

# ALIGNING THE CEDS DEVELOPMENT PROCESS

FEBRUARY 2024

2 OF 9 ISSUE BRIEFS

## INTRODUCTION

The Comprehensive Economic Development Strategy (CEDS) contributes to effective economic development in America's communities and regions through a place-based, regionally driven economic development planning process. As such, the CEDS serves as the cornerstone for the planning activities of Economic Development Districts (EDDs). The document guides regional strategic priorities and serves as a means to engage community leaders while leveraging the involvement of the private sector and establishing a strategic blueprint for regional collaboration.

Anchored by partnership-building and effective collaboration, the CEDS planning process identifies strategies that guide economic development capacity building with the goal of improving regional economic prosperity. Regions which have undergone the CEDS process can also qualify for EDA funding opportunities that advance the strategic priorities outlined in their CEDS.

The process of developing and updating an EDD's CEDS presents a valuable opportunity for state-regional collaboration and strategic alignment. Many EDDs use the CEDS development process as a vehicle to engage with and obtain input from a variety of stakeholders. This process can also help improve strategic alignment and collaboration with stakeholders outside of the region, particularly statewide economic development and planning agencies. Specifically, state agencies and EDDs can use the CEDS process to share information, identify mutual priorities, and strengthen partnerships between state, regional, and local stakeholders.

## About the Issue Brief Series

Alignment of state and EDD planning activities leading to collaborative program execution is an important way to increase the chances of regional and state economic success. Awareness alone is not enough; alignment is the critical next step in working together to solve a region's economic challenges. Misalignment of strategies can result in divergent priorities and uncoordinated efforts that may undercut program success or lead to duplicative activities.

Creating a culture and process centered on alignment supports coordinated economic strategies and investment which can help facilitate improved economic outcomes, sustained economic growth, and enhanced equity throughout the nation's economy.

This issue brief is one of a series of nine reports that will help inform efforts to increase alignment, collaboration, and co-investment between states and local EDDs, as well as their public and private stakeholders. The first issue brief provides an overview of all issue briefs along with an explanation of how case studies were identified.

**The Center for Regional Economic Competitiveness specializes in providing practical, data-driven solutions so decisionmakers can create more equitable opportunities for their states and regions. We achieve this by helping regions build capacity and leverage their strategic assets with an emphasis on talent, innovation, and networking.**

States and state associations developing a “Statewide CEDS” take the principles and requirements of a regional CEDS and apply it statewide. A Statewide CEDS encourages synergies among regional CEDS plans and works toward statewide coverage and consistency in strategic planning. This process offers significant opportunities for states and EDDs to share resources as they move toward aligning priorities in local, regional, and state plans. Another advantage of a Statewide CEDS is that it provides coverage to communities not served by an EDD to qualify them for EDA funding opportunities. As in any EDD’s CEDS, a Statewide CEDS needs to ensure the process includes diversity of perspectives, goals, and needs from stakeholders throughout the state.

## LESSON HIGHLIGHTS

### ALIGNING THE CEDS DEVELOPMENT PROCESS

Alignment Lesson	Case Studies Demonstrating Alignment
<p><b>Lesson 2.1 - EDDs: Seek out the perspectives and resources of state economic development agencies early in the CEDS development process.</b> States have significant resources, capabilities, expertise, and connections that can serve as valuable assets to the development of an EDD’s CEDS. Rather than take a “go-it-alone” approach, EDDs should leverage their state partners’ technical resources and broader perspectives to better understand their region’s opportunities and challenges.</p>	<p>Staff at the Vermont Agency of Commerce and Community Development provided substantial technical assistance to a group of five counties seeking to develop its inaugural CEDS. Leveraging the state’s analytical and technical resources generated important regional insights that helped produce a high-quality strategic plan.</p>
<p><b>Lesson 2.2 - States: Partner with EDDs to collect data, engage stakeholders, and ensure that regional perspectives are integrated into statewide strategic planning.</b> Whether it is through existing regional plans or by virtue of their local knowledge and connections, EDDs provide state economic developers with a valuable regional perspective that can greatly aid the development of a Statewide CEDS. The regional perspectives can also benefit state activities and ultimately program success.</p>	<p>In developing their Statewide CEDS, Colorado and South Dakota took a “ground up” approach by integrating regional CEDS and Tribal plans into statewide strategic planning, thereby ensuring that state priorities align with and complement regional priorities.</p> <p>Wisconsin’s Office of Rural Prosperity recognizes the value of EDDs in the state’s rural development. Through the EDA-funded Policy Academy on Aligning State and Regional Strategies, the office is actively engaging with EDDs to build collaborative relationships, map regional assets, and align priorities</p>
<p><b>Lesson 2.3 - States and EDDs: Use the CEDS implementation process as a vehicle to align strategic priorities.</b> Once a CEDS is developed, states and EDDs are well-positioned to help implement each other’s plans. States can, for example, work with EDDs to design regional projects that align with statewide plans. Conversely, EDDs can use their regional plans to shape state-led projects in a way that aligns with regional priorities.</p>	<p>To implement its statewide strategic plan, the state of Utah asked each of its EDDs to propose a unique project in their region that aligns with the statewide plan. The state then leveraged its EDA Statewide Planning Grant to fund these projects.</p>

## LESSON 2.1 - EDDS

### LEVERAGE STATE SUPPORT TO ENHANCE REGIONAL CEDS DEVELOPMENT.

As EDDs develop and update their CEDS, state economic development agencies can serve as a valuable resource and partner in this endeavor. One common way states support the regional CEDS development process is through technical assistance, usually in the form of data collection and analytical support to EDDs. This is especially true for coalitions that are working to formalize a CEDS in the region for the first time. Though many EDDs are themselves strong local and regional data repositories, state agencies offer unique perspectives and capabilities that can complement certain components of a regional CEDS. For example, a state agency may have well-established and standardized approaches toward regional analysis, which can be used by EDDs to benchmark their regions against their peers.

Over time, as shown in the case study below, state-EDD collaboration in regional planning can nurture working relationships between state and EDD staff that has a direct and tangible impact on the CEDS development process.

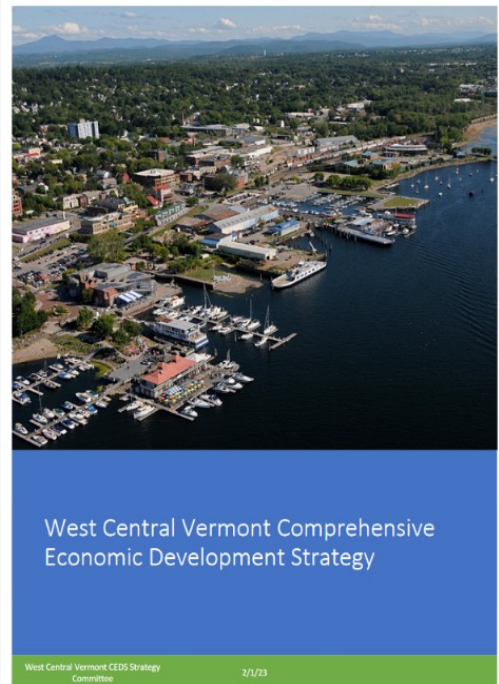
### CASE STUDY

#### States Supporting Regional CEDS Development

##### West Central Vermont CEDS

In the summer of 2020, five counties in West Central Vermont—home to 91 municipalities—came together to develop their first CEDS with the possibility of eventually forming a new Economic Development District. This effort culminated in the 2023 publication of the [West Central Vermont Comprehensive Economic Development Strategy](#).

Given the scale and scope in developing the region’s inaugural CEDS, regional stakeholders engaged the Vermont Agency of Commerce and Community Development (ACCD) for crucial technical assistance and support. This became the start of a months-long partnership in which ACCD staff helped develop an in-depth economic profile of the region. ACCD supplied relevant statewide and regional data and provided the CEDS Steering Committee with timely information about COVID-19’s impacts at both the regional and state levels. The information ACCD helped uncover was instrumental in helping the CEDS team craft the pandemic recovery portion of the plan.





## LESSON 2.2 - STATES

### PARTNER WITH EDDS TO COLLECT DATA, ENGAGE STAKEHOLDERS, AND ENSURE THAT REGIONAL PERSPECTIVES ARE INTEGRATED INTO STATEWIDE STRATEGIC PLANNING.

For states conducting statewide planning efforts, it is equally important that they leverage the findings and goals identified in regional CEDS plans to inform statewide priorities and programs. Regional CEDS plans are particularly helpful in identifying local challenges and the economic development, resilience, and quality of life initiatives required to address them, thereby enabling states to inventory these initiatives and activities to better understand regional opportunities and challenges. Furthermore, the robust planning process that EDDs undergo to write and maintain their CEDS could be used by state economic developers to minimize duplication of effort while enhancing overall impact.

For instance, states can join their EDDs in collecting data from regional stakeholders and help disseminate information about state resources during these sessions. States should therefore view regional planning initiatives as a crucial opportunity to gain a clearer picture of communities' on-the-ground needs and to engage with these communities in partnership with EDD staff.

As South Dakota discovered in its review of regional and Tribal plans, not only can regional perspectives align with a state's economic development goals; they can also enrich the state's understanding of its own needs and provide a clearer direction on what the state can do to better serve its regions and communities.

Like South Dakota, Colorado viewed its EDDs as essential partners to the success of its \$1 million Statewide Planning Grant project. This is because the project's main objective is to develop a Statewide CEDS that both drives and is driven by regional CEDS, while extending CEDS coverage to regions of the state that are not part of an EDD. Fulfilling this objective necessarily involves a high level of collaboration and coordination between EDDs and the state. Though this requires an initial upfront investment in staff time from all parties, the process has generated lasting benefits both in terms of greater content alignment between state and regional CEDS and in terms of strengthened relationships between state and EDD staff.

In Wisconsin, collaboration between state economic developers and EDDs has historically been infrequent and informal. However, as the state invests in its rural economic development in response to rising disparities between its urban and rural areas, it is increasingly recognizing the value and potential of rural EDDs and Tribes as vital partners, enablers, and information providers.

To formalize collaboration between the state and rural communities, Wisconsin's Office of Rural Prosperity embarked on an initiative to rebuild long-neglected relationships between the state and its rural EDDs with the goal of putting in place a forum for strategic conversations that would align efforts, create process efficiencies, and identify opportunities for joint projects.

## CASE STUDY

### Integrating Regional Planning into a Statewide Economic Development Assessment

South Dakota Governor's Office of Economic Development

The New Mexico FUNDIT is one example of state-regional strategic alignment for infrastructure initiatives. FUNDIT, an initiative of the New Mexico Economic Development Department, funded key strategic initiatives and projects to leverage information for local stakeholders. At FUNDIT quarterly calls, communities seeking investment present their projects to a variety of agencies and organizations (including councils of government or COGs) and receive introductions to potential financing opportunities based on local need. In this way, COGs serve as both sounding boards and potential benefactors of needed economic development projects.

FUNDIT has been useful to New Mexico EDDs in allocating capital for infrastructure programs. The fund helped an Agriculture Community Center in Magdalena access broadband funds from the Bipartisan Infrastructure and Jobs Act through the U.S. Department of Agriculture and supported a variety of business attraction projects under the New Mexico Local Economic Development Act (LEDA).

The state's nine Councils of Government (COGs) are vital members of the alliance and have regular calls with state and federal partners to ensure consistent communication. This collaboration of federal, state, regional, and private partners has been critical when developing many projects, including the designation of a new federal highway in eastern New Mexico.

**“Baking in all those various regional plans and CEDs documents and Tribal plans will help us understand what communities and regions want in their region. How do they want to grow? That helps us understand so that when projects come to us, especially from out of state, we have an understanding of where that might be a fit.”**

JOE FIALA,  
South Dakota Governor's Office of Economic  
Development (GOED)

## CASE STUDY

### Making EDDs Key Partners in the Development of a Statewide CEDS

Colorado Office of Economic Development and International Trade

The Colorado Office of Economic Development and International Trade (OEDIT) has made improving regional relationships one of its key priorities. There are four regions in the state without a current CEDS which limits their access to federal funding. A portion of the statewide planning grant has gone to support these regions develop a CEDS and therefore level the funding landscape across the state. This choice was positively received by these regions and by existing EDDs.

Additionally, OEDIT sought to incorporate EDDs' strategic priorities and ongoing initiatives into the development of its Statewide CEDS. Though this required the EDDs - many of whom are already facing capacity challenges - to invest time and resources into ensuring that the Statewide CEDS aligns with the plans and priorities of their respective regions, the process yielded both tangible benefits (e.g., content alignment between state and regional CEDS) and intangible benefits (e.g., stronger relationships between EDD and OEDIT staff). Furthermore, the process helped both the state and EDDs gain a better awareness of regional commonalities and spur greater interagency coordination within state government. An additional insight from this process is that the statewide EDD association - the Colorado Organization of Regional Organizations - was instrumental in easing some EDDs' capacity burden by providing valuable organizational and coordination support.

Overall, OEDIT has expressed appreciation toward EDDs' willingness to engage with the state despite their limited resources. Going forward, it continues to look for opportunities to better partner with EDDs. The office, for instance, frequently asks EDDs for feedback and for additional ways that the state can support them, and often uses the newly-aligned state and regional CEDS as guiding documents for these conversations.



**COLORADO**  
**Office of Economic Development  
& International Trade**

## CASE STUDY

### EDDs Supporting State Rural Development Planning

Wisconsin Office of Rural Prosperity, Wisconsin Economic Development Corporation

In Wisconsin, the newly formed Wisconsin Office of Rural Prosperity looks to the work and expertise of the state's EDDs to inform its planning efforts. Because the EDDs encompass numerous rural communities throughout Wisconsin, they possess an in-depth understanding of the specific challenges faced by rural communities.

The desire to capitalize on EDD's in-depth local knowledge to advance statewide rural development is the impetus for Wisconsin's participation in the 2023 Policy Academy on Aligning State and Regional Economic Development Strategies. Through the Policy Academy, staff from the Office of Rural Prosperity held regular working sessions with rural EDDs to identify collaborative opportunities and to overcome institutional barriers. Having identified capacity and funding challenges as the primary barrier to rural development, the state and EDDs are actively building a "collaboration infrastructure" to enable communities to pool resources so that they can pursue large-scale funding opportunities in areas such as childcare, housing, workforce development, and broadband.



*Representatives from Wisconsin's Office of Rural Prosperity, EDDs, and other stakeholders at the 2023 Policy Academy kickoff*



## LESSON 2.3 - STATES AND EDDS

### USE THE CEDS PROCESS AS A VEHICLE TO IMPLEMENT STRATEGIC PRIORITIES.

The task of implementing a strategic plan presents a valuable opportunity for states and EDDs to build collaborative relationships, align strategic priorities, and create operational efficiencies. Because states and EDDs are well-positioned to support each other in carrying out the recommendations in their respective plans via projects, programs, and policies, the process of assisting with plan implementation can provide a platform through which states and EDDs can pursue strategic alignment. For example, states can work with EDDs to design regional projects that align with statewide plans. Conversely, EDDs can use their regional plans to shape state-led projects in a way that aligns with regional strategic priorities.

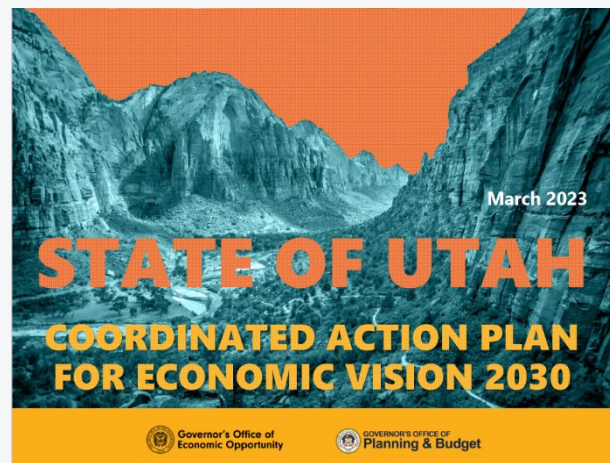
As the case study below shows, Utah's effort to integrate its EDDs into both the development and implementation of its strategic plan was critical to the success of its EDA \$1 million Statewide Planning Grant project. The EDDs, as regional implementers of a statewide strategy that they helped develop, were uniquely positioned to pursue projects that advance the strategy's aims.

#### CASE STUDY

##### Empowering EDDs to Implement a Statewide CEDS

Utah Governor's Office of Planning and Budget and Governor's Office of Economic Opportunity

Utah's primary aim in utilizing the EDA's Statewide Planning Grant is the creation of an implementation plan for its statewide CEDS. From the very beginning, the Utah Governor's Office of Planning and Budget and Governor's Office of Economic Opportunity envisioned that the [Coordinated Action Plan for Economic Vision 2030](#) would integrate the perspectives and plans of its EDDs. In its initial outreach process to EDDs, state staff asked EDDs for their strategic priorities, requested that EDDs consider elements of a Statewide CEDS that would benefit their regions, and submit proposal for a unique project in the region that would align with the Statewide CEDS. Upon review of regional project proposals, the state provided each of its seven regions with \$100,000, funded by EDA's Statewide Planning Grant, to pursue their individual projects.



*Utah's Plan to Implement its Statewide CEDS*

Throughout this process, staff from the Governor's Office of Economic Opportunity undertook an extensive engagement effort that involved frequent in-person discussions between state and EDD staff. The dedication of state staff to "show up" in the regions and to build relationships with EDD leaders greatly contributed to a successful planning process. In particular, the trust established between the state and its EDDs through these relationship-building activities empowered the regions to confidently propose and execute projects that advance the aims of the Statewide CEDS.

*This report was prepared by the Center for Regional Economic Competitiveness using Federal funds under award ED21HDQ3070060 from the Economic Development Administration, U.S. Department of Commerce. The statements, findings, conclusions, and recommendations are those of the author(s) and do not necessarily reflect the views of the Economic Development Administration or the U.S. Department of Commerce.*