



## Highlights of HUD's Community Renewal Implementation Conference May 19-22, 2002 Washington, DC

On May 19-22, 2002, HUD and the [RC/EZ Initiative Office](#) hosted a Community Renewal Implementation Conference at the Ronald Reagan Building and International Trade Center in Washington, DC. The Conference served to formally introduce the new Renewal Community (RC) and Round III Empowerment Zone (EZ) designees. In addition, HUD welcomed the Round I and II EZ designees and helped them become acquainted with their new colleagues.

Those in attendance accomplished a great deal of work at the conference. HUD held plenary sessions on tax incentives, Federal resources, and innovative marketing techniques. The conference also featured smaller break-out sessions on topics ranging from performance measurement to governance structures, projects and programs, and tax incentives utilization plans. In addition, HUD held late-night sessions to discuss how the RC and EZ communities can use billions of dollars of tax incentives to invigorate neighborhoods with new jobs, housing, and businesses.

The conference also attracted the presence of key members of Congress. On May 21<sup>st</sup>, U.S. Senator Rick Santorum of Pennsylvania and Congressman J.C. Watts, Jr. of Oklahoma provided welcome remarks before the 500-member audience that included representatives of more than 75 urban and rural RCs and Round I-III EZs located throughout the country.

Congressman Watts summarized the value of the conference and energized the audience with his remarks, which included the following: *"The Community Renewal Implementation Conference is an excellent way for us to get together and discuss ways to improve places like Camden, New Jersey; Corpus Christi, Texas; Youngstown, Ohio; or the Black Belt Counties in Alabama. Turning vacant lots into thriving businesses empowers communities. Converting abandoned buildings into affordable housing renews communities. Creating support services and improving education and health care strengthens communities. These goals are attainable. The groundwork has been established."*

HUD kicked-off the conference on Sunday evening, May 19, 2002 in Arlington, Virginia at the Crystal City Marriott hotel. Guest speaker and inventor Reyn Guyer provided inspirational remarks for the RC and EZ attendees on the subject of *thinking outside the box using creativity, ingenuity and teamwork*.

The first official day of the conference began Monday, May 20 at the Ronald Reagan Building and International Trade Center. Attendees were welcomed in the morning with opening remarks from HUD Deputy Secretary Alphonso Jackson and from Roy A. Bernardi, HUD's Assistant Secretary for Community Planning and Development. Mr. Bernardi congratulated the new RC and EZ designees and challenged them to make maximum use of

the \$22 Billion in Federal tax incentives and other resources available to them. *“As you know,”* Mr. Bernardi noted, *“one of the greatest challenges that Empowerment Zones and Renewal Communities face is to develop and implement effective strategies for marketing the tax incentives to their business community. The communities that embrace tax incentives will be the quickest in the race to achieve economic revitalization for their hometowns.”*

Mr. Bernardi recognized special achievements of new Round III Empowerment Zones in Syracuse and Tucson.

HUD Secretary Mel Martinez provided opening remarks on Tuesday morning. Secretary Martinez recognized the designees as “ambassadors” of the Community Renewal Initiative. He encouraged them to make full use of the tax incentives won partly through the hard efforts in Congress of Senator Santorum and Congressman Watts and also through the dedication of President Bush to grass roots community development.

*“The effectiveness of the Community Renewal Initiative depends on your ability to communicate its potential to your communities,”* Secretary Martinez noted to the designees. *“These tax incentives could not have come at a better time. This critical partnership between the public and private sectors will help businesses grow in some of our country's most distressed, underused, high-poverty, and high-unemployment areas. These are communities such as south central Los Angeles, Harlem, and the southwestern border areas known as colonias - communities where two million people make their homes.”*

Plenary sessions constituted a major component of the conference. On Monday morning, following Mr. Bernardi’s opening remarks and following welcome remarks from RC/EZ Initiative Office Director [Pamela Glekas Spring](#), HUD Deputy Assistant Secretary [Don Mains](#) led a plenary session on how to tap into HUD resources. HUD guest speakers at this session included [Richard Kennedy](#), Director of the Office of Block Grant Assistance, [Jackie Williams-Mitchell](#), Director of the Office of Rural Housing and Economic Development, who added remarks on the Youthbuild program, [Bill Seedyke](#), Senior Economic Development Specialist, who focused on HUD’s Brownfields Initiative, and Deputy Assistant Secretary [Anna Maria Farias](#), who highlighted HUD’s Colonias Initiative.

The conference moved from one information-filled plenary session to another, the second focusing on Federal tax incentives available to RCs and EZs. Washington-based tax attorney Linda Schakel moderated this session, which featured panelists Robert Erickson of IRS; Donna Zagiel of Wawa, Inc.; CPA Kelly Toole of Beers and Cutler; and Operations Manager Kevin Batliner of Bank One, of Louisville, Kentucky. This group discussed wage credits, deductions, and capital gains relief.

HUD staff from the RC/EZ Initiative Office chaired six valuable breakout sessions on Monday and Wednesday. These sessions consisted of 1) *Governance Boards-Coaching EZs to Success*; 2) *Commercial Revitalization Deductions*; 3) *Building Blocks for your Community-Projects and Programs in the EZs*; 4) *Success in the RCs – it takes a Team*; 5) *The Tax Incentives Utilization Plan-Your Blueprint for RC Development*; and 6) *Performance Measurements-An EZ Yardstick for Excellence*.

Day two of the conference consisted of more plenary sessions, guest speakers from Congress, a Congressional hearing, a seminar on tax incentives, a reception on Capitol Hill, and an informal evening discussion among RC, EZ and HUD personnel. The morning began with another plenary session on Federal tax incentives, focusing on bond financing, new markets tax credits, and low income housing tax credits. Panelists included Muriel Watkins, President of M.W. Financial, Inc.; Allison Moy of the Department of Treasury; Yale Stenzler of the State of Maryland Public Construction Program; Adam Zimmerman of the Maryland Department of Education; Stuart Hodgson of DTI Associates, Inc.; and Mike Jones, former Deputy Mayor and main contact of the Greater St. Louis Regional EZ.

The second plenary session on Tuesday focused on tapping into various Federal resources. Panelists included [Rick Wetherill](#), Director of USDA's Rural EZ Program, Peter Sorum of SBA, Carmen Ortiz of DOL, Ben Hamm of EPA, and David Witschi of the U.S. Department of Commerce.

On Tuesday afternoon, conference participants traveled to the Longworth House Office Building on Capitol Hill to observe a Congressional hearing before the Ways and Means Committee. Directors of a select number of RCs and EZs participated in the hearing, whose purpose was to discuss future RC and EZ designations. Conference attendees could also attend a 2 ½-hour "Nitty Gritty of Tax Incentives" session at the Rayburn House Office Building led by tax attorney Linda Schakel.

Late Tuesday afternoon, following the hearing and tax incentives session, conference attendees convened for light refreshments in the Rayburn Building courtyard with HUD Assistant Secretary Bernardi and RC/EZ personnel.

On Tuesday evening, back at the Crystal City Marriott, several dozen conference attendees convened for an informal discussion focusing on marketing tax incentives, partnering, and performance measurements.

On Wednesday morning, staff from the RC/EZ Initiative Office led a breakout session in the Amphitheater on the Renewal Community Tax Incentives Utilization Plan (TIUP). RCs are able to create their TIUP using a [template](#) that HUD created. In the Hemisphere Room, HUD held another breakout session on EZ performance measurements.

Later, HUD Assistant Secretary for Public Affairs Diane Tomb moderated a plenary session in the Amphitheater focusing on innovative marketing techniques. The panel included Tom Dobbins of IRS; Mike McKay, Deputy Director of Americorps; Developer Phil Cohn of East St. Louis; and Mary Lynn Reilly of Social Compact.

The last day also featured SBA Administrator Hector Barreto, who energized the audience with his remarks entitled "*Small Businesses, the Engine of Economic Recovery.*"

Mr. William Little, President of Quam-Nichols Company, Inc., led a "*Meet Corporate America*" discussion in the Amphitheater to wrap up the conference. Mr. Little and the panel

outlined ideas for the RC/EZ designees to partner with small businesses and large corporations to expand businesses and create jobs in the RCs and EZs. Sue Briggum of Waste Management, Inc.; John McKechnie of the Credit Union National Association; Timothy Fields of Marasco Newton Group; and Mr. Chris Batenhorst of Business Loan Express joined Mr. Little to help the RC/EZ designees meet some prospective corporate partners.

HUD Assistant Secretary Roy Bernardi closed the conference with final remarks of thanks and commitment to partnership.