

REGIONAL SUSTAINABLE NEIGHBORHOODS INITIATIVE:

A MetroBusinessNet Project, Building Capacity in Communities and Civic Leadership Organizations

A Partnership Led By:

Austin Area Research Organization and Greater Austin Chamber of Commerce

With the National Institute For Community Empowerment

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Even in the midst of plenty and with the commitment of high-tech entrepreneurs to community causes, profound cultural differences in Austin make realizing the city's ambitions a huge challenge. The divide between East Austin and the more prosperous west side has strong historical roots. This divide will not vanish because a coalition of high-tech executives issues a "Declaration of Interdependence." It is likely to take considerable effort to effect long-term change in Austin's low-income communities.

The Pew Report on the Internet and American Life <http://www.pewinternet.org/index.asp>

EXECUTIVE SUMMARY

During the 1990's the City of Austin enjoyed a period of unprecedented economic prosperity. Spurred by the headiness of a Technology Rush to match the likes of the California Gold Rush of 1849, Austin symbolizes a national paradox in the inability of extraordinary economic expansion to grow evenly and improve the quality of life and opportunity for the region's most vulnerable and impoverished residents. Even as many prospered in the region, whole communities were left behind, caught in urban blight and dwindling economic prospects. As the local economy has contracted in response to an equally dramatic technology bust, these same residents face an ever-harsher reality fraught with a rising cost of living, tougher competition for existing jobs, and decreasing public support for social services.

The failure of classic business development strategies to take hold in East Austin and other economically challenged regions in Central Texas points to a need for an innovative and comprehensive approach.

The Austin Area Research Organization (AARO) and the Greater Austin Chamber of Commerce (GACC) aim to revitalize these communities by establishing Sustainable Neighborhood Initiatives -- based on a model created by a partnership between Applied Materials and the National Institute for Community Empowerment (N.I.C.E.) -- designed to target the systemic conditions that limit the potential of these distressed communities to rebuild and empower themselves.

The AARO/GACC partnership holds the following goals:

1. Foster community building and development through support of local programs that: target business and workforce development, originate in and work for specific neighborhoods, and demonstrate sustained effectiveness over time
2. Broker the direct integration of neighborhood, private sector, and public sector interests through investment, community outreach, policy support
3. Bring private-sector investments that foster sustained economic benefits for neighborhood residents and the investor companies.
4. Establish a learning collaborative that enables the sharing of best practices across communities within the Central Texas Region

The Sustainable Neighborhoods Initiative (SNI) is a 10-year commitment to regional wealth creation, benefiting individuals experiencing persistent poverty and private-sector interests. AARO and the GACC will implement the first segment of the SNI over a three and one-half-year period from October 2001 to April 2005. The following pages provide a regional context for Austin's current economic landscape, introduce and describe the critical elements of the Sustainable Neighborhoods Initiative (private partnerships, networks and community collaborations), and lay out the phases of implementation over the next three years.

REGIONAL SUSTAINABLE NEIGHBORHOODS INITIATIVE:

A MetroBusinessNet Project, Building Capacity in Communities and Civic Leadership Organizations Austin Area Research Organization and Greater Austin Chamber of Commerce February 26, 2002

REGIONAL CONTEXT: AUSTIN'S ECONOMIC EVOLUTION

Public Sector Base. For well over a century, from the City's beginning until the early 1960s, public employment powered Austin's economy. Government jobs and investment, including state, local and university spending, provided a solid economic base for the region, and that base remains strong today.

Diversification. As early as the 1960s, Austin leaders saw the advantages of diversification from a public sector-based economy to one that was better diversified. By the mid-1970s, the leaders' efforts to attract companies like IBM, Motorola and other blue-chip firms to the community were paying off. These firms saw the advantages of locating in a city with a well-educated workforce, high quality of life, low-cost land, and opportunities for leveraging the University's significant scientific and engineering-based assets. The private sector employment base grew—particularly high technology manufacturing and assembly jobs—and provided a strong “second leg” to the region's economy. A relatively modest number of manufacturing firms provided the basis of the private-sector economy in the 1970s.

Dynamic Growth of R&D. The growth of research and development (R&D) and more advanced technology activities began in the early 1980s and by the late 1980s, Austin had achieved a critical mass of R&D that proved central to the region's growth. As the decade of the 1980s ended, Austin's technology-intensive economy was composed of:

- Pre-competitive public and private sector research at UT, MCC and Sematech
- High technology manufacturing
- Commercial R&D

Together, these activities created a new and more dynamic economic structure.

Competitive Advantage. During this period, Austin's overall industry structure became more complex while Austin's economic foundations improved in many ways:

- An array of *local technology suppliers* developed.
- Local *business services serving technology industries* expanded.
- Several *partnerships between technology and the university* were created during the 1980s.
- *Austin Community College (ACC)* expanded its training programs to serve industry.
- A strong venture capital community formed, providing better *local access to venture capital*.

Realizing A Cluster-Based Economy. Austin's most recent economic transition has emerged with:

- Electronics and computer industry clusters
- A fast-growing software industry cluster
- Available venture capital
- Flourishing entrepreneurship
- Steadily growing patent activity, a key measure of successful local R&D.

Despite the recent nationwide recession, new foundations for the development and expansion of new industry clusters are underway. (From: Next Century Economy: Sustaining the Austin Region's Economic Advantage in the 21st Century, 1998. A Report For The Greater Austin Chamber of Commerce.)

Yet problems remain.

Communities Trail Behind As The Economy Accelerates

Available data show a very rapid increase in both employment and wage inequality in the Austin metropolitan area in 1990 – 2000. Austin's 78.4 percent rate of employment growth - much of it in high-paying computer-related jobs - for 1990 – 2000 was over twice that of the state as a whole.

However, the traditional economic development model and Austin's nationally recognized success have not benefited everyone in the region. In fact, Austin's job growth was bifurcated by a widening gap between the 20 percent of workers earning the lowest wages, and the 20 percent of workers earning the highest wages, precisely at the time when the cost of living sky-rocketed.

In 1990, the top 20 percent of wage earners received 38.2 percent of the area's private-sector wages, but by 1999, this quintile's share had risen to 49.4 percent, while the share of the bottom 20 percent had fallen from 7.8 to 5.9 percent of private-sector income. Median household income in Central East Austin does not keep up with that of the surrounding area.

Median household income in twenty-three of 25 full or partial census tracts in the designated area have a median income of \$17,500 or less. Median household income in the two other census tracts fell between \$17,500 and \$27,500. In contrast, median income in adjacent neighborhoods to the west, south, and north exceeded that amount. Uneven growth in wages meant that the benefits of the region's robust economic growth have not been shared evenly. [Excerpt from Austin 2002 EZ Application.]

Data for the region point to the presence of similar problems. In 1999, 1800 technology companies employed 115,000 people in the Austin MSA – roughly 20% of the employment base. Another 125,000 work for low-tech and professional service firms that are major suppliers to the high tech industry. However, not all of the region's residents are prospering as the economy grows.

In 1990, 85,386 (46% of all jobs) of Austin MSA jobs paying weekly wages paid below the poverty level. In 1999, the number grew to 99,400 (22% of all jobs). While the relative proportion of poverty level workers has declined, the absolute number of poverty level workers has increased by 40%. Occupations paying at this lower level are in the food service, childcare, household sanitation, home health care, education aide, and retail industries. The number of people employed in these low-paying jobs is growing. We have found that a rising tide does not lift all ships.

THE UNIQUE SOLUTION

Clearly, traditional economic models of wealth creation are not benefiting the low-income populations of the Austin region. “Trickle-down” economics has not filtered down far enough to benefit those living below the poverty line; their numbers are increasing even as wealth levels among the top earners increases.

The Greater Austin Chamber of Commerce, in the mid-1980s, recognized the problem, and in an attempt to include East Austin, a group of neighborhoods experiencing pervasive poverty, in the economic wave sweeping the community, established the East Austin Initiative. A group of business leaders identified 30 actions, ranging from siting of a small to medium size business in neighborhoods to provide employment opportunities, to addressing such needs as “day care, transportation, education, and opportunities for youth so that the people of East Austin can fully participate in the growth of the economy.” (Proposed Economic Development Strategy for East Austin, October 3, 1984). All were designed to benefit the community. The Chamber recognized that, “success lies in our ability as a community to forge alliances among community groups and businesses, and bridge our diversity – to become a tri-ethnic cooperative model for economic success.”

While the proposed “Economic Development Strategy for East Austin” was well-crafted, it had been formulated by a group of well-intentioned business leaders, working independently – not in collaboration with or in response to direction from the community.

Despite their best efforts, only one of the 30 initiatives was implemented; the remainder failed, often due to misunderstandings, conflicts with the community, and a lack of information about and understanding of what the *community* wanted and needed. In addition, a decades-long legacy of mistreatment of East Austin neighborhoods by city political and business leaders, dating back to 1927, laid the groundwork for a climate of pervasive mistrust in *any initiative* brought to the table from “West Austin”.

A good illustration of the problems encountered by traditional business recruitment strategies can be found in a specific effort to recruit and site an employer with jobs that required basic employment skills but would pay a living wage; an employer that would not pollute the environment; an employer that would be a good neighbor. Angelos' Frozen Foods was one such employer that was not located in the region. The leadership marketed Central East Austin as a possible location site, arranged for economic incentives, and met with community leaders. Some members of the East Austin community expressed interest in and support for the initiative. But other, more vocal members of the community doubted the benefits the company could bring, and made escalating demands about business operations. Although the owner initially tried to work with the community leadership, he ultimately decided to abandon the site and located the company in Round Rock, Texas, a suburb north of Austin.

The failure of classic business development strategies in the face of the growing population experiencing persistent poverty points to the need for a different solution. Austin's phenomenal high tech success mirrored against the continuing plight of members of our communities subject to constant need reinforces a growing sense of urgency for a different strategy, one specifically designed to empower communities that are powerless, and to empower the "power-less", i.e. those experiencing relentless deprivation.

An empowerment strategy, which encompasses community building and community development, has the capacity to integrate community, public and private sector resources and efforts; resolve inevitable conflict and reconcile opposing parties; identify and develop civic entrepreneurs; identify emerging neighborhood markets, strategically target products and services; and attract economically targeted public and private-sector investments to create wealth for the benefit of those in the communities.

Partners Caring For The Region

The National Institute for Community Empowerment, Inc., (N.I.C.E.) in conjunction with Applied Materials, has launched a "Sustainable Neighborhoods Initiative" in Central East Austin after a yearlong research and planning process. The study identified Central East Austin as the city's most distressed urban area. The report further noted this community as the one that has benefited the least from the impressive

growth the Austin area has realized over the past 20 years. In 1997, the Austin City Council voted this same core geographic community as an economically disadvantaged special impact area.

The Central East Austin Sustainable Neighborhoods Initiative (CEASNI) has goals and underlying strategies that are consistent with the purposes of MetroBusinessNet. CEASNI seeks systemic change in one of Austin's most challenged regions by organizing and empowering East Austin residents to rebuild through collaborative efforts in entrepreneurship, small business development and collaboration, and workforce training. This initiative recognizes the critical value of stabilizing social conditions as a component of empowerment. Without the presence of basic social infrastructure elements such as childcare, transportation, education, a community development corporation (CDC), residents of East Austin will not be able to reap the benefits of sustained economic growth. Principle outcomes for Applied Materials, the corporate sponsor and champion, include workforce development and life-long learning programs in the target area.

MetroBusinessNet is a national action-learning network focused on increasing business commitment to *equitable* regional economic development. The project seeks to demonstrate how businesses can meet individual and collective competitiveness objectives while simultaneously building economic opportunity for low-income individuals in distressed communities of metropolitan regions. The collaborative is composed of business-based civic institutions representing the business leadership of five regions, including Austin. Supported by the Ford Foundation, MetroBusinessNet is administered nationally by the FutureWorks Company of Boston, MA and is being implemented locally, by the Austin Area Research Organization in collaboration with the Greater Austin Chamber of Commerce. Both MetroBusinessNet and CEASNI seek to empower individuals experiencing persistent poverty through economic opportunity. Recognizing the symbiotic relationship of the efforts, MetroBusinessNet will channel its efforts to initially target the CEASNI community, and will operate as the primary organization, bringing private sector investment to the Initiative.

With the apparent synergy between these programs, the Austin Area Research Organization, the Greater Austin Chamber of Commerce, Applied Materials and N.I.C.E. have determined that a partnership between them will serve to strengthen each while increasing the impact of their collective efforts in the Austin region. The regional program will:

- Initially focus on Central East Austin and the identification of and implementation of projects to empower that community;
- Identify private-sector champions in the region, and facilitate the development of local projects in their communities; and
- Establish a regional model network of participating communities.

Community Empowerment: Building Sustainable Economies One Community At A Time

Community Building requires the residents and interested stakeholders to build a community's capacity. It requires the populace and leaders to acquire the right information and to be educated about that information. It calls for leadership, organization, collaboration among all stakeholders, and integration of efforts. The approach entails conflict reconciliation, identification and development of civic entrepreneurs, and vertical and horizontal integration of efforts.

Past experiences of business organizations and others, which sought to bring private sector investment to the East Austin Community, to benefit that community, point to the merits of this approach. Although these efforts were in contact with the community and public sectors, they operated as silos. The value of building alliances, collaborations and partnerships was not understood in the mid-80s; the benefits of building consensus was not appreciated 15 years ago, and the importance of building capacity was not prized. In contrast, the Community Empowerment approach will integrate the efforts of the community sector, the public sector, and the private sector to address community issues.

Community Building requires a particular methodology that achieves the integration of efforts by the community, public, and private sectors through the efforts of civic entrepreneurs. Civic entrepreneurs are individuals who live or work in the targeted sector and want to make change. They are individuals who accept the role of *catalysts*, in places where they live and work in order to restore neighborhoods and build community. They are people who accept the role of *network* in places where they live and work in order to enable individuals and groups to collaborate and integrate their efforts; and they are people who link the economy and the community. In effect, civic entrepreneurs will serve as change agents. Their participation will balance that of other stakeholders, and ultimately will build “shareholders”, not “sharecroppers” in the community.

Ultimately, the Community Empowerment strategy will culminate in two critical elements that create awareness and understanding by all stakeholders of the Community’s *Civic Infrastructure* or social capital, i.e. the community’s assets, relationships, values, beliefs and norms.

1. Community Building: This constitutes the community’s social system, or the *software*.
2. Community Development: This grows from Community Building and culminates as revitalization, or the community’s *hardware*.

Figure 1. illustrates the Community Empowerment model as a sustainable neighborhoods initiative.



**Austin MetroBusinessNet:
Facilitating Development Of Sustainable Neighborhoods In The 5-County Region**

The Austin Area Research Organization and the Greater Austin Chamber of Commerce (AARO/GACC) will facilitate the development of Sustainable Neighborhoods Initiatives in the Austin region, using the CEASNI as a model. The project will entail the establishment of the Central East Austin Sustainable Neighborhoods Initiative (CEASNI) model and the creation of a network among communities in the region. We will support the project in terms of brokering the establishment of partnerships, financial support and investment, mentoring, business expertise and guidance, and regional expansion. To this end, AARO/GACC will create a network among communities within the region. In addition, the National Institute for Community Empowerment (NICE) will provide planning, education, training and technical assistance that these communities will need in order to identify and work collaboratively on projects. MetroBusinessNet will provide a portion of the financial resources to fund the program and AARO/GACC will look to key private partners to invest in programs. AARO/GACC will create the regional network across communities and ensure that there is sufficient capacity to implement the projects.

The Regional Sustainable Neighborhoods Initiative will be implemented over 3 years. In year 1, we will focus on the CEASNI model, and devote all efforts toward the development and implementation of this initiative. In year 2, we will continue to participate in the CEASNI project, but will invite one or more other communities to develop a Sustainable Neighborhood Initiative. In year 3, at least one other community will be brought into the network. In years 2 and 3, we will establish the network of communities to provide a forum for sharing best practices. The leadership of the Regional Sustainable Neighborhoods Initiative recognizes that up to 10 years will be required to fully plant and root the initiative and commits to the project for that time frame.

The Central East Austin Sustainable Neighborhoods Initiative

AARO/GACC will work directly with N.I.C.E. and the steering committee of the CEASNI in the creation, direction and oversight of the CEASNI program plan. The primary goal, objectives and broad action of the CEASNI program and the role of MetroBusinessNet in the economic program elements are:

1. GOAL: To provide research, assessments, education, training and technical assistance that will establish a sustainable development environment that is comprehensive in scope and empowering to the constituencies and stakeholders of the target area.
 - a) CEASNI OBJECTIVE: To establish demonstration projects that focus on building new and/or strengthening existing
 - Economic development for the area,
 - Workforce development for the area,
 - The social capital of the area,
 - Human service delivery systems within the area, and
 - Physical development of the area.

METROBUSINESSNET (Austin) will assume primary responsibility for bringing private sector resources to the table. MetroBusinessNet's involvement will focus the private-sector resources on initiatives that will bring direct and indirect financial benefits to the investor-companies.

- b) METROBUSINESS OBJECTIVE : To evaluate the relevance and efficacy of the program for the target area as a replicable model for other program initiatives and locales in the Central Texas region.

2. ACTION:

- Organize the program
- Establish demonstration projects
- Build social capital infrastructure
- Create a community-based development intermediary organization
- Increase community capacity
- Employ market-based strategies that build opportunity for low-income communities and serve the collective and individual competitiveness objectives of the private sector.

PROJECT ROLL-OUT

Phase I. Identify Project Area and Establish Organizational Structure (October 2001 – April 2002)

The first phase of the project identifies the target area in Central East Austin, establishes the organizational structure for the Central East Austin Sustainable Neighborhoods Initiative, and secures the support of the Austin Area Research Organization and the Greater Austin Chamber of Commerce.

The initial target area has been selected, and corresponds to planning areas 11 and 12 (City of Austin Neighborhood Planning Initiative). The area is bounded by I-35, 290-east, 183, and Ben White Blvd.

The governance structure has been established to guide and direct the implementation of the project. It includes groups charged with specific responsibilities.

Steering Committee

The Steering Committee consists of leaders across the community, public, and private sectors who demonstrate a desire and commitment to champion the purpose and goals of the initiative.

Members of AARO, the Chamber and the MetroBusinessNet travel squad serve as active members of the Committee. Their role is to provide advice and guidance to the Neighborhood Leadership Team while working to attract the resources and support necessary to carry out the project. The Committee will provide direction, leadership, oversight, advice and resource development assistance to the CEASNI. Committee members serve on one or more subcommittees: Executive, Resource (fund-raising), and Program.

<p>Steering Committee (AARO and Chamber Members and members of the MetroBusinessNet travel squad shown in italics)</p> <p>Fred Butler, E.D. – Community Action Network <i>Sam Bryant, Director – Applied Materials</i> Ashton Cumberbatch, member – Council for Community Reconciliation <i>Tommy Cowan, COO, Graeber, Simmons & Cowan</i> <i>Mark Curry, Community Bank President – Wells Fargo</i> Wilhelmina Delco, Chair – Huston-Tillotson College <i>Mark Hazelwood, Pres. & CEO – Greater Austin Chamber of Commerce</i> Paul Hernandez, The Educational Talent Search Program <i>Bob Huthnance, President – Frost Bank, Austin Region</i> <i>Barbara Johnson, E.D. – AARO</i> <i>Ron Kessler, Attorney – Locke, Liddell & Sapp</i> Johnny Mack, President – N.I.C.E. <i>Earl Maxwell, Leading Partner, Maxwell, Locke & Ritter LLP</i> <i>Pike Powers, Partner – Fulbright & Jaworski</i> Lodis Rhodes, Professor – UT LBJ School of Public Affairs Randi Shade, CEO & Founder – Charitygift Juan Vasquez, Director – The Educational Talent Search Program <i>Margo Weis, E.D. – Austin CDC</i></p>

Neighborhood Leadership Team

Members of the Neighborhood Leadership Team include individuals who represent organizations that demonstrate the leadership and capacity to work collaboratively with organizations in developing and implementing a comprehensive sustainable neighborhood initiative for Central East Austin. They will work closely with community-based organizations as these organizations carry out specific community renewal and neighborhood revitalization projects.

Selected community leaders and service practitioners will be invited to respond to a request for proposal to participate as a member of the Neighborhood Leadership Team. They will work directly with the Consulting Resource Team (CRT) to carry out specific demonstration projects in the Central East Austin area. Participants will sign a memorandum of understanding that sets forth the principles, values and guidelines of the project and of their participation.

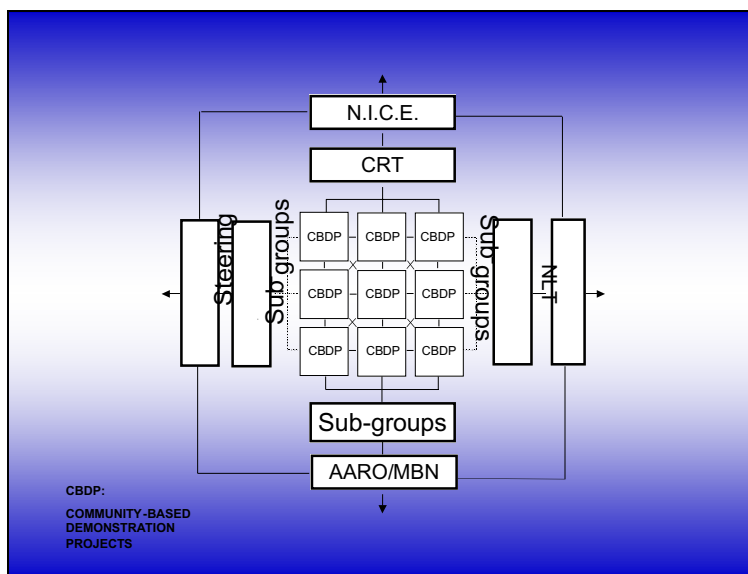
Consulting Resource Team

The Consulting Resource Team (CRT) will facilitate/provide the research, assessment, education, training, and technical assistance for the development and implementation of the Initiative, and its demonstration projects. N.I.C.E. will lead the Team.

AARO/GACC

AARO/GACC will be responsible for serving as a catalyst to bring private sector partners to individual CEASNI projects. AARO/GACC will assist in education and training services.

Figure 2 illustrates the organizational structure of CEASNI.



Phase II. CEASNI Implementation and Assessment of Scalability (April 2002 – April 2003)

During Phase II, education and training for the Steering Committee and the Neighborhood Leadership Team will continue. CEASNI will issue a request for qualifications and proposals (RFQPs) for demonstration project funding and other assistance. RFQPs are due in the second quarter of 2002. Community organizations and civic entrepreneurs in the community will submit proposals for development of initiatives to build the economic, social, and human capital of the community. The Steering Committee and Neighborhood Leadership Team will review the proposals and forward their recommendations to N.I.C.E. for final awards. Awards will be based not only on the need for a particular service, product, or business, but on the ability of the demonstration projects to fit together, and synergistically form a comprehensive plan for the community.

Once project awards have been made, AARO/GACC will identify opportunities for private-sector partnerships with the funded projects. AARO/GACC will work to create a network of financial support and partnerships to directly support the selected demonstration projects. It will work to bring to the table:

- Private sector resources, including discounted or in-kind services, mentoring/consulting services, and financial investment;
- Educational resources, such as those that could be provided by the University of Texas, Austin Community College, Huston-Tillotson College, Capital Area Training Foundation, and others;
- Access to public and private-sector markets for entrepreneurial products and services.

At the end of Year 1, progress and replicability of the model will be assessed. Assuming the CEASNI has achieved progress toward accomplishment of its goals, AARO/GACC will move to Phase III.

Phase III. Take The SNI Process To Disadvantaged Communities In The Region (April 2003 – 2005)

Year 2: (April 2003 – April 2004) AARO/GACC will continue to participate in the CEASNI and will begin the process of taking the project to the region. AARO/GACC will invite and serve as a catalyst for at least one other community to initiate a Sustainable Neighborhoods Initiative. The model used for Central East Austin will be revised, based on the results of the year-end evaluation. Selection of a community will depend on the identification and successful recruitment of a private sector champion, such as Applied Materials. AARO/GACC will work with the champion to:

- Create a network of local industry support
- Facilitate development of a capital campaign
- Recruit support from public officials
- Identify the leadership within the target community and cultivate relationships to build trust.

N.I.C.E. will provide the programmatic implementation throughout the region.

Year 3: (April 2004 – April 2005) Based on the experiences of CEASNI and the year 2 community, the model will be revised, and AARO/GACC will invite at least one other community to establish a Sustainable Neighborhoods Initiative.

Phase IV. Establish A Learning Collaborative Among Participating Communities

(April 2003 – April 2005)

AARO and the Greater Austin Chamber of Commerce, will work with the participating communities to establish a learning collaborative among participating civic leaders and civic entrepreneurs, to facilitate sharing of best practices and lessons learned.

THE PRODUCT

The direct product to MetroBusinessNet will be a replicable model for achieving the goals of MetroBusinessNet. The process will also yield similar models, both regionally and locally. Indirect benefits will include documentation of the process. Participating communities will benefit from a variety of information, education, training workshops as well as technical assistance on conducting their projects. Finally, the network will represent a regional infrastructure that may serve to sustain the program long after the initial demonstration period.

FUNDING MODEL AND BUDGET

Support for the MetroBusinessNet Project will be provided by support from private sector champions in the targeted communities, matching funds raised by Steering Committee members, and funding from public and other sources. The success of this initiative depends on the leveraging of the MetroBusinessNet investment by matching contributions from public entities, and private sector investments in the other participating communities in the region. Table 2 presents the budget.

Table 2. MetroBusinessNet Budget

METROBUSINESSNET BUDGET

	Year 1	Year 2	Year 3	Total
MetroBusinessNet Oversight*	\$ 25,000	\$ 25,000	\$ 25,000	\$ 75,000
CEASNI	\$75,000	\$ -	\$ -	\$ 75,000
2nd SNI Community	\$ -	\$ 25,000	\$ -	\$ 25,000
3rd SNI Community	\$ -	\$ -	\$ -	\$ -
TOTAL MetroBusinessNet Funds	\$75,000	\$25,000	\$0	\$100,000
TOTAL MBN Project Funding including in-kind contribution	\$100,000	\$ 50,000	\$ 25,000	\$ 175,000

* In-kind contribution from AARO for MBN Oversight

This includes 1/7 FTE staff (project coordinator and administrative assistant) support, plus occupancy costs, meeting expenses, printing, postage, and out-of-town meetings, not covered by MBN travel funds.

Table 3 shows the detail of the CEASNI Budget. As illustrated, the MetroBusinessNet investment will be matched by public and private sector contributions, and will be leveraged by the \$100,000 annual underwriting commitment by Applied Materials.

Table 3. Central East Austin Sustainable Neighborhoods Initiative Budget

METROBUSINESSNET

Central East Austin Sustainable Neighborhoods Initiative

	Year 1	Year 2	Year 3	Total
Revenue				
Private-sector				
Applied Materials	\$100,000	\$100,000	\$100,000	\$ 300,000
MetroBusinessNet	\$ 75,000	\$ -	\$ -	\$ 75,000
Matching Funds	\$150,000	\$225,000	\$210,000	\$ 585,000
Public-sector and other	\$100,000	\$100,000	\$100,000	\$ 300,000
TOTAL REVENUE	\$425,000	\$425,000	\$410,000	\$1,260,000
Expenses				
Project Director	\$ 77,922	\$ 80,000	\$ 84,000	\$ 241,922
Research, Education & Training	\$ 69,930	\$ 69,930	\$ 48,993	\$ 188,853
Project Grants	\$250,000	\$250,000	\$250,000	\$ 750,000
Contingency	\$ 12,000	\$ 12,000	\$ 12,000	\$ 36,000
Operating Expenses	\$ 12,651	\$ 12,700	\$ 14,865	\$ 40,216
TOTAL EXPENSES	\$422,503	\$424,630	\$409,858	\$1,256,991
Net Cash Flows	\$ 2,497	\$ 370	\$ 142	\$ 3,009

SCALABLE OUTCOME MODEL

	MetroBusinessNet	AARO/Chamber	NICE	COMMUNITIES
PROGRAM	National Program Sponsor	Regional Program Facilitator	Institutional Program Implementer	Local Program Sites
PROJECT	Five-city Action Learning Network	Regional Action Learning Network Coordinator	Intermediary Project Coordinator and Technical Assistance Provider	Community Site Projects
PROCESS	Provide funding and training	Serve as regional champion, catalyst and convener	Help communities to carry out their projects through education, training and technical assistance	Conduct local site project planning, fundraising and implementation using the N.I.C.E. method
PRODUCT	National Model	Regional Model	Program Model	Local Model