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BANK OF ST. LOUIS

# BRIDGES

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## Women Entrepreneurs Growing in Numbers

By Jean Morisseau-Kuni  
Community Affairs Analyst

Small business has seen big growth in the past 10 years, and small businesses owned by women have flourished, with a growth rate of 37 percent—four times the growth rate of all firms. The Small Business Association (SBA) estimates that minority women own 1.2 million businesses, which makes them the fastest growing segment of women-owned businesses.

Making the decision to start and grow a business is not an easy one. Fledgling business owners learn quickly that getting the right financing, developmental help and support can make the difference between a successful venture and failure. In the Federal Reserve's Eighth District, three women who made the leap and became business owners share their stories of becoming women entrepreneurs.

### Fulfilling a Sweet Destiny

Susan Jones—*Little Shop of Pastries*

Susan Jones had sentimental reasons for starting her business. "When I was 17, my grandmother retired from her wedding cake business and gave me her cake pans," she said. "I knew at that moment I wanted to do something special with those pans." The concept of Jones' business, Little Shop of Pastries in Vienna, Ill., grew from that desire.

Jones started her business in a small shop near the Vienna town square.

"I knew I could do something with the shop," she said. "I could see myself running a small bakery and selling wedding cakes." Jones wrote her business plan with help from family and friends and with information she received from the Small Business Development Center (SBDC) at Murray State University in Kentucky. When

she approached a local bank to secure a loan, she received a pleasant surprise. The loan officer was impressed with her business plan and asked her who wrote it. "I didn't know if I should feel proud or be insulted," she said. "I really didn't care. I got the loan and Little Shop of Pastries was born."

Her business was a success from the start, and she soon started selling sandwiches and beverages along with her pastries. She added tables to accommodate customers who wanted a place to sit. "It was so tight in there you could hardly move," Jones said. "I was surprised that people waited in line for a table."

The Vienna Chamber of Commerce contacted Jones about expanding her business to a bigger location and suggested she visit the SBDC at Shawnee Community College. At the SBDC,

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Susan Jones, owner of Little Shop of Pastries in Vienna, Ill., still uses her grandmother's cake pans to bake wedding cakes.

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Jones took advantage of entrepreneurship classes. “Everyone at the center was so helpful and the entrepreneur classes have been very useful. The information I got from them has helped me more than once,” Jones said. The center also helped Jones obtain a microenterprise grant from the Southernmost Illinois Delta Empowerment Zone. She used it to expand to her current location.

“It’s hard to say what I would change, if I could. I’ve had hard knocks, but they only make you better at what you’re doing,” Jones said. Little Shop of Pastries has grown into a bakery, restaurant and now a catering business. Her success comes from selling quality products for fair prices and giving customers what they want, she said. It’s not unusual for her to make wedding cakes from her customers’ favorite recipes. Jones said she also owes her success to her loyal staff and supportive family. Running the shop is a family affair. Jones’ mother-in-law, Betty Jones, has worked beside her since the shop opened. Her husband and children help out by washing dishes, decorating cookies and working at events.

“When we serve meals and I hear people talking about how good the food tastes or a customer comes in to buy rolls because Sunday dinner isn’t complete without my rolls or a bride is glowing because her wedding cake is perfect, I feel fantastic,” Jones said.

### **Building Minds for the Future, Character for a Lifetime**

*Michelle Hayden—One Step Ahead Daycare Center*

Michelle Hayden worked with Grace Hill Women’s Business Center and Area Resources for Community and Human Services (ARCHS) to start her business, One Step Ahead Daycare Center. Grace Hill helped Hayden develop a business plan and provided entrepreneurship training. ARCHS gave her a grant to help renovate the exterior of the

Using a home equity loan as capital, Hayden started her day-care business in Old North St. Louis. Being a working mother helped her find her niche of providing a safe environment for the children of working parents, she said. Hayden’s own children come to the center, and her oldest daughter works as a junior counselor. Hayden said she is nurturing future community leaders. The day care’s motto is “Building Minds for the Future, Character for a Lifetime.”

**“I would try to comply with a state regulation, and the city would have a separate regulation that was different. Grace Hill really helped me think about all aspects of my business plan.”**

**—Michelle Hayden**

space she leases from The Youth and Family Center. The money allowed her to add a fire exit and playground.

It was hard work getting everything on the same page, Hayden said. “I would try to comply with a state regulation, and the city would have a separate regulation that was different,” she said. “Grace Hill really helped me think about all aspects of my business plan.”

“We bring our morals and principles to work with us every day,” she said.

Working with children and families is something that comes naturally to Hayden and her staff. They often help the families they serve in other ways. Job, housing, food and human service referral information is kept close at hand. “I’ve had parents who lose their job and need to find another one fast. Sometimes a child support

check is late and food is running out at home or they need help with aging family members as well as babies,” Hayden said. She also has a close relationship with The Youth and Family Center, where her day care is located. The services offered at the center and at the day care complement each other and the organizations often refer families to each other.

After being in business one year, Hayden is right on target with her business plan. She gives credit to her husband, children and sister, Gwen Brown. Brown works daily alongside Hayden, teaching 2-year-olds. “Gwen is the person I can always go to when I need an honest answer,” Hayden said. “She always gives me good advice. She cares about me, my family and the kids.”

### **Mechanic Makes House Calls**

*Shelley Wilson—Wilson’s Mobile Oil Change*

At the age of 13, Shelley Wilson helped her dad when he worked on cars. It was a family tradition.

“It started with my grandfather, who passed his love of cars to my dad, who passed it on to me and my brother. I just liked cars and wanted to know what makes them run,” Wilson said. After graduating from high school, Wilson worked at a number of jobs and worked on cars part time. At the age of 30, she became a certified auto mechanic.

As a female mechanic, Wilson worked mostly with men and often had to deal with teasing. “It’s a double whammy being a woman and a mechanic,” Wilson

related good-naturedly. Wilson was working for a bus company when she decided to investigate starting her own business. She knew she wanted freedom and



Shelley Wilson, left, and her partner Laura Rose, run Wilson's Mobile Oil Change.

flexibility in her life. The years of listening to customers talk about their busy lives gave her the idea for her business: a mobile oil change service that comes to a customer's home or workplace.

Wilson began to research ways to make her idea a reality. The Southern Illinois University-Edwardsville SBDC office in East St. Louis was the perfect place to go for help and information. There she was able to write an effective business plan, learn how to budget and plan for her business.

One of the things she learned was patience. "I wanted everything to happen at once," Wilson said. "Working with the SBDC taught me how to take steps, allowing me to slowly grow my business, making it financially stronger."

Wilson used her own money to start Wilson's Mobile Oil Change in Collinsville, Ill., and the business has been debt-free since its birth four years ago. Wilson and

her business partner, Laura Rose, scour pawn shops and garage sales for deals on used tools in good condition. They also promote their business by distributing fliers to organizations and businesses in their community.

Wilson acknowledged that being debt-free has allowed her time to establish her business and not worry about repaying a loan. She is working on a plan to offer a service package to businesses that have a fleet of vehicles and is investigating ways to offer her services to low-income individuals and the elderly. "There are a lot of people out there who need a car to get back and forth from work but can't afford to pay the high price at a lube shop or a mechanic. I want to help those people," Wilson said.

#### SBDCs Offer Technical Help

SBDCs in the St. Louis Fed's district report that they are working with a growing number of women who want to start businesses.

For example, Grace Hill Women's Business Center, an SBDC in St. Louis, provided training classes and one-on-one counseling to 440 women last year. Lynette Watson, the center's director, said many of those women want to become business owners to have more control of their lives.

An SBDC at Southeast Missouri State University also has seen growth in women-owned businesses. The center's director, Buzz Sutherland, said he's noticed more women than men start businesses as a



*The Fabric of Our Community*

*The Community Affairs staff at the Federal Reserve Bank of St. Louis is focusing its efforts on small business and entrepreneurship during 2004 and 2005. This is the third of several articles scheduled in Bridges on those topics.*

lifestyle choice. "Many women look for a business venture, like child care, that is fairly inexpensive to start and will provide them a living income," he said.

Jim Mager, director of the Southern Illinois University-Edwardsville SBDC, and Theresa Ebeler, development specialist at its East St. Louis Center, also see more women taking charge of their future by starting their own businesses. However, they said women are choosing ventures that are not the traditional businesses women gravitated to in the past.

There is one important point that all agree on: Those trying to start new businesses need to be prepared when they go to the bank for a loan.

Mager said entrepreneurs sometimes don't understand that starting a business has an amount of risk involved. "Banks are apprehensive about taking risks, and there is nothing riskier than a small business," he said.

When seeking a loan, entrepreneurs must be prepared to sell themselves, Ebeler said.

"A good business plan is not always enough."

#### Resources for Entrepreneurs

Grace Hill Women's Business Center  
2324 N. Florissant Ave.  
St. Louis, MO 63106  
(314) 539-9840  
[www.gracehill.org/wbc/index.htm](http://www.gracehill.org/wbc/index.htm)

Southeast Missouri State University  
Small Business Development Center  
Robert A. Dempster Hall  
Cape Girardeau, MO 63701  
(573) 986-6084  
[www2.semo.edu/sesbdc](http://www2.semo.edu/sesbdc)

Southern Illinois University—Edwardsville  
[www.siu.edu/SBA/services.htm](http://www.siu.edu/SBA/services.htm)

Edwardsville Campus SBDC  
200 University Park Drive  
Campus Box 1107  
Edwardsville, IL 62026  
(618) 650-2929  
East St. Louis Campus SBDC  
411 E. Broadway, Suite 1010  
East St. Louis, IL 62201  
(618) 482-8300

Shawnee Community College  
Office of Economic and  
Small Business Development  
8364 Shawnee College Road  
Ullin, IL 62992  
(618) 634-3231  
[www.shawneecc.edu/communit/sbdc.asp](http://www.shawneecc.edu/communit/sbdc.asp)

St. Louis bizwomen.com  
<http://stlouis.bizjournals.com/bizwomen>

Small Business Administration  
[www.sba.gov](http://www.sba.gov)

Online Women's Business Center  
[www.onlinewbc.gov/index.html](http://www.onlinewbc.gov/index.html)

Center for Women's Business Research  
[www.womensbusinessresearch.org/index.asp](http://www.womensbusinessresearch.org/index.asp)

National Women's Business Council  
[www.nwbc.gov/index.html](http://www.nwbc.gov/index.html)

# Bank's Branches Rev Up Community Affairs Work

In case you haven't heard, the times they are a-changin' in the Fed's Eighth District.

New people, new programs and a new emphasis on community outreach signal a shift in the focus of the Federal Reserve Bank of St. Louis at its branches in Little Rock, Ark.; Louisville, Ky.; and Memphis, Tenn.

By Glenda Wilson  
Community Affairs Officer

In all three zones its branches serve, the St. Louis Fed is working to build a broad "intellectual presence." An expanded Community Affairs staff is doing its part by reaching out to an increasing number of community leaders. Even as this outreach is taking place, the "physical presence" of the Fed will be less obvious as it closes its buildings in Little Rock and Louisville and moves a streamlined staff into smaller quarters.

To understand what this all means, let's back up a little and



Community Affairs Manager Ellen Eubank, left, and Dena Owens have teamed up to cover the Bank's Memphis zone.



Lyn Haralson, left, and Amy Simpkins are working in the Little Rock zone.



Faith Weekly, left, and Lisa Locke will provide assistance in the Louisville zone.

talk about what precipitated these changes.

One of the Fed's main functions is processing commercial checks—approximately 15 billion to 20 billion a year. As electronic payments become increasingly popular with consumers, the demand for check processing is steadily falling, and studies predict the trend will continue for some time.

As a result, Reserve Banks throughout the country are reducing their check operations. By the end of 2006, the number of check processing sites will drop from 45 to 23. The St. Louis Fed was among the first to feel the crunch. Check operations in Little Rock and Louisville were shut down this summer and moved to the Memphis branch and the Cleveland Fed, respectively. Cash processing departments housed in Little Rock and Louisville also were closed. The buildings in both cities are being sold and the remaining staff moved.

***The Community Affairs Office has worked for about a quarter of a century to foster community development throughout the District.***

With the main function of the Little Rock and Louisville branches now dispersed to other locations, the question for Eighth District officials was how to maintain a strong presence in those regions as well as the Memphis region.

One of the answers was an enhanced focus on community outreach.

To accomplish this goal, the branches are expanding outreach efforts and planning new programs. The Bank was a cosponsor of an International Urban Planning and Environment Association symposium in September in Louisville. A major conference on entrepreneurship and small business is scheduled next spring in Memphis. And a community development speaker series is under way in Little Rock. (See related story.)

New staff have come on board in all three cities.

In Memphis, Dena Owens is working with Community Affairs Manager Ellen Eubank. Owens formerly was with Memphis Center City Commission. Their zone includes part of western Tennessee, part of eastern Arkansas and the northern half of Mississippi. Eubank can be reached at (901) 579-2421 and Owens at (901) 579-4103.

In Little Rock, Amy Simpkins and Community Affairs Specialist Lyn Haralson are working together to cover the majority of Arkansas. Simpkins, who comes to the Fed from Community Health Centers of Arkansas, has experience in nonprofit program management and community outreach. Haralson can be



# Speaker Series Part of Initiative at Branches

reached at (501) 324-8240 and Simpkins at (501) 324-8268.

In Louisville, Federal Reserve Bank employee Lisa Locke will return to the Community Affairs department after spending several years elsewhere in the Bank. She will join Community Affairs Specialist Faith Weekly. Their zone includes the western half of Kentucky and a portion of southern Indiana. They can be reached at (502) 568-9216.

The six Community Affairs specialists will not be alone in their work. Senior branch executives will play a stronger role in Community Affairs and will participate in an increasing number of outreach activities. Economic education coordinators also have been assigned to the three branches.

The Community Affairs Office has worked for about a quarter of a century to foster community development throughout the District. The office offers information on topics such as affordable housing, fair access to credit, small business and the Community Reinvestment Act. Community Affairs specialists conduct seminars, write articles and collaborate with other organizations on community development and financial education projects.

Most importantly, staff members are a link between lenders and community groups, providing advisory services and technical assistance on issues affecting low- and moderate-income individuals and communities.

One of the ways the Federal Reserve Bank of St. Louis is demonstrating its commitment to an "intellectual presence" at its branches (see related story) is by sponsoring a community development speaker series in Little Rock, Ark.

Titled "Seizing Opportunities for Improving Local Communities," the series features three exciting speakers, all well-known authorities on community development. They are Richard Baron, Mark Pinsky and the Rev. Dr. Calvin O. Butts III.

As *Bridges* goes to press, preparations are under way for the first lecture on Sept. 30 by Baron. His firm, McCormack Baron Salazar in St. Louis, is recognized in the community development industry for its role in rebuilding abandoned urban neighborhoods with mixed-income housing and commercial development. Baron's holistic approach to revitalizing communities is evident in his personal involvement in the community, such as working with a St. Louis group to transform seven low-performing city schools.

On Dec. 7, Pinsky will come to the podium to present his "Grow, Change or Die" philosophy for community development corporations. Pinsky practices what he preaches. Since he was named president and CEO of National Community Capital

Federal Reserve Board's Consumer Advisory Council.

Butts will wrap up the series on Feb. 17, 2005. He is pastor of the nationally renowned Abyssinian Baptist Church in Harlem and one of the founders of the Abyssinian Development Corp. The community-based organization has been responsible for more than \$300 million in housing and commercial development in Harlem. Butts continues to help guide the daily operation of this nonprofit organization.

In addition to his work in the community and as a pastor, Butts is president of SUNY (the State University of New York) College of Old Westbury.

A native of New York City, he has received more than 1,000 honors and commendations. Among them is recognition as a "Living Treasure" by the New York City Chamber of Commerce and Industry.

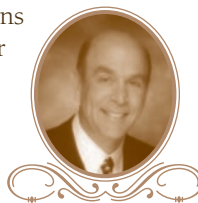
The public is invited to attend the two remaining lectures, which include a reception. For information, visit [www.stlouisfed.org](http://www.stlouisfed.org) or call Lyn Haralson at (501) 324-8240.

SEIZING OPPORTUNITIES



## community development speaker series

IMPROVING LOCAL COMMUNITIES



Richard Baron



Mark Pinsky



Rev. Dr. Calvin O. Butts III

# Campaign Warns: “Don’t Borrow Trouble”

A three-year “Don’t Borrow Trouble” campaign was launched earlier this year by the St. Louis Coalition to Promote Reputable Lending. The goal of Don’t Borrow Trouble Metro St. Louis is to educate borrowers on how to avoid predatory lending practices. With the support of Freddie Mac and the U.S. Conference of Mayors, local campaigns are active in dozens of cities across the nation.

By Matthew Ashby  
Community Affairs Specialist

The St. Louis Coalition to Promote Reputable Lending has been working since 2001 to promote sound lending practices in the metropolitan area. (See *Bridges*, Autumn 2003.) The coalition has grown to a partnership of nearly 60 private, public and nonprofit organizations. In 2001, the coalition began mapping out



**Refinancing your home  
can be risky.**

Call **1-866-299-2899**  
before you sign anything.

**DON'T BORROW TROUBLE**  
A PUBLIC EDUCATION CAMPAIGN METRO ST. LOUIS

*Eye-catching posters promote the Don't Borrow Trouble Metro St. Louis campaign. Organizers saved money by entering an agreement with a similar campaign in Minnesota to use their promotional materials.*

a comprehensive, community-wide approach to combat predatory lending.

After research into Don't Borrow Trouble campaigns across the nation, the group wrote a business plan. Information

was gathered from the other sites regarding operations, budget, remedies, effectiveness and outcomes. The coalition was not looking to copy other campaigns. Rather, it wanted to adapt the elements that would

work best for local conditions. Freddie Mac and the national Don't Borrow Trouble program gave the coalition \$30,000 to seed the project.

The first phase of the three-year campaign includes establishing an educational component, a grassroots marketing and media campaign, a toll-free hotline for counseling and legal services, and referrals to partner agencies from hotline calls. The hotline was established hand-in-hand with the grassroots marketing campaign. One of the group's goals was to save each partner unnecessary work and to achieve synergies by clustering activities and roles.

A public relations firm provided advice on reaching consumers. Catholic Charities in St. Louis agreed to take hotline calls through its existing call center. An extensive referral network of coalition members was organized to handle calls generated by the marketing and community outreach efforts.

The coalition signed an agreement with the Minnesota Don't Borrow Trouble Campaign to use its print materials and television public service commercials. This provided the St. Louis campaign with a windfall in budget savings. The coalition had the materials edited for items like telephone numbers and names.

The University of Missouri Outreach and Extension developed a curriculum for a train-

the-trainer program for the public speakers' bureau. Twenty-two people have completed the training, and public speakers have explained the program during several major events.

Funding has come from unexpected places, including a nationwide class action settlement fund managed by a group of state

attorney generals. The coalition applied through the Missouri and Illinois attorney generals and received a grant of \$54,080.

As time goes on, the coalition is evolving. It remains open to new members, watches and listens closely to the local mortgage market, and adapts its approach to change. It is

moving from a grassroots stage to a growth state and may soon enter an expansion phase when television and print ads become widespread. The coalition also will address how to reach non-English speaking consumers who may be vulnerable to predators.

Any organization interested in

becoming a partner in the coalition should contact Mike Eggleston at (314) 533-0600.

The local web address is [www.beyondhousing.org/partners/dontborr](http://www.beyondhousing.org/partners/dontborr).

The local toll-free hotline number is 1-866-299-2899.

The national web site is [www.dontborrowtrouble.com](http://www.dontborrowtrouble.com).

## Funding for Don't Borrow Trouble Metro St. Louis

St. Louis Affordable Housing Trust Fund	\$57,500
Consumer Protection and Education Fund	\$54,080
Freddie Mac	\$30,000
First Bank	\$5,000
St. Louis Association of Realtors	\$5,000
U.S. Bank	\$750
Commerce Bank	\$250

## DBT Campaigns Come to Louisville, Memphis

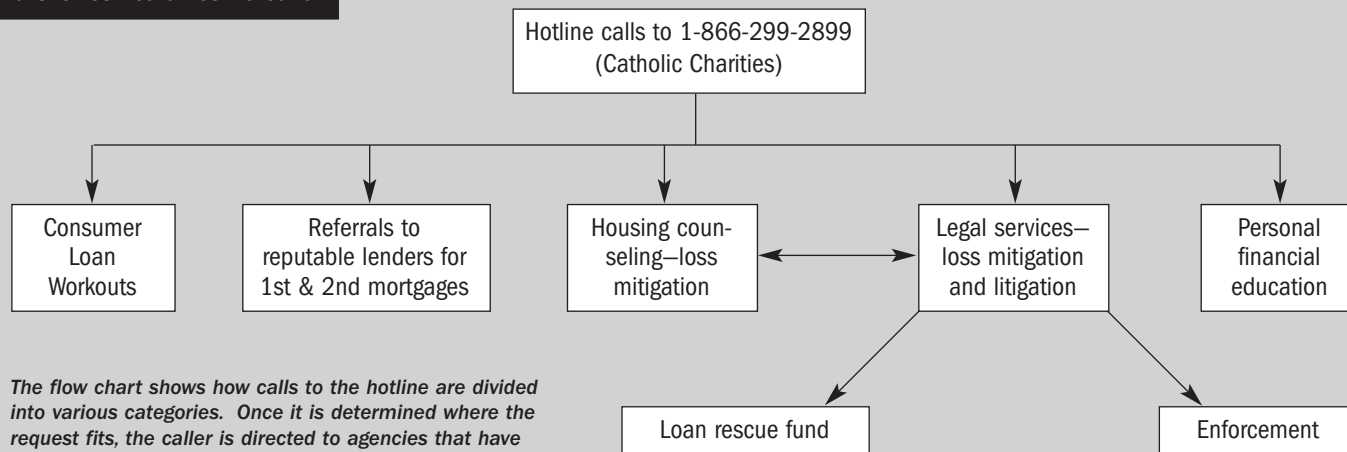
St. Louis is not the only city in the Federal Reserve's Eighth District to have a Don't Borrow Trouble initiative. Last spring, coalitions in Louisville, Ky., and Memphis, Tenn., announced campaigns in their areas.

The hotline number in Louisville is (502) 736-9999. In Memphis, the number is (901) 432-4621.

The lead agencies coordinating the effort with Freddie Mac in Louisville are Homeownership Partners and the Louisville Urban League. In addition to the lead agencies and other Kentucky partners, the city of New Albany, Ind., joined the campaign. Foreclosure rates in Kentucky have recently increased, and Indiana has one of the highest foreclosure rates in the nation.

Memphis Area Legal Services is the lead agency coordinating Don't Borrow Trouble Memphis.

### Flowchart for St. Louis Hotline Calls



# Indiana Homeowner Protection Act Exempts Bankers

Indiana home buyers have new legislation to protect them from abusive lenders who prey on unsuspecting borrowers. The Indiana Homeowner Protection Act (IHOPA) is intended to curtail high-cost loans that are not in the best interest of the borrower.

The law covers loans made by

mortgage brokers and consumer finance companies. Lending institutions that are already regulated—banks, trusts, savings and loans, credit unions, and industrial loan and investment companies—are exempt.

Unlike similar legislation in other states, IHOPA does not

hold wholesale buyers of loans liable for purchasing predatory loans. Federal Home Loan Banks are also exempt from penalties if predatory loans are used as collateral for advances.

In addition, the law establishes a homeowner protection unit in the Indiana attorney general's

office. The unit will investigate deceptive practices, institute appropriate administrative and civil actions, and pursue prosecution where appropriate. A new \$3 mortgage-recording fee on all mortgages made in the state, including those made by banks, will pay for the unit.

## Protection Act Highlights

For all home loans, lenders may not:

- roll the cost of credit insurance into the loan amount and charge interest on it;
- demand that the borrower pay the total amount due on a loan unless the borrower has already stopped making loan payments;

- refinance a zero-interest loan, such as a Habitat for Humanity loan, or a subsidized loan within 10 years of the loan origination unless the original lender agrees to the refinancing in writing; and
- refuse to tell the borrower what is still owed.

For high-cost loans, lenders may not:

- roll points and fees into the loan and charge interest on them;
- charge certain fees if a loan is refinanced within four years;
- charge a penalty for paying off the loan early after the first two years of a loan;
- require a balloon payment after

- regular payments on a loan if the balloon comes within 10 years of start of the loan;
- set up a loan so that, even when the borrower makes regular payments, the amount that the borrower owes grows.
- make a loan that a borrower cannot pay back, given his or her monthly income.

## Illinois Lenders Invited to Investment Meetings

Bankers in Illinois are invited to attend one of two fall luncheon meetings to learn about a CRA investment opportunity from the Illinois Facilities Fund (IFF).

Sponsored by the Community Affairs Office of the Federal Reserve Bank of St. Louis, the Oct. 20 and 21 meetings will focus on the IFF. A nonprofit financial institution that helps Illinois nonprofit organizations through real estate and facilities-

related loans, the IFF is seeking investors for its Investor Consortium Fund. The fund is designed to raise \$100 million by issuing collateral trust notes.

The IFF has a diversified loan portfolio, lowering risk to financial institutions. In addition, the IFF provides investors with reports to assist them in receiving CRA credit.

The Oct. 20 luncheon meeting will be at the Seasons Lodge and Restaurant at Rend Lake

Recreation Complex, located between Mt. Vernon and Marion, Ill. The Oct. 21 luncheon will be at Lonzerotti's Italia Restaurant, 600 E. State St., in Jacksonville, Ill.

For more information and to register for these meetings, call the Community Affairs Office at (314) 444-8646. To contact the IFF, call the Springfield office at (217) 525-7701 or the Chicago office at (312) 629-0060.





# SPANNING THE REGION

THE REGION SERVED BY THE FEDERAL RESERVE BANK OF ST. LOUIS ENCOMPASSES ALL OF ARKANSAS AND PARTS OF ILLINOIS, INDIANA, KENTUCKY, MISSISSIPPI, MISSOURI AND TENNESSEE.

## Missouri Tax Credits Designed to Help Business Incubators

Taxpayers who contribute \$3,000 or more to business incubators in Missouri can apply for state tax credits equal to 50 percent of the contribution. The Small Business Incubator Tax Credit Program is administered by the Department of Economic Development (DED).

The maximum tax credit is \$50,000 per contribution to a single incubator and \$100,000 per contribution to multiple incubators. The overall maximum amount of tax credits that can be issued under the program each year is \$500,000.

For information, contact the DED at (573) 751-0295 or visit [www.missouridevelopment.org](http://www.missouridevelopment.org).

## Site Selection Presents Competitiveness Award

This past May, *Site Selection* magazine chose the state of Indiana as the winner of its 2003 Competitiveness Award.

The magazine—a publication for CEOs, corporate real estate executives and others working in development—presents the award on the basis of 10 criteria that measure business expansion activity in the previous year.

Indiana restructured its business tax system in recent years. That effort has been credited with making the state a more attractive place in which to make

investments and create jobs.

In 2002, the gross receipts and inventory taxes were eliminated, and the research and development tax credit was increased from 5 percent to 10 percent.

In 2003, the state made strides in job creation by investing \$75 million in Indiana's 21st Century Research and Technology Fund, creating a venture capital tax credit and funding for certified technology parks.

Four of the top 10 states listed in *Site Selection* as being competitive—Indiana (1), Kentucky (2), Illinois (4) and Tennessee (10)—are in the Eighth District of the Federal Reserve Bank of St. Louis.

The criteria used to judge states come from Conway Data Inc.'s proprietary New Plant database, which tracks new and expanding corporate facilities.

## New Illinois Laws Target Fraudulent Practices

The state of Illinois recently struck a blow on fraud with four pieces of legislation to combat identify theft, deceptive practices by lenders making reverse mortgages, deceptive credit counseling by debt management services and gift certificate fraud.

Amendments to the Consumer Fraud and Deceptive Business Practices Act curtail unnecessary dissemination of Social Security

numbers. The amendments make it illegal to publicly display an individual's Social Security number; to print the number on cards needed to access services and on materials that are mailed to the individual, with various exceptions; and to require an individual to transmit a Social Security number over the Internet.

House Bill 5197 is new legislation to help protect senior citizens from lenders who offer reverse mortgages in bad faith. The law takes the principles developed in the Illinois High Risk Home Loan Act and applies them to reverse mortgage lenders.

An amendment to the Debt Management Services Act protects consumers from deceptive credit counseling services. The law targets debt management companies that abuse consumers by not performing debt management services and by charging excessive fees.

Senate Bill 2901 requires retailers to provide written notices regarding fees, charges and expiration dates attached to gift cards.

For more information, visit the Illinois attorney general's web site at [www.ag.state.il.us](http://www.ag.state.il.us), the Illinois Public Safety web site at [www.illinois.gov/safety](http://www.illinois.gov/safety) or the Division of Financial Institutions

web site at [www.state.il.us/dfi/default2.htm](http://www.state.il.us/dfi/default2.htm).

## Resource Helps Indiana's Agriculture Entrepreneurs

Working under contract to the Indiana Office of the Commissioner of Agriculture, the Southern Indiana Rural Development Project (SIRDP) has begun work on the Indiana Alternative Agriculture Directory. The directory will be a resource for agriculture entrepreneurs and communities searching for new income-producing activities.

The directory will include listings of successful alternative ventures as well as case studies of 50 enterprises that hold promise for Indiana farmers in transition.

SIRDP, a nonprofit organization, is working in partnership with many organizations to develop these materials, including Purdue University's New Ventures Team, county extension offices and other agricultural organizations.

SIRDP anticipates completion of the Alternative Agriculture Directory by late 2004.

For more information or to find out how to nominate a successful agricultural entrepreneur for inclusion, contact Ellen Cowell at SIRDP by e-mail at [ecowell@sdg.us](mailto:ecowell@sdg.us) or by phone at 1-800-816-0019.

# Get Checking

Get Checking, a program for former or current bank customers who have had problems managing their checking accounts, will be the topic of a Nov. 4 meeting for bankers who work in St. Louis city and county and Jefferson and St. Charles counties. The University of Missouri Outreach & Extension and the Federal Reserve Bank of St. Louis are sponsoring the meeting.

This innovative program teaches consumers how to manage checking accounts and how to reestablish their relationship with a bank by cleaning up their ChexSystems report.

Financial institutions can help bring Get Checking to the St. Louis area by providing

funding. They can also work with local educators and Get Checking national partners to promote the program.

Graduates of the program receive a certificate they can use

at participating financial institutions to open a new account, reestablish a relationship with the financial institution and restore their credit.

The benefits of the program



are two-fold. Graduates understand solid banking basics and have skills to manage their accounts. Financial institutions benefit by enhancing their relationships in the community, creating new partnerships, increasing marketing and community reinvestment initiatives—including receiving service test credit for CRA—and giving their new customers a chance to Get Checking.

*For more information about the Nov. 4 meeting at the Federal Reserve Bank of St. Louis or to register, call Jean Morisseau-Kuni at (314) 444-8646.*

## Have YOU HEARD

### **Credit Bureau Takes New Approach to Building Credit Histories**

A new national credit bureau is helping consumers who do not have mortgages or credit cards build credit histories based on other types of payments. The credit bureau—called Pay Rent, Build Credit (PRBC)—has developed a data network where consumers can list other bills they have paid, such as rent, utilities and insurance. The information is verified by a PRBC partner. Consumers can present the data they

have entered in the network to landlords or lenders when applying for apartments or mortgages. PRBC is also working with bill payment service providers who, with the consumer's consent, would automatically report payments to the PRBC Data Network. For more information, visit [www.payrentbuildcredit.com](http://www.payrentbuildcredit.com).

### **Main Street Sets Deadline for 2005 Awards Program**

The Main Street National Trust for Historic Preservation is accepting nominations for its 2005 awards program until Nov. 4. The national trust is also accepting applications for its certification program for professionals.

The Great American Main Street Awards recognize communities that

have made significant achievements in revitalizing their commercial districts while keeping focused on historic preservation. Winners will receive \$2,500, a trophy and national recognition. Applicants do not have to be affiliated with a Main Street community or program.

Community leaders and advocates who have helped revitalize commercial districts are eligible for a Main Street Leadership Award. Nominees may include schools, businesses, individuals, elected officials, government agencies and other organizations. Winners will receive a trophy and national recognition. Neither the nominators nor the nominees have to be affiliated with a Main Street community or program.

To learn more about the nomination process for either award, visit [www.mainstreet.org/awards](http://www.mainstreet.org/awards) or call (202) 588-6140.

The national trust is also accepting applications from professionals for its Certification in Professional Main Street Management training and credentials program. Applicants do not have to be affiliated with a Main Street community or program. Past applicants have included architects, planners and other professionals working in community development and commercial district revitalization.

For information, visit [www.mainstreet.org/certification](http://www.mainstreet.org/certification) or call (202) 588-6140.

**Metropolitan Statistical Areas: New Standards and Their Impact on Selected Federal Programs**—The General Accounting Office recently released a report on new standards for federal statistical recognition of metropolitan areas. The standards, announced in 2000, include a new designation: micropolitan statistical areas, which applies to less populated areas. To read the report, go to [www.gao.gov/cgi-bin/getrpt?GAO-04-758](http://www.gao.gov/cgi-bin/getrpt?GAO-04-758).

**SimIndiana**—This is a suite of desktop productivity applications that recently has been made available to Indiana residents for personal, academic, business or community use. The product list includes familiar applications such as word processing,

spreadsheets, e-mail, address books, notebooks, calendars and a file explorer. What sets SimIndiana apart is that the software is provided by the state of Indiana at no charge. The only requirement is that users sign up with a valid Indiana address. For more information, visit [www.simindiana.com](http://www.simindiana.com).

**2004 State of the Nation's Housing**—Harvard University's Joint Center for Housing Studies released its report this summer. The center predicts that the housing industry will experience another strong decade, with women, minorities and immigrants playing a larger role in housing markets. The report is available at [www.jchs.harvard.edu](http://www.jchs.harvard.edu).

**Tennessee Economic Development Guide**—The guide provides an overview of Tennessee's economic accomplishments each year. This year, the guide includes an update on the state's growing technology fields and automotive industry. It also looks at the state's support for entrepreneurs. To find out more, visit [www.tnedg.com](http://www.tnedg.com) or call Dawn Rutledge Jones at (615) 253-1760.

**Dinero Hispano**—A new web site presents personal financial education in Spanish. The site was developed by the InCharge Institute of America, a national nonprofit organization. The web address is [www.dinerohispano.com](http://www.dinerohispano.com).

## BRIDGES

*Bridges* is a publication of the Community Affairs department of the Federal Reserve Bank of St. Louis. It is intended to inform bankers, community development organizations, representatives of state and local government agencies and others in the Eighth District about current issues and initiatives in community and economic development. The Eighth District includes the state of Arkansas and parts of Illinois, Indiana, Kentucky, Mississippi, Missouri and Tennessee.

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If you have an interesting community development program or idea for an article, we would like to hear from you. Please contact the editor.

Free subscriptions and additional copies are available by calling (314) 444-8761 or by e-mail to [communityaffairs@stls.frb.org](mailto:communityaffairs@stls.frb.org).

## NOVEMBER

**3-6**  
**Growth Through Change: Meeting the Challenge Together—Chicago**  
Sponsor: National Community Capital Association  
[www.communitycapital.org](http://www.communitycapital.org)  
(215) 923-4754

**5**  
**Roundtable on CRA—Erie, Pa.**  
Sponsor: Federal Reserve Bank of Cleveland  
(412) 261-7947 or 1-800-433-1035

**15-18**  
**Housing Finance Institute—Boston**  
Sponsor: Fannie Mae  
[www.efanniemae.com/learning\\_center](http://www.efanniemae.com/learning_center)  
1-800-243-5478

**16**  
**Entrepreneurs and Money...Getting Together—St. Louis**  
Sponsor: Missouri Venture Forum  
(314) 241-2683

## DECEMBER

**8-9**  
**Consequences of the Consumer Lending Revolution—St. Louis**  
Sponsors: Saint Louis University, Washington University, Consumer Federation of America and the National Consumer Law Center  
<http://law.slu.edu/conf/lending/index.html>

**13-17**  
**NeighborWorks Training Institute—New Orleans**  
Sponsor: Neighborhood Reinvestment Corp.  
[www.nw.org/training](http://www.nw.org/training)  
1-800-438-5547

## JANUARY

**13-14**  
**Cooperating to Develop Communities: Urban Rural Connections—St. Louis**  
Sponsor: Missouri Community Development Society  
[www.mocds.org](http://www.mocds.org)

**27-29**  
**4th Annual New Partners for Smart Growth: Building Safe, Healthy and Livable Communities—Miami Beach, Fla.**  
Sponsors: Local Government Commission and Penn State  
[www.NewPartners.org](http://www.NewPartners.org)  
(814) 863-5100



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