

ANNUAL REPORT TO CONGRESS on the
COMMUNITY TRADE ADJUSTMENT ASSISTANCE
PROGRAM

Fiscal Year 2010 Annual Report

ECONOMIC DEVELOPMENT ADMINISTRATION
U.S. DEPARTMENT OF COMMERCE
December 15, 2010



INTRODUCTION

This report is provided in compliance with Section 275(f) of the Trade Act of 1974 (19 U.S.C. § 2371d(f)), which directs the Secretary of Commerce to provide an annual report describing and assessing the impact of implementation grants made under the Community Trade Adjustment Assistance (CTAA) Program by the 15th of December each year. Section 275 states:

- (f) ANNUAL REPORT.—Not later than December 15 in each of the calendar years 2009 through 2011, the Secretary shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a report—
- (1) describing each grant awarded under this section during the preceding fiscal year; and
 - (2) assessing the impact on the eligible community of each such grant awarded in a fiscal year before the fiscal year referred to in paragraph (1).

PROGRAM DESCRIPTION

The CTAA Program is one of a suite of Trade Adjustment Assistance (TAA) programs designed to help the U.S. respond proactively to trade impacts. It was established by Congress under the Trade and Globalization Adjustment Assistance Act (TGAAA) of 2009, which was included as subtitle I (letter “I”) of title I of Division B of the American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111-5, 123 Stat. 115, at 367). The mission of the program is to create and retain jobs by providing project grants to communities (defined under the statute as cities, counties, or other political subdivisions of a State or a consortium of political subdivisions of a State) that experienced or were threatened by job loss resulting from trade impacts. The program is administered by the Economic Development Administration (EDA), U.S. Department of Commerce.

Grants under the program are being used to support a wide range of technical, strategic planning, and infrastructure projects to help communities adapt to trade impact issues and to promote economic diversification.

To be considered eligible for CTAA, communities must have been previously certified under one or more of the following three TAA Programs: TAA for Workers, Firms, or Farmers, which are administered by the Departments of Labor, Commerce (through EDA), and Agriculture, respectively. In addition, EDA must have made a determination that the community had been significantly impacted by trade.

Funding in the amount of \$40 million was appropriated for both the CTAA and the TAA for Firms Programs authorized under the Trade Act, as amended by the TGAAA. Of the \$40 million appropriated for both programs, \$36.8 million was made available for project grants under the CTAA Program. The TGAAA imposed certain funding limitations on the CTAA Program and in accordance with section 275(c) of the Trade Act (19 U.S.C. § 2371d(c)), impacted

communities did not receive more than \$5 million to implement a Strategic Plan developed under section 276 of the Trade Act. Also, in accordance with section 276(c)(2) of the Trade Act (19 U.S.C. § 2371e(c)(2)), no more than \$25 million of the total amount appropriated for the CTAA Program was made available for grants to develop Strategic Plans. In addition to the \$36.8 million in Federal funds, other public and private sector entities are leveraging program funds through local match and will contribute \$28.9 million to CTAA projects for a total program investment of \$65.3 million.

More than 130 applicants applied for assistance under the CTAA program, requesting \$156 million dollars for a variety of projects. The full \$36.8 million available was awarded on a competitive basis to 36 communities following a rigorous evaluation process. EDA used six evaluation criteria to determine the extent to which a proposed project:

1. Supports small and medium-sized communities;
2. Assists the most severely impacted communities;
3. Delivers a high return on investment;
4. Supports regionalism, innovation, and entrepreneurship;
5. Supports global trade and competitiveness; and
6. Grows the “green economy.”

DESCRIPTION OF EACH GRANT AWARDED IN FY 2010

The following is a list of projects that were awarded in FY 2010 to CTAA recipients.

- \$3.5 million to the Village of Pleasant Prairie, Wisconsin to help build the 40,000-square-foot Southeast Wisconsin Innovation Center, which was certified under the U.S. Green Building Council’s Leadership in Energy and Environmental Design (LEED) program. The business incubator for biomedical, life science and biotechnology start-ups will enhance and build upon the region’s entrepreneurial resources to accelerate the formation and growth of new and innovative companies. The grantee estimates that this investment will create 350 jobs.
- \$3 million to the City of Danville, Illinois to construct a roadway and rail overpass bridge to support the city’s industrial area by improving the transport of goods and services along major transportation routes. The grantee estimates that this investment will create 15 jobs and retain 391 jobs.
- \$2.4 million to the Cowlitz Wahkiakum Council of Governments and the City of Woodland, Washington to make infrastructure improvements to expand the Woodland Light Industrial Park. The grantee estimates that this investment will create 344 jobs and retain 250 jobs.
- \$2.1 million to the Jackson County Development Authority of Ripley, West Virginia for construction, water, sewer, and rail infrastructure improvements. The grantee estimates that this investment will create 45 jobs.

- \$1.84 million to the City of Darlington, South Carolina to make sewer system improvements to increase sewer treatment capacity for existing and prospective industries. The grantee estimates that this investment will create 35 jobs and retain 200 jobs.
- \$1.8 million to the City of Bastrop, Louisiana to fund a new industrial park in the U.S. 165 corridor.
- \$1.74 million to Franklin County, North Carolina and the Kerr-Tar Regional Economic Development Corporation to build a roadway for improved access to the Triangle North Franklin Business Park. The grantee estimates that this investment will create 3,000 jobs.
- \$1.66 million to the Winston County Commission, the City of Haleyville, and the Cooperative District of Winston County, Alabama to make infrastructure improvements to serve businesses locating in the Winston County Industrial Park and Haleyville's North Industrial Park. The grantee estimates that this investment will create 168 jobs.
- \$1.6 million to Lincoln County and the City of Lincolnton, North Carolina to make sewer improvements needed for the development of Phase 1 of the Airport Business Park. The grantee estimates that this investment will create 200 jobs.
- \$1.5 million to the New River Valley Planning District Commission of Radford, Virginia to provide funding for the Western Virginia Transportation Equipment Manufacturing Competitiveness Initiative (TEMCI). The initiative will increase the ability of regional manufacturing and supplier firms to compete in the global marketplace by providing technical assistance to transportation equipment manufacturing and supplier firms in product development, process improvements, and the integration of green technologies and processes.
- \$1.5 million to the City of Anderson, Indiana to provide funding for road infrastructure improvements and related appurtenances to the city-owned former General Motors site on both the east and west sides of the property adjacent to State Road 9 in Anderson to develop an industrial park. The grantee estimates this investment will create 250 jobs.
- \$1.42 million to Washington County and the City of Eastport, Maine for the construction and rehabilitation of the Eastport Business Center and establishment of the Maine Marine Energy Center, a facility that will support manufacturing components for the emerging tidal energy generation industry. This will be the first marine renewable energy manufacturing facility of its kind in the United States. The grantee estimates that this investment will create 75 jobs.
- \$1.22 million to the City of Galesburg and Knox County, Illinois to create the Entrepreneurs Innovate and Go Global Initiative aimed at helping the region support entrepreneurs and create products and services for export in the global economy. The grantee estimates that this investment will create 327 jobs and retain three jobs.
- \$1.2 million to the City of Janesville, Wisconsin to construct the Rock County Small Business Incubation and Innovation Center, leveraging the competencies and intellectual

capital of the region's industry clusters to create jobs and attract private investment. The grantee estimates that this investment will create 45 jobs.

- \$1.2 million to Mississippi County and Blytheville-Gosnell Regional Airport Authority of Blytheville, Arkansas to expand and improve two facilities at the Blytheville-Gosnell Regional Airport. The project will advance plans to transform the former Eaker Air Force Base into a regional aeronautics testing and aviation maintenance facility, enhancing and diversifying the community's economic base. The grantee estimates that this investment will create 300 jobs.
- \$1.18 million to Overton County and the City of Livingston, Tennessee to extend a water line needed to develop an industrial park in the county that will attract and accommodate new industry.
- \$1.15 million to the Flathead County Economic Development Authority of Kalispell in Montana for site acquisition of the Columbia Falls Rail Park. The Park will serve manufacturers of value-added wood products and related businesses. The grantee estimates that this investment will create 88 jobs.
- \$1 million to Idaho's Boise State University to build the Technology and Entrepreneurial (TECenter) Incubator. The TECenter will provide local entrepreneurs with the expertise and technological tools needed to grow their businesses and create new jobs. The grantee estimates that this investment will create 311 jobs and retain 255 jobs.
- \$750,000 to McMinn County, Tennessee and the McMinn County Economic Development Authority to install broadband fiber in three county industrial parks to help attract new businesses to the area.
- \$650,000 to Bedford County, Pennsylvania to expand a multi-tenant building and incubator space in Bedford County Business Park I with the goal of stimulating entrepreneurial development in the emerging I-99 Innovation Corridor in Central Pennsylvania. The grantee estimates that this investment will create 25 jobs.
- \$634,130 to the Town of Eureka, Montana to fund the engineering, design, and construction of the Wood Development Center to be located at the Tobacco Valley Industrial District Business Park. The Center will focus on enhancing development of value-added wood industries, biomass, and small-diameter, specialty mill production by providing shared office resources and support to multiple entrepreneurs. The grantee estimates that this investment will create 25 jobs and retain five jobs.
- \$627,000 to the Bitterroot Economic Development District, Inc., of Missoula, Montana to help create and retain jobs in the timber industry by implementing a competitive strategy to guide economic diversification efforts in a four-county region. The grantee estimates that this investment will create 83 jobs and retain 88 jobs.

- \$500,000 to Orange County, California to prepare an analysis of the current Orange County economy to help target new industries, diversify the local economic base, and advance regional competitiveness. The grantee estimates that this investment will create 100 jobs and retain 300 jobs.
- \$457,500 to Mifflin County and the Mifflin County Industrial Development Authority of Mifflin, Pennsylvania to make infrastructure improvements to a multi-tenant manufacturing building, the Mifflin County Industrial Development Corporation (MCIDC) Plaza, which will allow for the expansion of production, an increase in global exports, and the retention and creation of manufacturing jobs. The grantee estimates that this investment will create 50 jobs and retain 50 jobs.
- \$391,468 to the City of Sterling Heights, Michigan to make technology and infrastructure improvements to the Macomb Technology Advancement Center, a business diversification center and incubator that provides support to entrepreneurs and technology transfer businesses. The grantee estimates that this investment will create 500 jobs.
- \$383,965 to the City of Chicago, Illinois to develop and implement Chicago's Sustainable Industries (CSI) Project, a strategy to preserve and grow manufacturing sectors within the city that have the potential to succeed in the 21st century economy.
- \$301,000 to Clinton County Government of Plattsburgh, New York to partially fund three workforce development activities in Clinton County, including marketing the North Country Workforce Investment Board's employer programs, purchasing renewable energy equipment for the Wind Energy and Turbine Training program at Clinton Community College, and funding aviation training and equipment at the Plattsburgh Aeronautical Institute.
- \$200,000 to the Upper Explorerland Regional Planning Commission of Postville, Iowa to implement a 27-county, three-state regional action plan (NE Iowa, SE Minnesota, and Western Wisconsin) prepared under the direction of the Tri-State Aim2Win network.
- \$170,000 to Grant County, New Mexico to develop an economic development master plan that will help target new industries and create jobs.
- \$155,689 to Lane County, Oregon to enhance entrepreneurship by implementing economic gardening, business development, instructional technical assistance, and workforce training programs. The grantee estimates that this investment will create 50 jobs and retain 50 jobs.
- \$133,500 to the East Central Wisconsin Regional Planning Commission of Menasha, Wisconsin to fund a strategic plan for expanding global trade in Brown, Calumet, Fond du Lac, Manitowoc, Marinette, Outagamie, Sheboygan, Waupaca, and Winnebago counties in northeastern Wisconsin. The grantee estimates that this investment will create 200 jobs.
- \$93,046 to Morris County, Texas to develop an economic development strategic plan to assess the current market in order to diversify the local economic base and create higher-skill, living-wage jobs.

- \$78,102 to the Franklin Regional Council of Governments of Greenfield, Massachusetts to develop a strategic plan for the Franklin County Interconnection and Innovation District, which will leverage existing and emerging regional strengths to encourage job growth and business expansion in information technology, renewable energy, green technology, the creative economy, and advanced manufacturing.
- \$75,000 to the Northwest Iowa Planning & Development Commission of Spencer, Iowa to develop a strategic plan to help the region map its future economic course, providing a precise and targeted route focused on job creation, industrial diversification, and long-term stability.
- \$75,000 to the Northwest Pennsylvania Regional Planning and Development Commission of Oil City, Pennsylvania to develop a trade strategy to assist Crawford County’s tooling and machining industry in boosting its competitiveness and finding new opportunities for success in the global marketplace.
- \$53,194 to Barnwell County, South Carolina to support the development and implementation of a strategic plan for leveraging public-private partnerships and regional assets to enhance the specialty agribusiness sector.

IMPACT ON ELIGIBLE COMMUNITIES

Since this program is new, EDA is still in the process of collecting long-term, market-based data. However, grantee estimates suggest that 6,586 jobs will be created, and 1,892 jobs will be retained as a result of grants awarded under CTAA. As noted above, job creation projections were not provided by grantees that received funding to develop strategic plans—however, it is likely that many jobs will be created when those plans are implemented over the next few years.

The CTAA program illustrates that EDA is able to address trade impact issues effectively at the community level. It is anticipated that many businesses from across the nation will benefit from the 36 CTAA-funded projects through the development and implementation of sound regional economic recovery and development strategies. These strategies will help provide the hard and soft infrastructure needed for businesses to successfully compete in the global marketplace.