

## Adding Value to the CEDS through HUD's Sustainable Communities Regional Planning Grants Lessons Learned from Region Five Development Commission (MN)

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### A Challenge and An Opportunity

In the fall of 2010, the [Region Five Development Commission \(R5DC\)](#) had just been awarded a [HUD Sustainable Communities Regional Planning grant](#) and was preparing to submit its five-year [Comprehensive Economic Development Strategy \(CEDS\)](#) update to the [Economic Development Agency \(EDA\)](#). Rather than viewing these multiple projects with varying reporting requirements as an incompatible challenge, R5DC saw an opportunity to redefine its approach to regional planning and economic development by pursuing better results.



R5DC is located in Staples, Minnesota and covers a rural five-county region comprising a population of around 180,000 residents in the central part of the state. Following a year and a half of extensive community visioning and civic engagement efforts, Region Five released its HUD-supported [“Resilient Region”](#) plan in August 2012, which addresses housing, land use, transportation, and economic development strategies for the region.



Region Five Development Commission is also an Economic Development District (EDD) as designated by the [Economic Development Administration](#), based in the [U.S. Department of Commerce](#). In order to be eligible for EDA funds and support, EDDs are required to maintain a [Comprehensive Economic Development Strategy \(CEDS\)](#), outlining goals and objectives for developing and bolstering regional economies. The CEDS are required for five-year periods, in addition to annual updates. [Cheryal Lee Hills](#), Region Five's Executive Director, saw an overlap between the work being performed with the HUD planning grant and the requirements needed to complete the CEDS. “We were already doing a CEDS. We didn't want to duplicate work and really wanted to add value to the CEDS” through the HUD planning grant efforts, she says. Seeing an opportunity, Hills and her staff at R5DC “put a lot of intentional thought” into how to create an effective document that would benefit the region as a whole while also satisfying the requirements for EDA and HUD.

### The Process

As R5DC moved forward with its plans to integrate the HUD-funded work and the CEDS, timing proved to be a challenge in coordinating the work. The HUD grant was awarded in October 2010. Two months later, its five-year CEDS overhaul was due to EDA. Hills approached EDA and requested a one-year postponement of the overhaul in order to better coordinate it with the work that would be required for the regional sustainability plan. The result of these efforts is that the [CEDS](#) now serves as the economic development appendix to the larger [“Resilient Region”](#) plan developed using the HUD grant which consists of both an integrated plan and separate regional plans in the areas of housing, transportation, land use, and economic development.



Hills emphasizes that “every single strategy in the CEDS is also in the Resilient Region plan” and recognizes that the documents will evolve as the project and work progresses. “Next year when we do the update, it will look a lot different.” All this indicates that integrating the CEDS into the regional sustainability plan prevents a duplication of efforts, but does not mean that there is less work to do. “This approach adds value to, and is not in place of” writing a CEDS, notes Hills. Inspired by the [National Association of Development Organization’s](#) (NADO) “[Seven Principles of CEDS Standards of Excellence](#),” R5DC ensured that all of

EDA’s deliverables were met for the CEDS requirements. The result has been a better, more detailed CEDS that incorporates the findings of the regional planning process occurring simultaneously with the HUD planning grant.

### Lessons Learned

Hills and R5DC faced some challenges along the way, but learned lessons in the process that may be helpful to other regions considering a similar strategy. While timing was a challenge at first, “don’t get hung up on where you are in the process,” she says. She reached out to EDA to explain the situation and made sure to document all communications and discussions with EDA staff as the process moved forward. Efforts were also made take “meticulous steps to document financials” throughout the process to show which funds were being spent to achieve which goals in both the HUD and CEDS documents.



Compromise was also important throughout. When R5DC solicited projects to develop the CEDS, it asked for input in the areas of housing, land use, historic preservation, food systems, and other categories. EDA responded that it did not traditionally fund projects in some of these areas, but R5DC explained that these are important economic and community development strategies for the region and wanted to have the CEDS reflect this. Compromise was reached by using a box to clearly mark in the CEDS which were EDA-funded types of projects. This compromise and the showing of good faith when working with EDA were an important part in the success of R5DC’s approach. “Be prepared to change the CEDS to show EDA you are honoring the process,” comments Hills.

### Moving Forward

While EDA has not yet provided official guidance on the steps for integrating the CEDS and HUD planning grants, headquarters has recommended contacting the Economic Development Representative (EDR) or Economic Development Specialist (EDS) for your state through your [EDA regional office](#). The economic development portion of the regional plan should satisfy the four key elements of 1) Background Data/Analysis 2) SWOT Analysis 3) Vision/Strategy/Implementation (Action Plan) and 4) Evaluation Framework. Work with your EDA representative if the regional plan contains jurisdictions

already covered by a pre-existing CEDS in order to incorporate the EDD maintaining that CEDS into the larger planning process.

As one of the first organizations to attempt this integrated process for reporting to HUD and EDA, Region Five has been approached by other regions facing similar requirements to learn more about what steps they can take. Yet, Hills and R5DC are very open to new ideas and better approaches and strategies that might be available. Contact Cheryal Lee Hills at [chills@regionfive.org](mailto:chills@regionfive.org) for more information about Region Five's efforts or to provide feedback. As the federal government continues to make efforts to better work across departments and agencies, the Region Five Development Commission's approach provides an effective bottom-up model for taking initiative and finding opportunities to improve deliverables to multiple federal partners with similar requirements.

## Resources

**Region Five Development Commission:** <http://www.regionfive.org/>

**Resilient Region Plan:**

<http://www.resilientregion.org/cms/files/The%20Resilient%20Region%20Plan%20Presented%20August%202014,%202012.pdf>

**R5DC's CEDS:** <http://www.resilientregion.org/cms/files/PDF%20CEDS%20reduced.pdf>

**Economic Development Administration:** <http://eda.gov/>

**Economic Development Administration Regional Offices:** <http://www.eda.gov/contacts.htm>

**HUD Office of Sustainable Housing and Communities:**

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/sustainable\\_housing\\_communities](http://portal.hud.gov/hudportal/HUD?src=/program_offices/sustainable_housing_communities)

**Seven Principles of CEDS Standards of Excellence:** <http://www.knowyourregion.org/wp-content/uploads/2012/05/EDA-CEDS-Standards-of-Excellence.pdf>

**National Association of Development Organizations:** <http://www.nado.org/>

This piece was written by Brett Schwartz, Program Manager, National Association of Development Organizations ([bschwartz@nado.org](mailto:bschwartz@nado.org))

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