



# COMMERCE NEWS

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### **U.S. COMMERCE SECRETARY PENNY PRITZKER DELIVERS REMARKS ON DEPARTMENT'S EFFORTS TO HELP REVITALIZE LOCAL ECONOMIES**

WASHINGTON – U.S. Secretary of Commerce Penny Pritzker today delivered the keynote address at the National Association of Development Organization's 2015 Washington Policy Conference in Arlington, Va.

In her remarks, Secretary Pritzker highlighted the impact economic development organizations have on local communities and the work the Commerce Department is doing to support these organizations. She also announced the winners of an Innovation Challenge competition funded by the Economic Development Agency and hosted by NADO and the National Association of Counties.

NADO provides advocacy, education, research, and training for the nation's regional development organizations. The association and its members promote regional strategies, partnerships, and solutions to strengthen the economic competitiveness and quality of life across America's local communities.

#### *Remarks As Prepared for Delivery*

Thank you, Jay, for the kind introduction. As a former mayor, Jay knows as well as anyone the importance of a strong local economy, and he recognizes the value of a well-conceived partnership with the federal government in building resilient local communities. Jay, thank you for the outstanding job you and your entire team at the Economic Development Administration do every day to spur economic development across our country.

I also want to thank the National Association of Development Organizations for being a strong partner and advocate on behalf of EDA and the Commerce Department.

Let me begin with the story of Tunica County, Mississippi – a story that is not unique, but is notable because it is representative of the impact of your work. Located on the northern Mississippi Delta, Tunica once enjoyed a thriving agriculture-based economy. The region's rich delta soil was perfect for cotton farming – but when the recession hit in 2008, the local economy

collapsed. As a result, Tunica County's unemployment rate skyrocketed, reaching 32 percent in May 2011.

Yet, even in the depths of this crisis, the North Delta Planning and Development District – a NADO member – refused to let Tunica fail. The District's leaders saw an opportunity to step in and find a way to resuscitate and revitalize the county's struggling economy by, among other steps, helping a German manufacturing company called SXP Schulz Xtruded Products secure the grants and loans needed to construct its first plant in the United States.

Today, that facility employs 170 workers, with plans to hire more in the coming year. Furthermore, SXP inspired several other manufacturing companies to open facilities in the region. As a result, Tunica County's unemployment rate has been cut by more than half, and the local economy is on the upswing once again.

All over our country, NADO members are making success stories like this one possible – by promoting regional strategies, partnerships, and solutions to strengthen the economic competitiveness and quality of life across America's local communities. You take action that creates the conditions for businesses to grow, for workers to thrive, and for struggling communities to get back on their feet.

The Department of Commerce and EDA are proud to support you each and every day through technical guidance and funding for your strategic plans.

As you know, EDA's Partnership Planning Program is a critical component of the agency's portfolio to support distressed communities, because it advances one of your most important tasks: the preparation of Comprehensive Economic Development Strategies – or CEDS. The CEDS are a critical tool to engage community leaders, leverage private sector involvement, and establish a bottom-up, locally-driven blueprint for regional collaboration. Through development of the CEDS, NADO members reach into their communities to bring together stakeholders – including the private sector, state and local governments, and NGOs – to draft plans that advance your shared economic goals for your community. EDA, in turn, uses these plans to ensure the projects we fund are tied to a solid regional strategy.

Recognizing your critical role in this process, EDA used your input, insights, and ideas to develop and release earlier this year new CEDS content guidelines – offering a clear framework to craft effective strategies that inform future economic development decisions.

For the first time, the CEDS guidelines emphasize the importance of incorporating the concept of workforce training into your plans.

If together we are going to help our communities and our workforce prepare for the 21<sup>st</sup> century economy, our community colleges, our universities, and our training organizations must ensure that the skills of our workers meet the needs of our businesses. For the first time in history, the Commerce Department has made skills development a top priority. EDA, in partnership with many of you, plays a vital role in that effort.

In addition, this Administration is committed to supporting innovation and entrepreneurship.

For example, EDA's Regional Innovation Strategies Program provides grants that assist entrepreneurs in your communities to bring their innovations from ideas to market faster. Over the next several months, we are going to announce \$15 million for the i6 Challenge, Science and Research Park Development grants, and cluster grants to help regions establish seed capital funds for startups.

Later this year, EDA will launch a new i6 Rural Challenge, which will provide funding to rural communities that build capacity to commercialize technology.

With these initiatives – and more to come – EDA is broadening its reach to shape the next generation of economic development in our communities. In addition to these new efforts, EDA will continue its core functions: making critical investments in public works projects across the United States.

From the time of EDA's founding 50 years ago, public works investments have enabled communities to respond and adapt to a changing economic landscape – whether it is the restructuring of the auto industry, the downturn in domestic furniture manufacturing, or shifts in the textile sector.

In this same tradition, EDA is currently focused on our coal communities. In recent years, parts of coal country have been hard-hit by the changing nature of our energy supply. In cities and regions long driven by the success of coal, the answer to these changes is to embrace diversification and innovation as a source of job creation, business growth, and economic strength.

To that end, EDA funded an Innovation Challenge competition – hosted by NADO and the National Association of Counties – which provides local officials and development organization staff with intensive, hands-on training designed to strengthen and diversify their regional economies.

Today, I am proud to announce the first round of communities to earn spots at a training workshop in Pikeville, Kentucky, next month. Many of these cross-sector teams are led by regional development organizations – who are here today. From Kentucky, we have the Big Sandy Area Development District, the Cumberland Valley Area Development District, the FIVCO Area Development District, the Center for Rural Development and the Kentucky River Area Development District.

The other selected communities are the LENOWISCO Planning District Commission in Virginia, Moffat County in Colorado, and Reconnecting McDowell, Inc., in West Virginia.

Please join me in giving all of these teams a big round of applause.

This competition is not over. The next round of the Innovation Challenge will open in late May, and I encourage any county or region linked to the coal industry to apply. In addition, Jay Williams will join White House officials and Governor Steve Beshear tomorrow in Lexington, Kentucky, to make another big announcement about assistance for our struggling coal communities.

Our joint effort to support coal communities represents the very best of EDA and NADO's work to empower and strengthen regions across our nation.

In cities and counties, rural regions and urban communities, throughout our country, the partnership between EDA and NADO turns economic hardship into economic opportunity and prosperity. Together, we can build resilient regional economies that are equipped to thrive in a changing global marketplace, and thereby ensure that your communities are open for business.

Thank you, NADO, for your leadership, your commitment, and your support as we work together to empower regions and communities across the United States.

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