RAIMY
IDEAS

A Collection of Essays
Representing the Works
of Five Raimy Fellows

2019

JEFFERSON
EDUCATIONAL SOCIETY

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RAIMY FELLOWSHIP PROGRAM

For the first time in 2018, the Jefferson Civic Leadership Academy offered an optional track, the Raimy Fellowship Program, to participants who wished to combine practical civic engagement with leadership theory. Under the guidance and experience of Scholar-in-Residence Dr. Andrew Roth, prospective Raimy Fellows studied leadership, applied their knowledge to a practical policy problem in the local region, and linked their research to the overall Leadership Academy group action project. The designated Raimy Fellows joined Dr. Roth, Jefferson President Ferki Ferati, Operations Director Ben Speggen, and Project Manager Angela Beaumont on a trip to Washington, D.C., to visit several policy institutes, research foundations, and to enjoy a tour of Capitol Hill and some of the capital's monuments and other attractions.

Scholar-in-Residence Dr. Andrew Roth

FOREWORD

This collection of essays represents the culmination of more than eight months of work by five dedicated participants of the Raimy Fellowship Program. Responding to suggestions from alumni of the first several Jefferson Civic Leadership Academy (JCLA) cohorts, the Jefferson team created an advanced developmental experience in applied leadership theory.

From an original group of 14, the five Raimy Fellows – April Soriano, Jim Wertz , Michael Outlaw, Seth Trott and YahMoorah Shakoor-Hooker – met the challenging program's requirements. For, in addition to all of the work required in the core JCLA program, Raimy Fellows also pursued a two-pronged exploration of 1) leadership theory and 2) directed research into an aspect of poverty in the City of Erie and Erie County.

During the seminar series on leadership theory, Raimy Fellows attended six additional JCLA discussion sessions expanding my opening JCLA presentation "On Leadership" by viewing films (a 1950s-era television adaptation) of Joseph Conrad's *The Secret Sharer* and Steven Spielberg's masterful *Lincoln* (2012); by reading Warren Bennis' *On Becoming a Leader* (2009); John Kotter's *What Leaders Really Do*; James Kouzes & Barry Z. Posner's *The Five Practices of Exemplary Leadership*; selections from James & Deborah Fallows *Our Towns: A 100,000 Mile Journey Into the Heart of America* (2018); Plato's *Crito*; Martin Luther King, Jr.'s "Letter from Birmingham Jail," among much other material.

Upon completion of the leadership theory seminars, Raimy Fellows understood what leadership is, what leaders do, how leaders do what they do, what constitutes effective civic leadership and, perhaps most importantly, what constitutes effective, ethical civic leadership.

In addition to the graduate seminar-style discussion sessions on leadership theory, Raimy Fellows also undertook a directed research project. They were challenged a) to identify and define a research topic; b) to develop a conceptual framework to guide their research; c) to conduct a review of existing literature and research related to the topic; d) to conduct the actual research – either qualitative or quantitative; e) to determine findings and conclusions; f) to develop a format for presenting their conclusions; and then g) to draft the final document. Ensuring that their research did more than take a theoretical look at the reality of poverty in Erie City and Erie County, the Raimy Fellows were challenged to conclude their work with an outline of a plan describing how their proposals could be executed and put to work helping Erie and Erie County residents.

The original cohort of 14 had numerous interesting ideas ranging from a workforce readiness training program to a program concept for bringing marginalized students and adults to programs at the Erie Art Museum to developing intervention strategies to help single mothers in public housing to developing a macro theory of effective civic leadership based on case studies drawn from local Erie regional history and the Fallows' *Our Towns*. All worthy concepts, but in the end only five participants completed four projects meeting the high standards required to earn the designation "Raimy Fellows."

Each of the following essays does not solve the problem chosen by the author(s) to address. That is not feasible in such a short work. Rather, as "think pieces," they propose possible solutions that local policymakers might consider to alleviate certain aspects of poverty in Erie and Erie County. As a result, each concludes with a sketch or outline for an action agenda of "Next Steps" to implement the project. In the next several years, the Jefferson Educational Society and its JCLA cadre of Raimy Fellows will continue to work for community engagement to realize these projects have tremendous potential to enhance and enrich the lives of city and county citizens. For now, however, here are short descriptions of each of the Raimy Fellows work contributing to the JCLA's efforts to create a better future for all Erie-area residents.

Michael Outlaw and Seth Trott addressed the issue of comparatively low rates of minority and refugee business ownership in "The Barriers to Entry: A Study of the Difficulties of Minority-Owned Business Creation and a Specialized Storefront Incubator Remedy for Erie, Pennsylvania." After studying the data concerning the relatively low rate of minority and refugee owned businesses in the Erie area, Trott and Outlaw reviewed the three cornerstones of addressing entrepreneurial inequality: 1) the need to build human capital and foster business education; 2) the need to provide or source financial startup and growth capital; and 3) the need to foster an inclusive, supportive community and social infrastructure. To solve these three needs, they developed a model of a "Specialized Storefront Business Incubator Remedy" for possible inclusion within the Erie Downtown Development Corporation (EDDC) footprint.

In her "Erie Urban Garden Network: Proposal for fighting food insecurity in the Erie eastside communities," YahMoorah Shakoor-Hooker studied the existence of "food deserts" on Erie's Lower East Side, in particular the 16503 ZIP code. As a solution, she designed an urban garden network transforming city-owned vacant property into a series of interconnected urban gardens that would supply not only seasonal farmers markets but also a "mobile farmers market" that could work throughout the year. Modeled after a program in Toronto, Ontario, Canada, the "mobile farmers market" is a creative variation on a food-truck – in short, a mobile grocery store bringing fresh fruits and vegetables to an underserved area.

Recognizing that poverty is not only an urban issue, but also a critical issue in rural areas of Erie County, April Soriano undertook research to determine the feasibility of creating a volunteer network linking retired people with people in need. Soriano's key insight is that most programs serving the poor are located in urban areas, thus leaving many in rural areas underserved or not served at all. Focusing on opportunities in Corry, Union City, and Albion, Soriano conceived the idea to create a database of retired individuals with certifiable skills who would be willing to help individuals with specific tasks. She then created a process in which those volunteers could be matched with individuals needing access to their skills. A simple example is matching someone in need of transportation with a volunteer driver; or matching a retired teacher with someone whose child needs tutoring; or, although it involves licensing issues, matching someone in need of plumbing help with a retired plumber.

In "Voting and Registration Differences in Erie, PA: Geographic and Demographic Trends and Implications," Jim Wertz seeks to understand voting patterns by studying voter engagement at the ZIP code level. Wertz's original insight, however, was not to focus only on demographic characteristics within a given ZIP code, but, rather, to focus on socio-economic characteristics and how they impact voter engagement. As Wertz states, the study "uses geographic areas at a ZIP code level to organize voter registration data and analyze the nexus between economics, race and age across Erie County." Wertz's essay concludes with "county-level policy recommendations for the adoption of best practices that move beyond the current procedures of population-based voting districts."

As a reward for their efforts, the Raimy Fellows, along with Jefferson Educational Society team members Ferki Ferati, Ben Speggen, Angela Beaumont, and myself spent two intense days in Washington, D.C. One day was spent visiting Capitol Hill meeting with U.S. Rep. Mike Kelly (R-Pa.), staff members in Sen. Charles Schumur's (D-N.Y.) office, and House Speaker Nancy Pelosi's (D-Calif.) offices. On another day, the Fellows met scholars doing the same kind of research they did at The Cato Institute, where they met Michael Tanner, author of *The Inclusive Economy*; at The Heritage Foundation, where they had lunch with Nile Gardiner, Director of the Margaret Thatcher Center for Freedom; and at The Brookings Institution, where the Fellows met Mark Muro, Senior Fellow and Policy Director of the Metropolitan Policy Program; and Darrell West, the Vice President and Director of Governance Studies.

It would be inappropriate on my part to conclude this Foreword without a word of thanks to Jefferson Educational Society Trustee Bruce Raimy for his generous support of the Raimy Fellowship Program. It is because of the support of dedicated benefactors like Bruce Raimy that the Raimy Fellows can do the fine work they do.

Dr. Andrew Roth, Scholar-in-Residence

The Barriers to Entry

A Study of the Difficulties of Minority-Owned Business Creation and a Specialized Storefront Incubator Remedy for Erie, Pennsylvania

Seth Trott and Michael Outlaw

Jefferson Educational Society

Civic Leadership Academy

Raimy Fellowship Program

"All men are born equally free and independent, and have certain inherent and indefeasible rights, among which are those of enjoying and defending life and liberty, of acquiring, possessing and protecting property and reputation, and of pursuing their own happiness."

— *Constitution of the Commonwealth of Pennsylvania:*

§1. Inherent Rights of Mankind

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Introduction

It is well documented that the rate of business ownership among minority populations in the United States pales in comparison to the rates present in the majority white population. The following report studies minority-owned business creation and the accentuated barriers faced by people of color and whose heritage stems from certain parts of the world. By identifying "Three Cornerstones of Addressing Entrepreneurial Inequality," we lay a foundation upon which our storefront business incubator concept is built. Along the way, we spotlight the thoughts and processes of Erie, Pennsylvania-based minority and storefront business owners (see appendices) and conclude the study with an outline of our storefront business incubator solution, largely modeled from Catapult: Start-Up to Storefront, a similar business incubator in nearby Pittsburgh, which we visited in early December 2018.

The greatest of the many lessons learned from conducting this research was the consistent presence of discrimination against certain races. Though our country has made some progress from discrimination – the institution of slavery, lynchings, the Indian Removal Act of 1830, wartime internment camps, Operation Wetback, "Whites Only" signs, militarizing the Southern border, and separating the families of asylum-seekers – it continues to affect archetypes, biases, and societal systems.

Though lending institutions may choose to deny the loan application of someone of a certain ethnicity or race solely on the basis of lack of credit, it is important to understand why that applicant has poor credit or little credit history and how it pertains to the overarching system of inherent inequality.

For example, an applicant's great-great-grandmother, Mitilde, was a slave during the Civil War. Later freed as a young teen, she remained in the Deep South and continued working in agriculture, her only economical skill. The pay was meager and upward mobility was limited by Southern culture and legislation, forcing her to raise her children and grandchildren in poverty, sweating out the harsh Louisiana summers. One of those grandchildren, Phibe, chose to move north to Chicago, joining others in the inner city where the rent was affordable for those with little means.

The white flight to the suburbs of the mid-20th century pulled the capital and investment from urban areas and shifted jobs outward to the strip malls of suburbia, leaving the inner city with little employment and little hope. Phibe worked at a local grocery but was forced to add a second job in retail before having a child of her own, Charles. Charles largely raised himself because his parents each worked multiple jobs late into the evening hours and were unable to find higher-paying jobs due to employers' tendencies to greatly favor white employees. He learned in substandard, underfunded schools and lived a life typical of any child with little parental oversight, eventually being taught the way of the streets. After finishing high school, he committed a robbery, was arrested, and spent 10 years in prison. After release, he eventually had a child of his own, our applicant.

Being a convicted felon, Charles struggled with the improbability of finding sustainable work and decided to sell crack cocaine during the drug's boom in the 1980s to earn money for his family. Breaking parole sent him back to prison and our applicant was then raised by a single mother who also worked two jobs. Constantly impoverished, our applicant had few opportunities to learn financial literacy and establish a solid credit history. Our applicant's mother, however, instilled a desire for education, inspiring our applicant to go to college (the first in the family) and pursue a professional career. Mother and son are now seeking a loan to build a small business. They have no substantial assets but have secured a credit card.

Though this story is fictional and told through an African-American lens, it is the typical biography of millions of Americans. The effects of past explicit discrimination have helped to build our current system of inequality. We can see how slavery, the Jim Crow South, the settlement and crumbling of the inner cities, public school district funding disparities, the crack epidemic, and general discrimination all played roles in our applicant's denied loan application. This is one small example of failure amid systemic discrimination.

Skin color may not always play a leading role in decisions and outcomes, but it remains reflective of our culture and society today. It permeates our economies (both macro and micro) and has the ability to alter our purchasing, investing, and business decisions. The free market may rightfully be the great equalizer in theory, but far from it in practice.

Definitions

We will first define two terms at the core of this document: minority and storefront businesses.

We chose to pull our definition of minority from the United States Supreme Court case Fullilove v. Klutznick, 448 U.S. 448 (1980).[1] The case ultimately affirmed the United States Congress' ability to use its spending power to remedy past discrimination. Given the era's terminology originally written in the rationale for each ethnicity, we updated the language and included the New American subgroup into our definition: African-American, Black; Latino, Latina; Hispanic; Asian, Asia-Pacific Rim; Native American; Alaska Native; New American, refugee.

The term storefront business was more difficult to specify. In today's technological era, the term storefront has taken on a secondary meaning to refer to online retailers' web pages and subpages within larger online retailers, such as Amazon.

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[1] Fullilove v. Klutznick. (n.d.). Oyez. Retrieved December 19, 2018, from https://www.oyez.org/cases/1979/78-1007

Although we have considered creating a digital incubator that caters to digital local storefronts (an "ErieStore.com," so to speak), the result would diverge from our initial purpose. Thus, we are concerned only with physical, brick-and-mortar storefronts, creating the definition:

> A physical location in which the customer enters to receive the product or service being sold. Though it does not necessarily need to be directly facing the street, it ideally would be.[2] Additionally, it should be on the ground floor of the building in which it is located, be publicly accessible, and be publicly visible.

Initial Purpose and Context

The concept of a minority business incubator was brought to our attention by John Persinger, Chief Executive of the Erie Downtown Development Corporation (EDDC).

The EDDC's mission of transforming downtown Erie through the purchasing and renovating of real estate is an attempt to make the downtown a more community-centric place to live and work for individuals from all walks of life. Upon completing renovations, however, the EDDC will be left with a significant demand to fill these newly redeveloped storefronts and office spaces – a demand that may not be immediately met by Erie's private sector. To help spur the local supply of storefront-seeking and space-seeking companies, this business incubator seeks to aid entrepreneurs in the founding, fostering, and growth of such businesses.

Beyond its practical mission of redevelopment, the EDDC also envisions an Erie that is less socially compartmentalized and that adopts a cultural psychology of inclusion and understanding. When coupled with the hints of skepticism held by some Erie residents concerning the possibility of gentrification occurring post-redevelopment, the EDDC has stated it wants to provide opportunities for certain minority groups in Erie, especially groups that frequently exist within the boundaries of the EDDC's footprint and expanding footprint of some of the EDDC's primary shareholders, such as Erie Insurance Group, UPMC Hamot Hospital, and Gannon

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[2] Consider Isaac Baker Menswear on the ground floor of the Renaissance Center, 1001 State Street, in Erie, Pennsylvania. It is not an externally facing storefront but still qualifies as one under our definition. Because of the bolstered, historical brand of Isaac Baker Menswear, however, the internal storefront does not greatly affect the store's sales. We recommend that the newly created storefront businesses exhibited in the incubator be externally facing whenever possible due to their early lack of brand and reputation, and thus, their need to be consistently seen by the public.

University. Other notable shareholders of the EDDC include Tom Hagen (Chairman of Erie Indemnity Company, the parent organization of Erie Insurance Group; and philanthropist), ErieBank, Northwest Bank, the Erie Community Foundation, and the U Pick 6 Group.

It stands to reason that the concept of a minority-directed business incubator that focuses on brick-and-mortar businesses would be a noteworthy benefit to both the EDDC and the downtown Erie region. It would work to increase the direct supply of businesses seeking storefront space in downtown Erie with those businesses being tied directly to the EDDC from the onset. It could garner political capital for the EDDC and its shareholders by way of an example and counterargument to fears of gentrification. It could help to quell both the physical and culturally psychological disparities between minorities and whites in the Erie region by further integrating and diversifying Erie's downtown corridor.

More broadly, the City of Erie is experiencing the onset of economic change. With the Schember Administration now in charge at City Hall and the recent influx of private investment funds for the lower downtown, as well as positive national press, expert analysis, and well-wishes, Erie's past few years have started a revitalization and redevelopment across all sectors. Coinciding with the EDDC's mission has been the reconnection of Erie's downtown and the western tier of the Lower East Side, an area that has suffered economic loss and blight over a period of years.

On Nov. 3, 2017, the internet news organization 24/7 Wall St. released a study naming Erie, Pennsylvania as the "Worst City for Black Americans" in the United States.[3] Its report relied on 2016 U.S. Census Bureau American Community Survey data regarding median household income levels, poverty levels, educational attainment, homeownership levels, unemployment rates, and incarceration rates reported in The Sentencing Project. Though it contained statistical flaws, lacked a clear methodology, and ultimately mistook Erie County for Erie City statistics, the report has helped to spark serious discussions regarding the region's clear racial disparities. These disparities are exhibited by 2016 U.S. Census Bureau American Community Survey data, such as Erie City's African-American unemployment levels of 17.2 percent (versus a white unemployment rate of 4.0 percent) and 27 percent of Erie's African-American population living at or below the national poverty line.[4] The report's "second worst-" and "third worst-" cities in 2017 were Peoria, Ill. and Milwaukee, Wis.

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[3] Comen, E. & Sauter, M. B. (2017 November 3). The Worst Cities for Black Americans. *24/7 Wall St*: https://247wallst.com/special-report/2017/11/03/the-worst-cities-for-black-americans-2/
[4] Smith, M. & McDevitt, S. (2019). Facing Racial Disparities: Is Erie the Worst City in America for African-Americans?. *Jefferson Educational Society: The Jefferson Essays*: Essay VIII.

In the 2018 rankings by 24/7 Wall St., Erie did not make the top 15 list, though racial disparities continue.[5]

To combat these issues, the Erie community has taken some action. In December 2018, Bridgeway Capital and the Erie County Gaming Revenue Authority (ECGRA) announced a three-year, $5 million commitment of new loan generation to entrepreneurs and companies, with $2.5 million earmarked specifically for minority-owned businesses, aptly named the Erie Inclusive Fund.[6] Erie Mayor Joe Schember also announced in December 2018 that Erie is hosting a national initiative, "The People's Supper," which works to spark conversation between individuals from different ethnicities and demographics over a series of dinner events.[7] In addition, the Schember Administration is compiling an "Equity, Inclusion, and Diversity Council," made up of a group of diverse Erie leaders from various sectors to address issues of equality across the city.

It is within this contextual environment that our argument and rationale for the creation of a minority-owned storefront business incubator exists. We believe that our study will be of significant benefit not only to Erie's minority business owner population, but also to the EDDC, its stakeholders, and the entire Erie community.

A Statistical Glimpse of Minority-Owned Business in Erie

Across the United States, an estimated 8 million minority-owned businesses operate from among more than 27 million firms.[8] Minority-owned businesses, in other words, are underrepresented, with a rate of minority business ownership of 29.5 percent versus a total minority population percentage of 38.5 percent (a "Disparity Factor" of 0.24).[9] In Erie, this underrepresentation spikes by almost threefold, with

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[5] Flowers, K. (2018 November 20). Erie Off Worst List for Black Residents; Issues Persist. Erie Times-News, *GoErie.com*: http://www.goerie.com/news/20181120/erie-off-worst-list-for-black-residents-issues-persist

[6] Tascarella, P. (2018 December 5). Bridgeway, ECGRA Team on Erie Inclusive Fund. *Pittsburgh Business Times*: https://www.bizjournals.com/pittsburgh/news/2018/12/05/bridgeway-ecgra-team-on-erie-inclusive-fund.html

[7] Mastromatteo, E. (2018 December 6). Mayor's Office Bringing The People's Supper Initiative to Erie. *Erie News Now*: http://www.erienewsnow.com/story/39602709/mayors-office-bringing-the-peoples-supper-initiative-to-erie

[8] Minority Business Development Industry. (2016 January). Fact Sheet: U.S. Minority-Owned Firms. *U.S. Department of Commerce:* https://www.mbda.gov/sites/mbda.gov/files/migrated/files-attachments/2012SBO_MBEFactSheet020216.pdf

[9] U.S. Census Bureau. (2017). 2017 American Community Survey Demographic and Housing Estimates: United States. *U.S. Census Bureau*: https://factfinder.census.gov/faces/tableser-vices/jsf/pages/productview.xhtml?src=CF

a total minority business ownership rate of 9.6 percent,[10] as compared to a citywide minority population mark of 25.6 percent (a "Disparity Factor" of 0.63).[11]

The incongruences of Erie business ownership grow as the employment figures and sales totals of those businesses are examined. While almost 30 percent of white-owned local companies have paid employees, only 10 percent of minority-owned firms have paid employees. Of these minority-owned businesses, 90 percent are solely operated firms, often existing as a protection against liability. In terms of sales figures, all local minority-owned businesses account for less than 4 percent of all local sales, with only about 0.8 percent of local sales being attributed to the sole-operated, minority-owned firm subset. As a result, minority-owned firms in Erie are scarce, and of those that do exist, the vast majority do not generate significant revenues and produce a small economic impact.

Minority Business Ownership: Erie, PA and United States

	City of Erie		United States	
	Minority	Nonminority	Minority	Nonminority
TOT representative population	29,493	69,477	123,586,697	197,417,710
Percentage of TOT population	29.8%	70.2%	38.5%	61.5%
TOT number of firms	980	4,836	7,952,386	18,987,918
Percentage of TOT firms	16.9%	83.1%	29.5%	70.5%
TOT sales, receipts, or value of shipments ($1,000)	$103,329	$2,492,607	$1,380,149,132	$10,482,831,537
Percentage of TOT	4.0%	96.0%	11.6%	88.4%
With paid employees:				
Number of firms with paid employees	98	1,435	908,800	4,156,683
Percentage of TOT minority / nonminority firms	**10.0%**	**29.7%**	**11.4%**	**21.9%**
Total sales, receipts, or value of shipments ($1,000)	**$83,071**	**$2,377,292**	**$1,161,430,713**	**$9,714,345,077**
Pecentage of TOT sales, receipts, value of shipments	**3.2%**	**91.6%**	**9.8%**	**81.9%**
Without paid employees:				
Number of firms without paid employees	882	3,401	7,043,587	14,831,235
Percentage of TOT minority / nonminority firms	**90.0%**	**70.3%**	**88.6%**	**78.1%**
Total sales, receipts, or value of shipments ($1,000)	$20,258	$115,316	$218,718,418	$768,486,460
Percentage of TOT sales, receipts, value of shipments	0.8%	4.4%	1.8%	6.5%

Source: U.S. Census Bureau American Community Survey [2017]; Survey of Business Owners [2012]

This lack of economic impact can be traced back to the *types* of businesses owned by Erie's minority population. Of those classifiable businesses, the city's minority firms largely inhabit three sectors, as denoted by the U.S. Census Bureau: "Construction" (61 local firms), "transportation and warehousing" (39 local firms), and "retail trade" (26 local firms). The "information" and "finance-insurance" sectors

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[10] U.S. Census Bureau. (2012). 2012 Survey of Business Owners. *U.S. Census Bureau*: https://factfinder.census.gov/faces/tableservices/jsf/pages/productview. xhtml?pid=SBO_2012_00CSA01&prodType=table
[11] We determine our "Disparity Factor" as the difference between the actual percentage and the total specific population percentage, with the total population percentage equaling 1.00.

each contained a single minority-owned business. Erie contains no identifiable minority-owned manufacturing firms – the city's second-largest economic sector – nor "wholesale trade" firms. As a result, minority-owned firms in Erie tend to be of the types that are difficult to scale and require minor upfront capital investment.[12] [13]

Across all minority groups, Asian business owners tend to fare the best, while African-American business owners overwhelmingly fare the worst. In Erie, more than a third of all Asian-owned businesses have paid employees – a rate higher than that of even white-owned firms – with 98 total firms and 35 having paid employees. African-American businesses, however, represent more than 61 percent of Erie's minority business population (or 601 firms out of 980 total minority firms), with only eight firms having employees, equating to only 1.3 percent of African-American businesses, compared to a paid employee-rate of almost 30 percent in the total white business population. The bottom line is that African-American businesses make up the vast majority of minority-owned firms but consistently struggle the most to produce economically. This trend is seen similarly across all economic measurements and across the nation.[14]

Outside of the U.S. Census Bureau's dated survey (at the time of this report's creation, the available data was more than six years old), little documentation exists of minority-owned firms in Erie. Though the *Erie Metropolitan Black Yellow Pages* attempts to account for African-American businesses and the City of Erie government has a dated list of minority-owned construction firms, an accurate and comprehensive account of the minority-owned business landscape in Erie does not appear to exist.

It should be noted that much of the research used in this report focuses on African-American businesses, due to the intense disparity faced by the group when compared to other minority groups, as exemplified in the previously listed figures. However, Hispanic and Latino Americans face markedly similar discriminatory experiences to African-Americans in both type and frequency.

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[12] U.S. Census Bureau. (2012). 2012 Survey of Business Owners. *U.S. Census Bureau*: https://factfinder.census.gov/faces/tableservices/jsf/pages/productview. xhtml?pid=SBO_2012_00CSA01&prodType=table

[13] U.S. Census Bureau. (2017). 2017 American Community Survey Demographic and Housing Estimates: United States. *U.S. Census Bureau*: https://factfinder.census.gov/faces/ tableservices/jsf/pages/productview.xhtml?src=CF

[14] U.S. Census Bureau. (2012). 2012 Survey of Business Owners. *U.S. Census Bureau*: https://factfinder.census.gov/faces/tableservices/jsf/pages/productview. xhtml?pid=SBO_2012_00CSA01&prodType=table

Part I: Three Cornerstones of Addressing Entrepreneurial Inequality

"We have come a long way from the days of slavery, but discrimination and inequality still saturate our society in modern ways. Though racism may be less blatant now in many cases, its existence is undeniable."

— Al Sharpton

The disparities found in U.S. business ownership have been the topic of many studies, with each argument typically beginning with the premise that ethnic and racial groups face more challenges than others in starting businesses. Across the United States, whites have been typically self-employed at a rate 300 percent higher than blacks.[15] These rates have equalized slightly over the past decade. The breakdown for self-employment and business ownership across the four primary races is exhibited as follows:[16]

Self-Employment Rates	
White	11%
Asian	10%
Hispanic	8%
Black	5%

Source: Pew Research Center

So why the disparity between minority and white firms? Why – across all measurements from self-employment rates to revenue generation – do African-American businesses consistently come in last place? Minority businesses face largely the same difficulties and barriers as white businesses, but in addition must overcome systemic inequality and discrimination. Following are the "Three Cornerstones of Addressing Entrepreneurial Inequality".

I.   The need to build human capital and foster business education

This can largely be interpreted as the need to instill the skills necessary to successfully build and operate a business. This absence of skills is especially pronounced in minority populations.

The notion of having business owners within a family is one of the most important variables pertinent to learning and developing the many skills necessary to run a business. Entrepreneurial tendencies frequently stem from an entrepreneurial upbringing, in which they have role models and the opportunity to garner business management experience from working in a family member's business. Those with a background of working in a family firm are the most likely to successfully start their

[15] Fairlie, R. W. & Robb, A. M. (2007 April). Why Are Black-Owned Businesses Less Successful than White-Owned Businesses? The Role of Families, Inheritances, and Business Human Capital. *Journal of Labor Economics 25(2)*: pp. 289-323.
[16] Pew Research Center. (2015 October 22). Among Self-Employed, Whites and Asians Do More Hiring. *Pew Research Center Social and Demographic Trends*: http://www.pewsocialtrends.org/2015/10/22/among-self-employed-whites-and-asians-do-more-hiring/

own company.[17] Recalling rates of self-employment across the various minority groups, the African-American and Hispanic populations statistically have the least amount of access to family-based business owners. In short, there are fewer entrepreneurs represented in the demographics, thus fewer African-American and Hispanic entrepreneurial family members, and thus fewer opportunities for young minorities to learn in family-based businesses.

However, someone's upbringing is not the only issue. The lack of training avenues and work experience available to minorities extends across the American macroeconomic environment. From cradle to grave, barriers exist that prevent even the most qualified of minority candidates from developing the skills needed to build a business. Even in the case of recent college graduates applying for jobs in the business field, candidates with ethnic-sounding names are granted markedly fewer interview requests, especially for positions that are distinctly customer-oriented.[18]

From the U.S. to Malaysia, the need for increased human capital is constantly recognized as one of the most critical components of new business training. In studying a group of more than 400 startups in poverty-stricken parts of Malaysia, five factors influenced the success of the firm: access to capital, enterprise development training, education, startup motives, and experience. Three of these five key indicators – training, education, and experience – could be successfully addressed through the implementation of a knowledge-transfer program for entrepreneurs. A fourth indicator – access to capital – is later addressed in *Three Cornerstones* as representing a significant barrier to minority-owned business creation.[19] These programs can be used to train new business owners on the variety of skills needed to operate a business successfully, to understand the nature of a startup and to make strategic and financial decisions.

A lack of human capital often leads to unsuccessful or largely inconsequential business ventures, a point precisely exemplified in the African-American business statistics cited earlier. Many African-American businesses generate little revenue (a similar trend across most minority demographics). One reason for their small financial impact is due to minorities often founding "mom and pop" businesses that require less complex business management experience to operate, not the more complex,

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[17] Fairlie, R. W. & Robb, A. M. (2007 April). Why Are Black-Owned Businesses Less Successful than White-Owned Businesses? The Role of Families, Inheritances, and Business Human Capital. *Journal of Labor Economics 25(2)*: pp. 289-323.
[18] Nunley, J. M., et al. (2014 March 24). An Examination of Racial Discrimination in the Labor Market for Recent College Graduates: Estimates from the Field. *Auburn University Department of Economics Working Paper Series*: https://cla.auburn.edu/econwp/archives/2014/2014-06.pdf
[19] Al Mamun, A., et al. (2016). Human Capital, Credit, and Startup Motives: A Study Among Rural Micro-Enterprises in Malaysia. *Journal of Developing Areas 50(4)*: pp. 383-400.

scalable "emerging" firms. These "mom and pop" businesses are often called "hustle" firms: slow-growth, service-oriented businesses that earn low profit margins, operate on a small scale, and often exist in urban minority neighborhoods.[20] Thus, not only is the business struggling to sell and making less money per sale, but by being located within urban minority neighborhoods (which tend to be frequently of a low-income status), the firm limits its customer base by relying primarily on nearby, lower-income residents.[21] Common examples of "hustle" firms include small retailers, beauty salons, janitorial services, and auto repair shops.

"Emerging" firms, conversely, are typically thought to be companies related to technology, finance, insurance, manufacturing, and other professional services. These companies typically require more complex business skills but earn higher margins. They are more easily scalable, and are often located in business parks and suburban zones. Business-type trends are improving, however. Among minority populations, these emerging types of firms are being founded at an increasing rate that is almost four times the rate of non-emerging businesses.

The issues persist, though. A "hustle" firm is funded every day in the U.S. and is often doomed to the same fate as those firms that have preceded it – sometimes even inhabiting the same physical address. This toxic cycle is largely the consequence of the founders' lack of human capital, thereby existing as the first cornerstone that should be addressed.

The intervention of training to improve skills is often the first step to creating a successful business and, in context, will help close the disparity between minority- and white-operated businesses.

II.   The need to provide or source financial startup and growth capital

Funding a company is not easy for any founder. Often the risk can be overwhelming when signing a $100,000 home equity loan or selling a prized possession. The thought is, "I'll pay it all off once the company hits that next milestone. No problem." But simply getting to the point where you are able to sign for that loan can be quite a problem for minority business owners. The lack of funding available to use as startup capital is another primary difference between minority and nonminority rates of business ownership.[22] But why the lack of capital availability?

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[20] Bonds, M. (2007 May 1). Looking Beyond the Numbers – The Struggles of Black Businesses to Survive: A Qualitative Approach. *Journal of Black Studies 34(5)*: pp. 581-601.
[21] Jordan, R. (2015 May 13). A Closer Look at Income and Race Concentration in Public Schools. *Urban Institute*: https://www.urban.org/features/closer-look-income-and-race-concentration-public-schools
[22] Asare, I. N. (2017 December 5). Why Black People Don't Start Businesses (and How More Inclusive Innovation Could Make a Difference). *Oxford Insights*: https://www.oxfordinsights.com/insights/why-black-people-dont-start-businesses

In the U.S., the African-American and Hispanic populations have poverty rates of 25.2 percent and 23.8 percent, respectively, compared to a national white poverty rate of 12.0 percent.[23] Thus, a smaller percentage of the overall minority population even has the resources needed to effectively survive, let alone thrive, have liquidity, and start businesses.

From a debt-financing perspective, when minority business owners with less than $500,000 in annual sales (which is approximately 90 percent of all U.S. businesses)[24] approach banks and other lenders for capital, the likelihood of receiving a loan is significantly lower. Minority-owned businesses are approximately three times as likely to be denied loans as are comparable nonminority businesses," according to a Brookings Institution study."[25] When these loans are received, their principals are roughly half of the amount lent to white owners, with interest rates often more than 1 percent higher.[26] According to a 2003 Survey of Small Business Finances, small minority-owned business loan principals were averaged at about $9,300, whereas white principals were averaged at about $20,500.

Psychology also plays a factor in this debt disparity. Some minority business owners say they shy away from acquiring loans due to a "real or perceived likelihood of rejection."[27] One survey of minority business owners in need of capital found that more than half chose not to apply due to this fear of rejection. More broadly, it has been found that Hispanic business owners are 23 percent more likely to avoid seeking a loan due to rejection fears than white business owners, while African-American business owners are more than 35 percent more likely.[28]

From an equity-financing perspective, the issues are the same. In Fast Time's "One of the Biggest Challenges of Getting Funding for Minority-Owned Businesses," Lydia Dishman writes that "people only invest in things they know and people they trust." Venture capital and equity seed funding is very much a relationship-based

[23] U.S. Census Bureau. (2017). 2017 American Community Survey: Poverty Statistics in the Past 12 Months. *U.S. Census Bureau*: https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=CF
[24] Attard, J. (2018 December 13). How Much Do Small Businesses Really Earn?. *Business Know-How*: https://www.businessknowhow.com/money/earn.htm
[25] Barr, M. S. (2015 March). Minority and Women Entrepreneurs: Building Capital, Networks, and Skill. *The Brookings Institution*: https://www.brookings.edu/wp-content/uploads/2016/07/minority_women_entrepreneurs_building_skills_barr.pdf
[26] Barr, M. S. (2015 March 1). Minority and Women Entrepreneurs: Building Capital, Networks, and Skills. *The Brookings Institution: The Hamilton Project*: https://www.brookings.edu/wp-content/uploads/2016/07/minority_women_entrepreneurs_building_skills_barr.pdf
[27] Kiger, D. (2016 April 2). Minority Entrepreneurs Face Challenges in Business Development. *Business2Community*: https://www.business2community.com/small-business/minority-entrepreneurs-face-challenges-business-development-01497508
[28] Bates, T. & Robb, A. (2013). Small-Business Viability in America's Urban Minority Communities. *Urban Studies*: http://usj.sagepub.com/content/51/13/2844.full.pdf+html.

realm. If an investor does not see himself in you or if he does not quite understand the market for your product, regardless of how monumental that market may be (Dishman uses the example of a mobile application matching African-American women to specific hairstyles), he will often choose not to invest, regardless of the founder's and business' qualifications.

The obvious workaround, then, would be for minority business owners to seek out minority investors – people who do understand these markets, not the typical retirement-age, white investor. However, less than 3 percent of venture capital funds employ African-American or Latino investment professionals, and very few of those minority professionals will ever have an opportunity to invest in businesses owned by people of color."[29] While small, local businesses are not approaching lenders such as Sequoia Capital all too often, the investment process, psychology, and investor diversity are generally the same regardless of scale and ask amount. This disparity may be even more prevalent on the smaller end of the investment spectrum, as, at that level, the business owner is largely what is being invested in, not the "$300 billion potential market," in which case inherent racial archetypes and other factors come into play, as well.

New investment technologies and concepts have resulted in the slow chipping away of the barrier between minority entrepreneurs and the capital they need, with the most notable of these being crowdfunding. An interview in October 2018 with a Pittsburgh-based community crowdfunding firm, Honeycomb Credit, was revealing. Honeycomb Credit's model, like most crowdfunding platforms, works to tap into broader investor networks – not a typical high net worth, accredited investor, but an everyday consumer.

Where Honeycomb Credit differs, however, is in its localized focus and flexible funding deals. It works to incentivize its investors to collectively help fund a storefront business across town that is either looking to get started or to grow. "By expanding the risk tolerance of our investors, we're able to pull more levers to make sure the deal is a success," noted Honeycomb Credit's James Lomuscio. "These local investors then go to the business to test out what they're supporting. They become the business' biggest champion." Honeycomb Credit's average deal is between $35,000 and $50,000, with interest rates hovering between 8 to 13 percent and typical terms from 3 to 5 years.

[29] Williams, B. A. (2017 September 28). One Reason Black Founders Don't Get Enough Funding? Black VCs Don't Either. *Fast Company*: https://www.fastcompany.com/40473294/one-reason-black-entrepreneurs-dont-get-get-enough-funding-black-vcs-dont-either

<u>Another Complication: Inequality</u>

Disparity of funding between minority and nonminority-owned firms often results from unequal treatment. The American financial system is based on historical-trends data – even future financial projections are based on past performance, risk, and overall market trends that are also based on the past. For example, the stock market's risk premium – a calculation that is a core component of the Capital Asset Pricing Model (CAPM), a widely used means of determining the expected financial returns on an asset or stock – is determined in part by measuring the arithmetic average of historical returns and risk-free rates. History is deeply embedded in the system, realized or not.

It is common to claim that past discrimination does not affect current free-enterprise financials and decisions, but the history of discrimination leaves uneasiness. Business and economics are human constructions that come inherently laden with all of humanity's failings. Many, perhaps most, minority business owners suspect they are competing on an uneven playing field. Many of today's minority-owned companies may have had a more lucrative balance sheet had they been awarded that multimillion-dollar contract that they lost because the contractor did not trust "those people." And maybe it is said that a contractor should have based his decision only on the numbers, but "the numbers" could be simply numerical representations of past and current business performance that has been influenced by inequities and discrimination at some point in time. The suspicion of many is that there is no escaping past discrimination. There is no separating.

Despite an often bitter past, it would be foolish to somehow propose a brand new means of capitalistic asset valuation or economic measurement. Rather, it seems more productive to promote specialized and deliberate investment tactics and mindsets. Promising examples include Erie's recently formed Erie Inclusive Fund and the Detroit Microloan Collaborative.[30]

It is important to separate the risk that stems from the founder themselves from the risk that flows through the founder from society. Individual risk, in other words, is affected by systemic racism. All risk is not created equally.

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[30] Haimerl, A. (2014 October 26). Small-Biz Lending Gets $5 Million Injection. *Crain's Detroit Business*: https://www.crainsdetroit.com/article/20141026/NEWS/310269935/small-biz-lending-gets-5m-injection

III. Need to foster an inclusive, supportive community and social infrastructure

Operating a business is a difficult task, and creating a support system for minority entrepreneurs that contains mentors and fellow business owners not only helps to motivate entrepreneurs but also teaches them additional lessons and grows their social capital. The U.S. Small Business Administration defines this idea of social capital as "the relationships and networks a business owner may access for professional contacts, financing, mentorship, or customers."[31] From skill-sharing, knowledge, and connections to simply friendship and emotional support in trying times, the effects of a strong community can be invaluable to business owners and entrepreneurs.[32]

It is common to diminish the importance of those we lean on and of the working relationships that we develop but, especially for minority business owners, a lack of these relationships means that they may "never get the crucial introduction, the benefit of the doubt from a financier, or the valuable guidance of a mentor that propels their business forward."[33] Simply due to smaller rates of minority business ownership, fewer successful minority business owners exist and thus fewer minority business mentors exist.

Additionally, minorities are often cut off from business networks. In the corporate world, companies have been inviting employees to create network groups in an effort to foster camaraderie across the ranks of the firms and curb high minority employee turnover rates that are tied to this feeling of exclusion.[34]

In the startup world, community is critical. Radius CoWork is an excellent example of this in practice. Based in Erie, the cowork space rents out desks and shared office space to startups that are not yet ready to sign their own lease, as well as freelancers looking to escape the seclusion of the home office. When Sean Fedorko and Bill Scholz founded Radius in May 2015, they understood the true weight of the intangible benefits that community can bring, but also the difficulties inherent to it. "Communities come together when groups bond over shared experiences and interests," writes Fedorko. "Once established, they provide enormous support and

[31] Kymn, C. (2014 January 29). Access to Capital for Women- and Minority-Owned Businesses: Revisiting Key Variables. *U.S. Small Business Administration Office of Advocacy*: Issue Brief Number 3: https://www.sba.gov/sites/default/files/Issue%20Brief%203%20 Access%20to%20Capital.pdf

[32] Newlands, M. (2014 December 2). Five Benefits of Community for Entrepreneurs. *Inc.*: https://www.inc.com/murray-newlands/5-benefits-of-community-for-entrepreneurs.html

[33] Kiger, D. (2016 April 2). Minority Entrepreneurs Face Challenges in Business Development. *Business2Community*: https://www.business2community.com/small-business/ minority-entrepreneurs-face-challenges-business-development-01497508

[34] Friedman, R. A. & Holtom, B. (2012). The Effects of Network Groups on Minority Employee Turnover Intentions. *Human Resource Management 41(4)*: pp. 405-421.

value to members, but can be hard to enter. Coworking spaces thrive because they provide an onboarding process to integrate new members, and a routine for creating opportunities to meet, understand, and share with one another. But in order to be complete, as stewards of a coworking community, we always need to ask ourselves, 'Who's missing? Who's not in the room?' and then make sure our doors are open to them."

Therein lies the dilemma: numerous benevolent, physical opportunities for inclusion can be created, but can never be forced. Coworker spaces and others can ensure that our doors are open and no visible barriers stand in the way of those open doors, but in the end, they cannot force anyone to walk through them – and many times they do not.

But why are genuine attempts at diversity often unmet? Why do many American urban centers often exhibit this tale of two cities – a Minority City and a Nonminority City – that infrequently meet and rarely truly mix, regardless of the opportunities offered to do so?[35]

This lack of minorities taking advantage of those inclusive opportunities is often due to the continuance of invisible barriers – unseen by the white community – stemming from historical and present day discrimination that block opportunities throughout society and brand the psychologies of those discriminated against with the notion that they are unwanted and that the opportunities are "not for them," regardless of intentions.

For white groups, discrimination can be difficult to identify and often occurs with a total lack of awareness.[36] In the article, "White America is Quietly Self-Segregating" (2017), Alvin Chang writes, "Most people say they want to live in a diverse and integrated community ... but data shows that as minorities move into suburbs, white families are making small and personal decisions that add velocity to the momentum of discrimination." A few of these decisions include moving to neighborhoods with a much larger white population and adopting the belief that their community has suddenly become more crime-laden, contrary to crime statistics. This may seem surprising to many but almost one-in-three Americans believe that an increase in diversity will have negative consequences on the nation.[37]

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[35] To learn more about how urban America became incredibly segregated, we recommend the book *The Color of Law: A Forgotten History of How Our Government Segregated America* by Richard Rothstein. Topics in the work include: the process of "redlining," neighborhood development, and institutional racism.

[36] Sue, D. W., et al. (2007 May). Racial Microaggressions in Everyday Life: Implications for Clinical Practice. *American Psychologist 62(4)*: pp. 271-286.

[37] Vandermaas-Peeler, A., et al. (2018 July 17). American Democracy in Crisis: The Challenges of Voter Knowledge, Participation, and Polarization. *Public Religion Research Institute*: https://www.prri.org/research/american-democracy-in-crisis-voters-midterms-trump-election-2018/

Then there is the notion of moral licensing, a frequent practice that is complementary to discrimination and can be seen from Barack Obama, to Jackie Robinson, to even 19th century Germany.[38] Moral licensing is the "forgiving" of someone's discriminated-against status due to the individual's talents or successes, but seeing that individual as an exception to the rule, and continuing to discriminate against the larger subset of the population from where that individual is derived. In essence, it is the picking and choosing of when to practice inclusive morality.

Take the German-Jewish author Berthold Auerbach (1812-1882), whose famous German novels include *Black Forest Village Stories* (1843) and *On the Heights* (1865). In a time when anti-Semitism was entrenched in German society – ultimately culminating in Adolf Hitler's rise to power more than a half-century later – Auerbach was lauded as one of Germany's greatest writers of the time and became somewhat of a national hero.[39] Even Richard Wagner (1813-1883) – German conductor, composer, and brutal anti-Semite – took a liking to Auerbach, praising his work.[40]

When an individual is able to battle discrimination to achieve accolades and acceptance by society and break through the glass ceiling, the aftereffects tend to result in one of two ways. The first way is exemplified by Jackie Robinson, whose breaking of the color barrier in Major League Baseball led to the race of today's players being a non-issue.[41] In other terms, when the barrier is broken, others follow and discrimination subsides. The second way, however, occurs in examples such as Auerbach, in which the individual is accepted by society and that acceptance leads to the discriminating class "forgiving" their own bigotry (basing that forgiveness from a single example) and potentially even intensifying the levels of broad discrimination, as seen in Germany in the late-19th and early-20th centuries. Think of the line, "I don't discriminate. I voted for Barack Obama."

When 69 percent of African-Americans and 57 percent of Hispanics say that past and present discrimination are two of the largest issues they face, it becomes evident that there are significant barriers that remain invisible to the eyes of the nonminority.[42] It is an undercurrent that flows throughout society, rippling at the

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[38] Gladwell, M. (Host). (2016 June 16). *The Lady Vanishes* [Audio podcast]. Retrieved from http://revisionisthistory.com/seasons?selected=season-1

[39] Katz, J. (1982). Berthold Auerbach's Anticipation of the German-Jewish Tragedy. *Hebrew Union College Annual 53*: pp. 215-240.

[40] Rose, P. L. (1991 January 1). One of Wagner's Jewish Friends: Berthold Auerbach and his Unpublished Reply to Richard Wagner's Antisemitism (1881). *The Leo Baeck Institute Yearbook 36(1)*: pp. 219-228.

[41] Nathan, D. A. (2017 June 1). Jackie Robinson. *Journal of American History 104(1)*: pp. 296-301.

[42] Vega, T. (2015 November 25). Working While Brown: What Discrimination Looks Like Now. *CNN Business*: https://money.cnn.com/2015/11/25/news/economy/racial-discrimination-work/

surface and reducing the effects of already-deficient efforts to create a more inclusive community.

Many argue that it is this ripple effect throughout history that continues the inequality and lack of community evident today. Skeptics often argue that the Civil Rights Acts, the 13th, 14th, and 15th Amendments, and the legislative death of Jim Crow created American equality and, thus, American equality exists. But those who experience discrimination will point out that equality is not strictly legal. Equality is not strictly constitutional. The notion of equality, they argue, stretches across difficult aspects of reality: economic, cultural, and judicial. We can eliminate barriers to equality in our laws and even with our laws by punishing those who purposefully discriminate with malice, but this is not sufficient to prove equality.

In other words, issues of discrimination persist. As Americans seek to create an inclusive community for minority entrepreneurs to thrive, the inclusivity must be purposefully woven throughout all processes and components in order to truly become part of the whole. However, an inclusive community involves efforts from all members, whether white or minority. While whites must work to remove barriers, both visible and invisible, minorities must also claim their right to that community.

In conclusion, the *Three Cornerstones of Addressing Entrepreneurial Inequality* are dilemmas faced by all business owners and entrepreneurs, not only minorities. The notion of inequality occurs when comparing the depth and frequency of these dilemmas faced by minority versus white business owners, and the dilemmas are far more prevalent in minority populations. It is the degree of the issue, not necessarily the issue itself, that generates the inequity.

The authors of this essay do not dismiss the fact that opportunities themselves accomplish little if they are not taken advantage of by those for whom they are meant. As inequities are addressed and lowered – as the barriers are eventually removed – it is the duty of those previously held back to occupy the newly gained ground if true progress is to occur.

It is the authors' belief that our society, in the end, will freely choose inclusion. The difficulty exists in actually holding "all else" to be equal in the current America.

Part II: A Specialized Storefront Business Incubator Remedy

"It is from numberless diverse acts of courage and belief that human history is shaped. Each time a man stands up for an ideal, or acts to improve the lot of others, or strikes out against injustice, he sends forth a tiny ripple of hope, and crossing each other from a million different centers of energy and daring, those ripples build a current that can sweep down the mightiest walls of oppression and resistance."

— Robert F. Kennedy

The following section of this report begins with a discussion of the generalized best practices of business incubators and shifts to a specific case study of a minority storefront business incubator in nearby Pittsburgh, Pennsylvania – Catapult: Startup to Storefront.[43] With Catapult's model in mind, we propose our own plan for the creation of a minority business incubator in downtown Erie, Pennsylvania.

Prior to moving forward, we want to clarify that a business incubator is "an organization designed to accelerate the growth and success of entrepreneurial companies through an array of business support resources and services that could include physical space, capital, coaching, common services, and networking connections."[44]

A Brief Guide to Business Incubation and Best Practices

The process of business incubation has been well-researched and documented since its mainstream emergence in the 1980s, prompting our study to not dwell on the topic. On what makes an incubator successful in producing profitable companies, there exists one U.S.-centric study by Smilor and Gill that has withstood the test of time. Their research finds the following *10 Critical Success Factors in Business Incubation*:[45]

- On-site business expertise;
- Access to financing;
- In-kind financial support;
- Community support;
- Entrepreneurial networks;
- Entrepreneurial education;
- Perception of success;
- Selection process for tenants;
- Ties with a university;
- A concise program with clear policies, procedures, and milestones.

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[43] It is worth noting that there exists two business development organizations in Pittsburgh, Pennsylvania that use the name "Catapult." This report strictly discusses Catapult: Startup to Storefront business incubator. The other Catapult organization is a coworking space, similar to Erie's Radius Cowork.

[44] Entrepreneur. (2014). Business Incubator Definition. *Entrepreneur*: https://www. entrepreneur.com/encyclopedia/business-incubator

[45] Smilor, R. W. & Gill, M. D. (1986). *The New Business Incubator Linking Talent, Technology, Capital, and Know-How*. Lexington, Massachusetts: Lexington Books.

However, every business is unique and, thus, the incubator needs to be flexible to meet the demands posed by each incubatee. This flexibility stems from the incubator's program manager – a key component in almost every incubator. This manager ultimately provides the "competency to configure hard and soft elements of the business incubation environment and shape the relational context within which incubatee entrepreneurs operate."[46] That is, the manager analyzes each incubated company on a consistent basis and offers support in whatever ways deemed necessary by, and for, that company.

This individual (or individuals) is critical to the success of the program, as they are the embodiment of the services offered. It is simple to recreate an office environment but difficult to produce customized business support.[47] From crafting networks and community support to assisting with business models and branding input, the incubator's manager is the captain of both the incubator and – to an extent – the incubatees, and should therefore have the expertise necessary to do so.

More broadly, the dynamism and fluidity of business incubation and incubators are important to be cognizant of, but impossible to truly measure. This is because incubators are ultimately mirrors of the companies that they incubate, who are, in turn, mirrors of the market: a never-stagnant entity fueled by public perception and economies. Incubators are the coach on the sidelines, relaying audibles to the quarterback (the companies) after seeing how the defense sets up for the play (the market). Thus, because success relies on the pivots and "play calls" of the individual incubator, program manager, and internal companies, two identical incubators may exhibit two very different levels of success. Like business itself, success depends on a seemingly infinite number of factors.

But reacting to the external world is as important to business incubation as building an internal one. In general, there are three components to building the strong entrepreneurial learning environment commonly seen in successful incubators: the strength of the community; the quality of its "boundaries;" and the health of the communal identity.[48]

The strength of the community largely revolves around the community members' (the incubatees') willingness to partake in the internal community. Events and learning initiatives are examples of frequently used ways to entice this willingness.

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[46] Theodorakopoulos, N., et al. (2014). What matters in business incubation? A literature review and a suggestion for situated theorizing. *Journal of Small Business and Enterprise Development 21(4)*: pp.602-622.

[47] Bollingtoft, A. & Ulhoi, J. P. (2005). The Networked Business Incubator: Leveraging Entrepreneurial Agency?. *Journal of Business Venturing 20(2)*: pp. 265-290.

[48] Theodorakopoulos, N., et al. (2014). What matters in business incubation? A literature review and a suggestion for situated theorizing. *Journal of Small Business and Enterprise Development 21(4)*: pp.602-622.

However, the physical size of the community is critical in ensuring that its members form substantive bonds, as it is through these bonds that create the community benefit: a shared repertoire of resources and learning. It is important to form a selection process that is not so strict that your community exists of only two members, but not so lax that it exists of 30.

Like general business incubation, an effective selection process is more of an art than a science and requires the selectors to determine what applicants need incubation – ideally, "weak-but-promising" companies and ideas – and what applicants can make it on their own in the market environment.[49] Typical selection processes exist within a matrix between underdeveloped, broad ideas to hyperniche, fully developed concepts, and a general focus on the idea versus a focus on the entrepreneur(s).[50]

The quality of an incubator's community "boundaries" is ultimately the incubator's connective networks with the external community and city. Strengthening these connections requires coordination efforts from the program manager and reciprocal acceptance of the incubator by the external community.

The identity health of the incubator refers to the individual companies' sense of belongingness and "social home," generated in part by the efforts of the prior two components.

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Business incubators are lenient and moldable entities that work to assist young companies in achieving success. One of the largest influences that incubators can have is lending credibility, connections, and learning opportunities to its incubatees – the strength of each depending largely on the efforts put forth to establish such connections with the community by the incubator's manager.

Incubators, like businesses and markets, are human-like beings and, thus, must react with the speed and precision of the human mind. Therefore, when founding an incubator, it is best to construct general guidelines that allow the manager to formulate the specifics after the incubatees have been accepted into the program, allowing for the utmost level of specification and flexibility. Rigidity, as it often leads to in life, will result both in the incubator's failure and potentially that of the companies incubated within it.

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[49] Hackett, S. & Dilts, D. M. (2004). A Systematic Review of Business Incubation Research. *Journal of Technology Transfer 29(1)*: pp. 41-54.
[50] Clarysse, B., et al. (2005). Spinning Out New Ventures: A Typology of Incubation Strategies from European Research Institutions. *Journal of Business Venturing 20(2)*: pp. 183-216.

An Exemplary Model – Catapult: Startup to Storefront

"It really started by accident," said Tammy Thompson, the Executive Director of Circles Greater Pittsburgh, a unique anti-poverty organization, and Manager of Catapult: Startup to Storefront, a minority storefront business incubator in Pittsburgh. "We wanted to create an entrepreneurship program for Circles as a way to address poverty and empowerment here in Pittsburgh."

As we talked across the folding table – the only people in the space – a young woman walked in the door and looked around curiously. "Didn't this place used to be that children's store, Rainbow Kids? I was walking by and wondered what's in here now. Sorry if you aren't open yet," the woman said, gesturing her thumb toward the front door.

"No, we're open," Thompson replied. "That's my fault – I forgot to turn the open sign around. Rainbow Kids moved down the street." Tammy rose to give the woman a quick tour of the space and its companies.

Meanwhile, two other women walked past outside. One wore sunglasses and as she passed the display allocated to the seamstress and clothing design company, IMIHI Designs, her head turned as she admired the dress designs behind the glass. To any observer, the incubator is a work-in-progress and reveals quite a bit of empty space, yet it feels inviting and hopeful.

"Keep in mind, we've only been open about four weeks so far," Thompson said.

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Catapult: Startup to Storefront officially cut the ribbon to its space on November 2, 2018. Located at 5935 Penn Avenue in the newly redeveloped East Liberty neighborhood of Pittsburgh, Catapult is a business incubator that works to help develop and grow minority-owned storefront businesses. Currently, six companies are housed in the storefront incubator's cohort and an additional four firms operate out of the space that are not a part of the incubation program. The firms incubated are:

- Naptural Beauty Supply, LLC. – An African-American hair product company.

- Kin of Duncan Apparel – A clothing company for children and pets, designed by a 12-year-old.

- IMIHI Designs – A seamstress and clothing design company and dress shop.

- TLC Libations – A specialty cocktail mix company.

- CobblerWorld – A dessert and pastry shop.

- 360 Cafe, LLC. – A holistic and alternative healing products company.

Four additional companies present in the space are:

- Jamil's Global Village – An African culture products and clothing store and East Liberty staple since the early 1990s (see Appendix B for Jamil's Global Village: A Lesson on the Effects of Public Perception in Redevelopment).

- First Sip Brew Box – A craft beer box company that ships monthly craft brewery merchandise to your door.

- Exotic Hush – A fashion design pop-up by well-known Pittsburgh designer Shawna Solomon.

- An art and clothing firm that was in the process of moving into the space when we visited.

When Tammy originally announced that Catapult would be looking for companies and business concepts to join their cohort, she was not sure of the kind of response that she would receive. However, the community showed much stronger interest than anticipated, with the program gathering more than 30 applicants for a final target of 10 companies. Each applicant pitched his or her concept to a panel of judges from Circles and the Urban Redevelopment Authority of Pittsburgh, and the list was narrowed down to finalists. The process of determining the finalists was difficult, as noted by Thompson, who felt comfortable determining the final 15 firms, but could not bring herself to whittle it further. With some financial help from Circles, Greater Pittsburgh Catapult was able to expand its initial cohort size by five companies, totaling 15 incubated firms, with six of those firms being storefront-based businesses. The nine, non-storefront firms are made up of generally the "emerging" firms discussed earlier in this report. For the remainder of this discussion, only the six storefront firms will be discussed.

"We were looking for a certain level of commitment to the idea or business," Thompson said of the narrowing process. "We focused on the entrepreneur's past work on their project, if they had a business plan and a website, and other programs that they are or were in, but these weren't strictly the deciding factors."

According to the plan, once accepted into the cohort, each incubatee goes through an assessment process in which the incubator identifies specific needs of the business, business owner, and how precise training and workshop topics can address those needs. This training curriculum is developed and taught by Paramount Co-Op of Ambridge, Pennsylvania and consists of one daylong session per month per incubatee. At the time of our visit in December 2018, the training sessions had been occurring for almost nine months, with the physical storefront space only having been open for four

weeks. The sessions are used to largely teach business skills and to help the incubated businesses prepare to physically set up a storefront and begin tangible operations. Every six months, the incubatee repeats the assessment process, after which they decide whether to renew their six-month lease in the incubator space or move out. The ultimate goal of the incubator is to churn out growing storefront firms ready and able to assume their own physical facilities.

The entire Catapult program was started with a $25,000 grant from the Urban Redevelopment Authority of Pittsburgh, and Circles contributed an additional $8,000 to cover the expansion of the initial cohort size. Of these funds, $30,000 was paid to Paramount Co-Op to cover the full year of workshops and courses for the incubatees – a move that Thompson strongly recommends.

Catapult's location is a bit more complex. The address, 5935 Penn Avenue, is made up of three different storefronts (5933, 5935, and 5937 Penn Avenue) that have been combined into one large location, named the Gallery on Penn. The landlord of the property, East Liberty Development, Inc. (ELDI), came under fire for turning its back on the minority community (see Appendix B) and has allowed Catapult to lease the Gallery for 10 percent of the typical market rate, or $1,500 per month. This monthly payment is enough for ELDI to cover its insurance on the space, helping to stem losses from vacant space while other adjoining properties are rehabilitated. In exchange for this generous deal, Catapult is granted 6-month and 1-year leases, allowing ELDI to quickly lease the space if it finds a tenant able to afford the $15,000 per month rent. As of December, it has not.

Though the space is ideal for Catapult, Thompson knows it could never afford it under normal terms and recognizes just how critical ELDI's real estate deal is to getting the incubator off the ground. Still, the unknown is disconcerting. "We don't want to invest too much into the space because we don't know how long we'll be here," she said, gesturing to a pile of recently delivered boxes. "We just ordered some pieces to make some checkout aisles, though."

By charging the incubatees a nominal overhead fee, it forces them to push to generate revenue, and all of the businesses in Catapult contribute to the total overhead cost. Each company pays $250 per month to Catapult, while those not incubated pay $350 per month – with the exception of Exotic Hush, which is given free space in exchange for assisting and coaching the incubated companies. This totals $2,550 per month in total earned revenues for Catapult, leaving it with about $1,000 per month (after paying ELDI) to use for improvements, marketing, and other expenses.

Recently, Catapult applied for a larger grant in an attempt to reach more comfortable levels of self-sufficiency. For $110,000 per year, the incubator could find and lease its own space, expand, and build a permanent presence in the East Liberty

neighborhood. It is not known if this amount would include a salary for program management.

What is necessary to its success? "The on-site training is key," Thompson said. "It's easy to learn things on paper but it's another thing to come in here and learn it on-site. It really helps to drive home our workshops and to show how they relate to the real world." Like any incubator, she said, many of the issues faced by the incubatees are related to the business owner and that it is important to not define an incubator strictly by the companies that are produced, but also by the citizenry and community impact.

✦   ✦   ✦

Catapult is an extension of Circles Greater Pittsburgh, a market-based, anti-poverty initiative. This in no way discredits the incubation model. Rather, the clarification brings light to the various aspects of its model that are not discussed in this report, such as family support, educational programs pertaining to civics and personal finances, and extracurricular mentorship to assist with the everyday issues that those who have spent a lifetime in poverty have never learned to address. Though minority plights and poverty are often entwined, the present focus is on new business creation, its disparities, and economic development.

Proposal for Erie's Minority Storefront Business Incubator

In this section, we break down the specifics of the incubator's implementation and develop a reasonable proposal, given the current market and context of downtown Erie.

Project Time Horizon

We propose a trial period of three years for the project. All costs and analysis assume a three-year lease and funding amounts to allow the incubator to survive for that period. At the end of three years, the incubator will have been assessed and it will be decided whether the program is discontinued or a second round of funding and development should follow. We also propose the three-year span to allow the Erie Downtown Development Corporation the opportunity to lease that space when the incubator's lease ends. If funding continues, the incubator's location can either change or the lease will be renewed with the EDDC under the same or new terms.

We have developed this time estimate of construction and redevelopment that the EDDC is undertaking with its properties,[51] with the presumption that it will

[51] Adams, L. (2019 January 7). First Look Inside EDDC's North Park Row Properties. *Erie News Now*: http://www.erienewsnow.com/story/39747135/first-look-inside-eddcs-north-park-row-properties

likely take one to five years per property to complete – using EDDC's recent purchase of buildings on North Park Row as our primary example.[52] During construction, it could struggle to find tenants willing to endure the traffic and noise of a worksite while paying the amount of a full-market lease in their street-level properties, thereby increasing the attractiveness of using that space in a community-centric way at a reduced rate throughout that period of construction.

Incoming Cohort Size

Throughout this report, we have focused on the concept of storefront businesses. We recognize, however, that by expanding the incubator's cohort to also include non-storefront firms, we are not only "amortizing" the cost and effort of the incubator across more companies (as the cost of admitting additional companies is marginal, post-incubator construction), but we also could assist more minority business owners.

Similar to the Circle's entrepreneurial program discussed earlier – the Catapult location is simply the storefront business portion of a larger minority business incubation program – the incubator should build a cohort that consists of three storefront businesses and an additional six to 12 non-storefront firms, creating a total of nine to 15 companies. Catapult was able to build a cohort of 15 credible concepts and firms and, although Pittsburgh is a much larger city, we believe Erie will produce the needed number.

Of this cohort, the three storefront firms will operate and exist within the incubator's storefront space while the remaining companies will operate externally, using the flexible offices within the incubator as needed. Essentially, the non-storefront firms will visit the incubator for programming and assistance, but not physically occupy its space.

Additionally, the average success rate of incubated businesses is often quoted at 87 percent,[53] allowing the incubator to reasonably expect that at least two of the three incubated storefront businesses will succeed and move out of the incubator to lease their own space in downtown Erie.

We propose an annual program: a new cohort being formed, incubated, and graduated each year. The three storefront firms should move out of the physical

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[52] Adams, L. (2018 September 10). EDDC Paid More than $2.9 Million for North Park Row Area Properties. *Erie News Now*: http://www.erienewsnow.com/story/39059896/eddc-purchase-price-over-29-million-for-north-park-row-area-properties
[53] Chubb, L. (2017 August 3). Can an Incubator Increase Your Company's Odds of Success?. *Ozy*: https://www.ozy.com/acumen/can-an-incubator-increase-your-companys-odds-of-success/79735

storefront incubator space when they outgrow it, ideally sometime between six months and one year. Some flexibility will be necessary.

The Incubator Space

To create a functional and successful incubator space, the following spatial requirements are recommended:

Spatial Requirements	
Total sq. ft.	3,550

Space	Sq. Ft.
Storefront space[1]	1,500
Classroom[2]	600
Offices[3]	800
Hallways, etc.	400
Restrooms[4]	250

[1] Three, 500 sq. ft. storefronts

[2] 16-person occupancy

[3] Three flex offices; one for management (200 sq. ft. each)

[4] Two, 125 sq. ft. restrooms

We envision it divided into three different storefronts with a communal entrance. The remaining incubator space (classrooms, offices) would sit behind the storefront spaces or potentially on a floor above.

We have chosen to exclude the addition of a cafe area and permanent offices for two reasons: the cost of additional build-out and the lack of general necessity. The EDDC's footprint includes coffee shops, restaurants, and places to meet and socialize. The incubator should work to encourage the incubatees to frequent the nearby community businesses.

Build-Out and Program Costs[54]

In exchange for the incubator covering the cost of the build-out of the space, we propose an annual lease at $6-per-square-foot (or a monthly rate of $0.50-per-square-foot). Similar deals currently exist in the downtown Erie area, though largely in upper floors of buildings, not necessarily in storefront spaces – it's possible that the

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[54] Place Dynamics. (2013). Business Incubator Feasibility Study – River Falls, Wisconsin. *Place Dynamics*: https://www.rfcity.org/DocumentCenter/View/794/Business-Incubator-Feasibility-Study–-Final?bidId=

community-centric use and nonfinancial benefits (public relations, etc.) will be seen to account for the difference in price between the upper- and street-level spaces. Additionally, the incubator would conduct the build-out to the specifications of the EDDC – such as installing hard floors instead of carpeting and removing or installing drop ceilings, if necessary – to ease in the transition between tenants at the end of the three-year period.

We estimate a general build-out budget of $200,000 to $250,000, with a $200,000 budget roughly detailed below:

Build-Out Costs (Est.)	
Total	$200,000
Flooring	6,000
HVAC	7,000
Paint	1,000
Furniture[1]	7,000
Plumbing	4,000
Room Construction[2]	50,000
Labor[3]	50,000
Façade[4]	25,000
Miscellaneous	50,000

[1] Desks, chairs, tables, etc.
[2] Walls, insulation, conduit, etc.
[3] 25 percent of total budget.
[4] Sign, doors, windows, etc.

Typically, socially directed business incubators charge the incubatees little to no rent (Catapult chose to charge their incubatees minor rent in an effort to spur the businesses, but also to teach the founders financial responsibility as the program is an anti-poverty initiative at its core), thus, for our model, we did not include any recurring or rent-based revenues. We anticipate the funding to be sourced from grant monies, economic development initiatives, and diversity initiatives from local, state, and national organizations. In all, we estimate that the three-year program cycle would require a total funding amount of approximately $750,000. The further, annualized breakdown of the use of this funding is depicted in our pro forma financial analysis.

Across those three years, the incubator will help to produce a total of nine storefront businesses and 18 to 36 non-storefront firms. Assuming the

aforementioned survival rate of incubated companies, calculated annually, approximately six storefront business will survive, along with 15 to 30 non-storefront firms.

We recommend the incubator be willing to compensate the manager for their expertise, as again, the incubator's success depends largely on the manager's skills. For our analysis, we used the national average salary for an incubator manager.[55] It is also possible that the manager creates and conducts the workshops and programming – for our analysis, we assumed third-party programming, similar to Catapult.

Total Program Cycle Costs (3Y Pro Formas)

	2019 3MO.	2020	2021	2022	2023	TOTAL
EXPENSES						
Build-out construction	200,000	-	-	-	-	$200,000
Facility lease[1]	5,325	21,300	21,300	21,300	21,300	$90,525
Maintenance[2]	-	1,775	1,775	1,775	1,775	$7,100
Insurance	438	1,750	1,750	1,750	1,750	$7,438
Utilities (electric, gas, water, sewer)[3]	1,331	5,325	5,325	5,325	5,325	$22,631
Internet	-		1,500	1,500	1,500	$4,500
Professional services (legal, accounting)	3,500	2,000	2,000	2,000	2,000	$11,500
Manager salary[4]	17,000	68,000	68,000	68,000	68,000	$289,000
Web development and maintenance	-	2,500	1,000	1,000	1,000	$5,500
Marketing and public relations	-	1,000	1,000	1,000	1,000	$4,000
Programming costs (workshops)[5]	-	25,000	25,000	25,000	25,000	$100,000
TOTAL EXPENSES	**$227,594**	**$128,650**	**$128,650**	**$128,650**	**$128,650**	**$742,194**

[1] Calculated from $6 / sf. / yr. at 3,550 sf.
[2] Estimated at $0.50 / sf.
[3] Estimated at $1.50 / sf.
[4] Average incubator manager salary in U.S.
[5] Paramount Co-Op pricing

Legal Structure, Funding, and Other Miscellaneous Assertions

Though we have weighed the possibility of the incubator existing as a branch of a parent organization, such as the EDDC or another Erie-based entity, we believe that it is most logical for the incubator to exist as a separate 501(c)(3) nonprofit organization. The Youngstown Business Incubator in Youngstown, Ohio is a nearby example of a 501(c)(3) business incubator that – at least in part – aims to directly assist minority entrepreneurs.[56] The incubator's nonprofit status would not disallow it from potentially owning equity portions of the companies that it incubates (a frequent funding model of technology business incubators), however, given the community-oriented focus of the proposed incubator and the variety of types of firms that it

[55] Simply Hired. (2017). Startup Business Incubator Salaries. *Simply Hired*: https://www. simplyhired.com/salaries-k-start-up-business-incubator-jobs.html
[56] Youngstown Business Incubator. (n.d.), Minority Business Assistance Center – MBAC. *Youngstown Business Incubator*: https://ybi.org/mbac/

will likely incubate, we do not foresee the entity ever rationally adopting an equity-ownership model of funding.

This brings rise to the question of the proposed incubator's ability to become and remain financially self-sustainable. In short, we do not presume that it will be self-sustainable. Business incubators that seek social impact are often funded by grants and other non-recurring revenue streams, as charging fees and rent to the incubatees only increases their startup costs and diminishes their chances of success and thus, the incubator's success, as well.[57] The local economic impact of churning out dozens of companies over a three-year span can help to financially rationalize the upfront investment, thus a lack of the incubator's direct financial sustainability should not table plans and efforts for development.

Overcoming barriers and injustices may or may not be financially profitable, but in the currency of equality and humanity, it is infinitely lucrative. It must be done.

Therefore, some local, regional, and national organizations that may contribute to the proposed incubator's funding include:

- Erie Downtown Development Corporation (EDDC)

- Erie County Gaming and Revenue Authority (ECGRA)

- Bridgeway Capital

- Erie Community Foundation (ECF)

- Susan Hirt Center for Transformational Philanthropy

- PEW Charitable Trusts

- Bloomberg Philanthropies

- W. K. Kellogg Foundation

- Pennsylvania Department of Community and Economic Development (DCED)

- United States Economic Development Administration (EDA)

As a final note – and in keeping with the Jefferson Educational Society: Raimy Fellowship's goal of fostering quality leadership in the Erie region – we believe it is important to create a synergistic and inclusive Board of Directors to assist in overseeing the incubator and connecting it to the Erie region. This board should

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[57] The World Bank. (2010, October 1). Global Good Practice in Incubation Policy Development and Implementation. *infoDev*: https://www.infodev.org/infodev-files/resource/InfodevDocuments_834.pdf

consist of roughly eight to 10 seats and be potentially composed of representatives from the following organizations:

- Incubator's management

- Jefferson Educational Society

- Erie Downtown Development Corporation (EDDC)

- Erie Insurance Group

- City of Erie government

- Erie County government

- Two to four seats outstanding for local minority leaders, organizations, or incubator funders.

Incubator Layout Diagram

WINDOW DISPLAY A

WINDOW DISPLAY B

WINDOW DISPLAY C

** DRAWING NOT TO SCALE

STOREFRONT A

STOREFRONT B

STOREFRONT C

STORAGE A

STORAGE B

STORAGE C

RESTROOMS

MICRO-LOUNGE; SITTING AREA

CLOSETS A & B

OFFICES

MANAGEMENT [PERMANENT]

CLASSROOM
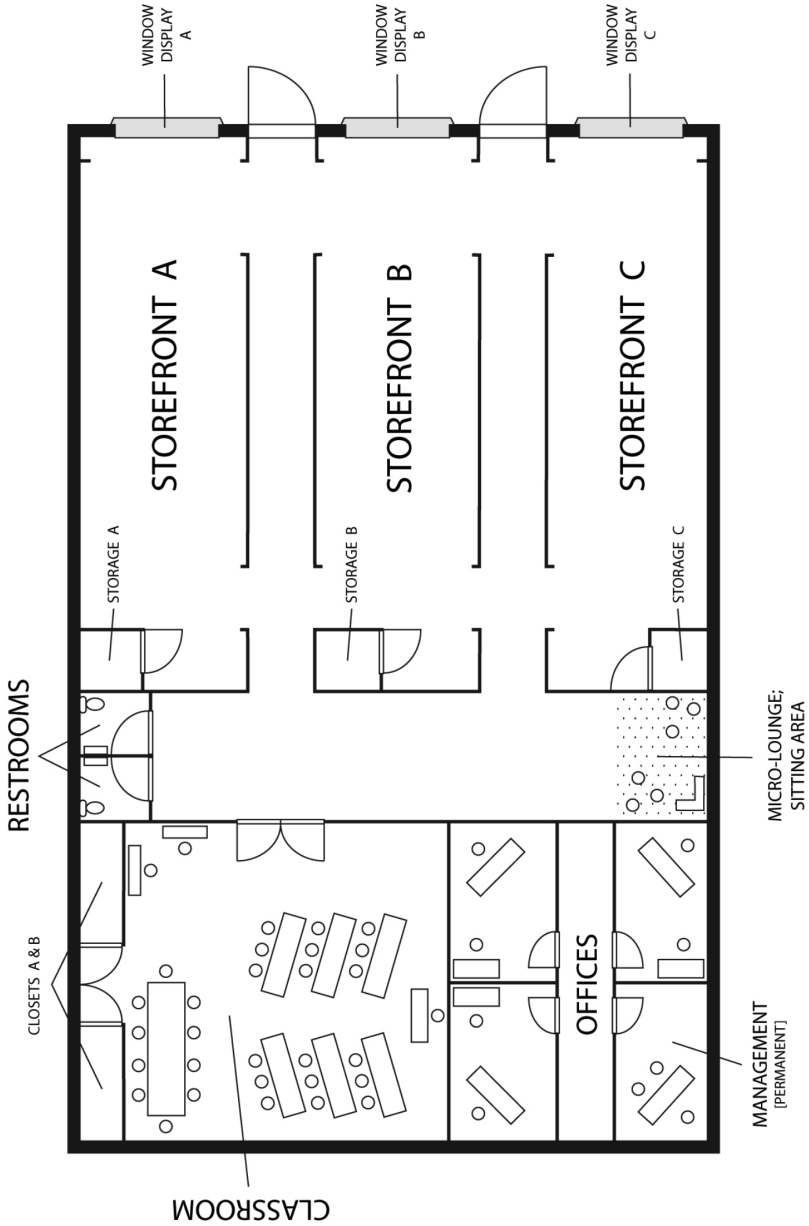
Proposed Action Agenda

Action Agenda, Dates, and Responsibilities

Action	Date Completed By	Responsibility Of
Start-Up Duties		
Board creation and commitment	1-May-19	Jefferson Educational Society / EDDC
Legal entity, bank account formation, et al.	1-Jun-19	Board
Partial / full funding secured	1-Sep-19	Board
Incubator management hired	1-Oct-19	Board
Location secured	15-Oct-19	Board / Management
Build-Out Duties		
Architect hired for build-out	1-Nov-19	Management / Board
Build-out plans drafted and finalized	1-Dec-19	Architect
Build-out plans approved	15-Dec-19	Architect / Management / Board
Contractor hired for build-out	1-Jan-20	Management / Board
Build-out initiated	15-Jan-20	Contractor
Build-out completed	1-Mar-20	Contractor
Building inspection	15-Mar-20	City Engineer (Government)
Cohort-Building Duties		
Begin marketing for applicant interest	1-Jan-20	Management / Board
Begin accepting applications	1-Feb-20	Management
Application submission deadline	1-Mar-20	Management
Volunteer judge panel chosen	1-Mar-20	Management / Board
Begin reviewing incubator applicants; choose finalists	15-Mar-20	Judges / Management / Board
Incubator applicant finalist pitches	15-Apr-20	Judges / Management / Board
Cohort #1 announced	1-May-20	Management / Board
Curriculum-Building Duties		
Decision on internally- or externally-crafted curriculum	1-Mar-20	Management / Board
Curriculum creation begins	15-Mar-20	Management / External Firm
Curriculum finalized	1-May-20	Management / External Firm
Opening Duties		
Welcome Cohort #1 (Grand Opening)	1-Jun-20	Management / Board
First incubation session	7-Jun-20	Management

Desirable Incubator Outcomes

When determining the success of an incubator and program, it is important to recognize the definitive purpose of that incubator. Regarding Part I of this report, the reasons for the incubator's existence are:

- To reduce the disparity present in business ownership rates between the minority and nonminority populations in Erie, Pennsylvania;

- To increase the level of economic impact of minority-owned businesses in Erie, Pennsylvania, primarily measured by total gross receipts, number of employees, and number of firms;

- To fill storefront and office space in downtown Erie, Pennsylvania, especially that which is owned by the EDDC, and increase the diversity of the downtown Erie corridor.

Therefore, we seek community impact. We do not believe that we are currently in a position to predetermine specific measurements that would label the incubator a success or failure in total, but do believe the following factors to be highly desirable outcomes:[58]

- Graduating the majority of the companies in each year's cohort.

- Graduation occurs for a company when it completes the annual curriculum and presents its growth over the course of its incubation – subject to management's approval.

- At least one storefront firm in each annual cohort moves out of the incubator space and into an EDDC storefront location within six to 12 months of entering.

- At least a third of each cohort's firms hire paid employees within 12 months or soon after graduating.

- The incubator is able to admit the maximum number of firms into each year's cohort due to significant community support and interest from entrepreneurs.

- Less than a third of each cohort's firms discontinue operations upon graduating.

We believe that with strong incubator management, community support, and a dedicated cohort, these desirable outcomes will easily be realized.

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[58] Bergek, A. & Norrman, C. (2008). Incubator best practice: A framework. *Technovation 28*: pp. 1-31.

Our Recommendations

1. Create and fund a minority storefront business incubator in Erie, Pennsylvania.

2. Conduct census-like study of minority-owned businesses in Erie, Pennsylvania in an effort to quell the distinct lack of information available on them.

3. Conduct a qualitative study that analyzes the Erie, Pennsylvania minority business environment through the eyes of those active within it (our discussion with Blount Blount in Appendix A may serve as a micro-example of how that study may appear).

4. Continue and expand the Ice House Entrepreneurship Training in the Erie School District.[59]

5. Create an internship program in connection to Erie, Pennsylvania's universities and entrepreneurship programs that allows students to assist entrepreneurs – especially those incubated – in the development of their companies, giving students first-hand experience of new business formation.

6. Invest in minority business owners.

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[59] Palattella, E. (2017 October 4). Entrepreneurship Classes to Start in Erie Schools. *GoErie*: http://www.goerie.com/news/20171004/entrepreneurship-classes-to-start-in-erie-schools

Appendix A — *Blount Blount: Achieving Entrepreneurial Equality Through the Eyes of a Longtime Erie Community Leader*

We had the opportunity to discuss the minority business environment in Erie, Pennsylvania with Marc Blount, R. Benjamin Wiley Charter School Board Chairman and former Subway franchise owner. Our original intention was to use Blount's assertions as supportive examples for our findings and scatter them throughout this report, but we ultimately decided to keep the section intact and place it at the end of our report to reassert the findings within it. As you'll see, Blount's personal experiences and analysis closely align with our findings, thus further adding credence to our rationale by illustrating the reality of minority business ownership and shedding light on the unfortunate normalcy of Erie's minority business environment.

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"When [minorities] see it, they believe it," Blount notes while discussing the disparity between minority and nonminority rates of business ownership. "You don't try to build a business if you don't feel like you can get in, and so you don't even ask about it. Once you see others do it, you begin to believe that you can, and that belief opens doors." It's this environmental, community-based factor that he believes is a major key to unlocking higher rates of business ownership among minorities. "The opportunities are seen as 'not for them.'"

Blount explains that we often see New Americans found companies because they come from areas of the world where entrepreneurship is simply a way of life: where there aren't Walmarts and large corporations to buy from, so your purchases are done at a market, small store, or neighborhood grocer. They see business ownership as a means of financial survival and that impression does not disappear when they arrive in the United States. This initial mindset is not often found in the native-born minority community.

"When I first opened my Subway franchise in the early 1990s, I was one of the only minority business owners on the street, but after that, more and more minority-owned businesses started to pop up," he mentions and continues with the example of the growing number of daycare companies and services across Erie today – many of them minority-owned. "Other minorities see that and think, 'We can do this, too.'"

But the issue stretches much further than the notion of supporting an entrepreneurial mentality. It's also the access to viable and realistic resources (or current lack thereof), both financial and otherwise, and creating a more inclusive structure.

"The structure is largely a byproduct of racism. When I first started out, I contacted a bank to begin the loan application process and, without even discussing

my idea with me, it referred me to the Small Business Administration. The second that they heard me speak on the phone, they told me to 'try the SBA.' They weren't even going to meet with me." Blount was purchasing a Subway franchise in the early 1990s, a booming, turnkey business model.

One of the Small Business Administration's initiatives is to connect minority business owners to the necessary capital. However, "the SBA process is incredibly long and tedious," he explains. "Like every business owner, I know what the failure rates and the risks are, but the entire process seemed like they were trying to discourage me from starting the business – like instead of helping and encouraging, they were pointing out every single pitfall and reason why I shouldn't go through with it."

Even the community attempted to block him out. Blount explains that he had crafted a deal with Hamot Medical Center (now UPMC Hamot) to build a Subway location inside of the hospital. "The Subway bylaws don't prohibit any sort of collaboration like my deal with Hamot, but some other local Subway owners got together and shut the deal down, claiming that I was going to hurt their locations' business."

Some community institutions worked with Blount and his initial Subway location, however, such as Mercyhurst College (now Mercyhurst University). "They used to bring their sports teams by all the time and we would sell sandwiches to all of the players. Things like that really helped my business and boosted my sales."

So how do we move forward? How do we build a community that addresses the disparities and works to build a more inclusive culture?

"First," Blount says, "we need the community thinking and talking about it, but Erie conducts studies and plans and not much comes out of them. So we also need action. Second, we need the financiers on board – the banks and investors. We need some creative financials because the community needs to understand that many minority business owners don't have collateral to put up."

This concept of supporting minority business development can easily tie into community redevelopment, as well. "It's the small businesses that do most of the hiring, especially in the neighborhoods. They are the ones who provide a livelihood to families across the community and in the parts of the city that need it the most, but they're not supported."

Blount also laments the level of support when support is offered by saying that "a $2,000 grant isn't going to buy a $100,000 purchase." These "feel-good" investment initiatives may even do more harm than good because they simply are not enough to generate successes and thus, they create a cycle of failure and cancelled initiatives that are doomed from the start, ultimately contributing to the detrimental psychology of

the community and adding a layer of skepticism to, or halting, any future programming that may have helped the disparities.

"We need to see true commitment because the kids are watching – they know what's going on. They see the tax incentives and investment go to the bayfront and other parts of town and wonder, 'Why not us?', and that makes them feel like they can't do it, that it's not for them, and that they're blocked out."

We concluded our discussion by shifting to the topic of investment risk-tolerances across Erie. Blount recognizes that the community often fully invests in the same projects, regardless of failure rates. "Just look at the Avalon," he mentions, referring to a downtown Erie hotel that has received numerous grants and financial boosts over the years, including a recent $1 million funding initiative from Pennsylvania state government.[60] An internet search generates an average two- to three-star review rating for the hotel across thousands of customer reviews. "They constantly struggle but are given the support they need to start over."

When comparing this to new business development for minorities, he says, "We need the full support and full investment from the community. There also needs to be training. The Erie region is fertile and, with help, we could see major improvements in minority business ownership.

"We need this incubator."

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[60] Rink, M. (2018 August 14). Gov. Wolf Announces Funding for Erie-Area Projects. *GoErie*: http://www.goerie.com/news/20180814/gov-wolf-announces-funding-for-erie-area-projects

Appendix B — *Jamil's Global Village: A Lesson on the Effects of Public Perception in Redevelopment*

Prior to redevelopment, the Pittsburgh neighborhood of East Liberty was a distinctly African-American section of town, speckled with African-American businesses, restaurants, street vendors, and the proud culture of a group that has been through it all. But as the area fell on hard times, investment dollars swooped in to give it a face-lift. "Today, many of the African-American outside vendors that once lined the streets in East Liberty are gone. Many stores are also gone, replaced with stores that seem to attract a more millennial, Caucasian consumer," writes the Rob Taylor, Jr. of the *Pittsburgh Courier*.[61]

However, one original retailer still stands: *Jamil's Global Village*. In the shadow of a newly built Walgreens Pharmacy, Jamil's angular, hand-painted sign harkens back to the days of its early 1990s founding by Jamil Brookins, who passed away in September 2018. To put the shop in "Erie-analogous" terms, it's an African culture-based *Grasshopper Clothing and Gifts Store*. As you walk inside – past the sign above the front door that promotes "Products for the Mind, Body, and Spirit" – you'll find knit hats, African art and tribal masks, paintings, framed photographs of Malcolm X, clothing, knickknacks, jewelry, and whatever else that Rafiq, Jamil's son, decides to stock the shelves with.

Tammy Thompson, the Executive Director of Circles Greater Pittsburgh and Catapult: Startup to Storefront business incubator (located across the street from *Jamil's*), prefaces her explanation of the situation by saying, "Gentrification and redevelopment is really in the way you look at it. Many people see it as an opportunity, but some see it as a threat and aren't in a position to take advantage of the situation."

Since the beginning of East Liberty investment, property values have skyrocketed, with examples of real estate that was priced at $70,000 only 10 years prior now being listed at upwards of $600,000. The once-affordable residential area is now seemingly only for those with significant wealth. Developers have recognized this dilemma and have been creating affordable and public housing structures throughout East Liberty, but not at an amount and scale suitable to match what was once held in the area. A recent study found that since 2007, about 940 African-Americans have left the area, largely as a result of "the conversion of multiple apartment structures back to single family properties."[62]

The death of Jamil Brookins left a vacancy in African-American leadership in Pittsburgh, with the community feeling as though it lost a father. Around the same

[61] Taylor, Jr., R. (2018 September 20). Jamil's Global Village Fights to Remain Open in East Liberty. *Pittsburgh Courier*: https://newpittsburghcourieronline.com/2018/09/20/jamils-global-village-fights-to-remain-open-in-east-liberty/
[62] Giammarise, K. (2018 December 28). New Affordable Housing Units Almost Complete in East Liberty. *Pittsburgh Post-Gazette*: https://www.post-gazette.com/local/city/2018/12/28/New-affordable-housing-units-almost-complete-in-East-Liberty/stories/201812270126

time, the owner of the building in which *Jamil's Global Village* is located announced that they would be substantially raising the rent on the retailer – a decision that the minority community viewed as an attempt to push *Jamil's* out of East Liberty and erase all remnants of what the area once was.

Like salt in the wound left by Jamil's vacancy, anger erupted and resulted in public backlash and protests against redevelopment efforts in the area.

But what was not being mentioned in the public narrative was the fact that *Jamil's* $450-per-month rent had never been raised in the 30-plus years since the store's opening. Similar retail spaces today are going for an average of $3,000 to $5,000 per month. Additionally, this risk of rising rent could have been hedged had *Jamil's* worked to purchase their location over the decades instead of renting for all of those years. As of today, the future of *Jamil's* appears still undetermined, however Rafiq Brookins has hinted that the store is searching for a new location and has already opened a small offshoot in the Gallery on Penn, a space occupied by the Catapult business incubator.

Thus, in the business of redevelopment and revitalization, we must ensure that the public perception is as accurate as the public record and that all involved default to transparency. Changing a neighborhood will come with its costs and benefits: some residents will move away, others may be left behind, property values will rise, economies will grow, and needed infrastructure improvements will occur. However, both the community and its developers must intentionally make visible the opportunities for the people of that community and ensure that revitalization is both presented and perceived as beneficial for all.

One of the hidden attractions of a metropolitan lifestyle is the mixing of individuals from all walks of life. Whenever possible, work should be to preserve that eclectic beauty, remembering that cityscapes are diverse beings and that the concept of "home" is an impossibly difficult thing to remove from a population – a lesson that East Liberty Development, Inc. is now learning.

Appendix C — Ember+Forge: How Hannah Kirby Brewed Her Own Corner of Erie, Pennsylvania's Future

When Hannah Kirby decided to leave her career as an engineer at Lord Corporation and pursue her hope of owning an urban coffee shop, she understood that the road ahead would be long and map less. After almost a year in business, she discussed how she navigated the Erie business landscape to turn Ember+Forge from a concept into a reality. The following section details a list of eight steps that Kirby followed, post-idea phase, to bring her storefront business to the corner of Fourth and State streets in downtown Erie, Pennsylvania:

1. **Create rough financials and an analysis of similar businesses (type, size, market, location) to help you decide on the necessary size and shape of your location choice.**

Throughout the development process of Ember+Forge, Hannah worked closely with Phoenix Coffee, a small chain of similar coffee shops with a location in nearby Cleveland, Ohio. In exchange for their consulting services, it was agreed that Ember+Forge would carry some of Phoenix's products as a sort of in-kind payment. This analysis of another business' operations and market helped Kirby to understand the intricacies of the coffee business and product, as well as the kind of space that might be needed for a similar business in Erie.

Ultimately, the goal was to determine a "revenue-per-square-foot" calculation, or the amount of product that can be turned in a day. For example, if you believe that you can sell 200 cups of coffee per day at a price of $4 per cup, your projected daily income would be $800. Then subtract your daily expenses to arrive at your projected daily profit. Daily expenses include the amount paid in rent (in daily terms).

Ember+Forge's area is about 1,500 square feet, but not all is classified as "income-producing," so you need to compare the amount of space that will generate income to the amount of space that will not, such as backroom offices and storage.

Next look at the non-numerical calculation of your business' "draw," or the level of attractiveness and novelty that your business will have in order to reel in customers beyond the everyday passers-by. In Erie, rent on State Street – the central street of the city – is more expensive than the rent for a location on a numbered, cross street due to the increased street traffic and level of visibility. Among the questions is whether your business will benefit from increased foot traffic and does it have enough draw to entice customers to drive across town to purchase the goods or services offered. In other words, can you pay less by locating on a side street. If you rely on those passing by, however, you may need to locate directly on the main strip, as Ember+Forge decided to do.

Knowing your market and customers is critical for this step but oversights will always occur, regardless of how prepared you may be. As any Erie-based business owner will tell you, Erie shoppers present unique challenges. When Kirby opened Ember+Forge, she did not have an overhead sign on the front of the building as a high priority. "We thought that people would just learn that Ember+Forge is 'that coffee shop on the corner of Fourth and State' and a sign wouldn't be a big deal," she explained, "but you'd be surprised at how many people don't know we're here – even after almost an entire year in business." The massive glass windows in the front of the building and the name on the door were not enough.

Kirby now has plans to install a lettered sign.

2. Choose your location and finalize your lease.

Kirby explained that once you decide on your location and move to finalize the lease with the landlord, you must determine exactly the responsibilities of landlord and tenant.

Sometimes, the landlord agrees to "build-to-suit," converting the space to the specifications of the new tenant, upon which the tenant leases the space and simply adds to the decor. This strategy is often used for spaces that quickly need tenancy. Other times, the landlord might agree to a "white box" layout that largely entails primed walls, concrete slab flooring, a finished ceiling, and updated plumbing and facilities – ultimately, it's a blank canvas for the new tenant to do what they want with.[63]

Kirby advised that the tenant should try to reach a "white box" deal as she did when negotiating with her space's landlord. The location of Ember+Forge was previously a bank and sat empty for an extended period of time, with the exception of mayoral candidate Jay Breneman's political campaign headquartering its operations in the space during the 2017 mayoral primary. The landlord recognized the centrality and desirability of the location and was willing to allow the space to sit empty in exchange for a beneficial business or tenant to come along, given the redevelopment occurring across Erie's downtown. This allowed Kirby the time to ensure that the location was best for Ember+Forge and to secure the necessary funding without fear of losing out on the lease.

3. Draft and submit final build-out plans.

Prior to hammers and nails, you need a drafter and architect to certify your build-out plans, and then submit those same plans to the Building Inspection Underwriter (BIU). In Erie, if the BIU approves your plans, the city of Erie will issue you a building permit, allowing you to physically begin construction.

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63   Windermere Kitsap Commercial. (n.d.). Real Estate Glossary: White Box. *Graphical Data, Inc.*: http://www.kitsapcommercial.com/Real_Estate_Glossary

These build-out plans typically include things such as electrical work that needs to be completed (with this section often drafted by an electrician), specific plumbing alterations, equipment that will be installed, and lighting, among other things. If your business intends to be in the food or beverage industry, it's at this stage that you will want to begin working with the Health Department to ensure that everything is correct and that your layout will be approved by the Department prior to building it.

Additionally, you'll want to ensure that your location is zoned properly prior to the build-out by checking with the city of Erie's Bureau of Code Enforcement.

4. Begin and complete your physical build-out

Once you have your approvals and building permit, you're ready to construct your new space. For this stage, much of what you do and how you do it is up to you – some choose to use a contractor while others do most of the work themselves. Kirby chose to do much of the work for Ember+Forge herself to save on the cost of a contractor.

5. Contact the City of Erie to receive your occupancy permit and inspection.

The occupancy permit determines things such as your fire code compliance, how many people your space can physically hold, and the number of entrances and exits present.

Additionally, the inspection ensures that you are in compliance with the Americans with Disabilities Act (ADA) standards. These standards dictate the rules of certain alterations made to the space, such as handicap access points, various heights of installations (like sinks and rails), and handle designs. The implementation and rules surrounding ADA standards are rather interesting and tend to favor those operating small businesses on small budgets, as they are generally designed to increase in constraint as the budget increases.

The International Building Code states that "where an alteration affects the accessibility to, or contains an area of 'primary functions,' the route to the primary function area shall be accessible. The costs of providing the accessibility route are not required to exceed 20 percent of the costs of the alterations affecting the area of primary functions."[64] To translate this bureaucratic-speak, we'll present a quick example: If you're planning to spend $10,000 on your space's build-out, the maximum amount that you need to spend on ADA compliance is $2,000 (or 20 percent). In the case of Ember+Forge, Kirby used the installation of handicap accessible toilets and

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[64] United States Access Board. (n.d.). Guide to the ADA Standards, Chapter 2: Alterations and Additions. *United States Access Board*: https://www.access-board.gov/guidelines-and-standards/buildings-and-sites/about-the-ada-standards/guide-to-the-ada-standards/chapter-2-alterations-and-additions

sinks in the restrooms to fulfill that requirement – a move that she was planning to make regardless of the law.

To schedule your inspection in Erie, you'll need to contact the City Engineer. "Sometimes just figuring out who to call to get certain approvals is the most time-consuming part," Kirby mentions, explaining that, had it not been for the owner of a new, speakeasy-style bar down the street who had recently been through the same process, she may have never figured it out. This lack of bureaucratic visibility in the local government is an issue that has been recognized by the new Schember Administration and is being continually improved upon.

As an aside, the City Engineer also issues easements for your business, if needed. An easement is an allowance by the City to extend your operations into the public space, such as sidewalk seating or even extended gooseneck lighting on the front of your building. For this process, the City comes to your location and conducts a variety of measurements prior to deciding on, and ideally issuing, the easement.

6.   **If your business is food-oriented, contact the Health Department to receive your permit to prepare and sell food.**

By following Step 3 and working with the Health Department in the planning and drafting stage, receiving your permit should consist of a simple inspection and approval of your facility.

7.   **Conduct a soft launch of your business.**

This step is optional, but recommended. A soft launch is essentially a "practice run" of your operations that works to highlight anything you may have overlooked in the planning stage, as well as to test your space, model, and processes. This allows you to view your business in action and to tweak certain aspects of it that could not previously be seen.

Ember+Forge decided to open for limited hours of the week prior to their grand opening date, inviting friends and other trusted customers to test its products and space and provide feedback. Through this, Kirby was able to find that the space's "flow" was disrupted by some furniture placement, allowing her to rework the layout prior to the grand opening, among other things.

8.   **Grand opening.**

At this point, the business is ready to open with normal hours and a full offering of the products or services.

✦ ✦ ✦

  Though the physical development may have taken Ember+Forge from April 2017 to December 7, 2017, every business owner knows that the "building" never ends. From touch-up painting, furniture replacement, and realizing that Erie's summer sun beating down on the front windows of your location heats its interior to a smoldering degree, everything is a constant process. Your building may be stationary and the bricks may seem unwavering, but inside, a storefront's consistency is fluid (and heavily caffeinated). Nothing ever settles.

<u>Acknowledgments</u>

<u>Similar Incubators</u>

Apart from Catapult: Startup to Storefront, other diversity-centric business accelerators, incubators, and development centers that we were able to identify include:

- *Black Dot* (Seattle, Washington)[65]

   Black Dot is most akin to a coworking space for African-American entrepreneurs in Seattle, Washington. However, the space also hosts various workshops and mentoring events in an effort to teach and connect the city's minority entrepreneur community.

- *Startup52* (New York, New York)[66]

   Startup52 operates an accelerator program for minority startup companies called Startup52X Accelerator. The program typically involves technology-based firms.

- *University of Toledo's Minority Business Development Center* (Toledo, Ohio)[67]

   The University of Toledo's Minority Business Development Center (MBDC) is, in our opinion, more of an incubator than a development center. Entrepreneurs apply to the program and are provided training and guidance to more effectively build and operate their businesses.

- *PLUG Cambridge* (Cambridge, Massachusetts)[68]

   PLUG Cambridge is a minority and New American coworking space in Cambridge, Massachusetts. Because of its proximity and professional ties, it frequently combines forces with Harvard University to host a variety of diversity-centric accelerator programs for minority entrepreneurs and startups.

- *500 Startups* (San Francisco, California)[69]

   500 Startups is a diversity-centric venture capital firm that has invested in more than 2,000 companies to date. It also hosts an accelerator program that is conducted twice per year in San Francisco, California.

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[65] Black Dot – Seattle, Washington. http://www.blackdotseattle.com/
[66] Startup52 – New York, New York. http://www.startup52.com
[67] University of Toledo Minority Business Development Center – Toledo, Ohio. http://www.utoledo.edu/incubator/mbdc/
[68] Plug Cambridge – Cambridge, Massachusetts. http://plugcambridge.com/
[69] 500 Startups – San Francisco, California. https://500.co/

- *Youngstown Business Incubator* (Youngstown, Ohio)[70]

Though not strictly a minority business incubator, the YBI promotes its Minority Business Assistance Center and works to support diversity of both race and gender across the Youngstown, Ohio private and entrepreneurial sector.

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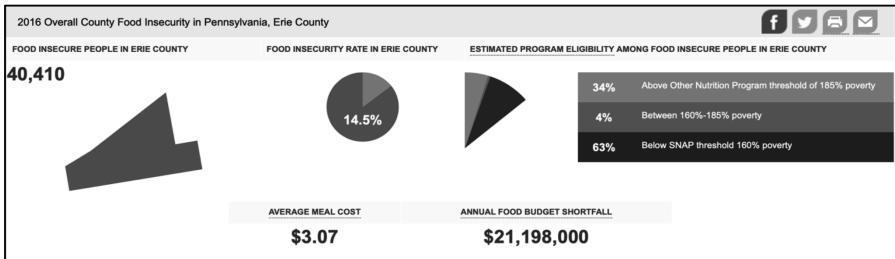
Erie Urban Garden Network

Proposal for Fighting Food Insecurity in the City of Erie East Side Communities

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The United States Department of Agriculture defines food deserts "as parts of the country vapid of fresh fruit, vegetables, and healthy whole foods, usually found in impoverished areas. This is largely due to a lack of grocery stores, farmers markets, and healthy food providers."[1] While the City of Erie may not have areas where there is absolutely no presence of fresh, healthy whole food options, there are neighborhoods challenged with having options for healthy food access, which is deemed as food insecurity – "a lack of consistent access to enough food for an active and healthy life."[2]

Why is food insecurity such a problem, especially when correlated to impoverished areas? Research shows that food insecurity impacts people on all socioeconomic levels. Food insecurity threatens people both above and below the poverty line. It feeds conditions that become a detriment to society, and, consequently, can have a lasting impact on the overall health of our nation.

2016 Overall County Food Insecurity in Pennsylvania, Erie County		
FOOD INSECURE PEOPLE IN ERIE COUNTY	FOOD INSECURITY RATE IN ERIE COUNTY	ESTIMATED PROGRAM ELIGIBILITY AMONG FOOD INSECURE PEOPLE IN ERIE COUNTY
40,410	14.5%	34% Above Other Nutrition Program threshold of 185% poverty
		4% Between 160%-185% poverty
		63% Below SNAP threshold 160% poverty
	AVERAGE MEAL COST	ANNUAL FOOD BUDGET SHORTFALL
	$3.07	$21,198,000

Source: www.feedingamerica.org

For example, the 16503 ZIP code, which is deemed as the second poorest ZIP code in Erie city, is not necessarily considered a complete food desert, as it does have two supermarket-style stores where fresh fruits, vegetables, and whole foods are available. It also has a number of small convenience stores with a limited selection of fresh foods. The two large stores lie on the very southeastern edge of the ZIP code, and in the same plaza location. So, for residents who live on the opposite side of the ZIP code who lack adequate transportation, they are food insecure because getting to the plaza is a present challenge.

Why is the east side of the City of Erie so food insecure? There are a number of reasons. First, the area is historically impoverished. The immigrant and refugee population is also high, which equates to a large number of small, ethnic grocers without a large variety of food staples from which to choose. There is also a lack of commercial and residential development. The last supermarket to leave the lower east side, Sander's, was at the corner of East Sixth Street and the Bayfront Parkway. This is a heavily blighted and underdeveloped area of the city, and supermarkets are no longer

[1] http://americannutritionassociation.org/newsletter/usda-defines-food-deserts
[2] https://hungerandhealth.feedingamerica.org/understand-food-insecurity/

investing in urban areas due to economies of scale, as they cannot thrive in the area. The cost-per-square-foot did not equate to enough profit to sustain the store.

Residents in ZIP codes 16501 and 16503 have a median income of $10,631 and $22,916, respectively, and 64.1 percent and 42.5 percent, respectively, live below the national poverty line.[3] Without having much income to dedicate to healthy food, as well as having a lack of available nutrition, these residents rely heavily on the Supplemental Nutrition Assistance Program (S.N.A.P.) and other food insecurity programs sponsored by the community. S.N.A.P., previously referred to as Food Stamps, is a United States government program under the Department of Agriculture that provides food assistance to low-income individuals and families. Often, those in need make choices between food and health care (66%), food and utilities (69%), food and transportation (67%) and/or food and housing (57%).[4] Eventually, health and overall well-being suffers due to a lack of income to be dedicated to each equitably. In the City of Erie, the rates of diabetes, high blood pressure, and high cholesterol are rising. According to the 2018 Erie County Community Health Needs Assessment, there is a direct correlation between the increased levels of these three metabolic diseases with race, education, and income levels – and the east side is heavily populated with people of color with lower educational attainment.[5]

The plaza where Sander's resided only has a wine/liquor store and a Family Dollar.

Example of food labeling at store participating in the PA Healthy Corner Store Initiative.

Where are residents shopping nearby? Small convenience stores do participate in the Pennsylvania Healthy Corner Store initiative, which helps residents in communities living in food deserts and food insecure areas to obtain healthier food items. Healthy, as defined by the initiative, means participating stores must select at least four healthy food products, based on the Dietary Guidelines

[3] https://factfinder.census.gov/faces/nav/jsf/pages/community_facts.xhtml
[4] https://hungerandhealth.feedingamerica.org/understand-food-insecurity/hunger-health-101/
[5] https://www.eriecountypa.gov/media/681848/2018-erie-county-community-health-needs-assessment.pdf

for Americans, to sell in their stores.[6] Once these stores adhere to the program requirements, they receive assistance to purchase healthy foods for consumers and equipment such as refrigeration units and scales. The program provides marketing materials to educate customers on making the best food choices for their families.[7] However, in reviewing one store that participated in the program, the food labeling and marketing attempts were ignored by the store patrons. In reviewing the goods deemed healthy options, they often lacked a price label. It was difficult to discern whether the program was having any substantial impact on those suffering from food insecurity.

There are also several low-cost food marts opening across the east side. Two stores, only a few city blocks apart, have opened on East 26th and Parade streets (Dollar General) and East 26th and East Avenue (Dollar Tree) within the last five years. These stores do not offer fresh fruits and vegetables; they provide low-cost food staples and mostly processed foods. These stores also participate in the S.N.A.P. program. Low-cost market models concentrate on developing new stores in areas just like Erie's east side – impoverished, damaged inner cities and rural communities. Eventually, stores such as these drive small grocers out of business as they cannot compete with a low-pricing model.[8] As in the Sander's example, the fresh food grocer leaves, and a Family Dollar remains.

Strides are being made to combat food insecurity. The Healthy Corner Store initiative was mentioned earlier. However, when viewing the program and how the residents interacted, it left a lot to be desired. Store owners also find it difficult to stock fresh food and vegetables as it takes time away from the stores as they have to pick up the produce themselves. The educational aspect is also not resonating with the residents. The 2018 Erie County Community Health Assessment specifically states that consumption of five fresh fruits and vegetables is 4 percentage points higher (14 percent) among those with a college degree than those with a high school diploma (10 percent). In Erie City, the five-a-day consumption adherence was 11 percent.[9] So, a more robust educational program geared specifically to the needs of the residents is needed. For example, a focus is needed on nutritional education that is easy to understand and implement; and teaching nutrition classes, shopping, and budgeting, in which participants can learn to make the best food choices based on their budgets.

Home and community gardening have traditionally been an option to feed families high-quality food at modest prices. Two generations ago, it was more common to see families with gardening plots on their land that greatly supplemented the

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[6] https://www.health.pa.gov/topics/programs/Nutrition/Pages/Healthy-Corner-Store.aspx
[7] https://www.eriecountypa.gov/media/681848/2018-erie-county-community-health-needs-assessment.pdf
[8] https://www.theguardian.com/business/2018/aug/13/dollar-general-walmart-buhler-haven-kansas
[9] https://www.eriecountypa.gov/media/681848/2018-erie-county-community-health-needs-assessment.pdf
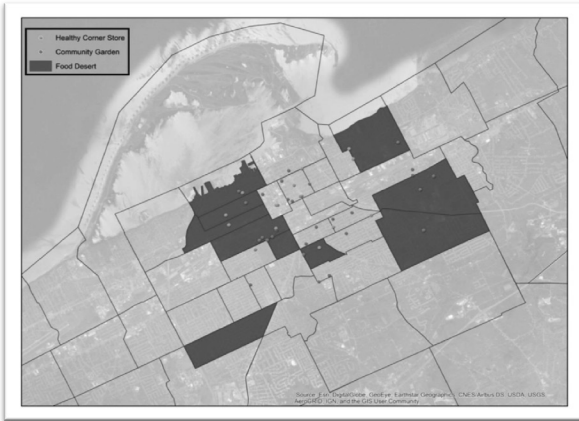
Healthy Corner Stores, Community Gardens, and Food Deserts, city of Erie, 2017 Source: 2018 Erie County Community Health Assessment

family food budget. Many witnessed grandmothers and mothers canning and freezing vegetables and fruit to store for the winter months.

The Erie County Health Assessment reports on community gardens present in the city. Community gardening has become a popular trend in the last several years as a viable opportunity for feeding the urban poor and as an additional revenue source for participants to sell to local grocers and farmers markets. There is a flourishing community garden network on the west side of the city that is run by the Sisters of St. Joseph. The Sisters of St. Joseph Neighborhood Network "provides leadership, advocates for local residents and partners with the broader community to develop opportunities for both personal growth and neighborhood revitalization."[10] The Little Italy Farmers Market hires young people during the spring and summer to assist in planting and harvesting produce, which is sold at the market.

However, there is no such network on the east side. Only one community garden is on the lower east side and two designated healthy corner stores.[11] Most agree there must be more concentrated efforts made to address food insecurity in eastside communities.

Traveling Farmers Market

One possible solution is a traveling farmers market, which could incorporate contacting local farmers (both rural and urban) to source a mobile, pop-up market. This market, perhaps a truck or partially refrigerated truck, could move to different locations in the 16501 and 16503 ZIP codes areas where fresh fruits and vegetables are scarce. If small, local businesses are not willing or able to carry fresh produce in these areas, then the produce can come to the residents. Mobility would solve the issue of having a permanent location, which does not seem to be a workable model, as most supermarkets are no longer operating in the area, and low-cost food markets and corner stores are not satisfying the need for fresh produce. An added benefit is that residents can access fresh food without facing transportation issues.

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[10] http://www.ssjnn.org
[11] https://www.eriecountypa.gov/media/681848/2018-erie-county-community-health-needs-assessment.pdf

A traveling market can also incorporate S.N.A.P. and the use of an Electronic Benefits Transfer (EBT) machine. On average, more than 50 percent of the residents in the area rely on S.N.A.P. Being able to use their benefit card at the market is vital, especially when programs, such as Michigan's Double Up Food Bucks,[12] which has grown to a nationwide effort, can be implemented to allow for recipients to get double the amount of produce when using their benefits. Also, the market can communicate in advance the locations and times it will be in the area; these should be routine so that residents can become accustomed to the market times and can make plans in advance for shopping based on their availability.

In conjunction with the market, educational programs and opportunities can be offered to introduce fresh produce to the residents so they understand the value and versatility of fresh produce. Produce can be consumed immediately, cooked for a meal, or preserved for consumption at a later date. All of these options will be presented along with the opportunity for sampling different kinds of fruits and vegetables.

The traveling farmers market model builds off of the current Farm-to-School program initiated in the Erie Public Schools, where students participate in cultivating their own school garden. Students learn about growing fresh food, and get to witness their hard work flourish into healthy vegetables that they planted. Being able to bring fresh food education into students' homes is a bonus since the students can get their entire family involved.[13]

The mobile market will also assist customers who were getting produce from their small, corner store markets, where options are often limited. If we are able to bring the food to the residents, it negates the store's premise of not having time or resources to pick up fresh produce. Educating the public will encourage buying more produce. Many residents seem not to be aware of the large amount of produce available – both local and exotic. It is time to introduce them to an avocado (exotic) and what can be done when paired with a tomato, onion and jalapeño (local produce).

The results of a successful traveling market, by design, has the intention to increase market participation by urban and rural farmers as well as an increase in the number of customers and S.N.A.P. participants that receive fresh produce, which can be measured and tracked by participation rates among farmers and consumers and usage of S.N.A.P. benefits. The educational aspect of the program can also be measured

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[12] http://www.doubleupfoodbucks.org/
[13] https://www.yourerie.com/news/local-news/-farm-to-school-program-teaches-kids-how-to-grow-their-own-food/1846345363

by tracking and analyzing resident participation: the number of residents attending the sessions and how they are incorporating new skills in food preservation and preparation in their own homes.

The traveling market seems ideal considering how it can assist in getting produce to residents who lack access. The largest hurdles for a traveling market to overcome are cost and produce availability. Major issues are:

1. The cost of mobilizing the market is high. How will a vehicle be acquired that has all the equipment needed? Who will drive it? What fund model will be needed to be developed to cover fuel, maintenance, and insurance costs?

2. There is competition. During a recent Food Council Meeting, the Second Harvest Food Bank of Northwest Pennsylvania shared that it started a mobile market in 2018. This model carried fresh produce throughout the city, and residents could access at no cost. How would that impact the traveling market?

3. Who will supply the fresh produce? Urban gardening remains scarce in Erie, and unable to meet demand. In addition, many rural markets are not willing to travel into the city to sell. So, supplying the market could be problematic.

Erie Urban Garden Network

Can a city garden network work in Erie? The Erie Redevelopment Authority sponsors an Adopt-a-Lot program that allows for people, businesses, and community groups to utilize available lots tax free (owned by the city) for use for establishing parks, flower beds, and gardening. Lots are available throughout the city, primarily north of 26th Street, and many are located on the east side, with plentiful options for starting neighborhood gardens.[14]
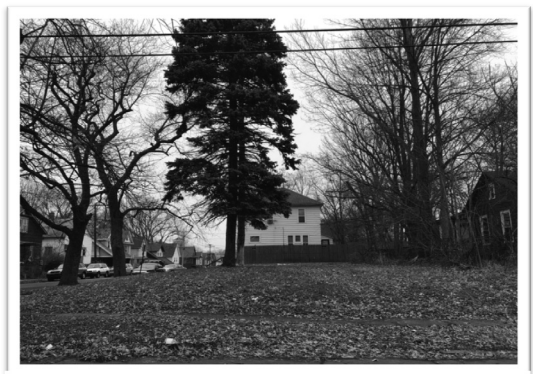
Example of a vacant, adoptable lot located on the lower Eastside/Bayfront Parkway area, not far from the closed Sander's market.

[14] http://www.redeveloperie.org/properties_for_sale/

This option also builds on the Farm-to-School Program in the Erie Public Schools (as does the traveling farmers market). Students are able to utilize the skills learned at school gardens and incorporate them in their own gardens. Students can teach their parents about growing their own produce and then nurture their own neighborhood garden.

To make traveling on foot fairly easy, these gardens will be open to any resident who lives in the vicinity. Once the gardens are established, each resident is responsible for caring for their area and can also help other residents with their plots. Rules will be established that will clearly outline upkeep and responsibilities, as well as actions taken for noncompliance.

Initiating a neighborhood garden takes organizational skills and willing participants but perhaps not a lot of money. Using neighbors and volunteers to prepare one lot to start would require:

1. Residents willing to participate. Buy-in from the community is vital for this program to flourish. Incorporating students who are learning about gardening at school along with new immigrant families experienced in cultivation is essential. The Erie Food Policy Council is currently developing a survey to outline areas where residents are requesting areas to garden. Starting where demand is high is vital to program success.

2. Scouting and adopting a viable lot from the city at no cost.

3. Fencing and signage will need to be established so neighbors are aware of the lot usage. Monetary resources, both public and private funds, and/or donations will be needed for this step and some that follow.

4. Preparing and testing the soil for cultivating, which includes plowing and tilling, cleaning, raking, and perhaps even nourishing the lot.

5. Researching what vegetables flourish in our climate, as Erie is a great area for growing food.

6. Seed, seedlings, and plants. Raised beds can be constructed to assist in seedling growth for transplanting.

7. Sweat equity: Residents will have to dedicate time and care to their garden plot for it to flourish and a water source is essential.

A successful garden will create an increased demand for participation, especially if there is a great growing season. Residents who may not have access to fresh produce are able to grow their own from start to finish and share it with their neighbors.

Resident participants must have options for accessing produce when not in season. Classes in food preservation must be incorporated (as mentioned in the Traveling Farmers Market). Food preservation can include canning options, freezing, dehydration, and safe food preservation. Food preservation may seem intimidating, but there are so many options other than canning, which is the most time consuming and problematic. Freezing is a fairly quick, inexpensive and easy solution to having home grown food during the winter. Another option for the winter is to utilize the Traveling Farmers Market only during the winter months, which can help defray the cost of mobilization.

As mentioned, the best manner to fight food insecurity is creating an urban garden network by utilizing adopt-a-lot plots available from the Erie Redevelopment Authority and incorporating food preservation classes along with a Traveling Farmers Market for the winter months so residents have quality produce all year long. This model has already been successful in other areas around the country so it can certainly be adapted for our city.

The Project for Public Spaces, which focused on three community gardens based on farmers market models, has stated that a successful market:

1.   Succeeds in addressing food security issues and building local food systems

2.   Provides a space for people to come together;

3.   Is economically sustainable over the long term

A case study of the Broad Street Farmers Market, in Providence, R. I., is another example of how a small, local land trust and food system joined forces to address food insecurities in the neighborhood. The Broad Street Market focused on food demonstrations, places to congregate, music, and entertainment. In turn, the neighbors felt a true sense of community that surround the garden, and it became "the place to be" in the neighborhood. The setup was simple. The success lies in the community focus to reduce food insecurity surrounded by a true sense of community spirit.[15] That is the vision for the Erie City Urban Garden Network.

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[15] Project for Public Spaces. "Public Markets & Community-Based Food Systems: Making Them Working Lower-Income Neighborhoods." November, 2003. https://s3.amazonaws.com/aws-website-ppsimages-na05y/pdf/kellogg_report.pdf

However, these markets also experience hardships, such as finding local growers to supply the markets, inadequate customer bases, inability of local growers to meet demand (which was mentioned earlier), and over-reliance on federal food aid programs combined with lack of cash sales.[16] Knowing in advance how other markets struggled should help Erie Urban Gardens succeed.

The Broad Street Farmers Market, in Providence, R.I.
Source: "Public Markets & Community-Based Food Systems: Making Them Working Lower-Income Neighborhoods." Project for Public Spaces. November 2003.

Erie Urban Garden Network needs to begin by obtaining by-in from the community and by focusing on areas where residents are already expressing desires for land to cultivate. The Erie Food Policy Council survey will assist in locating those areas along with hosting neighborhood meetings to get an idea of what the community desires in their garden. To succeed, it is crucial to make the garden a focal point in the community where everyone is welcome to join, contribute, or just to congregate. Initially, the network must start small by creating just one or two locations focusing on their success before expanding into other areas of the city. Keeping locations small guarantees that the gardens will not grow too big, too fast, and will allow the community to become acclimated to its purpose. Once these areas are solidified and community interest continues to grow, additional locations can be added with the goal of incorporating a full-fledged garden network supported and enriched by the City of Erie that is also self-sustaining, which can then bridge to a small farmers market (see appendix A for more detail on start-up protocol).

As more blighted homes and properties are cleared, more opportunities for the network to expand are provided, thereby creating an urban garden every few blocks on Erie's east side. Families will have no barriers to obtain fresh fruits and vegetables in the summer and preserving food for the winter or visiting the mobile winter Traveling Farmers Market, which will lead to overall improved health and welfare for parents and children.

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[16] Project for Public Spaces. "Public Markets & Community-Based Food Systems: Making Them Working Lower-Income Neighborhoods." November, 2003. https://s3.amazonaws.com/aws-website-ppsimages-na05y/pdf/kellogg_report.pdf

With the passing of the zoning amendments approved by Erie City Council in 2017, urban farming should become easier to transition from local neighborhood gardening to full economic cultivation. Urban farming involves large-scale growing, processing, and distributing fresh fruits and vegetables in urban areas when traditionally done in rural areas. Local restaurants can support Farm-to-Table, in which they can proudly highlight exactly where the vegetables and fruit were produced in the city, as well as fulfilling a demand requirement for locally grown produce.

In conclusion, the Erie Urban Garden project can start fairly quickly. Building off results from the Food Policy Council survey and neighborhood meetings to discuss interest in a neighborhood garden, a location can be scouted that fulfills the needs of the residents in the area. Once a location is acquired from the Erie Redevelopment Authority, time and resources will be needed to prepare the lot for cultivation.

Once completed, residents can be assigned areas to start growing their own food with assistance from local businesses that can donate plants, seeds and seedlings. At that point, each resident will be responsible for caring for the garden collectively. Neighborhood gardening days will be scheduled so curious onlookers can get their hands dirty. Children will be able to showcase the skills they have learned through the Farm-to-School program by producing their own produce.

The key to success is neighborhood exposure and proven benefits – the ability to demonstrate how neighbors are able to feed their family healthy food grown close to home. The garden becomes a gathering place and positive locale for the neighborhood. As more gardens appear, more produce is produced. A thriving city farmers market results, attracting more rural farmers to bring their own produce to participate in the market as demand increases. As winter approaches, residents will have preserved produce to help them get through the cold months as well as participate in the Traveling Farmers Market that is sourced from produce outside the area, and will most likely require an outside contractor to facilitate.

An Erie Urban Garden Network is feasible for eastside communities that have been neglected for decades, resulting in increased food insecurity and chronic metabolic diseases. It will take time, patience and hands-on participation from dedicated individuals that are fully invested in feeding their families and community. The gardens can also have a positive impact on areas that are in need of fresh spaces and perspectives to battle years of desertion and lack of engagement and investment. They can instill pride in people who can care for themselves and better maintain their health.

Appendix A: Start-up Protocol Erie Urban Garden Network

Step	What?	When?	Who?	Equipment/Materials Needed	Cost	Funding Sources
1	Create Food Policy Survey focusing on community desire for gardening spaces	May – June 2019	Erie Food Policy Council	Equipment available through the Food Policy Council	TBD	N/A
2	Scout location for garden lot based on survey results and available lots from the city of Erie	July 2019	Erie Garden Network participants and planners (solicit volunteers)	Notepads, pens, computer	TBD based on projected needs	Donations
3	Survey lot to determine materials/actions needed to start	Aug. 2019	Erie Garden Network participants and planners (solicit volunteers)	None	N/A	N/A
4	Secure funding & donations for lot development	May – Sept. 2019	Erie Garden Network participants and planners (solicit volunteers)	None	N/A	Sources can include grants available from Erie County Board of Health as well as pitching ideas and plans to other benefactors.
5	Outline garden implementation for Spring 2020	Oct. 2019 – Jan. 2020	Erie Garden Network participants and planners (solicit volunteers)	• Signage and fencing estimates • Gardening tools • Securing seed & seedling sources	~$2,000	Grant awards and donations
6	Hold neighborhood meetings to announce garden and allow participants to sign-up	Feb. 2020	Erie Garden Network participants and planners (solicit volunteers)	Donated meeting location	N/A	Arrange for free meeting space

7	Prepare lot for cultivation	Mar. 2020	Erie Garden Network participants and planners (solicit volunteers)	• Rototillers • Soil testing	~$1,000	Cost is dependent on ability to obtain reduced cost or find volunteers to donate time and materials to prepare land.
8	Assign areas to participants	Apr. 2020	Erie Garden Network participants and planners (solicit volunteers)	Meeting location	N/A	Arrange for free meeting space
9	Open	May 2020	Erie Garden Network participants and planners (solicit volunteers)	• Seeds • Seedlings • Gardening tools and supplies	~$750	Grant funds and pre-arranged donations
10	Program evaluation	May 2020 – ongoing	Erie Garden Network participants and planners (solicit volunteers)	Continuous monitoring and evaluation is needed to determine success of program and feasibility to expand. If expanding, protocol plan can be duplicated.	TBD	Continued funding sources from benefactors, grants and donations required to keep network solvent until it becomes self-sufficient.
11	Transition to phase 2 – Traveling Farmers Market and summer Farmers Market development	Jan. 2022	Erie Garden Network participants and planners (solicit volunteers)	Examine feasibility to incorporate Traveling Farmers Market to supplement urban garden network during winter months as well as creating neighborhood Farmers Market.	TBD	Possible partnerships with benefactors, grants and United Way of Erie County

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Sharing Skills Can Make a Difference:

A Program to Confront Rural Poverty Through Volunteerism

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With most programs serving the poor located in urban areas, many coping with rural poverty find themselves with few or no support programs. But it does not have to be that way if a low-cost solution could be implemented. A shared services program involving volunteers with specific skills could be matched with those in need.

An underlying problem affecting rural poverty is the unaddressed gap between those who need assistance and those who can provide it. A person living in poverty may not have the ability or convenience to seek out resources in a time of need. For example, a family may be struggling to pay for repairs to their oven, leaving them to rely on microwaved meals or processed foods. But if a person was available to provide a meal, or make repairs to the oven, this gap would be eliminated as available skills would be utilized. Current programs attempt to minimize this gap by using websites, telephone services, increasing access to transportation, and agency initiatives aimed at connecting people in poverty to solutions.

Community resources will often "triage," or assist, those with immediate needs first in seeking and obtaining help. Further exploration of the deeper, underlying causes of poverty is left to policymakers, representatives, and researchers to address. This limits the ability of programs to truly effect change through offering specific tools needed to confront poverty. Current modalities often target a specific concern but leave the actual barriers of poverty untouched. Websites require a person to have access to the internet and assume an individual is aware of how to navigate webpages. Local agencies, such as the Greater Erie Community Action Committee (GECAC), Voices for Independence, and Erie County Care Management, offer comprehensive, detailed program offerings and resources.[1] Despite these sources of collective information, they will remain inaccessible if an individual does not have the technological skills to maneuver the internet or gain access to an internet connection.

Similarly, a person must have access to a telephone, know the number he or she has to call, and how to dial that number. They also must be able to comprehend information provided over the phone with telephonic resources. Telephonic resources, such as call-in centers with operators, such as United Way 2-1-1, are only able to re-route the caller to another phone number or agency.[2] They do not provide immediate solutions often needed in the event of an emergency.

In an effort to assist individuals living in poverty, governmental programs have also been developed to meet the needs of those struggling to sustain themselves and/or their family. In order to ensure these programs are meeting the needs of others,

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[1] For further review as cited in order, refer to www.gecac.org/about-gecac, www.vficil.org/about-vfi/, and www.eccm.org/care-management-services-northwestern-pennsylvania. All accessed on February 5, 2019.
[2] For further review of United Way 2-1-1, refer to www.unitedwayerie.org/211. Accessed on February 5, 2019.

accountability measures are required to show the efficacy and value for continued funding and support. Outcome measurements are often based on statistical data, such as the number of people served, the amount of money invested in the program, and the amount of time or labor required to impart noticeable change. These measures, however, do not capture whether the presenting problem was actually resolved.

Although the goal of these resources is to serve people in need, the value of human capital to address the issue seems underestimated. A person will spend his or her entire life crafting a skill or obtaining knowledge in order to advance in society. This collective human capital, or readily available pool of resources, exists in every community. While poverty is prevalent in both the City of Erie and throughout the suburban and rural parts of county, a distinguishing factor that affects this issue is the ability to access resources that exist to help those escape poverty.

I.   Utilizing Human Capital as a Community Asset

When discussing poverty in Erie County, many refer to the lack of accessibility to pre-existing resources. The more aged portion of the demographic may be part of the solution. Retired teachers, mechanics, accountants, and others have developed specialties that could be an asset to those living in poverty in rural areas of the county where resources are limited. A family that cannot afford a private tutor for its child or a single mother who needs her car fixed to get to work are seeking an immediate, cheap, and reliable resource to help overcome situational barriers. A "skill-share" program would address this need. In the skill-share program, a mobile community coordinator would be hired to outreach potential volunteers. The mobile coordinator would be responsible for the development and monitoring of a database. The database would hold all pertinent information with respect to the volunteer's contact demographics, availability, skills being offered to a person in need, and other useful criteria. When an individual in need is identified, the mobile coordinator will utilize the database to match the volunteer to the person requesting help. It is the responsibility of the coordinator
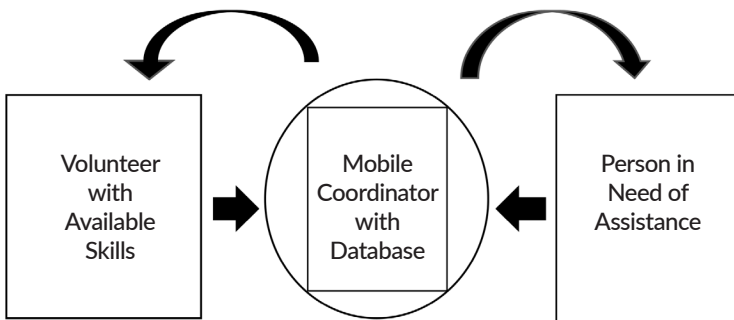
to monitor the arrangement of the meeting between the two parties to ensure the need is being met.

By developing a database of retired volunteers offering diverse skills, any person in poverty who needs access to a resource will be matched immediately with a retired person ready to assist. This database could tackle poverty directly by providing a solution to problems by having a team of specialized individuals ready to solve problems. Perhaps more importantly, these skill-share opportunities would promote an environment of connectedness among individuals in Erie County.

II.   War on Poverty Leads to Development of Anti-Poverty Initiatives

The short-term and long-term impact of poverty in the United States has been studied extensively after the implementation of policies stemming from President Lyndon B. Johnson's call for a "War on Poverty".[3] Introduced in the 1960s, the "War on Poverty" initiative focused on the promotion of greater access to resources for all through the directed allocation of federal funding and increased citizen support.[4] Goals of the "War on Poverty" included stimulating economic growth, tackling discrimination, revitalizing urban and rural communities, promoting educational opportunities, assisting the disabled and aged, promoting the nation's health, increasing labor markets, and supporting the development of youth.[5] Emphasis on the "War on Poverty" grew stronger until the occurrence of two events. The narrower focus on promoting racial equality, in particular, and the start of the Vietnam War both caused a general decline on poverty advocacy and engagement.[6]

Criticisms from state and local government officials emerged, as they disapproved using federal funds to support equal opportunity programs. Concern arose that these programs and initiatives promoted a "culture of dependency," which is then learned and passed down generationally. A commonly held perception from the "War on Poverty" is that the development of antipoverty programs enable the persisting of poverty instead of providing skills and resources to overcome it.[7]

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[3] Martha Bailey and Nicholas Duquette. How Johnson Fought the War on Poverty: The Economics and Politics of Funding at the Office of Economic Opportunity. (University of Michigan, 2014), 3.
[4] Lyndon Baines Johnson, First State of the Union Address, January 8, 1964, American Rhetoric, https://www.americanrhetoric.com/speeches/lbj1964stateoftheunion.htm (accessed December 17, 2018).
[5] Anna Maria Santiago. Fifty Years Later: From a War on Poverty to a War on the Poor. *Social Problems*. 62 (2015), 2-14.
[6] Martha J. Bailey and Sheldon Danziger. Legacies of the War on Poverty. (New York, 2013), 6-10.
[7] See Anna Maria Santiago. Fifty Years Later: From a War on Poverty to a War on the Poor. *Social Problems*. 62 (2015), 2-14 for review of a culture of dependency and the "War on Poverty".

Efforts to measure changes in poverty, however, have been difficult due to the fluidity of changes in societal composition. Shifts in the economy have contributed to an increasing rate of poverty. Wages at the lower end of the working distribution have not increased as quickly as wages for higher-skilled positions. Additionally, the increasing rate of incarceration and single-parent families has also contributed to the growth of poverty. Despite these criticisms, it has been argued that antipoverty programs are working to maintain the poverty rate, whereas the rate would be much greater if these initiatives did not exist.[8]

After declaring the "War on Poverty," multiple national programs, initiatives, and policies were created at the federal level. Nutritional assistance and school readiness programs, access to higher education, and Medicaid were all implemented with the goal of eliminating poverty in the United States.[9] Since 1964, the Supplemental Nutrition Assistance Program (S.N.A.P.), formerly known as the Food Stamp Program, has raised the percentage of individuals who are able to acquire adequate nutrition.[10] For more than 50 years, the Head Start Program has excelled at providing early childhood educational programming, parenting classes, and health care services to at-risk children and families.[11] The Pell Grant, implemented after the Higher Education Act of 1965, afforded low-income students the ability to attend college through financial aid grants.[12] Medicaid allows individuals living in poverty to access health care and long-term services and support, while Social Security provided monthly income benefits to more than 56 million Americans in 2012.[13] These programs have alleviated burdens experienced by those in need, while simultaneously aiming to provide opportunity for advancement out of poverty.

In Erie County, organizations such as The Greater Erie Community Action Committee (GECAC), United Way, Community Shelter Services, Early Connections, Erie City Mission, Meals on Wheels, Second Harvest Food Bank, and Voices for Independence are a few of the agencies that attempt to address poverty by offering programs committed to helping people in need.[14]

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[8] Martha J. Bailey and Sheldon Danziger. Legacies of the War on Poverty. (New York, 2013) 13-16.
[9] Melissa Boteach, Erik Stegman, Sarah Baron, Tracey Ross, and Katie Wright. The War on Poverty: Then and Now. (Washington, D.C, 2014), 2.
[10] For further review of SNAP, refer to http://www.dhs.pa.gov/citizens/ supplementalnutritionassistanceprogram/index.htm. Accessed on February 11, 2019.
[11] For further review of the Head Start Program, refer to www.acf.hhs.gov/ohs/about/head-start. Accessed February 11, 2019.
[12] For further review of the Pell Grant, refer to https://studentaid.ed.gov/sa/types/grants-scholarships/pell. Accessed February 11, 2019.
[13] Ibid., 5-12.
[14] Erie County Resource Guide. eriecountypa.gov. https://www.eriecountypa.gov/ media/390270/resource-guide-22916.pdf (accessed December 17, 2018).

Being an employee of GECAC, the Area Agency on Aging of Erie County, I am aware of multiple programs offered for the elderly, as well as adults and children, who live in poverty. The Head Start program requires that a child is between the ages of 3 and 5, an Erie County resident, and also has a family household income that meets the requirements of the program, as outlined by the 2019 Health and Human Services poverty guidelines (a family unit of one, $12,490; 2, $16,910; 3, $21,330; and 4, $25,750).

The Upward Bound program is designed for young adults, living in poverty, who could benefit from additional college preparation and entrance coursework. Adult educational programs are offered as well, with consideration to obtaining a GED and to develop work readiness. Services for the elderly include the Aging Waiver program, Caregiver Support, Foster Grandparent, Retired and Senior Volunteer programs, and Senior Centers.[15]

Although multiple programs exist, all of these programs have requirements that must be met in order to access the services. Specific age ranges, financial eligibility as deemed by an extensive Medicaid application submitted to the County Assistance Office, a person's functioning capacity, and other barriers impede or delay the ability of a person in need to access resources. Additionally, the programs do not have the flexibility to assist with unexpected issues or obstacles that often arise for people living in poverty. For example, a person receiving Meals on Wheels is not able to use that program to help with other needs, such as building a ramp, transportation issues, or assistance with completing applications.[16] Because of the regulations placed on these government programs, efforts to eliminate poverty may be restricted as all barriers cannot be targeted within one social service umbrella program.

"Access to resources" is the equal opportunity for an individual to gain human capital, social capital, produced capital, natural capital, and cultural capital.[17] As stated by Anthony Bebbington, "the framework thus understands these assets not only as things that allow survival, adaptation, and poverty alleviation, they are also the basis of agents' power to act and to reproduce, challenge, or change the rules that govern the control, use, and transformation of resources."[18] As opposed to the increased

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[15] For a detailed review of Head Start, Upward Bound, Adult Educational Programs, Aging Waiver, Caregiver Support, Foster Grandparent, Retired Senior Volunteer Programs, and Senior Centers, see Greater Erie Community Action Committee. "Programs and Services". http://www.gecac.org/programs-and-services-1. Accessed December 17, 2018.
[16] See www.mealsonwheelsamerica.org for further review of the Meals on Wheels program offerings.
[17] Anthony Bebbington. Capitals and Capabilities: A Framework for Analyzing Peasant Viability, Rural Livelihoods and Poverty. (Great Britain, 1999), 2022.
[18] Ibid., 2022.

opportunity to connect to anti-poverty programs and supports in Erie, isolation inhibits accessing these resources in rural Erie County. Many programs and agencies are headquartered in the city of Erie, which limits county programs to those that can be run remotely. Weather conditions, ability to access the internet, gas reimbursement for mileage, and limited meeting locations all affect the success of services offered to those living in the rural parts of the county, as Erie County spans 1,558 square miles with more than half of its 279,000-plus population concentrated in its urban core of the city of Erie, Millcreek Township, and Harborcreek Township.
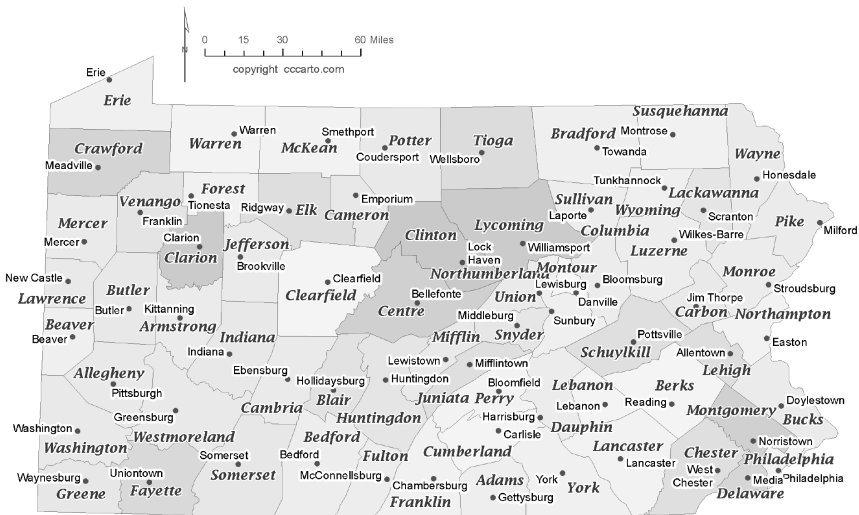
The above image depicts the county seats of each county in Pennsylvania.[19] As illustrated, the majority of county seats are located centrally in their respective counties. However, the city of Erie, representing the county seat of Erie County, is geographically isolated from the majority of suburbs and rural areas within the county. While multiple resources exist and are available to those in need, the ability to physically access services is a barrier when these programs are based out of, and operating from, the city of Erie. It is essential that representation of community programs and resources is present in rural areas in order to ensure that the needs of those within Erie County are being met.

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[19] To review this map and listing of County Seats in Pennsylvania, refer to https://www.cccarto.com/countyseats/pennsylvania/. Accessed on April 28, 2019.

III.   Existing Services that Aim to Close the Poverty Gap

Telephone and websites are beneficial in providing immediate information about resources that provide a particular service. The Erie County Resource Guide and Erie Sprout offer two comprehensive online listings of established programs and centers providing assistance in Erie County.[20] These online manuals are intended to identify agencies that specialize in a certain service, including needs often unmet by those living in poverty. Day care, early child/youth intervention programs, support groups, transportation assistance, food assistance, senior citizen advocacy, and other topics are outlined in these listings, with contact information provided on companies and programs offering this form of help.

Several of these aforementioned topics pertain to the daily struggles of a person living in poverty. Daily struggles, easily fixed by those who have access to resources, can potentially exacerbate other hardships experienced by those who need assistance. This occurrence maintains and sustains the cycle of poverty. These existing resources would close the gap between those requesting assistance and those who have the capacity to meet these needs. A review of several of these online referral resources, however, leads to questions of efficiency, affordability, and feasibility of these options, especially for those living in poverty in the county. For example, Erie Sprout offers a section titled "Transportation Resources." One listing in this section refers to the Multicultural Community Resource Center. Headquartered in the city of Erie, this agency offers limited transportation, but only to those who are utilizing its center services. The paratransit service (LIFT), Greyhound Bus Lines, Erie Yellow Cab, Erie Metropolitan Transit Authority (EMTA), and Amtrak are also listed as options for transportation. Despite these available options, these transportation sources often charge a one-way fee. They also may be restricted by predetermined routes, wait times until next pickup, missed appointments, and weather conditions. Additionally, similar limitations also existed with the Erie County Resource Guide online manual. Although the manual provides a comprehensive review of services and providers, it is not inclusive of all needs of those in poverty. For example, a parent in need of day care or access to inexpensive babysitting services would not benefit from the online manual, as those needs are not mentioned in the Resource Guide.[21]

Because the results of a website search are determined by the ability of the searcher, the hope of information being up to date and the websites being accessible, telephonic

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[20] For further information on the Erie County Resource Guide, refer to https://www.eriecountypa.gov/media/390270/resource-guide-22916.pdf. Refer to www.eriesprout.com for further information on Erie Sprout. Both accessed February 11, 2019.

[21] For further information related to Erie Sprout transportation, and the Erie County Resource Guide, refer to http://eriesprout.com/transportation-services-multicultural-community-resource-center/ and https://www.eriecountypa.gov/media/390270/resource-guide-22916.pdf, respectively.

services may bridge the gap by offering human connectivity and opportunity for discussion. In an effort to offer a collective body of resources through a telephonic service and website, the United Way unveiled PA 2-1-1 Northwest in May 2017. By dialing 2-1-1, a person is connected to a representative who takes demographic information and other identifiers, and then listens to the needs of the caller. The representative places the individual on hold while he searches the database of available providers and agencies that could assist the person. After the review is completed, the representative will provide the individual with contact information for the service provider.[22]

Although 2-1-1 is exceptional in providing real-time feedback to a particular inquiry, it is only a hub to connect people to other agencies or resources that may offer assistance to a particular need, if that resource is available. There are instances in which 2-1-1 has been unable to assist with a request, as a solution or provider does not exist. An example relates to a former confidential client who called to ask for my assistance, as her personal efforts yielded no solution. The client's family, living in poverty, requested assistance in obtaining information on a provider or service that offered extermination services at a reduced rate. The family has had pets removed from their home, and their health is declining due to the condition of the home. They do not have required funds available to pay for extermination, and their landlord offers no assistance with the condition of their home. The family requested help in being connected to any agency or service that could provide extermination at a reduced cost. After exhausting all options for assistance, 2-1-1 was called to ask for any resources available in this capacity. Unfortunately, 2-1-1 noted that there were no referral listings or known providers that would help with this particular inquiry. Because of this, no further information could be provided to the family other than they would need to save in order to pay for extermination themselves.

For people living in poverty, simply being connected to a resource is sometimes not enough to help those persons with the barrier they need to overcome. Unknown costs, limitations on what assistance can be provided, the amount of time until assistance can be provided, and the impact of residing in a rural location all contribute to the existence of a gap between those who need assistance and those who have the resources to overcome that need.

While websites, such as www.eriesprout.com, and telephonic call centers, such as 2-1-1, are tools to connect people to potential solutions, they underutilize the value of human capital in creating real change in the lives of those living in poverty. Programs such as the Retired Senior Volunteer Program (RSVP) and Village Friends, Inc. (Corry, Pa.) are two existing models that emphasize the importance of human

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[22] For further review of United Way 2-1-1, refer to www.unitedwayerie.org/211. Accessed on February 5, 2019.

capital in creating change for those in need. RSVP is a program for persons ages 55 or older who wish to volunteer in the community. The interests, skills, and life experiences of the volunteers are gathered and matched with local nonprofits in the community. The program was designed with the goal of utilizing volunteers to meet critical community needs. Additionally, the Village Friends, Inc. initiative, available to residents in the Corry Area School District, is a program that offers assistance to members such as home maintenance, transportation, technical assistance, and other areas of need.[23]

These programs were developed with the goal of matching the talents and skills of a person to the needs and requests of others. However, both of these programs are also bound by rules and regulations to uphold a standard and obtain financial support. In the RSVP program, the only individuals able to volunteer are those 55 or older. This limits the ability of a person under 55 who has access to resources to be able to provide assistance to a person in need. Additionally, the RSVP program connects volunteers to other nonprofit organizations and agencies to provide assistance. The program does not link volunteers to individuals, families, or children who have certain needs or struggles. Therefore, if a person living in poverty needs assistance with household chores, transportation, or a situational barrier, the RSVP program would not be able to provide support.[24]

An example of a program that connects volunteers to individuals requesting help is that of Village Friends, Inc. Based in the city of Corry, the goal of Village Friends is to provide support so that older adults can remain as independent as possible in their homes. Services include volunteer handyman services, driving assistance to appointments and errands, technical assistance with computers and electronics, and invitation to social activities/events. However, several limitations of this program also affect the ability of people in need to be connected to assistance. In order to be a part of Village Friends, Inc., a person has to be 55 or older. Therefore, a person living in poverty under the age of 55 cannot be assisted through this program. A person also has to become a member of Village Friends, Inc. in order to obtain help. To be a member, an individual must pay $360 a year, or a couple must pay $480 annually. There are a limited number of reduced rate membership opportunities. Therefore, if a person lives outside of Corry, is under 55, and/or cannot afford membership dues, Village Friends, Inc. may not be a suitable resource.[25]

The gap between those who need assistance and people who can provide that assistance exists because human capital is being regulated to meet outcome

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[23] For further review of the RSVP program, refer to https://www.nationalservice.gov/ programs/senior-corps/senior-corps-programs/rsvp. For further review of Village Friends, refer to www.villagefriendsinc.org/home. Both accessed February 18, 2019.

[24] For further review of the RSVP program, refer to https://www.nationalservice.gov/ programs/senior-corps/senior-corps-programs/rsvp. Accessed February 18, 2019.

[25] For further review of Village Friends, refer to www.villagefriendsinc.org/home. Accessed February 18, 2019.

requirements and not the needs of the people requesting help. The gap remains because human capital is being channeled to those who can afford a membership, who can meet age requirements, and/or who have access to telephone services or the internet. There are other restrictions that limit the basic form of human connection. The gap is further pronounced by the effects of rural isolation. Residents willing to volunteer their services who live in the county do not know where to go in order to provide help to others in their neighborhoods. Simultaneously, people who live in poverty in the county also do not know where to turn for assistance. When most agencies are headquartered in the city of Erie, and access to a telephone or the internet is sparse, these residents are left with little connection to a system of people or resources that could help them with their needs.

The life of a person in poverty is situational with respect to needs that require immediate solutions. These solutions are often lost when programs are restricted in, and regulated on, how they are able to provide assistance. The ability to openly share a skill held by a person, in order to help another, is one solution to addressing poverty. No age requirements, membership dues, access to the internet or telephone, or other programmatic barriers would restrict a person in need from obtaining help. Further isolation from assistance occurs for those living in rural areas, which needs to be highlighted. Neighbors helping neighbors, and knowing where to turn when help is needed, is of extreme importance for those living in rural poverty.

IV.   Matching Skills to Needs in Order to Help Those in Poverty

A demand exists for an access point for both those in need who live in rural areas, and those who are able to volunteer his or her services to that person. Because of the rural isolation that causes a disconnect between need of help and those who can provide it, a mobile program should be developed to bridge the gap and allow representation in the rural areas. This representation, or presence of an agency or program in the county, will assure residents that their needs and skills are assets to the rural community. People living in poverty have daily struggles that could easily be addressed if there were skilled, local volunteers to assist when needed. These needed skills pre-exist in communities, yet are not capitalized on to be paired directly with a person in need. Skills desperately needed by those living in poverty include cheap access to literacy or educational attainment, transportation, financial planning, mowing/yard work, cooking a meal, repairing household items, cutting hair, building ramps, aide service, tutoring, writing or assistance with completing applications, sewing/knitting clothing, and other essentials of daily living that others often take for granted.

V.   Erie County Skill Share Program

With a countywide skill-share program, a database will be created containing the names, skills, and availability of volunteers who are willing to help those in need. The database would be stored on a laptop, which would remain with a mobile coordinator who would travel to rural locations. The coordinator would travel to each municipality and work within that municipality for one week each month.

A prototype of this program will be developed first and implemented in Corry, Union City, and Albion, as they include localized neighborhoods that face rural poverty. Therefore, the mobile coordinator would be in Corry the first week of every month, Union City the second week of every month, and Albion the third week of every month. The last week of every month would be used for promoting the program, outreach, and ensuring the needs of people in poverty are being met in rural Erie County. This consistency in a regular, reoccurring schedule would allow for residents in need to know when the coordinator would be in their town to provide resources.

If an agency sponsoring this program had office space in the rural areas, the mobile coordinator could use that location to serve as a "Drop-in-Center" for individuals in poverty needing help. A person in need of help would be able to come to the center to discuss the concern or issue to be addressed through the program. However, if a person is unable to come to the center due to lack of transportation or other barriers, the mobile coordinator could go to the home of the individual to identify and discuss the need further. A work cell phone could also be used to take referrals, with a database available to connect a resource to the expressed need.

With this program, the cost of gas mileage reimbursement, a laptop and work cell phone, salary of the mobile coordinator, and possible cost of office space would serve as the expenses of the sponsoring agency. Current IRS allowable gas mileage reimbursement is 58 cents a gallon.[26] Therefore, weekly travel to Corry ($186.76 a week), Union City ($136.30 a week), and Albion ($162.40 a week) is calculated as being $485.46 monthly, or $5,825.52 a year.[27] A salary of the employee ($30,600 annually plus benefits, taxes, etc.), one-time expense of a laptop ($600) and work cell phone bill ($1,200 annually) would be the immediate costs, if office space can be utilized with a pre-existing agency or center. With these expenses, the program is estimated to cost approximately $38,225.52 a year. The cost of the program would increase if office space needs to be rented.

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[26] For further review of the 2019 gas mileage reimbursement rate, refer to http://www.irs.gov/newsroom/irs-issues-standard-mileage-rates-for-2019. Accessed February 18, 2019.
[27] Distance measured from 18 West 9th Street, Erie, PA 16501 (central location in city of Erie), to Corry, Union City, and Albion. Round-trip mileage distances were calculated and multiplied by five (Monday through Friday) to reflect a work week.

The agency would also be responsible for the development of a waiver or liability clause. If a volunteer provides a service that causes harm or injury to the volunteer or the recipient of service, a waiver would mitigate liability on the agency supporting the program. For example, if a volunteer assists with repairs to a person's car, and later the car has more issues, it is not the responsibility of the volunteer or program to rectify the problem. Similarly, if a volunteer becomes hurt while providing a service in the program, a liability waiver would protect the sponsoring agency from being held responsible for injury. Clearances, licensing, and other legal documents would need to be obtained in order to protect all individuals. Background checks need to be completed on the volunteers to ensure the safety of those receiving help.

This program is not designed with the goal or purpose of providing a profit to the sponsoring agency. As a nonprofit resource, no financial gain will be made from this program. However, other incentives from offering this program will be observed. Offering a program of this nature would prove to be a valuable marketing tool of the sponsoring agency. The image of the agency may be boosted in rural areas, as it will be viewed as leading the effort to provide service and support in often ignored areas. If the agency offers other programs, the mobile coordinator could speak to those in need about other available opportunities. By word of mouth, people may be drawn to the agency, as a representative from that agency would be in their neighborhood one week of every month.

Additionally, this program would be targeting the issue of poverty directly. It is matching the needs of those without resources directly to those who are ready to assist. It is developing a network of community support, which in turn creates pride in both the helper and the person overcoming his limitation. It is bringing support to locations that are often overlooked compared to the city of Erie. It is developing ongoing human contact, connection, and support through the giving of oneself to shape the future of another.

VI.   Incentives for Developing a Skill-Share Program

The mission of the Skill-Share Program is to mitigate the impact of rural poverty in the county through the development of community connections, resource dissemination, and collaborative partnerships. Long-term and short-term goals are upheld in order to ensure the mission statement is targeted ongoing. Long-term goals of this program include the ability for citizens living in Erie County to access resources that are readily available in their neighborhood. It includes a focus on the reduction of both visible and invisible markers of poverty, as the community empowers all residents towards self-sufficiency. Another long-term goal is to encourage the pre-existing, available networks in the county to develop partnerships with neighborhood residents in an effort to reduce poverty. By bridging the gap between those in need

of resources, and those who have access to them, these partnerships would instill greater community appreciation and pride in the location shared by both parties. For additional, detailed review of the process for developing this program, refer to Appendix A.

Despite the need for this Skill-Share Program to exist in rural Erie County locations, a short-term goal is to pilot this program in Union City, Corry, and Albion. These three areas were selected to serve as comparison models for the needs of those living in rural poverty before expanding the program to all of the county. By targeting these areas, both the rural east and rural west sides of the county will be studied. Although poverty exists across the County, these specific locations will provide insight into possible variations of needs based on geographical location. Once networks have been established for volunteerism and skill-sharing, based on these unique locations, the program can be expanded to all areas. In order to be most effective, the program needs to have a central office in each of these locations as a sign of permanence for those in need.

Existing agencies may be receptive to offering a small office or area that the employee could work from, due to the minimal overhead needed for this program. Union City, Corry, and Albion already feature senior centers, family centers, and organizations that work to help those in need. Increased focus on the offerings of an agency would be valuable if office space were provided to host this program. More community members entering into a building to utilize this program may also have the ability to learn about other programs offered by an agency. The Skill-Share Program would only require space one week of every month since the employee is mobile in other towns the remainder of the time.

In order for the Skill-Share Program to work successfully, an operational account of the program must be outlined prior to implementation. The program would require one full-time employee to oversee the database of resource connections, marketing of the program, needs assessment of the individual seeking assistance, and manage all logistical/paperwork aspects of the program. The employee would travel to each location (Union City, Corry, and Albion) on a consistent calendar week of every month, so that residents in those areas would know the exact time that a representative of the program would be in town. For example, the employee would be in Union City the first week of every month, in Corry during the second week of every month, and Albion the third week of every month.

Before referrals can be received from those living in poverty, a database of readily available, identified supports need to be formed. On entering each community, the employee would be responsible for networking with local churches, businesses, social service clubs, and residents to determine the skills present in the area. In every outreach opportunity, it is the responsibility of the employee to identify the frequency

of contact to be made with the volunteer, the skills that can be provided, and other contact information pertaining to the willing participant. An email address of the employee, business cards, and contact information must be provided at all times so that further awareness of the program can be marketed. With each outreach of a potential volunteer source, consent forms and a liability waiver must be signed. The liability waiver holds that there will be no reimbursement, no legal coverage, and no commitment requirement to volunteering a skill or service. Although offering no legal coverage might deter some volunteers, most people seeking opportunities to help someone do so because of altruistic reasons. Clearances must be completed, with funding of the clearances performed by the program for increased volunteerism, for all who are willing to serve.

It is estimated that the development of a database will take three months. Union City, Corry, and Albion will each be initially dedicated one month to conduct outreach, marketing, and integration of the program into the area. Surveys will be provided to local churches to obtain an understanding of what skills parishioners would provide. Speaking engagements would provide opportunities to share the concept of the program to the community. If a pre-existing agency adopts this program, citizens may be more receptive to volunteering due to the recognition that the agency values the importance of helping all in need, especially in the rural areas.

The database formed will need to have identifying information pertaining to the volunteer. The volunteer will have the option of how often he or she wants to be contacted for assistance (once a month, once a quarter, once every six months, or whenever needed). He or she will provide a list of available skills that are able to be taught or provided to someone in need. These include, but are not restricted to, cheap access to literacy or educational attainment, transportation, financial planning, mowing/yard work, cooking a meal, repairing household items, cutting hair, building ramps, aide service, tutoring, writing or assistance with completing applications, sewing/knitting clothing, and other essentials of daily living. The volunteer will provide a best contact phone number, days and times of best contact, and whether they have preference for meeting the person in need at a central office or at the person's home.

After the database has been established with potential contacts, the program will be introduced to the community at large. Soup kitchens, homeless shelters, assistance offices, low-income housing sites, thrift stores, and existing agencies in the county will be contacted to promote the Skill-Share Program. The employee would provide the center location and contact phone number of the program, so that people in need can either call or walk into the center. Whether a call or drop-in occurs, information pertaining to the need of the person will be gathered, including: the person's name, address, best contact method, need or concern, the urgency of the need, the location of where the need can be met, and whether the need is ongoing or a one-time visit. Prior to any arrangement with a volunteer to complete the request

for assistance, the person in need will also sign a waiver. This waiver informs that the volunteer, and completed activity, are solely in place in an attempt to overcome the barrier. However, any further hardship, issue, or unresolved need that occurs after the volunteer activity is completed is not the responsibility of the program and/ or participant. Due to the program being based on sharing a skill, it would be unfair to hold a volunteer responsible for further issues or problems on a project they completed. Contact information of professional service providers would be given to the person in need if additional issues or concerns remain.

Once a need is identified, and a volunteer is available that matches the skills required to overcome the need, the volunteer will be provided with the client's contact information. They will coordinate the date and time that a skill-share exchange can occur. If the volunteer and/or person in need are uncomfortable arranging a meeting location themselves, the agency center will be offered as a neutral meeting point. For increased security of the workspace and participants, access to space inside the center could only be offered when the center is open. However, if a need is identified and volunteer not available, it would be the goal of the employee to network with other contacts in order to best serve the person asking for help.

The following example illustrates the benefits of this program in meeting the need for informal assistance in the county. A family, living in a rural area of the county, consists of a husband and wife, children, and grandmother. They live in a mobile home and have one car. The car is operable but currently has a broken part. The family ordered the part but uses the car sparingly until the husband has time to make the repairs. The wife is a stay-at-home mother, raising the children, and the family relies on the husband for income. Due to financial strain, the husband is a handyman around the home. During an attempt to fix an outdoor light, the husband falls and breaks his shoulder. The family has several upcoming medical appointments to attend in the city of Erie. Additionally, with the snowstorm expected soon, they want to grocery shop for essentials in case they are unable to leave their home.

The wife calls the skill-share employee seeking help from any person able to assist with this situation. After reviewing the database, the employee realizes that help can be provided in two ways. One volunteer, a former mechanic, offers to be contacted to assist with any repairs needed to the car. Another volunteer noted that they are willing to assist with transportation needs of those going to Erie. Because of this Skill-Share Program, a network of community supports are connected to alleviate the situational burden experienced by the family. The car will be fixed, which will allow the husband to return to work and save money on the cost of a mechanic completing the work at a shop. The family will be able to attend the medical appointments, which could reduce medical bills and expenses incurred later if appointments were cancelled due to lack of transportation. Finally, the family will not have to worry about coping with the snowstorm.

VII.   Improving the Lives of Residents in Erie County

For agencies that advocate the mission of helping individuals towards self-sufficiency, a Skill-Share Program is an essential component of change, but often missing in available programs. Social service programs have been founded on the premise that human capital drives change. However, these programs have been restricted by capacity issues that do not allow them to simply meet the needs of those seeking help. Words such as liability, expenditures, regulations, and quotas suddenly interfere with the mission and purpose of an agency. Human capital is often available in current resources, but only after it has been stripped away and molded into an outcome-based, standardized program.

This Skill-Share Program will not serve as a profitable investment. However, the program can be used as a gateway, an entrance into building rapport with the agency that adopts this concept. Once assistance is provided, the sponsoring agency can capitalize on the established rapport as a means to introduce other programs and market the agency further in the county. Holistically, this program offers a platform or bridge to interconnectedness, collaboration, and the development of trust. It offers awareness that those living in the rural areas are valued. A greater sense of neighborhood pride will be developed, which trickles down to the resurgence of commitment towards investing back into the community. With investment comes growth, with growth comes opportunity, and with opportunity comes the appreciation for the agencies and resources that believed in the possibility of a greater future for all.

Appendix A: Operational Outline of Skill-Share Program for Implementation after Hire of Full-time director*

SCHEDULE OF SKILL-SHARE PROGRAM	Calendar Month/Program Director is "Mobile": Week 1: (Monday – Friday) 　　　　Corry Week 2: (Monday – Friday) 　　　　Union City Week 3: (Monday – Friday) 　　　　Albion Week 4: *Blocked week to focus attention on unmet needs, networking, outreach*
STEP 1: HIRE A CONSULTANT	What/Who/How will this program be funded? 　1.　Does the city of Erie have a grant writer to obtain grant funding? 　2.　Consultation with experts on: 　　A. Development of business plans 　　B. Funding models, 　　C. Funding sources/backing 　　D. How long does program need to mature in order to determine efficacy of program? How to improve?
STEP 2: DEVELOPMENT OF VOLUNTEER DATABASE **(3 Month Estimation for Creation of Database)**	A. <u>Networking for Skills</u> 　1.　One month in Corry, One month in Union City, and One month in Albion 　2.　Visit local churches, employers, social service clubs, and residents in area to build skills database 　3.　Marketing opportunity – provide business card of agency, brochures of other program offerings, creating opportunities to speak at the referral organizations to promote program
	B. <u>Identify Requests of Volunteer</u> 　1.　How often does volunteer want to be outreached or contacted with referrals? 　　A.　Whenever needed 　　B.　Once a month 　　C.　Once a quarter 　　D.　Once every 6 months 　2.　Obtain demographics of volunteer, best contact phone number, day and time of best contact

	3. Obtain the list of skills being offered 4. Develop and provide surveys to local organizations and potential volunteer sources to identify those interested in sharing their skills 5. Obtain consent forms and liability waiver 6. Obtain and complete clearances and background checks on volunteers

	C. <u>Creation of Database to Track Volunteers</u>
	  1. Database will be created in Excel (or other organizational program)
	  2. Tracking of volunteers will include:
	    A. Name
	    B. Contact Phone Number
	    C. Address/Other Identifiers
	    D. Skills Available for Offer
	    E. Frequency of Contact
	    F. Preference of Meeting Location

STEP 3: INTRODUCTION OF PROGRAM TO COMMMUNITY	A. <u>Identify People in Need</u>
	  1. Visit soup kitchens, homeless shelters, assistance offices, low-income housing sites, thrift stores, and pre-existing agencies to identify those needing help.
	  2. Provide center location information, brochures, and contact phone number of program to prospective individuals

STEP 4: GATHER INFORMATION OF THOSE IN NEED/REFERRALS	A. <u>What Skills are Needed?</u>
	  1. Obtain demographic information of the person in need
	    A. Name
	    B. Address
	    C. Best Contact Method
	    D. Need or Concern
	    E. Urgency of the Need or Concern
	    F. Best location to meet for the issue
	    G. Is need ongoing or one-time assistance
	  2. Does this person have transportation to go to the center for help, or do they need someone to go to his or her home?
	  3. Waiver needs to be obtained by participant that acknowledges the volunteer activity does not guarantee positive outcome. Liability does not fall on volunteer or program.

STEP 5: DEVELOPMENT OF PARTICIPANT DATABASE	A. Creation of Participant Needs
	   1. Database will be created in Excel (or other organizational program)
	   2. Aforementioned topics will be stored in database to track number of people served and common needs in the county.

STEP 6: SKILL MATCHING	A. Skill Share Program Coordination
	   1. Identified Need and Volunteer Ability is Matched:
	     A. Volunteer provided with the contact information of the person in need
	     B. Where is the skill-share to be held? If center location is needed, ensure the center is available for date and time of skill-share

STEP 7: FOLLOW UP ON UNMET NEEDS	A. Helping All in Need
	   1. For requests that are not met with a volunteer, the program will seek community resources to obtain solutions for problems.
	   2. For requests that were met, follow up with both volunteer and person in need:
	     A. Was the need met/problem resolved?
	     B. Any issues, concerns, barriers to help?
	     C. Any recommendations for program improvements?
	     D. Reaffirm volunteer wants to help again in future. Revalidate what skills he or she is willing to share.

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Voting and Registration Differences in Erie, Pa.:

Geographic and Demographic Trends and Implications

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Raimy Fellowship Program

Introduction

There are many ways to analyze and organize the American electorate. Broadly, the major political parties in the United States are concerned with voter registration totals, followed by the gender, ethnic, and geographic distribution of those registered voters. Pundits and strategists have narrowed that cast of voters into manufactured tribes including so-called soccer moms, NASCAR dads, and other faddish categorizations that may or may not bear relevance to the outcome of American elections.
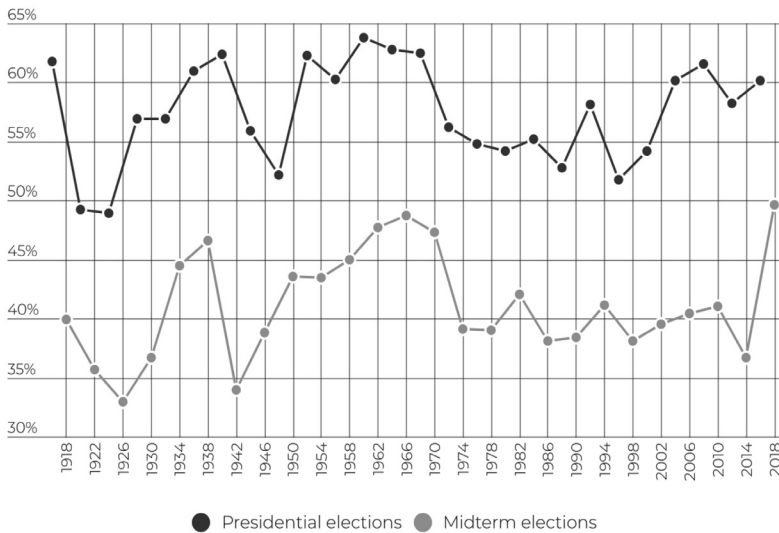
Voter performance, regardless of categorization, is a concern for Republicans and Democrats alike. Nationwide, voter turnout hovers around 60 percent during presidential election years and falls to 40 percent in midterm election years (www. fairvote.org).[1] In municipal election cycles, voter turnout is less significant. Turnout in the 2017 municipal election that featured the City of Erie Mayor's contest was 30.2 percent.[2]

This study analyzes voter registration and voter turnout in Erie County, Pennsylvania to assess the socio-economic characteristics that are shaping local elections. Voter registration per capita remains constant. That is, reductions in voter registrations correlate closely with declines in the general population. However, voter demographics are evolving and party loyalty is en flux. Therefore, it is important that we develop a better understanding of the electorate in Erie County because courting new and underperforming voters – those registered to vote, but not regularly voting – is crucial to maintaining a robust and active electorate.

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[1] FairVote. (2018). Voter Turnout. https://www.fairvote.org/voter_turnout#voter_turnout_101

[2] Cuneo, P. (2017) ERIE'S MAYORAL RACE: Analyzing Voter Turnout and Primary Election Results With A Look Ahead to the November 7 General Election. Erie, Pa.: Jefferson Educational Society. https://www.jeserie.org/uploads/ERIES%20MAYORAL%20RACE%20--%20Analyzing%20Voter%20Turnout%20and%20Primary%20Election%20Results%20with%20a%20Look%20Ahead%20to%20November%207s%20General%20Election.pdf

U.S. Voter Turnout Rates, 1916-2018

National estimates of voter turnout expressed as a percentage of the voting eligible population.

Moreover, this study examines characteristics of registered voters in Erie County, Pennsylvania, and how those characteristics might vary across geographic areas within the county based on voter performance. According to Garcia-Bedolla and Echaveste, "it is important to look at registration and voting rates across geographies because it is possible that certain jurisdictions, as a result of greater organizational density, proactive efforts on the parts of local registrars, a particular local history, or voter demography, vary in terms of the registration rates across particular ethnoracial populations."[3] In Erie, geographic and ethnoracial characteristics strongly correlate with economic characteristics.

Methodologically, this study uses geographic areas at a ZIP code level to organize voter registration data and analyze the nexus between economics, race, and age across Erie County. This information is critical to offering a more finite view of the Erie County electorate, thereby allowing organizations that engage in voter registration and voter engagement to better target strategies and messaging for registration and engagement campaigns. Moreover, this study offers county-level policy recommendations for the adoption of best practices that move beyond the current procedures of population-based voting districts based on the results of this geographic and variable characteristic evaluation.

[3] Garcia-Bedolla, L. and Echaveste, M. (2015). Voting registration in California: The future California Electorate. UC Berkeley: Policy Reports and Briefs.

Geographic Characteristics

Erie County, Pennsylvania is geographically and economically diverse. It is composed of two cities – Erie and Corry – 14 boroughs, and 22 townships, with an estimated population of 274,541 in 2017. These municipalities range in size from 97,369 in the City of Erie to 209 in Elgin Borough. Twenty-five of the county's 38 municipalities – nearly two-thirds – experienced population loss between 2000 and 2017. The largest decline was in the City of Erie, which lost 6,348 residents. The overall county population fell by more than 6,300 in that same period.[4] This had significant political ramifications as state legislative districts in the southern part of Erie County have twice been redrawn – after the 2000 and 2010 census – and the county was gerrymandered into two congressional districts in 2011. However, a ruling by the Pennsylvania Supreme Court in 2018 rejoined eastern and western Erie County in the newly drawn Pennsylvania's 16th Congressional District. Given the countywide population decline, year after year, and the redistribution of the urban population to suburban and rural municipalities, a significant change in the number and shape of legislative districts in Erie County is probable following the 2020 census.

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[4] Erie County Government. (2018, August). Erie County Municipality Population Changes, 2000 to 2017. https://www.eriecountypa.gov/media/661342/2.pdf

ZIP Codes of Erie County, Pennsylvania				
ZIP Code	Population	Median HH Income	% GED or Higher	Square Mileage
16501	2044	10631	0.664	0.68
16503	16850	22918	0.727	2.45
16507	11088	28347	0.846	2.10
16502	16664	30458	0.877	2.55
16504	17322	40773	0.92	2.79
16508	16050	44643	0.93	24.59
16509	26810	44643	0.956	38.13
16443	1425	45074	0.871	11.28
16407	11317	45708	0.894	107.47
16411	1477	46696	0.89	17.77
16423	4450	47568	0.894	9.46
16438	8083	48521	0.885	103.26
16511	11382	48611	0.936	7.49
16401	6581	49796	0.842	57.02
16412	10480	49972	0.944	80.10
16417	8329	50169	0.926	46.41
16510	25625	52201	0.914	32.77
16428	12478	53162	0.922	73.40
16505	17168	53213	0.922	11.87
16426	3730	53750	0.952	27.08
16427	412	55000	0.94	0.26
16506	23720	59427	0.957	14.00
16441	10136	60435	0.931	112.65
16421	2518	60833	0.954	10.60
16410	1854	62917	0.938	22.53
16442	2958	63182	0.873	50.31

Erie County is also economically diverse. Median household income ranges from just $10,631 in the City of Erie (ZIP Code 16501) – the lowest per-capita median household income in Pennsylvania – to $63,182 in Wattsburg, a rural municipality with a population of less than 3,000. The poorest six ZIP codes in Erie County, with median household incomes up to $44,643, are found within the City of Erie. The six ZIP codes with the highest median household incomes – greater than $55,000 – are found in suburban and rural communities.[5]

Population changes – both positive and negative – correlate with positive economic and educational indicators. Among the municipalities outside of the City of Erie with the greatest population changes, North East Township lost 1,422 residents and Harborcreek Township gained 2,225 residents. Both municipalities have median household incomes exceeding $53,000 and educational attainment rates for those with a high school equivalency or higher greater than 92 percent.[6] This supports the assumption that mobility is linked to income and educational attainment, and likely explains the population loss in the City of Erie, which "experienced the largest decline with a loss of 6,348 residents," according to a study of municipal population changes by Erie County government. "This loss can be partly attributed to resident out-migration to the nearby municipalities of Millcreek, Harborcreek, and Summit Townships, which as noted above all grew during the same period."

American Political Identities

The American electorate appears more divided than ever. According to the international organization More in Common, which published a study of American political views in October 2018, "unsettling changes in our economy and society have left many Americans feeling like strangers in their own land. Old certainties are gone. The secure job, the growing wage, and the safety of neighborhood life where everyone knew each other—these all feel like relics of a bygone era. ... Many Americans wonder who and what they can still trust."[7]

The More in Common report, *The Hidden Tribes of America*, classified the American electorate into seven tribal groups, each concerned with specific concerns and appropriating a share of the electorate. Findings suggest that the largest segment

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[5] Erie County Government. (2018, August). Erie County Municipality Population Changes, 2000 to 2017. https://www.eriecountypa.gov/media/661342/2.pdf; Jefferson Civic Leadership Academy. (2019). Trapped in Poverty: Accessability, Availability, and Income in Erie, Pennsylvania. Erie, Pa.: Jefferson Educational Society.
[6] Erie County Government. (2018, August). Erie County Municipality Population Changes, 2000 to 2017. https://www.eriecountypa.gov/media/661342/2.pdf; Jefferson Civic Leadership Academy. (2019). Trapped in Poverty: Accessability, Availability, and Income in Erie, Pennsylvania. Erie, Pa.: Jefferson Educational Society.
[7] More in Common. (2018). *The Hidden Tribes of America*. https://hiddentribes.us/

of Americans – 26 percent – are "politically disengaged." These Americans have lower levels of education and employment than those who strongly identify with some variant of liberal or conservative ideology. Nearly half of those classified as politically disengaged earn an annual salary of less than $30,000 and are less likely to be up to date on current affairs. Approximately one-quarter of this segment went without food or medical care sometime in the past year. Although 10 percent more likely than those in other categories to be African-American, the majority of this group believes that being white is an important part of being "American" and that people who hold non-Christian religious views are "morally inferior."[8]

Like the politically disengaged, "devoted conservatives" believe that immigration, the economy, and terrorism are very important political issues, while traditional American values, such as patriotism and religious liberty, are under attack. Unlike the politically disengaged, devoted conservatives are among the most affluent participants in the American electorate. They are 19 percent more likely than the average American to be white and nearly 45 percent of this group comes from the American South. Comprising just 6 percent of the population devoted conservatives are three times more likely to support both the Muslim travel ban and a border wall with Mexico.

Williams (2018) argues in her study, *White Working Class: Overcoming Class Cluelessness in America*, that "the focus on character, morality, and family values is a key expression of class disadvantage...This attachment to tradition is part of what the white working class shared for so long with Burkean conservatives." The nexus between the white working class and conservative ideology that seemingly challenges the primary interests of working class people, she explains, has manifest itself in resentment for the poor and white-collar professionals, as both the white working class and the conservative elite work to stay true to their own values in their own communities.[9]

The greatest resentment of the politically disengaged is leveled at liberals, which *Hidden Tribes* divides into three groups: passive liberals, traditional liberals, and progressive activists. Despite a national fervor for so-called progressive elected leaders, such as Bernie Sanders and Alexandria Ocasio-Cortez at the national level, and the emergence of grass-roots progressivism in cities and municipalities across the United States, just 8 percent of those surveyed were identified as progressive activists – those with strong ideological views and high levels of political engagement. While these activists make up a minority of the population they have "an outsized role in public debate." The authors of *Hidden Tribes* conclude that this "outsized role" is the byproduct of the economic and personal security that these people feel in comparison to the politically disengaged who struggle with economic security and fear threats from

[8] More in Common. (2018). *The Hidden Tribes of America*. https://hiddentribes.us/
[9] Williams, J.C. (2018). *White Working Class: Overcoming Class Cluelessness in America*. Boston, MA: Harvard Business Review Press.

The Hidden Tribes of America

Tribe	Main Concerns	Percent of Electorate
Progressive Activists	Climate Change, Inequality, Poverty	8%
Traditional Liberals	Leadership and Division in Society	11%
Passive Liberals	Health Care, Racism, and Poverty	15%
Politically Disengaged	Gun Violence, Jobs/Economy, and Terrorism	26%
Moderates	Division, Foreign Tensions, and Health Care	15%
Traditional Conservatives	Foreign Tensions, Jobs, and Terrorism	19%
Devoted Conservatives	Immigration, Terrorism, and Jobs/Economy	6%

foreign forces and domestic "others." Progressive activists are 7 percent more likely than the average American to be between the age of 18 and 29, and they are more than twice as likely than the average American to have completed college. Relative youth and education contribute to a passion for fairness and equity in society, particularly regarding race, gender, and identity.[10]

Traditional liberals and passive liberals are bound by the fact that they are less active in social justice causes than progressive activists, although traditional liberals are more politically active and informed than their passive partners. Traditional liberals are 7 percent more likely than the average American to be over the age of 65 and supportive of issue themes common to the Baby Boomer generation, including strong humanitarian values and a penchant for religiosity. Passive liberals, on the other hand, share liberal views on issues such as gay marriage and immigration but feel more isolated – similar to the politically disengaged – as a result of their aversion to social and political issues and their belief that most circumstances are beyond their control.[11]

Like traditional liberals, "traditional conservatives" are older and engaged in political causes, although not activist in their engagement. They tend to be patriotic and Christian, which informs their concerns about the "threat from a liberal culture that emphasizes diversity and devalues America's achievements."[12] They are educated at a similar rate to the average American, but 10 percent more likely to be white and over the age of 65, and they are twice as likely to watch Fox News and feel that they "have a

[10] More in Common. (2018). *The Hidden Tribes of America.* https://hiddentribes.us/
[11] More in Common. (2018). *The Hidden Tribes of America.* https://hiddentribes.us/
[12] More in Common. (2018). *The Hidden Tribes of America.* https://hiddentribes.us/

say in politics." Traditional conservatives tie their patriotism to the American family and largely hold the view that a two-parent family is central to the American way of life.

The remaining 15 percent of Americans are classified as "moderates." They are a complicated group, mostly disapproving of President Trump, engaged in their communities, and concerned about political tribalism; but they are also skeptical of social justice issues, gay marriage, and change. Moderates are concerned about the American identity and generally ascribe to social conservatism and err toward a commitment to religion in American life. But they represent a complicated and paradoxical identity in American politics. "They dislike the activism and what they see as extremism of both progressives and conservatives," concludes *Hidden Tribes*. "While they think feminism has gone too far, they also recognize sexual harassment as an important issue. They support the notion of sanctuary cities and want undocumented immigrants to have better treatment," but they do not support the construction of a border wall with Mexico. As a group, moderates are generally informed and 4 percent more likely to have some college experience. On the eve of the 2018 midterm elections, moderates were likely to vote Democratic by a margin of 4-3.[13]

Political Demographics – Erie, Pa.

Erie County, Pennsylvania has long been a Democratic stronghold, due in large part to the preponderant Democratic voter registration advantage in the City of Erie. There are 212,470 voting-age people in Erie County and 191,860 registered voters.[14] Among registered voters, Democrats have 28,548 more registered voters than Republicans. There are also 26,536 registered as Independent or as members of other parties. These totals include both active and inactive voters. Inactive voters are those who have not voted in two consecutive federal election cycles. Pennsylvania does have a process for purging inactive voters from the voter registration rolls, but it is not strictly enforced, allowing counties to purge voter rolls at their discretion.[15] When inactive voters are excluded from the count of registered voters the number of registered voters in Erie County drops to 156,982, making the percentage of eligible voters who have actually registered drop from 90 percent to 73 percent. However, excluding inactive voters from voter turnout statistics would have the inverse effect. For example, excluding inactive voters from the reported voter turnout in the 2018 midterm would increase turnout from 53 percent to nearly 65 percent.

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[13] More in Common. (2018). *The Hidden Tribes of America*. https://hiddentribes.us/
[14] Kearney, P. (2017). The United States of Apathy https://urbanobservatory.maps.arcgis.com/apps/MapJournal/index.html?appid=95f38693320c408a87db b33762d82e82; Erie County Office of Voter Registration. (2018). Voter Registration, November 2018.
[15] Darragh, P. (2018, June 11). Pennsylvania's Voter Registration Purge: How it works. The Morning Call. https://www.mcall.com/news/nationworld/pennsylvania/mc-nws-voter-registration-purge-process-2018061 1-story.html

There are many questions, ethical and practical, associated with voter purges. Political parties also track voters within databases used to make campaign calls and volunteer requests. According to the Democratic National Committee's VoteBuilder database, when suppressions are applied to voter lists for unverified addresses and unreported changes in voter registration, such as a person moving from a location but not updating their voter registration status, the total number of verified registered voters in Erie County drops to 157,898.[16] That reduces the Democratic voter registration advantage to 19,253 voters and brings the number of Independent and other-party affiliated voters to 20,553.

Active Voter Registration by Party

Party	Active Registrations
Democrats	78,299
Republicans	59,046
Other	1,021
Independent	19,532
Total Voters	157,898

Baby boomers make up the largest segment of voters in Erie County. Those over age 62 account for nearly one-third of the active electorate. Voters between the age of 46 and 61 comprise an additional 29 percent of the electorate. While this group represents a majority of voters in Erie County (62 percent), voter apathy among younger voters of both parties poses a significant civic challenge to the community in the near future. The life expectancy of the average Pennsylvanian is approximately 80 years. This means that the political class in Erie, Pennsylvania is reaching a tipping point at which a minority of current voters will participate in the democratic process. Furthermore, the majority of these voters do not regularly cast ballots in primary and off-year elections.

Voters who cast ballots in four or more consecutive election cycles are commonly referred to as super voters. Of the nearly 158,000 registered active voters in Erie County, only 16,274 voted in the past four election cycles, both primary and general contests. Republicans make up just 40 percent (6,527) of this group, while Democrats account for the remaining 60 percent (9,747) of super voters. More than 93 percent of super voters are over 45 years of age.

[16] For the remainder of this study, we will use 157,898 as the total number of active registered voters in order to utilize the VoterBuilder system as a consistent source of voter registration data.

Finally, gender will become a key variable as both parties attempt to court young voters. Women have long been the majority of the electorate even if that fact has not been historically represented in the composition of elected officials. Women account for nearly 53 percent of registered voters age 46 or older. That majority drops to 50 percent among voters age 31 to 45 as only 467 more women than men are registered in this cohort. In the youngest cohort of registered voters, ages 18 to 30, 64 more men than women are registered to vote. As the majority of active voters continues to age, the economy remains stagnant, and birth rates among 15-year-old to 19-year-old women continue to rise, routine voter participation by younger age cohorts, and women, in particular, is likely to decline.

Party	Age by Sex															Total People
	18 to 30			31 to 45			46 to 61			62+			Unknown			
	Male	Female	Unknown	Male	Female	Unknown	Male	Female	Unknown	Male	Female	Unknown	Male	Female	Unknown	
Democrats	5,407	6,890	543	6,852	8,831	177	9,459	12,210	140	12,018	15,646	103	8	12	3	78,299
Republicans	4,909	3,763	244	6,475	5,478	82	10,008	8,926	56	9,406	9,629	53	12	5	0	59,046
Other	205	107	8	258	140	5	142	73	0	50	33	0	0	0	0	1,021
Independent	3,026	2,723	324	3,205	2,808	85	2,490	1,948	46	1,565	1,280	29	1	1	1	19,532
Total People	13,547	13,483	1,119	16,790	17,257	349	22,099	23,157	242	23,039	26,588	185	21	18	4	157,898

The Democratic Party faces the greatest threat to its voter registration advantage if demographic voter trends continue over the next few decades. Currently, when adjusted for active voters, Democrats hold a voter registration advantage of 19,253. Among the more the 16,000 aforementioned super voters, Democrats maintain that advantage with 3,220 registrations. Women continue to maintain an advantage over men in the Democratic Party, but the gender disparity is less than half among younger voters than it is among those 62 years of age and older.

Conversely, the Republican Party stands to gain ground simply by maintaining its voter registrations and building upon the attrition rates of its Democratic counterpart. Like the Democrats, Republicans have far fewer young registered voters in their party with approximately 9,000 registered Republicans between the age of 18 and 30. Unlike the Democrats, men comprise the majority of registered Republicans in every age cohort except among those 62 years of age or older. If population declines and demographic trends continue, Republicans will cut the Democratic voter registration in half over the next two decades by attrition alone.

As demographic trends alter the composition of the two major parties, Independent voters will play an increasingly important role in the next generation of Erie politics. There are currently 19,532 active voters in Erie County registered as Independent or other. More than half of those voters are under the age of 45. Because these voters tend to be younger and more male than female, it is likely that they are more conservative than their major party candidates. This inference is based on the

fact that registered Republicans also trend male among the younger and middle-aged registrants. Women only maintain a majority in the Republican Party among those voters 62 years of age and older. Among Independents, men form a majority in all age cohorts.

Despite the importance of their vote, Independents in Pennsylvania are largely disenfranchised because they are excluded from the primary selection process in which political parties select candidates for the general election. Pennsylvania is one of nine states in the U.S. which maintains a "closed primary," which only allows voters to cast ballots for candidates running on their Party's ballot. That is, Republican electors will only see Republican candidates on their primary ballots and Democrats will only see Democratic candidates on their primary ballots. Because few candidates run for elected office as Independent candidates, Independent voters have few choices in primary election cycles and are relegated in general elections to choosing from among those candidates selected by major party voters in partisan primary contests.

The Party that welcomes Independent voters to the primary polls through changes in voting legislation is likely to influence the loyalty of Independent voters in the future. As of now, Republicans in the Pennsylvania General Assembly are controlling the conversation surrounding changes to the primary election process. President Pro-Tempore of the Pennsylvania Senate Joe Scarnati (R-Jefferson County) is leading that conversation. Scarnati, in 2018, introduced Senate Bill 1234 to allow for open primaries. This bill would allow registered Independents to select which ballot – Republican or Democratic – they would cast their vote on when they go to the polls during a primary election cycle. This is known as a primary "open to unaffiliated voters." Nine states – Arizona, Colorado, Kansas, Maine, Massachusetts, New Hampshire, New Jersey, Rhode Island, and West Virginia – have this type of primary system.[17] "In our most recent primary election (2018), only 18 percent of Pennsylvania's registered voters went to the ballot box to cast a vote," Scarnati said in a statement on his website. "The low turnout can in part be attributed to voters feeling disenfranchised by both major parties, who have taken control of our primary process. Allowing more people the opportunity to have a voice in their representation is an important step toward ensuring democracy."[18]

The primary open to unaffiliated voters differs from a true "open primary" in which voters from any party can select which party's ballot they vote on in a primary election contest. In a true open primary, Democrats can go to the polls in a spring primary and choose to vote a Republican ballot if that is where the majority

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[17] National Conference of State Legislatures. (2018, June 26). State primary election types. http://www.ncsl.org/research/elections-and-campaigns/primary-types.aspx

[18] Scarnati introduces open primary legislation. (2018, Sept. 13). https://www.senatorscarnati.com/2018/09/13/scarnati-introduces-open-primary-legislation/

Party	All	Dem	Rep
Age	18-45	18-45	18-45
Total Voters	62,545	28,700	20,951

of contested races reside. Fifteen states have true open primaries.[19] In a locale such as the City of Erie, where there is rarely a contested Republican race in any election, particularly during a primary election, a true open primary would allow both Republicans and Independents to select candidates on the Democratic ballot. Skeptics from both major parties fear that political adversaries would use their vote to forward less electable candidates to the general election contest. However, in excluding Independent voters from these important electoral decisions they may be creating political adversaries in the future when young Independent voters become active party loyalists.

If primary contests are open to unaffiliated voters, major party activists will need to consider a number of factors in courting Independent voters to their respective camps. Regional demographic information will provide a starting point for evaluating and estimating both the political engagement and probable ideological conviction of political independents. Most of this population will fall within the 56 percent of Americans who compose the Moderates, Politically Disengaged, and Traditional Liberals as defined in *Hidden Tribes*. Economic and educational attainment data is suggestive with regard to which issues and with which party individuals might identify. In many areas, where major party registrations are within 1,000 votes of each other, the Independent voter will tip the balance of power in favor of the party with the most persuasive outreach and message.

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[19] National Conference of State Legislatures. (2018, June 26). State primary election types. http://www.ncsl.org/research/elections-and-campaigns/primary-types.aspx

Registered Voters by ZIP Code in Erie, Pennsylvania[20]									
ZIP Code	Population	Median HH Income	% GED or Higher	D	R	O	I	Registered Voters	% Registered
16501	2044	10631	0.664	768	227	20	297	1176.00	0.5753424658
16503	16850	22918	0.727	4,475	807	35	950	6267.00	0.3719287834
16507	11088	28347	0.846	2,689	893	25	613	4220.00	0.3805916306
16502	16664	30458	0.877	4,656	1,549	89	1,031	7325.00	0.4395703313
16504	17322	40773	0.92	5,444	2,039	64	994	8541.00	0.4930723935
16508	16050	44643	0.93	5,389	2,407	55	1,038	8889.00	0.5538317757
16509	26810	44643	0.956	8,726	6,786	97	1,790	17399.00	0.6489742633
16443	1425	45074	0.871	316	363	10	134	823.00	0.5775438596
16407	11317	45708	0.894	1,871	2,478	36	643	5028.00	0.4442873553
16411	1477	46696	0.89	328	435	2	92	857.00	0.5802301963
16423	4450	47568	0.894	1,086	1,031	24	360	2501.00	0.5620224719
16438	8083	48521	0.885	1,231	1,656	19	407	3313.00	0.4098725721
16511	11382	48611	0.936	3,611	2,391	49	754	6805.00	0.5978738359
16401	6581	49796	0.842	953	1,046	20	297	2316.00	0.3519222003
16412	10480	49972	0.944	2,500	2,499	40	819	5858.00	0.5589694656
16417	8329	50169	0.926	2,164	2,392	39	685	5280.00	0.6339296434
16510	25625	52201	0.914	7,913	4,782	82	1,705	14482.00	0.5651512195
16428	12478	53162	0.922	2,804	3,655	64	1,000	7523.00	0.6029011059
16505	17168	53213	0.922	5,357	4,638	67	1,294	11356.00	0.6614631873
16426	3730	53750	0.952	1,007	1,159	13	293	2472.00	0.6627345845
16427	412	55000	0.94	90	81	3	25	199.00	0.4830097087
16506	23720	59427	0.957	7,174	6,410	62	1,582	15228.00	0.641989882
16441	10136	60435	0.931	2,256	3,165	25	695	6141.00	0.6058602999
16421	2518	60833	0.954	718	636	7	157	1518.00	0.6028594122
16410	1854	62917	0.938	435	512	9	141	1097.00	0.5916936354
16442	2958	63182	0.873	627	896	6	217	1746	0.5902636917

Conclusion

Voter demographics in Erie County are rapidly changing as traditional partisan voters are aging and will begin to cede their registration advantage, particularly within the Democratic Party. Party officials, both Republican and Democratic, will need to evaluate their engagement with young voters who, nationally, are clamoring for a seat at the table. Several important issues including health care, jobs and the economy, and the threat of terrorism resonate across partisan lines and provide an opportunity to drive consensus and to motivate voters who are under the age of 45, have some education beyond high school, and are not ideologically bound to political activism. The ways in which these voters are courted in the short term will have long-term ramifications for both party structure and the composition of legislative delegations.

Recommendations

- Establish a bipartisan effort to enact some form of open primary system in Pennsylvania.

- When establishing, combining, or closing polling sites, the County Board of Elections should take into consideration age, race, and economic indicators to ensure that these groups are equitably represented within the composition of a voting district, in addition to ensuring the density of voters in proximity to the polling site.

- Based on economic and demographic trends, as well as low voter turnout in municipal election cycles that is below the national average, the City of Erie should establish a home-rule charter form of government in order to establish a representative city council, with council members representing city wards rather than the city at-large, which would have the likely effect of increasing voter participation, and party participation, as a result of direct representation of local office holders at the ward level.

- Reapportion city wards and, where appropriate, county districts to address the economic and demographic changes in Erie County. Some wards and districts, such as the fifth and sixth wards in the City of Erie, and several districts in Millcreek Township, are two to three times the size of other political districts in their municipalities. This incentivizes political candidates and elected officials to spend disproportionate amounts of campaign time and political capital, once elected, in these larger political districts and reinforces the preconceptions of the politically disengaged voters in marginalized parts of these municipalities. Equal distribution of voters by population, age, and socioeconomic status would positively impact political and community interests throughout Erie County.

JEFFERSON
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The Jefferson Educational Society of Erie and the Brith Sholom Congregation, of 3207 State Street, entered into a shared-use building agreement in October 2008. Under the terms of this arrangement, the Jefferson utilizes facilities in the southern wing, which houses an adult education facility in order to offer lectures, courses, seminars, and sponsored research. The Brith Sholom Congregation continues to use the building's northern wing for religious and congregational purposes. The Jefferson Educational Society purchased the building in August 2013 and has invested in its renovation.