

**Testimony of Jonas Peterson, President and CEO of the Las Vegas Global Economic Alliance**

**Before the House Committee on Transportation and Infrastructure,  
Subcommittee on Economic Development, Public Buildings, and Emergency Management  
Hearing: “Investing in America: Reauthorization of the Economic  
Development Administration”**

**Wednesday, April 28<sup>th</sup>, 2021**

Chair Titus, Ranking Member Webster, and distinguished Members of the Committee:

Thank you for inviting me to participate in today’s hearing. My name is Jonas Peterson. I am President and CEO of the Las Vegas Global Economic Alliance, a regional, public-private partnership focused on diversifying and strengthening the economy in Southern Nevada. I am here today on behalf of the International Economic Development Council (IEDC), the world’s largest professional trade association representing economic developers and the practice of economic development, where I serve as Secretary/Treasurer of the board of directors. I would like to thank you for this opportunity to provide testimony on the important issue of reauthorizing the Economic Development Administration. I would also like to acknowledge my fellow panelist and thank them for their support for economic development and EDA.

IEDC represents roughly 5,000 economic development professionals and stakeholders, most of whom are located in the United States. Our organization has been dedicated to the advancement of economic well-being for 95 years. During the public health and economic crisis caused by COVID-19, IEDC and our members have worked tirelessly to provide resources to communities struggling to respond and recover. We have convened thousands of people through a series of free webinars covering topics ranging from accessing federal resources to working with downtown retailers struggling to hang on. We have worked hand-in-hand with our fellow stakeholders here in Washington to help Congress and the administration understand what the situation on the ground looked like from the perspective of economic development and what help

was needed most. While not perfect and not as fast as we would like, we are proud of the results thus far. IEDC's work in aiding communities impacted by disasters and hardship did not start with this pandemic. Since Hurricane Katrina ravaged the gulf coast in 2005, IEDC has responded to major disasters throughout the United States, including Puerto Rico, the U.S. Virgin Islands, and the Northern Mariana Islands, often with the support of EDA. From 2010 to 2020, IEDC completed 184 disaster recovery and resiliency projects in 18 states and territories. This work includes technical assistance projects, strategic planning, business retention & expansion, and much more. From 2017 to 2020, over 150 volunteers participated in disaster recovery and resiliency projects, taking time off from their day jobs to go to communities in need and helping them rebuild their economies. We are proud to partner with EDA and have firsthand experience with its power to change for the better.

The Economic Development Administration is the only federal agency with the sole mission of economic development. Since the passage of the Public Works and Economic Development Act of 1965 that established the agency, EDA has played an essential role in providing federal resources and leadership in support of regional economic development. Through programs such as Economic Adjustment Assistance and Public Works, EDA has broad authority to provide resources tailored to the specific needs of a community, be they infrastructure, technical assistance, or planning. It is this broad authority that provides EDA flexibility in assisting communities that is unmatched in any other federal program. EDA resources help economic developers on the ground in several different ways. From last-mile infrastructure that may be the final, essential piece that brings together an entire project to Revolving Loan Funds that are providing capital access to entrepreneurs and small businesses throughout the region, EDA has a tangible, positive impact on the economic health of communities across the country.

Over the past thirteen months our families, communities and economies have taken a hard hit from the public health and economic crisis caused by COVID-19. In Las Vegas, we have felt the impact of the virus. In April of last year, our unemployment rate spiked to 34%, the highest level ever recorded. Our tourism industry, which accounts for almost one out of every three jobs in Southern Nevada, has been particularly hard hit. Visitor volume fell by over 55% in 2020 compared to the previous year, and we lost billions from cancelled conventions and tradeshow.

At the Las Vegas Global Economic Alliance, our revenue fell by over 20% during the pandemic, straining our ability to deliver critical economic recovery planning and access to business support services during a time of great need. So, in order to support our work, we applied for our first-ever EDA grant in May of 2020. After nearly a year of review, we were finally approved for approximately \$300,000 of federal assistance in March. The review process took much longer than we expected and the final amount was approximately one-third of our original application. However, we are extremely grateful for the funding. It will fuel a new recovery strategy for our region and support critical business support services.

Our shared belief in the importance and effectiveness of EDA serves as a strong foundation to build upon as we move forward with reauthorization. In addition to significantly increasing the funding authority of the agency, expanding its ability to coordinate federal economic development resources across the federal government, and providing EDA with robust resources and authorities to help expand broadband access and adoption, we recommend that Congress focus on the key areas of capacity building and disaster recovery while considering EDA reauthorization.

We recommend that Congress include capacity building as a key component of EDA's reauthorization. Many communities have robust economic development strategic plans and a list of projects they would undertake but lack resources to put those plans fully into action. From lacking pre-development resources to get a project moving, to lacking the staff needed to fully execute plans, low-capacity can have a chilling effect on economic growth. Regional economies would greatly benefit from resources dedicated to advancing local capacity to act. Congress should consider a pilot program at EDA that is dedicated to addressing regional capacity for economic development, both financial and human.

We recommend that Congress establish an EDA Office of Disaster Resilience & Recovery to preserve institutional knowledge and leadership in the economic disaster resilience and recovery realm. Enhancing EDA's disaster recovery leadership and resources will help communities prepare for and mitigate negative economic impacts associated with disasters. This Office should have annual appropriations provided and dedicated staff. Through this office EDA can continue to support the work of organizations like IEDC. IEDC has for many years participated in

recovery efforts, including providing technical assistance and training, as well as marshalling volunteer economic developers, who are eager to go to disaster impacted areas to help their counterparts rebuild.

We also recommend in cases where a major disaster or emergency has been declared under the Stafford Act, EDA should be required to increase the federal share to 100 percent of the project cost, waiving all match requirements for any funding appropriated for the purpose of disaster or emergency response. It has been suggested in the past that EDA has the existing authority to waive local match requirements. It has not chosen to do so with the funding received through the CARES Act. By its very nature, disaster funding is an intentional effort to aid communities that need funding to rebuild following a disaster. It seems then that requiring communities to pay to access that funding, which they are being offered because something so devastating has occurred that it has attracted the attention of the very top of the federal government and Congress, runs contrary to the goal of the funding, which is to help. Not waiving match requirements for disaster funding hurts communities by taking from the stricken, delaying distribution of those funds while scrambling to gather match money or securing a waiver, and because it is leaving out untold communities that do not possess the financial and human capacity to access these desperately needed funds.

Finally, the events of the past several months have further highlighted the great divide between those who are empowered by economic opportunity and those denied equal access to economic opportunity. We must commit to do more to bridge and eliminate this divide and see to it that no such divides form again in the future. EDA is in a unique position to help our nation address racial and socioeconomic inequity and should be charged with helping to advance economic opportunity for all. No matter which part of the country we live in, where we are from, how big or how small our community is, we can and must do more to create more opportunities to achieve economic success and security for all people. IEDC is committed to that end and we look forward to working with EDA in support of that goal. We encourage Congress to consider this imperative as you consider the future of EDA in this reauthorization.

On behalf of IEDC, our members and my fellow economic developers across the country, thank you for your support of EDA and your support for regional economic development efforts at

home. EDAs mission at its core is to help communities recover from economic distress. They are the experts in economic recovery and resiliency at the federal level. As this body considers statutory reauthorization of the agency, I encourage you to engage with the economic developers in your communities. Hear from them about how EDA's investments have worked or not worked and what more the agency can do in their community. Given the tools and support necessary, the EDA can play a larger role in assisting communities in achieving robust, equitable and lasting economic prosperity.

Thank you.