

Overview of Economic Development Administration (EDA) Funding Opportunity

The funding window for a relatively little-known federal broadband grant program is open now. Eligible applicants—including local governments—have until June 12, 2015 to file.

The Economic Development Administration (EDA), an agency of the Department of Commerce, “makes investments in economically distressed communities in order to create jobs for U.S. workers, promote American innovation, and accelerate long-term sustainable economic growth.”¹

EDA oversees two Economic Development Assistance grant programs—Public Works and Economic Adjustment Assistance—that make awards to states, counties, cities, institutions of higher education, and nonprofits to support a wide array of projects benefiting distressed communities.

EDA awards are intended to leverage existing regional assets and support the implementation of economic development strategies that lead to job creation and private investment in distressed communities. One of EDA’s recent awards is enabling OneCommunity and the City of Cleveland to construct a 100 Gbps fiber network through the city’s Health-Tech Corridor.

Public broadband projects are eligible for funding under both programs. EDA’s description of the Public Works program, for example, refers to investments that will help a community transform “from being distressed to becoming competitive in the worldwide economy by developing key public infrastructure, such as technology-based facilities that utilize distance learning networks ... and business and industrial parks with fiber optic cable...” The Economic Adjustment Assistance program supports construction and non-construction activities, which may include infrastructure, design and engineering, technical assistance, and economic recovery strategies.

EDA funds projects that align with at least one of its six investment priorities: collaborative regional innovation, public/ private partnerships, national strategic priorities (including information technology infrastructure), global competitiveness, environmentally sustainable development, and economically distressed and underserved communities.

While EDA’s broadband funding to date appears to be modest, both construction and technical assistance are eligible for future grants. In the following sections, we offer a brief overview of the programs and guidance on how to apply.

¹ “EDA \$700K Grant to City of Cleveland/OneCommunity Lays Groundwork for First Commercially Available 100 Gigabit Fiber Network,” Press Release, U.S. Economic Development Administration, Nov. 21, 2014. <http://www.eda.gov/news/press-releases/2014/11/21/one-community.htm>

Overview

The Announcement of Federal Funding Opportunity (FFO) for EDA grants in FY15² includes the following information:

Entities Funded: Eligible applicants for EDA assistance include state or local units of government, Indian tribes, institutions of higher education, and public or private non-profit organizations.

Nature of Award: Grant with 50 percent match requirement.

FY 2015 Resources: For FY2015, Congress appropriated \$99 million for the Public Works program and \$35 million for Economic Adjustment Assistance (EAA).³

Typical Grant Award: The average Public Works award is \$1.4 million, with investments ranging from \$200,000 to \$3 million. EDA has historically awarded 80 to 150 Public Works projects annually.

The average EAA award is \$820,000, with investments ranging from \$100,000 to \$1.25 million. EDA has historically awarded funds for 70 to 140 EAA projects annually.

Cost-Share Requirement: Applicants must typically make a matching contribution of at least 50 percent of the total award. In cases of extreme economic distress (i.e., substantially lower per capita income or higher unemployment than the qualifying levels), this requirement may be reduced to only 20 percent. The cost-share can be provided through “in kind” contributions (which EDA will assess to ensure that they are accurately valued and available as needed). Other federal financial assistance may be used to provide the match, if authorized by statute.

Applicable Deadlines: EDA sets quarterly deadlines for submission of applications. For FY 2015, the remaining deadline is June 12, 2015.

EDA encourages applicants to seek feedback on their project and application from state EDA representatives at least 30 days before the funding cycle deadline.

EDA further encourages applicants to submit final applications via Grants.gov five days before the submission deadline to allow for the application to be accepted and validated in the system and to provide time for any errors to be corrected.

Applicants are notified by the last day of the month following the submission deadline (i.e., July 31, 2015).

² “EDAP2015,” Grants.gov, Feb. 9, 2015. <http://www.grants.gov/web/grants/view-opportunity.html?oppld=273468>

³ In FY 2013, \$77.2 million was appropriated for Public Works and \$48 million was appropriated for Economic Adjustment Assistance (FY 2013 Annual Report). This represents a decline from FY 2012, in which appropriations were \$112 million and \$50 million, respectively (FY 2012 Annual Report).

Restrictions: Projects must be located in or benefit a region that meets EDA’s economic distress criteria:

1. An unemployment rate that is, for the most recent 24-month period for which data are available, at least one percentage point greater than the national average;
2. Per capita income that is, for the most recent period for which data are available, 80 percent or less of the national average; or
3. An area of “special need” as determined by EDA.⁴

Economic Assistance Awards are targeted to regions experiencing severe economic dislocations that may occur suddenly or over time.

How to Apply

Regional EDA staff are available to review project proposals, assess proposed cost shares, and preview all application materials. EDA recommends that applicants “seek feedback on their project and application package at least 30 days before the funding cycle deadline to allow adequate time to incorporate feedback received into their application before final submission.” Though optional, we believe that such consultation will be very advantageous.

Application Requirements:⁵

All applications (for both construction and non-construction projects) must include an Application for Investment Assistance (Form ED-900), an Application for Federal Assistance (Form SF-424), Certification Regarding Lobbying (CD-511), Disclosure of Lobbying Activities (Form SF-LLL), documentation confirming cost-share funding, comments from the state clearinghouse (“Intergovernmental Review of Federal Programs”).

Applications for construction assistance must also include Budget Information-Construction Programs (Form SF-424C), Assurances-Construction Programs (Form SF-424D), maps of the project site, letters of commitment from beneficiaries of the proposed project, comments from the metropolitan area review, a preliminary engineering report, an environmental narrative that will enable EDA to comply with NEPA, copies of any correspondence with other agencies, and copies of any other environmental studies that have already been completed for the project site.

⁴ “Special need” is defined at 13 CFR §300.3 and includes areas with extreme out-migration, underemployment, military base closures, natural disasters or emergencies, or extraordinary depletion or natural resources. (<http://cfr.vlex.com/vid/300-3-definitions-19630004>)

⁵ Additional details regarding each of these requirements, along with guidance for completing the project narrative, is provided at pages 15-21 of the FFO.

Key Resources:

- Funding Announcement and Application Guide: <http://www.grants.gov/web/grants/view-opportunity.html?oppld=273468> (click on “Full Announcement” for additional background).
- Public Works Program one pager: <http://www.eda.gov/pdf/about/Public-Works-Program-1-Pager.pdf>
- Economic Adjustment Assistance one pager: <http://www.eda.gov/pdf/about/Economic-Adjustment-Assistance-Program-1-Pager.pdf>
- EDA Annual Reports (provides examples of successful grant applications; see especially 2012 and 2013 for broadband awards): <http://www.eda.gov/annual-reports/>

Agency Contacts:

EDA strongly encourages all applicants to consult with the EDA regional director prior to submitting application materials. Regional directors can also review applications and offer guidance prior to submission.