

Agenda:

1. Welcome and introductions: Jeff Finkle, President of IEDC
2. Opening Remarks by Matt Erskine, Deputy Assistant Secretary, Economic Development Administration
3. IMCP Overview
4. IMCP Phases
5. Preferential Consideration: Inventory of Programs
6. IMCP Federal Register Notice
7. Proposal Narrative Requirements and Selection Criteria

IMCP Overview

- The Investing in Manufacturing Communities Partnership (IMCP) will help accelerate the resurgence of manufacturing in regions across the country. The IMCP will reward communities that best highlight their strengths and demonstrate they can combine their efforts around workforce training, infrastructure and research centers to implement an economic development plan that will attract, retain and expand manufacturing investment.
- By combining many of the elements companies seek when deciding where to locate their firms, this approach will help communities capitalize on the industrial growth taking place nationwide due to the United States' competitive advantages in areas like energy, worker productivity, and intellectual property protection.
- Through IMCP, thirteen agencies are working together to coordinate how the federal government supports manufacturing regions.



Phase 1

2013 Implementation Strategy Grants

- **Goals:**
 - Support the creation of economic development strategies that recognize a community's comparative advantages as a place to do business.
 - Encourage inter-agency/inter-governmental/public-private collaborations to expand community appeal to industry.
- 44 Communities were awarded a total of \$7 million to support the creation of economic development strategies:
 - DoC: 26 grants, \$4.4 million
 - EPA: 7 grants, \$1.3 million
 - USDA: 6 grants, \$528,000
 - SBA: 5 grants, \$766,000

Phase 2

2014 Manufacturing Communities' Competition

- **Goals:**
 - Reward communities that demonstrate best practices in attracting and expanding manufacturing.
 - Synchronize federal economic development dollars, maximizing taxpayer returns on investment.
 - Build strong and durable industrial ecosystems, aligning industry needs for worker training, research, supply chains, capital access, infrastructure, and trade.
- Up to 12 Communities will be designated as Manufacturing Communities and receive:
 1. Preferential consideration for \$1.3 billion in existing funding
 2. A federal point of contact to help access Federal economic development resources
 3. Branding and promotion as a Manufacturing Community
 4. Potential consideration for federal financial assistance through challenge grant awards, subject to the availability of funds

Preferential Consideration: Inventory of Programs

Winning IMCP Communities will receive preferential consideration in federal competitions and assistance across 10 agencies to funds up to \$1.3 billion

Preferential consideration (or supplemental awards for existing grantees) will be available for funding streams identified by the IMCP Participating Agencies as assisting Manufacturing Communities in bolstering their economic development plans. Manufacturing Communities will receive preference when applying for grants and projects consistent with the community's economic development strategy.



Preferential Consideration: Inventory of Programs

Department Of Agriculture	<ul style="list-style-type: none">• RBEG; REDLG; Intermediary Re-lending; Rural Development Loans; Business & Industry Loan Guarantees
Department Of Housing And Urban Development	<ul style="list-style-type: none">• Integrated Planning & Investment Grants (Pending Appropriation); Delta Community Capital Initiative; Appalachia Economic Development Initiative
Department Of Labor	<ul style="list-style-type: none">• Trade Adjustment Assistance Community College and Career Training Grant Program (TAACCT)
Department Of Transportation	<ul style="list-style-type: none">• Transportation Investment Generating Economic Recovery (TIGER)
Appalachian Regional Commission	<ul style="list-style-type: none">• Local Access Road Program; Area Development Program
Delta Regional Authority	<ul style="list-style-type: none">• States' Economic Development Assistance (SEDAP)
Environmental Protection Agency	<ul style="list-style-type: none">• Targeted Brownfield Assessments (TBA); Brownfield Site Assessment/cleanup/RLF (RLF)
National Science Foundation	<ul style="list-style-type: none">• Advanced Technology Education (ATE); I/UCRC (supplemental awards)
Small Business Administration	<ul style="list-style-type: none">• Accelerator Program

(Additional Technical Assistance (t.a.) available and programs that support IMCP objectives.)

Department Of Commerce	<ul style="list-style-type: none">• MEP t.a.
Department Of Defense	<ul style="list-style-type: none">• Community Economic Adjustment t.a.
Department Of Education	<ul style="list-style-type: none">• Technical Education t.a.
Department Of Energy	<ul style="list-style-type: none">• Clean Energy Company Incubation; CHP t.a.; Industrial Assessment Centers; National Lab Resources

IMCP Federal Register Notice: Key Points

- IMCP designation competition announced December 10, 2013 in the Federal Register
- Applicants define their own regional boundaries, identify their own partners, for designation, which:
 - Have a strong existing manufacturing base
 - Is large enough to contain critical elements of key technologies or supply chains (KTS) prioritized by applicant – as evidenced by either jobs or firms
 - Small enough to enable close collaboration by identified partners
- Applicants must demonstrate that the IMCP designation will result in measurable improvement in key areas of their manufacturing ecosystem.



Quality of implementation strategy

50 Points

- Applicants should provide a **detailed data-driven assessment of the local industrial ecosystem as it exists today, what is missing**, and an **evidence-based path to development** that could make a region uniquely competitive.
- The proposed development should involve strong coordination across all elements of the industrial ecosystem:
 1. Workforce and Training
 2. Supplier Network
 3. Research and Innovation
 4. Infrastructure and Site Development
 5. Trade and International Investment
 6. Operational Improvement and Capital Access

Methodology:

- a. Current Capability?
- b. Current Institutions for improving capability?
- c. Gaps?
- d. Plan?

Capacity *25 Points*

- Proposal should demonstrate **the Capacity To Carry Out the Implementation Strategy**, including an evidence based assessment of:
 1. Overall leadership capacity
 2. Sound partnership structure
 3. Partner capacity to carry out planned investments and attract companies
 4. State of ecosystem's institutions
 5. Depth and breadth of communities' development and employment goals



Commitment

25 Points

- Proposal should demonstrate a **Verifiable Commitment From Existing and Prospective Stakeholders—Both Private and Public—To Executing a Plan and Investing in a Community**, including an evidence based assessment of:
 1. Cohesion of partnership
 2. Strength and extent of partnership commitments (not contingent on federal funding)
 3. Breadth of commitment to plan from diverse institutions
 4. Investment commitments



Determining Eligibility

- A full list of FAQs on EDA's website: <http://www.eda.gov/challenges/imcp/>
- **How can a community provide evidence that it ranks in the top third in the nation for their key manufacturing technology or supply chain (KTS)?**
- The purpose of a top-third ranking requirement for a community's KTS is to ensure that regions are building on existing strengths (rather than starting from scratch). Thus, we encourage applicants to provide as much evidence as possible that points to the importance and growth of their KTS compared to other similar regions and the nation. This enables reviewers to better understand the strength and growth of your community's KTS and assess whether it is a national leader. Communities may measure their top-third status either by using the absolute scale of activity (such as employment or sales) in their KTS, or by using location quotients (LQs).



Information and guidance on LQs and top-third rankings

- Location quotients (LQ) compare an area's business composition to that of a larger area (i.e., nation or a state). Economic development opportunities may exist for additional growth of the exporting or related industries because of the presence of an existing skilled labor pool or other resources such as suppliers, facilities or transportation hubs in the region.
- The LQ is a measure of an industry's level of concentration within a location compared to a larger region, with an LQ greater than 1 ($LQ > 1$) indicating a higher than average concentration in that location. An LQ greater than 1 indicates that an area has proportionately more workers or firms than the larger comparison area in a specific industry sector.
- Calculating a LQ for employment is based on the following formula:
- For LQs based on firms, use the number of establishments in that particular KTS rather than number of employees.



Determining Eligibility

EXAMPLE

- 4 county Region's Pharmaceutical and Medicine Manufacturing = 600 employees
- 4 county Region's Total Employment = 250,000 employees
- Nation's Pharmaceutical and Medicine Manufacturing = 227,894 employees
- Nation's Total Employment = 113,425,965
- Then, the LQ based on employment would be:
- $(600/250,000)/(227,894/113,425,965) = 0.002400/.002009 = \mathbf{1.19}$
- From this example, the applicant's LQ is 1.19.
- To determine if a community is ranked in the top-third nationally, use the table from the Census Bureau's 2011 County Business Pattern data that provides manufacturing employment and establishment LQ cutoff numbers for states. That is, the numbers in the table provide the LQ for each 4-digit NAICS manufacturing industry for the 17th-ranked state (including the District of Columbia)
- For this example, the LQ for the top third in employment in Pharmaceutical and Medicine Manufacturing is 1.05. Therefore, this region, with an LQ of 1.19, has demonstrated its eligibility to be considered for IMCP funding based on LQ. Also, for simplicity, even those communities whose regional boundaries do not conform to state borders can compare themselves to the state LQ rankings in the table.



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