

The Abell Report

What we think about, and what we'd like you to think about

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ABELL SALUTES: The Public Justice Center (PJC) and Citizens Planning and Housing Association (CPHA) Eviction Reform Initiative for Bringing Greater Dignity and Cleaner Streets to Baltimore.

Few scenes reveal urban malaise so visibly and vividly as a sidewalk piled high with broken-down chairs, tables, blankets, mattresses—the furnishings of a life. This dismal experience, so common in Baltimore City until last October, represented the last step in an eviction system in collapse, with unhappy consequences for the tenant who had been evicted, the landlord who had obtained the eviction order, the neighborhood that was littered—and the City of Baltimore and State of Maryland as unwitting enablers. “Public disposal of the remains of an eviction is not only a public indignity to the tenant who has suffered the eviction, but a blighting influence on the neighborhood,” says Dan Pontious, policy director of Citizens Planning and Housing Association (CPHA).

There were more than 7,000 such scenes in Baltimore City in 2006. The saddest aspect of the experience was probability: A March 2003 *Abell Report* found that on average, a tenant family in Baltimore was being sued for eviction 1.2 times per year, a rate nearly double or triple than if it rented in Washington, DC; Detroit; or Cleveland. The research showed that Maryland’s eviction

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Does Kalamazoo’s “Promise” Hold Promise for Baltimore?

The city of Kalamazoo, Michigan, is pioneering a provocative new idea for reversing trends in college enrollment and retention, and economic development: free college tuition.

By Mike Bowler

Three years ago, prompted by declines in high school graduation rates and lagging economic development, the city of Kalamazoo, Michigan, launched a new type of college scholarship known as the Promise. Its mission was to reverse both trends by offering guaranteed college tuition for all residents graduating from the city’s public schools.

Half a dozen other cities, both small (El Dorado, Arkansas) and large (Denver and Pittsburgh), are now pursuing similar plans, and another 50 or so have expressed interest.

This report examines the history of the Promise; its implementation and achievements to date; and for jurisdictions with shared concerns, the lessons learned. Have the high hopes for educational and civic progress been realized?

Closer to home, the report poses the question: Does Kalamazoo’s Promise hold promise for Baltimore?

Promise scholarships guarantee college tuition (though not room and board) to anyone who graduates from the city’s public high schools, regardless of whether the graduate is wealthy or poor, black, Hispanic, or white. Thus, the scholarships are based neither on family income nor on race, but on the place of a student’s residence. Advocates hope Promise scholarships will promote economic development as fam-

ilies move into Promise districts, pushing up property values and reversing “white flight.” They also hope that the Promise will produce highly motivated students, lower dropout rates, and higher graduation rates at both the high school and college levels. There are ancillary academic goals, too. Districts with Promise programs are expected to strengthen curriculum at all levels of schooling and to broaden the availability of college-preparatory courses. The morale boost brought about by the Promise is expected to lift all academic boats in a Promise district.

The Promise movement arrives at a good time. Higher education is no longer a luxury. It’s mandatory, as civil rights scholar Gary Orfield has observed, “if young people are to have a secure life in the middle class in a post-industrial economy.” And yet higher education is a luxury if one considers college tuition rates, which have outpaced the cost of living for at least a decade.

Here in Maryland, tuition rose 34 percent at the University of Maryland, College Park, in the five years through 2007, and by 34 percent as well during the same years at the low-cost Baltimore City Community College. Studies show that many students can’t cover the cost of college even with the aid they receive, and the gap is most severe for students from lower-income families. A 2008

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funding workgroup of the Maryland Higher Education Commission found that 93 percent of community college students with financial need had annual unmet need (after loans) averaging \$5,078, and more than three-fourths of aid recipients at four-year schools had unmet need averaging \$9,403. Meanwhile, students are graduating with even more debt. In Maryland, the average student-loan debt for 2006 graduates from four-year colleges was nearly \$17,000, with 53 percent having borrowed funds to pay for their educations, according to the Project on Student Debt.

Reducing these financial gaps requires sizable investments, but such investments in a college education fulfill a significant dream of American families. They also pay off in lifetime earnings: 2004 data from the U.S. Census Bureau show that the median annual full-time earnings of a college graduate are higher by about two-thirds (\$49,900 versus \$30,800 in 2004) than those of a high school graduate. Indeed, in the modern economy those who end their education with a high school diploma often find themselves at a dead end.

Yet the dream of a college diploma is often unfulfilled. A Brookings Institution study released in February 2008 found that economic mobility—the chance that children of the poor or middle class will climb up the income ladder—has not changed significantly over the past three decades. This circumstance, the study warned, could soon lead to a downturn in opportunities for the poorest families. Someone born into a family in the lowest one-fifth of earners who graduates from college has a 19 percent chance of joining the highest one-fifth of earners in adulthood and a 62 percent chance of joining the middle class or better. But in recent years, only 11 percent of children from the poorest families have earned

college degrees, compared with 53 percent of children from the top one-fifth.

For decades the proportion of scholarships based on financial need versus those awarded for academic merit has fluctuated. (The two are not necessarily mutually exclusive; many states and colleges give scholarships to low-income students with high academic potential.) Three generations of New York State students have attended college with Regents scholarships, the nation's oldest merit-based state scholarship program. Elite private colleges began handing out merit scholarships with the development of the SAT in the early 1930s. A decade later Harvard University president James Conant, in an article in *Atlantic Monthly* titled, "Wanted: American Radicals," wrote that the American radical "believes in equality of opportunity, not equality of rewards."

Meanwhile, since the 1960s, the federal government (primarily through the Federal Pell Grant Program), the states, local jurisdictions, and private entities have handed out billions of dollars in need-based grants and scholarships, often closing the "last dollar" gap between federal entitlements and the actual cost of college. In fiscal year 2008, the government budgeted \$14.2 billion for Pell Grants, by far the largest proportion of the federal student-aid budget. Students in economically distressed communities like Baltimore are the primary beneficiaries. According to *The New York Times* (September 17, 2008), Pell funding is nearly exhausted; it is anticipated that another \$6 billion is needed to meet current student demand. Locally, organizations such as the CollegeBound Foundation have been helping Baltimore City students make the difficult transition to higher education, by disbursing a small number of "Last-Dollar Grants" to those who are eligible for federal Pell Grants and Maryland's need-based aid programs such as the

Guaranteed Access Grant and Educational Assistance Grant.

Enter the Promise

Promise scholarships have the advantage of aiding low-income students and promoting racial integration, while not seeming to favor disadvantaged students or racial minorities because the wealthiest white students in a school district are equally eligible, even if their parents have faithfully saved for their college education. Indeed, the announcement of the Kalamazoo and El Dorado Promises immediately freed up tens of thousands of dollars in college savings, which parents could leave in the bank or spend. In the weeks after the Kalamazoo Promise was announced, merchants reported a run on plasma televisions. For families with three or more children, the Promise can be worth six figures in tuition savings.

The Promise scholarships have surprisingly few strings attached. Recipients must have lived in the district and attended public schools for a minimum number of years to qualify. To maintain a Promise scholarship, awardees must meet a modest college grade point average and complete a post-secondary degree within a prescribed number of years. But what particularly distinguishes the Promise scholarships is that they "bring together the goals of economic development and educational attainment," according to Michelle Miller-Adams, a visiting scholar at the W.E. Upjohn Institute in Kalamazoo. "The Promise is envisioned as a catalyst for economic growth and development," she says. In the long run, Promise advocates hope employers will take advantage of an increasingly well-educated workforce and establish offices and plants in the Promise area (or cancel plans to close or move away). The fact that these scholarships are available will be an inducement for new employees. In the longer run, the community will be

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enriched educationally, economically, even culturally. The three—education, economics, and culture—are “intertwined,” says Janice Brown, the former Kalamazoo superintendent who helped establish the Kalamazoo Promise and guide it through its first two years. “The idea is that the schools and the community declined together. Now they can rise together.”

The Promise also differs markedly from a wave of scholarship programs originating in Georgia 15 years ago. HOPE (Helping Outstanding Pupils Educationally) is primarily a merit-based program; that is, HOPE scholarships are issued without regard to financial need. Any Georgia resident graduating from high school with a “B” average since 1993 is eligible for tuition scholarships at qualifying state post-secondary institutions. The Georgia program is entirely financed by the state lottery, which has invested some \$4 billion in the program. Since 1993, 14 states have implemented broad-based merit scholarship programs that award grants without consideration of financial need.

The arguments for HOPE are familiar. The scholarships increase access to college, keep the best students in state, and encourage academic achievement in high school and college. It was these same arguments that prompted Maryland to adopt a limited HOPE scholarship program in 2000. Designed primarily to encourage students to enter teaching and the science and technology fields, Maryland HOPE reached its peak in fiscal year 2003 with scholarship expenditures of about \$20 million. But the administration of former Governor Robert Ehrlich shifted a good portion of Maryland’s financial-aid budget from merit-based to need-based programs, citing equity issues and soaring tuition rates at the state’s public colleges and universities. Maryland HOPE was phased out and terminated this year with total expenditures of \$85 million. In its nine-year run, it issued 12,850 scholarships to education students and 6,700 scholarships to students in the

science and technology fields.

As HOPE scholarship programs entered their second decade, there was a growing consensus among researchers that a disproportionate amount of the aid was going to whites and to wealthier students who would have gone to college anyway—this in a society in which 40 percent of public high school students are nonwhite. Donald E. Heller, a prominent researcher at Pennsylvania State University, summed up his concern in a recent paper:

“At a time when there is a severe shortage of state funding for higher education, when tuition prices have been rising rapidly and neither the federal nor the state need-based programs have kept pace with price increases, many fully qualified minority and low-income students are not going to college because of financial barriers.”

The Kalamazoo Promise after two years

The Kalamazoo Promise is remarkable in its simplicity. Beginning with the class of 2006 and continuing indefinitely, all students graduating from the district’s high schools who have been continuously enrolled in the district since kindergarten receive a scholarship covering 100 percent of tuition and mandatory fees at any Michigan public college or university. Graduates who have attended a public school and lived in the district for four years receive a 65 percent scholarship, with a sliding scale for those in between. (Those who enter the district’s public schools after the ninth grade are not eligible for the Promise.) Students must maintain a modest 2.0 grade point average in their college courses and make regular progress toward a degree (although they have 10 years to use the scholarship money). What’s more, Promise scholarships are “first dollar,” which means they are applied to a student’s tuition bill before any other aid, including need-based aid such as Pell Grants. This allows the poorest families in particular to skip the often-challenging process of applying for federal financial aid.

The Promise is also remarkable in its funding. Anonymous donors have pledged to support the program indefinitely at a potential cost of \$12 million annually once the program peaks to include four graduating classes.

Brown, who retired last fall after seven years as chief of Kalamazoo schools, originated the idea of the Promise about four years ago in conversations with the city’s education, business, and philanthropic leaders. Hard times had befallen Kalamazoo, a city located about midway between Detroit and Chicago. With the closing of plants and the departure of head offices, the southwest Michigan city of 77,000 and its school district had been in decline for years. The city population had shrunk 10 percent (while that of Kalamazoo County had grown by almost 20 percent). School enrollment had dropped from a peak of 18,000 to 11,000. Sixty percent of the enrollment was minority, and 61 percent of the district’s students were economically disadvantaged. The dropout rate was 11 percent. Offering full-tuition scholarships to all graduates—there are about 500 a year—seemed a way to reverse the decline and spur economic growth and development by creating incentives for current residents to remain in Kalamazoo and for new residents (especially those with children) to move in.

When the Promise was announced in November 2005, it was a bonanza worth many thousands of dollars to some Kalamazoo families, especially long-term residents with several children. Officials in the nine surrounding county school districts “were stunned when they first heard about it,” says Bob Jorth, executive administrator of the Promise. “What the Promise did was force these districts to compete.”

Jorth is carefully tracking the Promise scholars, and the program is being evaluated by two independent Kalamazoo entities: The Evaluation Center at Western Michigan University, under a grant from the U.S. Department of Education, is looking at educational and community outcomes of the Promise, and the Upjohn Institute, a foundation, is

tracking economic development effects. Here is a summary of their view, as expressed in their publication, *Employment Research* (July 26, 2006): “The Impact of the Kalamazoo Promise on Economic Revitalization.”

“A final challenge relates to the economic development goals of the Promise. Implicit in the program is the idea that an increase in the local supply of educated workers will have a matching effect on the demand side, enticing employers to expand or relocate to the community. But in the absence of concerted action to increase the attractiveness of Kalamazoo to employers, such an increase in demand is unlikely to materialize. And without a steady supply of new jobs that requires a college education, it is doubtful that families will choose to relocate to Kalamazoo or that college graduates will opt to stay or move here.

“If the impact of the Kalamazoo Promise is merely a shift of middle class families from outlying areas into the Kalamazoo Public School district, the result will be disappointing from an economic development standpoint—a redistribution of the existing pie rather than its expansion. The Promise in and of itself is probably not a powerful enough incentive to attract major new employers to the region, but it is a rallying cry for community engagement and mobilization, and a catalyst for positioning Kalamazoo as an attractive locale for those households and businesses that place a high value on education. By calling into action coalitions of residents, businesses, and organizations working strategically to leverage its potential, the Kalamazoo Promise may emerge as an important new instrument for economic revitalizations.”

Thus far, there are fairly detailed reports on the two Kalamazoo high school classes that have received Promise scholarships and where they enrolled

in college. Enrollment in Kalamazoo public schools increased 10 percent in 2006, reversing a 35-year decline. The increase in 2007 was a much more modest 2.3 percent. (Enrollment increases bring commensurate increases in state school aid—about \$7.5 million in 2006-07 for Kalamazoo schools.) Newcomers came from 32 states; about half of them from outside the county. The district experienced its first increase in white enrollment since the 1980s. And there was a strong teacher-recruiting pool in 2006—about 2,000 applicants for 90 positions.

Of the 1,080 Kalamazoo graduates in 2006 and 2007, about 900 were deemed “Promise-eligible,” and nearly three-quarters of them used the scholarships (see Table 1). As of January 2008, the

Promise had cost \$3.2 million, and provided full tuition scholarships ranging from \$2,000 annually at community colleges to \$10,000 annually at University of Michigan. Approximately 45 percent of Promise scholars enrolled in community colleges (see Table 2), although the number of Kalamazoo students entering the University of Michigan increased from 15 in 2005 to a projected 49 in the fall of 2008. According to a June 2008 study by Western Michigan University, two-thirds of Kalamazoo students report that the Promise has made a difference in their educational plans; one-third say they are more motivated to attend school, and another one-third report working harder in school. Of note, the Kalamazoo graduation rate increased from 80 percent in 2006 to 85 percent in

TABLE 1
Initial Impact of Promise on Kalamazoo Public School Students—Classes of 2006/2007

	2006	2007	% Change
KPS Graduates	515	567	10.1%
Eligible for Promise	417	481	15.4%
Applied for Promise	373	461	23.6%
Used Promise*	303	359	18.5%
% Eligible Using Promise*	73%	75%	

* Includes students using the Promise during the fall semester immediately following graduation
Source: *The Kalamazoo Promise*, W.E. Upjohn Institute, 2008

TABLE 2
Top College Choices for Promise Users—Classes of 2006/2007

College/University	Percentage of Promise Students Attending
Four-Year Colleges/Universities	
Western Michigan University	27%
Michigan State University	12%
University of Michigan	7%
Other four-year public colleges/universities	9%
TOTAL	55%
Community Colleges	
Kalamazoo Valley Community College	44%
Other community colleges	1%
TOTAL	45%

Source: *Kalamazoo Promise Office, Kalamazoo Public Schools*

2007, Jorth says.

The Promise has also ignited community educational volunteerism. Kalamazoo Communities in Schools reports that volunteer service hours in schools have soared by 134 percent, and the number of volunteer mentors for Big Brothers, Big Sisters has doubled.

Less is known about the persistence rate of the first Promise students who went to college in fall 2006: 80 of the 105 Promise students who enrolled at Western Michigan University in Kalamazoo returned last year. (Some of those who did not return transferred to the local community college, retaining their scholarships.) First-year retention was above 90 percent at four-year public colleges. And about a half-dozen students who went to private colleges switched to public universities in order to obtain a Promise scholarship.

Little is known so far about the effect of the program on economic development, except that Ron Kitchens, who heads Southwest Michigan First, an economic development group, reports that population and school enrollment are down in neighboring suburbs while increasing in Kalamazoo. The city attracted 400 new families, increasing public school enrollment by 1,200 students and prompting an \$85 million bond issue to construct two schools. Median home prices rose 6.7 percent within the district throughout 2005, while home prices declined by 5.2 percent in the region, and Kalamazoo County's 2008 value of table property was 4 percent higher than the previous year. "This can be 100 percent attributed to the Promise," Kitchens says. "Free college tuition is a powerful enticement."

The Promise, however, has not been problem free. Promise officials were pleased that 44 percent of the first two Promise classes took their scholarships to Kalamazoo Valley Community College. "But we lost 30 percent of those who enrolled in community college," says Jorth. "These are the people we want in the program because they're the

ones who will stay in Kalamazoo and work in jobs in the health and technical fields, for example. They're also the ones who need the most help negotiating college." Officials are doubling efforts to provide mentors for Promise scholars, and Kalamazoo Communities in Schools, an independent support group, is raising \$2.7 million from private sources for mentoring and other support activities.

Some students who wanted to take their college education on the road were in for a shock. The Promise does not cover room and board, books, travel, and other expenses, which account for more than half of the tab at the University of Michigan and Michigan State. The Western Michigan University (WMU) evaluators surveyed community groups, finding that the need to cover these expenses "makes the Promise irrelevant for some families."

The WMU evaluators also found that racial tension may be undermining the Promise. Although there is considerable support for the Promise in black communities, the claims that the Promise will attract the middle class and stave off "white flight"—claims that are advanced by white public officials and often repeated in the media—do not sit well in some quarters. "The influx of people relocating to Kalamazoo to take advantage of the Promise has been mostly white middle class thus far," the WMU evaluators say in a working paper. This is "contributing to a bit of a culture clash in that newer white students are seen as coming for free college tuition that some black students, who have been here all their lives, aren't receiving due to the inability to meet admissions standards or other associated costs."

Thus far, the Promise has not needed a lot of marketing; Jorth says his budget for spreading news of the Promise is \$2,000. The local and national media have produced a string of positive stories, including a CBS News segment in which anchorwoman Katie Couric dubbed former Superintendent Brown the "patron saint of the Promise."

Nearly three years into the program,

the Promise is still on the minds of the people of Kalamazoo. Billboards donated by local businesses greet visitors. "Who Benefits From the Promise?" the billboards ask. Beneath the question is a flock of raised hands.

A teenaged clerk working at a downtown gift shop sadly declares that as a newcomer to Kalamazoo, "I just missed [the Promise]. I'm jealous."

After the Promise was announced, "There was an afterglow phase," says Stephanie Evergreen, one of the evaluators at WMU. "Two years later, people have settled back into reality with determination and hope, but they're not singing 'Kumbaya' anymore."

"Somewhere over the rainbow... There's a place called Kalamazoo, where you can earn a college scholarship just for living there. It doesn't matter if you are rich or poor, black or white." *Hartford (Conn.) Courant*, February 2008

Despite the idea that the Promise appeals to the collective imagination, there are no claims that two years of the Kalamazoo Promise equate to success that can be replicated. Yes, some of the indicators that can be measured—school enrollment and property values, for example—are demonstrating that the Promise holds promise. But other claims are far from being fulfilled and independently documented. Getting students into college is one thing, having them succeed and graduate is quite another. The Promise's economic development aspirations may be the most difficult and perhaps most controversial if they are viewed as benefiting middle class families over lower-income families.

Could a Promise program that guarantees college tuition to every Baltimore City public school graduate increase high school graduation rates, college enrollment, and college graduation rates? What would the Baltimore Promise program "promise" to city high school graduates? How might this serve as a stimulus to the local economy?

Does Kalamazoo's Promise ultimately hold promise for Baltimore?

Other Iterations of The Promise

Thanks to the Internet and prominent national publicity, word of the Kalamazoo Promise has spread rapidly to other districts and states, several of which have launched their own versions. W.E. Upjohn Institute recently convened the first PromiseNet Conference attracting 80 communities from 22 states that are implementing or considering Promise-type initiatives. Each locale, of course, has its own goals and unique demographic, economic, and educational characteristics, which means that the Kalamazoo scheme, while widely imitated elsewhere, has not been duplicated.

El Dorado, Arkansas: Guaranteed tuition to any accredited college... period

Bob Watson, superintendent of the El Dorado, Arkansas, school district, announced the El Dorado Promise at a student assembly on January 22, 2007. The announcement reportedly met stunned silence (followed by tears) as the news sank in that the class of 2007 and all classes to come after—for 20 years—could earn generous scholarships to any accredited college in the nation. All the students had to do was graduate from high school and earn a college degree within five years while maintaining a modest grade point average. (The scholarship is pegged to the cost of tuition and mandatory fees at Arkansas' most expensive public university.)

Unlike students and parents in the Michigan city, those in El Dorado know who their benefactor is. Claiborne Deming, chief executive of the hometown Murphy Oil Corporation and grandson of the founder, had heard about the Kalamazoo program from a local banker, discussed it with the Murphy family, and taken the idea to the Murphy board of directors. The result was a \$50 million pledge, enough, officials think, to support the program for two decades. "Even couples who are thinking of starting a family will benefit," says Cindy Langston, the El Dorado Promise marketing manager. "In my case, with two children, it's worth more than \$100,000, tax free."

The educational and economic development goals of the plans in Kalamazoo and El Dorado are similar. Like Kalamazoo, El Dorado (pronounced El-doh-RAY-doh) has lost industry and population. There has been middle class flight, much of it to five nearby districts in Union County. El Dorado, once an oil boomtown, is in need of a boost.

There are signs that boost is happening: Enrollment increased by 3 percent in the 2007-08 school year, and by 12 percent in kindergarten. In a period of six months, voters approved a property tax to build a high school and a one-cent sales tax to fund an economic development initiative (including construction of a conference center). Meanwhile, home sales in Union County were up nearly 4 percent, despite a 9 percent decrease in Arkansas, which ranks 48th among the states in per capita income.

Are all of these accomplishments the direct result of the one-year-old El Dorado Promise, and has El Dorado "seen a

renaissance," as *The Christian Science Monitor* declared in a news article on March 18, 2008? Not likely, but on March 25, the president of the prestigious Arkansas-based Winthrop Rockefeller Foundation urged communities and corporations in her state to emulate the El Dorado Promise.

Pittsburgh: Guaranteed in-state tuition up to \$5,000

The Pittsburgh Promise differs markedly from the programs in Kalamazoo and El Dorado. The city had established a fund to help high school graduates afford college, but in its first year the fund received only one contribution—\$10,000 from the local teachers' union. All of that changed last December, when the University of Pittsburgh Medical Center pledged up to \$100 million, including \$10 million to launch the Pittsburgh Promise fund. The medical center will then provide \$2 for every \$3 the district raises until the center's contribution reaches \$90 million. (Steelers football legend Franco Harris is one of the leaders of the drive.) In all, Pittsburgh School Superintendent Mark Roosevelt wants to establish an endowment of \$250 million over 10 years to support the Promise with a goal of increasing scholarship amounts to \$10,000. Several prominent local foundations have already stepped up to the plate as contributors.

Approximately 1,110 of the 1,800 seniors in the class of 2008 were eligible for annual scholarships of up to \$5,000 at any public college or university in Pennsylvania and some private schools in the Pittsburgh area. Six in 10 of the recipients plan to attend four-year colleges. Promise scholarships are last dollar, and are available only after federal and state grants have been awarded. The Promise requires that its scholars have attended Pittsburgh schools for the last four years and maintained at least a 2.0 grade point average. The grade point requirement increases to 2.5 next year, and graduates must have an 85 percent attendance rate (90 percent in 2010).

A feasibility study conducted for the city by the consulting firm McKinsey & Co. painted a picture of Pittsburgh as Kalamazoo writ large: a rustbelt city with a shrinking population, high dropout rates, and fiscal and leadership problems so severe that the city's major foundations withdrew their support five years ago. Pittsburgh has another problem shared by other center cities that are cultural and education hubs: Much of the city's property, including the land on which the University of Pittsburgh sits, is tax exempt.

Denver: Scholarships up to \$6,000 for all city graduates

Denver's Promise plan, administered by the Denver Scholarship Foundation, also owes its existence to a generous benefactor. In November 2006, Lincoln High School graduate and oil executive Tim Marquez gave \$50 million to establish the

foundation. Foundation scholarships for the 2006-07 school year were limited to about 170 graduates of Lincoln and two other Denver high schools, but in 2007-08, the program expanded to all nine public high schools in Denver, with recipients eligible for grants up to \$6,000. In the 2008-09 school year, the program will offer scholarships ranging from \$2,500 at technical colleges to \$6,000 at private colleges.

The Denver scholarship program has a strong support element, with “Future Centers” established at high schools to help students apply for admission and financial aid, and prepare them for the rigors of higher education. The foundation employs 25 counselors to work at the centers.

Hammond, Indiana: Guaranteed tuition at any Indiana college based on achievement

Hammond high school graduates are eligible for four years of tuition and mandatory fees at any public or private school in Indiana. To be eligible, students must maintain a 3.0 high school grade point average, a 2.5 GPA with a 1,000 or higher combined SAT score, or a 2.5 GPA with a 21 or higher combined ACT score. Hammond’s Promise program, known as College Bound, requires parents to own a home in the city to qualify.

A friend of Hammond’s mayor, Thomas M. McDermott, heard about the Kalamazoo Promise on National Public Radio late in 2005, and within six months the Hammond version of the program was announced. City officials lacked the deep-pocket benefactors of Kalamazoo, Denver, and El Dorado, but they had another source of funds: riverboat gambling. Hammond devotes a portion of the floating Horseshoe Casino gaming proceeds to economic development projects, and McDermott saw a Promise program as a logical investment. Indeed, Hammond’s College Bound program has three goals. “Increasing home ownership” is the first priority, “making education a priority” is second, and “improving the quality of life in Hammond” is third.

Michigan: \$1,000 annual scholarships for those with qualifying test scores

The Michigan Promise scholarship program, a cornerstone of Governor Jennifer M. Granholm’s economic plan, is in its third year of issuing \$4,000 multi-year scholarships to any Michigan public high school graduate. The program isn’t need based, but students must earn a “qualifying score” on the state high school assessment. Academic incentives are built in: Students receive \$1,000 during their freshman and sophomore years, and then are awarded the remaining \$2,000 after successfully completing two years of their post-secondary education.

Newton, Iowa and Davenport, Iowa: Publicly funded Promise encounters obstacles

The experience of these two Midwestern cities demon-

strates the difficulties of financing large-scale public benefit programs with public funds. Kalamazoo launched its Promise with generous funding from anonymous philanthropists. El Dorado had a \$50 million long-term corporate commitment. Pittsburgh still must raise money, but the Promise there will be well endowed. Denver had the oil money of a grateful city high school graduate. The Promise is touted everywhere as an investment, but municipalities and the politicians who run them are notoriously poor long-term investors. Politicians are elected in four-year cycles. Tax revenue dedicated to municipal undertakings waxes and wanes over the years. Some leaders in the Promise movement believe these programs can succeed with public funding. “If it’s done right and the community rallies around,” says Brown, who spearheaded the Kalamazoo Promise as head of that city’s schools, “it doesn’t make any difference.” Others think differently. Newton and Davenport may be instructive examples.

As early as February 2006, the Newton Development Corporation laid out a plan for the Newton Promise. Nearly half of the necessary funds were to come from a one-cent local option sales tax. Kim Didier, executive director of the development corporation, says the “biggest hiccup is the funding piece. Some thought we were moving too fast, and though everyone backs the idea, some don’t want to pay for it with public dollars.” The Newton Promise is on hold while city leaders try to raise \$5 million to get it moving again. Similarly, Davenport’s Promise is suspended while a task force looks for ways to finance it. Earlier, leaders wanted to reallocate proceeds from a sales tax to pay for the program, a move that would have required voter approval. Like Newton, Iowa’s third-largest city needs generous individuals or corporations to step forward, while the class of 2008 in both communities has missed out on the Promise.

Tulsa County, Oklahoma: A Promise for community college students

Tulsa Achieves, a Promise-like program, offers tuition and fees at Tulsa Community College to any graduate of a Tulsa County public, private, or home school. Recipients must have maintained a 2.0 grade point average. In college, they are required to perform 20 hours of community service each semester.

Tulsa Achieves is a “last-dollar” program: It pays the difference between what a student obtains from Pell Grants or other entitlement programs and the actual cost of attending the college (about \$2,100 a year for full-time students). Funds for the program come from the community college’s budget. Lauren F. Brookey, the college vice president for external affairs, estimates Tulsa Achieves will absorb no more than 6 percent of the operating budget when the program is in full operation. “It’s not hugely expensive,” she says.

Tulsa Achieves’ results for the first year were impressive. Enrollment of county residents increased from 972 to 1,398, Brookey reports.

A Baltimore Promise: Is the Promise, or a version of it, possible for Baltimore City?

Some potential scenarios to better inform a community conversation, as researched by The Abell Foundation.

The challenges are immense. Baltimore City has yet to recover from its cataclysmic population drop over the last five decades. Since 1995, the Baltimore City Public School System (BCPSS) has lost 28 percent of its students, dropping to an enrollment of 82,000 students—disproportionately African American and poor. The Maryland State Department of Education reports that in 2007, only 60 percent of the city’s high school students graduated within four years of entering as ninth graders. A report last March from America’s Promise Alliance pegged the Baltimore City graduation rate at slightly more than one-third. Regardless of the calculations, too few students are graduating from Baltimore City’s public high schools.

The current college enrollment and graduation rates of Baltimore City public school graduates are even more dismal. According to the National Student Clearinghouse, only 42 percent of 2007 city graduates enrolled directly in college. Worse, only 10 percent of 2001 Baltimore City public school students earned a college degree within six years of high school graduation. Even the highly vaunted magnet high schools had disappointing college completion rates: Six years after high school graduation, only 31 percent of Poly 2001 graduates, 26 percent of City College 2001 graduates, and 11 percent of Dunbar 2001 graduates had completed college degrees. In short, too many young Baltimoreans, a majority of them male, are dropping out of both high school and college.

Could a Baltimore Promise encourage some of these youth, particularly males, to stay in the system, graduate from high school and college, and earn a place in America’s middle class? Could a Baltimore Promise also produce economic development benefits such as a rise in the city’s population and an

increase in home values that are beginning to show promise in Kalamazoo?

The Johns Hopkins University “Promise” program

Baltimore City does have a current Promise program, thanks to The Johns Hopkins University. Its Baltimore Scholars program provides full-tuition scholarships to Hopkins for Baltimore City public school graduates who have attended Baltimore City public schools for at least three years and who meet the university’s demanding admissions criteria. So far, 72 students in four BCPSS graduating classes, the majority from Baltimore Polytechnic Institute and Baltimore City College, have been awarded the scholarships. The Scholars program has quadrupled the number of city students who enter Hopkins, from five to 20 a year. Considering that 38 percent of these students are first-generation college attendees, the program’s annual retention rate of 85 percent is impressive. All of this, however, comes with a hefty price tag for the private university: When the fourth class is added this fall, the Baltimore Scholars program will cost about \$3.3 million a year, according to Hopkins officials.

While there are many iterations of a Promise that could be proposed for Baltimore, the following offer a few.

Like Kalamazoo’s Promise, the proposed models guarantee tuition only to Maryland’s public colleges and universities. More than 80 percent of the Baltimore City graduates who go on to college choose one of these institutions. In

addition to offering lower tuition, these colleges and universities appeal to city school graduates who tend to stay close to home for college: Between 2001 and 2006, 32 percent enrolled at Baltimore City Community College, 20 percent at the Community College of Baltimore County (where they pay out-of-county tuition that is nearly twice that charged to county residents), and 10 percent enrolled at Coppin State University. A sizable number chose Towson University and Morgan State University. The University of Baltimore has become a four-year school as well, offering still another choice. Given the alternatives, a Promise program that guarantees tuition only, and not housing, is generally attractive and may be expected to impact Baltimore City’s college graduation rate.

Option One: Translating Kalamazoo’s Promise in Baltimore: Guaranteed tuition for all after need-based funding

This version of the Baltimore Promise is a near replication of Kalamazoo’s joint educational and economic plan, aiming to increase high school and college graduation rates while attracting and retaining a middle class population. This Promise would guarantee college tuition to any Baltimore City graduate, regardless of family income, at any Maryland public two- or four-year college or university. Unlike Kalamazoo’s program, which guarantees and funds all tuition costs up front, this Promise scholarship would fund unmet tuition need after need-based federal funds such as Pell Grants and state funds such as Guaranteed Access Grants or Educational Assistance Grants have been applied.

Pros and Cons: Kalamazoo’s “guaranteed tuition for all” creates a powerful economic incentive to attract new residents to the city and its public school

system. Because Kalamazoo's Promise virtually turns its back on existing and substantial federal, state, and local need-based scholarships for a large percentage of students, it duplicates funding and is the most costly alternative. Why unnecessarily fund tuition costs for lower-income students who are eligible for these need-based grants?

In addition to being costly, Option One duplicates funding for students from families with adequate financial resources. It supports those city students who would have already attended college and secured the necessary financing, rather than increasing the pool of college-goers. This plan favors the middle class and more affluent families who arguably have less need for the scholarships. It does provide a powerful incentive, however, to retain and attract more middle class families to the city and the Baltimore City Public School System.

At an estimated cost in excess of \$43 million per year at scale, this Promise is daunting.

Betting on a Promise with educational over economic outcomes

Despite the allure of a "tuition for all" Promise that strives to re-populate Baltimore's middle class, there are strong arguments for a Promise that serves to increase college enrollment and graduation rates for those city public school graduates who have the greater financial need. The following two Promise options are based on household income and available only to the nearly 60% of students who qualify for free and reduced-price meals. This strategy aims to produce a more able workforce for Baltimore, and ultimately has a greater potential of being realized. The prospect of impacting economic development and real estate values by guaranteeing tuition, regardless of family income, may be far more controversial in Baltimore City with its high-need population. More importantly, such a broad initiative is cost prohibitive, absent a committed donor or donors.

Option Two: Guaranteed tuition at Baltimore's community colleges

This more feasible model focuses on the goal of educational attainment by offering free tuition (applied after Pell Grants) at Baltimore City Community College (BCCC) or Community College of Baltimore County (CCBC) to every Baltimore City public school graduate. Why BCCC and CCBC? These two community colleges provide city residents with the greatest access to a certificate or two-year degree at the most affordable cost. Students can live at home and save on room and board. Already one-half of city graduates who attend college are choosing BCCC or one of CCBC's three college campuses.



Despite the allure of a "tuition for all" Promise that strives to re-populate Baltimore's middle class, there are strong arguments for a Promise that serves to increase college enrollment and graduation rates for those city public school graduates who have the greater financial need.



This version of the Promise would provide full tuition, fees, and books for those students who are not eligible for Pell Grants (approximately 15 percent of city graduates), and gap funding for those who either don't qualify for full Pell Grants or who miss out on available Pell funds. Because Pell Grant allocations are a fixed resource, they can "run out" before all eligible students are served. Similarly, many community college students fail to complete certificate and associate's degree

programs within four years due to required remedial courses with costs that deplete Pell Grants but carry no college credit. Securing loans for a BCCC education is nearly impossible: Due to a record of high default rates, BCCC is one of the few Maryland colleges that does not offer access to federal loans such as Stafford and Perkins, which might help families finance college. Finding private loans to pay for an associate's degree in the current economy is also extremely difficult.

Pros and Cons: Studies find that community college students with the highest retention and completion rates attend college full time and continuously. This Promise model would provide recipients with the funding to complete a certificate program or two-year degree on an optimal full-time basis for a period of up to four years following high school. Beyond the more affordable cost, Option Two has the advantage of increasing the college enrollment rate by appealing to those high school students who had not considered college, were not eligible for need-based funding, or were unsuccessful in securing scholarships or loans.

The downside of this option is the low completion rates currently posted by most community colleges, including those in Baltimore City and Baltimore County: Only 3.4 percent of BCCC students graduate after four years according to data from the Maryland Higher Education Commission. The graduation rate for students who attend CCBC doubles but remains a low 7.6 percent. This Promise would increase community college enrollment, but the degree of its impact on college completion and transfer rates is less known. Based on Kalamazoo's experience, additional retention support services would probably be required to significantly improve two-year college graduation rates. Though dramatically less expensive at a projected \$4 million annually, this community college option would not address the economic goals of attracting and retaining the middle class in the city.

Option Three: “Last-dollar” need-based grants up to \$4,000 with college retention support services

This option pairs last-dollar gap scholarships with college retention services at Maryland’s public four-year universities for Baltimore’s neediest families. This approach might also be extended to city graduates attending Baltimore City Community College and Community College of Baltimore County. There is evidence from Kalamazoo and beyond that increasing college graduation rates requires additional investment in strategies that have been effective in retaining college students such as learning communities, academic enrichment, and mentoring.

As an example, Baltimore’s CollegeBound Foundation has demonstrated some early success in boosting college retention rates for city public school graduates by combining Last-Dollar grants with a college support program. Since 1989, CollegeBound has provided last-dollar scholarships to qualified graduates of Baltimore City high schools intended to fill unmet financial need for college. Currently, students with family incomes less than \$75,000 who plan to attend in-state, four-year institutions can apply for last-dollar grants of up to \$3,000 annually. CollegeBound, however, has limited scholarship resources, awarding \$373,000 last year, including 60 first-year college scholars from a pool of more than 800 applicants. Approximately 43 percent of students who received these grants in the classes of 2001 and 2002 completed a college degree (as compared to the 9 percent of BCPSS graduates overall). Two years ago, CollegeBound coupled these scholarships with the services of a college retention specialist who worked with Last-Dollar Scholars on eight University of Maryland campuses and Stevenson (Villa Julie) University. In its first year, the program increased first-

year college retention among last-dollar awardees from 84 percent to 93 percent—a rate that, if maintained, could potentially equate to a college completion rate of well over 70 percent.

Pros and Cons: This is a strategy that targets students with the greatest financial need; there is some limited evidence that this strategy can boost college retention rates for Baltimore City high school graduates. While there is little duplicative funding, there is no economic incentive in this scheme that would serve to increase Baltimore’s middle class population. Because the last-dollar grants are presented as



In all scenarios, a place-based tuition Promise promotes the real possibility of college to a majority of Baltimore City public school students and has the potential to remove many of the financial obstacles, particularly in this weak lending market, for the majority of city families.



capped at \$4,000 in this scenario, there is a possibility that students will continue to face financial obstacles that will prevent them from attending and staying in college. Still, at \$3.9 million annually (\$6.4 million if you add community colleges to the mix), this is a Promise that arguably is most likely to increase college graduation rates in Baltimore City.

What will it cost and who would pay?

Rough estimates indicate that a Baltimore Promise might range in cost at full scale from \$43 million annually in Option One to \$4 million in Option Two to \$3.9 million (or \$6.4 million) for Option Three. In the absence of a

major donor, anonymous or otherwise, replicating some version of the Kalamazoo Promise in Baltimore would require a commitment by local foundations or corporations with a supporting role by universities. In other cities, paying for a Promise program with public dollars has gained little traction, and it is unlikely that public officials inside or outside Baltimore City would approve such a proposal.

On the other hand, funding a community college Promise or providing last-dollar grants with retention support may be entirely feasible.

Conclusion

As in Kalamazoo, a Promise that guarantees “college tuition for every city high school graduate” may well capture the collective imagination of Baltimore City as well as provide an incentive to attract or retain more middle class residents. Such a Promise in Baltimore City, however, is far too costly to sustain and will not target this benefit to the city’s current, financially deprived public school population.

On the other hand, a Baltimore Promise modeled after Option Two or Three above might successfully tackle the low high school graduation, college enrollment, and college graduation rates of Baltimore City high school graduates by providing financial resources and retention support at Maryland’s public universities and community colleges.

In all scenarios, a place-based tuition Promise promotes the real possibility of college to a majority of Baltimore City public school students and has the potential to remove many of the financial obstacles, particularly in this weak lending market, for the majority of city families.

At the least, the city’s dismal college enrollment and graduation rates and its need for a prepared workforce call for dialogue within the educational, civic, business, and foundation communities that addresses the question: Does Kalamazoo’s Promise hold promise for Baltimore?

ABOUT THE REPORT

Author Mike Bowler is a Baltimore researcher and writer. He is a former reporter, editorial writer, and education editor at *The Baltimore Sun*, and a former communications director of the Institute of Education Sciences at the U.S. Department of Education. This report is based on a review of numerous reports and other documents, and interviews with education authorities and people with an interest in Promise programs, including the following:

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Pam Kingery, executive director, Kalamazoo Communities in Schools

Ronald Kitchens, CEO, Southwest Michigan First

Michelle Miller-Adams, visiting scholar, W.E. Upjohn Institute

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Maryland Association of Community Colleges

Maryland Higher Education Commission

National Student Clearinghouse

Newton Promise

Project on Student Debt

The Evaluation Center, Western Michigan University, Kalamazoo, Mich.

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ABELL SALUTES

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process was markedly different from other states; it requires less responsibility for landlords to notify tenants and to store and dispose of belongings following evictions. Three full-time crews were employed by Baltimore City's Department of Public Works to follow every eviction and pick up and dispose of items at a cost to city taxpayers of more than \$1 million each year.

In response to the issues raised in *The Abell Report*, the Public Justice Center (PJC) and the CPHA, with funding from The Abell Foundation, worked together to organize tenant and neighborhood groups and set a public agenda to change the process of evicting residential tenants in Baltimore City. The two organizations played complementary roles with the PJC focusing on outreach to tenants and tenant organizations, and the CPHA focusing on outreach to neighborhood groups. The PJC organized the Rental Housing Coalition, which ultimately involved 25 tenant groups, advocacy organizations, and neighborhood associations, and became an effective voice for the shortcomings of the eviction process and the impact of eviction chattel on neighborhoods.

Last year, policymakers in the city began to signal interest in reforming the eviction process. Mayor Sheila Dixon's transition report highlighted elimination of eviction chattel from public streets as a priority for the new administration. After taking office, the mayor assigned the city solicitor to form a workgroup of landlords, tenant advocacy groups, and community leaders to address this issue, and the late Councilman Kenneth N. Harris, Sr. followed with the introduction of city council legislation.

In August 2007, the Baltimore City Council passed landmark legislation called the "Clean Streets" bill, based on

the principles advocated by the organizations. The legislation mandates landlords provide a two-week advance notice to the tenant of the exact date of eviction, requires landlords to dispose of all items remaining in the rental unit, and prohibits tenant belongings from being placed in the street following eviction. "The Clean Streets bill was an historic compromise between landlords, tenants, communities, and the city," says John Nethercut, executive director of the PJC. "It represents the power of building coalitions between interest groups that often do not work together."

The PJC has worked with the district court judges and clerks, the sheriff's office, the city solicitor's office, and eviction prevention programs to ensure compliance. It wrote and published a brochure entitled "Evictions in Baltimore City: Procedures for Tenants and Landlords," informing tenants and landlords of their rights and responsibilities under the new law. Daily announcements are made in district court to tenants and landlords, and the Baltimore Neighborhoods, Inc. hotline answers questions from landlords and tenants. The CPHA has met with neighborhood groups to inform them of the changes in the law and to encourage reporting of noncompliance and illegal dumping.

Although landlords filed a similar number of court complaints for nonpayment of rent from October 2007 through April 2008 compared with the same period the year before, the Baltimore City Sheriff's Office reports that:

- The number of evictions that the Sheriff was required to perform dropped 22 percent, from 3,889 to 3,019. The reduction results from tenants being able to pay off the rent in time to cancel the eviction, thus preserving their housing.
- The number of tenants who had not moved out before the sheriff arrived to perform the eviction dropped

by 34 percent, from 886 to 585. The reduction is attributed to the notice of the specific date of eviction, allowing more tenants to plan to move out of the premises and avoid being put on the street.

"The notice appears to be working," says Nethercut. "Despite similar numbers of tenants falling behind in rent, more are either finding the money to stay or moving out before they need to suffer through an eviction."

Since it took effect October 1, 2007, Baltimore City's new "Clean Streets" ordinance has been successful in eliminating public dumping and the public expense of cleaning up after evictions. Through April of this year, the ordinance has kept 743 tons of evicted tenant belongings off the street, according to information from the City Department of Public Works and the sheriff's office. "Already we can see that this new policy has been a relief to neighborhoods across Baltimore," says Pontious of the CPHA. "While we need to be vigilant in enforcing the law, Mayor Dixon and the entire city council should be proud of enacting an ordinance that brings greater dignity and cleaner streets to Baltimore City."

There has been only one instance of illegal dumping as a result of an eviction, for which the landlord was subject to a fine of \$1,000 a day. The elimination of Public Works sanitation costs and landfill costs associated with chattel pickup and disposal is expected to save the city \$1 million annually.

The Abell Foundation salutes the PJC and the CPHA on the eviction reform initiative, as well as PJC executive director John Nethercut, former executive director Michael Sarbanes, and policy director Dan Pontious from the CPHA for their work in helping to bring about the "greater dignity and cleaner streets" to Baltimore City.