

US Department of Commerce

Economic Development Administration

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***EDA AMERICAN RECOVERY  
PROGRAM***

# EDA American Recovery Program

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- **CFDA Numbers**
  - 11.300 – Investments for Public Works and Economic Development Facilities
  - 11.307 – Economic Adjustment Assistance
- **Funding Opportunity Type**
  - Discretionary grant
- **Funding Opportunity Description**
  - EDA program will promote comprehensive, entrepreneurial and innovation-based economic development efforts to enhance the competitiveness of regions, resulting in increased private investment and higher-skill, higher-wage jobs in regions that have received sudden and severe economic dislocation and job loss due to corporate restructuring.

# EDA American Recovery Program

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- **Limits on Use**
  - None of these funds can be used for casinos or other gambling establishments, aquarium, zoo, golf course, or swimming pool.
- **Fund Availability:**
  - March 5, 2009 – June 30, 2010
    - ✦ Funds are available for obligation until September 30, 2010; however, it takes a minimum of 90 days from EDA's receipt of a complete application until award, when funds are obligated.
- **Application Submissions:**
  - Applications are accepted on a continuing basis and processed as received
  - Applications can be submitted via grants.gov or mailed to applicable EDA regional office

# EDA American Recovery Program

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- EDA provides financial assistance to distressed communities in both urban and rural regions.
- EDA's experience has shown that regional economic development to help alleviate these conditions is effected primarily through investments and decisions made by the private sector.
- EDA's economic development activities help create jobs by encouraging business inception and growth.

# Grants for Public Works and Economic Development Facilities Program (CFDA: 11.300)

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- **Goals**
  - Support the construction or rehabilitation of essential public infrastructure and facilities necessary to generate or retain private sector jobs and investments
  - Attract private sector capital
  - Promote regional competitiveness
    - ✦ Including investments that expand and upgrade infrastructure to attract new industry
    - ✦ Support technology-led development
    - ✦ Accelerate new business development
    - ✦ Enhance the ability of regions to capitalize on opportunities presented by free trade

# Economic Adjustment Assistance Program (CFDA: 11.307)

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- Provides a wide range of technical, planning and infrastructure assistance (including assistance to establish Revolving Loan Funds or *RLFs*) in regions experiencing adverse economic changes that may occur suddenly or over time.
- This program is designed to respond flexibly to pressing economic recovery issues and is well suited to help address challenges faced by U.S. communities and regions.

# Evaluation Criteria

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- EDA will select applications competitively based on the **investment policy guidelines** and funding priority.
- All investment applications will be competitively evaluated primarily on their ability to satisfy one (1) or more of the following investment policy guidelines:
  - *Be market-based and results driven*
  - *Have strong organizational leadership*
  - *Advance productivity, innovation and entrepreneurship*
  - *Look beyond the immediate economic horizon, anticipate economic changes, and diversify the local and regional economy.*
  - *Demonstrate a high degree of local commitment*
    - ✦ High levels of local government or non-profit matching share funds and private sector leverage;
    - ✦ Clear and unified leadership and support by local elected officials; and
    - ✦ Strong cooperation between the business sector, relevant regional partners and local, State and federal governments

# Additional Requirements

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- **National Environmental Protection Act Compliance**
- **National Historic Preservation Act Compliance**

# EDA Eligibility

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- **Eligible entities**
  - State governments
  - County governments
  - City or township governments
  - Special district governments
  - Public and State controlled institutions of higher education
  - Nonprofits having a 501(c)(3) status with the IRS, other than institutions of higher education
  - Private institutions of higher education
  - Public or private non-profit organization or association acting in cooperation with officials of a political subdivision of a State

# EDA Eligibility

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- For profit, private entities and individuals **do not** qualify under these programs (CFDAs 11.300 & 11.307)
- **IMPORTANT:** Requests from for-profit entities and individuals may be referred to State or local agencies, or to non-profit economic development organizations serving the region in which the project will be located.

# Cost Sharing

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- 50% matching funds required (in kind accepted)
- State and local governments only
  - Additional flexibility – Regional Directors may base determination of exhaustion (of State or local government effective taxing and borrowing capacity) on a case by case basis of relevant factors outside the contours of the table below:

Maximum Allowable ARRA Grant Rates in Excess of 80%	
Projects may be eligible for ARRA funding above 80% if: 1. The per capita income of the applicant is not more than 80% of the current national average; <u>AND</u> 2. The applicant's actual or threatened decline in the civilian labor force (CLF) since December 2007 is at least:	Maximum Allowable Grant Rate Not to Exceed:
2.25% of the CLF	85%
2.50% of the CLF	90%
2.75% of the CLF	95%
3.00% of the CLF	100%

× Source: <http://www.eda.gov/PDF/ARRA%20grant%20rate%20instruction%20for%20website.pdf>

# EDA ARRA Priorities

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- **EDA ARRA will give priority consideration to**
  - Applications that will significantly benefit regions “that have experienced sudden and severe economic dislocation and job loss due to corporate restructuring,”
  - Projects that will diversify the economic base and lead to a stronger, more globally competitive and resilient regional economy.

# Indicators of Economic Distress

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- **Distress may exist in a variety of forms**
  - high levels of unemployment
  - low income levels
  - large concentrations of low-income families
  - significant declines in per capita income
  - large numbers (or high rates) of business failures
  - sudden major layoffs or plant closures
  - trade impacts
  - military base closures
  - natural or other major disasters
  - depletion of natural resources
  - reduced tax bases
  - substantial loss of population because of the lack of employment opportunities.

# EDA Available Funding (ARRA & Non-ARRA)

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CFDA	Title	Allocations FY 09-10	ARRA
11.300	Grants for Public Works and Economic Development Facilities	\$129,280,000	<b>\$100,000,000</b> <small>These funds will be allocated to either this program or to the Economic Adjustment Assistance Program, depending on needs demonstrated by EDA's regional offices (PR is under the Philadelphia Regional Office)</small>
11.302	Economic Development_Support for Planning Organizations	\$31,000,000	N/A
11.303 11.312	Economic Development Technical Assistance	\$9,400,000	N/A
11.307	Economic Adjustment Assistance	\$35,330,000	\$50,000,000
11.313	Trade Adjustment Assistance	\$15,450,000	N/A

# Evaluation Criteria

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*Investments that support strategies that link regional economies with the global marketplace*

*Investments that encourage entrepreneurship*

Priorities

*Investments that support innovation and competitiveness*

*Investments in support of long-term, coordinated and collaborative regional economic development approaches*

# Evaluation Criteria

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- **Additional consideration will be given to applications that also:**
  - Enable BRAC-impacted communities to transition from a military to civilian economy.
  - Advance the goals of linking historic preservation and economic development as outlined by Executive Order 13287, “*Preserve America.*”
  - Support the economic revitalization of brownfields.

# Local Guidance (PR Planning Board)

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- **Proposals must be endorsed by the PRPB (local EDA representatives) in order to be considered and approved by Philadelphia Regional Office**
- **The analysis of the proposed action's relevance to the economic development of the Island shall be made based on objectives identified in the Comprehensive Economic Development Strategy (current document corresponds to FY 07-08)**
- **Comprehensive Economic Development Strategy for FY 09-10 should be completed by late August 09.**

# Path Forward

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- **AFI/ARRA leaders will request guidance to Governor's ARRA Task Force**
  - Required use of current CEDS to evaluate proposed projects
  - Current administration's priorities

# Additional Information

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- **Department of Commerce, Economic Development Administration**
  - <http://www.eda.gov/InvestmentsGrants/FFON.xml>
- **Grant announcement**
  - <http://www07.grants.gov/search/search.do;jsessionid=nhC2KLQNNj90cMQQm0DkhCXZcyfF2RrBpvYdJQPtT6z0PWQYt3BG!-723925807?oppId=45786&mode=VIEW>
- **Grant applications and instructions**
  - <http://apply07.grants.gov/apply/GetGrantFromFedgrants;jsessionid=lWl4KDnG3kHgK5BhWnrCL5TWNRGYvhY4jp1DDzf4V1dJqyq15gQh!1602516421?opportunity=EDA03102009RECOVERYACT&agencycode=DOC-EDA>