

# Reduced Administrative Burden through Aligned Planning Processes

The [U.S. Department of Commerce Economic Development Administration \(EDA\)](#) and the [U.S. Department of Housing and Urban Development \(HUD\)](#) both provide various types of program support to America's distressed communities and regions. While each agency offers different kinds of assistance to local and regional stakeholders, both ask communities to develop broad-based strategic plans that articulate priorities and actions needed to build strong, resilient communities, regions and economies.

In an effort to make federal resources more accessible to intended beneficiaries and more responsive to locally-identified needs and priorities, EDA is partnering with HUD to develop flexible, optional guidance for conducting streamlined, multi-purpose strategic planning processes. This document briefly summarizes the similarities and unique aspects of the [EDA Comprehensive Economic Development Strategy \(CEDS\)](#) and the [HUD Consolidated Plan](#) that provide opportunities for coordination and combination. This information can guide the efforts of local and regional planning stakeholder to implement planning processes that efficiently satisfy the requirements of both agencies, and enhance the value of the resulting plans for state, regional, and local beneficiaries.

## The Benefits of Aligned Strategic Planning Processes

Communities choosing to coordinate their federal community and economic development planning processes can save time and resources, introduce and incorporate new perspectives and methods, and increase their collective capacity to address complex challenges. By aligning these separate but complementary processes, communities can position themselves to realize important benefits, including:

- **Leverage Resources** – It takes more than one resource to effectively address today's community and economic development challenges. By aligning EDA and HUD program funds and leveraging these with nonprofit and private investments to address common goals, community and regional stakeholders can close the funding gaps that impede forward progress on critical projects.
- **Minimize Duplication** – Both the CEDS and the Consolidated Plan are multi-year strategic plans designed to help communities determine their priority needs, set goals and identify project resources.
- **Coordinated Approach** – The establishment of joint strategic planning processes facilitates networking and knowledge sharing across jurisdictions and organizations, sectors and projects. These can combine to result in projects that produce enhanced and sustainable community benefits.



- **Comprehensive Impact** – A joint planning process requires the participants to focus on the needs and challenges of the entire community such as economic growth and opportunity infrastructure, safe and affordable housing and public services, among others.

## Strategic Planning Requirements: Alignment and Divergence

The EDA CEDS is a strategy for long term, sustainable economic development resulting from locally-based, regionally-driven planning processes. It provides a means to engage community leaders, leverage private sector involvement, and establish a strategic blueprint for regional economic prosperity. EDA grant awards are invested in local and regional implementation projects that align with a CEDS.

The HUD Consolidated Plan is used by states and local jurisdictions to assess housing and community development needs, market conditions, and other relevant data to make place-based investment decisions. The Consolidated Plan process serves as the framework for a community-wide dialogue about local priorities and the means to support these with federal, state, local and private resources.

## Planning Process Similarities

Both the CEDS and the Consolidated Plan content requirements reflect the value that the federal government places in effective collaborative planning processes and strategic, comprehensive, data driven, and inclusive decision making:

Planning Element	CEDS	Consolidated Plan	Joint Planning Alignment
Planning Period	✓	✓	<ul style="list-style-type: none"> <li>•5-year Planning Document</li> <li>•Both agencies allow applicants to adjust planning period to synchronize timing.</li> </ul>
Citizen Participation	✓	✓	<ul style="list-style-type: none"> <li>•Each plan requires consultation with certain groups, many of which are the same.</li> </ul>
Public Comment	✓	✓	<ul style="list-style-type: none"> <li>•Both plans require a 30-day public comment period.</li> </ul>
Strategic Planning Analysis	✓	✓	<ul style="list-style-type: none"> <li>•Both plans use data-driven analysis to identify the area’s needs, assess the market and set measurable goals.</li> </ul>
Focus on distressed urban and rural areas	✓	✓	<ul style="list-style-type: none"> <li>•Both plans are outcome-focused.</li> <li>•Both reflect the goal of expanding economic opportunity.</li> </ul>
Similar Intended Beneficiaries	✓	✓	<ul style="list-style-type: none"> <li>•The CEDS focuses on building capacities to create resilient regional economies that produce good jobs in distressed areas.</li> <li>•The Consolidated Plan also has a focus on creating and retaining good jobs for people of low and moderate income.</li> </ul>
Economic Resilience	✓	✓	<ul style="list-style-type: none"> <li>•Both plans incorporate a resilience component.</li> </ul>

## Acknowledging and Leveraging Noteworthy Differences

As planning documents that support the complementary but unique missions of HUD and EDA, there are certain aspects of these respective processes that differ in ways that warrant the attention of local and regional stakeholders who are considering joint planning. These differences can help enhance traditional planning processes by facilitating input and analysis from a broader cross-section of your community. These considerations include the following:

### *Consider How Each Agency Distributes Program Funding:*

- Jurisdictions generally first complete the CEDS, which then enables eligible organizations to compete for EDA funding to support the economic development priorities outlined in the regional plan. Consolidated Plan grantees receive direct annual allocations and make funding decisions locally.
- Each annual action plan submitted to HUD identifies proposed projects and the level of funds to support them. CEDS action plans provide estimated costs and sources of proposed funding for priority projects, but are not requests for specific program funds.

### *Consider Each Agency's Formatting Requirements:*

- The Consolidated Plan has a pre-determined format. The CEDS allows grantees to tell their story in a format that fits their community. You'll need to know each document's content requirements.
- In addition to the economic development needs assessment, the Consolidated Plan consists of a housing needs assessment and a special needs assessment (homeless, disabled, at-risk populations).

### *Consider the Scope and Scale of Your Plans and Stakeholders:*

- The geographic area and time period covered by the CEDS and the Consolidated Plan may differ. Planning time frames may need to be adjusted to synchronize both processes.
- A CEDS is developed to serve as the roadmap for a regional economy, typically made up of multiple counties and local jurisdictions. A Consolidated Plan is typically developed by state grantees, as well as local and regional entitlement areas receiving HUD funds. This means that a joint planning process is likely to require both CEDS and Consolidated Plan jurisdictions to look beyond their traditional borders when considering projects, impacts and beneficiaries.
- States preparing Consolidated Plans may provide guidance or incentives to help non-entitlement jurisdictions prepare joint applications for HUD funding that address regional opportunities. This can assist alignment not only with the EDA CEDS but also with USDA's regional funding incentives.

*Requests for additional information about the EDA and HUD partnership to facilitate streamlined community and economic development strategic planning can be sent to EDA's [Economic Development Integration Team](#) at [edi@eda.gov](mailto:edi@eda.gov).*