UWM Consortium for Economic Opportunity

“Forging Partnerships for Prosperity”

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MEMORANDUM OF TRANSMITTAL

August 16, 1999

TO: The Milwaukee Idea Strategy Group

FROM: Lucy Holifield and Marc Levine, Co-Leaders
Consortium for Economic Opportunity Action Team

RE: Action Plan

We are pleased to present the action plan of the Consortium for Economic Opportunity Action Team. This report is the fruit of hard work by a committed team of university and community representatives. The Action Team met nine times over the summer. In addition, extensive work was conducted via e-mail and individual meetings, and a subcommittee on academic programming also met to develop an important part of the final plan. Finally, the action team’s co-leaders met twice with an “advisory council,” and received valuable comments that strengthened the final report.

The Consortium for Economic Opportunity offers UWM and our community partners a unique opportunity to “make a difference” in the lives of thousands of Milwaukeeans. The action plan we have submitted contains numerous initiatives to strengthen the ties between UWM and community institutions working to expand economic opportunity in our region. We look forward to your comments and to launching the Consortium for Economic Opportunity in 2000.
THE MILWAUKEE IDEA

Consortium for Economic Opportunity Action Team

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EXECUTIVE SUMMARY

This plan, for a University of Wisconsin-Milwaukee “Consortium for Economic Opportunity,” is based on three core propositions:

- UWM’s future and the economic future of Greater Milwaukee are intertwined;
- UWM, though its policy research, academic programs, and technical assistance activities, can make a significant contribution to the growth of family-supporting jobs and employment-generating businesses in Greater Milwaukee;
- UWM can enhance its overall mission of advancing and transmitting knowledge, and create a richer educational experience for faculty and students, by helping improve economic opportunity in Greater Milwaukee.

The mission of the Consortium will be straightforward: to mobilize UWM resources, working with community partners to extend the benefits of economic growth to all parts of metropolitan Milwaukee. In particular, the Consortium’s activities will be targeted to communities that have not fully shared in the general prosperity of the past decade, especially the low-income, predominantly minority neighborhoods of Milwaukee’s inner city.

The Consortium will focus on six main sets of activities:

- Providing technical assistance to economic development intermediaries (community-based organizations, government agencies, churches, foundations, unions, and related non-profits);
- Conducting action-oriented research on various aspects of economic opportunity;
- Serving as a “one-stop” coordinating mechanism and clearinghouse for university initiatives in economic development;
- Helping build the capacity of intermediary organizations by expanding educational programs and workshops at UWM;
- Enriching the educational experience of UWM students and faculty by helping integrate “real-world” urban issues into the curriculum;
- Providing support services for the growth of small businesses in Greater Milwaukee.

Highlights of the Consortium’s activities include:

- A Small Business Development Center, that will deliver counseling assistance to entrepreneurs and existing businesses, and provide programs and workshops for small business owners;
• A Center for Community Economic Development, that will deliver technical assistance to non-profits and conduct applied research on local economic development policy;
• An “Urban Developers” program of workshops and seminars for community practitioners to learn the latest techniques and policy issues in economic development;
• An *Economic Development Forum* magazine to widely disseminate the latest in information and debates about local economic development issues;
• An economic development specialists’ degree within the Urban Studies Master’s program;
• Expanded service-learning opportunities for UWM students;
• Graduate fellowships for students pursuing work on topics related to economic opportunity;
• Post-graduate fellowships for work with Greater Milwaukee businesses and community-based organizations;
• New faculty appointments in areas vital to local economic development, with new expertise in social entrepreneurship, inner city business competitiveness, and community-based organizations.
PART I: THE ACTION PLAN NARRATIVE

Introduction and Vision Statement

Milwaukee, like metropolitan areas across the United States during the 1990s, has been in the midst of a sustained economic boom. Unemployment in the region has reached historic lows and wealth is being created at unprecedented levels.

All Milwaukeeans, however, have not shared in the general prosperity. Real income continues to decline in the city of Milwaukee. Almost 40 percent of the region’s African American children grow up in poverty, and, despite the decade-long boom, black unemployment in metro Milwaukee stands at 16.9 percent. This figure is almost five times the white rate, and Milwaukee has the largest racial disparity in unemployment in the country.

In short, Milwaukee faces serious economic challenges. Universities across the country have increasingly become involved in helping meet similar challenges in their communities, setting up research centers on economic development and providing technical assistance to non-profit organizations, businesses, and governments seeking to widen economic opportunity. The University of Wisconsin-Milwaukee is no exception. Nationally and internationally acclaimed units such as the Center for Economic Development and the Employment and Training Institute produce high-quality applied research and technical assistance. A federally-funded “Small Business Development Center” helps local entrepreneurs launch and grow small enterprises. Faculty from departments across the campus have conducted nationally-recognized research, and worked extensively with groups in the community, on such matters as lending practices, labor market trends, welfare reform, regional growth patterns, and workforce development.

The mission of the UWM “Consortium for Economic Opportunity” (CEO) will be straightforward: to build on these activities, working with community partners to extend the benefits of economic growth to all parts of metropolitan Milwaukee. In particular, the Consortium’s activities will be targeted to communities that have not fully shared in the general prosperity of the past decade, especially the low-income, predominantly minority

1 There are no comprehensive estimates of the number of universities engaged in “economic development” or “economic opportunity” technical assistance and applied research activities. But, there are 69 university “centers” that are members of NAMTAC (the National Association of Management and Technical Assistance Centers). In addition, 45 universities—many of whom also have NAMTAC centers—also have established HUD-funded “Community Outreach Partnership Centers” (COPCs). Moreover, many universities have established extensive research and public service institutes on poverty, urban labor markets, and regional development. [UWM, by the way, has a NAMTAC center (the Center for Economic Development) and a COPC center (in which the economic development activities are undertaken by the Center for Economic Development and the Employment and Training Institute)].
neighborhoods of Milwaukee’s inner city. The Consortium will be based on three core propositions:

- UWM’s future and the economic future of Greater Milwaukee are intertwined;
- UWM, through its policy research, academic programs, and technical assistance activities, can make a significant contribution to the growth of family-supporting jobs and employment-generating businesses in Greater Milwaukee;
- UWM can enhance its overall mission of advancing and transmitting knowledge by helping improve economic opportunity in Greater Milwaukee.

The Consortium for Economic Opportunity will bring under one organizational umbrella a variety of approaches to expanding economic opportunity: community economic development, small business assistance, applied research, and targeted academic and training programs. Faculty, staff, and students from schools and departments from across UWM will be involved in the Consortium. This highly interdisciplinary setting will be a fertile one for the development of new approaches to economic development. Over time, the organizational blending of different approaches to economic development will result in an interdisciplinary, team-oriented approach to community economic development partnerships. For example, a community development corporation, seeking to start a “social purpose” business in a distressed neighborhood, would be able to receive from the Consortium the entire gamut of technical support—assistance in business planning, financial analysis, marketing, “social rate of return” analysis, studies of market trends, organizational planning, interns and faculty advisers—that is not currently available from any one unit at UWM.

In his recent book, *The Cathedral Within*, Bill Shore—the founder of “Share Our Strength”—writes of the basic human imperative to do “something that counts.” To do something that not only makes a difference, but also holds the promise of a higher purpose and has a lasting impact on the community in which we live. At its heart, that is our vision for the Consortium for Economic Opportunity: to create an institutional infrastructure that enables UWM faculty, staff, and students, in concert with our community partners, to do “something that counts.” The Consortium for Economic Opportunity will enable us to “share our strength” in the production and dissemination of knowledge to improve the quality of life in our community.

**Work Plan and Organizational Structure**

What will the Consortium actually do? We envision five distinct sets of activities, although there will be important overlaps among them:

- Provide technical assistance to economic development intermediaries: organizations working on projects and strategies to create jobs, increase incomes, create wealth, and grow businesses, primarily in low- and moderate-income neighborhoods. In pursuit of this objective, the Consortium would work with community-based organizations, government agencies, labor
unions, churches, foundations, schools, and related non-profit organizations. This technical assistance would range from feasibility studies and cost-benefit analyses of specific projects, to full-fledged neighborhood strategic planning assistance.

- Conduct action-oriented research and disseminate information to the community on best practices in economic development, as well as benchmark information on economic trends in the city and region (employment, income, business growth, credit flows, and equality of opportunity). In addition, the Consortium will also be a source of information on recent legal and policy developments on economic development and related matters. For example, the Consortium will be a place—either through “in-house” expertise or appropriate referrals—where community partners could get information on such matters as community reinvestment, changes in welfare policy and support services, new programs to encourage “brownfield” redevelopment, or inner city “new markets” initiatives.

- Serve as a coordinating mechanism as well as clearinghouse and community contact point for UWM economic development activities. UWM has numerous faculty and staff working with community partners on various aspects of economic development. The Consortium can play a vital role of coordinating these research and technical assistance activities (where appropriate), bringing faculty and staff working on various economic development initiatives into contact with one another to deliver the most comprehensive services possible. In addition, community partners often find the university structure bewildering or may not know of the availability of university-based economic development services; the Consortium will function as a “one-stop” clearinghouse for the community, putting partners in touch with appropriate university researchers and service-providers.

- Help build the capacity of intermediary organizations to promote economic development and expand economic opportunity in Greater Milwaukee. The Consortium’s technical assistance services can contribute in this regard, but UWM can also help build community capacity by training economic development practitioners and decision-makers in a wide range of academic programs, degrees, certificates, and non-credit workshops. In addition, through service-learning, internships and other mechanisms, UWM students and faculty can become more engaged in community economic development activity. The Consortium will play a leading role in developing and coordinating these programmatic and curricular initiatives.

- Provide support services for the growth of small businesses in Greater Milwaukee. Small businesses form the backbone of neighborhood commercial life, and have been an important source of overall employment growth in the region over the past two decades. The Consortium, through its “Small Business Development Center,” will provide individual counseling to existing
small businesses, helping with marketing, financial systems, and business planning. In addition, the Consortium will offer a series of workshops and programs to help guide small business owners through the various stages of the small business development process.

How, precisely, would the Consortium operate? How would it mobilize these various activities? As the budget narrative below specifies, we propose an ambitious five-year plan for building an administrative infrastructure and hiring an interdisciplinary faculty and professional staff in schools and departments across the campus. Organizationally, the Consortium would operate in three distinct, but closely connected, administrative centers. The core units of the Consortium would be a “Small Business Development Center” (located in the Division of Outreach) and a “Center for Community Economic Development,” (located in the College of Letters and Science). These two units, which currently exist and receive substantial extramural financial support, would coordinate and deliver technical assistance and applied research in their respective areas (and collaborate on projects where appropriate). The precise work plans, operating structures, and proposed new resources for these centers are described below.

Pulling together the activities of these two units, as well as performing the cross-campus coordination and clearinghouse functions envisioned in our plan, will be a new administrative entity: the Consortium for Economic Opportunity. The Consortium would be administered by a director and associate Director, who will be guided by an advisory council, appointed by the Chancellor. The council will be composed of community leaders and UWM administrators and faculty, and will advise Consortium leadership on policies and priorities. To minimize excess bureaucracy, administrative leadership of the Consortium could come from the directors of the component centers. Operationally, the Consortium will have seven main functions:

1. To function as the administrative nerve-center for UWM economic development activities, providing appropriate administrative support (secretarial, budget management, grant preparation, etc.) to the two core Centers.
2. To serve as a central coordinating mechanism for various UWM initiatives in economic development, as well as multi-unit proposals for extramural funding. A staff person—an “Initiatives Coordinator”—would be explicitly designated to coordinate these activities. Example: the coordinator might connect faculty working on labor market trends with faculty and staff (at UWM, MPS, MATC and elsewhere) developing curriculum for the new Milwaukee Tech HS.
3. To serve as a “one-stop” clearinghouse for the community to identify and access UWM faculty, staff, courses, and programs in economic development. In addition, Consortium staff—chiefly an “Economic Opportunity Resources Coordinator”—would be available to work with community clients to identify the various types of economic development assistance available not only from UWM but from government agencies,
trade associations, non-profit organizations and other economic development intermediaries. In addition, this coordinator would be charged with increasing community awareness of the resources available at UWM.

4. To work with appropriate UWM schools and departments in developing degree programs and non-credit workshops and seminars.

5. To develop mechanisms to ensure that UWM research on economic opportunity issues becomes useable knowledge for community partners. The Consortium will hold a regular series of briefing sessions for the community, organized around the relevant applied research of faculty and staff. In addition, the Consortium will disseminate information on economic development strategies and policies through a magazine, *The Economic Development Forum*, which will provide the latest information on local economic trends, publish debates on local economic development issues, and provide a forum for discussion of policy alternatives.

6. To coordinate various initiatives to increase economic development literacy among public decision-makers. The Consortium would hold, annually, a “public officials seminar” on economic development – modeled after the Kennedy School of Government’s seminar for newly elected members of Congress—to enhance the understanding of basic economic trends and economic development policies on the part of local public officials.

7. To administer an “Economic Opportunity Research Fund” that would be used, in conjunction with the activities of the SBDC and CED, to support action-oriented, applied research on economic opportunity issues by UWM faculty. The funds would be used to “buy out” faculty time for work on applied research projects, and provide support for research activities (i.e. purchase of data, necessary supplies, travel, equipment, research assistants, etc.). The funds would be allocated in a competitive, peer-reviewed process coordinated by the director of the Consortium.

This “Action Team” has grappled at some length with the question of where the Consortium should be housed, physically as well as within the organizational structure of UWM. For a variety of reasons, the main administrative functions of the Consortium should be housed on campus, since that is where faculty and departmental offices as well as UWM’s main administrative apparatus (deans and supervisory personnel, grants offices, financial services, purchasing etc.) are located. However, we strongly believe that the Consortium should have some physical presence in the community: to interact synergistically with other service providers in “one-stop” settings, to be physically closer to its client base, and to symbolically connect UWM to the community. Satellite facilities should definitely be part of the Consortium’s structure, not only as sites for the delivery of Consortium services but as hubs of service-learning, anchoring faculty and student work in the community. In addition, one Consortium activity that would be most efficiently located in a satellite facility would be the establishment of an “Economic Opportunity Resource Center and Library.” This facility would house basic materials – government reports, manuals, data-sources, research reports, and information on grants,
educational opportunities and government programs—that would be useful for community-organizations and small businesses working on economic development.

However, it is not clear in the short-term precisely how such a satellite facility would be staffed—let alone exactly where the facility should be located. One possibility, which will have to be taken up by the Milwaukee Idea steering committee, is that a Milwaukee Idea office be located in the community, in which staff representatives from the various components of the “the Milwaukee Idea” would be housed. This office, in turn, would provide a physical link between not only the community and UWM, but would also facilitate work among the various components of the Milwaukee Idea in comprehensively addressing community challenges.²

Second, where should the Consortium be housed in the UWM administrative structure? Our proposal is that the two core component units—the Small Business Development Center and the Center for Economic Development—as well as any other UWM entities that eventually become formally affiliated with the Consortium, remain housed in their current administrative locations and continue reporting to their respective Deans. The activities of these two units would be coordinated and, in many ways, integrated at the Consortium level. The Consortium itself would be an inter-departmental and inter-school coordinating unit, with a director who reports directly to the Provost (who, we propose, should have direct oversight over all of the components of the Milwaukee Idea). An advisory council that should include academic deans, faculty, administrators, and community representatives will guide the Consortium’s activities.

**Work Plan: The Center for Community Economic Development**

This unit, a reconfigured version of the current “Center for Economic Development,” would continue to work primarily with intermediaries to promote job creation, improved living standards, and business growth in disadvantaged, predominantly minority neighborhoods. These intermediaries include: non-profits, CBOs, government agencies, labor unions, faith-based organizations, foundations, and public interest organizations (e.g. Sustainable Milwaukee, Citizens for a Better Environment, the Fair Lending Coalition). Currently staffed by 1.0 FTE faculty, 2.5 FTE professional staff, and 1.0 FTE graduate project assistants, the Center would be gradually expanded in the Consortium plan to add 2 FTE professional staff, 2 FTE graduate project assistants, a

² Two good examples of how such a “Milwaukee Idea” office could encourage collaboration among various components of the “Milwaukee Idea:”

- Suburban sprawl is a crucial issue in economic development in metropolitan Milwaukee, but it is also a major factor in the health of the Great Lakes and fresh water. Joint research projects, linking the work of scholars in the fields of economic development and fresh water and environmental research, might be fruitfully encouraged by a joint office operation that, at a minimum, keeps both groups informed about what the other is doing.

- Initiatives around “community schools” or “lighted schoolhouses” link researchers in economic development, health care, environmental, educational policy, and social services areas. Again, the existence of a joint “Milwaukee Idea” office could facilitate the necessary collaboration among these various components.
post-graduate fellow, and portions of as many as seven faculty lines in the School of Business, the School of Architecture and Urban Planning, and the departments of Economics, Geography, Sociology, Political Science, and History. The specific work plan of the Center will be the following:

1. **Provide Technical Assistance to Intermediaries.** Community organizations often lack staff with either the expertise or time to do all that is necessary to promote economic development. These organizations also generally lack resources to purchase private consulting services. Thus, the Center can be a source for a wide range of economic development assistance in partnership with intermediaries. For example, UWM faculty and staff can provide:

   - basic information about economic development resources (grant possibilities and other sources of organizational support);
   - benchmark economic data on basic economic conditions in the neighborhood;
   - basic information about legal and policy developments relevant to community economic development (CRA, tax incentives, environmental regulations, “brownfield” redevelopment resources, government loan programs for business development, etc.);
   - impact studies of proposed redevelopment projects in neighborhoods;
   - feasibility studies for neighborhood development proposals, such as an individual commercial enterprise, or an entire commercial strip;
   - market assessments, to identify possible enterprises to be nurtured by the CBO, or perhaps, in the case of “social purpose” enterprises, be operated by the CBO;
   - detailed cost-benefit analyses of various project options in neighborhoods;
   - program and project evaluation;
   - information about best practices and success stories from other cities and regions, and analysis of how these cases might be replicated in the Milwaukee setting.

Although the Center will deliver technical assistance to as many organizations as resources will permit, certain priorities will govern how technical assistance is allocated. The eligible “service area” for the Center’s activities will be the seven counties of Southeastern Wisconsin (Milwaukee, Waukesha, Washington, Ozaukee, Kenosha, Racine, and Walworth counties). As in the past, the Center will continue to collaborate with partners in all of these communities. The Center’s priority service area will be distressed, inner city communities, especially in the city of Milwaukee, but also in neighborhoods in Waukesha, Kenosha, and Racine. This does not mean that all of the Center’s work will be in a circumscribed geographic area; as we outline below, expanding economic opportunity in disadvantaged inner city neighborhoods may involve working with suburban employers on regional “job linkage” or “training-transportation” labor market programs. But, the Center’s priority, in research and technical assistance, will be on those projects promising to expand economic opportunity for unemployed and
underemployed residents in predominantly minority inner city neighborhoods. Thus, when potential clients and/or partners approach the Center on projects, the chief priorities for allocating Center resources will be how the project affects:

- living-wage employment in disadvantaged communities;
- the overall level of business activity in distressed neighborhoods;
- the overall quality of life in the community

Where resources permit, Center clients/partners will be expected to participate in underwriting the costs of technical assistance and research – or assist the Center in securing support for various projects.

In providing this technical assistance, the Center staff will dramatically augment the capacity of intermediaries to create jobs, grow businesses, or influence policies affecting community economic development. In addition, through linkages with UWM academic programs in economic development and related fields, the Center will connect academically-based community service activities to the various initiatives of CBOs and other community-interest organizations. Some examples:

- students in a class on microeconomics might work with a CBO in developing a supplier-linkage or industrial-cluster development strategy;
- students in an accounting class might work with a non-profit starting a “social purpose” business in setting up an appropriate business and organizational financial system;
- students in an urban sociology class might work with a public interest group in monitoring credit flows into predominantly minority neighborhoods;
- students in a class on urban transportation might work with a CBO in designing transportation strategies to connect unemployed and underemployed inner city workers to available jobs in the suburbs.

A particular technical assistance priority of the Center will be to expand the vision and practice of community economic development in Southeastern Wisconsin. Constrained by the pressing nature of their daily challenges, CBOs throughout the region often work on a project-by-project basis, rarely having the luxury to contemplate long-term strategies or engage in time-consuming efforts to build multi-neighborhood, multi-organizational initiatives. The Center can be a place where intermediaries can come together, informed by the latest research, to develop innovative, multi-organizational, and collaborative long-term strategies.

An additional Center priority will be in the area of program evaluation, through which the Center can be an important part of the community economic development learning and capacity-building process in Greater Milwaukee. CBOs often regard evaluation as a punitive burden, imposed by funders to justify their grants. However, evaluation is a crucial learning tool: it enables project managers and decision-makers to determine the impacts of programs, to discern what works and what doesn’t, and to design better projects in the future. Unfortunately, CBOs and related organizations
rarely possess the “in-house” capacity to conduct rigorous program evaluations. A CBO training center, for example, may claim that “90 percent” of participants found employment after participating in the program. But, the CBO does not possess the staff resources to track these workers, their occupations, and their wages one year, two years, or five years after their participation in the program – the kind of information that would be vital to evaluating the long-term efficacy of the program. The Center will be able to provide that kind of evaluation assistance, which hopefully will then enable Greater Milwaukee CBOs to pinpoint the kinds of programs that have the greatest positive impact on their clientele.

In short, through support for multi-organizational initiatives, and by providing ongoing program evaluation assistance and action-oriented applied research (see below) for these initiatives, the Center will enhance the capacity and effectiveness of community economic development practice in Greater Milwaukee. As one member of the “Action Team” phrased it, the Center could make a major contribution to community economic development by helping “redesign the system” through which strategies are conceived and implemented.

2. **Conduct high-quality, action-oriented applied research, to improve the knowledge base of local economic development decision-making.** UWM already has a local, national, and even international reputation for applied research in economic development and related areas. Faculty have published extensively on issues such as labor market trends, welfare reform, insurance practices, small business growth, the nature of entrepreneurialism, downtown redevelopment policy, metropolitan fragmentation, workforce development, and urban economic inequality, to name just a few. During the past year alone, extensive local and national media attention and public debate has accompanied reports by UWM faculty and staff on:

- The economic health of metro Milwaukee and the city of Milwaukee (in job growth, business development, wage trends, racial disparities, education, etc.) compared to 13 other “Frostbelt” cities;
- The decentralization of the metro Milwaukee economy, and the abandonment of the city by the affluent for more distant suburbs;
- Patterns of job openings in the central city and in Milwaukee’s suburbs;
- Racial disparities in metro Milwaukee bank lending practices;
- Various indicators of “well-being” in Milwaukee’s central city.

As part of the work plan for the Center, we propose a significant increase in the support available for action-oriented, applied research bearing on economic opportunity; that is, research that will enhance the knowledge base for local economic decision-making. Priorities may change as new issues emerge, but we envision seven main areas of focus for applied research on community economic development:

- **Linking Community and Regional Economic Development.** Suburban sprawl and disinvestment from central cities forms the backdrop for the daily challenges of
community economic development in Milwaukee (as elsewhere across metropolitan America). Concentrated urban poverty on the one hand—and the withdrawal of the middle-class and affluent to suburban enclaves on the other—threatens to overwhelm the community-building efforts of CBOs. How can community economic development strategies be linked to regional development issues? What are the benefits and limitations of “sectoral targeting” strategies in contributing to distressed neighborhood renewal? To what extent, beyond their efforts to grow the economies of distressed neighborhoods, can community organizations advance economic opportunity by engaging in metropolitan decision-making and investment strategies (in transportation, infrastructure, and growth management)? What would a pro-inner city metropolitan development strategy look like?

- **Welfare Reform, Workforce Development, and Job Linkage Strategies.** Changing metropolitan labor markets, along with policies such as welfare reform, pose major challenges for community economic development. How effectively can community-based institutions meet the challenges of welfare reform and help their residents prepare for the world of work, gain skills that meet the needs of employers, and find and maintain jobs? What kinds of support services are necessary to facilitate the integration of low-income residents into regional labor markets (transportation, child care, etc.)? How effectively are these supports being provided? What is the impact of labor market changes on the living standards of area workers?

- **Access to Capital and Distressed Neighborhood Development.** The flow of credit and capital to distressed neighborhoods is crucial for redevelopment. To what extent do banks and other financial institutions continue to “redline” inner city neighborhoods? How have federal policies and local mobilization affected lending practices? Have changes in lending practices promoted discernible changes in neighborhood economic development? Labor unions and other organizations have discussed expanding the flow of capital to distressed neighborhoods through the use of pension funds in “economically targeted investment” programs; what is the track record of such programs nationally and the feasibility of them locally?

- **Enhancing the Competitiveness of Neighborhood Economies.** A growing number of researchers and practitioners, foremost among them the Harvard Business School’s Michael Porter, contend that urban neighborhoods have major unmet market needs and untapped economic potential. The underlying premise of Porter’s multi-city “Institute for a Competitive Inner City,” is that, with the proper incentives and support, inner city neighborhoods can compete in the new economy and generate jobs. To what extent can community development organizations play a role in realizing the market potential of inner city neighborhoods? What kinds of public-private partnerships and investment strategies are likeliest to grow businesses in the inner city? What are the labor market implications of “competitive” inner city strategies?
• **Benchmarking Economic Development and Economic Opportunity in Milwaukee.** In order to assess how we’re doing in promoting economic opportunity locally, we need a comprehensive and ongoing data base of economic indicators: of neighborhood economic well-being, of credit and investment flows, of overall economic trends (in employment, wages, and income). The Center will update every two years *The Economic State of Milwaukee: The City and the Region*, which compares Milwaukee’s economic performance to 13 other “Frostbelt” cities: this will give us an ongoing snapshot of how well, in the aggregate, economic strategies are working in the city and region. In addition, the Center will provide support for baseline data collection and benchmarking of labor market conditions and credit flows in the community. In the long term, the Center will try to establish a “Milwaukee Economic Opportunity Observatory,” which would be a central repository of key data for assessing trends in economic opportunity in the community.

• **Globalization, New Technologies, and the Inner City.** Global economic change—the opening up of international trade and the ever-increasing velocity of corporate mobility and financial flows—profoundly affects cities and their neighborhoods. In addition, the emergence of new technologies in the so-called “new economy” is helping change the geography of metropolitan economic development as well as threatening a kind of “digital divide” in which distressed, “unwired” neighborhoods lack the technological know-how and infrastructure to be competitive. How are these trends affecting Milwaukee neighborhoods and the Milwaukee economy? What can community organizations and other agencies do to ensure that distressed neighborhoods are not left completely behind by globalization and the new economy?

• **Policy Analysis.** Cities as a whole—and community organizations individually—often gravitate toward strategies without the benefit of detailed, critical analysis of these options. The Center will support research on the impact of various urban redevelopment and community revitalization strategies. For example: to what extent is tourism-promotion an effective strategy for urban growth and quality job creation? How effective have incubators been in nurturing sustainable business development in distressed neighborhoods? What is the track record of “comprehensive community-building” initiatives, “cluster-development” projects, or “social-purpose” businesses in rebuilding the economic base of distressed neighborhoods? Answers to these research questions can help guide Milwaukee-area decision-makers in targeting the most promising strategies for community economic revitalization.

**Work Plan: The Small Business Development Center**

The Small Business Development Center (SBDC) in the Consortium will be a reconfigured and significantly expanded version of the SBDC that currently operates through the UW-Extension in offices at the UWM “University Outreach” campus.
downtown. The SBDC serves small business owners in three counties--Milwaukee, Ozaukee, and Washington--providing business management programs and personalized counseling. The mission of the SBDC is to enhance the success of Wisconsin small businesses through management education and technical assistance. Small businesses are prodigious job generators in Greater Milwaukee, and form the backbone of neighborhood commercial vitality. SBDC counseling and education programs aim to nurture the development and growth of small businesses as a vital component of Greater Milwaukee’s economic health.

Currently staffed by 1.0 FTE professional staff and 1.0 FTE classified staff, the SBDC currently provides counseling and training programs through Center staff and a roster of 30 private consultants and instructors (funded jointly by the U.S. Small Business Administration and the UW-System). Under the Consortium plan, the SBDC would be gradually expanded to add 2 FTE professional staff (small business development specialists, with expertise in counseling and programming), a post-graduate fellow from the School of Business, and a graduate student project assistant. In addition, we expect that the Consortium will also provide an effective institutional conduit for the involvement of Business School faculty and students in their classes in various SBDC projects. For example, Business School students with expertise in business planning, finance, or accounting, should be able to use those skills and earn academic credit (to say nothing of invaluable, real-world experience) in directly assisting Greater Milwaukee small businesses through the SBDC. Moreover, as Milwaukee community development corporations devote a significant portion of their work to nurturing small businesses, the Consortium will provide an indispensable means of connecting the resources of SBDC and the School of Business to the business-development efforts of Milwaukee community-based organizations as well.

Who, precisely, will the reconfigured SBDC serve? By statute, the SBDC must provide technical assistance—as resources permit—to all small businesses (100 employees or less) in the three county service area. This includes both “pre-venture” business counseling/programming, as well as technical assistance to existing small businesses. The type of assistance, as well as the number of hours of support provided, is determined by a combination of client need and SBDC resources.

However, within this pool of eligible clients, the Consortium will establish clear priorities for small business technical assistance. Although all eligible clients will receive some form of assistance from the SBDC, extensive technical support from the Center will be targeted to the small businesses with the following characteristics:

- Location in disadvantaged neighborhoods (chiefly, the city of Milwaukee’s “Enterprise Community” neighborhoods);
- Minority-ownership;
- Existing Businesses. For the “pre-venture” phase of business development, there are several service providers in Southeastern Wisconsin offering technical assistance and programming (i.e.
seminars on “how to start a business”). However, few TA providers have the staff or expertise to effectively assist established or growing small businesses. Often, incipient small business owners are left on their own, with little or no support. Consequently, high-potential small businesses often start quickly, reach a plateau, and founder for lack of planning, marketing, or financial assistance. The new SBDC will fill this void in Greater Milwaukee small business technical assistance by targeting these high-potential existing businesses;

- High community economic impact. This would include the creation or retention of living-wage, family-supporting employment, as well as linkages to other businesses (i.e. suppliers, “complementary” enterprises) that would create a high neighborhood “multiplier” effect;
- Sectors promising high future employment growth and community wealth creation;
- Location in zones where significant redevelopment initiatives are underway, to coordinate SBDC work with government and non-profit organization priorities. (Examples: King Drive, North Avenue, the Fond du Lac Corridor, Mitchell Street, MEC- North, and MEC-South).

The specific workplan of the Small Business Development Center will be as follows:

1. **Provide On-going Technical Assistance to Small Businesses.** The SBDC client base is developed in conjunction with a wide range of community partners. Potential and existing small businesses are referred to the SBDC for assistance by: the Small Business Association, local Chambers of Commerce, community-based organizations (such as the Northwest Side CDC and the Midtown Neighborhood Association), and other technical assistance providers such as the Milwaukee Enterprise Center, WWBIC, and the Wisconsin Business Resource Center.

   Each new client of the Center will receive a “business evaluation,” to identify strengths and weaknesses of their enterprise, as well as problems and opportunities in their business plan or operations. Following the assessment, Center staff and the client will jointly develop an action-plan and a timetable for business development. An assessment will also be made regarding any research needs (market analysis, feasibility studies, etc.) that would be necessary to support this action-plan. An SBDC staff person will be assigned to work with the client to implement the action-plan.

   The business counseling offered through the Center would be on-going, for a maximum period of one year (or 36 hours of consulting), to help nurture enterprises through growth and development phases (not simply “start-up” assistance). After one year of assistance, the Center will review the progress of the client and assess whether additional technical assistance would be warranted; in some special cases, especially

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3 These include: the SBDC, the Wisconsin Women’s Business Initiative Corp., SCORE, the State of Wisconsin Department of Commerce, the Milwaukee Enterprise Centers (North and South), and the City of Milwaukee Department of City Development.
those meeting many of the priorities outlined above, an additional year of SBDC technical assistance may be warranted. The first five hours of technical assistance would be offered free to all clients: this would include the initial business assessment and the development of a general action-plan or development strategy. Longer-term assistance will be priced on an “ability to pay” basis, and recipients of this longer-term assistance will be determined on the basis of the priorities noted above.

Technical assistance will focus on three main areas:

- **Business growth.** Small business development is hard. The entrepreneur’s risks are great, and the failure rate of small businesses after one year, let alone five years, is astronomical. In this context of market uncertainty, Center staff can provide invaluable technical assistance to increase the success rate of these enterprises. On-going counseling will be provided to improve the strategic planning of small business owners, help them create more effective information and data management systems, improve their accounting systems and financial management, and increase the level and sophistication of their overall management. The SBDC will conduct formal reviews of the business’ progress—to provide a systematic analysis of the “state of the enterprise”—and to identify problems before they reach a critical stage as well as to gauge further technical assistance needs.

- **Business turn-around.** SBDC clients may be businesses that have grown on their own, but now are in difficulty and require technical assistance. The SBDC will work with troubled small businesses, helping develop a “turn-around” plan, identifying benchmarks for implementing the plan, and monitoring business progress.

- **Applications of new technologies.** New technologies are radically changing the business environment, from the increasing use of scanners and other computer-based workplace equipment, to the rapid emergence of “e-commerce” as a way of doing businesses. Many small businesses know they need to technologically upgrade their operation, but don’t know where to start and often cannot afford the necessary consultant services. A “Technology Specialist” on staff at the Consortium’s new SBDC could play a major role, working with small businesses to: a) assess their technology needs; b) help develop a technology upgrade plan; c) hold workshops on the latest developments in technology and the implications for small businesses (i.e. what does “e-commerce” mean for neighborhood vendors, etc.).

2. **Offer Business Management Programs.** The SBDC will continue to offer an extensive array of workshops and seminars in small business management. The objective of these programs is to enrich the business owner’s knowledge of basic business principles through in-depth educational programs. Typical small business workshops provide only a cursory treatment of topics; participants rarely receive in-depth treatment of issues or a clear understanding of how to apply what they’ve learned to their actual business setting. At an average length of 6-10 hours, Center workshops will focus on marketing, financial management, and growth strategies. Detailed topics will include:
• How to write a business plan;
• Financial management;
• Market analysis;
• Developing problem-solving skills and identifying problem areas;
• Strategic planning;
• Access to capital (including banks and various government programs to provide loans to small businesses) and understanding how banks evaluate businesses;
• Understanding the regulatory environment of small businesses, including environmental issues, taxation, labor relations, community reinvestment, and equal employment opportunity;
• Personnel management;
• Business valuation;
• Inventory control;
• Understanding changes in the Greater Milwaukee economy and how they may affect small businesses (including how small businesses may connect with larger enterprises through supplier-linkages, and how new markets may be emerging in the community).

3. **Provide Research and Service-Learning Opportunities.** The expanded SBDC, through the Consortium for Economic Opportunity, will provide an ideal setting for UWM faculty and students to contribute their research and technical assistance expertise to local business development. For example, the School of Business could give internship credit for accounting students to work for a semester with an SBDC client in setting up a viable financial accounting system. Similar credit could be extended for work on basic business planning and market analysis. Individual business classes might work with the SBDC in making small business development in a specific sector or geographic area (i.e. the King Drive cluster) a class project.

In addition, the Consortium will help support linkages between the SBDC, the UWM School of Business, or other UWM departments in two ways. First, the Consortium will provide a post-MBA fellowship for a Business School graduate (or post-master’s degree fellowships for graduates of other programs) interested in the challenges of small business development, particularly in disadvantaged, predominantly minority settings. This fellow would also work with non-profit organizations interested in launching “social purpose” businesses. The program, for which the Consortium will seek foundation support, would be modeled on the “Farber Fellows” program (funded by the Roberts Foundation) that has attracted extremely high caliber MBAs in the San Francisco Bay Area to assist non-profits in nurturing “for-profit” business subsidiaries that generate

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4 The preference here will be for Business School graduates, but the kinds of skills and interests central to the mission of the SBDC may be available from graduates of other programs, and they will be considered for the fellowships.
These fellows could also provide the research backbone to support SBDC projects. Second, the Consortium will fund a graduate project assistantship for a master’s student in either Business, Urban Studies, Urban Planning, or Economics, who would work with the SBDC on various technical assistance and programming activities, as well as provide research support for the SBDC.

Academic Programs and the Consortium for Economic Opportunity

The Consortium will help coordinate UWM academic programs in economic development, and enhancing the linkages between these programs and the Consortium’s research and technical assistance initiatives. Consortium-linked academic programs in economic development will have two main goals. First, they will significantly enrich the educational experience of UWM students, connecting real-world problems and opportunities with classroom theory and research. UWM students should graduate with a richer understanding of economic conditions and challenges in the community, and many may be motivated to find careers in fields devoted to improving economic opportunity in the region. These students will be the future leaders of non-profit organizations and Greater Milwaukee economic development agencies.

Second, by training the current leaders and staff of Greater Milwaukee economic development organizations, UWM’s academic programs can enhance the collective community capacity to promote economic opportunity. Several studies have found that a surprisingly small number of the staff responsible for economic development in Milwaukee non-profits actually has appropriate and relevant academic training. Many learn how to implement programs as a matter of trial and error and “on the job training.” UWM curriculum and programming could help community partners develop the expertise in economic analysis, business principles, or public policy that would improve their ability to promote economic opportunity.

UWM offers many “for-credit” courses on issues relating to economic opportunity in departments across the campus. The interdisciplinary “Urban Studies Programs” (USP) offers a Master’s degree with a specialization in economic development, while the “Urban Planning” Master’s program offers a certificate in economic development. However, the courses are offered sporadically, often at the mercy of faculty availability. Consequently, many of the courses for “Economic Development” degree programs, although technically on the books, are not taught on a consistent basis. Instead of choosing courses from an orderly and coherent sequence, students frequently scramble to search out available courses from across the campus that

5 The precise description is as follows: “The Farber Fellows Program provides full-year fellowships for recently graduated MBAs and individuals with appropriate business experience…During the year, each Farber Fellow will work in a “Roberts Enterprise Development Fund” portfolio nonprofit enterprise. Fellows will focus on a specific project during the fellowship year to support the business in achieving its goals. …The Farber Fellows Program provides MBAs and business people with a unique opportunity to utilize their management skills within a social mission-driven nonprofit enterprise – “capitalism for a cause.”

6 See, for example, UWM Center for Economic Development, Milwaukee Community Economic Development Capacity Inventory (April, 1999; 218pp.).
fit into their program. In particular, if the Urban Studies M.S. Program is to realize its full potential and meet the economic development needs of Greater Milwaukee, it will need the resources to hire additional faculty with teaching and research interests in fields related to economic opportunity. In addition, since economic development-content courses are offered in a variety of departments, a degree of coordination will be necessary to ensure that a coherent curriculum is available to students; the Consortium can provide that coordination and support.

Degree programs are one way in which UWM can provide instruction in the area of economic development. But for many practitioners, constrained by daily challenges and time pressures, their need for specific skills or knowledge about economic development practice can often be better met by non-degree workshops, seminars, or certificate programs. Thus, the Consortium will also coordinate a number of non-degree courses and programs.

The Action Team has identified three main areas in which UWM’s teaching mission can be linked to the community service goals of the Consortium:

1. **Degree Programs:**

   A. *The Urban Studies M.S. program* currently offers an “economic development specialization.” This track consists of 18 hours of general Urban Studies coursework, and 15 hours of specialized coursework—required and electives—on economic development (with courses available from Urban Studies, the Departments of Economics, the School of Business, and the Urban Planning program). These specialized courses include:

   - Urban Development and Redevelopment (USP)
   - The Theory and Practice of Economic Development (USP)
   - Community Economic Development Workshop (USP)
   - Regional Economics (Department of Economics)
   - Planning Local Economic Development (Urban Planning)
   - Cities and Regions: Urban and Regional Development Theory and Planning (Urban Planning)
   - Urban Economic History (History)
   - Seminar in Urban Economic Geography (Geography)

   An interdisciplinary program drawing faculty from Sociology, History, Political Science, Geography, and Economics, USP would be the most logical place to focus UWM graduate education in economic development. However, an infusion of new faculty will be necessary for this economic development track to function properly. The limited number of faculty currently available to teach these classes frustrates students in their attempts to take relevant courses or find appropriate faculty advisers or thesis committee members. Ultimately, students become discouraged as the program fails to meet their needs. A series of joint appointments in USP and relevant departments (in particular, Business, Sociology, Economics, and Political Science) would dramatically
reinvigorate this economic development track as the intellectual hub for Greater Milwaukee’s economic development leaders. In addition, a revitalized M.S. track in economic development would be an integral component of the Consortium for Economic Opportunity’s community engagement. Faculty and students would produce research on economic development issues, and students in M.S. classes would have the opportunity to work directly on the technical assistance and applied research projects of the Consortium.

B. Non-Profit Management Certificate Program. The Consortium will participate fully in the development of a Non-Profit Management Institute at UWM, in which a component for economic development practitioners will be a major focus. This “institute,” which is developing on a parallel track to the Milwaukee Idea, may contain both degree and non-degree programs, and offer a variety of certificate programs and short courses.

The rationale for such a program for economic development professionals is compelling. A Non-Profit Management program would provide a set of common skills for non-profit leaders—accounting, planning, staffing, and organizational management. In addition, however, the program would offer coursework explicitly contoured to the needs of economic development organization managers. These might include: understanding the tools of economic development (BIDs, TIFs, revolving loan funds, EZs, ECs); providing information on legal and policy issues shaping economic opportunity (CRA, city redevelopment strategies); and developing the capacity to analyze economic trends and pursue appropriate organizational strategies. Mirroring the national “Human Capital Development Initiative,” the goal will be “to cultivate committed and skilled leadership for the field of community development.”

C. Service-Learning Opportunities. The Consortium will work closely with the newly established UWM Institute for Service-Learning, to identify courses in the undergraduate curriculum that would be appropriate for service-learning on issues of economic opportunity.

In addition, student learning opportunities in economic development work in the community can be arranged through career services centers at UWM, such as the Career Development Center (CDC) and the School of Business Career Services center. The CDC is primarily responsible for scheduling on-campus interviews for organizations recruiting students for employment. The Center also serves as a clearinghouse by posting employment and internship opportunities on-line, and the CDC also provides individual career counseling and other supportive services to assist students with career decision-making and the job search process.

The CDC can be instrumental in working with the Consortium to develop internship placements with community agencies, financial institutions, and government agencies in conjunction with the School of Business, School of Architecture and Urban Planning, and the College of Letters and Science. In addition, the CDC, supported by the Consortium, could also conduct workshops to assist students selecting majors or exploring career options in economic development. In particular, the CDC can play a
vital role—perhaps in concert with programs such as the McNair and CIC fellowship programs—in assisting minority students to pursue professional careers in economic development. The Consortium will work closely with the CDC in pursuing this goal.

2. Non-Degree Programs and Short-Courses. As already indicated, a significant portion of the Consortium’s activities in the area of small business development will involve workshops and seminars. Similarly, many of the goals of the non-profit management program may also be met in flexible settings in which students may either:

a) take one or two courses on topics relevant to their work or interests;
b) take a series of courses for a “certificate;” or
c) take courses that would count toward credit in a masters degree program in urban studies.

An example of such an approach would be an “Urban Developers Program,” combining training in non-profit community-based development with management and leadership skills. Modeled after a similar program at the University of Illinois-Chicago, the program would team experienced community development practitioners with UWM faculty to offer in-depth examination of such topics as:

- Housing and community development policies;
- Non-profit financial management skills;
- Development finance;
- The development process;
- Changes in the urban and regional economy and how they affect community-based economic development

The Consortium will launch the “Urban Developers Program” in two stages. First, as noted above, Consortium staff will continue to work on putting together the economic development component of a UWM Non-Profit Management Institute. Second, until such an institute is up and running, the Consortium will organize short-courses on relevant community economic development topics. For example, UWM will be offering, during its new “winter session,” a short-course on “Basics for Business.” Similar short-courses could be offered on “The Basics of Community Economic Development,” either during the winter session, as evening classes during the academic year, or as summer courses. The precise scheduling will be worked out by Consortium staff, but the concept will be to make such courses available for Greater Milwaukee economic development professionals, as part of a flexible package of UWM educational and training options for non-profit leaders and staff.

3. Special Conferences and Seminars. The Consortium can also help improve local economic development practices by bringing “the best and brightest” to Milwaukee to discuss key issues. The Consortium will sponsor an annual conference on a central issue in economic development. The conference will also provide an opportunity to increase the public visibility of UWM research in the field.
As noted above, the Consortium will also hold a “public officials seminar” on issues of local and regional economic development. The seminar would expose state and local officials to the latest in economic development issues and increase the overall economic development literacy of decision-makers. Modeled after the Kennedy School of Government’s programs on public policy for incoming legislators, the seminar would be taught by a combination of UWM faculty and staff and community experts in various aspects of local economic development. All of the analysis would be placed in a Southeastern Wisconsin context, with the goal of enhancing the knowledge base for local economic development decision-making.

**Timelines for Implementation**

Putting these academic programs into place will take time. For example, given the timelines for securing administrative approval of Action Team plans (October 1999 at the earliest) and submitting faculty hiring requests, the earliest that new faculty could be recruited as part of various elements of the Consortium plan would likely be for the 2001-2002 academic year.\(^7\) This, in turn, would affect the timing of implementing changes in, for example, the Urban Studies Masters program. Similarly, as work goes forward on creation of a Non-Profit Management Institute over the next few months, the earliest that such a program could be plausibly launched would be sometime in 2001.

Thus, as we outline in more detail in the budget narrative attached to this plan, the academic programs component of the Consortium for Economic Opportunity will be implemented in stages. Although the precise sequencing will be set by the administrators and staff of the Consortium, we envision the general process outlined below. If all goes according to plan, we anticipate the educational and training component of the Consortium being fully operational by Fall, 2001.

**Year 1 (1999-2000):**

- Refinement of curricular plan for M.S. in Urban Studies;
- Develop economic development component of Non-Profit Management Institute; Help identify funding for such an institute;
- Identify faculty hiring priorities and work with appropriate Schools and departments to begin hiring process;
- Hire staff for all areas of Consortium activity, including coordination of academic program initiatives;
- Begin coordination of Consortium technical assistance and applied research activities with service-learning and career development initiatives;
- Develop short-courses for possible offerings in Fall 2000;
- Develop curriculum and organizational plan for “Public Officials” seminar;

\(^7\) However, our proposal optimistically calls for recruiting faculty in the hopes of starting two new faculty in the fall, 2000.
Year 2 (2000-2001):

- Work with appropriate Schools and departments in hiring faculty as identified in action plan and approved by appropriate university bodies;
- Launch the public officials seminar
- Hold the first Consortium Conference on economic opportunity;
- Continue development of short-courses, including the sequence of courses for the “Urban Developers Program;” Expand the number and availability of offerings;
- Continue coordination of service-learning with Consortium research and technical assistance;

Year 3 (2001-2002):

- Help facilitate integration of newly hired faculty into Consortium programs;
- Launch fully-developed and fully-staffed economic development track in Urban Studies Masters program;
- Launch fully-developed and fully-staffed economic development component of Non-Profit Management Institute (including the “Urban Developer’s Program);
- Continue coordination of service-learning with Consortium research and technical assistance;
- Continue “Public Officials Seminar” and “Consortium Conference on Economic Opportunity;”
- Continue development and offering of short-courses in various UWM venues (evening seminars, UwinteriM, summer, etc.).

We expect that the critical mass of Consortium-related academic programs will be in place and operational by Year 3 of our action plan, and then will continue through the next three years of the proposed Milwaukee Idea budget cycle (see budget plan below).

Community Partnerships and the Consortium for Economic Opportunity

Partnership and community engagement is at the very heart of the Consortium for Economic Opportunity (CEO). Partnership and collaboration is not simply something the Consortium will do; it permeates the very essence of what the Consortium will be. The CEO has been planned, from the outset, in partnership. Community participants from foundations, labor organizations, the business community, and non-profit organizations were members of the Milwaukee Idea “Affinity Group” that produced the broad outlines of the CEO plan in March, 1999. This action plan was produced by a team comprising community partners from the Helen Bader Foundation, Wisconsin Women’s Business
Initiative, the Department of Housing and Urban Development, the Wisconsin Housing and Economic Development Association, the Milwaukee Jobs Initiative, and the United Way. In addition, an “advisory council” that included representatives from Goodwill Industries, the Non-Profit Management Fund, and the Northwest Side Community Development Corporation provided further community collaboration in the planning of the CEO. These community partners worked with an interdisciplinary team of UWM faculty and staff from the UWM Center for Economic Development, the Small Business Development Center, the Departments of Sociology and Geography, the Urban Studies Program, the School of Business, Administrative Affairs, the Center for Urban Initiatives and Research, and the Career Development Center. The result, we believe, is a plan that is thoroughly collaborative in design and interdisciplinary in orientation. Virtually every activity included in the action plan will occur in collaboration with community partners, and virtually all projects will require an interdisciplinary team to carry them out.

Both of the core units of CEO—the Small Business Development Center and the Center for Economic Development—have a long history of community engagement. Thus, the CEO will begin operations with a large number of partnerships already in place. As the CEO’s work plan unfolds, additional partnerships will be formed—the process will be on-going. The following represents a (partial) list of the initial partnerships that are already in place, or will be underway as the CEO begins operations:

- The SBDC works closely with many community partners in providing technical assistance to small businesses. Close collaboration on “in-take” and referrals to appropriate technical assistance providers occurs with: WWBIC, SCORE, WHEDA, the Mid Town Neighborhood Association, the Northwest Side CDC, the Wisconsin Business Resource Center, MEC-North, MEC-South, and local Chambers of Commerce in Milwaukee, Ozaukee, and Washington counties. As SBDC integrates its activities into the Consortium, partnerships will be formed with the Historic King Drive BID, the Greater Mitchell Street Association, and the new North Avenue CDC, to identify and nurture small businesses along these targeted commercial strips. The SBDC will also work closely with the City of Milwaukee Department of City Development in this regard.

- The Consortium, through CED and other components, will continue to work with the following partners:
  - The Helen Bader Foundation in a variety of activities including capacity-building projects with CDCs, technical assistance in support of social entrepreneurship and social-purpose businesses, and specified applied research projects in support of these community programs;
  - The Milwaukee Foundation on such initiatives as helping community development projects use industrial and sectoral targeting strategies; CBO capacity building, and multi-neighborhood organizational collaboratives;
• The Milwaukee Foundation, the Helen Bader Foundation, the Bradley Foundation, Faye McBeath, and the United Way who have formed the “Non-Profit Management Program” working group to put together an economic development component of a “Non-Profit Management” program at UWM;

• The Interfaith Conference of Greater Milwaukee on two major initiatives: an “economic literacy” program for suburban and urban congregations; and analysis of the impacts of welfare reform in Greater Milwaukee, and dissemination of the results of that analysis to inform public knowledge of this crucial policy issue. Other welfare reform partnerships include work with the Institute for Wisconsin’s Future and the Wisconsin State Head Start Association;

• City and suburban employment and workforce development entities, such as the county PICs, local Chambers of Commerce, WCTC, and MATC on labor shortage and regional labor market issues. In the past year, CED has worked with the Milwaukee Foundation and Milwaukee Jobs Initiative on a sectorally-based regional job placement strategy; with the New Berlin Chamber of Commerce on developing a transportation-jobs linkage program; and with WCTC and the WOW-county PICs on developing a “rapid-response” job training and placement program for dislocated workers. These types of partnerships will continue as the Consortium begins operations.

• The lead economic development agencies of the seven county southeastern Wisconsin region, on issues such as business retention, labor market coordination, benchmarking regional economic trends, and regional economic planning. The Consortium will work closely with the “Regional Economic Partnership” in coordinating concrete projects.

• Community organizations working on issues of access to credit for housing and businesses, such as the Milwaukee Fair Lending Coalition. In addition, the Consortium will continue work with the Milwaukee County Labor Council on development of a strategy for investing union pension funds in local businesses, to create and retain family-supporting employment in Greater Milwaukee.

• Community organizations working on issues of labor market access and equity, such as Campaign for Sustainable Milwaukee.

• Numerous individual community-based organizations working on specific neighborhood revitalization projects. Since 1990, CED has worked with 21 Milwaukee CBOs on various community economic development projects. Current partnerships, which will be folded in
the Consortium’s first year work plan, include applied research in support of the Northwest Side CDCs “supplier-linkage” program; technical assistance and research support to the Harambee Ombudsman Project’s “asset mapping” project; and work with the Northeast Milwaukee Industrial Development Corporation on general strategic planning and technical assistance. Additional partnerships will be formed on a project-by-project basis, especially as the community becomes aware of the increased capacity at UWM through the Consortium for Economic Opportunity.

- The City of Milwaukee, Community Development Block Grant Administration, on issues of neighborhood strategic planning and economic empowerment. In the last year, CED worked with CBGA on a marketing study for Milwaukee’s Near South Side, and a transportation-job linkage analysis and strategy for the Lisbon Avenue Neighborhood Development Area. Working with CBGA on neighborhood strategic planning, in turn, will help nurture partnerships and collaborations between the Consortium and neighborhood organizations.

Support for diversity

One of the central goals of the Milwaukee Idea is to strengthen UWM’s commitment to diversity and inclusion in our region. The Consortium for Economic Opportunity will be an indispensable contributor to meeting that goal. Greater Milwaukee’s minority communities, on the whole, continue to suffer from limited economic opportunity. High rates of unemployment, underemployment, and poverty plague Milwaukee’s hypersegregated central city. By virtually every major economic indicator, racial inequality is greater in Milwaukee than almost another other metropolitan area in the country. Any major institutional initiative in metro Milwaukee today must be evaluated on how it contributes to reducing this region’s stunning racial divide.

“Minority economic development” is the priority of the Consortium. The SBDC focuses on minority business ownership and entrepreneurship, while the mission statement of the Center for Economic Development notes an “overriding commitment to improve economic conditions for low- and moderate-income and minority populations in the region.” Much of the work of the Consortium will involve helping develop strategies to make accessible to relatively disadvantaged minority communities the fruits of regional economic growth. This will involve traditional issues, like improving access to capital, job training, and business opportunities. But it will also involve bringing public attention to new issues shaping social, racial, and ethnic inequality of economic opportunity: developing strategies, for example, to tackle the serious and growing racial divide in access to the technologies shaping the “new economy.” The Consortium can play a unique and indispensable role in analyzing the new forces shaping the racial and
ethnic inequalities in economic life, and helping community partners develop strategies to meet these new challenges.

Many of the Consortium’s partners, particularly in the non-profit sector, work explicitly on economic empowerment for minority communities; thus, in its daily work, the Consortium will be supporting diversity and inclusion. Sociologists frequently employ the concept of “social exclusion,” to describe the battery of problems facing residents of racially segregated inner city ghettos in cities such as Milwaukee. If nothing else, the Consortium for Economic Opportunity should be viewed as the central location for UWM faculty, staff, and students who wish to work with community partners to expand economic opportunity and combat social exclusion in this region.

Launching the Consortium

An effective launch strategy is vital to the success of the Consortium. The community needs to know that the Consortium and its services exist, what activities are planned for the Consortium, and how community partners can become part of the process. Visibility will be more than a public relations gimmick for the university. The only way for the Consortium to achieve its ambitious goals is for us to effectively communicate our vision and reach out to new partners.

Four main sets of activities should provide a solid launch for the Consortium. First, once the Consortium plan is approved and leadership appointed, senior staff will hold a series of “briefings” with key leaders from government, business, and non-profit organizations, to communicate the vision of the Consortium and discuss potential partnerships. Second, Consortium leadership will send out a “launch” announcement to the campus community, encouraging faculty to become involved in the various activities of the Consortium. Third, Consortium leadership will work with the UWM news services office and the local media to cultivate stories on the launching of the Consortium, how it fits into the Milwaukee Idea, and what it all means for UWM and the community. The groundwork will be laid for (hopefully) in-depth articles on the launch of the Consortium in the Journal-Sentinel, The Shepherd-Metro, and the Business Journal. In addition, interviews will be offered to city and suburban community newspapers, rounding out the print media coverage.

Finally, in conjunction with our community partners, the Consortium will sponsor a major conference that would simultaneously announce our presence in the community and contribute to public knowledge of an important economic opportunity issue. Many of the Consortium’s partners are working intensely on the building the capacity of non-profit organizations to promote economic opportunity. Since this is a primary focus of the Consortium, a “launch conference” on “Building Community Economic Development Capacity in Milwaukee: The Next Steps,” would bring considerable attention to the Consortium’s commitment to this issue, and solidify our connections with past, present, and future partners. As a “visual” event, this also might be an opportunity for electronic media to cover the launch of the Consortium for Economic Opportunity.
As the Consortium begins functioning, maintaining public visibility will be important. Our work plan envisions a full-time “communications director” who will coordinate media relations, create appropriate stock of brochures and related materials, produce the Consortium’s economic development magazine and annual report, maintain the web page, and otherwise keep the community-at-large abreast of our work. The conferences and publications planned by the Consortium will keep it in the public eye. UWM faculty and staff working on economic development have generally been successful in attracting public attention to their work. During the summer of 1999 alone, two front-page articles in the Journal-Sentinel covered research reports issued by UWM faculty on issues relating to economic opportunity (racial disparities in lending, and city-suburban income inequality). We expect similar and expanded public visibility for UWM research through the efforts of the Consortium.

Evaluating the Consortium: Outcomes, Goals, and Measurement

The Action Team considered at some length precisely what outcomes would best capture the Consortium’s contribution to economic opportunity in Greater Milwaukee. We also discussed how we could best measure and thereby evaluate the Consortium’s impact.

At the most general level, the outcomes envisioned for the Consortium are inherent in our vision statement: job creation and retention; reduced poverty and unemployment; increased business growth; and an overall positive impact on standards of living for the disadvantaged of the region. However, measuring the impact of university programs on these variables is, to say the least, tricky. For example, many factors far more weighty than university initiatives --macroeconomic conditions, for starters-- will affect trends in poverty in Milwaukee over the next 3-5 years. The programs of the Consortium may help attack some of the region’s most vexing economic problems, but this impact will be difficult to disentangle from the influence of national and global economic trends. In the last analysis, the use of indicators that fluctuate with general economic trends may not be an accurate gauge of the university’s contribution to expanding economic opportunity in Greater Milwaukee.

Performance and outcome measures in terms of local economic impact are difficult to create for “University Centers” with precision, as the university provides mainly intellectual capital for the economic development efforts of other agencies. This is unlike, for example, a public works project whose impact on job creation and wage growth can be fairly accurately gauged. When a sewer line is hooked up, making possible the opening of an industrial park employing 200 people, the economic impact can be directly ascertained. When the Consortium for Economic Opportunity helps a community organization develop a strategic plan for commercial development, or helps a community coalition develop a community reinvestment strategy for local banks, the quantitatively precise impact of the university role –as opposed to the contributions of our partners-- is less clear.8

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8 In fact, we believe that one worthwhile project for the applied research component of the Consortium’s work would be to develop a sophisticated measurement system to weigh the impact of various university-
In the absence of such a refined measurement system, we propose that the Consortium’s outcomes be evaluated by a modified version of the criteria developed by the Economic Development Administration, in conjunction with the National Association of Management and Technical Assistance Centers. Specifically, the Consortium should be evaluated through a series of output measures and outcome measures:

**Output measures:**

1. Number of technical assistance projects completed during the evaluation period (not counting as projects those activities that required minimal efforts such as brief phone responses to inquiries or quick referrals to other sources);
2. Number of different project clients served during the evaluation period;
3. Number of workshops/seminars/conferences held during the evaluation period and the total number of participants;
4. Number of service-learning placements created for students in various Consortium projects;
5. Number of enrollments in academic programs in economic development (including number of community organization leaders participating in programs and workshops);
6. Number of hours dedicated by university faculty and support staff to working with non-profit organizations and small businesses in neighborhood revitalization and economic development efforts.

**Outcome measures:**

1. Average level of client satisfaction (or expectations met) reported during evaluation period (scaled on written evaluations by Consortium clients);
2. To the extent it can be determined, number of jobs created and retained during the evaluation period as a direct result of the assistance provided by the Consortium. For example, if the Consortium helped design a job-linkage program that connected 50 inner city residents to employment, then this could be reported as a program outcome. Similarly, increased community income or reinvestment in distressed neighborhoods could be viewed as a positive program outcome.

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based activities on core economic conditions in the community (unemployment, income growth, business development, and so forth).
3. Small business financial impact data reported during evaluation period that were a direct result of assistance provided by the Consortium. These would include: a) cost savings or productivity improvements; b) increase in sales/revenues; or c) private sector investments stimulated/leveraged;

4. Number of university-trained staff leading economic development efforts in community based organizations;

5. Qualitative measures of Consortium impact. Have Consortium projects contributed to greater multi-neighborhood collaboration and partnership? Has Consortium research made its way into the public discussion of economic development policy (through media coverage or other mechanisms)?

**Conclusion: The Consortium for Economic Opportunity and The Milwaukee Idea**

In March, 1999, when the Milwaukee Idea “Affinity Group” submitted its “First Idea” for a “Consortium for Economic Opportunity, it was asked to identify “enablers and barriers” to achievement of the idea:

- **Enablers:** strong community interest in the idea; UWM’s growing track-record in providing high-quality technical assistance in economic development; a cadre of faculty across the campus working with businesses, governments, and non-profits on economic opportunity; and a base of extramural funding that has already been secured on campus to support research and community engagement in economic development;

- **Barriers:** Currently inadequate resources to meet the community demand for technical assistance; fragmentation of efforts on campus; weaknesses in academic programs to support work on economic opportunity.

This action plan draws upon the strengths of these “enablers,” and identifies ways to overcome the barriers. The Consortium integrates many of the existing strengths at UWM into a strong institutional unit with an ambitious, yet feasible work plan. Although the goals of the Consortium are wide-ranging, the vision is focused: to mobilize the resources of UWM to expand economic opportunity for those who have not shared in the region’s economic prosperity. The action plan identifies ways to expand UWM’s capacity to deliver technical assistance and applied research, work closely with community partners, develop new academic programs, and provide a richer educational experience for our students. Finally, with strong possibilities for extramural funding and with the

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9 Ideally, the Consortium should also devote some effort to devising ways to measure the extent to which an infusion of university-trained personnel has improved the performance of CDCs. This issue will be especially important, for example, in assessing whether a “Non-Profit Management Certificate Program” would contribute meaningfully to improving CBO efficacy.
support of *Milwaukee Idea* funds, the resources exist to accomplish these goals and make a meaningful contribution to improving economic opportunity in Greater Milwaukee. The budget narrative in the next section of this document provides a realistic road-map to how the Consortium can be realized.

The contribution of the Consortium for Economic Opportunity to the *Milwaukee Idea* can best be summarized in terms of the “connectors” and the criteria for evaluation the “First Idea” action plans:

**Links:** The Consortium links departments, divisions, schools, divisions, and colleges across campus in a thoroughly interdisciplinary approach to the issue of economic opportunity. Interdisciplinarity is embedded in the structure of the Consortium; indeed, the Consortium will nurture not only partnership with the community, but collaboration among faculty, students, and staff within the university. To a degree rarely seen at UWM, the Consortium will also link the three core activities of the university – teaching, research, and service—in a way that reinforces the value of each and enhances our capacity in all three areas.

**Partners:** The Consortium was conceived with community partners, and each major activity in the Consortium’s work plan involves an impressive degree of community collaboration. The action plan identifies numerous community partners who already work with the SBDC and CED, and several more who will work with the Consortium. These include non-profit organizations, government agencies, and business associations. Moreover, the structure of the Consortium, with a joint university-community advisory council, will be conducive to the on-going development of new partnerships and the identification of community initiatives in which Consortium participation would be desirable. In addition, many of the Consortium’s activities – such as the conferences and workshops—will be venues in which potential partners from the university and community can meet and new collaborations can blossom.

Finally, the Consortium’s core mission –expanding economic opportunity in the disadvantaged, predominantly minority inner city neighborhoods of the region-- will make it one of UWM’s primary contributors to diversity and social inclusion. How to eradicate racial inequality is perhaps the great dilemma facing Milwaukee as we end the twentieth century, and the Consortium for Economic Opportunity will mobilize UWM resources to work with community partners in that effort.

**Building Blocks:** The Consortium plan provides a workable administrative structure, involving several university units and the community. A communication plan, and staff to support it, will help enhance the efficacy of the Consortium, as well as burnish the reputation of UWM as an engaged university. Finally, the budget plan provides a realistic program for building the infrastructure of the Consortium, while meeting the “1/3, 1/3, 1/3” guidelines for funding established for “First Ideas.” The Consortium will be launched with a substantial base of extramural support, and we envision considerable foundation and governmental support—as well as private
donations—as the Consortium’s work plan unfolds and as its importance is communicated to the funding community.

**Wow!** “What makes this Idea great?” asks the *Milwaukee Idea* planning guidelines for “First Ideas.” “What will change as a result of this Idea?” We hope the answers to these questions are provided clearly in the body of this action plan. The Consortium for Economic Opportunity can be, by the end of the budget period, this nation’s pre-eminent urban economic development “institute.” There are many economic development centers or applied economic research institutes at universities around the country. But none offer the unique combination found at the Consortium: scholarly research, contributions to public policy, extensive student learning opportunities, and daily technical assistance contributions to improving community economic life. Few centers include *both* small business and community economic development expertise, and fewer still succeed in creating *institutionalized* community partnerships and genuinely interdisciplinary research operations. The Consortium will do all of that, and will help UWM become the nation’s premiere urban university.

“What will change as a result of this Idea?” UWM will be a very different place, with richer student learning opportunities, a greater commitment to service, and exciting new support for top-flight research. The public will be less cynical about UWM’s place in the community, and more aware of the valuable activities that occur here. And, most importantly, UWM will contribute to a better Milwaukee. Economic opportunity in this region will be shaped in the years ahead by many forces much more powerful than the university. But by mobilizing our resources, and by “sharing our strengths” in knowledge and research with the community, UWM can contribute significantly to helping create a brighter economic future, particularly for minority and low-income communities in this region.