



Strengthening America's Communities Initiative (SACI)

Questions for the Secretarial Advisory Committee April 15, 2005

Strengthening America's Communities— April 15, 2005 – Page 1



Secretarial Advisory Committee

Charge to the Committee

- Provide advice and recommendations on a range of issues fundamental to the development and implementation of SACI.
- Deliver a report to the Department of Commerce by May 31, 2005.

Strengthening America's Communities— April 15, 2005 – Page 2



Secretarial Advisory Committee

Key Issues for the Committee

- Eligibility criteria and allocation formula.
- Performance, planning and accountability measurements.
- Program parameters of the Economic Development Challenge Fund.
- All governed by three themes throughout:
 - Effective targeting to areas of greatest distress.
 - Equitable distribution between rural and urban areas.
 - Effective organization design and program delivery.

Strengthening America's Communities— April 15, 2005 – Page 3



Program Eligibility and Allocation of Funds

Key Question

- What program eligibility criteria and allocation methods will ensure that federal resources are focused on communities of greatest need and greatest economic distress?

Strengthening America's Communities— April 15, 2005 – Page 4



Program Eligibility and Allocation of Funds

Eligibility Criteria

- Key economic indicators to gauge economic strength or weakness across communities.
- Thresholds of distress or poverty.
- Distinctions for urban and rural communities.
- Other base criteria (e.g., outmigration).

Strengthening America's Communities— April 15, 2005 – Page 5



Program Eligibility and Allocation of Funds

Allocation of Funds

- Quantifiable economic indicators to gauge relative need.
 - Basis for formulas for amount of assistance to a distressed community.
- Graduated assistance for improved circumstances.
- Distinctions for larger and smaller communities.
- Overall allocation of SACI program funds.

Strengthening America's Communities— April 15, 2005 – Page 6



Performance, Planning and Accountability

Key Questions

- What types of resource investments make the greatest and most enduring impacts on community and economic development?
- What is the most effective long-term development strategy for a community?
- How should successful performance be measured?

Strengthening America's Communities— April 15, 2005 – Page 7



Performance, Planning and Accountability

Performance

- Enduring, effective investments versus stop-gap measures.
- Development of a knowledge base of what works at federal, state and local levels.
- Encouraged, discouraged and ineligible activities.
- Definition of "impact areas."
- Investments targeted to impact areas of greatest distress or elsewhere, e.g. in neighboring communities.

Strengthening America's Communities— April 15, 2005 – Page 8



Performance, Planning and Accountability

Planning

- Building blocks of 21st century community and economic development.
- Maximize unique community strengths while maintaining focus on program objectives.
- Clearly stated targeting objectives, community strengthening strategies and measurable goals:
 - For state allocations to smaller communities; and
 - For direct allocations to larger communities.
- Other fundamental elements, e.g., time horizon.
- Regional context.
- Efficient review and monitoring.

Strengthening America's Communities— April 15, 2005 – Page 9



Performance, Planning and Accountability

Accountability

- Overall program expectations and measurable goals.
- Program benchmarks; differences for urban and rural, large and small communities.
- Minimum performance standards.
- Graduation process.
- Reportable indicators: menu or uniform evaluation.
- Time horizon.
- Technical assistance for corrective action.
- Penalties for poor performance (e.g., loss of funding); reinstatement.
- Other ways to maximize accountability, e.g., program "report card."

Strengthening America's Communities— April 15, 2005 – Page 10



Economic Development Challenge Fund

Key Questions

- What are the indicators of a community's development readiness?
- What should be the key program parameters for the Challenge Fund?

Strengthening America's Communities— April 15, 2005 – Page 11



Economic Development Challenge Fund

Development Readiness

- Fundamentals: improvement of schools; reducing regulatory barriers to business formation and housing development; reducing violent crime; and promotion of productivity, innovation and entrepreneurship.
- Other indicators that demonstrate development readiness.

Strengthening America's Communities— April 15, 2005 – Page 12



Economic Development Challenge Fund

Program Parameters

- Role of the multi-year development strategy.
- Identification of specific projects.
- Market feasibility of identified projects.
- Differences in awards and program management for large and small, urban and rural, and other (e.g., Indian tribe) recipients.
- Effective impacts.
- Bases for competitive awards.

Strengthening America's Communities—April 15, 2005—Page 13