

April 1, 2022

The Honorable Tom Carper
Chairman
Committee on Environment and Public Works
United States Senate
Washington, DC 20515

The Honorable Shelley Moore Capito
Ranking Member
Committee on Environment and Public Works
United States Senate
Washington, DC 20515

Dear Chairman Carper and Ranking Member Capito,

The undersigned signatories, which collectively represent thousands of local, state, and national organizations and small businesses, **respectfully request that you include the *Revitalizing Small and Local Businesses Act* (S.3340) as part of EDA reauthorizing legislation to invest in place-based economic development initiatives that support small businesses and the places in which they operate.** We greatly appreciate the number of pressing issues before you and the Committees, but we also recognize that addressing the needs of business districts by investing in the nonprofit organizations that serve them should be a reauthorization priority.

The bipartisan *Revitalizing Small and Local Businesses Act* (RSLBA) was introduced by EPW Committee members Senator Alex Padilla (D-CA) and Senator Roger Wicker (R-MS) to help ensure that EDA resources are best positioned to support business growth in all communities, particularly those that have faced challenges in accessing opportunities in the past. As advocates for the work of local business district organizations, we believe there is a distinct need to better define EDA's role in supporting place-based economic development initiatives. RSLBA offers an opportunity to expand access to EDA resources in underserved communities by leveraging the expertise of national nonprofit partners with deep connections to small businesses and the organizations that serve them.

A robust economic development framework requires investing in the success of entrepreneurs and the local business districts in which they operate. Small businesses are crucial to our nation's economic health, accounting for over 65% of new jobs created over the past twenty years. These businesses are the backbone of communities, employing locally and providing critical goods and services to community residents. From rural downtown Main Streets to urban neighborhood commercial corridors, small businesses form and grow in the business districts at the heart of our communities. Business districts are critical community assets that respond to local market needs and create vital spaces for social interaction, attracting additional investments to a community. Active business districts generate property and sales tax revenue for the community, provide neighborhood amenities and increase the quality of life.

The revitalization of these corridors does not happen by happenstance. Across the country, dedicated, place-based business district organizations work to foster entrepreneurship and increase inclusive economic development opportunities by helping small businesses scale in physical environments built for business success. In many rural areas, business district organizations are the only local economic development entity, connecting entrepreneurs to resources, capital, and physical space for business growth. **As EDA reauthorization moves forward, we urge you to consider the agency's role in supporting place-based initiatives that provide localized support and strengthen the capacity of business district organizations working in historically underserved rural and urban communities.**

The RSLBA is an innovative approach to achieving this vision. By including RSLBA in the reauthorization package, the Committee can advance EDA's investment priority of equity by directing resources and technical expertise to small organizations working in hard-to-reach rural and urban areas

through the national networks on which they depend. This would supplement existing regional distribution methods with a strategy that connects national resources, capacity building, and technical assistance to local needs, targeting underserved communities in the process. We urge you to consider innovative approaches and pathways that leverage and utilize the broad communities of economic development and business district support organizations that operate in this space.

We appreciate your attention to this request and thank you for your continued work.

Sincerely,

Council of Development Finance Agencies

Co.Starters

Forward Cities

Local Initiatives Support Corporation

Main Street America

National Alliance of Community Economic Development Associations

National Association for Latino Community Asset Builders

National Association of Affordable Housing Lenders

Rural Community Assistance Partnership

Small Business Anti-Displacement Network

Small Business Majority

United States Hispanic Chambers of Commerce

Urban Manufacturing Alliance

CC:

Senator Alex Padilla, Senate Committee on Environment and Public Works

Senator Roger F. Wicker, Senate Committee on Environment and Public Works