IMPACTING & INVESTING IN CHARLOTTE’S ECONOMY

Inside:
Planning Economic Prosperity in Northwest Charlotte  CIAA Basketball Tournament  Study: Minority-Owned Businesses in Charlotte
Dear Charlotte Community:

Johnson C. Smith University (JCSU) continues to make a profound impact on Charlotte’s economy. As Charlotte’s Premier Independent Urban University, we are dedicated to providing economic empowerment opportunities for residents through education and through our business partnerships. Inside, you will find an economic impact study reflecting the University's on-site and off-site expenditures. In addition, we thought it beneficial to highlight the CIAA Tournament’s economic impact, as JCSU is one of the 12 participating schools.

JCSU’s connection to Charlotte’s business community is significant. The University prides itself on working with local minority vendors and encouraging minority entrepreneurs. To illustrate, we have completed several capital projects with the help of local minority vendors Gantt Huberman Architects, PLLC and Lee Morgan, Inc. We also have a longstanding partnership with BTW, Inc. JCSU works with small business owners through our Center for Applied Leadership and Community Development. Our Women's Entrepreneurship Program was established to conduct workshops and seminars to assist participants in building a strong business. We are also boosting Charlotte’s economy by helping individuals be better prepared for the job market through our Metropolitan College adult degree program.

Recently, we partnered with the Urban Business Network and conducted an economic impact study to examine how minority-owned businesses gain traction in the Charlotte market. The mission of this 200-member organization is to connect urban business owners to economic, civic and academic organizations to form a more complete union between people and prosperity.” As a result of this study, a white paper was presented. The findings of the study will help the Charlotte community better address the needs of minority entrepreneurs and those who aspire to become business owners.

The University’s most visible impact is its involvement with the revitalization of the Beatties Ford Road Corridor. For the first time in JCSU’s history, it has moved off site with the opening of the Arts Factory, an instructional facility for students majoring in the visual and performing arts. In upcoming months, the Beatties Ford Road Corridor will receive a dramatic face-lift affording new business opportunities to the area.

Since 1867, Johnson C. Smith University has been a part of the greater Charlotte community. We will continue to be an active community partner with the clearly articulated purpose of providing a quality education for our students and being a catalyst for economic success and sustainability.

Best regards,

Ronald L. Carter, Ph.D.
President, Johnson C. Smith University

Dear Charlotte Community:

The contributions that Johnson C. Smith University has made to the City of Charlotte extend well beyond its role in educating tomorrow's leaders. With an estimated annual economic impact of $68 million, the University is helping to drive our local economy.

Under the guidance of its president, Dr. Ronald L. Carter, JCSU is fostering a spirit of cooperation and collaboration that reaches beyond its campus gates. The University's investment is providing a catalyst for a multi-billion dollar redevelopment of the Historic West End and Beatties Ford Road Corridor.

School administrators are working hand-in-hand with city officials and community leaders to:

- Form a task force to help revitalize the city’s West End and provide a more seamless connection with the Center City
- Improve the streetscape of the Five Points area with beautification projects
- Support the proposed streetcar project, which will start on Beatties Ford Road and run through the city to Central Avenue

As an institution of higher education, JCSU is dedicated to moving beyond its traditional role of producing the educated citizens needed to build and work in an innovative economy. JCSU is redefining the landscape of its surrounding community and helping businesses and neighborhoods within its corridor to grow and prosper – a commitment that will impact our city’s economy for years to come.

Sincerely,

Anthony R. Foxx
Mayor

On the Cover: Johnson C. Smith University President, Ronald L. Carter, Ph.D. (right) and Charlotte City Commissioner James Mitchell, Jr. (left) enjoy a cup of coffee at KokoMo's Coffee House on the campus of JCSU. KokoMo's is a small business that has planted its roots in the Beatties Ford Road Corridor of Charlotte. Also pictured is KokoMo's owner, Ms. Arlene Hugans (center).

Photos: Ronald L. Carter, Ph.D. (top left) Mayor Anthony R. Foxx (top right) the new JCSU Arts Factory (bottom) and (lower right) neighborhood association representatives: Thelma Byers-Bailey (President, Lincoln Heights Neighborhood Assoc.), Aaron McKeithan, Jr. (Chairman, Historic West End Neighborhood Assoc.) and Wallace Pruitt (President, Seversville Community Assoc.)

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JOHNSON C. SMITH UNIVERSITY
Redefining the Urban Landscape
By Andrea L. Harris, President - North Carolina Institute of Minority Economic Development

Johnson C. Smith University (JCSU) is poised to build upon and drive the Beatties Ford area redevelopment while generating millionaire leaders! In the next decade, JCSU will leverage its multi-billion-dollar investment in the turnaround of one of Charlotte’s most blighted areas by generating approximately one billion dollars in economic impact, confer over 2,000 degrees with each degree worth $1.33 million in additional work-life earnings.*

Why is this important? Because JCSU is more than a HBCU** or a university, it is a significant purposeful economic engine of the Charlotte-Mecklenburg MSA generating an annual economic impact of $68 million (in 2007 dollars.) Add to this an employment impact of 776 full- and part-time jobs and JCSU would rank 80-85th among the corporate engines.*

Moving forward, JCSU will invest heavily in communicating its strengths leading development, empowering the community and developing leaders. JCSU understands this niche and sees value in bolstering awareness and buy-in to improve our neighborhoods, region, state and world!

Key Accomplishments to date:
- Opened the Arts Factory, the University’s first off-site instructional facility for students majoring in the visual and performing arts.
- Launched the “Soul of the Northwest Corridor” Initiative which examines what community qualities attach residents to the area, how the area is performing in these areas and how this attachment can serve as a catalyst for the community’s well-being, specifically in local economic growth.
- Co-hosted a two-day symposium, “Black and Minority Males Taking Flight through Personal Development, Knowledge Sharing and Commitment to Community,” as part of the 2nd Annual Commemorative Classic.
- Supported a study in conjunction with the Urban Business Network that resulted in the white paper: “Gaining Traction in Doing Business in Charlotte, North Carolina: Compelling Reasons for Community-Wide Support for Minority-Owned Businesses.”

Grounded in excellent leadership under the presidency of Dr. Ronald L. Carter and strong business fundamentals, JCSU has the requisite foundation to launch this phase of its history ensuring a legacy for generations. While its past is storied, its present and future offer amazing potential.

* Economic Impact of JCSU, Jeffrey M. Humphreys, PhD, December 2010
** Traditionally, Historically Black Colleges and Universities (HBCU) provided educational opportunities for African-Americans when other institutions did not serve them.
Women Entrepreneurship Program

Johnson C. Smith University’s Women Entrepreneurship Program (WEP) was implemented under a grant from the U.S. Department of Housing and Urban Development in 2007. The goal of the program is to assist low- to moderate-income women to create, grow or expand small or home-based businesses along the Beatties Ford Road Corridor. A series of classes, technical assistance and financial assistance for acquiring credentials and education, as well as start-up or expansion activities were offered to participants.

Approximately 27 women participated in the program during the first year, and 34 women entrepreneurs participated in the program in 2010. The women were offered training, coaching and assistance from JCSU business department students. The Women Entrepreneurship Program is sponsored by the Center for Applied Leadership and Community Development.

Photo: WEP participants Keisha Rawinson (Professional Bi-Lingual Services), Raissa White (JCSU Student/C Louise), Sherryll Hampton, Director, Center for Applied Leadership and Community Development at JCSU, Nandi Balchett (JCSU Student/Motherland Creams) and Hope Rivers (Niozen Jewelry).

PLANNING ECONOMIC PROSPERITY in Northwest Charlotte

The West Trade Street/Beatties Ford Road Corridor in West Charlotte has experienced a decline over the years. Vacant lots, abandoned buildings and dilapidated housing led to an environment lacking retail stores and vitality. Johnson C. Smith University is located along the Beatties Ford Road Corridor and has an unwavering commitment to serving its neighborhood constituencies by actively leading the push in identifying revitalization opportunities to spur economic growth and development along the corridor.

The University has identified several planned initiatives, including housing, retail and academic programs to be situated outside of the main campus in targeted redevelopment areas. When funded and implemented, these initiatives will further underscore the University’s commitment to community development.

The Beatties Ford Road Task Force is a multisector partnership that includes local businesses, developers, residents, the Charlotte Housing Authority and the City of Charlotte. One immediate goal of the Task Force is to influence mixed-use development that would reinforce the JCSU presence in the area and attract both students and residents to the corridor.

Initiatives that are planned to increase the economic vitality of the corridor include:

- Design and installation of a public art project at the underpass of I-77 and West Trade Street. (This location is the primary vehicular entry into Center City Charlotte to the east and to Beatties Ford Road and Johnson C. Smith University to the west.)

- Opening of the JCSU Arts Factory, a 15,000 square foot teaching facility for dance, painting, sculpture and the performing arts.

- Creation of MOSAIC Village at West End, a mixed-use development consisting of residential, retail and commercial space.

- Relocation of the JCSU bookstore and print shop to the corner of Fifth Street and Beatties Ford Road. (The proposed 15,000 square foot facility will serve as an anchor to the Five Points intersection and represent the first development in Smith Square.)

The Beatties Ford Road Corridor Revitalization Plan targets development along West Trade Street from the I-77 underpass to the stone gate entry at Johnson C. Smith University. This stretch of road is a major focus of the Charlotte-Mecklenburg Planning Commission’s West End Land Use and Pedescape Plan. The plan acknowledges a pressing need to develop vacant property and reuse buildings; build a sustainable market rate; fill housing within neighborhoods; and attract higher quality and higher density retail and mixed-use development.
CIAA BASKETBALL TOURNAMENT & FANS
Welcome Back!

By Tim Newman, Chief Executive Officer - Charlotte Regional Visitors Authority

In November of last year, when the Central Intercollegiate Athletic Association’s (CIAA) board of directors voted unanimously to renew the CIAA Tournament contract with Charlotte for three additional years, we were honored. The vote awards the Queen City the tournament through 2014, extending the count to nine consecutive years in Charlotte. Charlotte hosted its first CIAA Tournament in 2006.

Since 2006, the CIAA has generated more than $156 million in economic impact for our city, welcomed more than 821,000 alumni and fans and generated more than $8 million in scholarship dollars for the CIAA General Scholarship Fund (GSF).

“The CIAA board of directors voted unanimously to renew the tournament contract with Charlotte for three additional years. The board recognizes that our alumni and fans love Charlotte. The city has been a great partner for the CIAA, and we look forward to continued success,” noted Dr. Jimmy R. Jenkins, Sr., president of Livingstone College and chairman of the CIAA board of directors.

Yes, the CIAA has brought us an unprecedented amount of dollars into the area (almost $40 million just last year), benefitting our businesses and adding to the bottom line of hospitality and tourism efforts. We are thankful for the vast opportunities that have come our way to welcome new visitors to our region and to secure long-lasting friendships. We are also appreciative of Johnson C. Smith University for being the host school of the 2011 CIAA Tournament. This is a team effort every year. Commissioner Leon Kerry has been clear from the beginning that they need and deserve quality venues for the tournament and ancillary events; ample and quality accommodations; restaurants and attraction options; and cooperation among all in our community to make sure visitors are safe, happy and satisfied. We believe we have met his objectives, and hopefully have exceeded them, in all these areas.

The CIAA celebrates its centennial anniversary in 2012. This is a milestone that we are proud to be a part of and we will work hard to recognize on behalf of the Charlotte Regional Visitors Authority (CRVA.) We have long considered the CIAA our friends and partners and appreciate their ongoing confidence in Charlotte to deliver the very best tournament experience.

Let’s have another great tournament!

Photos: CIAA tournament images courtesy of JCSU and Patrick Schneider Photography.
ALUMNI PROFILE
Urban Business Network Founder and Entrepreneur, Damian Johnson
By Angela Lindsay Hilst

For Damian Johnson and his twin brother, Jermaine, their experience at Johnson C. Smith University (JCSU) has come full circle. The Buffalo, NY, natives graduated from JCSU in 1995 and just two years later, created and launched what has become one of Charlotte’s most well-known business franchises, No Grease, Inc. Now, with the help of their alma mater, they are using their experiences to assist others.

Having grown up around hair care with a mother as a hairstylist, the Johnsons were no strangers to the industry. They honed their talents as barbers by cutting hair while still students at JCSU and then, upon graduation, coupled their education and experience with their business acumen to create No Grease barbershop.

“Our business is the business of hair,” says Johnson. “We’ve always looked at No Grease as a corporation, and we have the mindset that we are going to grow the business nationally. That’s our goal.”

No Grease grew from a single two-person shop into three full-service barber shop locations, a salon and day spa and a barber college. The company has plans to expand to Concord Mills Outlet Mall. Johnson credits his time at JCSU for preparing him, not only for the success he enjoys, but also for the challenges it took to get to this point.

Though the brothers are college educated and well-versed in their industry, their business growth has encountered obstacles along the way. To bolster their business growth, they invested in real estate and used the profits to start No Grease. Johnson feels that traditional financing entities “still haven’t taken the time out to build relationships with African-Americans and urban businesses, so they don’t really know how we do business.”

Damian Johnson’s experiences and beliefs prompted him to create the Urban Business Network (UBN) in 2009. The purpose of the organization is to foster communication between traditional businesses, “unconventional” businesses, and those who support them.

Johnson built support for the UBN by speaking with his barbershop clients, including many high profile professionals.

The UBN’s first meeting was held in March 2010, and a collaborative study was conducted to look at the perceived challenges and obstacles that have impacted the success potential of minority businesses in Charlotte-Mecklenburg, as well as the types of tools and resources these businesses need to better manage and grow their enterprises.

Study results were published in a white paper: “Gaining Traction in Doing Business in Charlotte, North Carolina: Compelling Reasons for Community-Wide Support for Minority-Owned Businesses.”

The study’s findings have been presented to the Charlotte Chamber of Commerce and Foundation for the Carolinas, Johnson hopes that the impact of the study will create more dialogue to help balance the disparities.

In 2005, No Grease Inc. received the Black Political Caucus Business Award. They also received the 2008 Lowe’s Pride Business Service Award and the 2010 NAACP Freedom Fund Award.

“Building business is not just about making money,” he says. “It’s about building your community. I think that has been the key to our success.”

Photo: Damian Johnson in his Center City Charlotte barber shop.
GAINING TRACTION
A Study of Minority-Owned Businesses In Charlotte
By Dr. Haseeb J. Ahmed, Chair of the Department of Business Administration & Economics - JCSU

Conducted in June 2010, the purpose of this study was to realize the perceived challenges and obstacles that have impacted the success potential of minority businesses in Charlotte-Mecklenburg, as well as the types of tools and resources these businesses need to better manage and grow their enterprises. Quantitative and qualitative research techniques were used to conduct the study, including focus groups and surveys.

The findings indicate that the primary challenges facing minority businesses include:
- Access to capital
- Management education and training
- Prejudices/perceptions about the businesses
- Access/exposure to public sector contracts
- Mentoring
- Marketing research skills
- Political finesse

Most of these challenges and resource needs permeate the findings and in light of the documented impact of minority businesses across the nation, these results show compelling reasons for community-wide support and awareness for minority businesses in Charlotte-Mecklenburg.

A strong positive relationship is indicated between entrepreneurial success and individual human and social capital endowment, though this study found that serious impediments to business success exist for African-American entrepreneurs even with significant higher education, business-related work experience, educated familial background, established social investments and well-developed business strategy. Descriptive statistics in the expansion phase showed a greater reliance on personal equity (personal/family savings) for African-American entrepreneurs.

ENTREPRENEUR RELIANCE ON PERSONAL EQUITY TO BUILD BUSINESS

| Expansion $ | 56.3% |
| Startup $   | 80.0% |
| Charlotte-Mecklenburg African-American Entrepreneurs |

| Expansion $ | 29.1% |
| Startup $   | 50.2% |
| National African-American Entrepreneurs |

| Expansion $ | 25.0% |
| Startup $   | 55.6% |
| National Non-minority Entrepreneurs |

This level of reliance on personal/family savings and assets imposes serious liquidity constraints, leading to severe capital underinvestment problems for entrepreneurial ventures.

Overall study findings indicate the following:
- Startup Capital: There is no statistically significant difference between the national African-American and Charlotte-Mecklenburg African-American entrepreneurs. However, statistically significant differences exist in access to startup capital between the non-minority and both Charlotte-Mecklenburg and national African-American entrepreneurs.
- Expansion Capital: There exist statistically significant differences in access to expansion capital between the Charlotte-Mecklenburg African-American, national African-American and non-minority entrepreneurs.
- General Conclusion: The National African American entrepreneurs and Charlotte-Mecklenburg African American entrepreneurs are treated differently compared to their Non Minority entrepreneur counterparts.

Dr. Haseeb J. Ahmed served as lead researcher. Contributions also were made by JCSU faculty: Dr. Nick Desai, Associate Professor of Economics, Dr. Linette Fox, Assistant Professor of Management and Professor Michelle Horton (marketing).

Photo: Dr. Haseeb J. Ahmed
INTRODUCING METROPOLITAN COLLEGE
New Adult Degree Program at JCSU

Metropolitan College offers the undergraduate adult degree program at Johnson C. Smith University. This new and rapidly growing college was launched as a top priority initiative by the university in 2010 and is led by Zenobia Edwards, Ed.D., dean of the college.

The undergraduate adult degree program at Metropolitan College enhances opportunities for career advancement and success.

Metropolitan College provides adults with:
- Flexible, convenient schedules
- Course style options (on-campus, online and flex-option courses combining the two)

Evening class options provide opportunities for working adults to take courses that either meet their general course requirements for any degree or meet all of the course requirements for degrees in business administration, social work or criminology. The major in business administration may be taken with a concentration in either management or accounting. All courses at JCSU are available to adults through Metropolitan College, and evening tuition is offered at a discount.

JCSU has developed agreements with the community colleges in the region, allowing credits for most courses to transfer. This allows students who may have begun their coursework at a community college to complete their undergraduate degree at Metropolitan College.

The accelerated evening program is offered with seven-week terms and features block scheduling so that students may take two classes two nights a week, thereby moving through the curriculum faster than in traditional 16-week semesters.

Gain Your Edge™ Business Certificate Series
Metropolitan College also offers the Gain Your EdgeSM Business Certificate Series to meet the needs of professionals to enhance their business and entrepreneurial skills. A business certificate in business marketing and a business certificate in e-commerce will be offered in the spring of 2011. Other certificates and seminars are planned for later in the year and will be announced on our website.

Speaker Series
Held throughout the year, events in this series will be announced via the Metropolitan College website.

metropolitancollege.jcsu.edu

KNOWLEDGE THAT COUNTS™
Metropolitan College

2011 Open House Events

When:
March 21, April 18, May 16 and June 20, 5-7 p.m.

Where:
Robert L. Albright Honors College on the JCSU campus

Metropolitan College beginning term dates for 2011 include April 27, June 22, August 17 and October 12.

Representatives from the offices of financial aid and admissions, as well as faculty from various disciplines, will be on hand to answer your questions.

Metropolitan College is located on the campus of Johnson C. Smith University.

Information, Applications and Registration:
MetropolitanCollege.jcsu.edu
704-378-1233

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