



EDA Update



Volume 2; Issue 4

[SIGN UP NOW](#) TO RECEIVE EDA AMERICA QUARTERLY!

In this Issue:

- [The Economic Frontline of Soldiers Grove, Wisconsin](#)
- [Franklin, Virginia: Infrastructure to Incubation](#)
- [East Grand Forks, Minnesota: Invisible Flood Wall Spurs Investments and Opportunities](#)
- [EDA and Disaster Recovery](#)

Building Disaster Resistant Regional Economies: The Economic Frontline of Soldiers Grove, Wisconsin

Natural and manmade disasters can take a devastating toll on communities and entire regions. Soldiers Grove, Wis., a small Midwestern village on the banks of the Kickapoo River, suffered a series of devastating floods over many decades. As a result of the floods, the city finally took steps to relocate the entire business district to avoid future flood problems. Through this effort, residents seized the opportunity to re-envision the village to become more economically, environmentally, and socially resilient. Soldiers Grove pioneered a new approach to disaster recovery. They created a new town center with buildings that were energy-efficient and solar-heated, and in doing so, became the nation's first solar village.

Situated in the upper portion of the Mississippi River watershed, Soldiers Grove experienced its first major flood in 1907. Severe damage to the community, and major ongoing flooding in subsequent years threatened the community's long-term viability. For three decades, Soldiers Grove waited for a dam to be built, while being hit by four additional floods. Damage caused to downtown businesses sped the economic decline of the community. In 1974, the state of Wisconsin required Soldiers Grove to pass an ordinance that prohibited new construction in the business district igniting even more concern. Soldiers Grove also experienced other setbacks such as outmigration and reduced access to the business district.

With the town on the brink of collapse, local leaders were proactive in their response to take back their community, and decided to re-relocate the business district to elevated ground rather than attempt to control the river. Shortly after they began work on the relocation in 1978, a record flood occurred and severely damaged the village. Because the village had already begun to invest its own funds in relocation and was deeply immersed in the planning process, it was better able to secure federal funding. They received a little over \$4 million in federal assistance from the U.S. Department of Housing and Urban Development (HUD), the U.S. Economic Development Administration and the U.S. Department of Interior. The balance of funding was provided through local, state and private allocations. Village leaders worked with specialists at the University of Wisconsin to conduct a feasibility study and along with a \$900,000 investment from HUD, the relocation officially began in 1979. The four-year project included a careful planning process and strong community involvement.

The relocation of Soldiers Grove's business district solved several community problems, effectively demonstrating the concept of a "multipurpose recovery." Energy efficiency ordinances saved energy dollars they were losing to costly fossil fuels. The town center was relocated next to the state highway which had bypassed the town in the 1950s hurting businesses. An additional reservoir and municipal well were built outside the floodplain reducing the risk of contamination from ongoing floods. Sewer and water services were extended into new areas to sustain future population growth and expansion. Additionally, the old floodplain was developed into a municipal park. As a result, Soldiers Grove became a self-sufficient, resilient and economically stable community.

An innovative element of Soldiers Grove's relocation plan was the decision to make all of the

SUBSCRIBE

WE WANT TO HEAR FROM YOU

Do you have a story idea, case study or topic that you would like to see covered in this newsletter? Do you want to comment on something you read here? [Email us](#) and your comment or idea could be featured in the next EDA Update!

APA's Tools-of-the-Trade Part Three: Strategy 2 – Business Development Programs

While business retention and attraction are often at the frontline of economic development strategies, regions and communities should not overlook their own home-grown resources and capabilities to innovate. With a focus on local strategies, APA's Tools-of-the-Trade ([Website](#)) explores the value of community business development programs, entrepreneurship incentives and business incubators.

Federal Funding Opportunity Notice Available for EDA's American Recovery Program

EDA is now soliciting applications under its \$150 million American Recovery Act Program. EDA is soliciting applications from eligible applicants in all U.S. states to fund projects that will advance economic growth in communities and regions experiencing chronic high unemployment and low per capita income.

EDA's goal is to create an environment that fosters innovation, promotes entrepreneurship and attracts increased private capital investment. The deadline for receipt of applications under the Recovery Act Program is June 30, 2010. All other information and requirements for the EDA American Recovery Act Program may be found in the March 10, 2009, *Federal Register* notice (74 FR 10232) and the companion federal funding opportunity announcement on EDA's [Website](#).

buildings energy efficient and solar-heated. This relocated and redesigned central business district was the first of its kind in the nation. As a result, Soldiers Grove passed stringent energy performance standards, requiring that all new buildings gain at least half of their heating energy from the sun, and that businesses should position their buildings to maximize wind and solar impacts. The design and integration of renewable energy was imperative to maintain the community's economic stability. For example, lower energy costs meant more income for business owners, which prompted more job creation.

While the challenges that Soldiers Grove faced occurred almost four decades ago, there are several relevant lessons-learned that today's economic development practitioners should recognize to prepare for an emergency and subsequent recovery efforts, which include:

- Designating a community liaison to serve as a relocation coordinator, guiding the redevelopment and process stages of the revitalization efforts. Community support was a key element in Soldiers Grove's planning process;
- Creating quality of life, sustainability and economic development inventories to accurately assess the needs and desires of residents and business owners;
- Ensuring that communities understand conventional energy use and how much money is leaving the community to pay for energy costs;
- Assessing available relocation sites to determine the most viable alternative energy options; and
- Seeking creative funding streams that address immediate construction concerns as well as long-range economic development strategies.

Today, Soldiers Grove underscores the successful marriage of disaster recovery and innovative economic development planning. The components of their innovative relocation project continue to be looked at as a valuable model for today's disaster affected communities. In the face of natural disaster, economic opportunity can be seized and leveraged through strategic crisis recovery and vision.

For more information on hazard mitigation planning and disaster recovery, please visit...

- American Planning Association, Hazards Planning Research Center ([Website](#))
- U.S. Department of Homeland Security, Federal Emergency Management Agency ([Website](#))
- ICLEI Local Governments for Sustainability, Building Resilient Communities ([Website](#))

Franklin, Virginia: Infrastructure to Incubation "You Can't Drown a Great Town"

In September 1999, the city and community surrounding Franklin, Va. (Southampton County), suffered severe economic and physical damage from Hurricane Floyd. In downtown Franklin alone, 149 businesses sustained damage — an estimated \$13 million in business losses. Many businesses were forced to close and the city lost about \$2.5 million in tax revenue. In the Franklin/Southampton County area, an estimated \$35 million in business, residential and public property building losses were sustained, and approximately \$17 million in agricultural crop losses occurred.

The loss across business and industry forced Franklin to address several realities around the rebuilding of its community. As such, city leaders identified three core areas necessary to rebuild and create a disaster-resistant community of the future. As such, city leaders created a plan to address:

1. **Permanent, flood resistant space for businesses.** This includes identifying space where existing, flood-impacted businesses could survive and grow, and to allow for the start-up of new business facilities to help redress the loss of businesses and their jobs;
2. **Infrastructure improvement.** Repairs and updates to infrastructure were necessary to make the community more flood resistant; and
3. **Secure Public Services.** The damaged and outmoded government buildings in the downtown area, such as the Public Safety Building and the City Hall Complex, had to be improved and made flood proof through demolition, repair and improvement. This was necessary to return public services to a downtown location.

In 2001, EDA awarded Franklin \$2 million to address:

Federal Funding Opportunity Available for EDA's University Center Economic Development Program

EDA is now soliciting applications for the FY 2009 University Center Economic Development Program competition, to take place in EDA's Atlanta and Seattle regional offices. A notice was published in the *Federal Register* (74 FR 7856). EDA is soliciting applications from accredited institutions of higher education and from consortia of accredited institutions of higher education in the geographic areas served by its Atlanta and Seattle regional offices.

The deadline for receipt of applications is April 21, 2009, at 5:00 p.m. Eastern Time for EDA's Atlanta regional office and 5:00 p.m. Pacific Time for EDA's Seattle regional office. All other information and requirements for the FY 2009 University Center Economic Development Program competition may be found in the February 20, 2009, *Federal Register* notice (74 FR 7856) and the companion federal funding opportunity announcement on EDA's Web site at [Website](#).

Brownfields 2009 Call for Session Proposals Closing Soon

Time is running out to submit your session proposal for Brownfields 2009 (New Orleans, November 16-18)! [Submit](#) your session proposal by the deadline of May 1, 2009.

Cosponsored by the U.S. Environmental Protection Agency and ICMA, the conference attracts more than six thousand registrants and hundreds of exhibitors. With more than 150 educational sessions, the conference offers knowledge building, networking, and business development opportunities for beginners and experienced professionals.

The conference organizers are particularly interested in new ideas related to economic redevelopment, innovative reuse strategies, green jobs, real estate and investment, environmental management and cleanup, technological solutions, community development, environmental justice, sustainable communities, leadership and management, financing and more. Don't delay. Submit your ideas now at the [Website](#). For more information please contact [Sean Tolliver](#) or see the conference website.

- Renovation of an approximately 40,000 square-foot warehouse for use as the Franklin Business Incubator;
- Demolition of the city hall complex with site improvements, including the elevation of the site for flood mitigation purposes. The site was eventually used for the new city hall complex;
- Renovation of the public safety building to provide flood resistant, up-to-date space for police, fire and other public services; and
- Downtown infrastructure improvements, including the installation/construction/rehabilitation of curbs/gutters, storm sewer piping, sidewalks, sewer lines, storm water retention improvements, roadway upgrades and all associated work.

These improvements allowed the city and the area to return to normal while helping to retain its existing small business community and to incubate new businesses. In fact, the Franklin Business Incubator, which opened its doors in May 2005 with eight tenants employing 12 people, has continually grown in size and scope. As of February 2009, the site had a 100 percent occupancy rate from a broad base of businesses sectors, ranging from information technology and engineering to graphic design, medical services transportation and others. Sixty-two percent of FBI's business tenants are also small, women and minority owned businesses.

Additionally, the incubator has had several companies graduate to take up larger space in Franklin and the surrounding communities in Southampton County. With the growth of occupancy at the Incubator, the city of Franklin has seen economic benefits beyond job creation which includes: rent and taxes paid to the city; an increase in the average salary for incubator tenants and property values around the incubator that have increased by almost 75 percent. At the same time, the facility has become a symbolic focal point for the community's efforts to help local entrepreneurs start and grow businesses. The incubator sends an important message to local residents: If you want to start a business, Franklin will provide the resources necessary to succeed.

East Grand Forks, Minnesota: Invisible Flood Wall Spurs Investments and Opportunities

In the spring of 1997, East Grand Forks, Minn., suffered a flood of the Red River that damaged all but eight homes in the community. With water levels at 54-feet, the city was submerged and damage was estimated at \$500 million.

In September 1998, construction began on an Invisible Flood Control Wall (IFCW) (it was completed in March 1999) that provided 980 linear feet of floodwall protection for the community. The IFCW is a removable wall that is only erected during the threat of the flood, which allows residents and businesses to benefit from the riverfront aesthetics and assets during non flood periods. The invisible flood wall was the first of its kind in the U.S. and was funded by an EDA grant. Since its construction, this type of wall has been embraced by communities across the country.

The benefits of the IFCW went beyond flood protection. The economic rebirth of the riverfront in East Grand Forks has been attributed to the protection provided by the IFCW. Retailers, such as a Cabala's (sporting goods store) and restaurants such as Applebee's, Whitey's Café, etc., set their sights on the scenic river area. Additionally the Riverwalk Center is a unique shopping facility filled with a variety of locally owned specialty stores.

East Grand Forks also renovated a 2200-acre lot that was once home to over 500 houses and buildings that were demolished after the flood. Currently, this area is now the Red River State Recreation Area, which features 72 campsites including 48 electric sites that have full hookups (sewer and water). The new recreation site also includes trails for walking and biking, areas for picnicking and rivers for fishing and boating.

Since the erection of the wall, the community has seen over \$20 million in private investment. The construction of the IFCW protected the commercial properties of the community and created and retained over 500 jobs. Additionally, the community benefited from increased tax revenues that supported local government, schools and public services.

COMING SOON!

April 25-29, 2009

APA's 101st National Planning Conference; Minneapolis, MN [[Website](#)]

May 3-5, 2009

Southeast Workforce and Economic Development Conference; Atlanta, GA [[Website](#)]

May 3-5, 2009

National Conference on Corporate Community Investment (BCLC), Chicago, IL [[Website](#)]

May 5-7, 2009

CDFA's Annual Development Finance Summit, Pittsburgh, PA [[Website](#)]

June 1-4, 2009

2009 IEDC Technology-Led Economic Development Conference and IASP World Conference on Science and Technology Parks; The Research Triangle Park, NC [[Website](#)]

June 1-3, 2009

NARC 43rd Annual Conference and Exhibition, Denver, CO [[Website](#)]

June 2-5, 2009

Council for Community and Economic Research (C2ER) 49th Annual Conference, Kansas City, MO [[Website](#)]

August 29-September 01, 2009

NADO's 2009 Annual Training Conference, Chicago, IL [[Website](#)]

EDA and Disaster Recovery:

As a reminder, EDA received \$500 million in two supplemental appropriations in 2008 (one for \$100 million, one for \$400 million) to support long-term post-disaster economic recovery. EDA disaster recovery efforts assist communities in shifting their focus when appropriate from the short-term emergency response to the long-term economic impacts of the disaster, and enabling the development of an economic recovery program that reflects local priorities.

The Federal Funding Opportunity Notices for funding under these EDA supplemental appropriations are available at <http://www.eda.gov/InvestmentsGrants/FFON.xml>
Please contact your EDA Regional Office with questions on these funding opportunities. EDA Regional Office contact information can be found at: <http://www.eda.gov/AboutEDA/Regions.xml>

As background, EDA is the primary Department of Commerce bureau to assist with post-disaster economic recovery. While it does not have "first responder" duties or capabilities, EDA has a long and successful history of supporting long-term recovery following natural disasters. EDA played an effective role in previous disasters such as the Midwest Floods of 1993 and 1997, the 1994 California Northridge Earthquake, Hurricane Floyd in 2000, the Florida hurricanes of 2004 and the 2005 Gulf Coast hurricanes.



American Planning Association

Making Great Communities Happen