

This report is presented as a resource document for the ***Imagine Houston*** process. Its contents are the result of almost a year of public discussion and represent the consensus of the focus group volunteers. While the Planning & Development Department provided support to the process, it did not screen, edit or modify anything contained herein.

**Where We
Work**



March, 1995

Dear Fellow Houstonian:

We are pleased to submit *Where We Work's* final report for your consideration as you continue the work of **Imagine Houston**. The vision, goals and actions in this document represent our consensus on an array of important issues affecting Houston's economy.

That we achieved this consensus represents a minor miracle, given our members' varying backgrounds, experience, and expertise. While making our discussions longer and louder, this diversity of perspectives added to our understanding of the opportunities and problems facing Houston, and to the value of our final recommendations.

We would like to express our appreciation to you for taking on the enormous responsibility of developing a blueprint for Houston in the 21st Century. We have found our work in **Imagine Houston** rewarding and trust you will have an equally gratifying experience. Should you feel it necessary, we stand ready to assist.

Good luck in your future **Imagine Houston** undertakings!

Sincerely,

The *Where We Work Focus* Group

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Preface

In March of 1994, Houstonians seized an opportunity created by Mayor Bob Lanier to help determine the future of our community. Over one thousand people participated in a three-day *Imagine Houston* forum, during which they identified the issues facing Houston and set the agenda for future discussions.

Imagine Houston is a community-wide visioning process designed to bring people together to share information, learn about each other's viewpoints and to develop a consensus on the issues, goals and opportunities that will shape Houston's future. It will result in a plan that public, private and not-for-profit organizations can use as guidance on how to structure programs, services and financing to the betterment of our community.

After the March forum, working groups called focus groups, were formed to deal with specific topics:

Community Safety
Fostering Our Cultural Resources
In Service to the Public
Learning For Life
Minding Our Natural Resources
Taking Care of Ourselves
Where We Live
Where We Meet
Where We Work

An additional group, the *Youth Focus Group*, was subsequently created to obtain ideas from Houston's young people on the issues facing them.

Membership in the focus groups was open at all times to anyone; nearly one

thousand Houstonians participated in discussions from March to December. The work completed by the focus groups is the result of those public discussions. Each group developed a vision statement and a list of goals and actions that can be taken to achieve the goals.

While each focus group concentrated on its respective topic, certain themes emerged as constants throughout the reports. They include:

economic competitiveness... with other cities throughout the world, internationalism, job growth and training, economic opportunity for all residents;
education... youth, education, preparing the leaders to lead, ensuring our future by ensuring theirs;
community building... self-defined "urban villages", the idea of belonging to a community, personal responsibility;
urban and natural resources... space and place, physical elements blending with the natural environment, a livable community;
celebrating diversity... through public art, cultural and educational training, and through equal access for all.

Imagine Houston does not stop here. These ten reports form the foundation for the work of the ***Imagine Houston*** Steering Committee in creating a vision plan for Houston. The Steering Committee consists of members appointed by Mayor Lanier, a



representative of each Council Member and a representative from each focus group. The Committee recognizes the importance of continued public dialogue. When complete in Spring 1995, this Plan should serve for the next 20 to 30 years as the basis for actions by every segment of our community including individuals and public and private-sector organizations.

Imagine Houston is an extraordinary exercise in grass roots democracy. The committed citizens who participated have given our community insightful ideas to lead Houston into the next century. We are grateful for their efforts. We are hopeful about our future.

Section 1: Introduction

Vision Statement

Houston: A City of equal opportunity that works to provide a favorable climate for capital and human investment, where economic vitality flourishes throughout.

and synthesis by the full focus group. After considerable discussion and debate, *Where We Work* achieved consensus on the vision, goals, and action strategies contained in this document -- a considerable accomplishment given the diversity of experience and perspective among our members.

Background

Beginning at the **Imagine Houston** Kick Off in March 1994, *Where We Work* spent numerous meetings and hundreds of hours over ten months to develop a strategy for strengthening Houston's economy.

After initially identifying nine topics of concern to Houston's economy, the group narrowed its scope to four key areas: small business development, community revitalization, workforce development, and public/private partnerships. Members formed three subcommittees addressing these topics: Small Business Development, Community Revitalization & Human Assets Investment, and Public-Private Partnerships. The group's decision-making process followed the rules of "modified consensus," under which approval of a proposal must gain the agreement of all members; however, under modified consensus, those without strong feelings on a proposal may abstain, enabling those with stronger views to arrive at a consensus.

Subcommittees developed their own vision, goals, and action plans for review

Executive Summary

While recognizing the importance of a wide array of topics, such as international trade and business recruitment/retention, *Where We Work* focused on developing strategies to advance the following broad aims:

- Encouraging entrepreneurship
- Promoting investment in declining areas

- Preparing our workforce for the future

- Strengthening public-private partnerships.

The focus group's 22 proposals to address these topics generally come under three categories:

- Information and access:* Enhancing information on and access to the numerous agencies and programs concerned with Houston's economic development.

- Building partnerships:* Building and strengthening partnerships among private, public and nonprofit economic development organizations.

- Local government policy:* Reviewing and revising a number of local government policies, particularly those affecting community revitalization.

To be successful, our proposals require the participation of a wide range of business, government and community groups. We believe that the Mayor and City Council of the City of Houston must take a strong leadership role in initiating and planning these measures.

Themes:

Encouraging entrepreneurship

Small business is crucial to economic growth and job creation in Houston. The continued downsizing of large corporations has given new impetus to efforts aimed at spurring entrepreneurship among laid-off workers. Despite their importance, efforts to nurture small businesses suffer from a lack of financial, technical, and educational assistance resources, while information on and access to small business assistance programs is limited. In addition, programs opening doors for small businesses to contract with large businesses and government are lacking. Increasingly stringent environmental regulations may create additional small business assistance needs, such as helping small businesses (e.g., dry cleaners) in coping with regulations in the most cost-effective way possible. Finally, commercialization of technology developed at NASA, the Texas Medical Center, and area universities represents a valuable opportunity for area small businesses; however, networks to facilitate this technology transfer are not well-developed. The focus group's proposals for encouraging entrepreneurship include actions to make assistance and support services more readily available to small businesses through community-based incubators and the dissemination of information on available resources for small businesses.

Promoting investment in declining areas

Houston is experiencing an explosion of blighted areas in need of redevelopment, both downtown and on the City's periphery. While revitalization initiatives typically focus on areas inside the I-610

loop, blight and economic decline have occurred throughout the City. Redevelopment efforts should focus on blighted/declining areas and areas on the verge of decline -- regardless of where they are located. Revitalizing these areas will require investment both in Human Assets (see Workforce Development) and in the City's physical infrastructure. A key first step is to identify blighted/decaying areas with potential for redevelopment and areas on the verge of decline so that decline can be halted. The group further recommends establishing a Development Corporation to undertake revitalization projects, developing infrastructure finance policies to promote redevelopment of blighted areas, and encouraging community-based development organizations to take a leadership role in revitalizing their neighborhoods.

Preparing our workforce for the future

Because of technological advances and layoffs, workers from all skill and education levels must be able to adapt to changes in the workplace, placing increased importance on both public and private training/retraining efforts. Obstacles to meeting workforce development needs include the business sector's general lack of involvement with workforce development agencies, the inability of small and medium businesses to conduct in-house training, scarcity of public funds, and the education system's poor performance in preparing job-ready graduates. In addition, gaining access to and completing training programs is problematic, because program resources are scattered in different locations. As a

result, there is a need to examine effectiveness of these programs and to monitor education system's performance. Where We Work's proposals "to prepare the workforce for the future" focused on enhanced information on and access to employment and training services, as well as encouraging stronger partnerships between businesses and public sector training programs.

Strengthening public-private partnerships

Houston lacks a proactive process for approaching its economic future and has been content with its status as an energy and technology center. Duplication and lack of coordination characterize many area programs and services. Because of the general lack of evaluation, it is unclear how well public programs succeed in meeting public needs and how they can be improved. Opportunities exist to streamline, coordinate, and enhance communication among agencies and services, and to develop innovative partnerships to serve unmet needs in the areas of business development, workforce quality, education, and technology transfer. While there are opportunities for cooperation among government agencies, these efforts may be hindered by agency politics--especially concerning the allocation of funds. *Where We Work* proposes to generate opportunities for building public-private partnerships by increasing awareness of and communication among various public, private and nonprofit organizations involved in economic development.

Topics of Debate

While reaching consensus on a wide range of topics, focus group members did not resolve a number of issues. These debates are summarized below.

Public vs. Private Sector roles in small business assistance programs

Focus group members expressed a wide range of views on this topic. Some contend that private sector business assistance services suffer unfair competition from government programs, which are generally viewed as inefficient and wasteful. According to this view, most users of public small business assistance programs lack the basic skills and background to become successful entrepreneurs. As a result, these programs do not achieve their stated aims of small business development, job generation, and tax base growth. Those program users who do succeed would be served more efficiently and without cost to taxpayers by private sector programs. Instead of competing with the private sector, public funds should be used primarily to jump-start needed programs, after which the private sector should take over, funding operations from fees charged to program beneficiaries. However, according to this view, such change would be politically difficult, due to the interests of public employees and program operators.

Other focus group members disagree, stating that public funding of business assistance programs serves an important public purpose, encouraging entrepreneurship and aiding the success of small businesses in Houston.

Moreover, because it undertakes only those enterprises perceived as profitable,

the private sector may not address legitimate public needs for entrepreneurial assistance.

Despite these diverging views, focus group members agree that some of these issues could be addressed by building stronger partnerships among the private, public, and nonprofit sectors.

Eminent Domain

The focus group recommended establishing a permanent, politically independent development entity to promote revitalization *without the power of eminent domain*. Opposition to eminent domain stemmed largely from political considerations. Given Houston's historic opposition to government infringement on private property rights, members concluded that endowing an institution with this power would be politically difficult. Under State law, establishing a municipal development corporation with this power requires voter approval in a citywide referendum.

However, some members believe that the lack of eminent domain would seriously compromise the effectiveness of such an institution. Judicious exercise of this power could alleviate difficulties in assembling land for redevelopment projects, thereby easing the risks associated with revitalizing blighted and declining areas. In addition, eminent domain would help to avoid the Greenway Plaza syndrome (i.e., when a few property owners refused to sell their land at fair market value, thus holding up a major redevelopment project).

Section 2: Goals and Actions

Small Business Development

Goal 1:

Encourage entrepreneurship and the formation, survival and prosperity of small businesses with special considerations for ethnic and culturally diverse businesses.

Action 1.1: Disseminate program information

Make public more aware of existing programs through workshops, public relations campaign, and information networks (see Actions 5.1 and 5.2).

Lead Agency: City of Houston

Other Participants: Public/private

Funding: Public/private

When: Initiate in mid-1995 and make it an on-going program

Priority: Must

Action 1.2: Entrepreneurial education -- financing

Conduct educational campaign to make entrepreneurs aware of private and public capital resources available to entrepreneurs (e.g., venture capital, seed capital, debt/equity financing, and other sources, including the Small Business Administration). Educate about advantages and disadvantages of each type of capital.

Lead Agency: City of Houston

Other Participants: Public and private organizations, including

banks, government agencies (e.g., SBA), and other appropriate entities

Funding: Public/private

When: Initiate in mid-1995 and make it an on-going program

Priority: Must

Goal 2:

Promote ease of access to (and help with qualification for) venture capital and incubation programs, including business and legal advisory services.

Action 2.1: Establish community-based small business incubators

Develop a decentralized network of pre-packaged small business incubators to address the needs in Houston's many diverse communities. This program should address each community's special needs: cultural, language, location, etc. The model must provide for cost containment, but be flexible to meet the immediate community needs in a timely manner. (If the community does not understand the process and does not perceive the process to be accessible, the community will not use the process.)

For each community location, formulate:

 a firm, clearly-defined mission statement for the community locations

 a firm, clearly-defined statement of financial accountability

 a firm, clearly-defined marketing plan for each community, with stated goals for the staff

 a model, make it work and become self-sufficient, and then repeat the process. The Model includes a pre-packaged plan for:

equipment
furniture/fixtures
services provided (vendors)
database access
personnel to man incubation center
job descriptions to clarify roles for
incubator positions, including
language requirement in ethnic
communities
looking for personnel involved in the
community in the past
space requirements (libraries, banks,
centralized and well-known locations)

Lead Agency: City of Houston

Other Participants: Houston Small Business Development Center, Services Cooperative Association, Entrepreneurial Development Center, and appropriate City departments.

Funding: Public funds (for start-up), private grants, fees, royalties

When: Immediate; this is a project of long-term duration and on-going participation

Priority: Must

Community Revitalization

Goal 3:

Create opportunities for capital investment to revitalize blighted and declining areas.

Action 3.1: Redevelopment institutions and partnerships

Establish a permanent, politically independent Development Corporation with responsibility

for undertaking and facilitating development projects to promote Houston's revitalization. To avoid political battles and a special election, the Development Corporation should not have power of eminent domain; however, it should be able to issue bonds to fund development projects.

Lead Agency: Mayor of City of Houston

Other Participants: Community-based development organizations, private development community, City departments, Greater Houston Partnership.

Funding: Self-financed through bonds, fees, and contributions by utilities and other potential beneficiaries

Timing: In mid-1995, appoint an advisory council to determine what form the corporation should take and how it should operate

Priority: Must

Action 3.2: Infrastructure finance policy

Develop a policy on Infrastructure finance to reduce infrastructure finance costs for developers seeking to redevelop blighted areas of Houston and to promote revitalization.

Possible specific actions include the following:

Set-aside in the CIP (of City Bond proceeds) to fund infrastructure improvements for blighted areas

Revolving Loan Fund for infrastructure in blighted/declining areas

Lead Agency: Mayor and Council of City of Houston

Other Participants: City departments and programs (Public Works & Engineering, Greater

Houston Wastewater Program,
Planning & Development, Housing &
Community Development)

Funding: Policy development to be done with existing City agency resources. Funding for initiatives to be contingent upon adopted policies.

Timing: Policy development during March through October, 1995, for implementation in Fiscal Year 1996 (begins October, 1995)

Priority: Must

Action 3.3: Community-Based Development Policy

The City of Houston should adopt the “Community-Based Development” model as a formal policy for revitalization. Under this model, community-based development organizations (CBDO’s) take the lead in proposing revitalization projects, with funding, encouragement, and technical support from City agencies. This approach brings together a broad range of private, nonprofit, and public entities, thereby increasing resources, expertise, and community commitment. Community-Based Development has proven to be highly effective in revitalizing other cities.

Lead Agency: Mayor & Council of City of Houston

Other Participants: United Way - New Foundations for Neighborhoods, Texas Community Development Association, local Community-based Development Organizations (CBDOs), and City departments (Planning & Development, Housing & Community Development)

Funding: Policy development to be done with existing City agency resources. Funding for initiatives to be contingent upon what policies are adopted.

Timing: Policy development during March through October, 1995, for implementation in Fiscal Year 1996 (begins October, 1995)

Priority: Must

Action 3.4: Develop process and guidelines for funding

community -based revitalization initiatives

Develop clear process and criteria for allocating CDBG and other funds for projects proposed by community-based development organizations, as City has not defined this process and criteria. Develop measures of success for evaluating CBDO projects.

Lead Agency: Mayor & Council of City of Houston

Other Participants: United Way - New Foundations for Neighborhoods, Texas Community Development Association, local Community-based Development Organizations (CBDO), and City agencies (Planning & Development, Housing & Community Development)

Funding: Policy development to be done with existing City agency resources.

Timing: Policy development during March through October, 1995 for implementation in Fiscal Year 1996 (begins October, 1995)

Priority: Must

Action 3.5: Neighborhood database

Develop database of socio-economic, infrastructure, and environmental conditions in Houston’s neighborhoods.

Lead Agency: Mayor and Council, City of Houston

Other Participants: City of Houston agencies (Planning & Development, Housing & Community Development, Public Works &

Engineering, and Greater Houston Wastewater Program)

Funding: Involved agencies

Timing: March-October, 1995

Priority: Could

Action 3.6: Increase financial resources for community revitalization

Tap Houston's foundations and other private financial sources to increase resources available for community revitalization projects.

Lead Agency: [Delegated to Steering Committee]

Other Participants: [Delegated to Steering Committee]

Funding: [Delegated to Steering Committee]

Timing: [Delegated to Steering Committee]

Priority: Could

Action 3.7: Development guide

Publish a guide to local development ordinances and the development process. Compile and cross-reference relevant ordinances.

Lead Agency: City of Houston, Planning & Development Department

Other Participants: City of Houston agencies (Housing & Community Development, Public Works & Engineering, et al), and County Agencies.

Funding: Involved agencies.

Timing: March-October 1995

Priority: Must

Workforce Development

Goal 4:

Promote investment in our human resources to create a work force that is prepared for the future.

Action 4.1: Comprehensive Electronic Information Network (CEIN)

CEIN would be open to everyone 24 hours/day through home/work computers or through public library terminals. CEIN to include following data:

- workforce development agencies, organizations, partnerships
 - training and employment service programs
 - labor market information & projections
 - occupational skills & education needs assessments
 - public and private sector job listings
 - individual resumes
 - client intake information
 - job matching service, which matches individuals with appropriate job openings
 - service matching clients with needed training and employment services
- Focus Group members noted the need to determine what pieces of CEIN already exist, are under development, have been proposed, or require new initiatives. The CEIN would build on existing initiatives and resources, such as the Texas Employment Commission's computerized job databank and TECHFORCE 2000's computerized listing of training programs.

Lead Agency: City of Houston, Texas Employment Commission

Other Participants: Development of CEIN would require support and involvement from numerous entities, including private businesses, Texas Employment Commission, TECHFORCE 2000, HoustonWorks and other area Jobs Training Partnership Councils, community based organizations, public school systems, community colleges, universities, City of Houston, Harris County, and other local library departments

Funding: The cost of such a system would be enormous and clearly require public funds. Area corporations have donated computer equipment to the Texas Employment Commission's initiative, which establishes electronic information terminals (KIOSKS) in area Fiesta Grocery stores, and may be a source of future assistance.

Timing: CEIN is a long-term project. Project planning and coordination could begin in the near future.

Priority: Must

Action 4.2: Needs assessment

Conduct a comprehensive assessment of Houston's training and employment service needs for dislocated and disadvantaged workers, workers without post-secondary education, literacy, and entrepreneurial training and awareness. Develop action plans to address these needs.

Lead Agency: City of Houston, Texas Employment Commission

Other Participants: HoustonWorks, TECHFORCE 2000, educational institutions, Private training providers, and U.S. Department of Labor

Funding: Primary funding to be sought from U.S. Department of Labor and Texas Employment Commission

Timing: Initiated in mid/late 1995 and completed in mid-1996

Priority: Could

Action 4.3: Greater business involvement

Issue a "Call to Arms" for private industry to become more involved with workforce training and employment service programs. Encourage two-way communication between private and public sectors aimed at communicating training needs, available jobs, future job trends, and apprenticeship program needs/availability.

Lead Agency: Mayor of City of Houston

Other Participants: Greater Houston Partnership, HoustonWorks, TEC, United Way, and TECHFORCE 2000

Funding: None required

Timing: Initiated in mid-1995

Priority: Should

Action 4.4: Telephone directory listing of services

Create separate section in Telephone Directories--the green pages--devoted to training and employment services.

Lead Agency: Southwestern Bell

Other Participants: Texas Employment Commission, HoustonWorks, TECHFORCE 2000, private training providers, educational institutions, and U.S. Department of Labor

Funding: As Part of Southwestern Bell's directory compilation

Timing: Initiate in mid-1995 and published in the next directory

Priority: Could

Action 4.5: Establish network of community centers

Network of community centers throughout area with a full range of employment services open to all citizens with no eligibility requirements, providing labor market information, individual assessment, job search assistance, and workplace resources. This differs from the Texas Employment Commission's KIOSKs, which are targeted to underserved areas.

Lead Agency: Texas Employment Commission

Other Participants: private businesses, TECHFORCE 2000, HoustonWorks and other area jobs Training Partnership Councils, community-based organizations, public school systems, community colleges, universities, City of Houston, Harris County, and other local library departments

Funding: Involved Agency funds, public-private partnerships

Timing: Initiate third quarter, 1995

Priority: Should

Action 4.6: Public School career development classes

Institute classes in public schools and/or through public libraries on the following:

How to assess your own job skills and career interests

How to conduct a job search

Entrepreneurship

Lead Agency: Greater Houston Partnership

Other Participants: other Chambers of Commerce, area schools (both public and private), University of Houston Small Business Development Center, and Association of Proprietary Schools

Funding: Federal/State grants; private contributions

Timing: Plan during first half 1995; implement fall, 1996

Priority: Should

Action 4.7: Streamline program intake procedures

Streamline/consolidate intake procedures for all federal/state/local employment service programs. Review program procedures to enhance customer service and eliminate dehumanization of clients.

Lead Agency: Texas Employment Commission - Regional office

Other Participants: U.S. Department of Labor, HoustonWorks, and private training service providers

Funding: Involved agencies

Timing: Third quarter, 1995

Priority: Should

Action 4.8: High School-Business training contracts

Enable school districts to enter into training contracts with businesses to provide non-college-bound high school graduates with skills needed to obtain jobs.

Lead Agency: Mayor of City of Houston

Other Participants: State legislators (to pass enabling law); local mayors and council reps (to lobby for the law).

Funding: Staff needs: liaison between economic development officials and local school districts

Timing: Initiate in mid-1995

Priority: Must

Action 4.9: Expand occupational training programs

Expand programs under which employers commit to hire a given number of qualified workers for specific positions. Employers enter into contracts with training service providers to give workers occupation-specific skills. Employers then hire workers who successfully complete the training program.

Lead Agency: Texas Employment Commission

Other Participants: HoustonWorks, TECHFORCE 2000, educational institutions, private training providers, U.S. Department of Labor

Funding: Involved agencies

Timing: Initiate in third quarter, 1995

Priority: Could

Public/Private Partnerships

Goal 5:

Identify & coordinate existing partnerships, and develop innovative partnerships to serve unmet needs in the areas of business growth, workforce quality, education and development, and technology transfer.

Action 5.1: Houston Resource Register

Build a database -- "Houston Resource Register" (HRR) -- of private/public small business assistance & development groups, as a resource for small businesses to become aware of players, programs, funding, etc. Some of this is already done on a limited basis in the Houston area. The database format would be as follows:

- name of entity
- mission statement or definition of purpose
- funding source(s)
- how entity is accountable
- profile of entity's clients/target market
- measure of program effectiveness

Lead Agency: City of Houston

Other Participants: One Stop, Houston Business Council, Services Cooperative Association, Houston-Galveston Area Council (HGAC), Regional Economic Development Coordinating Council, Houston Federal Executive Board/Minority Business Opportunity Organization,

Women's Chamber of Commerce, private lenders, and others to be identified.

Funding: The less government funding, the fewer strings; thus, fees or royalties

Priority: Must

When: Now (immediate)

Action 5.2: Decentralized resource center/database

Create a Resource Center/Database easily accessible (e.g., through public libraries and through computer hook-ups) to potential users, which provides information on small business, workforce development, and community revitalization programs.

Lead Agency: Mayor of City of Houston

Other Participants: Greater Houston Partnership, appropriate federal/state/local government agencies, private businesses, nonprofit and community-based organizations, and University of Houston Small Business Development Center.

Funding: Involved agency resources.

Timing: Initiate organization and planning in mid-1995

Priority: Must

Action 5.3: Economic development forum

Initiate a facilitated forum bringing together public, private and nonprofit organizations involved in economic development, including program users and service providers. The purpose of this forum would be to enable

organizations to better plan and coordinate their efforts, provide feedback from program users (including individuals and businesses) to program operators/administrators, and to disseminate information on economic development programs and initiatives.

Lead Agency: Mayor of City of Houston

Other Participants: Greater Houston Partnership, appropriate federal, state, and local agencies, private businesses, and nonprofit and community-based organizations.

Funding: Involved agency resources.

Timing: Initiate planning and organizing in mid-1995; forum to be held in fall, 1995

Priority: Must

Section 3: Appendices

