

# Place-Based Partnerships for Capital and Regional Investment Strategies

October 15, 2020

# Thank You to Our Cohosts

Rural Community  
Action Assemblies



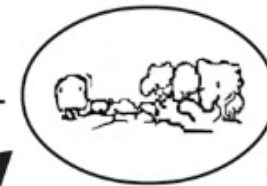
FEDERAL RESERVE BANK OF PHILADELPHIA



**PennState**

College of Agricultural Sciences

*The Center for*



*Rural Pennsylvania*

*A Legislative Agency of the Pennsylvania General Assembly*

# Agenda

- 9:30 a.m. – Call to order
- 9:35 a.m. – Welcoming remarks: Theodore Alter, Professor of Agricultural, Environmental and Regional Economics, and Codirector, Center for Economic and Community Development
- 9:40 a.m. – Place-Based Partnerships for Capital and Regional Investment Strategies
  - Jennifer Giovannitti, President, Claude Worthington Benedum Foundation
  - Christine Jones, Cofounder and Managing Partner, Blue Highway Capital
  - Deborah Markley, Senior Vice President, LOCUS Impact Investing
  - Alison Shott, Community Engagement Associate, Federal Reserve Bank of Philadelphia
- 10:40 a.m. – Small Group Breakout Discussion
- 11:05 a.m. – Break

# Agenda

- 11:10 a.m. – Resource Chat on Place-Based and Regional Capital and Investment Strategies
  - Cheryl Cook, Deputy Secretary for Market Development, Pennsylvania Department of Agriculture
  - Richard Vilello, Deputy Secretary for Community Affairs and Development, Pennsylvania Department of Community and Economic Development
  - Jennifer Wakeman, Executive Director, DRIVE Economic Development Entity
- 11:55 a.m. – Closing remarks: Matt Leonard, Manager of State Government Relations, Pennsylvania Rural Electric Association
- 12:00 noon – Conclude

# Biographies

## Rural Community Action Assemblies

### **Theodore Alter**

**Professor of Agricultural, Environmental, and Regional Economics,  
and Codirector, Center for Economic and Community Development  
Penn State University**

Ted Alter is professor of agricultural, environmental, and regional economics in the Agricultural Economics, Sociology, and Education Department at Penn State. He is codirector of Penn State's Center for Economic and Community Development and is coeditor of the Entrepreneurship Research Journal. In addition, he is an adjunct research fellow in the Australian Center for Agriculture and Law at the University of New England in Australia. Alter served from 2012 to 2017 as one of the lead researchers for the institutional analysis and community-led action initiative of the Invasive Animal Cooperative Research Centre in Australia. The Victorian Rabbit Action Network, one of the community-led action projects stemming from this initiative, recently received the 2019 United Nations Public Service Award in recognition for its contributions to strengthening working relationships and shared responsibility among citizens and communities, industry, and government.

Alter's research, teaching, and community engagement work focuses on community and rural development, resource and environmental economics, community engagement in natural resource management, community and entrepreneurship, behavioral and public sector

economics; the practice of public scholarship and civic engagement in higher education; and the political economy of democracy. In recent years, he has advanced his work to include the study of public and collective choice, democracy and innovation, and how paradigms of public discourse have shaped complex societal issues from technology and communications development to entrepreneurship and public-private partnerships. A central component of his work focuses on issues of democracy, emphasizing the roles played by societal organizations such as governments, private sector businesses, nongovernmental organizations, and colleges and universities.

### **Cheryl Cook**

**Deputy Secretary for Market Development  
Pennsylvania Department of Agriculture**

Cheryl Cook was appointed deputy secretary for market development in January 2017, following nearly two years as the agency's chief innovation officer. As a deputy secretary, Cook oversees the Bureaus of Farmland Preservation, Food Distribution, LEAN, and Market Development.

Cook previously served from April 2003 to March 2009 as PDA's deputy secretary for marketing and economic development. Between state appointments, she served in the Obama administration as deputy undersecretary for rural development and then as the USDA's chief information officer. Cook also served in the Clinton administration as Pennsylvania state director for the USDA's Rural Development programs.

# Biographies

## Rural Community Action Assemblies

A lawyer by training, Cook's career has included a range of service to production agriculture and rural communities, from cooperative development as executive director of the Keystone Development Center to assistant director of the National Farmers Union's legislative staff in Washington, D.C., and assistant to the president of the NFU's Pennsylvania chapter.

Cook received a 2017 Meritorious Service to Agriculture Award from the National Farmers Union for outstanding leadership and service to family agriculture and to Farmers Union. She also was named by Federal Computer Week magazine as one of the "Federal 100" in 2015, an annual award recognizing government and industry leaders who have played pivotal roles in the federal government IT community.

Cook has a J.D. from the Dickinson School of Law and a bachelor's degree from Lebanon Valley College.

### **Jennifer Giovannitti**

#### **President**

#### **Claude Worthington Benedum Foundation**

Jen Giovannitti is the president and a trustee of the Claude Worthington Benedum Foundation, a private family foundation founded in 1944. The foundation is a regional philanthropy focusing on

West Virginia and southwestern Pennsylvania. It generally invests two-thirds of its grant dollars in West Virginia and one-third in southwestern Pennsylvania, making it a place-based funder with a dedication to rural communities.

Before joining the foundation, Giovannitti led community-based initiatives for seven years at the Federal Reserve Bank of Richmond, most notably in community investment, human capital, regional collaboration, and capital access. She formed the West Virginia Loan Fund Collaborative in 2012 to better understand the impact of small business lending in underserved communities. She has authored a variety of reports, publications, and opinion essays, and has applied her expertise broadly in rural development strategies.

Giovannitti lived West Virginia for 11 years, first serving as the director of the Elkins Rail Yard redevelopment project, then serving as chief executive of the Randolph County Economic Development Authority and West Virginia Wood Technology Center. The successful redevelopment of the Elkins Rail Yard preserved historic structures, reconstructed a historic bridge, and added tourism infrastructure and public amenities. The project was a model for rural communities redeveloping brownfield sites.

# Biographies

## Rural Community Action Assemblies

In her role leading the county's economic development agency, she was committed to advancing workforce development and supporting the many businesses and local manufacturing operations in the region.

Throughout her career, she has held leadership positions at the local, state, and regional levels with nonprofits, universities, state trade associations, and government planning bodies.

Giovannitti has an M.A. in community and regional planning from the University of British Columbia and a B.A. in planning and urban studies from the University of Pittsburgh.

**Christine Jones**  
**Cofounder and Managing Partner**  
**Blue Highway Growth Capital, LLC**

Chris Jones is the cofounder and managing partner of Blue Highway Growth Capital, LLC, a growth equity fund dedicated to building sustainable companies that will strengthen communities in rural and other underserved areas. Jones has 25 years of expertise sourcing, structuring, and managing investments through the two funds she has cofounded. Her investment portfolio includes small middle market companies across a broad range of industries, including business services, health care services, telecommunications, transportation and logistics, consumer products, and manufacturing. These investments

have been made in rapidly growing businesses and structured to support growth, acquisition and recapitalization strategies. Blue Highway is currently investing \$2–\$5 million in growth equity for companies with revenues of \$5–\$50 million.

Jones has served on the boards of numerous portfolio companies, the Greater Philadelphia Venture Group, and the Philadelphia Chapter of the Association for Corporate Growth. Jones was a member of the board of directors of the St. John's International School in Waterloo, Belgium for six years and was on the board of the St. John's International School Foundation in the United States for 10 years.

Jones has an M.B.A. from the Wharton School of the University of Pennsylvania and a B.A. from Miami University in Oxford, Ohio.

**Matt Leonard**  
**Manager of State Government Relations**  
**Pennsylvania Rural Electric Association**

Matt Leonard has more than a decade of experience in government at the both the federal and state level. Currently, Leonard is a manager of state government relations for the Pennsylvania Rural Electric Association and Allegheny Electric Cooperative, Inc. He is responsible for engaging with elected leaders at both the state and federal level on

issues impacting electric cooperatives. In addition, he tracks and advises electric cooperatives on regulatory issues.

Previously, Leonard served as communications director for the Pennsylvania Commission on Crime and Delinquency, where he was responsible for all agency communications, including drafting testimony and speechwriting for former Philadelphia Police Commissioner Charles Ramsey and Attorney General Josh Shapiro. Leonard also served as assistant counsel in the governor's Office of General Counsel, where he focused on defending administrative law cases brought against the state and advised on other state agency-related matters. As a senior aide to U.S. Senator Bob Casey, he handled issues related to justice, the military, and immigration. Leonard also served as regional manager for the senator in south central Pennsylvania.

Leonard has a J.D. from Widener University's Commonwealth Law School and a bachelor's degree in political science and sociology from the University of Pittsburgh.

**Deborah Markley, Ph.D.**  
**Senior Vice President**  
**LOCUS Impact Investing**

Deb Markley has over 35 years of experience working in community

economic development and community philanthropy as both a faculty member and practitioner.

She is senior vice president of LOCUS Impact Investing and helps manage LOCUS' consulting services for place-focused philanthropic institutions. Together with the Aspen Institute Community Strategies Group, she is working to advance the practice of economic development philanthropy among place-focused foundations. She helped to lead a national peer learning cohort of community foundations in 2017–2018 and is leading a peer learning cohort of Kansas community foundations working to explore, unlock, and deploy local impact investments in their communities. Markley has a Ph.D. from Virginia Tech and an M.S. and B.S. from Cornell University.

**Alison Shott**  
**Community Engagement Associate**  
**Federal Reserve Bank of Philadelphia**

Alison Shott joined the Community Development and Regional Outreach Department of the Federal Reserve Bank of Philadelphia in June 2019. In her role as a community engagement associate, she conducts outreach and represents the Reserve Bank with stakeholders across the Third District to promote community development in low- and moderate-income communities.



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## Rural Community Action Assemblies

Prior to joining the Bank, Shott was a director at Econsult Solutions, a Philadelphia-based economics and public policy consulting firm, where she led projects on community revitalization, workforce development, and small business growth. Shott previously worked in outreach and research for a number of nonprofits and university institutes, including the Institute on Municipal Finance and Governance, the Social Economic and Sustainability Research Network, and the Society of Graduate Students.

Shott has a Ph.D. from the University of Western Ontario, a master's degree from Acadia University, and a bachelor's degree from American University, all in political science. In 2009–2010, she was a Fulbright fellow at the University of Prince Edward Island.

**Richard Vilello**  
**Deputy Secretary for Community Affairs and Development**  
**Pennsylvania Department of Community and Economic Development**

Rick Vilello first joined the Department of Community and Economic Development (DCED) in March of 2015 as the executive director of the Center for Local Government Services. He was appointed as deputy secretary for community affairs and development in February 2017.

As deputy secretary, Vilello oversees the work of the entire deputation,

including the Center for Local Government Services, the Center for Community and Housing Development, the Center for Community Services, and the Center for Community Enhancement.

Before coming to DCED, Vilello served four terms as mayor of Lock Haven, PA, and was previously president of the Pennsylvania Municipal League.

**Jennifer Wakeman**  
**Executive Director**  
**DRIVE Economic Development Entity**

Jennifer Wakeman has lived in the Susquehanna Valley since 1995. Her career has covered a variety of fields from agriculture to television and radio. She was the creator, host, and content producer for *In Your Neighborhood*, a monthly newsmagazine highlighting businesses, organizations, and individuals in the region. It aired exclusively on Service Electric Cablevision. Before coming to DRIVE, Wakeman was the news director at Sunbury Broadcasting Corporation.

With more than 20 years of volunteer experience with area nonprofits, Wakeman has a strong commitment to the communities and families in the Susquehanna Valley. She is the chair of Focus Central Pennsylvania, a seven-county marketing organization committed to bringing new

# Biographies

## Rural Community Action Assemblies

capital investment to the region. She currently represents Montour County on the SEDA-COG Joint Rail Authority and the Natural Gas Cooperative board of directors. Wakeman sits on the board of the Young Artists' Theatre Project, is the past president of RiverStage Community Theatre, and is also a member and former board president of the Susquehanna Valley Chorale. She is a member of the Pennsylvania Economic Development Association and is DRIVE's representative with the International Economic Development Council. She has a B.S. from Washington and Lee University.

# Welcome

## Rural Community Action Assemblies

### Theodore Alter

Professor of Agricultural,  
Environmental, and Regional  
Economics, and Codirector, Center  
for Economic and Community  
Development

Penn State University



## Place-Based Partnerships for Capital and Regional Investment Strategies

- Jennifer Giovannitti, President, Claude Worthington Benedum Foundation
- Christine Jones, Cofounder and Managing Partner, Blue Highway Capital
- Deborah Markley, Senior Vice President, LOCUS Impact Investing
- *Moderator:* Alison Shott, Community Engagement Associate, Federal Reserve Bank of Philadelphia

Deborah Markley  
Senior Vice President  
LOCUS Impact Investing



# Community Development Ecosystem

## Rural Community Action Assemblies

**Economic development** includes attraction, retention, and expansion of businesses with ties to workforce development, small business development, and entrepreneurship.

**Planning and placemaking** includes downtown revitalization, planning, and zoning to make improvements to neighborhoods leveraging cultural resources and natural environment.

**Community development** includes supportive services and social and political participation that enable individuals and families to prosper.



## Philanthropy often leads from the development periphery.

As grant makers, foundations have a history of partnering and working with community development organizations. It is where many are most comfortable.



**Working from the development middle forges new partnerships and brings new tools to bear.**

It's not about changing values. It is about understanding and leveraging the larger system of partners to advance community prosperity.





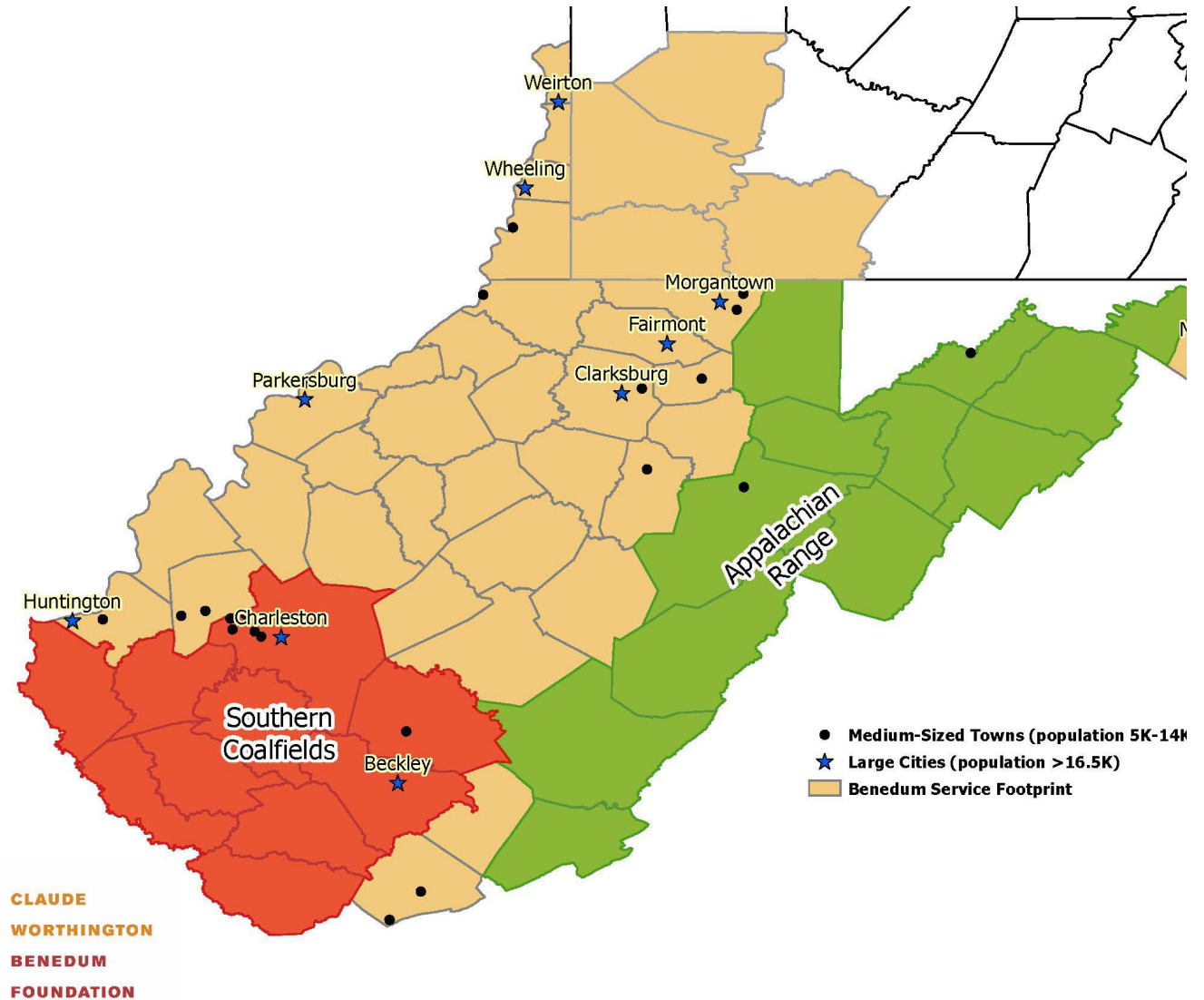
Jennifer Giovannitti

President

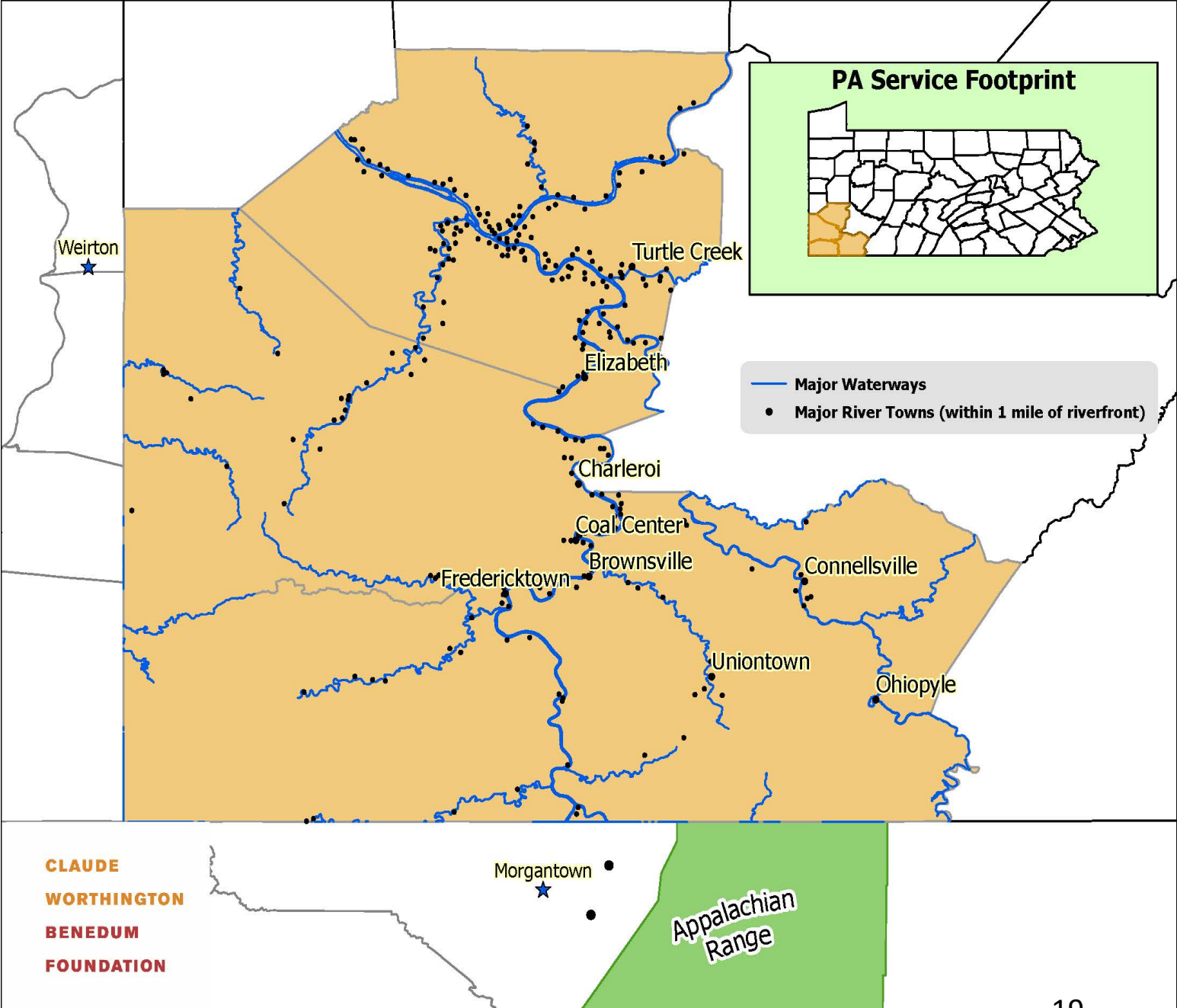
Claude Worthington Benedum  
Foundation



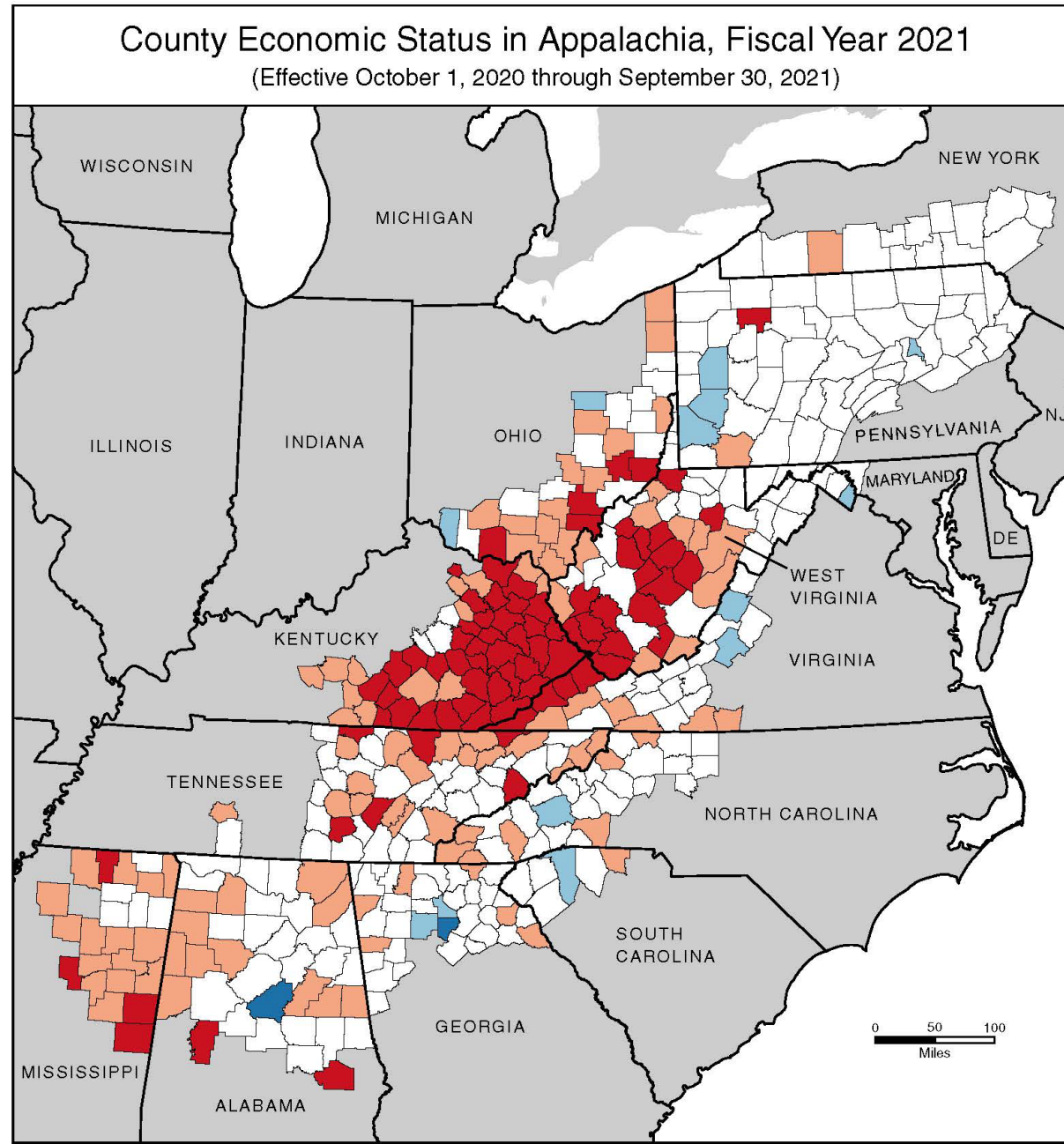
# The Benedum Foundation: A Rural, Place-Based Funder



# Western Pennsylvania River Towns



# Central Appalachia: The most distressed part of the region



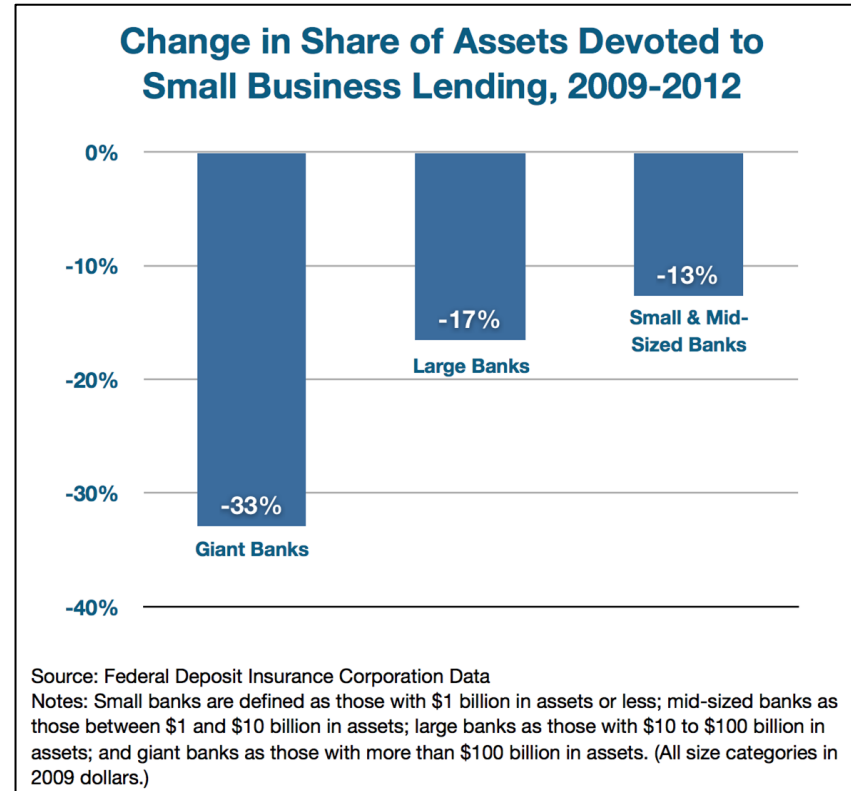
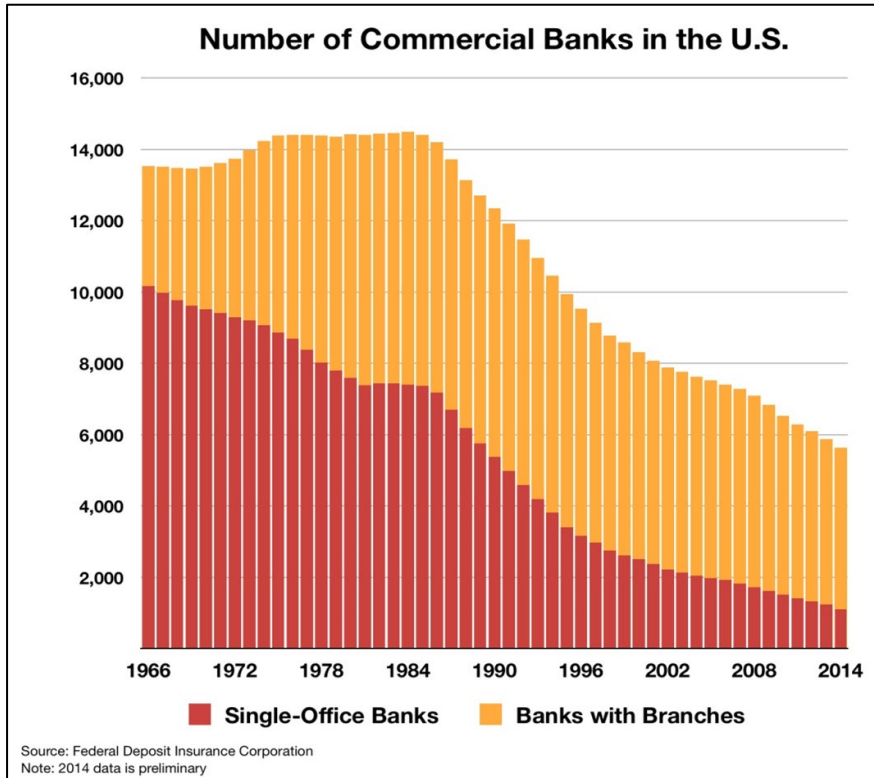
**Christine Jones**

Cofounder and Managing  
Partner

Blue Highway Capital



# Community Bank Lending Trends



Sources: Federal Reserve / Conference of State Bank Supervisors: "Community Banking Research and Policy Conference 2017"  
[https://www.communitybanking.org/~media/files/cb21pub\\_2017\\_book\\_web.pdf](https://www.communitybanking.org/~media/files/cb21pub_2017_book_web.pdf)

# What Is a Quality Job?

A living wage

**Compensation individuals must earn to meet their needs.**

Provides hourly rate that an individual must earn to support their family.

Basic benefits

**Health insurance. Paid leave. Retirement savings plan.**

Benefits that promote work-life balance, improve health, and help build a loyal workforce.

Career-building opportunities

**Training and mentorship.**

Help employees develop the skills, networks, and experiences to launch a career or advance a career path.

Wealth-building opportunities

**# employees eligible for profit sharing, stock options, structured bonuses.**

Provide opportunities for employees to build wealth.

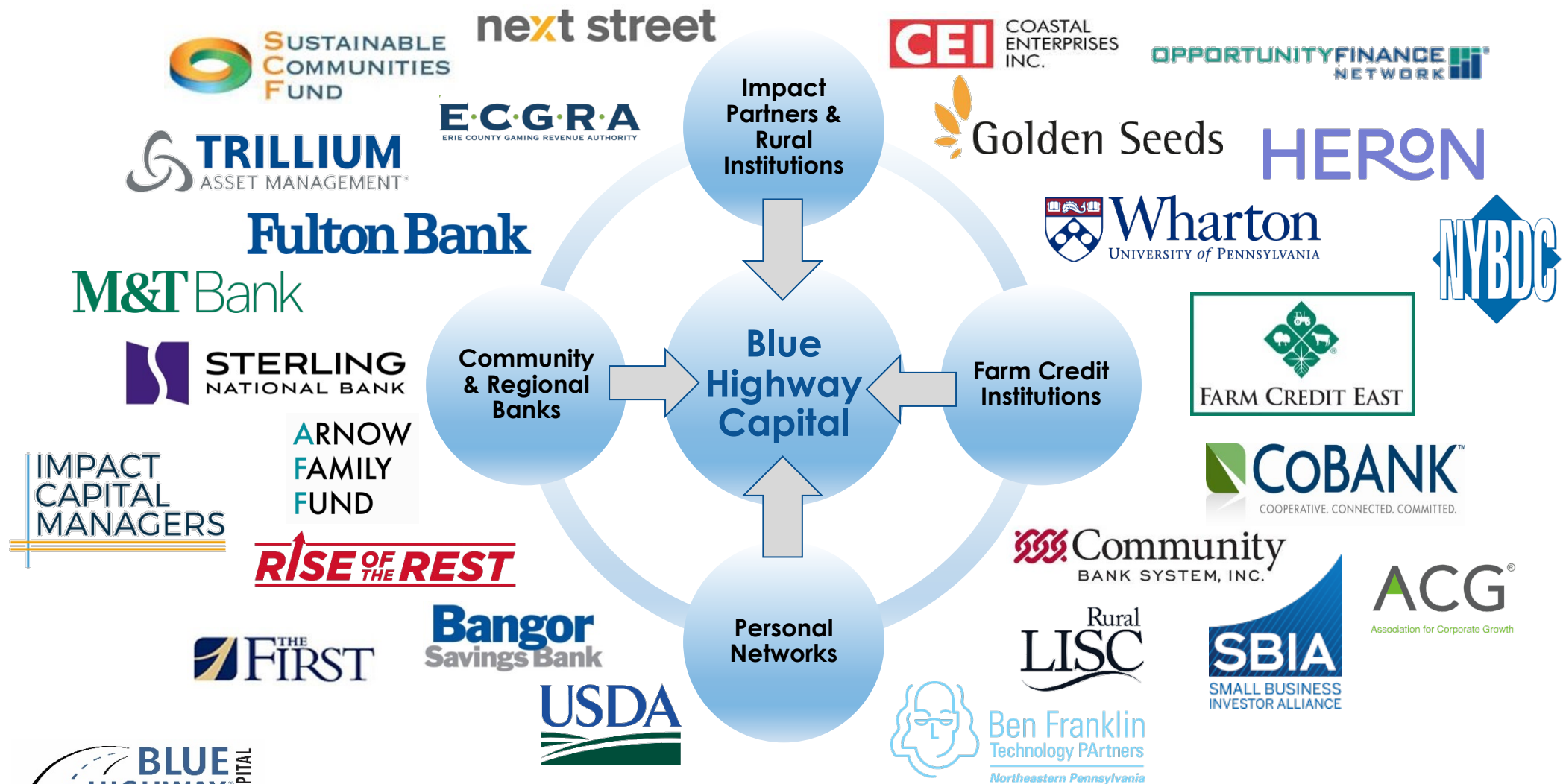
A fair and engaging workplace

**Clear path to success. Active participation and clarity around work contributions.**

Balance needs of the job with needs of the employees.

*Sources: "Moving Beyond Job Creation – Defining and Measuring the Creation of Quality Jobs" (Pacific Community Ventures, April 2016); "Three Signs of a Miserable Job" by Patrick Lencioni; MIT Living Wage Calculator (<http://livingwage.mit.edu>).*

# Blue Highway Growth Capital Networks



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# Questions and Discussion

Please consider:

- What did you take away from the presentations?
- How did the presentations relate to your work?
- How do the presentations apply in the community you work with?
- What additional information would have added value to the presentations?
- What additional information would be valuable for future rural community action assemblies?
- How is the virtual format of the assembly and how else would you like to receive information on rural development?

Share your feedback with Nathaniel Borek at [Nathaniel.Borek@phil.frb.org](mailto:Nathaniel.Borek@phil.frb.org).

## Resource Chat on Place-Based and Regional Capital and Investment Strategies

- Cheryl Cook, Deputy Secretary for Market Development, Pennsylvania Department of Agriculture
- Richard Vilello, Deputy Secretary for Community Affairs and Development, Pennsylvania Department of Community and Economic Development
- *Moderator:* Jennifer Wakeman, Executive Director, DRIVE Economic Development Entity

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Share your feedback with Nathaniel Borek at [Nathaniel.Borek@phil.frb.org](mailto:Nathaniel.Borek@phil.frb.org).

# Closing Remarks

Rural Community  
Action Assemblies

**Matt Leonard**

Manager of State  
Government Relations

Pennsylvania Rural Electric  
Association



# Thank You and Don't Forget

- Register now for Outdoor and Small-Town Tourism, Entrepreneurship, and Economic Development.
- Please share your feedback by taking the event survey.