

Eric Smith
Director, Office of Innovation and Entrepreneurship
Economic Development Administration, United States Department of Commerce
Re: Request for Information on the Implementation of the Regional Technology and Innovation Hub Program

Dear Director Smith:

We appreciate the opportunity to provide our input on the design and implementation of the Regional Technology and Innovation Hub Program.

The [10,000 Communities Initiative](#) is a partnership between private and public organizations that aims to advance critical community infrastructure projects by maximizing innovation and integration across regions, sectors, and sources of investment capital for effective deployment in the historically underserved communities that need it most.

Initiative partners are writing with two suggestions regarding a focused strategy for distributing program funds for the Regional Technology and Innovation Hub Program. Our goal is to ensure that underserved communities and diverse regions have an opportunity to obtain funding and take advantage of this exceptional investment opportunity in technical innovation.

Congress authorized \$10 billion for the Regional Technology and Innovation Hub Program when it passed the Economic Development Administration (EDA) Reform and Extension Act. To date, only \$500 million has been appropriated for the Regional Technology and Innovation Hub Program.

In acknowledging the underfunding of the original vision of the EDA's Technology and Innovation Hub Grant Program, we believe it is crucial that initial funding creates opportunities for the most underserved rural and urban communities. These communities often need additional assistance to be able to apply for complex funding competitions and access existing federal funding programs, let alone participate fully in the technology and research sectors. By focusing on directing these initial appropriations to benefit the most underserved communities, the EDA

can help promote equitable access and distribution of resources and bring tech innovation to the widest possible group of Americans.

It is for these reasons that we are writing to recommend the following:

1. Given the limited round of initial funding for the EDA Tech Hubs, we believe it is crucial to prioritize the funding to make the most significant impact. Therefore, we recommend that initial funding focus on standing up 6 hubs (one in each of six EDA regions) designated to create opportunities for underserved communities in CHIPs & Science rather than split funding further and fund all 20 designated hubs. This approach will allow more significant resources to be directed toward jumpstarting innovation-focused investments in the most economically distressed regions.
2. To further ensure and promote equitable economic development in the Tech Hubs program, we also recommend that this funding create opportunities for historically underserved communities that demonstrate a commitment to incorporate comprehensive economic strategies with a strong focus on equity. The creation of new Tech Hubs should exemplify how regions can focus on both macroeconomic drivers and execute strategies that connect marginalized communities with new opportunities. By implementing this approach in partnership with local institutions such as community colleges, Historically Black Colleges and Universities (HBCUs), Hispanic-Serving Institutions (HSIs), business leaders, and K-12 school districts to address workforce development needs, communities can achieve successful and sustainable economic growth while ensuring equity and inclusivity.

By creating opportunities for historically neglected, marginalized, or disadvantaged communities, targeted funding can help to level the playing field and overcome barriers to access. Additionally, promoting innovation and growth in underserved areas causes a ripple effect, creating new economic opportunities and driving positive change throughout the broader

community.¹ Ultimately, a targeted approach to funding allocation can promote a more vibrant, resilient, and equitable society for all.

We welcome the opportunity to work collaboratively to find solutions that address the EDA's multiple objectives and policy commitments. We remain cognizant that other prominent economic development stakeholders, policy researchers, and technology practitioners have provided similar recommendations based on their expertise and understanding of deployment capacities, emerging technology, and regional diversity. We remain committed to working with others to develop policy frameworks that are flexible, forward-looking, and responsive to the needs of all citizens to support a thriving and sustainable economy for generations to come. Thank you for your consideration. We are happy to provide further detailed suggestions.

Sincerely,

Accelerator for America

African-American Association of Community Development Financing Institutions

America Achieves

Elemental Accelerator

Local Initiatives Support Corporation

Milken Institute

Social Finance

Strive Together

¹ See for example, Arias, Juan Sebastian, Sara Draper-Zivetz, and Amy Martin. "The Impacts of the Sustainable Communities Initiative Regional Planning Grants on Planning and Equity in Three Metropolitan Regions." *Cityscape* 19, no. 3 (2017): 93–114.