

Testimony of Bryan Day  
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Senate Committee on Environment and Public Works  
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Chairman Carper, Ranking Member Capito, and Members of the Committee, thank you for the opportunity to appear before you today to discuss the reauthorization of the Economic Development Administration (EDA). My name is Bryan Day, and I am the Executive Director of the Little Rock Port Authority.

The Port of Little Rock is Arkansas's largest public port and industrial park and is located along the Arkansas River on the eastern edge of the city. The port was created in 1959 to take advantage of the Arkansas River Navigation System that was being built by the US Army Corps of Engineers. The port's sole purpose is to create jobs for the community.

Today, the Port of Little Rock is 5,000 acres in size, operates a shortline railroad, loads, and unloads barges and is home to 50 businesses from across America and around the world. These businesses employ approximately 10,000 people from all over central Arkansas and contribute about a half a billion dollars a year to the local economy.

As the Little Rock Port Authority works to attract industry and create jobs, we cannot do it alone. We have been successful in our efforts due to strong

partnerships with the City of Little Rock, the State of Arkansas, and the Economic Development Administration.

The Little Rock Port Authority has had a long and beneficial relationship with the EDA. Over the past twenty years, we have been the recipient of a number of EDA grants via the Public Works/Economic Adjustment Assistance grant program. I would like to share a few examples.

In 2002, the Little Rock Port Authority received \$2,000,000 from the EDA to build a dock on the recently completed slack water harbor. These funds were leveraged with approximately \$5,000,000 in local funds. The harbor and the docks have created hundreds of opportunities to move goods and commodities on the inland river system. This investment from the EDA also created the ability to have a redundant dock system to maintain commercial activity during high water events on the navigation system. In fact, in 2019, the Arkansas River experienced a record high water event that shut down navigation for approximately six weeks. Because of support from the EDA, the Little Rock Port Authority was able to continue safely working barges and provide resources to the manufacturing community.

In 2005, the Little Rock Port Authority received \$1,500,000 from the EDA to build two warehouses on the slack water harbor dock. This grant was leveraged with local funds and created opportunities for the Little Rock Port Authority to attract new industry to the inland river system by providing storage opportunities for raw materials. One significant user of these warehouses has been Tokusun, located in Conway, Arkansas, about thirty miles north of the Port. This company transports

approximately 32,000 tons of wire rod from Japan each year; this material is used to manufacture automobile tires. Without the investment from the EDA, this manufacturer may not have been able to operate as efficiently as they are today.

In 2007, the Little Rock Port Authority received \$1,500,000 from the EDA to build additional railroad track infrastructure to support Welspun, an Indian-owned gas and oil pipe company, who chose to build their north American manufacturing facility at the Port of Little Rock. This company has invested over \$250 million into their facility over the past 12 years and currently employs over 1,000 people. This company chose Little Rock for several reasons; however, without assistance from the EDA, the local community could not have provided the necessary infrastructure to support the project.

In 2019, the Little Rock Port Authority, partnering with Pulaski County, received \$2,000,000 to assist with the development of a road and extension of utilities to support a manufacturing company. The State of Arkansas and the City of Little Rock contributed another \$6,000,000 to the project. Although the pandemic forced the manufacturing company to change directions, the infrastructure investment allowed Amazon to locate at the Port where they built a 4,000,000 square foot, first-mile distribution facility at a cost of approximately \$500,000,000. Today that facility employs approximately 3,000 people.

In 2022, the Little Rock Port Authority, again partnering with Pulaski County, received \$3,000,000 to expand railroad infrastructure to support TREX, a manufacturer of composite lumber. The State of Arkansas and local government

contributed another \$17,000,000 to support this project. When TREX is fully operational, they will have invested over \$400,000,000 into their facility and will employ over 500 people.

Due to the EDA investment for the TREX project, the Little Rock Port Authority was able to attract Synthesia, a Spanish-owned chemical manufacturing facility that is currently being designed for the Port. The rail infrastructure serving TREX is also able to serve Synthesia and this foreign-owned company will invest over \$80 million and employ approximately 100 people when fully operational. This indirect benefit was possible because of the EDA's investment.

As you can see, the Little Rock Port Authority and Central Arkansas have benefited greatly by support from the EDA grants. The majority of the EDA grants are nominal in size but make a huge difference in our ability to attract industry, to support existing businesses and to create jobs for the community. The EDA has provided \$13,000,000 dollars in grants to the Little Rock Port Authority over the past twenty years; this has directly resulted in over \$2.5 billion in capital investment and the creation of over 5,000 jobs. I can think of no better return on an investment than what we have accomplished with help from the EDA.

I do hope the committee recommends the continuation of funding for this program; it has helped hundreds of communities across the nation achieve objectives that they could not have done otherwise. However, as you consider reauthorization, I would ask that you take the following into consideration.

- 1) The Economic Development Administration was created to help develop local economies in the United States by generating new employment and stimulating industrial and commercial development. This is an effective federal program that creates lasting benefits for local communities and has been well managed by the Economic Development Administration. I would encourage the Committee to remain focused on the original intent of the program. The EDA has a proven track record that has worked and continues to work very well in communities across the country.
- 2) Local communities have a better understanding of their respective needs and know what works best for them within their specific economic development arena. EDA grant programming should remain flexible enough to give local communities the ability to design and implement projects that are best suited for those individual environments. Often times grant requirements from the agency, although well meaning, have an adverse impact on a community's ability to apply for and manage the funds. Each and every community in this nation has a different set of needs and challenges; having the flexibility to use EDA funds with less stringent parameters will result in greater benefits to the local community.
- 3) The EDA grant process should remain simple. Smaller and rural communities often do not have the capacity to develop a grant application, complete all the required permitting, meet the timelines established by the EDA, implement the program mandates established within the grant by the agency and complete the necessary record keeping after the project is

complete. While there must be rules and guidelines, simplification of the process and a modification of the guidelines could have a positive impact on many of our communities and their ability to receive these funds. Even larger communities often struggle to meet some of the requirements and timelines established by the agency.

- 4) The EDA should explore redefining the grant program to allow communities the ability to design and build basic infrastructure needs to prepare those communities for future economic growth. Many of the grants are tied into specific job creation requirements and this disallows the ability of a local community to meet their specific future needs. In other words, the primary nexus of the EDA programming makes sense but can create problems with viable economic development projects at the local level, because of the timelines associated with the design and building of the basic infrastructure to serve a potential project. Allowing the EDA to invest in creating shovel ready sites would be a game changer for many of our communities and greatly enhance their ability to attract jobs to the area.

Thank you again for giving me an opportunity to appear before you today. I wholeheartedly support the reauthorization of the Economic Development Administration. The Little Rock Port Authority could not have accomplished what we have over the past twenty years without help from the EDA – that is a given. I have shared with you some of my thoughts on changes that I believe would be beneficial to local communities, of all sizes. I hope you will give them consideration. The EDA has had a significant and positive impact on America, and I hope this

committee and Congress will approve this reauthorization so that our communities can continue working hand in hand with the EDA to strengthen our local economies.

I would be glad to answer any questions you may have.