Submitted Public Comment

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Subject: HRPDC Members Must Champion Equitable Economic Development in any Comprehensive Economic Development Strategy (CEDS) Supported by the HRPDC

Comment:

Issues:

- All Hampton Roads cities and counties have a significant portion of their constituent households below the Asset Limited, Income Constrained, Employed (ALICE) threshold, ranging from 30%-54% of all households and 42%-69% of Black households according to the United Way. Economic equity is an issue.
- The draft HR CEDS cannot be considered a Comprehensive EDS when it does not address equitable economic development.
- Although the CEDS Steering Committee acknowledged changes are required following receipt of public comments, it is my understanding the revised CEDS will be published and sent to the Economic Development Administration (EDA) without review and approval by the HRPDC even though the HRPDC is the CEDS preparation agency of record.
- My observation of the HR CEDS process and other recent processes lead me to believe HRPDC could assert more of an economic justice perspective into collaborations of HRA and Re-Invent HR industry-driven growth initiatives, fulfilling its duty to promote the prosperity of its citizens.
- The HRPDC position, Office of Community Affairs and Civil Rights Administrator, is vacant.
**Discussion:**

The Economic Development Administration (EDA) describes a Comprehensive Economic Development Strategy (CEDS) as “a strategy-driven plan for regional economic development.” The draft Hampton Roads CEDS was created to:

- Comply with the EDA requirement to submit a strategy-driven five-year plan for regional economic development in accordance with EDA CEDS guidelines.
- Serve as a tool to facilitate shared economic development planning across Hampton Roads.
- Qualify for EDA assistance under its Public Works and Economic Adjustment Assistance programs and facilitate designation of Hampton Roads by the EDA as an Economic Development District (EDD).

The 2022-2027 Draft Hampton Roads CEDS was prepared by HRPDC staff members in collaboration with the Hampton Roads Alliance, Re-Invent Hampton Roads and Old Dominion University’s Dragas Center for Economic Analysis and Policy comprising the CEDS strategy committee membership. HRPDC is the only CEDS principle whose voting members are comprised solely of elected officials directly accountable to the citizens of Hampton Roads. Additionally, HRPDC is the “lead organization responsible for the adoption and implementation of this CEDS.”

A significant weakness of the draft HR CEDS is its failure to address equitable economic development despite the EDA emphasizing equity in its investment priorities and including it in its CEDS guidelines. The traditional economic development approach reflected in the draft HR CEDS emphasizes growth to expand profits and the tax base, ignoring intentionally creating economic opportunity for marginalized communities. A growth-only strategy must be replaced with an equity-driven growth strategy seeking to reduce economic disparities and improve quality of life by expanding job, entrepreneurship, ownership, and wealth-building opportunities for disadvantaged communities and reducing the systemic barriers they face. This kind of development requires intentional policy action that guides both public and private investments and business procurement incentives toward equitable outcomes incorporating disaggregated evaluation metrics that pay attention to disadvantaged communities. This holistic view of economic development, which centers quality of life and redressing legacies of inequality, has emerged as not only a moral imperative, but an economic one, as research shows that inequality hampers overall economic growth, while economic inclusion advances it. (Policy Link, 2013)

HRPDC members must be vigilant of economic violence committed against its citizens. Economic violence is any act or behavior which causes economic harm to an individual by restricting access to education, training, healthcare, housing, or job opportunities. Any HR economic development document ignoring equity issues, *no matter what the document’s purpose*, is an invitation to economic violence.
As Russia commits military violence against Ukraine, it’s imperative HRPDC members oppose economic violence historically and currently directed against Hampton Roads disadvantaged communities by championing equitable economic development as the cornerstone of a Comprehensive Economic Development Strategy (CEDS).

**Recommendations:**

- HRPDC assert its right to review and approve/disapprove the HR CEDS before the CEDS is disseminated to agencies outside Hampton Roads. It’s hard to justify dissemination by the CEDS steering committee without the office of record’s approval.
- HRPDC initiate an audit of the HR CEDS development process to determine the impact of following EDA-established CEDS guidelines more closely would have on the quality and completeness of HR economic development planning.
- HRPDC also consider making an improved CEDS the centerpiece of Hampton Roads five-year planning since a more closely followed CEDS process offers the potential: (1) to better engage a range of partners, including community leaders and residents, (2) to better provide an unbiased planning approach less susceptible to manipulation by a single HR interest group, and (3) to include disaggregation evaluation metrics that ensure the plight of our disadvantaged communities are recognized. A description of the CEDS process is found at: www.eda.gov/ceds and https://www.cedscentral.com/ceds-101.html.
- HRPDC members give priority to analyzing how effectively a proposal accomplishes equitable economic development. While other economic development collaborators may give priority to the interests of industry, HRPDC members must support and improve economic justice for its constituents.
- Promptly fill the HRPDC position of Administrator of Community Affairs and Civil Rights after rewriting the position description giving weight to equity experience and obtaining candidate recommendations and feedback from community equity stakeholders. Duties of the new administrator include advising HRPDC members on equity issues and highlighting the equity aspects of pending HRPDC decisions.

**Conclusion:** The HRPDC is called to be a body of visionary leaders and a co-collaborator with its more industry-centric partners. The primary functions of government are keeping order, making laws, and helping citizens. By correcting the equity-related problems in the HR CEDS and other pending and future economic development proposals, HRPDC members uphold their duty to provide an equitable economic environment that enables their citizens to thrive. Workforce development programs, public investments and contracts, and industry hiring guidelines should be formulated accordingly and measured by meaningful metrics. Equitable development matters. There is no higher calling for government than to support its residents.

Respectfully submitted by Steve Hansen, Chesapeake, VA, 3/9/2022