

# EDA

U.S. ECONOMIC DEVELOPMENT ADMINISTRATION



**Appalachian Regional Development Initiative Workshop**

**May 24, 2011**

# EDA's Mission

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*To lead the federal economic development agenda by promoting innovation and competitiveness, preparing American regions for growth and success in the worldwide economy.*

# Fulfilling EDA's Mission

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- Investments that attract private capital investments and higher-skill, higher-wage jobs to Regions experiencing substantial and persistent economic distress.

# EDA Programs

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## Construction Related

- Public Works
- Economic Adjustment
- Global Climate Change Mitigation Incentive Fund

## Non construction Related

- Planning
- Technical Assistance
- Economic Adjustment
- University Centers
- Trade Adjustment Assistance for Firms
- Research and National Technical Assistance

# EDA Supplemental funding

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- Disaster Funding resulting from severe storms and flooding March through May 2010
- FEMA-1909-DR (TN) FEMA-1912-DR (KY)
- \$33,930,490 available for projects in Tennessee and Kentucky
- Project nexus must be relative to Disaster
- Projects should create jobs and private investment
- [www.eda.gov/InvestmentsGrants/FFON.xml](http://www.eda.gov/InvestmentsGrants/FFON.xml)
- [www.fema.gov](http://www.fema.gov)

# Eligible applicants

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- ✓ States and units of local governments
- ✓ Indian Tribes
- ✓ Economic Development Districts
- ✓ Colleges and Universities
- ✓ Public and private non-profit organizations\*

\* Must act in cooperation with local government

# Funding Priorities

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- Collaborative regional innovation
- Public/private partnerships
- National Strategic Priorities
- Global Competitiveness
- Environmentally Sustainable Development
- Economically Distressed and Underserved Communities

# Funding Priorities

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## **Collaborative regional innovation**

Initiatives that support the development and growth of innovation clusters based on existing regional competitive strengths.

Example Infrastructure Project: Provide critical infrastructure (e.g., upgrade water or sewer line) to service a plastic injection mold manufacturer locating to an area that has a network of other industries and businesses that service a large automotive manufacturer.

# Funding Priorities

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## Public/private partnerships

Investments that use both public and private sector resources and leverage complementary investments by other government/public entities and/or non-profits.

Sample infrastructure project: A project that has attracted funding from multiple state and federal agencies, such as the SRF, CDBG, ARC, Rural Development, etc., as well as formed partnerships with the local university or community nonprofit organizations.

# Funding Priorities

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## **National Strategic Priorities**

- technology led development
- support small/medium businesses
- economic dislocation due to auto industry restructure or natural disasters
- global competitiveness and innovation
- commercialization of research
- environmentally sustainable development

# Funding Priorities

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## TIP

**To be competitive, a project must meet at least one of the National Strategic Priorities. However, it is best to address as many of the Priorities as possible to improve competitiveness.**

# Funding Priorities

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## Global Competitiveness

Investments that support high-growth businesses and innovation-based entrepreneurs to expand and compete in global markets.

Sample infrastructure project: A project that illustrates that an industry exports its products, and creates higher-paying, higher-skilled jobs.

# Funding Priorities

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## **Environmentally Sustainable Development**

Investments that encompass best practices in “environmentally sustainable development.”

Sample infrastructure project: A project that supports an industry that has a manufacturing process or end product that is considered “green.”

# Funding Priorities

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## **Economically Distressed and Underserved Communities**

Investments that strengthen diverse communities that have suffered disproportionate economic and job losses and/or are rebuilding to become more competitive in the global economy.

# Funding Priorities

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## TIP

**The investment priorities are a large portion of the core evaluation criteria.**

**Providing clear and complete answers with any supporting documentation will assist reviewers in making determinations of how your project meets the criteria.**

# Eligibility

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Project must be located in a region that, on the date EDA receives the application for investment assistance, meets one (or more) of the following economic distress criteria:

- Unemployment (at least 1% higher than the national average)
- Per capita income (80% or less than the national average)
- “Special Need,” such as a disaster, closure or restructuring of industrial firms or loss of a major employer essential to the regional economy, substantial out-migration or population loss, underemployment, etc.

# Eligibility

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## APPLICATION TIP

**When citing third party evidence to support a claim relative to eligibility, include in the application a hard copy of supporting data.**

# Eligibility: Websites for Data

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- [www.statsamerica.org/distress](http://www.statsamerica.org/distress)
- [www.stats.indiana.edu/uspr/a/sbs\\_profile\\_frame.html](http://www.stats.indiana.edu/uspr/a/sbs_profile_frame.html)
- [www.census.gov/acs](http://www.census.gov/acs)

# Award Limits

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No set limit, but . . .

\$2.0 million for construction

\$100,000 for non-construction

# EDA's Application Process

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- Quarterly Deadlines: December 15, March 10, June 10, and September 15
- Written feedback to the applicant not later than 15 business days from date of EDA's receipt of the application.
- EDA expects to notify applicants of its decision within 20 business days of a funding cycle deadline.
- [www.grants.gov](http://www.grants.gov)
- [www.eda.gov](http://www.eda.gov)

# APPLICATION EVALUATION CRITERIA

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Applications evaluated based on the extent to which the following core evaluation criteria are addressed :

- National Strategic Priorities
- Economically Distressed and Underserved Communities
- Return of Investment
- Collaborative regional innovation
- Public/Private Partnerships

# Competitive Projects

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- Low cost-per-job
- High private investment
- Addresses EDA's funding priorities
- Cash match (20% to 50%)
- Distressed community

# Common Application Mistakes

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- Environmental not initiated
- Investment Priorities not addressed
- Ownership concerns
- Match not secured
- Project beneficiary not committed
- Inadequate Engineering Report
- No supporting Economic Distress documentation

# Tips for Application Preparation

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For construction projects, the most competitive applications will have an identified project beneficiary who is committed to the project and have a letter stating such. The letter should also include the number of jobs created/retained, private investment, description of what it is the company does, who its customers are and whether it exports its product, and hourly wages paid.

The application must be signed by the authorized representative of the applicant. This is typically the mayor, county judge or president/chairman of the board of directors of a nonprofit organizations. Consulting firms or grant writers completing the application on behalf of the applicant should not sign the form.

Provide a clear, detailed description of the scope of work for the EDA project. If it is a construction project, be sure that your scope of work is consistent with the scope of work outlined in other parts of your application as well as the PER. If it is a non-construction project, clearly describe what you intend to do and how you intend to accomplish it. Clearly describe what EDA will be purchasing.

# More Tips for Application Preparation

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**Make sure budget information is consistent throughout the application. For example, make sure budget matches on the SF424, SF424C or SF424A and the PER detailed costs.**

**Make sure the budget shows sufficient funds to demonstrate feasibility (particularly when in-kind sources are used as match).**

**Applicants for funding should include all entities involved in ownership, operation and/or maintenance of any EDA constructed improvements.**

**Clearly establish who holds title to the project facilities, underlying land, easements and rights of way for the project, and if there any liens, mortgages or other encumbrances.**

# Best Practices

- \$1.087 million to the city of Greenville, Kentucky, to fund construction to increase city water capacity for the expansion of the Muhlenberg Community Hospital and the Gourmet Express plant. This investment is part of a \$1.487 million project is estimated to create 75 jobs, save 166 jobs, and generate \$26 million in private investment.
- \$1.05 million to the city of Greensburg, Kentucky, to construct vital waste water system improvements in Greensburg. This investment is part of a \$1.5 million project that is estimated to create 88 jobs, save 206 jobs, and generate \$22.4 million in private investment.
- \$177,362 to Sevier County/City of Sevierville to fund sewer system improvements to accommodate construction of a new plant for Lisega, Inc. Total project cost is \$354,725, and is estimated to create 150 jobs and result in private investment of \$15.3M.
- \$1,000,000 to City of Crossville for WWTP improvements. This investment is part of a \$4.9M total project. The project is estimated to create 200 jobs and result in private investment of \$19.2M.

# Contact information

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