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## **OBAMA ADMINISTRATION ANNOUNCES THE FIRST FIVE PROMISE ZONE DESIGNEES**

*Five communities to receive Administration support for revitalization*

WASHINGTON – The U.S. Departments of Housing and Urban Development (HUD) and Agriculture (USDA) announced today the five inaugural U.S. communities that have been designated as Promise Zones, an intensive and layered approach to revitalizing distressed communities. The Promise Zones will benefit from a comprehensive approach to development that will enhance and connect local assets ranging from schools to housing to jobs.

The first five Promise Zones—located in San Antonio, Philadelphia, Los Angeles, Southeastern Kentucky, and the Choctaw Nation of Oklahoma—have each put forward a plan on how they will leverage federal partnerships and resources in the most effective ways possible to improve their communities. In exchange, these designees will be able to access federal investments in order to achieve their goals.

“The Promise Zones effort represents a partnership for progress,” stated **HUD Secretary Shaun Donovan**. “Federal agencies will be working with each other, and local leaders, like never before to give distressed communities—urban, rural and tribal—the assets they need to succeed like good schools, safe streets and quality housing. Working together, we are going to give families what every American deserves: a fair chance to succeed. I look forward to working with all parties to chart a new course in these areas, one full of new hope and opportunities for the future.”

“Rural Americans often face the same barriers to income equality as folks in our cities, and that’s why the Promise Zones effort focuses on both urban and rural areas,” said **USDA Secretary Tom Vilsack**. “Through intensive outreach and technical assistance, we will provide rural and tribal areas with the tools they need to create new, sustainable economic opportunity today and for generations to come. USDA looks forward to teaming up with partners across the federal government and at the local level to build a brighter economic future for all.”

The five Promise Zones announced today are part of the 20 that will be announced over the next three years. These unique partnerships support local goals and strategies with:

- **Accountability for Clear Goals:** Each Promise Zone has identified clear outcomes they will pursue to revitalize their community, with a focus on creating jobs, increasing economic security, expanding access to educational opportunities and quality, affordable housing, and improving public safety. All Promise Zones will continuously track those outcomes, and have committed to sharing data across their community partners (private-sector, non-profits, federal, state, and local agencies, etc.) so that each partner can work

towards improvement and accountability. The Administration will work with the Promise Zones and third party experts to track progress and evaluate results.

- **Intensive Federal Partnership:** Each Promise Zone will receive federal staff that will work on the ground, side-by-side local staff, to help communities break down regulatory barriers, use existing funds more effectively, and implement their economic visions. Modeled after the Administration's successful [Strong Cities Strong Communities](#) and [Strike Force for Rural Growth and Opportunity](#) initiatives, which have created unique partnerships between local stakeholders and the federal government, these first five Promise Zones will benefit from intensive federal support at the local level to help them implement their economic and community development goals.
- **Help Accessing Resources:** Where necessary to achieve their goals, Promise Zones will be able to access federal investments that further the goals of job creation, additional private investment, increased economic activity, improved access to educational opportunities and quality, affordable housing, and reduction in violent crime. Promise Zones will receive priorities in accessing resources required to carry out their strategic plan from up to 10 agencies, including the Corporation for National and Community Service; the Departments of Agriculture, Commerce, Education, Health and Human Services, Housing and Urban Development, Justice, Labor, and the Treasury; and the Small Business Administration.
- **National Service:** Each Promise Zone will be provided five full-time AmeriCorps VISTA members to support their strategic plan. These VISTAs will recruit and manage volunteers, and strengthen the capacity of Promise Zones to expand economic opportunity.
- **Investing in What Works:** In order to be designated as a Promise Zone, these five communities have already demonstrated that they are pursuing evidence-based strategies to improve identified goals and outcomes, and have realigned their own state and local resources to meet these goals and outcomes. In short, these Promise Zone designees are already investing in programs and partnerships that have data proving their effectiveness. This same data will also help direct future federal investments to these Zones.
- **Cutting Taxes for Businesses:** Finally, President Obama has proposed cutting taxes on hiring and investment in areas designated as Promise Zones – based upon the proven model of Empowerment Zones tax credits – to attract businesses and create jobs.

## **THE FIRST 5 PROMISE ZONES AND THEIR PLANS:**

*San Antonio, TX (Eastside Neighborhood)*

The City of San Antonio's key strategies include:

- Focusing on job creation and training, including through a partnership with St. Philip's College, in key growth areas including energy, health care, business support,

aerospace/advanced manufacturing, and construction.

- Strengthening the work-talent pipeline by increasing enrollment in high quality pre-K programs; installing a STEM focus in the local school district; expanding enrollment in Early College Programs; and improving adult education opportunities.
- Expanding public safety activities to facilitate neighborhood revitalization, such as foot and bike patrols; improved street lighting and razing abandoned buildings; and integrated public safety activities with social resources.
- Improving quality of life through increased park space; a multi-modal transit hub to enhance access to St. Philip's College, Fort Sam Houston, downtown and other employment centers; and the conversion of a middle school into a Community School.

*Los Angeles, CA (Neighborhoods of Pico Union, Westlake, Koreatown, Hollywood, and East Hollywood)* The City of Los Angeles's key strategies include:

- Increasing housing affordability by preserving existing affordable housing and partnering with housing developers to increase the supply of affordable new housing to prevent displacement.
- Ensuring all youth have access to a high-quality education, and are prepared for college and careers through its Promise Neighborhoods initiative, by partnering with the Youth Policy Institute and L.A. Unified School District to expand its Full Service Community Schools model from 7 schools to all 45 Promise Zone schools by 2019.
- Ensuring disconnected youth and adult residents have access to high-quality career and technical training opportunities that prepare them for careers in high-growth industries through partnerships with career and technical training schools and the Los Angeles Community College District.
- Investing in transit infrastructure including bus rapid transit lines and bike lanes, and promoting transit-oriented development (TOD) that attracts new businesses and creates jobs.
- Charging its Promise Zone Director and Advisory Board with removing administrative, statutory, and regulatory barriers and providing greater alignment in service delivery for agencies and programs with overlapping missions in the Los Angeles Promise Zone, then expanding the most successful evidence-based practices to communities throughout the City of Los Angeles.

*Philadelphia, PA (West Philadelphia)* The City of Philadelphia's key strategies include:

- Increasing access to jobs and economic independence, through skills training and adult education; classes on small business development to support entrepreneurs; loans and technical assistance for small resident-owned businesses; and the development of a

supermarket providing both jobs and access to healthy food.

- Improving high-quality education to prepare children for careers, in partnership with Drexel University and the William Penn Foundation, through increasing data-driven instruction that informs teacher professional development; developing school cultures that are conducive to teaching and learning; mentoring middle and high school youth with focus on college access and readiness; and increasing parent engagement.
- Preventing and reducing crime in order to attract new residents and long-term investments, through strategies such as focused deterrence, hot spots policing, and foot patrol.

*Southeastern Kentucky (Kentucky Highlands)* In Southeastern Kentucky, The Kentucky Highland's Investment Corps' key strategies include:

- Implementing a sustainable economic effort across eight counties in the Kentucky Highlands region, focused on diversifying Southeastern Kentucky's economy to make it more resilient.
- Creating jobs and growing small businesses by leveraging \$1.3 million of private sector funds in a revolving loan fund targeted within the Promise Zone.
- Creating leadership and entrepreneur training for youth and industry-specific re-training opportunities for local skilled workforce, through the University of Kentucky Economic Development Initiative, the East Kentucky Concentrated Employment Program, and the Kentucky Highlands Investment Corporation.
- In order to ensure all youth have access to a high-quality education, Berea College will run evidence-based college and career readiness programs for high school students in the Promise Zone, while Eastern Kentucky University will expand technical education programs.

*Choctaw Nation of Oklahoma* The Choctaw Nation of Oklahoma's key strategies include:

- Improving skills for tomorrow's jobs, through workforce training for skilled trades and professionals and more rigorous summer and after-school programs.
- Leveraging its role as the largest employer in southeastern Oklahoma to create a strong base for economic revitalization by working with partners, like Oklahoma State University, Eastern Oklahoma State College, and the Kiamichi Technology Center to improve workforce training for skilled trades and professionals, with a focus on providing nationally-recognized STEM certifications.
- Investing in infrastructure that lays the foundation for economic growth, including water and sewer infrastructure; these infrastructure challenges have been identified as impediments to investment in an area with otherwise strong growth potential.
- Improving educational outcomes by working across 85 school districts throughout the region to share data for continuous improvement, and bolster early literacy and parent support programs.
- Pursuing economic diversification by utilizing natural, historic, and cultural resources to support growth, including evaluation of market capacity for local farmers' markets, as well as implementation of technology-enhanced "traditional" farming and ranching, and

large-scale greenhouses and specialized training in business plan development, marketing, and financing to support the development of women-owned businesses in the Promise Zone.

The Obama Administration is committed to providing ladders of opportunity so that every American has a fair chance to work hard, better their lives and lift themselves up into a thriving middle class. A child's zip code should never determine his or her destiny; but today, the neighborhood that child grows up in impacts their odds of graduating high school, their health outcomes, and their lifetime economic opportunities.

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