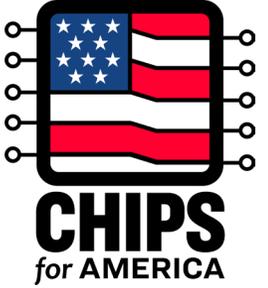
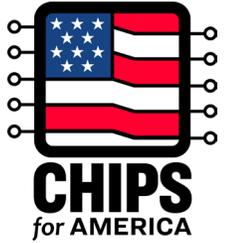


CHIPS for America: Building A Strong Community Investment Plan



4/16/2024

Today's Speakers



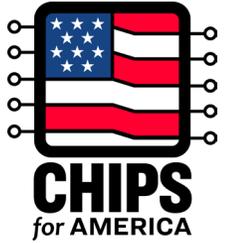
Kylie Patterson
Chief Opportunity &
Inclusion Officer



Amanda Mays
Senior Advisor
for Policy



Martin Pittman
Policy Advisor

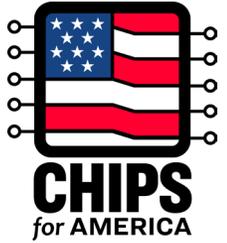


Disclaimer

Statements and responses to questions about CHIPS programs in this webinar:

- Are informational, pre-decisional, and preliminary in nature.
- Do not constitute a commitment and are not binding on NIST or the Department of Commerce.
- Are subject in their entirety to any final action by NIST or the Department of Commerce.

Nothing in this presentation or the accompanying materials is intended to contradict or supersede information in relevant Notices of Funding Opportunities (NOFOs). The NOFOs control in the event of any conflicts.

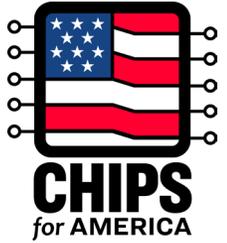


Agenda

TODAY WE WILL COVER THE FOLLOWING:

- The CHIPS for America Vision
- Community Investment: CHIPS Act Requirements
- The Business Benefits of Community Investment
- Community Investment Challenges & Opportunities
- Tools to Enhance Your Community Investment Strategy
- Building A Stronger CHIPS Application
- Q&A

CHIPS for America Vision



Economic Security

The CHIPS Act will strengthen supply chain security and increase economic resilience in critical sectors.



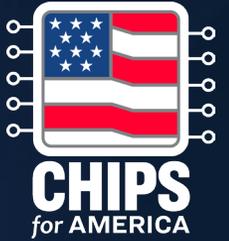
National Security

The CHIPS Act will ensure that the U.S. can manufacture advanced technologies, including secure chips for the U.S. military.



Future Innovation

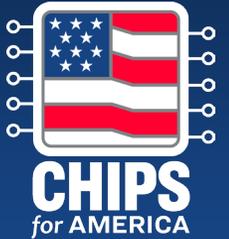
The CHIPS Act will spur innovation, increase competitiveness, and ensure long-term U.S. leadership in the sector.



Community Investment:

CHIPS Act Requirements

NOFOs & Community Investment Requirements



Pursuant to the CHIPS Act, NOFOs 1 & 2 require a covered entity to **"[m]ake commitments to worker and community investment including through training and education benefits paid by the covered entity"** and programs to expand employment opportunities for economically disadvantaged individuals."

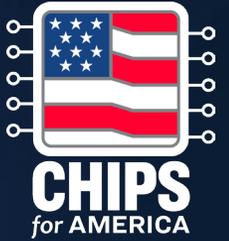


NOFO #1 applications will be evaluated on a set of criterion related to "Broader Impacts":

- "Quality and comprehensiveness of the applicant's plans to develop local community investments that will drive regional equity and inclusion and broad-based growth, especially through regional economic clusters, as well as the degree of demonstrated community support and alignment of investments with local needs."

NOFO #2 applications will be evaluated based on the following :

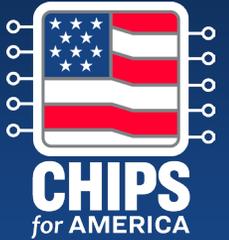
- "The completeness, cohesiveness, and feasibility of the applicant's plans for workforce and community investment, including the strength of the applicant's strategy for investing in the project's facility and construction workforce."



Community Investment Benefits

The Business Case for Community Investment

The Case for Community Investment



Consumer Favorability

- Consistent engagement with the community builds consumer trust.
- Authentic engagement helps build positive perceptions about businesses.



Employee Retention

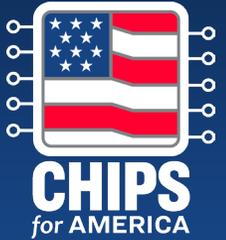
- Developing a more positive workplace culture helps attract & retain talent.
- Community engagement also helps increase morale and job satisfaction.



Symbiotic Support

- Business support for communities can attract other businesses helping both community residents and local businesses.

The Case for Community Investment *(cont.)*



INNOVATION & CREATIVITY

- Generate new solutions to community challenges and environmental problems.



POSITIVE PUBLIC IMAGE

- Enhance public image and reputation as a socially responsible organization.



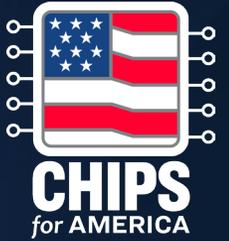
TAX BENEFITS

- Qualify for tax benefits and reduce tax liability if investments are tax deductible.



IMPROVED FINANCIAL PERFORMANCE

- Stronger relationships with various communities and stakeholders drives long-term improved financial performance.



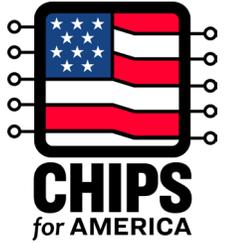
Evaluating Community Economic Needs

Tools to Enhance Your Community Investment Strategy

Important Elements of CI Strategy



Tools to Evaluate Community Needs



**STATE & LOCAL
CEDS**



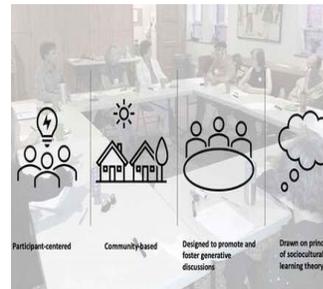
**LOCAL BUSINESS
ROUNDTABLES**



**ACADEMIC
RESEARCH**



**COMMUNITY
SUPPORT LETTERS**

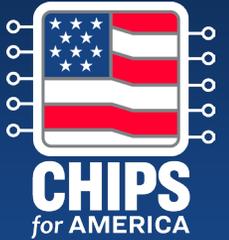


**COMMUNITY LISTENING
SESSIONS**



**COMMUNITY
SURVEYS**

Examples of Comprehensive Economic Development Strategies (CEDS)



To understand the unique needs of communities designated for CHIPS related projects, applicants can reference regional CEDS like those below



**NORTH CAROLINA
CEDS**



**IDAHO
CEDS**



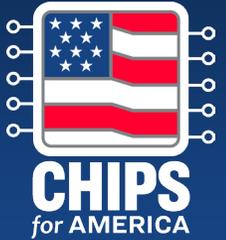
**TUSCON, AZ
CEDS**



**COLUMBUS, OH
CEDS**

Information from CEDS

Looking at CEDS can help identify areas for investment and the challenges a particular region is facing.



IDAHO STRONG
2023 - 2028
Statewide Economic Development Strategy



KEY INDUSTRY SECTORS

(SOURCE: IDAHO DEPARTMENT OF COMMERCE)

Idaho has a robust and diversified industrial/commercial economy. Important industries in Idaho are food processing, lumber and wood products, machinery, chemical products, paper products, electronics manufacturing, silver and other mining, and tourism. The world's largest factory for barrel cheese, the raw product for processed cheese is in Gooding and Chobani (Greek Yogurt) operates the world's largest yogurt plant in Twin Falls.

Electrical equipment, computer components lead, is Idaho's top manufactured product with the Treasure Valley home to Micron and American leader in semi-conductors and memory chips. Ranking second are food processing (potato-processing plants, beet-sugar refineries, canning and freezing companies, dairies, meat, poultry, and wheat processing plants). Tourism rounds out the top three economic drivers.

- Advanced Manufacturing
 - Idaho's manufacturers employ nearly 6% of the state's total workforce and contribute more than \$9.7 billion to Idaho's GDP.
 - Advanced manufacturing is differentiated using highly technological, cutting-edge processes, and the employment of skilled, comparatively high-wage jobs. The advanced manufacturing sector in Idaho is growing rapidly and expanding to encompass ever more industries and occupations.
 - The state's advanced manufacturing industry is driven by businesses large and small that produce food, computer and electronic products, transportation equipment, medical equipment, system and process equipment, chemicals and plastic products, wood products, fabricated metal products, and machinery.
 - Advanced manufacturing companies are thriving across the state, from Premier Technology in Eastern Idaho and Double L in the Magic Valley to Unitech Composites in north Idaho. Idaho's pro-business climate, robust transportation network, and motivated workforce all help drive the success of these companies and their peers.

2023-2028

STRENGTHS, WEAKNESSES, OPPORTUNITIES, AND THREATS

A collective analysis of each of the districts CEDS and IRP SWOTs emphasizes the statewide interconnectedness of the regions' assets and challenges. (Attachment C – Idaho Rural Partnership SWOT for Statewide CEDS, Attachment J – EDDI and Idaho Department of Commerce Statewide CEDS SWOT Responses)

Input from IRP and Idaho Department of Commerce participants corroborated the link between the bioregional economies. From the lack of affordable workforce housing, the threat of infrastructure insufficiencies, and deficient broadband service systems, the need for improvement to essential resources is apparent. Without adequate resources for individuals to participate in the workforce, the state will struggle to attract and retain businesses and employees.

To diminish barriers to growth, we must leverage each district's strengths which include outdoor recreation and tourism assets, abundant natural resources, and livable communities. Education and workforce training is crucial to meeting the needs of the everchanging needs of businesses and industries and must be available for all residents.

The following strengths, weaknesses, opportunities, and threats were identified as having direct and indirect economic and resiliency impacts statewide. Each element is listed by the highest to lowest ranking.

STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
Attractive, livable communities	Lack of specialized workforce	Proximity to higher education options and training opportunities	Lack of livable wages
Quality of life	Lack of well-trained workforce	Remove cultural, financial, and career counseling impediments to obtaining higher education	Wage differential with neighboring states and mid-west
Active organizations, chambers, and service groups	Lack of customized workforce training	Technology in secondary schools	Lack of cultural, financial, and career counseling impediments to obtaining higher education
Affordable cost of living	Aging workforce	Collaboration to match education to industry needs	Mentality of low-wage advantage

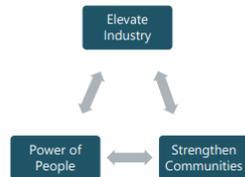
VISION FOR IDAHO

2023-2028

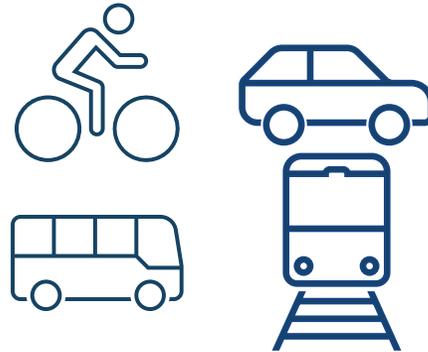
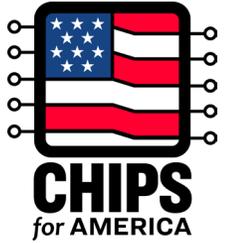
Idaho is the state where individuals, businesses, and communities thrive through vision, collaboration, and adaptability.

PATHWAYS TO IDAHO STRONG

Creating economic prosperity is a multifaceted process. Idaho Strong identified the following three pathways as key elements of strong communities, regions, and economies.



Examples of Community Investment Needs & Solutions



Needs

Affordable Housing Development/Support

Transportation Assistance/Credits

Accessible Childcare Options

Workforce Training/ Education

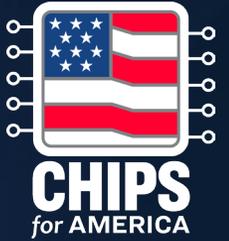
Solutions

Supporting the potential workforce with housing credits or affordable housing opportunities.

Providing transportation for workers, reducing costs, etc.

Offering childcare vouchers or assistance programs.

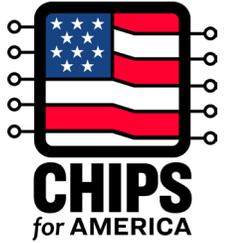
Creating training programs, funding scholarships, or investing in local K-12 schools.



Community Investment

Challenges & Opportunities

Workforce Training & Wraparound Services

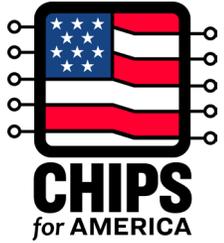


Opportunity/ Relevant Community Investment:

- A workforce development plan should include commitments to addressing community needs in the following ways:
 - Workforce Training
 - Wraparound Services (child care, transportation, Etc.)
- Where possible, the applicant should identify:
 - Existing, successful training programs that can be scaled and adapted to meet the applicant's needs
 - How it will use work-and-learn training models
 - Commitments to hiring individuals who complete training programs, and partnering with programs that train workers with needed skills
 - Services that support facility workers by reducing barriers



Local Workforce Education Systems



Opportunity/ Relevant Community Investment:

- Investments in local K-12 schools (Scholarship funding, STEM program development, etc.)
- Secure commitments from regional educational and training entities to provide workforce training as well as job placement of economically disadvantaged individuals
- Investments in community colleges with a focus on pathways to career technical opportunities
- Develop or partner with local programs or labor unions to expand employment opportunities for economically disadvantaged individuals in the region (e.g., local hiring)



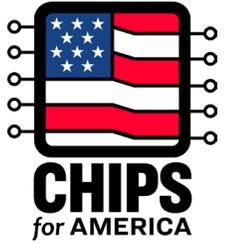
62.5%

labor force participation rate

2.1M

workers are missing from the labor force compared to Feb. 2020

Housing Affordability

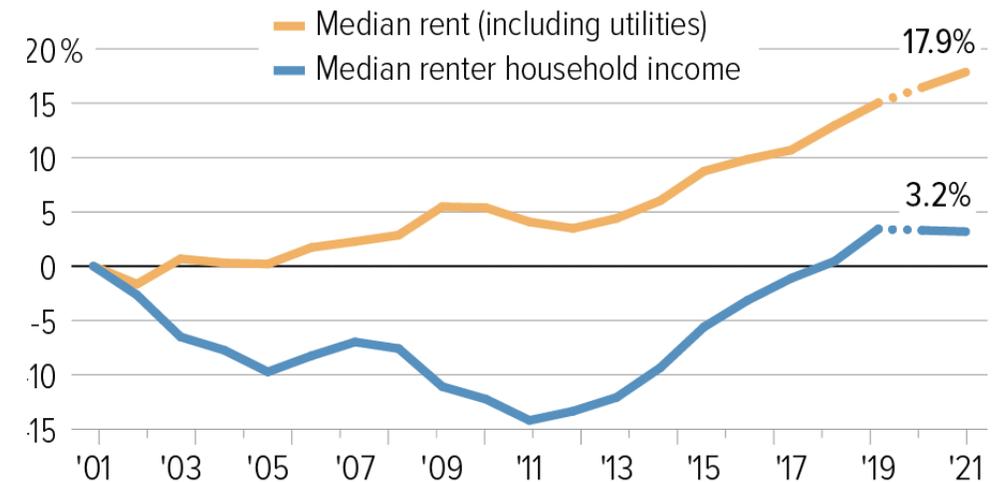


Opportunity/ Relevant Community Investment:

- Financing or building affordable housing units
- Providing housing vouchers
- Down payment grants or loans forgiven over a period of employment
- Homeownership counseling
- Partnering with local developers to secure affordable housing units for workers
- Planning for construction workers' temporary housing, including potentially through modular and manufactured housing and accessory dwelling units
- Design of construction workforce housing that is adaptive to long-term use

Housing Costs Climbed During Pandemic While Renters' Incomes Stagnated

Percent change since 2001, adjusted for inflation

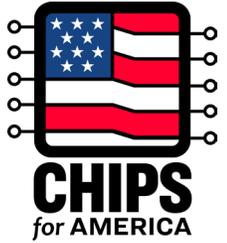


Note: Dashed line indicates missing 2020 1-year ACS data due to pandemic-related data collection issues.

Source: CBPP tabulations of the Census Bureau's American Community Survey

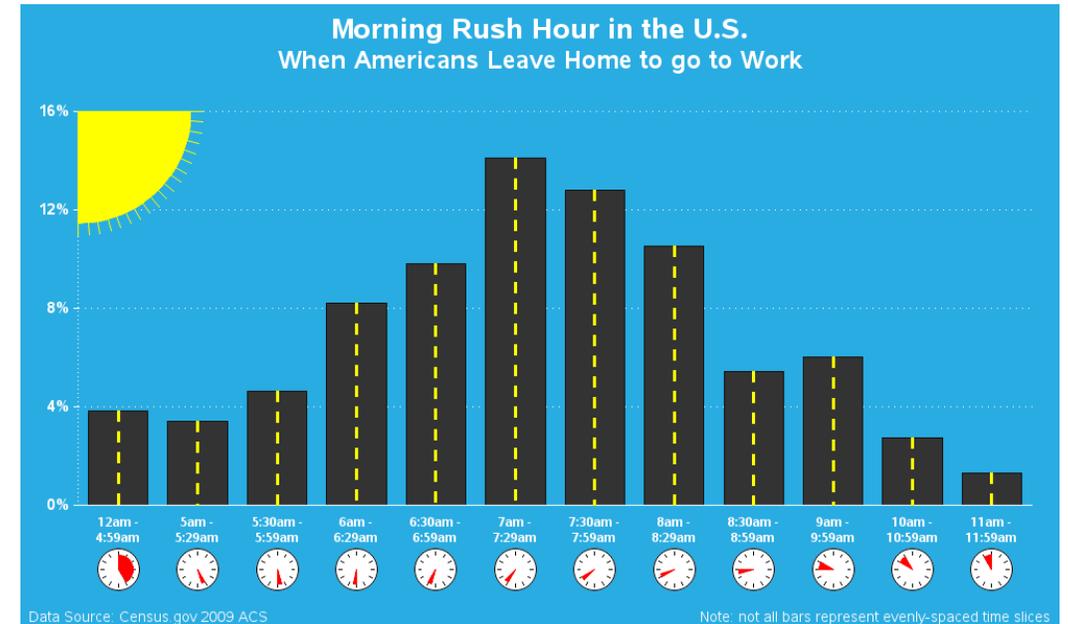
CENTER ON BUDGET AND POLICY PRIORITIES | CBPP.ORG

Transportation Support

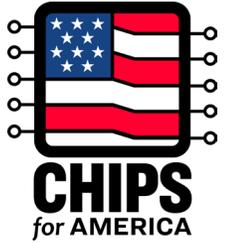


Opportunity/ Relevant Community Investment:

- Partner with local transportation authorities to provide company subsidized or supported:
 - Shuttles
 - Dedicated public transportation stops
 - Public transportation credits
 - New roadways



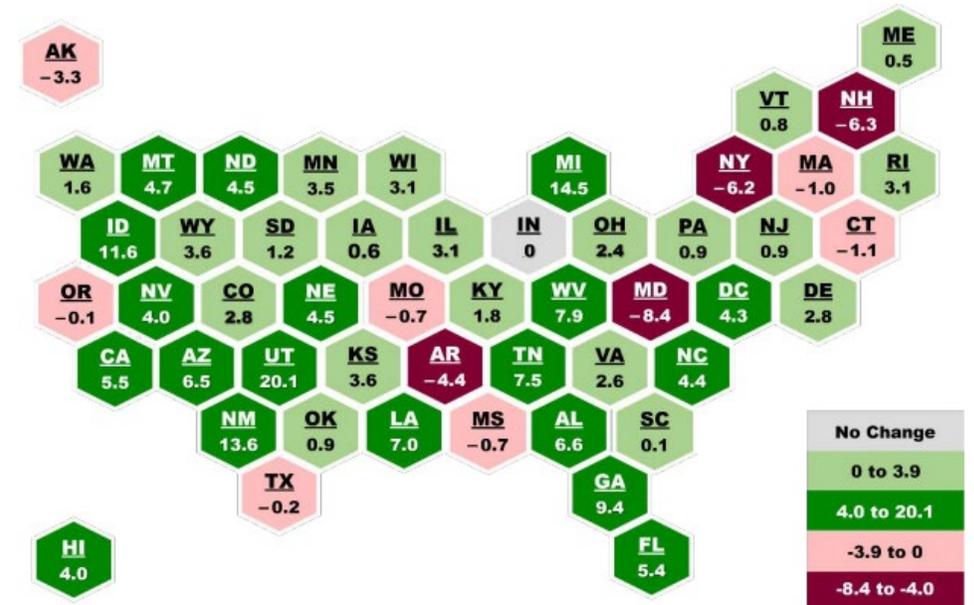
Child Care Solutions



Opportunity/ Relevant Community Investment:

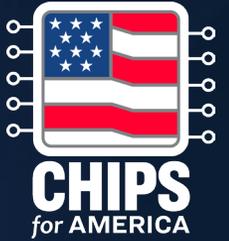
- **Accessibility:**
 - Seats are available and not subject to long waitlists
 - Care location is aligned to needs and preferences of workers (e.g., onsite, near-site, customized)
 - Care is provided during hours needed (e.g., traditional and non-traditional hours)
- **Reliability:**
 - Schedules are reliable so that care can be arranged in advance
 - Care solutions are considered for back-up and/or emergency coverage
 - Flexibility in granting alternative arrangements for care crisis situations
- **Affordability:**
 - Price of care is defrayed such that it is within reach for low- and medium-income households
- **High Quality:**
 - Multiple settings with varying licensing requirements are considered (centers, home-based care)
 - Providers and staff are well-compensated and appropriately trained and resourced
 - Settings are in line with quality safeguards (e.g., regulations, quality rating systems, etc.)

Figure 5. Percentage Change in Number of Child Care Programs from First Quarter of 2020 to Second Quarter of 2022



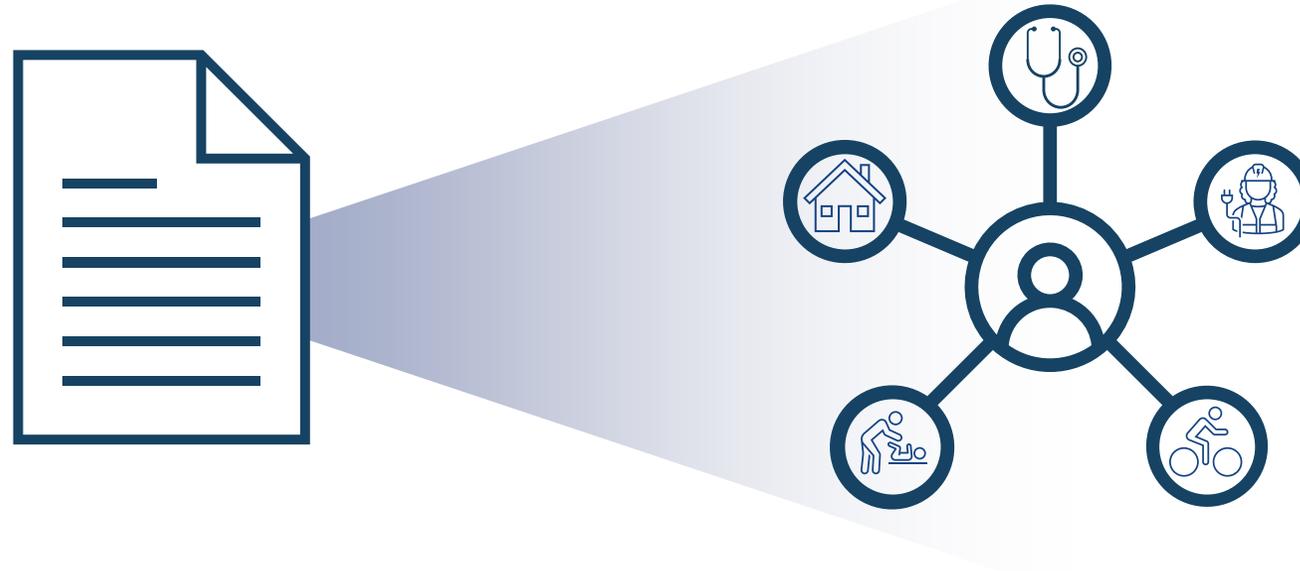
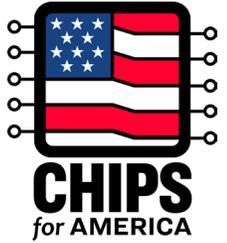
Source: U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages, <https://www.bls.gov/cew/downloadable-data-files.htm>

- CHIPS applicants applying for **over \$150 million** are required to provide a **child care plan for both facility and construction workers**
- CHIPS applicants that do not meet the \$150 million threshold **strongly encouraged to provide a child care plan**

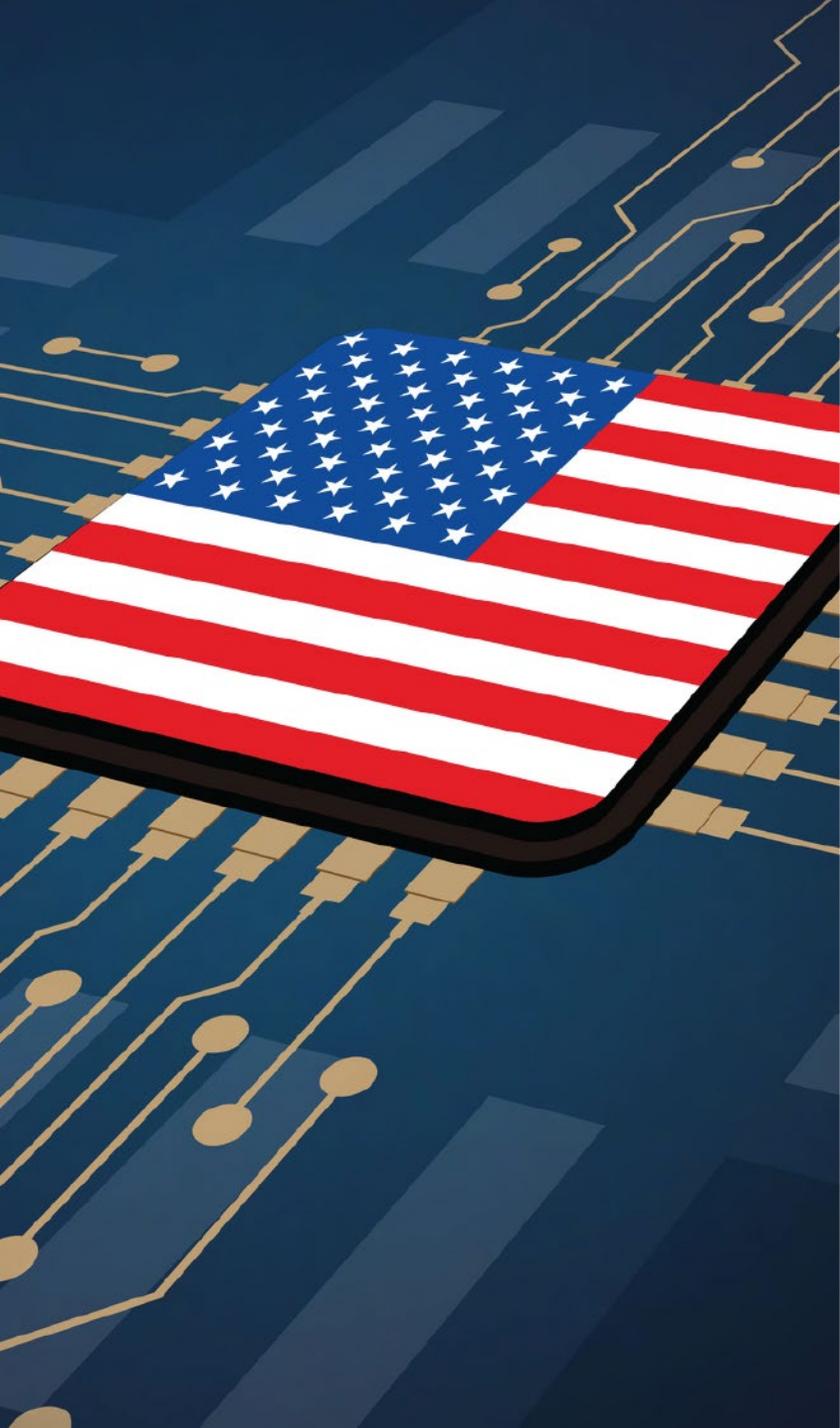


Building A Stronger CHIPS Application

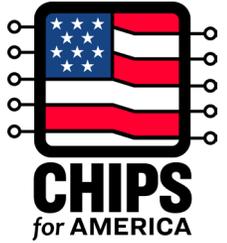
Considerations for Applicants



Is there a strong connection between the proposed community investment plan, CHIPS program goals & regional economic characteristics?



Community Investment Examples



New Flyer Community Benefit Agreements

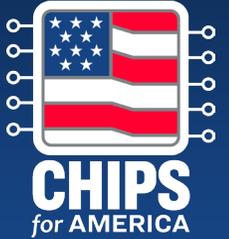


Cook Medical Workforce Housing Initiative



Adswerve Commuter Benefits

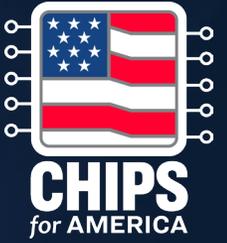
Community Benefits Agreements: Est. Long-term Commitments



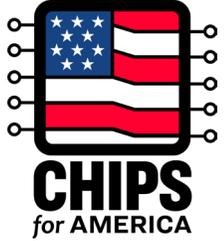
Community Benefit Agreements (CBAs) strengthen synergy between private industry and communities by:

- Formalizing commitments to hire directly from the community
- Memorializing workforce training guarantees
- Establishing legalized commitments to ensure measurable, local benefits





Questions



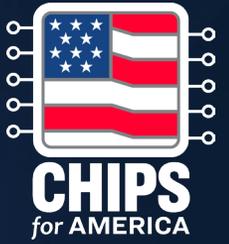
What are the most important details to include in applications for a strong community investment plan?

The most important details to include in community investment plans are those that highlight 1) The regional barriers to economic inclusion and 2) The ways in which proposed community investment plans directly address the identified barriers.

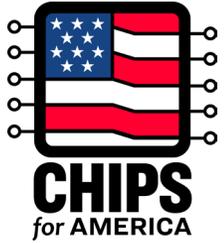


Are community benefit agreements required for CHIPS funding, or are there other project agreements that the Department encourages?

Community benefits agreements are just one option applicants can consider. The Department also encourages projects that include state and local incentive packages capable of creating spillover benefits that improve regional economic resilience and support a robust semiconductor ecosystem.



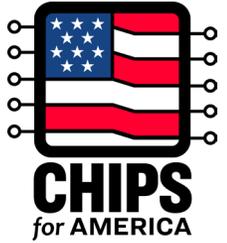
What's Next?



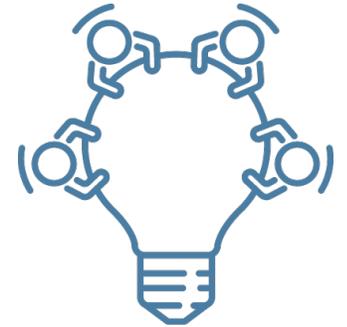
Next Steps

- Visit [CHIPS.gov](https://chips.gov) for resources, including:
 - Applicant guides and templates
 - FAQs and fact sheets
 - [Workforce guide](#)
 - [State & Local Government Intersection](#)
- Register for future webinars
- Join our mailing list
- Contact us
 - askchips@chips.gov – General inquiries
 - apply@chips.gov – Application-related inquiries

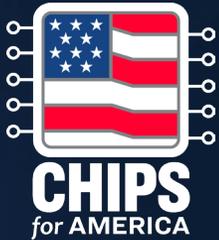
Collaboration Resource: Teaming Partner List



- **The teaming partner list will enable entities to share information, foster collaboration, and advance shared goals**
 - Entities that may not be eligible to apply can **share contact information and capabilities**
 - Potential applicants can access and **reach out to entities on the list to facilitate potential partnerships and collaboration**
 - This list does not directly connect entities to potential applicants, but is meant to enable **potential strategic partnerships**
- **Consider signing up for the teaming list if you:**
 - Are an entity that may not qualify as a covered entity for the CHIPS funding opportunities
 - Are an organization that provides relevant support services
 - This could include: educational and workforce training providers; labor unions; childcare providers; organizations that engage or support minority-owned, women-owned, and veteran-owned businesses; community-based organizations; and others



More details at: <https://www.nist.gov/chips/chips-america-teaming-partner-list>



Thank you!