MEMORANDUM OF UNDERSTANDING

Between

THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND THE ECONOMIC DEVELOPMENT ADMINISTRATION, DEPARTMENT OF COMMERCE

Regarding

INTEGRATED COMMUNITY AND ECONOMIC DEVELOPMENT PLANNING

I. PURPOSE

This Memorandum of Understanding (MOU) establishes an agreement between the United States Department of Housing and Urban Development (HUD) and the Economic Development Administration (EDA) (Parties) to work together to encourage each agency's grantees to conduct strategic planning that reflects local needs and optimizes the investment of Federal, state, and local resources for sustainable, innovative economic and community development projects. To further this effort, the Parties intend to jointly develop and issue guidance to HUD and EDA grantees. The guidance will describe how grantees can better coordinate their local planning efforts, and how planning documents prepared for submission to one Party can be adapted for submission to the other Party.

II. MUTUAL INTERESTS AND OBJECTIVE

HUD's mission is to create strong, sustainable, inclusive communities and quality affordable homes for all.

The overall goal of HUD's community planning and development (CPD) programs is to develop viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities principally for low- and moderate-income persons. The primary means towards this end is to extend and strengthen partnerships among all levels of government and the private sector, including for-profit and non-profit organizations, in the production and operation of affordable housing. To meet this goal, HUD provides annual formula grants to States and local governments under its CPD programs.

The consolidated plan requires each CPD formula grantee to state in one document its plan to pursue this goal for all CPD formula programs. It is this goal against which the consolidated plan and the jurisdiction's performance under the consolidated plan will be evaluated by HUD. The consolidated plan also serves as a planning document for each grantee, which builds on a participatory process among citizens, organizations, businesses, and other stakeholders. Additionally, it serves as a strategy to be followed in carrying out HUD programs, and a management tool for assessing performance and tracking results. The

consolidated plan must be updated at least every five years in order to receive CPD formula funding.

EDA's mission is "*[t]o lead the Federal economic development agenda by promoting innovation and competitiveness, preparing American regions for growth and success in the worldwide economy.*" EDA plays a critical role in fostering economic growth and diversification in communities and regions across the nation. Through strategic investments that foster job creation, business expansion, and the attraction of private investment, EDA supports development in economically distressed areas of the United States.

The EDA Comprehensive Economic Development Strategy (CEDS)[1] contributes to effective economic development in America's communities and regions through a locally-based, regionally-driven economic development planning process. Economic development planning – as implemented through the CEDS – is not only a cornerstone of EDA programs, but successfully serves as a means to engage community leaders, leverage the involvement of the private sector, and establish a strategic blueprint for regional collaboration and economic growth. Regions are required to establish a CEDS in order to be designated by EDA as an Economic Development District; and they must update their CEDS at least every five years in order to apply for assistance under EDA's Public Works or Economic Adjustment Assistance programs.

Given the similar objectives, content, and timeframes that are shared between the HUD consolidated plan and the EDA CEDS, the Parties intend to collaborate to develop guidance for HUD and EDA grantees on how these two plans can be coordinated so that HUD grantees are aware of EDA grantees' planned projects, and vice versa. This will result in HUD-funded and EDA-funded projects that will complement each other. This will also help reduce grantees' administrative and planning burden by encouraging HUD and EDA grantees to coordinate planning information and strategies and streamline local planning efforts.

The Parties also intend to conduct outreach and stakeholder engagement activities respecting their funding programs and how these programs may be accessed and used to advance goals stated in the CEDS and Con Plans. In an effort to further this goal, the Parties intend to share information on each other's planning programs.

Ultimately, the Parties intend for this collaborative effort to enhance the ability of communities and regions to increase engagement with partners, stakeholders, and citizens, strategically plan for future housing, community, and economic development needs, and effectively align and coordinate Federal, State, and local resources for greater impact.

III. AUTHORITIES

HUD enters into this MOU pursuant to Section 105 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. § 12705), Section 502 of the Housing Act of 1948 (12 U.S.C. 1701c), and Section 502(f) of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z-2(f)).

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[1]EDA CEDS Guidelines: https://www.eda.gov/ceds/.

EDA's authority is established by the Public Works and Economic Development Act of 1965 (PWEDA), as amended (42 U.S.C. § 3121 *et seq.*). Section 3162 of PWEDA summarizes the requirement for communities and regions to complete a comprehensive economic development strategy as a prerequisite for the provision of economic assistance. This section also allows "a satisfactory plan developed under another federally supported program" to be accepted as a comprehensive economic development strategy for purposes of meeting the EDA planning requirement and otherwise establishing eligibility to apply for and receive EDA assistance under this criterion.[2]

IV. CONTRIBUTIONS OF THE PARTIES

In order to effectuate the objective of this MOU, HUD intends to take the following step:

Provide EDA with information and guidance regarding consolidated plans, including content requirements and eligibility determinations.

EDA intends to take the following step:

Provide HUD with information and guidance regarding the CEDS, including content requirements, and eligibility determinations.

The Parties intend to jointly undertake the following steps:

A) Work together to develop guidance for EDA grantees describing the additional components a CEDS needs in order to meet the requirements of the HUD consolidated plan.
B) Work together to develop guidance for HUD grantees describing the additional components that a consolidated plan needs in order to meet the requirements of an EDA CEDS.
C) Identify and otherwise assign agency representatives who will serve as primary points of contact (POC) and contributors under this endeavor.
D) Establish a mutually agreed upon timeline for the completion of the guidance described in items A) and B).
E) Establish a mutually agreed upon timeline for the distribution of the guidance described in items A) and B) to all affected entities, including States, local governments, non-profit organizations, and regional entities.
F) Develop a plan for public engagement and provision of technical assistance to stakeholders on the jointly developed guidance.
G) Explore and discuss possible areas for future collaboration on planning documents and activities, including, for example, holding regular meetings to share information on trends within regional economies, planning strategies, and best practices.

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[2] 42 U.S.C. § 3162(c) provides:
"APPROVAL OF OTHER PLAN.– (1) IN GENERAL.– The Secretary may accept as a comprehensive economic development strategy a satisfactory plan developed under another federally supported program.
(2) EXISTING STRATEGY.– To the maximum extent practicable, a plan submitted under this paragraph shall be consistent and coordinated with any existing comprehensive economic development strategy for the area."

H) Identify and work to reconcile issues that arise in implementing the MOU.
I) Comply with all statutory and regulatory requirements in carrying out the MOU.

V. EXPENSES

This MOU does not obligate funds, personnel, services, or other resources of either Party to the other. Each Party to the MOU will bear its own expenses in connection with the preparation, negotiation, and execution of the MOU, and neither Party shall be liable to the other Party for such expenses.

VI. PUBLICITY

The Parties will coordinate all public statements and other disclosures with regard to or contemplated by the MOU. No Party to the MOU may enter into any publicity regarding the MOU unless the Parties consult in advance on the form, timing, and contents of any such publicity, announcement, or disclosure.

VII. EFFECTIVE DATE, DURATION, AND TERMINATION

The effective date of this MOU shall be from the latest date of the signatures below. The MOU will remain in place until terminated by either Party, which termination shall be effective thirty (30) days after sending a written notice to the other Party.

VIII. AMENDMENTS

This MOU may be amended at any time, in writing, executed by authorized representatives of EDA and HUD.

IX. STATEMENT OF NON-BINDING OBLIGATION AND NO FINANCIAL COMMITMENT

This MOU is an expression of intent only. Each of the Parties will act as an independent party with respect to the performance of its duties under the MOU. The MOU does not obligate and will not result in an exchange of funds, personnel, property, services, or any kind of financial commitment. It will not result in a transfer of resources between the Parties. Any future transfer of funds or obligation to undertake certain work must be confirmed by an appropriate funding agreement executed by authorized officials from the agencies that are signatories to the MOU. The MOU does not give any third party any benefit, legal or equitable right, remedy or claim under the MOU.

X. RESOLUTION OF DISAGREEMENTS

Should disagreements arise on the interpretation of the provisions of this MOU or amendments and/or revisions thereto that cannot be resolved at the operating level, the area(s) of disagreement shall be stated in writing by each Party and presented to the other Party for consideration. If agreement or interpretation is not reached within 30 days, the Parties shall forward the written presentation of the disagreement to respective higher officials for appropriate resolution.

XI. AGENCY CONTACTS

HUD:

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EDA:

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XIII. SIGNATURES OF AGENCY OFFICIALS

The United States Department of Housing and Urban Development:

Harriet Tregoning
Principal Deputy Assistant Secretary
Office of Community Planning and Development
United States Department of
Housing and Urban Development

5 October 2016
Date

Economic Development Administration:

Matt Erskine
Deputy Assistant Secretary of Commerce for Economic Development
and Chief Operating Officer
Economic Development Administration
U.S. Department of Commerce

28 September 2016
Date