

Community Investment Fact Sheet

This fact sheet is for informational purposes only and is intended solely to assist potential applicants in better understanding the CHIPS Incentives Program and the application requirements set forth in the CHIPS Act and notices of funding opportunity (NOFOs) for this program. This information does not and is not intended to supersede, modify, or otherwise alter applicable statutory or regulatory requirements, or the specific application requirements set forth in the relevant NOFO. In all cases, statutory and regulatory mandates, and the requirements set forth in the relevant NOFO, shall prevail over any inconsistencies contained in the content below.

Any reference to a non-federal organization or corporation does not convey endorsement or approval by the Department of Commerce of the entity or their programs or resources. All examples provided are for illustrative, non-exhaustive purposes only. Any application must satisfy the requirements set forth in the CHIPS Act and relevant NOFO regarding community investment to be eligible for funding. Inclusion or exclusion of an example is not dispositive of whether a specific community investment is satisfactory for the purposes of a particular application.

Community Investment Strategies: Overview

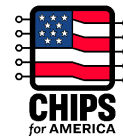
All applicants that seek funding under both the [“CHIPS Incentives Program – Commercial Fabrication Facilities” \(NOFO 1\)](#) and the [“CHIPS Incentives Program – Facilities for Semiconductor Materials and Manufacturing Equipment” \(NOFO 2\)](#) are required to submit a full application. The CHIPS Program Office (CPO) conducts a thorough evaluation of each application. As part of this process, CPO considers the quality and comprehensiveness of an applicant’s plans to develop local community investments that will drive regional equity and inclusion and broad-based growth.

Pursuant to the CHIPS Act, Both NOFOs require applicants to make 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. CPO will accordingly review an applicant’s community investment plan and look for the following:

- Evidence that the applicant identified regional barriers to economic inclusion vis-a-vis a state or local “Comprehensive Economic Development Strategy” (CEDS), community outreach and listening sessions, local business roundtables, or other convening/information gathering measures.
- A clear articulation that the Applicant’s proposed community investments will address one or more of the regional barriers to economic inclusion identified.

Community Investment Examples

In the following sections, applicants can find non-exhaustive examples of barriers to economic inclusion that might be identified during assessments of potential project locations. CPO has



also provided non-exhaustive examples of potential community investments an applicant might make to address a regional barrier to economic inclusion.

Workforce Training

Applicants that identify workforce training or educational pathways to technical professions as a barrier to economic inclusion may consider the following community investment strategies:

- **Funding economic inclusion grants for workforce training:**
 - Strategies like this can support reskilling and upskilling local community members to prepare them for a competitive work environment.
- **Investing in local STEM education programs:**
 - Strategies like this can help increase STEM-related programs at local K-12 schools or regional Multicultural Serving Institutions (MSIs) leading to more apprenticeships, career pathways, and scholarships.
- **Developing local partnerships with community colleges and labor unions:**
 - Strategies like this can help provide workforce training along with job placement, including for economically disadvantaged individuals.

Transportation

Applicants that identify transportation as a barrier to economic inclusion may consider providing transportation benefits for employees or taking steps to connect employee neighborhoods with worksites. Examples of community investment strategies that address transportation may include:

- **Establishing dedicated transportation stops:**
 - Strategies like this can help supplement established public transportation routes to alleviate wait times for the larger community and guarantee that employees have reliable transportation options to and from work.
- **Establishing company-funded shuttle services:**
 - Strategies like this can help ensure that workers who staff shifts at various hours have safe and reliable transportation options that get them to and from work while also increasing transportation opportunities.
- **Creating transportation grant programs:**
 - Strategies like this can encourage innovation and investments in local transportation infrastructure through public-private partnerships along with the expansion of transportation technologies that will enhance city safety and emergency evacuation responses.
- **Supporting existing or future government-led transportation projects:**
 - Strategies like this can help create new avenues for employees to travel to work, thereby helping decrease traffic and overall congestion in the region.



Healthcare

Applicants that identify healthcare access as a barrier to economic inclusion for the workforce or local community may consider community investment plans that create additional healthcare infrastructure near the job site or in the local community. Examples of community investment strategies that address healthcare access may include:

- **Funding or developing onsite clinics:**
 - Strategies like this can help decrease the distance employees have to travel in order to receive medical aid and improve overall supply of medical care.
- **Building on-site health and wellness centers:**
 - Strategies like this can help provide access to preventative care.

Capital Access and Community Grant Programs

Applicants that identify access to capital for small businesses and startups as a barrier to economic inclusion may consider partnering with or utilizing small businesses to expand local vendor contracting opportunities. An example of a community investment strategy to address access to capital may include:

- **Building grant programs to support local and community-based projects:**
 - Strategies like this help put more capital into the local economy and empower residents to enhance programs that are developed by the community for the community.

Affordable Housing

Applicants that identify housing access as a barrier to economic inclusion may consider community investments that directly support employee housing via new workforce housing developments or financial support or investments that support housing in the larger community. Other examples of community investment strategies that address housing can be found in the following CHIPS Fact Sheets:

- **New York**
- **Ohio**
- **Oregon**
- **Texas**

Community Benefit Agreements

To address regional barriers to economic inclusion, Applicants may leverage agreements with community benefit groups, sometimes called community benefit agreements (CBAs), stipulating the benefits that the Applicant agrees to fund or furnish, in exchange for community support of a project.

- **How to develop a Community Benefits Agreement:** As a legally binding document between community benefit groups and Applicants, a community benefit agreement can act as a strategic vehicle for community improvements. CBAs can be initiated by Applicants reaching out to local community benefit groups or by community benefit groups engaging Applicants.