



Interagency Task Force for the Economic Development of the Central San Joaquin Valley

2003 – 2004 Progress Report and Action Plan



June 2004

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U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

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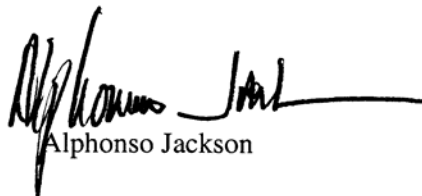
THE SECRETARY

I am pleased to present this 2003-2004 report on the actions and progress of the Interagency Task Force for the Economic Development of the San Joaquin Valley. During the past year, the Department of Housing and Urban Development has had the honor to lead the Task Force in its implementation of Executive Order 13173. The Task Force's mission is to coordinate and improve existing federal efforts, in concert with locally led actions, in order to increase the region's living standards and economic vitality.

The report highlights the results-based activities and focused attention of federal agencies in one of the most economically depressed regions of the nation. The Task Force has joined with others in the San Joaquin Valley to combat chronic unemployment and poverty, to build capacity of local businesses and institutions, and to dynamically connect its economy to other regions in the nation and the world.

The Task Force has accomplished a great deal over the past year and has developed a vision and strategy for moving forward. The San Joaquin Valley continues to face many challenges, and the mission of the Task Force remains vital. As this report demonstrates, the Task Force is committed to improving the quality of life and creating sustainable economic development in the Valley.

As Chair of the Task Force for the past year, I would like to thank all those who have worked to accomplish the goals of the executive order. Current efforts suggest even greater accomplishments in the coming year as the Task Force solidifies and cultivates this regional model of interagency cooperation and public/private partnership.



Alphonso Jackson

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EXECUTIVE SUMMARY

The San Joaquin Valley (the Valley) is a region with unique and serious social, economic, and environmental challenges that merit special attention by the federal government. In February 2002, President Bush implemented Executive Order 13173, which created the Federal Interagency Task Force for the Economic Development of the Central San Joaquin Valley as the primary vehicle for leading change. The Task Force comprises 19 federal agencies that seek to leverage each other's strengths and resources, as well as work in partnership with local and state governments, the private sector, universities, Congressional representatives, and other local organizations.

During the past year, the Task Force has made great progress toward achieving the goals of the executive order. The Task Force has chosen to focus on three priority economic development initiatives, which include measurable goals and outcomes. The Regional Jobs Initiative focuses on alleviating chronic double-digit unemployment through a comprehensive private-public effort aimed at creating new jobs in the Valley. The Clean Air/Clean Energy Initiative focuses on alleviating the region's poor air quality, a major obstacle to the region's economic development, by a series of innovative efforts to clean the environment in ways that create new jobs. The Financial Education Initiative seeks to create more opportunities for homeownership, small business development, and personal savings through increased banking relationships and access to financial services by Valley residents.

The Task Force has successfully created a framework in which to meet the goals of the executive order. To ensure continued and sustainable progress, the Task Force has developed the following consensus recommendations:

- Adopt the three Task Force initiatives as coordinating instruments for action in the Valley.
- Continue to involve local and state partners in the work of the Task Force.
- Work closely with the governor of California and the state agencies that relate to the three Task Force initiatives.
- Continue to work with the Congressional delegation to help make the Valley a legislative priority.
- Investigate use of special preference for Valley projects in federal competitions.
- Adapt rules and definitions to make federal programs more accessible to the Valley.
- Secure funding to support the executive order.
- Designate staff for key initiatives.
- Maintain continuity of leadership on the Task Force.
- Ensure that all federal agencies named in the executive order are active participants on the task force.
- Extend the executive order through 2008.

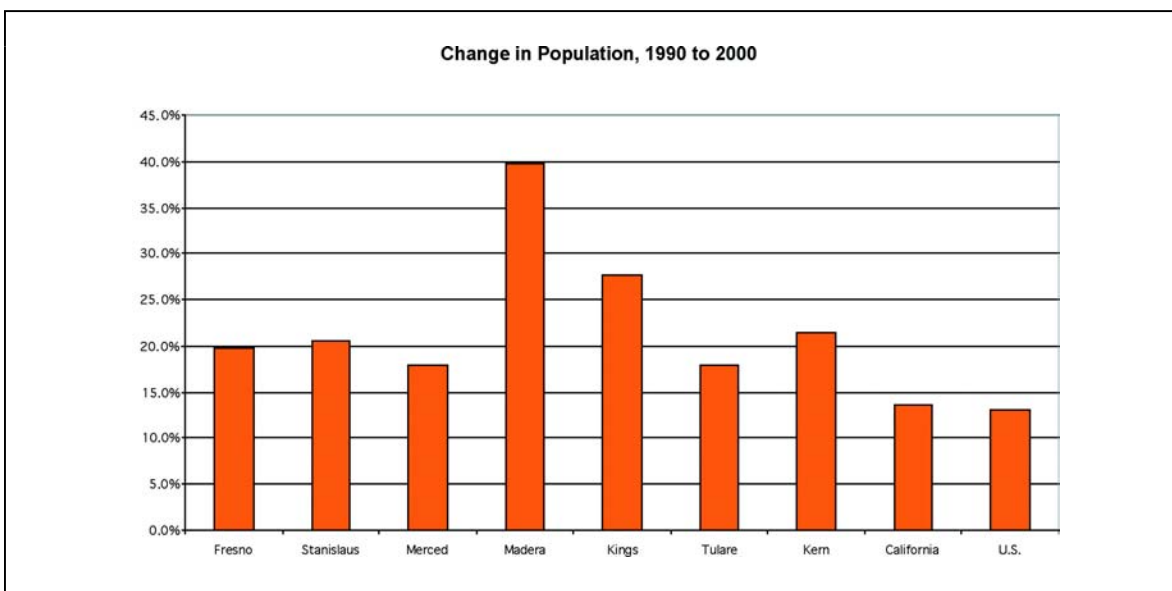
More than a record of Task Force and individual agency activities and goals, this report serves as a working document that demonstrates the commitment of the Federal Regional Council and the federal agencies that serve the seven counties of the San Joaquin Valley. The member agencies will continue to collaborate with one another and to work with other federal agencies, local and state governments, private industry, and community and faith-based organizations to improve the quality of life and expand economic development in the region.

I. THE CENTRAL SAN JOAQUIN VALLEY

The Central San Joaquin Valley (the Valley), one of the world’s largest and most productive agricultural regions, is located alongside one of the most dynamic, diverse, and high-cost urban centers in the United States.¹ The 250-mile corridor through the seven county region that links Modesto and Bakersfield is home to more than 23,000 farms and five of the ten most productive agricultural counties in the nation. Rapid population growth in California, immigration, the desire for larger homes on larger lots, relatively low transportation costs, and the dearth of affordable housing along the coastal region drive demand for the conversion of nearby cheap and abundant farmland to residential and commercial use. New bedroom communities for Silicon Valley, Bay Area, and Los Angeles employment centers are becoming increasingly common in the Valley.

Rapid population growth and demographic shifts pose unique and critical challenges for the communities of the Valley. California is projected to add nearly 11 million residents in the next 20 years, with the rate of growth in the Valley much higher than in the rest of California. From 1990 to 2000, the populations of each of the seven counties in the Valley grew by 18 percent or more, resulting in a total population of more than 2.7 million (see Figure 1). These trends portend significant future economic, environmental, and quality of life issues for California and its communities, particularly those in the Valley.

Figure 1



The Valley is home to many of the poorest communities in California. The region as a whole has experienced three decades of chronic double-digit unemployment with correspondingly high poverty rates. In 1999, at the height of the economic boom, the Valley’s unemployment rate hovered around 10 percent. In most of the counties, at least one in five people lives in poverty (see Figures 2 and 3).

¹ The region covered by the executive order includes Kern, Kings, Fresno, Madera, Merced, Stanislaus, and Tulare counties.

Figure 2

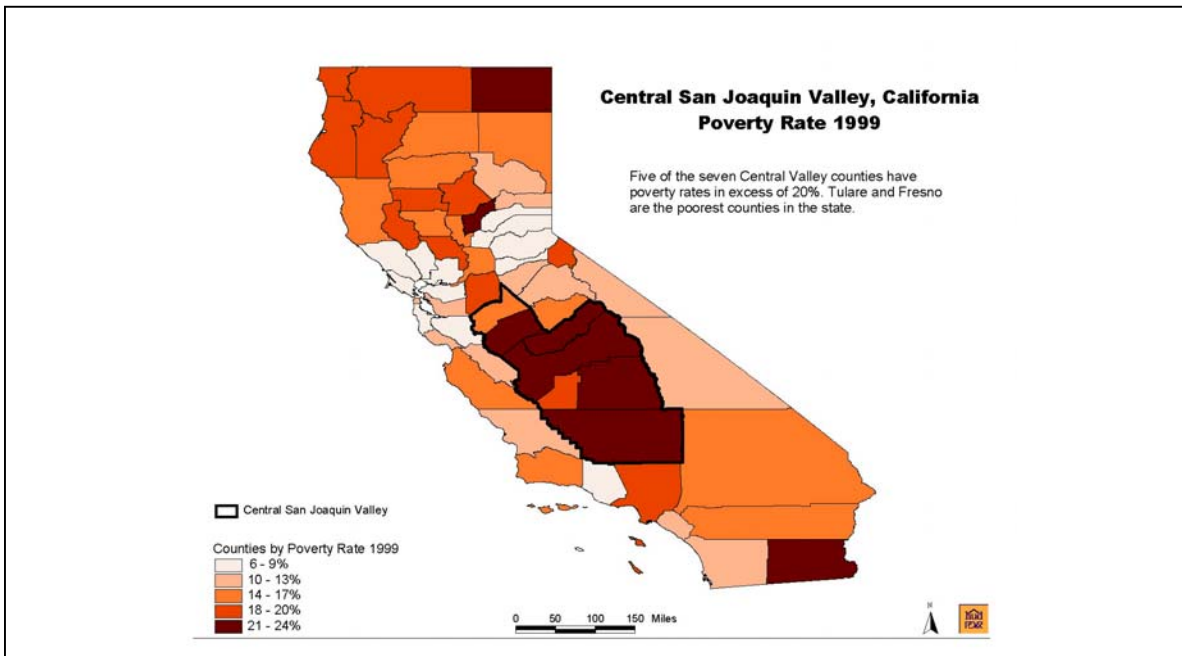
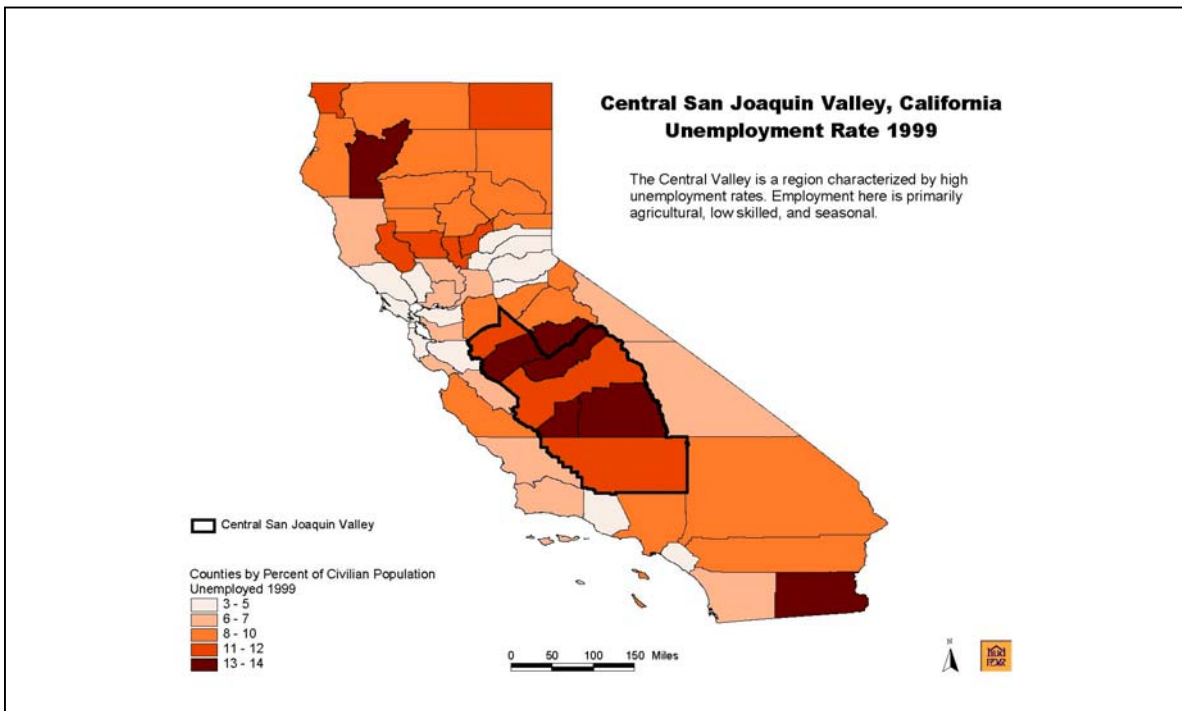


Figure 3



The high poverty rates in the Valley result from economic isolation, low per capita income (see Figure 4), and low educational attainment. For example, the percentage of people in the Valley who obtain bachelor's degrees is significantly lower than in California as a whole (see Figure 5).

Figure 4

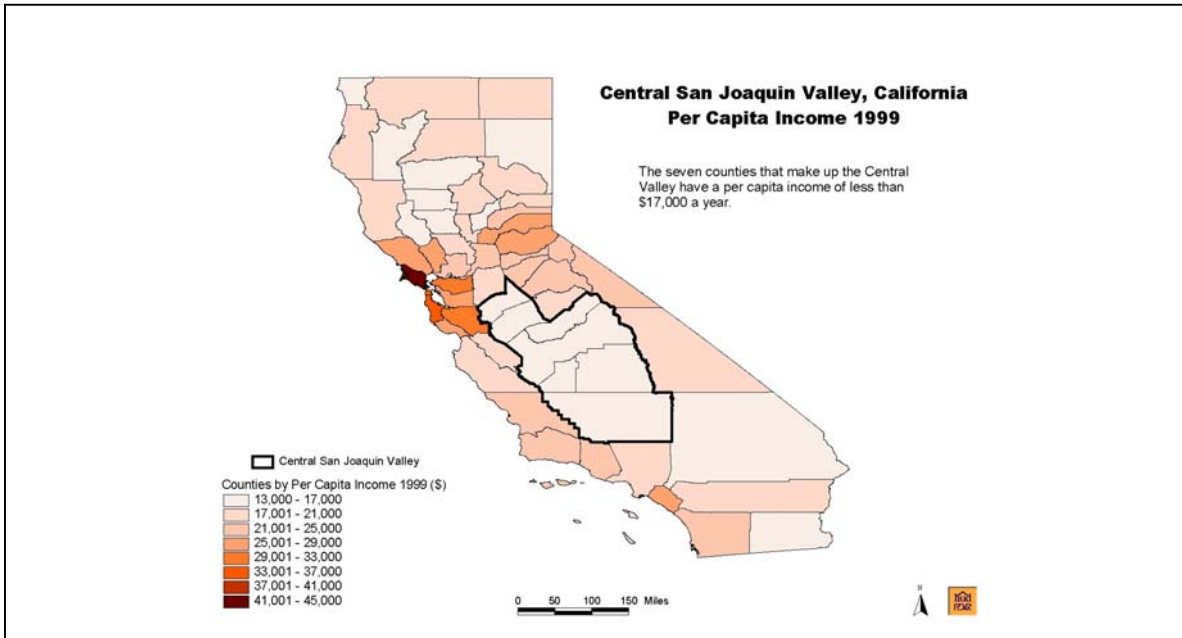
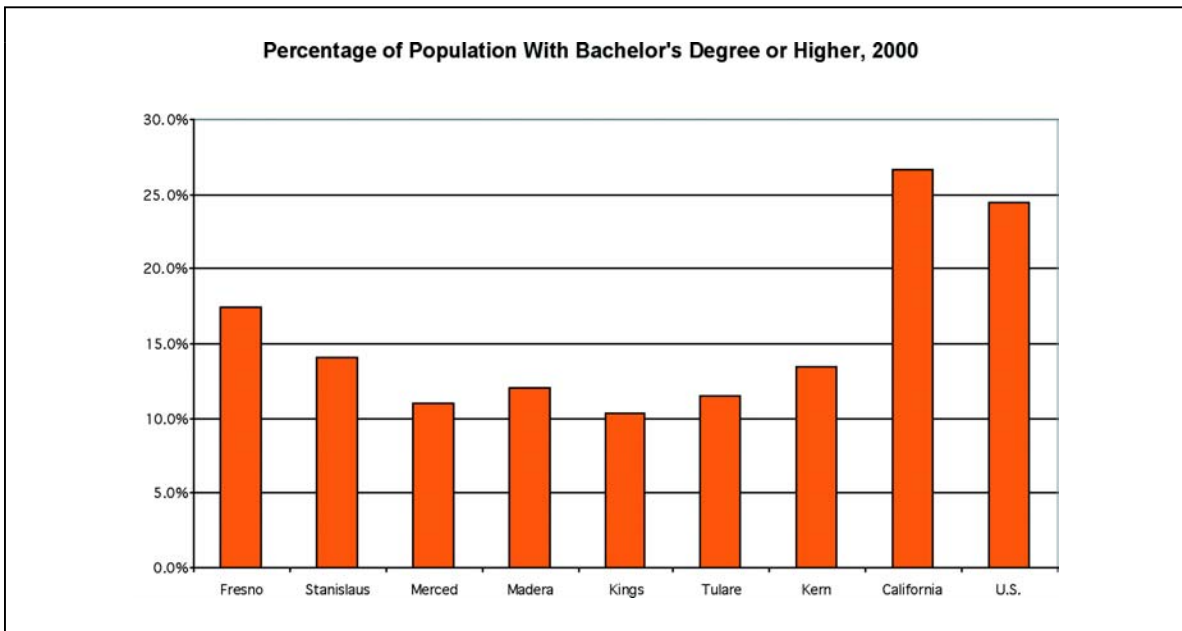


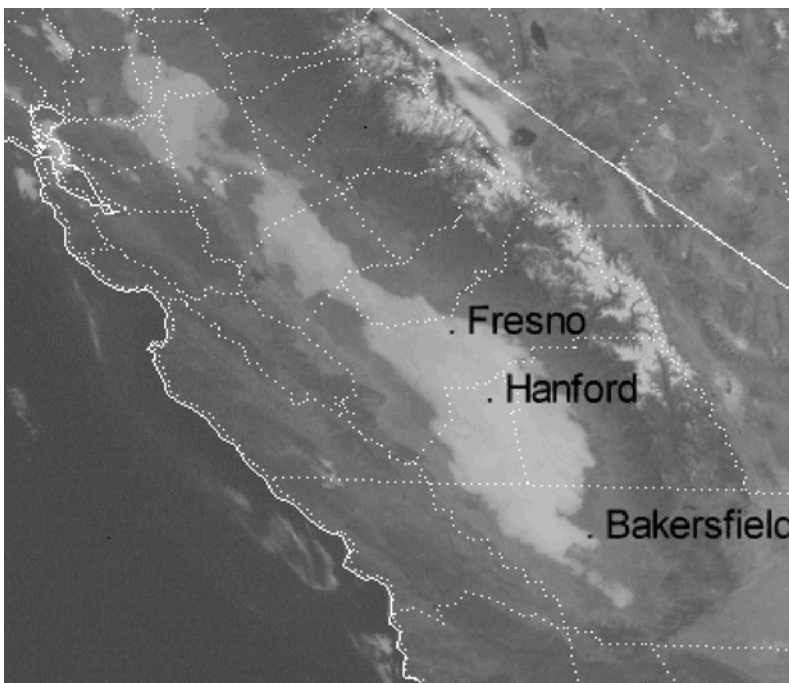
Figure 5



High levels of seasonal and intermittent employment, a high immigration rate, language barriers, and a lack of financial literacy among large segments of the population also contribute to the challenging economic situation in the Valley. According to the 2000 Census, foreign-born persons make up between 16.0 and 24.8 percent of all residents, compared with 11.1 percent in the United States as a whole. The percentage of people who speak a language other than English in their homes is greater than 30 percent in all seven Valley counties, compared with less than 18 percent in the United States as a whole.

Residents of the Valley also suffer from higher rates of disease, less access to healthcare, and fewer healthcare providers than other regions in California and the nation. One in six Valley residents does not possess health insurance.² The Valley's polluted air and water present another obstacle to public health and sustainable economic development. The unique topography and wind patterns exacerbate the situation by allowing pollution from the Bay Area to collect in the Valley. A large agricultural industry (especially the dairies) and the great quantity of diesel-burning trucks traversing the region contribute to the poor environmental situation (see Figure 6). The Environmental Protection Agency has downgraded the Valley's air quality status for ground-level ozone (smog) from severe to extreme—only the second region in the country with this designation.

Figure 6



Despite its many challenges, the Valley is also home to hard-working immigrants, new entrepreneurs, business and labor leaders working in collaboration with one another, learning institutions including the new University of California at Merced, cities and towns renewing themselves, community and faith-based organizations uniting to develop civic leadership, and nonprofit agencies strengthening themselves to be high performing organizations. In recent years, major foundations have turned their attention to the Valley. New public and private institutions are working to increase community and economic development of the Valley. There is a sense of readiness for change. Many see the future of the Valley as one that will balance urban growth with rural life, industrialization with preservation of resources, and economic growth with responsibility for those who have historically been left behind.

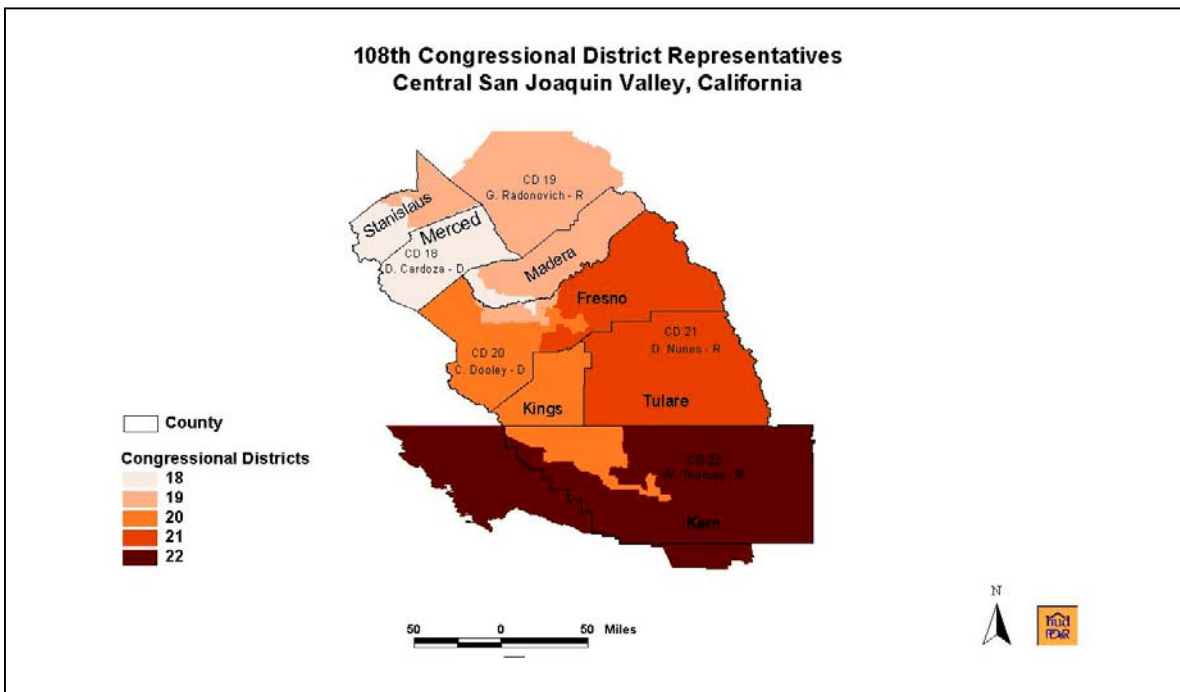
² "In Poor Health: Valley's Life and Health Prognosis Needs Urgent Care," *Fresno Bee*, February 6, 2004.

II. THE CENTRAL SAN JOAQUIN VALLEY INTERAGENCY TASK FORCE

The interrelationships of community and economic development, housing affordability, transportation, energy, finance, agricultural and rural development, water resources, financial education, and health policy require collaboration and data sharing across sectors and agencies. Within this context, President George W. Bush implemented Executive Order 13173 in February 2002, which calls for creating a Federal Interagency Task Force for the Economic Development of the Central San Joaquin Valley. The Task Force covers seven San Joaquin Valley counties—Fresno, Kern, Kings, Madera, Merced, Stanislaus, and Tulare. The purpose of the Task Force is to coordinate and improve existing federal efforts for the Valley, in concert with locally led efforts, to increase the standard of living and the overall economic performance of the Valley. The Task Force consists of the following federal agencies: the Departments of Agriculture (USDA), Commerce, Defense, Education, Energy (DOE), Health and Human Services (HHS), Housing and Urban Development (HUD), Interior, Justice, Labor (DOL), Transportation (DOT), Treasury, the Environmental Protection Agency (EPA), the General Services Administration, the Office of Management and Budget, the Office of National Drug Control Policy, and the Small Business Administration (SBA). The Federal Deposit Insurance Corporation (FDIC), the Social Security Administration (SSA), and the Federal Reserve Bank (FRB) of San Francisco also have participated actively in Task Force activities.

Although not members of the Task Force, the Congressional Delegation from the San Joaquin Valley also has been involved in Task Force activities and meetings. The Task Force area covers five Congressional Districts, including the 18th, 19th, 20th, 21st, and 22nd Districts of Congressmen Dennis Cardoza, George Radanovich, Cal Dooley, Devin Nunes, and Bill Thomas, respectively (see Figure 7).

Figure 7



Secretary of Agriculture Ann Veneman began implementing the executive order in February 2002 with the USDA taking the lead agency role. This role passed to HUD in 2003. The executive order calls for the leadership of the Task Force to rotate to the Department of Commerce in 2004.

The executive order mandates that the Task Force carry out the following actions:

- Analyze programs and policies of Task Force member agencies relating to the Valley to determine what changes, modifications, and innovations the Task Force should consider.
- Consider statistical and data analysis, research, and policy studies related to the Valley.
- Develop, recommend, and implement short-term and long-term options for promoting sustainable economic development.
- Consult and coordinate activities with state, tribal, and local governments, community leaders, members of Congress, the private sector, and other interested parties.
- Coordinate and collaborate on research and demonstration priorities of Task Force member agencies related to the Valley.
- Integrate federal initiatives and programs into the design of sustainable economic development actions for the Valley.³

Since the Task Force's inception, its members have worked together to achieve the aims of the executive order by:

- **Targeting Federal Programs.** As a result of Task Force activities, federal agencies have focused or targeted their programs to ensure maximum utilization and benefits for the Valley.
- **Holding "Listening Sessions".** The Task Force held a series of unprecedented "listening sessions" with government officials and citizens from the seven counties of the Valley to hear their concerns. These meetings provided an opportunity for counties to bring key concerns and issues to the attention of Task Force member agencies and resulted in several actions to address these issues.
- **Leveraging Resources.** Through the work of the Task Force, additional resources were leveraged for new businesses, community centers, workforce development, industrial parks, and other infrastructure development activities that local citizens and officials identified as essential to their economic development.
- **Building Community Partnerships.** The Task Force members developed new partnerships with business, labor, local government, financial institutions, credit and homeowner counseling agencies, large minority employers, environmental

³ Executive Order 13173 [65 FR 64579, October 27, 2000]

advocacy groups, nonprofit energy efficiency groups, utility companies, faith-based organizations, neighborhood associations, and grassroots leaders in rural and urban communities.

- **Developing New Regional Initiatives.** Member agencies are collaborating on three regional initiatives, which will be discussed later in the report: a Regional Jobs Initiative, a Clean Air/Clean Energy Initiative, and a Financial Education Initiative.
- **Creating Goals.** Task Force members worked over the past year to determine future directions, set specific actions and goals, and begin the process of achieving these objectives.

III. Key Task Force Initiatives

In order to coordinate federal efforts in the Valley, the Task Force established three priority initiatives during the past year: a Regional Jobs Initiative, a Clean Air/Clean Energy Initiative, and a Financial Education Initiative. These three initiatives address some of the most pressing issues in the Valley: high unemployment, extremely poor air quality, and financial illiteracy of many Valley residents. The executive order also calls for initial efforts to be focused on “pilot communities.” The Task Force plans to fulfill this aspect of the executive order by focusing specifically on the rural western region of the Valley.

A. Regional Jobs Initiative

Declining Employment in the Valley. Over the past few decades, the San Joaquin Valley has experienced chronic double-digit unemployment. Even during the 1990s, when most regions in the nation were enjoying low unemployment, the Valley continued to struggle with high unemployment. As a result, the communities in the Valley received bipartisan support for new empowerment zones, new renewal communities, and the New Markets Initiative to stimulate new investment. In 2000, the Great Valley Center, a nonprofit organization located in Stanislaus County, published a study, *The Economic Future of the San Joaquin Valley*, which identified opportunities to develop technology-based industry in the Valley. The Fresno Business Council, a private sector advocacy group, used this report to prompt the organization of a collaborative regional initiative.

The Fresno Business Council and California State University at Fresno launched the Fresno Area Collaborative Regional Initiative (CRI) in September 2001 in response to the region’s chronically poor economic conditions. The CRI provided an organizational structure for Fresno area “civic entrepreneurs” to promote economic vitality and improve the quality of life in their respective communities. The Fresno CRI provided the impetus for the cities of Fresno and Clovis, Fresno County, the Fresno Business Council, the Fresno Economic Development Center, California State University at Fresno, the State Center Community College District, and the Workforce Investment Board to begin developing the Regional Jobs Initiative.

The Initiative. The Regional Jobs Initiative is a comprehensive private-public effort aimed at creating 30,000 net new jobs in the Fresno Metropolitan Area (which includes Fresno and Madera counties) over the next 5 years. The Initiative will meet this goal by improving the competitiveness and performance of the region’s most vibrant, export-oriented industry clusters. The Regional Jobs Initiative will initially focus on the following clusters:

- Healthcare Services
- Information Processing
- Advanced Logistics and Distribution
- Agile Manufacturing
- Tourism
- Water Technology Manufacturing
- Food Processing
- Renewable and Alternative Energy

The Regional Jobs Initiative represents the primary vehicle for the federal agencies to collaborate with business and industry leadership, local governments, community and faith-based organizations, and local grassroots leadership in a regional, comprehensive strategy for economic progress in the Valley. Task Force members sit on the leadership and implementation committees of the Regional Jobs Initiative.

Many federal agencies attended the 2003 Regional Jobs Summit in Fresno, an event that launched the Regional Jobs Initiative, and have members who actively participate on leadership committees. HUD, the Economic Development Administration (EDA), DOL, HHS, and DOT are contributing resources and taking specific actions to achieve the goals of the Regional Jobs Initiative.

Although the Regional Jobs Initiative is initially focused on the Fresno Metropolitan Area, the Task Force plans to extend the initiative to the rest of the Valley as well. The industry cluster analysis and strategies set forth in this report are appropriate for the entire Valley, and progress in one county is likely to positively benefit other counties in the region.

Key Actions and Accomplishments. HUD represents the Task Force on the Regional Jobs Initiative leadership and implementation committees. In conjunction with USDA, HUD works to include the rural communities in the Regional Jobs Initiative strategy through involving the I-5 Business Development Corridor, Inc., an organization that represents rural interests. HUD also has entered into an agreement with the Relational Culture Institute, a faith-based grassroots leadership recruiting and training organization, to ensure the involvement of local grassroots leadership through neighborhood associations and faith-based organizations. HUD works with public and private funding agencies to support the organizational infrastructure for this effort.

Related to Regional Jobs Initiative goals, EDA invested almost \$2 million in the nonprofit Central Valley Business Incubator in Fresno County to support the creation of entrepreneurs in emerging industry clusters; more than \$2 million in the city of Lemoore for a new industrial park; and \$150,000 in the city of Dinuba to develop a curriculum for a new vocational academy. EDA also invested \$110,000 in the State Center Community College District to help businesses expand their export markets.

In addition, EDA provided advice to the county of Fresno on a Fiscal Year (FY) 2004 proposal for the construction of a vocational training facility in the western part of the county; guidance to the Great Valley Center, a nonprofit organization in Stanislaus County, on a FY 2004 proposal to develop a business plan for an agricultural research institute at the new University of California, Merced; and guidance to Stanislaus County on selecting a FY 2004 investment from its economic development strategy. EDA also provided advice to interested parties in Kern, Kings, and Tulare counties on investments that would support the Regional Jobs Initiative, such as the Mojave Airport in Kern County, which will create 900 jobs.

DOL continues to provide technical assistance to the Regional Jobs Initiative planning team. DOL staff met with members of the Regional Jobs Initiative and the Stanislaus Business Council to discuss mutual goals and to learn more about each other's visions, with the goal of integrating initiatives and eliminating duplication of efforts. DOT's

Federal Transit Administration (FTA) will participate in subsequent Regional Jobs Initiative working group planning activities for infrastructure and transportation.

Looking Ahead. The Regional Jobs Initiative Implementation Plan, which the Task Force helped develop, lays out a flexible and dynamic blueprint for achieving the following objectives:

- Increase the competitiveness of Valley industries.
- Close the business-workforce “skills gap.”
- Improve the customer service culture of local government.
- Ready the region’s physical and technology infrastructure for the incubation and attraction of next-generation, innovation-driven businesses.

The following projects are just some of the potential projects throughout the Valley that could help meet these objectives:

- **The Central California Excellence in Workforce Development Project: Meeting Business Needs.** This project aims to align public and private workforce development resources with the needs of industries targeted by the Regional Jobs Initiative. The project strives to meet current and future business workforce requirements through a comprehensive audit of the Regional Jobs Initiative clusters’ occupational needs, assessment of current training programs relative to industries’ needs, and development of new training resources to close the business-workforce “skills gap.”
- **The Valley Training and Education Consortium for Healthcare (VTECH): Increasing Health Professionals.** The Task Force is involved in planning activities for VTECH, a center of excellence for healthcare services and workforce preparation, dedicated to advancing the health and economic vitality of Central California and increasing the number of health professionals in the Valley.
- **The Central California Broadband Initiative: Accessing Communication Services.** Significant opportunities exist to distinguish the Valley through a unique public-private initiative to improve availability and access to next-generation communication services. The Regional Jobs Initiative is seeking resources to complete the next critical steps, which involve completing a full business plan, soliciting and negotiating contracts for service from private-sector providers, and capitalizing and launching the program.
- **The Regional Jobs Initiative Industry Web Portal: Facilitating Business-to-Business Communication.** The Regional Jobs Initiative Industry Web Portal seeks to strengthen the targeted industry clusters by facilitating business-to-business communication within the region, connecting industry members with opportunities to expand their markets, and reducing their costs within Central California.
- **The Central California Regional E-Gov Initiative: Improving Customer Service.** The Central California Regional E-Government Initiative will use the

power of the Internet together with a Regional Institutional Network to make a wide range of local government services and information instantly and easily available to all businesses and residents in Fresno County.

- **The Fresno Region Economic Identity Program: Improving External Communication.** The Fresno Region Economic Identity Program supports job creation in industry clusters by developing and distributing educational materials to targeted audiences.
- **Expansion of the Center for Advanced Research and Technology Program: Meeting Industry Demand.** The Center for Advanced Research and Technology (CART), a joint venture between the Fresno and Clovis Unified Schools Districts, is a national model for project-driven, technology-oriented training at the high school level. In order to meet the needs of a trained work force required by the targeted clusters, CART's career focus model must be implemented at additional schools throughout the region.
- **Water Technology Exposition Center: Supporting Water Technology.** The Water Technology cluster is organizing a Water Technology Exposition Center and Education Facility. The cluster membership includes more than 550 companies, agencies, and individuals. The vision covers a range of issues such as manufacturing, job training, start-up support, financing, research and development, testing and certification, education, and export marketing. This project encompasses a series of activities networked to provide a seamless mechanism for the successful development and delivery of water technology.

B. Clean Air/Clean Energy Initiative

Environmental Quality in the Valley. A major obstacle to the San Joaquin Valley's economic development is the poor quality of the Valley's air. Although the Valley's air has generally improved over the last several decades, it has not improved as quickly as required by Federal law. Recently, EPA has downgraded the Valley's air quality status for ground level ozone (smog) from severe to extreme. The Valley is only the second region in the country with this designation.

Over the last few years, various groups have highlighted the severity of the pollution issue. The California Endowment has funded studies detailing the diminishing health of residents in the Valley, due in great part to environmental causes. In 2001, the Great Valley Center published an environmental indicators report on the air quality of the Valley and in 2002, *The Fresno Bee* published a series of articles entitled *Last Gasp* on the air quality in the region. On April 23, 2003, Fresno Mayor Alan Autry, with other mayors in the Valley and the County Board of Supervisors, convened a Clean Air Summit in which the Task Force participated. The Regional Administrator of EPA, Wayne Nastri, gave the keynote address and promised assistance on the part of the Task Force. EPA also supported the conference by funding "scholarships" for 30 nonprofit groups that could not otherwise afford to attend.

The Initiative. In order to better coordinate and leverage federal efforts to address the issue of air quality in the Valley, the Task Force chose to work collaboratively on the

Clean Air/Clean Energy Initiative. DOE and EPA lead the Initiative with assistance from DOT, USDA and HUD. These agencies are working together to promote energy efficiency and renewable energy projects that provide air quality benefits. The group will seek to match implementation partners with state and federal funding and technical assistance. Implementation partners could include nonprofit organizations, trade associations, universities and colleges, and local governments. To the extent possible, the group will seek opportunities for job growth by working with the Regional Jobs Initiative.

During the past year, EPA and USDA demonstrated a successful example of leveraging federal resources to address the Valley's air quality problems. EPA used a \$2.7 million (FY 2003) grant from USDA's Environmental Quality Incentives Program to replace approximately 250 diesel-powered engines in the San Joaquin Valley. EPA worked with USDA to make this funding available to help reduce agriculture's negative impact on air quality in the Valley. USDA plans to commit a total of \$12 million (including FY 2003) available over the next several years, reducing up to 1,000 tons per year of nitrous oxide from the Valley's air.

Key Actions and Accomplishments

- **Improving Air Quality Through Efficiency.** DOE has explored several opportunities to increase energy efficiency in the Valley through Rebuild America, a voluntary program providing tools and assistance to communities seeking to accomplish energy-related objectives. Through technical assistance and small seed funding to support energy efficiency projects, DOE sought to leverage more partnerships, as well as much larger amounts of state and local funding. DOE worked through the Central Valley Community Development Corporation Network to identify communities interested in pursuing energy-related objectives, initially focusing on the STANCO and North Fork Community Development Council community development corporations.

Rebuild America held a number of technical seminars in concert with the local utility, Pacific Gas and Electric Company. Sessions took place in Bakersfield, Fresno, Stockton, and Salinas.

- **Developing More Efficient Transportation Systems.** FTA has been an active member of the Clean Air Initiative. During 2003, FTA discussed with local metropolitan planning organizations the importance of transitioning public fleets to clean air fuels. FTA has proposed creating a "Regional Transportation Authority" for planning, designing, and building an integrated, seamless transportation network in the Central Valley.
- **Developing a Strategy to Address Dairy Waste.** During 2003, USDA (through its Natural Resources Conservation Service), DOE, and EPA worked together to develop a strategy for dealing with the enormous quantity of dairy waste in the Valley. More than 1.5 million head of cattle reside in the Valley, creating an enormous burden in terms of land, air, and water emissions, as cow manure enters rivers and lakes and decomposing manure emits air pollutants. The partners looked at ways to more efficiently manage and treat dairy manure that also would create jobs and provide a source of renewable energy. Released in September 2003, the strategy suggests possible solutions to the manure problem, provides a

consistent and uniform message from the federal agencies, and documents funding opportunities at both the state and federal levels.

Looking Ahead. Key strategies of the Clean Air Initiative include:

- **Developing an Energy Infrastructure.** The Task Force proposes to create a Clean Energy Cluster to nurture the rapid growth of energy efficient and renewable energy firms in the Valley and, if supported by a feasibility study, establish a regional energy office. Regional energy offices are joint undertakings by California local governments and others to develop and implement comprehensive energy strategies that encourage conservation and development of new energy resources and minimize energy price impacts.
- **Incorporating Clean Energy into City Projects.** Serve as a facilitator linking city agencies and developers with energy experts to explore how energy efficiency and renewable technologies might be incorporated into the design of priority city projects. Establish pools of funds to cover the incremental costs of the clean energy measures. Create relationships with local high schools and universities to support this effort. Work with local contractors to provide job training and support as appropriate.
- **Linking Student Energy Education and Workforce Development with Community Outreach and Energy Retrofit Improvements.** Develop a project-based energy education program for schools in the Valley. The elementary and middle school program will focus on classroom learning supplemented by student participation in energy projects around their schools. The high school program will supplement classroom learning with community energy outreach projects, including providing help to small businesses and seniors to identify energy savings opportunities in their facilities. This work also could include development of a Future Energy Professionals of America (FEPA) network in Valley schools that will develop and encourage student interest in pursuing careers in clean energy.
- **Strengthening and Growing the Clean Energy Industry in the Valley.** Working with the Regional Jobs Initiative, a number of activities can develop clean energy jobs in the Valley. The preferred approach is to develop these jobs by understanding the needs of existing clean energy businesses and providing them with tools to grow and expand. To achieve this, the Task Force could hold a forum to identify challenges limiting the growth of the industry and viable solutions for dealing with these challenges; explore the feasibility and, if appropriate, develop a trade association to represent and champion the interests of the clean energy industry in the Valley; provide focused training to broaden and deepen contractor expertise; and develop a means to inform and involve local clean energy industry representatives in projects in the Valley.
- **Developing a Zero Energy Home Initiative.** Facilitate collaborative efforts among city and county building and planning officials, community development corporations, and building industry professionals that result in voluntary actions and commitments to meet the future housing needs of the Valley in the most

- efficient manner possible. It is estimated that the Valley will require over 500,000 new homes by 2020. The goal of this initiative would be to encourage the industry to construct “zero energy homes” over the next few decades. By embracing this goal, the Valley’s home growth should dovetail with national efforts to make homes as efficient as possible.
- **Developing a Regional Energy/Environmental Technology Training Center.** Create a partnership among local community colleges and state colleges in the Valley to create a training curriculum, course work, professional certification, and degrees.
 - **Promoting Diesel Irrigation Pumping Efficiency.** Create a pilot program for efficient and clean-burning diesel pumps. The Center for Water Technology at California State University, Fresno currently runs an electric irrigation pumping efficiency program. Pumps that are efficient reduce irrigation time, providing a clean air benefit from the reduced hours of pump operation.
 - **Promoting Cool Colored Roofing Materials.** The Lawrence Berkeley and Oak Ridge National Laboratories are collaborating on the “Development of Cool Colored Roofing Materials” project sponsored by the California Energy Commission. The San Joaquin Valley is being considered as a location for the project’s field-testing site. Cool-colored roofs, which stay cool in the sun, reduce building air conditioning use by approximately 10 percent. This reduction translates into energy savings and fewer air emissions from power plants.
 - **Developing and Implementing a Regional Transportation Plan.** Develop a regional plan for transportation that encourages commerce while promoting and encouraging clean transportation technologies and strategies. The plan will set transportation goals and develop a strategy for achieving those goals.
 - **Addressing the Transportation/Land Use Connection to Reduce Vehicle Miles Traveled.** The Task Force will begin an outreach and education campaign to inform city and county leaders about innovative approaches to balanced growth. The training and implementation assistance will focus on updating general plans, developing specific plans, and revising zoning codes, standards, and permitting processes to facilitate such techniques as mixed use, infill housing and commercial development. Telecommuting, locating jobs closer to where people live, increasing transportation access, and other related strategies also are being addressed.
 - **Developing a San Joaquin Valley Dairy Waste Initiative.** Conduct a detailed manure waste feasibility study for the Valley. The federal agencies have developed a strategy that outlines potential manure control technologies that can be used in the Valley, a general description of the region in terms of population centers, wastewater treatment facilities, utility companies, and dairies, and potential state and federal programs that could provide both technical and financial assistance.

C. Financial Education Initiative

Financial Literacy in the Valley. Chronic unemployment, poor air quality, high poverty rates, low educational attainment, and relatively low homeownership rates, coupled with increased immigration and high minority and foreign-born populations, have led to the economic isolation of many Valley residents.

Financial literacy is especially important for achieving homeownership—the stepping-stone to wealth accumulation and financial security for millions of Americans. However, many Valley residents are financially illiterate or distrustful of traditional financial institutions. Without a banking relationship, the dream of homeownership is unattainable.

The Task Force decided to implement the Financial Education Initiative to help address the issue of economic isolation in the Valley. The federal agencies involved in the effort see improved financial education and increased banking relationships as beneficial for both banks and communities.

The Initiative. The Financial Education Initiative is an effort led by the Federal Reserve Bank of San Francisco, the FDIC, and the Department of Treasury's Office of the Comptroller of the Currency (OCC), and assisted by HUD, the Department of Justice, the Internal Revenue Service (IRS), the SBA, and the Administration for Children and Families (ACF) in HHS. These agencies work through banks, community associations, and community and faith-based organizations to help people become banked, receive returns from the IRS, achieve good credit, and become homeowners. The Financial Education Initiative seeks to increase access to financial services and increase the savings rate in the Valley through financial education. The goals of the Initiative include increasing homeownership and small business development, retaining money in the communities of the Valley, and helping people, particularly minorities, establish banking relationships and begin saving.

Key Actions and Accomplishments

- **Financial Education Planning Conference.** To kick off the effort, the Task Force organized a Financial Education Planning Conference at California State University, Fresno on May 6, 2003. More than 100 people from financial institutions, local government, and community and faith-based organizations attended.
- **Financial Education Clearinghouse.** The Initiative created a clearinghouse of information and resources on financial education in the Valley. The participating agencies created a questionnaire for distribution to organizations working to increase financial literacy. Results of the questionnaire, which solicited information about resource needs and availability, are being compiled into a web-based and hard copy guide, and will be added to the clearinghouse.
- **Employee Assistance Program.** Staff from agencies participating in the Financial Education Initiative worked with the employee assistance programs (EAPs) of major employers in the region—including Ruiz Foods, Foster Farms, and Community Medical Centers to implement workplace financial literacy programs.

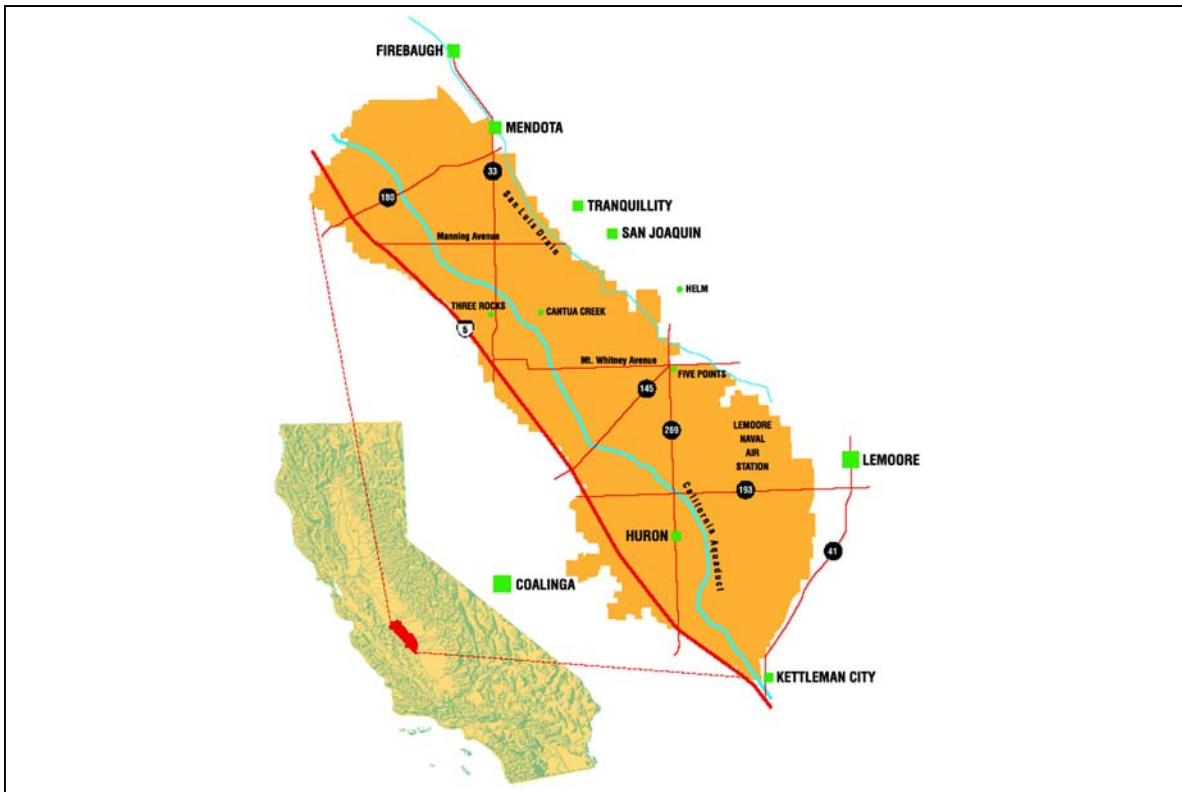
- **Money Smart Class.** FDIC planned, financed, and conducted a Money Smart train-the-trainer class in January 2004, and some of these trainees have begun training their own constituencies. IRS and SSA continue to work with FDIC to build their information into the training and to focus on volunteer tax preparation assistance.
- **Spanish Language Financial Literacy.** The Task Force focused on Spanish language financial literacy by holding a one-day conference to provide Spanish language financial literacy material to organizations serving Spanish-speaking populations. The conference drew more than 100 attendees from banks, community-based organizations, local jurisdictions, federal agencies, and local businesses. A workshop given in December 2003 for bankers on reaching immigrant markets enhanced this effort.
- **Financial Education Steering Committee.** Members of the Task Force organized a steering committee of key stakeholders that included community and faith-based organizations, lenders, and employers to pursue a strategy for financial education, specifically in Latino and Southeast Asian communities. A primary goal of the steering committee is to promote collaboration, strategic coordination, and the sharing of resources among organizations offering financial education in the Valley. The steering committee has asked the Rural Community Assistance Corporation to provide staff assistance to both the committee and to the community and faith-based organizations in Latino and Southeast Asian communities. This assistance will enable them to continue providing financial education and increasing the financial literacy and homeownership preparation of the residents of the Valley.
- **Tax Credits.** A tax specialist from the IRS gave a presentation on the Earned Income Tax Credit, the Child Tax Credit, and free tax preparation services to the Financial Education Initiative steering committee. Information about these credits also was distributed to the community.

Looking Ahead. The Task Force members are currently working to establish an implementation plan and set of projects to achieve the goals of the Financial Education Initiative.

D. Rural Western Region Pilot Project

The executive order mandates that the Task Force focus “initial efforts on pilot communities for implementing a coordinated and expedited federal response to local economic development and other needs.” The western region of the Valley, especially those communities affected by the Westlands Water District land retirement, was selected as the pilot geographic area to receive special focus from federal programs and Task Force initiatives. This area cuts across political jurisdictions and includes the western part of Fresno, Kings and Merced counties (see Figure 8). As the area with the highest unemployment and poverty rates in the region, the western region will receive focused attention from all three Task Force initiatives.

Figure 8. Westlands Water District (Source: Westlands Water District Annual Report 2000/2001)



Land retirement in the Central Western Regional Water District forced the creation of the western region rural pilot project. A recent federal settlement with the Westlands Water District called for the fallowing of up to 200,000 acres in Fresno and Kings Counties. The federal government was not able to drain the land as promised, creating high salinity and unproductive land. In response, landowners and the Water District brought separate suits. The federal government settled the landowners' suits by agreeing to purchase 40,000 acres. The Water District has retired an additional 40,000 acres and is negotiating to retire further land.

Land retirement presents a major blow to the economy of the area, and as a result, a cluster of cities has begun working with the counties to ameliorate the more negative effects. Current partners include the I-5 Business Corridor Development Corporation, Inc., community school districts, county governments, social service and community action agencies, and grassroots communities through faith-based organizations, parent groups, and community associations. The Relational Culture Institute also employs Spanish-speaking community organizers to recruit and train grassroots leadership in the communities of the western region of the Valley.

The Task Force, with USDA leading the effort, sees the federal role in the western region as coordinating efforts for creating new businesses, extending the Highway 180 transportation corridor, and implementing tax incentives for new businesses, housing projects, and infrastructure development in the area. The Task Force will actively pursue all three initiatives in the pilot area.

IV. Progress and Investments

A. Highlights of Task Force Progress

As discussed above, the Task Force has made great strides toward achieving the goals of the executive order. Members of the Task Force maintain regular contact with one another by attending ongoing Task Force meetings and participating in the three major Task Force initiatives documented in this report. USDA, EDA, DOE, HHS, HUD, DOL, DOT, the Department of Treasury (through the IRS and the OCC), as well as the EPA, the SBA, the SSA, and the FDIC have all been active participants in meetings and Task Force activities.

The Task Force successfully developed a working model to guide and facilitate its ongoing initiatives and activities. This model of federal/local collaboration was instituted early in 2003 and has been met with highly favorable feedback from local governments. During the course of the past year, members of the Task Force met collectively with top officials and leaders of each of the counties, as well as congressional representatives. Prior to each meeting, the Task Force requested the county officials to write down their most pressing issues and areas in which the federal government could play a role. The sessions were very focused, dealing with short-term problems that could be resolved quickly through immediate attention by one or more of the task force members and long-term issues that required more coordination among federal, state, and local agencies.

The Task Force believes that this model can be used beyond the Valley to help solve regional issues and problems in other parts of the country. Having local governments present critical issues to knowledgeable representatives from multiple federal agencies provides a holistic and collaborative approach to problem solving, helps break down many of the institutional barriers that separate federal and local agencies, and helps ensure that all participants remain grounded in real issues affecting real people and communities. This model has created positive bipartisan and productive engagement from all parties with measurable outcomes, as well as more intangible goodwill and cross-agency contacts for future issues that may arise.

B. Agency Investments in the Valley

Most of the federal agencies forming the Task Force have been active participants in fulfilling the goals of the executive order. While many of the federal agencies have continued to invest resources in programs and initiatives in the Valley, these funds and resources have not always been a direct result of the executive order. In cases where monetary investment has not necessarily increased because of the executive order, many agencies have used the executive order to help target their efforts in the Valley and coordinate with other agencies.

Department of Commerce. EDA, which represents the Department of Commerce on the Task Force, has increased activities in the Valley because of the executive order. In FY 2003, EDA increased its grant assistance for the seven counties to \$4.2 million, compared with \$3.4 million in FY 2002. EDA cannot isolate monetary assistance driven only by the executive order because EDA's investment policies already give priority to proposals that enhance regional competitiveness by attracting private capital investment

and higher skill, higher wage job opportunities. All of EDA's investments in the Valley have been consistent with the agency's priorities and the executive order.

EDA's nonmonetary assistance, in the form of technical assistance, advice to communities, and collaborative efforts with local and federal partners, also has increased over the past year. These activities, almost three-fourths of which can be attributed to the executive order, included participating in several special events: the launching of the Fresno Regional Jobs Initiative in Fresno County; a workshop of county and federal agency staff on the economic development strategic plan for Stanislaus County; and a workshop on strategies to recover from the retirement of hundreds of acres of agricultural land in western Fresno County.

Department of Labor. DOL has provided a dedicated staff member to participate in the Task Force meetings and conferences and provides leadership in the Regional Jobs Initiative. In its ordinary investment cycle, DOL allocated more than \$13 million to the seven-county region through its Workforce Investment Act formula funding.

Department of Housing and Urban Development. In response to the executive order, HUD designated a staff member from its Fresno office to coordinate Task Force initiatives and activities during 2003. HUD has provided staff assistance to all three Task Force initiatives. Although only a small percentage of total HUD spending in the Valley can be attributed directly to the executive order, local HUD activities related to the Task Force brought in about \$2 million in Rural Housing and Economic Development grants and leveraged about \$1 million in private funds for community and economic development. The region is the site of one new empowerment zone and two rural renewal communities, which are administered by HUD. Many local requests for funding from HUD now note in their applications that an executive order is in place, which targets the Valley for special attention because of its high unemployment and poverty rates.

Through existing programs, HUD spent about \$2 billion in the Valley in FY 2003, including approximately \$37.5 million on Community Development Block Grants, \$14.5 million on HOME, \$900,000 on Emergency Shelter Grants, \$10 million on Continuum of Care homeless assistance, and \$140,000 on Housing Counseling. HUD administered more than 5,000 public housing units, almost 6,000 project-based units, more than 1,000 elderly/disabled housing units (most with project-based subsidies), and 150 multifamily housing projects in the seven-county region. HUD also distributed more than 26,000 Housing Choice Vouchers during FY 2003.

Department of Energy. The executive order has helped DOE focus on energy and environmental issues in the Valley. In response to the executive order, DOE has provided approximately \$30,000 worth of Rebuild America technical assistance to support energy efficiency activities by housing and community development organizations in FY 2003. DOE has used the executive order to increase its involvement in other projects and programs as well. For example, the Federal Energy Management Program provides technical resources and financing tools to support energy efficiency and renewable energy investments in federal facilities. This program enables DOE to support Energy Savings Performance Contracts (ESPCs). The Department of Veterans Affairs medical center in Fresno developed a delivery order using an ESPC. The project

will save approximately 13,345 MMBTUs per year, save the VA \$457,000 per year on utility costs, and reduce emissions through decreased reliance on generating plants.

The Clean Cities Program provided technical assistance and funding to local coalitions to develop fleets using alternative fuels. The San Joaquin Clean Cities Coalition maintains three chapters in the Valley. In 2003 the coalition received a support grant from DOE for \$25,000, and another \$34,000 to offset the cost of acquiring alternative fuel vehicles for area fleets.

Although other DOE work cannot be directly attributed to the executive order, DOE has contributed significantly to the Valley. The Weatherization Assistance Program, for example, funds energy retrofits for low-income residences. DOE spent more than \$800,000 to weatherize more than 500 units in the Valley and \$100,000 on research to improve energy efficiency and reduce emissions in the glass industry during the last grant period, which extended from April 1, 2003, to March 31, 2004.

Environmental Protection Agency. In response to factors such as air quality problems, rapid population growth, environmental justice concerns, and the executive order, EPA has designated the San Joaquin Valley as a regional priority and geographic focus area. Although some of the activities undertaken by EPA in the past year might have occurred without the executive order, none would have gone forward without the underlying concerns that led to the executive order. As a result, EPA considers all of its nonregulatory work in the Valley to be in response to the executive order.

In FY 2003, EPA's Pacific Southwest Region awarded \$2.2 million dollars in grants to the San Joaquin Valley Air Pollution Control District to run its regulatory program. While EPA provides funds for other environmental programs affecting the Valley, these grants flowed to state agencies, which may directly implement environmental programs in the Valley or pass funds to local regulatory agencies.

Over the past year, EPA has worked on many nonregulatory projects to improve air quality, many of which are part of the Task Force's Clean Air Initiative. EPA estimates spending more than \$300,000 for this work, which represents a substantial increase from FY 2002 spending. EPA worked on the following projects in the Valley:

- EPA awarded \$286,700 to the Clovis Unified School District in Clovis, California, as part of EPA's Clean School Bus USA program. Clean School Bus USA aims to reduce both children's exposure to diesel exhaust and the amount of air pollution created by diesel school buses. The district will use EPA funds to retrofit more than 50 buses.
- EPA, in partnership with the San Joaquin Valley Air Pollution Control District and the two major West Coast railroad companies, will use \$75,000 to retrofit several switching locomotives that operate exclusively in the San Joaquin Valley. The project should reduce annual nitrous oxide emissions from each locomotive by an estimated 1.53 tons per year and reduce fuel consumption by 38 gallons a day for each vehicle.

- The Indoor Air Quality Tools for Schools (IAQ TFS) program helps schools maintain a healthy environment in their buildings by identifying, correcting, and preventing indoor air quality problems. EPA provided a \$60,000 grant to the University of Tulsa to help the Fresno Teachers Association and the Fresno Unified School District implement the IAQ TFS program. EPA also provided support to the Visalia Unified School District and awarded the Clovis Unified School District a TFS Excellence Award.
- EPA, in collaboration with the Development, Community, and Environment Division in EPA Headquarters, the Great Valley Center (a local private nonprofit organization), and the Institute for Alternative Futures, will explore future landscape planning alternatives for the city of Fresno and their impacts on air quality. EPA will provide approximately \$30,000 for this effort.
- EPA is requesting proposals for diesel mitigation projects, including comprehensive plans to develop and implement mitigation strategies, in areas where diesel emissions adversely affect sensitive populations or environmental justice communities. Because the most effective diesel controls not only reduce hazardous diesel soot emissions, but also contribute to reductions in the precursors of ozone and particulate matter, EPA will give priority to areas that have both high diesel emissions and serious ozone and particulate matter concentrations, such as the San Joaquin Valley. EPA will seek to award one or two air quality/diesel mitigation grants in the Valley for a total of \$75,000.
- The Community Air Toxics request for proposals will focus on implementing reduction activities that have been identified through a collaborative process and that address emissions from stationary, mobile, or indoor sources. Proposals in which most of the federal dollars go toward implementing mitigation activities identified in the plan will be given priority. EPA will give priority to areas such as the San Joaquin Valley and will seek to award one or two Community Air Toxics grants in the Valley for a total of \$75,000.
- EPA's budget, in both FY 2003 and FY 2004, includes \$1.5 million earmarked for the International Center for Water Technology, a new joint venture between a group of Valley manufacturers and California State University, Fresno.

Department of Transportation. FTA is the Department of Transportation's representative on the Task Force. In FY 2003, approximately 20 percent of the funds awarded to counties in the Valley had some basis in the historical planning efforts begun because of the executive order, and approximately 80 percent of the nonmonetary contribution provided by FTA in the Valley would not have happened without the executive order.

During FY 2003, FTA awarded approximately \$5.6 million dollars to the counties in the Valley. In addition to providing monetary resources, FTA participated in planning review meetings in each county; conducted a planning process certification review in Stanislaus County; advised a Fresno grantee on the procedures required to extend, preserve, and redefine a \$500,000 federal earmark for a hospital intermodal facility in danger of lapsing; and preserved another earmark in danger of lapsing by assisting and

meeting with grantees to negotiate around bureaucratic obstacles. FTA also actively monitored and helped resolve a civil rights issue affecting transit in Kern County, participated in the Great Valley Center annual meeting, and contributed to monthly meetings of the Task Force.

Federal Deposit Insurance Corporation. FDIC, while not a funding agency, has been an active participant in the Task Force through its Community Affairs Program (CAP). CAP staff contributes to the monthly Federal Regional Council meetings and plays a lead role in the Task Force's Financial Education Initiative. FDIC estimates that approximately 60 percent of the resources it has provided in the Valley can be directly attributed to the executive order.

In its capacity as the Financial Education Initiative lead, in conjunction with the Federal Reserve Bank of San Francisco, CAP staff helped plan the "Financial Education Tools for the Hispanic Community" conference at California State University in Fresno. FDIC presented its 10-module financial education curriculum, Money Smart. The FDIC also introduced Money Smart to 40 participants (comprised of representatives from community-based organizations, nonprofits, financial institutions and government agencies) at a full-day train-the-trainer session in Fresno.

Small Business Administration. Staff from the SBA Fresno District Office participated in meetings, planning sessions, and conferences of the Task Force, especially those relating to the Financial Education and Regional Jobs initiatives. SBA worked with FDIC as key planners and participants in the "Financial Education Tools for the Hispanic Community" conference. SBA leveraged the executive order to qualify lenders to offer CommunityExpress loans in all parts of the seven counties in the region, not only in low- and moderate-income areas. In FY 2003, SBA approved 84 of these special loans for a total of \$7.9 million to businesses in the area covered by the executive order.

During FY 2003, the Fresno District Office guaranteed loans totaling \$169.1 million to 702 small businesses in the seven-county region. Although SBA cannot quantify the percentage of resources provided during 2003 directly in response to the executive order, SBA actively markets and provides outreach to the San Joaquin Valley.

Social Security Administration. SSA invested in the San Joaquin Valley over the past year; none of its investment, however, came as a result of the executive order. SSA provided \$345 million in Social Security and Supplemental Security Income benefits each month for the counties in the Valley.

In addition, SSA provided outreach in the form of speakers at events, who discussed financial planning and the benefits offered by SSA, as well as the eligibility factors and the methods available for filing for those benefits. SSA engages in a cooperative arrangement with the county social services departments, providing on-the-job experience for persons receiving welfare benefits and in need of job training.

Internal Revenue Service. Since July 2001, public and private organizations have joined the IRS in community-based coalitions to provide taxpayer assistance to low-income families. Working in partnership with community organizations provides greater access to

taxpayers, and higher potential for expanded resources. IRS uses a three-pronged approach to coalition-building:

- Earned Income Tax Credit (EITC) and Child Tax Credit (CTC) Awareness Education—inform eligible families about refundable tax credits.
- Volunteer Income Tax Assistance (VITA)—assist low-income taxpayers with free preparation and filing of their tax returns.
- Asset-Building—link tax assistance to asset-building programs, enabling families to use EITC/CTC and VITA as gateways to financial literacy training; individual development accounts; and affordable, accessible financial services in their communities.

Department of Agriculture. USDA has designated two staff persons to work with the Task Force. Although not directly related to the executive order, the USDA Food and Nutrition Services (FNS) funded Special Nutrition Programs, the Food Stamp Program, and the Special Supplemental Nutrition Program during FY 2003. FNS staff also participated in targeted efforts to increase summer meal service and Food Stamp Program participation in Fresno County, including meetings, conference calls, and site visits. FNS anticipates some increase in total program benefits in Fresno County as a result of the additional FNS presence in the Valley in 2003.

Department of Health and Human Services. HHS has provided leadership to the Task Force through its support of the Federal Regional Council. Although the executive order does not directly drive any of its spending, the HHS Region IX Administration for Children and Families (ACF) awarded Head Start and Early Head Start program funds to nine grantees in the Valley. Total funding for the nine grantees was an estimated \$102 million in FY 2002 and \$110 million in FY 2003. ACF Region IX awarded \$495,000 in Runaway and Homeless Youth Program funds to three Valley grantees. HHS also funded two Valley grantees with a total of \$166,879 for Individual Development Accounts (Assets for Independence Demonstration Program).

Although the HHS Centers for Medicare and Medicaid Services have not contributed any financial resources as a result of the executive order, they have been involved in outreach efforts in the Valley. These efforts included participating in a Health Maintenance Organization Forum in Modesto, promoting hospice care among Latinos through a partnership with Radio Bilingüe, creating public service announcements, and attending a Medicare training seminar.

The Health Resources Services Administration (HRSA) provides funding for the network of rural community health clinics throughout the Valley. HRSA staff worked with HUD in promoting health and housing in rural immigrant communities. In FY 2002, the Community Health Center Program awarded more than \$41 million to the clinics in the Valley. HHS will continue to work to promote healthcare access, an Administration priority.

V. Future Directions

Over the past year, the Task Force has worked to clarify its role and develop long-term goals for the region and specific objectives for the three initiatives: Regional Jobs, Clean Air/Clean Energy, and Financial Education. Participating agencies also set their own goals in relation to their involvement in the Task Force. The articulation of a comprehensive future direction for Task Force activities is a major accomplishment for the Task Force.

A. Long-Term Goals

The Task Force established the following long-term goals for the San Joaquin Valley:

- Increase public and private investment.
- Increase personal wealth, decrease poverty, increase employment and wages.
- Increase financial and linguistic literacy.
- Increase the capacity of public agencies, nonprofit organizations, and businesses to apply for funds and to implement programs and projects.
- Increase citizenship and civic participation.
- Improve infrastructure and increase affordable housing.
- Improve air and water quality; increase energy efficiency; and preserve land for viable agriculture and open space.

In the medium-term, the Task Force plans to support the development of regional Geographic Information System (GIS) capability to facilitate data sharing, communication, and visualization throughout the policy development process. This GIS platform also will support coordinated planning on a regional basis for local and regional decision-making.

Remote sensing and aerial photography can be integrated into a GIS for agricultural, environmental, water resource, transportation and land use planning. This resource will provide tools and data for the public and private sectors to study and share the broader impacts of residential, commercial, and industrial developments on a regional scale. Currently, planning in the Valley is usually done at the local level, or at most at the county level. Given rapid population growth, conversion of highly productive and rich farmland to housing, air quality problems, and divergent water resource needs of agriculture, industry, and residents, planners must evaluate tradeoffs across many factors, including housing, agriculture, industry, electricity, water, air quality, transportation, and wildlife. Building and maintaining a regional GIS platform will enable better land use decisions on a regional scale, help builders save money and time on environmental reviews, improve the ability to visualize proposed projects, enhance public participation, and help make elected leaders more knowledgeable and accountable.

The Task Force will support the development of a regional GIS capacity in cooperation with university, government, and private partners as a means to support cross-agency research and policy development. The Task Force will also investigate using the Geospatial One-Stop Initiative in the President's Management Agenda as a vehicle to demonstrate the benefits of cross-agency and one-stop access to information on programs, grants, and activities in the region.

B. Specific Initiative Objectives

Regional Jobs Initiative. The 10-year goal of the Regional Jobs Initiative is to lower the unemployment rate of the Central Valley to the average of the state of California. The 5-year goal is to create 25,000 to 30,000 net new jobs at an average salary of \$29,500. The additional jobs would add more than \$885 million annually to the region. In 2004-05, the initiative plans to launch the following projects: the Central California Excellence in Workforce Development Project; the Valley Training and Education Consortium for Healthcare; the Central California Broadband Initiative; a Regional Jobs Initiative industry web portal; the Central California Regional E-Gov Initiative; external communication through the Fresno Region Economic Identity Program; the Fresno County Tourism Promotion Initiative; an expansion of the CART program to meet industry demand; and organizational infrastructure. In future years, the Task Force plans to expand the initiative beyond Fresno to other counties in the Valley.

Clean Air/Clean Energy Initiative. The 10-year goal of the Clean Air Initiative is to achieve energy efficiency exceeding all other regions of the state and to measurably improve air quality. The 5-year goal is to increase energy efficiency by 20 percent. In 2004-05, the Task Force plans to continue ongoing clean energy investments described earlier in this report. However, the major focus in this period will be to develop and find support for projects designed to improve air quality and the local economy through increased investment in energy efficiency and renewable energy. These projects include creating a clean energy cluster and helping to develop energy infrastructure; developing a dairy waste bioenergy initiative; developing and implementing a regional transportation plan; improving the efficiency of city facilities, schools, housing, and businesses; educating students about energy; and strengthening the clean energy industry.

Financial Education Initiative. The 10-year goal of the Financial Education Initiative is to have 95 percent of residents using federally insured financial institutions and accumulating assets. The 5-year goal is to educate 5,000 people and help them use mainstream financial institutions to make plans for building credit and achieving homeownership. In 2004-05, the initiative aims for 15 to 20 community and faith-based organizations to provide education and counseling to a total of 1,000 residents who are currently unbanked.

C. Individual Agency Goals and Indicators for Success

Participating Task Force agencies have also identified their own goals and indicators in relation to the initiatives and the executive order.

Department of Commerce. EDA has put in place a performance evaluation system called the Balanced Scorecard. This system identifies specific categories of performance and their measurement targets. Because EDA does not believe that actions and grant investments in the Valley should be held to different standards from those applicable to actions taken elsewhere, they will be tracked within the Balanced Scorecard system. While EDA's Balanced Scorecard focuses on several strategic priorities, the main elements of investment success for EDA are attracting private capital investment to the region and creating higher skill, higher wage jobs.

Department of Labor. DOL will continue to participate in the Regional Jobs Initiative by providing technical assistance as needed and requested. DOL staff, along with other members of the Task Force, will meet with leaders from Fresno County to provide technical advice and determine what kind of financial assistance DOL can provide to the business community. Staff will identify ways to improve the coordination of resources and to determine how those resources might be used to target the business development needs of the west side of Fresno County.

As a follow-up to one of the local meetings held in the Valley during FY 2003, DOL's Employment and Training Administration Region 6 staff was invited to participate in a dialogue with the city of Newman, in Stanislaus County. The staff was asked to provide technical assistance in developing a strategic plan to obtain funding for a One-Stop Career Center affiliate in Newman. These meetings will continue as Newman staff develops its vision and works on its strategic plan.

Region 6 will continue to participate with local workforce investment boards and state and local elected officials to expand outreach activities and provide technical assistance to improve efficiency of local One-Stop Career Centers. One of the basic measures will be the number of jobs created as a result of better leveraging of resources and increased visibility of outreach activities. Region 6 will also continue to work with the Fresno Regional Jobs Initiative and will increase outreach to include the other six counties of the Valley.

Department of Housing and Urban Development. The Fresno HUD Office intends to continue coordinating the Task Force through 2004 and providing staff support to the initiatives.

HUD plans to pursue and attain goals relating to minority homeownership and affordable housing through the Financial Education Initiative. For the term of the Task Force, HUD will pursue the following goals:

- Every area of the region will be served by community and faith-based organizations that will provide training in financial education and homeownership.
- At least 20 large employers will provide financial education and homeownership counseling to their employees.
- 2,000 units of housing will be financed to enable entry-level wage earners to enter the single-family housing market.

- Low-income rural communities and urban neighborhoods will be organized through their faith-based organizations, schools, and associations to encourage financial education and homeownership.

HUD plans to use the Clean Air Initiative to achieve the goals of HUD's Energy Action Plan and to attain and energy efficiency goals related to housing development. HUD's long-term goals for the Clean Air Initiative include incorporating energy efficient systems in all HUD-supported multifamily housing, beginning with a pilot project in the city of Fresno.

HUD plans to pursue community and economic development and local capacity building goals through the Regional Jobs Initiative. HUD's goals for the Regional Jobs Initiative include the following:

- Ten high-performing faith-based or community development organizations will develop the capacity to use the federal programs in their local community for community and economic development.
- Construction companies, labor organizations, local governments, and faith-based and community organizations will use YouthBuild USA, HOME, and other HUD resources and partners to increase skills of young adults in the construction trades.

Through each of the initiatives, HUD will continue working with USDA to ensure the inclusion of rural communities in federal efforts. HUD also will continue to work with the faith-based community to develop grassroots leadership and participation in both rural and urban areas.

Department of Energy. In the coming year, DOE plans to explore how it can contribute to the Regional Jobs Initiative, including opportunities to deploy emerging clean energy technologies to create businesses and jobs in the Valley. DOE's major focus will be expanding its efforts under the Clean Air/Clean Energy Initiative with an emphasis on developing specific initiatives with other agencies that address clean energy opportunities. The initiatives will address transportation, housing, business, and local government needs in the Valley. DOE will target the dairy industry and seek to address its economic, energy, and environmental problems through bioenergy processes. DOE also will leverage state or other funding to develop energy infrastructure in the Valley.

DOE's indicators to measure success will include the number of homes and buildings receiving energy upgrades, the amount of clean energy produced as a result of its involvement, funding and other commitments obtained from federal partners, and funding leveraged from state agencies and other sources.

Environmental Protection Agency. EPA's ultimate goal for the San Joaquin Valley is attainment of the National Ambient Air Quality Standards under the Clean Air Act. Such an accomplishment, however, is likely to be many years away. In the meantime, EPA will continue to quantify, to the extent possible, the air quality improvements resulting from EPA actions, which will include reducing volatile organic compounds, particulates, nitrous oxide, and sulfur dioxide, typically measured in tons.

Department of Transportation. FTA expects to be a full participant in the Regional Jobs and Clean Air Initiatives. The FTA role involves expanding current programs into Valley communities where they may not already exist and adding additional nonmonetary resources. Reauthorization of the Transportation Equity Act for the 21st Century might provide new resources for small urban areas such as those in the Valley.

FTA will seek to promote regional planning efforts in transportation, as well as foster comprehensive planning in other policy areas. The air quality concerns in the Valley will require a level of concerted action among federal, state, and local agencies. FTA's immediate goal is to improve the air quality level in the Valley so that it meets EPA's attainment goals for various pollutants. FTA can help the Valley reach attainment goals through additional funding and by developing new capital projects to reduce congestion and increase transit options.

One indicator for measuring achievement of goals is moving back from "extreme" to "serious" air quality nonattainment. Another indicator would be a percentage increase in transit ridership or a reduction in vehicle miles traveled across the region. An absolute benchmark of executive/legislative interest would be apparent in more federal and state dollars flowing to the Valley.

Federal Deposit Insurance Corporation. FDIC plans to follow up with organizations that attended the FDIC's Money Smart train-the-trainer session to find out where classes are being conducted and sustained on an ongoing basis. To the extent that it can, the FDIC will obtain feedback from the employers, organizations, and class participants to ascertain the impact of the financial education classes.

Department of Health and Human Services. In support of the financial literacy initiative, the ACF Office of Community Services is planning to offer three workshops on the Assets for Independence Demonstration Program Individual Development Accounts (IDAs) in Bakersfield, Fresno and Modesto in late May 2004. The Assets for Independence Program is a matched, directed savings/investment program that funds projects to enroll lower-income working families and individuals in financial literacy training and encourage them to open IDAs. Their deposits from earned income are matched at an agreed-upon rate from one to eight dollars for each participant dollar. At account maturity, the IDA funds may be used for post-secondary education, purchasing a first home, or capitalizing a business.

The HHS Regional Director and the Centers for Medicare & Medicaid Services will convene a presentation in the Central San Joaquin Valley regarding the Medicare Modernization Act (MMA). This Act makes some of the most significant improvements to the Medicare program since its inception in 1965. Valley residents will be informed about the Medicare-approved drug discount cards that will become available in June 2004, as well as about other new preventive benefits. The MMA will also substantially increase the resources available to rural communities. In addition, HHS will expand access to health care for medically underserved Americans by enhancing and strengthening its community health center program. This activity will greatly benefit the Valley, since 7 of the 15 million patients served by health centers nationally in FY 2005 will be from rural communities.

Social Security Administration. SSA recently became involved in the Task Force. SSA expects to link specific outputs or outcomes to its involvement with the Task Force in the coming years. SSA believes the following measures are within its limited budget capacity:

- The number of job fairs and similar job-related initiatives in which SSA offices participate.
- The number of job training placements that take place in SSA offices as a result of partnering with Task Force agencies in job training efforts.
- The number of financial education events SSA presents or assists in presenting in partnership with Task Force agencies.
- Full participation throughout the Valley in any public information display emanating from Task Force initiatives.

D. Future Challenges

The members of the Task Force have identified potential constraints on their ability to realize its full potential, including the following:

- Many agencies have limited, if any, staff in the region, making it difficult to attend meetings, build relationships, and actively participate in Task Force activities.
- Many agencies are experiencing budgetary constraints that impede travel and staff time.
- While the mission of the Task Force is both a national and regional priority, most federal agencies cannot give preferences to grant applications from the Valley, which limits the effectiveness of the executive order.
- The rotating leadership model acts as a constraint on the Task Force. The period of transition of leadership from one agency to another causes delays in the progress of the Task Force as partners need to form relationships with different people and the new agency chair and designee needs to get up to speed on coordination efforts. The Congressional Delegation has identified the executive order's rotating leadership as an area of concern.
- The leadership of the Task Force is set to rotate to the Department of Commerce for 2004. EDA's closest regional office is located in Seattle, Washington. The agency's three regional staff people in California are in one-person offices with no staff support.
- Some key agencies vital to the mission of the executive order are not actively involved in Task Force activities. This lack of involvement results in the Task Force not being able to reach all local partners and constituents, which hinders the effectiveness of the Task Force.

- Agencies involved in the Clean Air/Clean Energy Initiative are constrained by the lack of a central energy office that can coordinate activity within the Valley among organizations that can serve as energy champions to support and deliver energy efficiency and renewable energy resources.
- Agencies involved in the Regional Jobs Initiative and the Financial Education Initiative are constrained by the lack of funding for building the capacity of community and faith-based organizations, which can best connect to grassroots efforts and local communities.
- The lack of a consistent definition of “rural,” within and across agencies makes it difficult to coordinate programs in rural areas of the Valley.

VI. TASK FORCE RECOMMENDATIONS

A. Recommendations for the President

The Task Force respectfully submits the following recommendations to help achieve the mission of the executive order.

- **Extend the Executive Order through 2008.** Though written in 2000, the executive order was implemented in 2002. As written, the executive order would expire in FY 2006. The goals and the mandates of the Task Force are long term and the Task Force would be better able to achieve measurable success if the executive order were extended through FY 2008.
- **Maintain Continuity of Leadership.** In response to the concerns of the Congressional Delegation, the Task Force recommends that the leadership of the Task Force remain with HUD. As noted above, the executive order calls for the chair of the Task Force to rotate among the Secretaries of Agriculture, Housing and Urban Development, and Commerce. This leadership model has made it difficult to maintain momentum during periods of leadership change. In addition, EDA (Department of Commerce) does not have the staff resources to play a coordinating role on the Task Force. HUD's Fresno Office is in a position to continue its management of the Task Force.
- **Ensure that All Federal Agencies Named in the Executive Order are Active Participants in the Task Force.** The Task Force has been weakened by the lack of participation by a few agencies named in the executive order. Increased participation from all federal agencies can help assure that the objectives of the Task Force initiatives are met. The Task Force asks for strong support from the Secretaries or other heads of all agencies named in the executive order.
- **Identify Funding to Support the Executive Order.** The Task Force recommends that specific funding be targeted for the Valley activities of member agencies and their partners, with specific goals and timeframes set to ensure results. If funds were targeted, agencies would be better able to work with one another and with other partners in the Valley to achieve the goals of the executive order. Such funds also could help fund cross-agency demonstration projects of regional value using, for example, geographic information systems and other information technology. If individual agencies or the Task Force as a whole were allotted funds to support the executive order, the Task Force could improve coordination with partners and increase the likelihood of meeting the goals of each of the key initiatives in the Valley.

B. Program and Policy Improvements

Constraints and Recommendations. In addition to these recommendations, the Task Force determined that the following critical concerns and potential constraints should be considered, individually and collectively, by the Task Force members. Some apply as well to the entire Federal Regional Council.

- **Designate Staff and Funding for Staff.** One barrier to successfully meeting the goals of the executive order is staffing constraints of member agencies. The Task

Force recommends that each member agency provide sufficient funding, including travel funds, for agency staff to work specifically on initiatives related to the executive order.

- **Give Special Preference to Valley Projects in Federal Funding Competitions.** The Task Force recommends that all federal agencies serving the region target federal funds or give priority points for organizations and projects in the Valley. Alternatively, agencies could give special preference generally to areas of chronic double-digit unemployment.
- **Revise Rules and Definitions to Make Programs More Accessible to the Valley.** The Valley, as an urbanizing agriculturally based region, operates under special circumstances that may call for changes in agency rules and definitions. For example, the inconsistent definition of “rural” in federal programs, and its effect on program eligibility, causes problems for coordinating efforts across agencies. The Task Force will document this issue and explore the feasibility of revising rules and definitions for the Valley and other similar areas.

Strategies. As the Task Force moves forward, the Task Force and Regional Council will commit, in keeping with the intent of the executive order, to the following strategies:

- **Adopt the Three Task Force Initiatives as Coordinating Instruments for Action in the Valley.** The three initiatives provide the means for federal agency coordination of efforts in the Valley. The three initiatives are, in effect, parts of one Valley initiative, which can help achieve the mission of the executive order.
- **Continue to Involve Local Partners in the Work of the Task Force.** To achieve the goals of the executive order and of each of the key initiatives, all stakeholders at the federal, state, and local levels must target and leverage resources that can provide the needed services and create the desired outcomes. The Task Force will concentrate on building and maintaining strong working relationships with the leadership of local government, industry, labor, nonprofit agencies, and community and faith-based organizations in urban neighborhoods and rural communities. Each agency will determine how it can involve other partners throughout the Valley.
- **Work Closely with the Governor and the State Agencies that Relate to the Three Task Force Initiatives.** The Task Force has taken great strides to ensure that state agencies also become involved in the work of the Task Force, and has proposed the creation of a State Task Force similar to the Federal Task Force. Bringing state agencies into the process with a shared commitment to seeking ways to address the needs in the Valley is critical to achieving the goals of the executive order.
- **Continue to Work With the Congressional Delegation to Make Valley Projects a Priority.** Senators Dianne Feinstein and Barbara Boxer and Congressmen Cardoza, Radanovich, Dooley, and Nunes have all expressed support for the executive order and the Task Force. Congressmen Cardoza, Radanovich, Dooley, and Nunes recently sent a letter to the President urging the extension of the executive order, continuity of leadership, and full agency participation. The staffs from their offices have made important contributions to guiding the Task Force so it can best serve their constituencies and all the people of the Valley.



U.S. Department of Housing and Urban Development
San Francisco Regional Office - Region IX
450 Golden Gate Avenue
San Francisco, California 94102-3448
www.hud.gov
espanol.hud.gov

ACKNOWLEDGMENTS

It has been my honor to lead this effort on behalf of Secretary Alphonso Jackson, this year's Chair of the Federal Interagency Task Force on the Economic Development of the Central San Joaquin Valley.

I would like to thank all the Task Force members who contributed to this report, as well as extend my appreciation to the following individuals from the Department of Housing and Urban Development who worked to complete this 2003 Report to the President:

Darlene F. Williams, General Deputy Assistant Secretary for Policy Development & Research

Jon Sperling, Ph.D., Research, Office of Policy Development & Research

Betsy Keeler, Office of Policy Development & Research

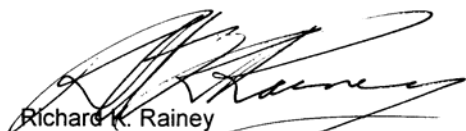
Elizabeth Pollitt, Office of Policy Development & Research

Rollie Smith, Fresno Field Office

If you have questions or would like to find out more about the Federal Task Force, please contact:

Mr. Rollie Smith
Acting Field Office Director
Department of Housing and Urban Development
2135 Fresno Street
Fresno, CA 93721
(559) 487-5033 extension 240
(559) 487-5344
rollie_smith@hud.gov

Regards,



Richard K. Rainey
Regional Director
Department of Housing and Urban Development

APPENDIX

A. Task Force Members

Alphonso Jackson, Secretary of Housing and Urban Development, 2003-2004 Chair
Ann M. Veneman, Secretary of Agriculture
Don Evans, Secretary of Commerce
Donald Rumsfeld, Secretary of Defense
Rod Paige, Secretary of Education
Spencer Abraham, Secretary of Energy
Tommy Thompson, Secretary of Health and Human Services
Gale Norton, Secretary of the Interior
John Ashcroft, Attorney General
Elaine Chao, Secretary of Labor
Norman Mineta, Secretary of Transportation
John Snow, Secretary of the Treasury
Michael O. Leavitt, Administrator of the Environmental Protection Agency
Stephen Perry, Administrator of General Services
Joshua B. Bolten, Director of the Office of Management and Budget
John Walters, Director of National Drug Control Policy
Hector V. Barreto, Administrator of the Small Business Administration
Donald E. Powell, Chairman, Federal Deposit Insurance Corporation
Jo Anne B. Barnhart, Commissioner, Social Security Administration
Robert T. Parry, President and CEO, Federal Reserve Bank of San Francisco

B. Active Task Force Participants

Chair's Representative:

Richard Rainey, Regional Director, Department of Housing and Urban Development

Coordinator:

Rollie Smith, Department of Housing and Urban Development

White House Liaison:

Ruben Barrales, Deputy Assistant to the President and Director of Intergovernmental Affairs

Agency Participants:

Department of Agriculture, Christina Sundstrom, Sally Tripp
Department of Commerce, Deena Sosson
Department of Energy, Paul Johnson
Department of Health and Human Services, Emory Lee
Department of Housing and Urban Development, Ann Marie Sudduth
Department of Justice, Drug Enforcement Agency, Ann Kromberg
Department of Labor, Juan Regalado
Department of Transportation, Paul Page
Department of Treasury, Julia Brown
Department of Treasury, Susan Howard
Environmental Protection Agency, Tom Kelley, Kathy Diehl

Federal Deposit Insurance Corporation, Lisa Kanemoto
Federal Reserve Bank of San Francisco, John Olson
Internal Revenue Service, Mary Ronell
Small Business Administration, Ronald Truly
Social Security Administration, Paula Singer

Congressional Delegation:

Senator Diane Feinstein, Shelly Abajian, District Director
Senator Barbara Boxer, Margaret Arechiga, District Director
Representative Dennis Cardoza, 18th District, Ryan J. Kelly, Congressional Liaison
Representative George Radanovich, 19th District, Darren Rose, Congressional Liaison
Representative Cal Dooley, 20th District, Sarah C. Woolf, District Director
Representative Devin Nunes, 21st District, Bob Jennings, District Director
Representative Bill Thomas, 22nd District

C. Federal Regional Council

Chair:

Calise Muñoz, Regional Director, Department of Health and Human Services

Secretariat:

Emory M. Lee, Executive Officer, Department of Health and Human Services

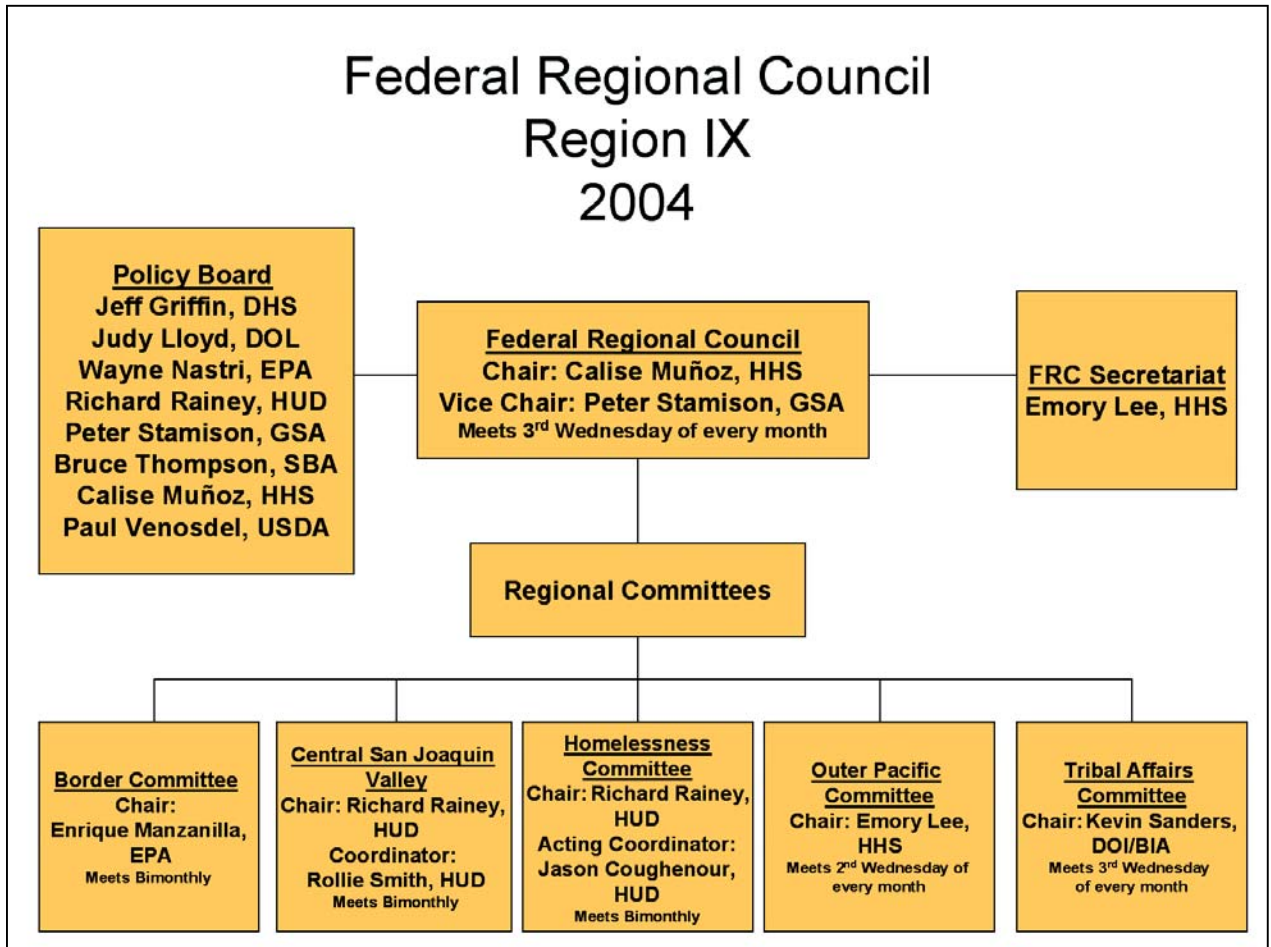
Policy Board:

Jeff Griffin, Regional Director, Department of Homeland Security
Judy Lloyd, Secretary's Regional Representative, Department of Labor
Wayne Nastri, Regional Administrator, Environmental Protection Agency
Richard Rainey, Regional Director, Department of Housing and Urban Development
Peter Stamison, Regional Administrator, General Services Administration
Bruce Thompson, Regional Administrator, Small Business Administration
Paul Venosdel, State Director, Department of Agriculture

Agency Members:

Department of Agriculture, Food and Nutrition Service, Allen Ng
Department of Agriculture, Food and Nutrition Service, Dennis Stewart
Department of Energy, Paul Johnson
Department of Health and Human Services, Centers for Medicare & Medicaid Services,
Jeff Flick
Department of Health and Human Services, Administration for Children & Families,
Sharon Fujii
Department of Health and Human Services, Administration on Aging, David Ishida
Department of Housing and Urban Development, Jimmy Prater
Department of the Interior, Bureau of Indian Affairs, Kevin Sanders
Department of Labor, Employment & Training Administration, John Humphrey
Department of Labor, Employment & Training Administration, Rudy Ramos
Department of Transportation, Federal Transit Administration, Paul Page
Department of Transportation, Federal Transit Administration, Leslie Rogers
Department of Veterans Affairs, Roberta Rosenthal

Environmental Protection Agency, Enrique Manzanilla
 Federal Deposit Insurance Corporation, Linda Ortega
 Federal Deposit Insurance Corporation, Jacqui Gordon
 Internal Revenue Service, Jane Goldstein
 Small Business Administration, Robert Borden
 Social Security Administration, John Hanley
 Social Security Administration, Pete Spencer



**Congress of the United States
Washington, DC 20515**

January 23, 2004

The Honorable George W. Bush
President of the United States of America
1600 Pennsylvania Ave N.W.
Washington, D.C. 20500

Dear Mr. President:

We would like to take this opportunity to express some thoughts on Executive Order #13173, (EO) and consequently request your consideration of making some modifications.

As you know, the EO directed the creation of an “Interagency Task Force on the Economic Development of the Central San Joaquin Valley of California,” (Task Force) whose charge it is to “...coordinate and improve existing Federal efforts for the Valley, in concert with locally led efforts, ...to increase the living standards and the overall economic performance of the Valley.” It was signed by President Bill Clinton on October 25, 2000 at the request of the valley congressional delegation and re-authorized by you in February 2002. In the EO, the “Valley” was defined as including all of the counties of Kern, Tulare, Kings, Fresno, Madera, Merced, and Stanislaus. This encompasses all or part of five Congressional districts.

The Task Force defined in the EO has been meeting on a regular basis for the past three years. Its efforts have generated limited success with respect to the mandate described in the EO. However, recently a plan known as the Fresno Regional Jobs Initiative (RJI) was developed by a public-private partnership of concerned county and city officials as well as leaders in the private sector. The RJI is focused on job creation and calls for adding 30,000 new jobs in the Fresno Metropolitan Area over the next four years.

The members of the Task Force have carefully reviewed the RJI and unanimously agreed that it provides the right vehicle to achieve many of the objectives of the EO. The Task Force is prepared to join the RJI as a key partner and offer resources of its federal departments to assist in implementing the RJI. However we understand that the RJI model, to be considered a successful execution of the EO, must not be limited to the Fresno area. Given the similar economic problems in the remaining six counties of the EO, we feel the program needs the resources and ability to quickly and effectively expand the RJI model to encompass and serve the entire target area.

We fully support the Task Force linking with the RJI and have identified five other initial priorities which are easily achievable. We feel these transcend all seven counties and, if successfully addressed by the Task Force, would have a major beneficial impact on the physical health and economic well-being of the Valley’s population. These five priorities were presented to the members of the Federal Regional Council in San Francisco at its

November 19, 2003 meeting. These priorities address issues surrounding the nursing shortage, improvements in water technology, assisting local communities in meeting federal arsenic regulations, programs to improve the air quality, and placing a priority on grant requests coming from the region.

We have also identified at least three major shortcomings with respect to the implementation of the EO, which are listed below along with our recommended changes. We respectfully request your consideration of implementing the following recommendations:

1. The EO calls for the annual rotation of leadership of the Task Force between USDA, HUD, and Commerce. This has created serious problems of sustainability, continuity, and consistency in attempting to guide the Task Force toward achieving its objectives. Additionally, at the field level, the Department of Commerce has only one staff person. Given that person's normal job duties, it would be difficult for that person to assume the leadership position for the Task Force in 2004, when Commerce is scheduled to serve as Chair.

Recommendation: We respectfully recommend the EO be modified for the remaining three years of its authorization to waive the rotating leadership proviso and direct HUD to serve in that capacity until the expiration date of the EO (12/31/06). HUD is the Department with the largest field staff and all of the counties within the EO fall within the HUD Fresno office jurisdiction.

2. There is no allowance in the EO for staff support the Task Force and the execution of its mission. For the past three years all the work done by the Task Force has been accomplished through utilizing existing staff resources, over and above their normal duties. This situation has been a primary reason for the very limited success of the Task Force to date, as mentioned earlier.

Recommendation: We respectfully recommend the EO be modified to include a directive that each of the federal departments with field offices within the 7-county area designate one staff person to be assigned to the Task Force for a substantial part of their time and work under its direction as coordinated by HUD for the years 2004 through 2006.


3. As the Task Force has struggled to develop its focus and define its mission, participation in the Task Force meetings by representative agencies and departments has waned significantly. There is not enough support for the Regional Directors coming from their superiors. This situation is another reason for the limited success of the EO mission.


Recommendation: We respectfully recommend that a letter be sent from the White House to the Secretaries and Department Heads of the listed members of the Task Force strongly encouraging their participation through local offices in the future meetings and actions of the body.

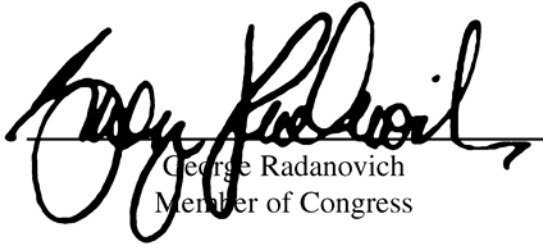
We believe that Executive Order #13173 is a unique document providing unprecedented authority for the individual departments of the federal government to address the economic conditions of the Central San Joaquin Valley of California, sometimes referred to as “Appalachia West.” To this point, much of the authority of the order has been more or less unreachable and squandered. That being said, there is reason to believe that much can be accomplished in the next three years with some modification to the structure of the EO as we have described, coupled with the linkage of the Task Force and RJI, as well as a focus on the five priorities we have presented to the Federal Regional Council. In addition, as a group of concerned legislators, we are prepared to pledge our full support to the efforts of the Task Force if the elements as specified in this letter are addressed. Our constituents deserve no less.

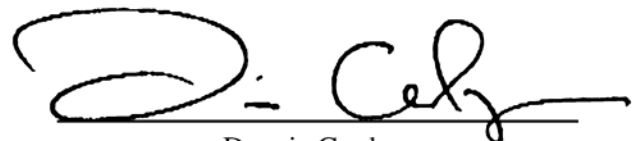
Thank you for your sincere consideration of our request.

Sincerely,


Devin Nunes
Member of Congress


Calvin Dooley
Member of Congress


George Radanovich
Member of Congress


Dennis Cardoza
Member of Congress

