



AMERICAN RESCUE PLAN

BUILD BACK BETTER REGIONAL CHALLENGE TECHNICAL FACT SHEET

The Biden-Harris Administration is awarding 21 regions a combined total of \$1 billion to transform their economies as part of the Economic Development Administration’s Build Back Better Regional Challenge, funded by the American Rescue Plan.

For too many Americans, the coronavirus pandemic was the latest economic blow to communities that have been underinvested in for decades. Yet, with the right resources, regions across the country can build the skilled workforce, create new businesses, and leverage local innovation assets to compete with any place in the world.

That’s why President Biden announced **21 regions that will each receive between \$25 and \$65 million to strengthen the competitiveness of their local economies as part of the \$1 billion Build Back Better Regional Challenge funded by the American Rescue Plan.** The Department of Commerce’s The Economic Development Administration (EDA) awarded these 21 winners from a highly competitive group of 60 Finalists that were selected from 529 applicants. The successful finalists represent the diversity of our nation ranging from remote and rural, coal and tribal communities to major metropolitan areas. And while they all have unique assets and opportunities, they all have built comprehensive strategies to expand their economic competitiveness—and to ensure the benefits of their success are shared with workers and communities that have been left behind.

Together, these 21 winners bring over \$300 million in additional local matching commitments and will leverage support from over 450 private sector and 27 labor unions or workers organizations.

The 21 awarded coalitions represent:

- 5 biotechnology and health clusters
- 4 advanced mobility hubs, from autonomous and electric vehicles to advanced aerospace manufacturing
- 4 clusters reinventing their natural resource and agricultural industries
- 4 communities developing next-generation manufacturing clusters
- 3 coalitions driving key segments of the clean energy economy
- 1 multi-state tribal coalition growing an indigenous finance industry

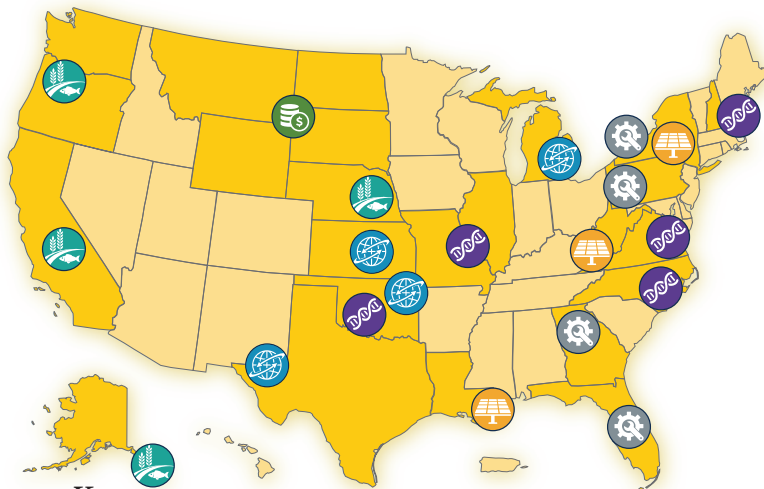
These investments will fund complementary, locally-led projects and create a coordinated regional economic strategy that is far greater than the sum of the parts.

They include approximately:

- \$300 million to accelerate innovation in emerging technologies
- \$270 million to help workers access new job opportunities and job training
- \$140 million to increase new business growth and entrepreneurial activity
- \$110 million to build critical enabling infrastructure projects
- \$100 million to help small and mid-sized businesses adopt new processes and enter new markets
- \$50 million to support coalition governance

And those dollars are reaching communities across the United States:

- 123 selected projects benefiting 801 counties across 24 states
- 236 fully rural counties
- 136 persistent poverty counties
- \$87 million funding two primarily tribal coalitions
- Over \$150 million invested in coal communities, including 3 primarily coal areas





Key


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|--|---------------------------------|--|--------------------|--|----------------------------------|--|---|
| | ADVANCED MOBILITY and AEROSPACE | | CLEAN ENERGY | | NATURAL RESOURCE and AGRICULTURE | | STATES SERVED |
| | BIOTECHNOLOGY and HEALTH | | INDIGENOUS FINANCE | | NEXT GENERATION MANUFACTURING | | Icons mark the lead institution of awardees |


Through these awards, dozens of American communities will be positioned to not just survive the global economy but thrive in it. Tens of thousands of workers will have new skills to adapt to changing technology and access good jobs; startups outside the coasts will have the tools they need to grow and become employment generators; and the science discovered in once siloed research institutions will become a competitive enabler for regional economies across the country.


THE 21 FUNDED COALITIONS


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The **Alaska Mariculture Cluster**, led by Southeast Conference, will receive \$49 million to catalyze a sustainable mariculture industry, producing shellfish and seaweed for the long-term benefit of Alaska's economy, environment, and communities.
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The **Fresno-Merced Future of Food Innovation (F3) Coalition**, led by the Central Valley Community Foundation, will receive \$65.1 million to accelerate the integration of technology and skills in the region's agriculture industry—improving productivity and job quality for existing farmworkers while driving a more resilient and sustainable food system.
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Building Central Florida's Semiconductor Cluster for Broad-Based Prosperity, a coalition led by the Osceola County Board of County Commissioners, will receive \$50.8 million to accelerate the growth of the specialized semiconductor cluster at NeoCITY, a 5,000-area technology park developed in partnership with the state of Florida.
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The **Georgia AI Manufacturing (GA-AIM) Coalition**, led by the Georgia Tech Research Corporation, will receive \$65 million to accelerate the adoption of artificial intelligence across the state's legacy industrial sectors.
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The **South Kansas Coalition**, led by Wichita State University (WSU), will receive \$51.4 million to strengthen the United States' competitive advantage and global market share in aerospace production.
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H2theFuture, led by the Greater New Orleans Development Foundation, will receive \$50 million to transition the regional hydrogen energy sector by closing the cost gap between green hydrogen (produced from renewable energy sources) and other forms of hydrogen used today, which rely on fossil fuels.
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The **Global Epicenter of Mobility (GEM) Coalition**, led by the Detroit Regional Partnership Foundation, will receive \$52.2 million to transform the Detroit area's legacy automotive industry into a highly competitive advanced mobility cluster.
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The **St. Louis Tech Triangle**, led by Greater St. Louis, Inc., will receive \$25 million to converge the region's three leading industry clusters of biosciences, geospatial, and advanced manufacturing, and build a national model for inclusive economic growth.
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The **Heartland Robotics Cluster**, led by the Invest Nebraska Corporation, will receive \$25 million to accelerate Nebraska's leadership in the agricultural industry through robotic technologies and advanced manufacturing automation while also revitalizing the region's rural labor force and strengthening the nation's food supply chain.
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Western New York Advanced Manufacturing, led by the Empire State Development Corporation, will receive \$25 million to invest in the distressed eastern side of Buffalo, NY and accelerate the growth of advanced manufacturing in the region.
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New Energy New York, a coalition led by the State University of New York (SUNY) at Binghamton, will receive approximately \$63.7 million to accelerate innovation in battery technology and to transform New York's Southern Tier into a global hub of energy storage manufacturing.
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The **BioFabrication Cluster**, led by the City of Manchester, will receive \$44 million to establish Southern New Hampshire as the global epicenter for the production and distribution of regenerative tissues and organs.
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The **Mountain | Plains Regional Native CDFI Coalition**, led by the Four Bands Community Fund Inc, will receive \$45 million to accelerate the growth of the Indigenous finance sector and expand economic opportunity in Native American communities through an alliance of nine Native Community Development Financial Institutions (CDFIs).
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The **Accelerate NC – Life Sciences Manufacturing Coalition**, led by the North Carolina Biotechnology Center, will receive \$25 million to strengthen its life sciences manufacturing cluster by investing in a more robust pipeline of biotech talent across the state and expanding those opportunities to underserved and historically excluded communities.
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The **Tulsa Regional Advanced Mobility (TRAM) Corridor**, led by the Indian Nations Council of Governments, will receive \$39 million to transition the region from its legacy of oil and gas and traditional manufacturing to advanced mobility, automation, and unmanned aerial systems.
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The **Oklahoma Biotech Innovation Cluster**, led by the Oklahoma City Economic Development Foundation, will receive \$35 million to rapidly expand its biotechnology cluster, bolstering domestic resiliency within the biopharmaceutical supply chain and making the cluster more globally competitive.
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The **Oregon Mass Timber Coalition**, led by the Port of Portland, will receive \$41.4 million to become a national leader in using mass timber to accelerate affordable housing production, provide good jobs, and restore forest health.
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The **Southwestern Pennsylvania (SWPA) New Economy Collaborative**, a coalition of the region's leading university, philanthropic, and private sector leaders, will receive \$62.7 million to supercharge SWPA's globally recognized robotics and autonomy cluster and ensure that its economic benefits equitably reach rural and coal-impacted communities in the 11-county region.
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The **West Texas Aerospace and Defense Manufacturing Coalition**, led by the University of Texas at El Paso (UTEP), will receive \$40 million to strengthen America's aerospace and defense manufacturing capabilities by integrating legacy manufacturers in West Texas into the aerospace and defense (A&D) supply chain.
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The **Advanced Pharmaceutical Manufacturing (APM) Cluster**, a coalition led by the Virginia Biotechnology Research Partnership Authority (Activation Capital), will receive \$52.9 million to expand the domestic supply chain for essential medicines and critical active pharmaceutical ingredients (APIs).
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The **Appalachian Climate Technology Coalition (ACT Now)**, led by Coalfield Development Corporation, will receive \$62.8 million to spur job growth in 21 economically distressed and coal-impacted counties in southern West Virginia by creating a hub of clean energy and green economy jobs.

CORE THEMES

The Build Back Better Regional Challenge (BBBRC) was created to address geographic inequality

A concern among economists is the rise in income gap between regions across the country. Between the end of WWII and 1980, wages across the country steadily became more equal, but over the past forty years median regional income has grown further apart. Today, income in the richest 25 percent of counties is more than twice as high as in the bottom 25 percent, where poverty rates are also three times higher. The rise in ‘geographic inequality’ not only creates a more inequal society but threatens U.S. economic competitiveness. **The Build Back Better Regional Challenge was created to directly address the rise in geographic inequality by providing transformational grants to 21 communities that have been underinvested in for too long.**

COALITION CALLOUT

California’s Central Valley produces 25 percent of the nation’s food supply and yet has one of the highest food insecurity rates in the nation. Without access to the technologies or skills of global food producers, the small-and medium-sized farms in the region compete by way of low costs and low wages. EDA’s \$65.1 million investment in the Central Valley will enable farms in the region to access world class technologies, processes, and workforce training—improving both farm productivity and wages.

BBBRC will seed a generation worth of economic development [in less than five years]

There are numerous examples of regions that have successfully made the transition from low-wage to high-wage sectors. For example, when Research Triangle Park was established in 1959, North Carolina was the second poorest state in the nation. Nashville, an emerging global destination for health care, made the transition from low value manufacturing and tourism over three decades. In almost all cases, it takes a generation for regions to make these transitions. One reason for this is the necessary economic development investments are made individually, with too few resources, in sequence. A better method is to make all the necessary investments at once and in strategic alignment, which is the approach taken by the BBBRC. **The Build Back Better Regional Challenge is meant to catalyze a generation worth of economic development in less than five years by investing in large, complementary projects.**

COALITION CALLOUT

Portland, Oregon has the natural resources and local assets to transform the housing construction industry through Mass Timber; yet given complexities across the value chain, capturing the sector could take a generation. EDA’s \$41.4 million investment in the region supports a series of targeted programs that accelerate the region’s success. They range from rural communities growing wood fiber, design, and prototyping at the University of Oregon, testing and training facilities to certify workers and new products, and updates to housing codes to provide modular, mass timber housing across the region.

BBBRC is a ‘place-based’ program that invests in community strategies

Place-based policies, or programs that direct investments specifically to places instead of to individuals, businesses or other institutions, are increasingly seen as a necessary tool to combat geographic inequality. However, to date, most place-based programs have either been small or relied on tax policy to incentivize local investments (such as Empowerment and Opportunity Zones). Yet economists have mixed views on the effectiveness of place-based tax incentives. **The Build Back Better Regional Challenge is the nation’s largest economic development competition, providing large dollar grants.** The program represents a bold belief that with the right resources, all regions can successfully create their own bottom-up economic growth strategies that create broad-based prosperity.

BBBRC will grow the number of communities able to compete in the global, innovation economy

Over half of the nation’s private sector investment in venture capital goes to the Bay Area and 90 percent of new jobs within innovation sectors are in just five metropolitan areas. Yet dozens of communities around the country have innovation assets that can be leveraged to create lasting economic prosperity. For example, there are over 200 universities, located in all 50 states, that invest more than \$50 million in research and development annually. Local innovation can, and should, be associated with local economic growth.

To compete with countries like China and to ensure more Americans are participating in the technology-driven, global economy, **the Build Back Better Regional Challenge is investing over \$300 million into local, innovation-based economic development.** These investments range from production scale demonstration facilities to lower the cost of adopting new technologies for firms to entrepreneurship support programming to combat the decline in high-growth new businesses.

COALITION CALLOUT

Over the last decade, Pittsburgh has emerged as a global leader in robotics and autonomous systems. Yet the economic benefits of its ‘rustbelt renaissance’ have, to date, accrued to university-created startups within the urban core. EDA’s \$62.7 million investment will expand the region’s globally-recognized robotics cluster across the rural and coal 11-county region ensuring small-and-medium sized businesses have access to the talent, best practices, equipment and technology to compete globally.

BBBRC will create new jobs in growing industries

Workforce and economic development are often siloed—both at the local and federal levels. However, it is impossible to build a local economy while neglecting workforce needs. **The Build Back Better Regional Challenge is investing over \$270 million in all 21 funded coalitions for workforce development** that strengthen the regional clusters. The workforce programming within BBBRC is also unique from the \$40 billion committed to training within the American Rescue Plan. First, programs focus exclusively on workforce within traded sectors to ensure each new job brings outside capital into the region, not recycle existing capital within a region. Second, training programs are coupled with investments in business adoption of new equipment and technologies to overcome the problem faced by firms where technology investments are stymied by a lack of a skilled workforce.

COALITION CALLOUT

For the past 100 years West Virginians have relied on the coal industry. EDA’s \$62.8 million investment will support the Appalachian Climate Technology coalition and its best-in-class 33-6-3 workforce development model (each week trainees pursue 33 hours of well-paid work, 6 hours of education, and 3 ours of personal development) along with a suite of adjacent non-workforce investments to spur a host of climate-reliant industries ranging from solar power, abandon mine reuse, rejuvenated brownfields and advanced manufacturing.

BBBRC coalitions are addressing some of the nation’s biggest challenges

The Build Back Better Regional Challenge is clear evidence that many of the country’s challenges can be solved at the local level. While the goal of the competition is to drive investment into regions that have lacked the necessary capital to grow, the \$1 billion will also provide resources to address some of the country’s greatest challenges, including:

- **Strengthening critical supply chains**

The COVID-19 crisis has laid bare significant, long-standing weaknesses in U.S. supply chains. More than 40 percent of active pharmacological ingredients and 50 percent of global PPE supplies are made in China. Today, 90 percent of the chemical ingredients for generics drugs come from China. **At least 11 coalitions will invest almost \$500 million to strengthen critical supply chains** ranging from lifesaving medicine to aerospace. Those investments include providing testing facilities for small-and-medium sized suppliers to de-risk equipment purchases and access to shared resources to help family-owned manufacturing shops win contracts in high-value supply chains, such as defense and aerospace.

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COALITION CALLOUT

The coronavirus pandemic illustrated how vulnerable the U.S. is to disruptions in critical supply chain, like lifesaving drugs. EDA’s \$52.9 million investment in Virginia will help build an advanced pharmaceutical manufacturing corridor from Richmond to Petersburg, creating a new generation of affordable, drugs and reshoring significant portions of active pharmaceutical ingredient (APIs) supply chains, over 70 percent of which are currently abroad.

BBBRC coalitions are addressing some of the nation's biggest challenges *(continued)*

● **Combatting inflation and lowering costs for families**

One of the best ways to control inflation and lower prices is to invest in innovation, which drives down the cost of goods and services. [Research](#) shows that within advanced industries —those that invest in innovation and are in traded sectors—prices grew one-third as fast as non-advanced industries. Second, [economists](#) believe place-based programs like BBBRC are essential to addressing inflation as they shift investments away from concentrated “hot” markets” like San Francisco and New York to other places with historically less investment. ***The Build Back Better Regional Challenge is investing in industries and places that are bringing down the cost of goods and services through innovation and economic opportunity.***

● **Accelerating the transition to a climate-friendly economy**

The Inflation Reduction Act and other climate investments made by the Biden-Harris Administration will create unprecedented demand for clean energy among households and businesses. To fulfill that demand and help meet the Administration’s climate goals, ***six coalitions funded at over \$300 million have local strategies to support the transition to a clean economy***, ranging from electric vehicles in Detroit to green hydrogen in New Orleans to moving away from coal in West Virginia.

● **Revitalizing American Manufacturing**

The Build Back Better Regional Challenge supports President Biden’s call to [strengthen American manufacturing](#). ***Seventeen of the 21 funded coalitions either are within the manufacturing sector or are investing in manufacturing*** to support their cluster (e.g. Nebraska’s investments into robotics for their agriculture cluster). Manufacturing is critical to the U.S. economy and therefore was critical within BBBRC. The program also focused on production gaps within some of the nation’s most competitive industries. For example, four coalitions are focused on different areas of biomanufacturing. While the U.S. leads the world in biotechnology R&D, without significant investments in production capacity the country risks losing its competitive advantage to others. Investments made through BBBRC in biomanufacturing will complement existing efforts to advance biotechnology within NIH and others.

● **Achieving American scientific moonshots**

One of the United States’ greatest strengths is our ability to create economic opportunity at home by addressing some of the largest challenges facing the planet. Many of the 21 funded finalists have identified economic strategies that both will allow their region to grow more equitably while also addressing Grand Challenges, examples include:

- Reducing the cost of **Green Hydrogen in New Orleans** to unleash new, clean energy
- Catalyzing the production of **synthetic organs in Manchester** to increase organ transplants and reduce the number of deaths from chronic diseases
- Cut the cost of **mass timber construction in Portland, OR** to compete with concrete, addressing the housing shortage and improving climate resiliency within the construction sector
- Expanding the use of **robotics and AI** systems within small-and-medium sized manufacturers in **Georgia** and **Southwestern Pennsylvania** to improve the competitiveness of family-owned factories

The BBBRC form of large, place-based competitions is being replicated across the Biden-Harris Administration

The National Science Foundation’s [Regional Engines](#), the Department of Energy’s [Regional Clean Hydrogen Hubs](#), and the Department of Transportation’s [SMART Grants Program](#) are all ‘place-based’ programs that have kicked off this year and, like BBBRC, they will make big investments in regional economies to improve their global competitiveness while addressing national challenges. Perhaps there is no greater example of this trend than the recently passed [CHIPS and](#)

[Science Act](#), designed to reestablish the United States as the global leader in semiconductors. The Act provides over \$50 billion for broad based support to the domestic semiconductor industry and also authorizes \$10 billion for “Regional Technology Hubs”—a competition to designate regions around the country positioned to translate new platform technologies into local and national economic competitiveness.

THE BUILD BACK BETTER REGIONAL CHALLENGE “GOOD TO GREAT” PROCESS

The BBBRC is a two-phase competition that was designed to help 60 finalists move their concept proposals from “good to great”. The two-phase approach allowed EDA to provide significant support to the finalists, which not only improved the quality of the Phase II funded coalitions but also matured the non-selected coalitions to a point many have indicated they will move forward with their proposals despite not receiving a Phase II award.

Below is a summary of the different phases and work EDA and its partners have pursued to support our BBB Regional Challenge Finalists.

- **Phase I to Phase II:** EDA received 529 concept proposals and on December 17, 2021, announced 60 finalists, each receiving \$500,000 to develop their Phase II applications and support staff time beyond the Phase II application.
- **Technical Assistance to Applicants:** EDA provided a multimillion-dollar grant to four national organizations to support the 60 finalists in developing their economic vision and cluster strategies.
 - Organizations included: The National League of Cities, America Achieves, the Federation of American Scientists, and the Nowak Metro Finance Lab
 - After reviewing the Phase I applications and meeting with each of the 60 coalitions, the TA team built a cluster support tool to identify specific needs of the coalitions (e.g., governance, equity, innovation) and provide tailored support per coalition
 - Each finalist had roughly a half dozen meetings with a TA provider
- **Ongoing support for finalists:** Together the EDA and TA team provided consistent support to all 60 finalists throughout the phase II process to help every team significantly improve their proposals
 - Weekly office hours based on topics requested from applicants
 - [Online library of resources](#) for building economic clusters
- Two-day virtual conference with national leaders in equity, innovation and regional economies
- Weekly (or more) meetings between individual finalists and their regional teams
- **Identify additional support for finalists:** EDA is working with state and federal agencies and philanthropy to enable finalists to leverage other funding for their projects beyond our \$1 billion.
 - Convened a virtual “pitch” event with over 200 federal agencies and national foundations and the 60 finalists
 - Hosted a two-day, summer conference in Washington to support connections between finalists and federal and philanthropic funders
- **Establishing transparency as a practice**
 - Posted online all 529 applicants, lead organization and location—BBBRC is the first competition in EDA’s history to make applicant information public.
 - Published all Phase I concept proposals and will publish Phase II proposals in an easy to navigate online resource for external funders and stakeholders
 - In partnership with the Technical Assistance provider, created a library of best practices, literature and the training modules finalists were exposed to for the broader economic development field
 - EDA has posted all finalist proposals to encourage new partnerships and capacity building follow along funding
- **Building a Community of Practice and capturing lessons:** EDA has made three additional grants to national organizations to work with finalists to build a five-year Community of Practice, support evaluation and perform research.
 - EDA is providing multi-year grants to Research Triangle Institute, The State Science & Technology Institute, Purdue University and the Brookings Institution
 - Providing resources within the \$1 billion to funded finalists to resource third party evaluation



For more information about Economic Development Administration’s six American Rescue Plan Programs, collectively called Investing in America’s Communities, please click [here](#).