the Mayor, and the Congresswoman to wrap-up.

Three additional former recipients are seated along the wall to the right of POTUS: Vicki Phelps, Arlenda Moffitt-Hayes, and Pamela Ruhnke.

\$769,000 thru EEC  
Harley Davidson

Don Baer /  
called

Cover letter  
for platform

THE WHITE HOUSE  
WASHINGTON

KC went

KC

Fixtures Furniture 10:10

10:15-10:30 Tour

Tour production line

Greeted by <sup>5</sup> reps from 94

Then talk to others

Sit on stools w/ Mayor, Rep, Gail Hibbs Line

Clyde McQueen, head of full Empl. council for Carma has  
2 employees, ~~200~~ 2 employers

10:35-11:15 discussion about WR

200 employees will watch conversation,  
shake hands/pose line

SGA - Ritz Carlton

11:45-12:45

Carma - President

13 govs.

Meagher doing background

6:20 Recept +  
dinner

POTUS KC event  
a/10/96

I wanted to come here today to shine a light on a approach to welfare reform that we know works: States using the money they once spent on welfare to create incentives for businesses to hire people off of welfare. That is what the program you are all a part of is doing right here in Kansas City. Workers, businesses, and government, taking responsibility together, to turn welfare checks into paychecks. We ought to do this in every state.

For people taking these jobs, let's remember we want to help you succeed at work . . . and at home. That is why I want to talk a moment about Family and Medical Leave. Already, there have been 12 million uses by families, to take time off when a child was born or a parent was sick.

But in the last few days, some have said we should go back to a time when families didn't have those choices. That is wrong. Instead of moving backward, we should move forward and extend Family Leave, so parents can take time off for a parent-teacher conference, or to take a sick child to the doctor.

**The Family and Medical Leave Act was the first bill I signed into law, and it is the last one that I will let anyone try to rollback. Family leave is the right way to help families, and we should build on it, not cut it back.**

These women have worked hard against tough odds to make their way to independence. We should help them, and all our citizens who are willing to take the responsibility to be good workers and good parents.

**LINC***KC event*

To: Lynn Hogan  
White House Domestic Policy Council

From: Gayle A. Hobbs, Executive Director  
Local Investment Commission

Re: Kansas City employers

Here is a list of Kansas City area employers currently employing AFDC participants through the welfare-to-work initiative underway in Kansas City, Mo.

Please call if you have questions.

Sept. 4, 1996

Doris,

Here are a list of employers that Marilyn requested:

 Davidson Archives - Tom Davidson  
900 W. 8th Street, KCMO 64111  
5 Positions filled - Clerical

 Arrow Fabricare - or Ruth Ellen Bruegging  
3838 Troost Avenue, KCMO 64109  
5 Positions Filled - Production

 Minority Contractors Association - Verna Gilkey  
3030 Truman Road, KCMO 64127  
1 Position - Clerical

Blue Valley Industries - Joe Carr  
1608 Prospect Avenue, KCMO 64127  
2 Positions - Production/Light Assembly

 Della Lamb Community Services Inc.- Vera Williams  
500 Woodland, KCMO 64106  
21 positions - Child Care

Gateway 2000 - Dan Block, Human Resource Directory  
Downtown Kansas City  
2 Positions - Telephone Service Representatives

Just let us know so we can contact the employers. Call if you need any specifics

Paula

**Monsanto Company**  
700 14th Street, NW  
Suite 1100  
Washington, DC 20005

SEP - 9 1996

**Fax Cover Sheet****DATE:** September 9, 1996**TIME:** 10:23 AM**TO:** Bruce Reed**PHONE:** 456-6515**FAX:** 456-2878**FROM:** Toby Moffett  
Vice President**PHONE:** 202/383-2851**FAX:** 202/783-2468

Int'l Gov't Affairs

**RE:** Draft Remarks for the President**Number of pages including cover sheet:2****Message**

Bruce, as we discussed, here are some suggestions for what the president might say. Let's talk about possible questions from the press and how we might handle them. We think it's critical to set a date for the CEOs meeting SOON. Give them 3-4 weeks to get ready for it and ask them to come prepared to discuss what they might be able to do. That way they'll be forced to initiate the same kind of soul-searching that Shapiro has done. And we'll have something to say to the media when they emerge from the meeting at the White House. We have some suggestions for whom might be invited and Shapiro is willing to make calls. Give me a call at the office today, when you have reviewed these comments. My number is 383-2851.

# Monsanto

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Monsanto Company  
Suite 1100  
700 14th Street, N.W.  
Washington, D.C. 20005

September 9, 1996

## DRAFT REMARKS FOR PRESIDENT CLINTON

Along with the Governor of Missouri, I have had the opportunity to witness first-hand this morning an example of how welfare recipients might become wage-earners.

I know that the governors in attendance here and governors all across the nation are creating similar examples.

We have no illusions though. This is very very difficult to do, to actually help people move from dependency to self-sufficiency.

But we see people across the country responding to the challenge I issued in my speech to our convention in Chicago. My challenge to business leaders was addressed by one CEO who asked the people in his company to roll up their sleeves and figure out just what might be possible in terms of hiring people off the welfare rolls.

Since the morning after my speech, there's been a very healthy internal discussion going on at his company. And today the President of Monsanto, Bob Shapiro, is with us in the audience. I've asked him to help me convene a meeting of other CEOs from across the country to exchange ideas on what works best, what the main obstacles are and how our government might work with them to remove those obstacles. That meeting will be held at the White House within the next few weeks.

Bob, Thank you for joining us and for prompting this critical discussion in one of America's most important companies.