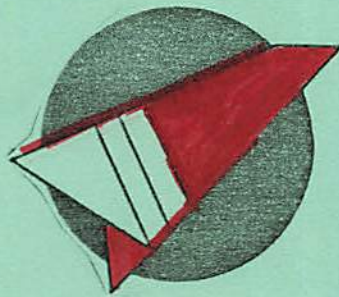


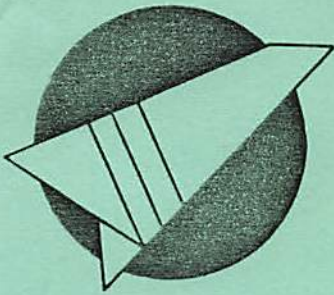
# ECONOMIC DEVELOPMENT

PSU



Ivy City Human Development Project

September 20, 1980



# IVY CITY HUMAN DEVELOPMENT PROJECT

THE INSTITUTE OF CULTURAL AFFAIRS • PROGRAM CONSULTANT  
1900 Gallaudet St., N.E.  
Washington, D.C. 20002

(202) 529-5620

ECONOMIC DEVELOPMENT PSU: IVY CITY

SEPT 1980

VISION COMPONENTS: ECONOMIC DEVELOPMENT THIS YEAR

1. INDUSTRY CENTER EMPLOYING 200 people
2. \$100,000 CASH RESERVE FOR PRINT SHOP
3. IVY CITY BASED CONSULTING BUSINESS--LINKING GUARDIANS AND LOCAL BUSINESS
4. IVY CITY VOCATIONAL TRAINING SKILLS CENTER
5. COTTAGE INDUSTRY FOR PART TIME AND STUDENTS ex. stained glass
6. MAINTENANCE GROUP: houses up to code, public and private property kep up
7. PRINT SHOP SALES ANNUALLY \$1 MILLION
8. "MEN OF CREDIT" IMAGE FOR ICCO
9. MAIL HOUSE INDUSTRY LAUNCHED
10. CORE OF FINANCIAL SCHEMERS
11. CORE OF MANAGERS--financial, accounting, sytems
12. LOCALLY BASED BUSINESS SEMINARS
13. IVY CITY WHOLESALE WAREHOUSE
14. DYNAMIC PARTICIPATORY ECONOMIC FRAME
15. LINKING IVY CITY TO NATIONAL BLACK FRAME i.e NATIONAL URBAN LEAGUE HERE IN IVY CITY
16. LOCAL PROFESSIONAL MANAGEMENT CONSULTANT
17. LENS FOR LOCAL BUSINESS CORPORATION
18. CERTIFITED FINANCIAL STATEMENTS FOR ALL IVY CITY CORPORATIONS
19. FULL TIME ACCOUNTANT ON STAFF OF ICCO
20. FULL TIME SALES DEPARTMENT FOR PRINT SHOP OF THREE PEOPLE
21. PRESIDENT OF PRINT SHOP MANAGEMENT FULL TIME
22. 50% WOMEN IN ALL INDUSTRIES
23. BOARD MEMBER OF ICCO PRESIDENT OF DC CHAMBER OF COMMERCE
24. ANDREW YOUNG EVENT IN ICY CITY
25. SUPPORT OF LABOR UNIONS FOR APPRENTICESHIP PROGRAMS
26. ANNUAL CORPORATION SCHOLARSHIP OF \$5000 FOR LOCAL COLLEGE BUSINESS STUDENTS
27. IVY CITY FLEA MARKET REGULARLY ON IVY CITY GROUNDS RENT SPACE TO VENDORS
28. MAJOR FUNDING BREAKTHROUGHS FOR ECONOMIC DEVELOPMENT(FOUNDATIONS, INDV. GRANTS)



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## ECONOMIC DEVELOPMENT PSU: IVY CITY SEPT 20, 1980

### CONTRADICTIONS AND BLOCKS IMPEDING VISION OF ECONOMIC DEVELOPMENT:

#### CONTRADICTION 1: UNDERCAPITALIZED COMMUNITY ENTERPRISES

Lack of capital prevents the acceptance of large orders and of necessary renovation and streamlining which would permit growth. Blocks cited for this contradiction arena include: big print orders missed due to 60-90 day payment by purchasers, print shop inadequately capitalized, starting business without working capital, waiting for big purchase, a "no-location" ambiguity, securing corporation owned facilities, waiting for the "big breaks" and image of community owning property.

#### CONTRADICTION 2: UNCERTAIN FACILITY ARRANGEMENTS

Uncertain facility arrangements on the business location and the debt load impede planning and commitment to new business ventures. Blocks cited include those mentioned above in facility arrangements.

#### CONTRADICTION 3: LONG RANGE VISION OBSCURE

The obscure long range vision of Ivy City's catalytic role in Washington D.C. affairs is illustrated in strategies limited to this neighborhood, mushy city government support, political vulnerability to Ward #5 councilman, and public and private sector leadership not taking us seriously after 4 years of sustained project effort. Long range vision obscure is the underlying contradiction to an unactivated economic frame across the city. Blocks cited includes nobody knows where ivy city is, no contacts with local universities, thin community support, uncommitted relationship to existing frame, broadened industrial base unsecured, no full time fundraiser and not utilizing scholarship contributors.

#### CONTRADICTION 4: SHORT RANGE MANAGEMENT PLANNING

Creating a business and not having a structure to profitably make it live on and no structures to train local managers. Blocks cited include inadequate business skills training, insufficient planning methods, uncontrolled expansion, wishful thinking rather than strategic planning, absence of financial planners, lack of locally skilled management, no full time sales marketers, inaggressive use of management consultants and overreliance on government grants.

#### CONTRADICTION 5: LAX FINANCIAL ACCOUNTING/RECORDKEEPING

There is a lax attitude toward keeping track of financial status.-ie.profit loss statements late or missing. There seems to be no structure that demands and insures that standard accounting procedures are being followed. Blocks cited include unused business policies and procedures, untimely data reporting, fiscal management vague, mushy fiscal policies, inadequate accounting systems and discontinuous financial review.



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## ECONOMIC DEVELOPMENT PSU: IVY CITY: SEPT 20, 1980

### CONTRADICTION 6: BAD CREDIT HISTORY

Ivy City related organizations have established a track record of not repaying loans on a timely basis or at all. Former lenders are now unwilling to extend further credit or to make new loans. For example, lenders are not given a timetable for repayment if there is a delay in repayment and are not given assurances of repayment but are simply ignored. Blocks cited include inadequate budget controls, building a credit base and loans not timely repaid.

### CONTRADICTION 7: UNDEFINED STRUCTURE OF RESPONSIBILITY AND ACCOUNTABILITY

The undefined structure of responsibility and accountability results in some people being over-extended in roles and responsibilities and others not contributing time and talents effectively in ICCO, ICHDC and ICA. Blocks cited include ICCO and other roles fuzzy, poor accountability for employees, unclear delegation of responsibility, vague job descriptions, unused board talent, conflicts of interest, Lopez overextended, Not enough full time ICCO staff.

### CONTRADICTION 8: UNACTIVATED ECONOMIC FRAME

An unactivated economic frame is seen in an underactive/unparticipating Board of Advisors, irregular contact with consultants, unpursued relationships with D.C. resources such as universities, minority economic networks, financial institutions and minority professionals and uncommitted broad based community support.

# PROPOSALS

ECON. DEV. PSU: IUY CITY

SEPTEMBER 20, 1980

ADVERTISING A MODEL OF HUMAN DEVELOPMENT

ACHIEVING ESTABLISHMENT ADVANTAGE

TOWARD LOCAL EXPERTISE  
IN MANAGEMENT SKILLS

TOWARD CLARITY ON  
THE TASK AND  
RESPONSIBILITIES

ADVERTISING LOCAL ECONOMICS	ACHIEVING CAPITAL SUFFICIENCY	UTILIZING MANAGEMENT TRAINING	INTENSIFIED PLANNING/ TRAINING	DEFINE BOARD ROLES/ POLICIES	SECURING OUTSIDE RESOURCES	SECURING ESTABLISHMENT ADVANTAGE	TELLING IUY CITY STORY
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IVY CITY ECONOMIC DEVELOPMENT PSU SEPTEMBER 20, 1980

PROPOSALS FOR ACTION

PROPOSAL 1: ACHIEVING CAPITAL SUFFICIENCY

Our intent is to develop not only the capital necessary for immediate project development but also the skills and linkages to assure appropriate capitalization in the future.

Brainstorm data: Sell \$30,000 ICCO stock, secure National COOP Bank Loan for working capital, generate and move on alternatives other than EDA for industry center purchase, establish a scholarship fund and follow up right away on Ford Foundation with site visit asap.

PROPOSAL 2: SECURING OUTSIDE RESOURCES

Our intent is to begin to maintain a smooth running business corporation through securing expertise in management and accounting.

Brainstorm data: Washington semester program, able committed consultant to work for six months(score), obtain black MBA case study of print shop with three year plan, follow up Arthur Anderson contact, form management team of consultants to meet with i-co and ichdc boards for 3 months, weekly one hour cpa review of print shop books, outside monthly financial statement within 30 days of closing, hire accountant to keep books, annual outside audited financial statement and monthly icco board meeting with advisors.

PROPOSAL 3: SECURING ESTABLISHMENT ADVANTAGE

Our intent is to acquire long term leases or ownership of community facilities and to gain authorization certification which will give our enterprises both financial and symbolic advantages.

Brainstorm data:

\*-A minority certification, D.C. government certification, long term lease on industry center, secure lease on community center-i.e. certificate of occupancy for long term continuity.

PROPOSAL 4: ADVERTISING LOCAL ECONOMICS

To a cynical and frightened city government and a citizenry brainwashed with negative media images, we will dramatize local economic possibility with festivals of city wide neighborhood groups(especially focusing on Ivy City's 4th anniversary) stories dissemination a la slide shows and speaking engagements, symbols prominently displayed in print shop, community center and ica staff residence which dramatize local peoples economic determination and glimmerings of success.

Brainstorm Data: D.C. Frame Psu, determine needs and whys of dc frame, implement effective sales force, research commissioned sales force, monthly letter of management report to advisors and supporters, some regular payment on all existing debts, building repayment plan for creditors, annual planning t/l,

set up 3 month task force, hold Community Lens this fall, psu on long range city vision in October, financial plan for print shop, develop objective set of criteria for decision to continue or vacate industrial building on 1-1-81 and others.

#### PROPOSAL 5: UTILIZE MANGEMENT TRAINING

ICCO intends to utilize management training in Ivy City by bringing in training courses from colleges, xerox corporation and SBA while creating a scholarship fund program and a university intern program to escalate local participation.

Brainstorm data: Community college extension in Ivy City, SBA minicourses in Ivy City, creation of a long range management training program, xerox training course here and intern program for university students and publicizing existing scholarships.

#### PROPOSAL 6: TELLING THE IVY CITY STORY

The Ivy City story needs to be broadly known by people who plan and make decisions for the city as a whole and by other communities as an example that they can replicate.

Brainstorm Data: Conducting a symposium this fall with city leaders on long range vision for city, get Doug Moore to lead symposium, Ivy City presentation to mayor's cabinet on neighborhood development and invite undreds of government and neighborhood leaders to the 4th anniversary of Ivy City October 24-26.

#### PROPOSAL 7: INTENSIFIED TRAINING/PLANNING

Our intent is to have the ICCO corporation train itself and plan for the affairs of the corporation so it moves in the necessary direction and does not veer off course.

Brainstorm data: Financial plan for printshop, balanced budget for ICCO and DP psu on long range vision city, criteria for decision on building, 3 month taks force, community LENS, prioritize back debts, monthly reports, build repayment plan to creditors, implement effective sales force and others.

#### PROPOSAL 8: DEFINE BOARD ROLES AND POLICIES

Our intent is to define the roles and responsibilities of the various boards and their members by developing job descriptions outlining operating policies particularly regarding debt and setting regular board meetings.

Brainstorm data: Icco board design standard loan form, reimage debt responsibility, serious look at debt covenants, form separate boards of advisors for icco and hdp, board of advisors meeting for each corporation each month, revamp boards to remove conflicts of interest, write and print role descriptions and functions, write out responsibilites to keep relationships accountable to each other.