

The EDA is Here to Help – Grants for Regional Economic Development Planning

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As the nation emerges from COVID, the shock of multiple supply chain crises, and massive economic transformation from workforce shortages and remote work, regions across the U.S. are finding that the economic development plans developed only a few years ago are no longer completely relevant. New challenges and opportunities are on the table, and regions are increasingly looking for new ways to build economic sustainability and resilience into their strategies.

Part of the challenge is always how to find funding for such critical strategic initiatives, especially at times of tight municipal and state budgets. Thankfully, the federal government has a long-standing grant program that is increasingly being used for exactly this purpose, and our team has had some experience in helping communities get the assistance that they need.

The Program

First, a little background: The Local Technical Assistance (LTA) grant program was originally authorized under the Public Works and Economic Development Act of 1965 (PWEDA). The US Economic Development Administration's current Notice of Funding Opportunity (NOFO) for the program became effective for the 2021-2023 fiscal years on March 15th 2021¹. The funds serve to support projects and bottom-up strategies in line with the economic development goals of the US Department of Commerce Strategic Plan 2018-2022².

LTA grants specifically target local and state organizations, higher educational institutions, and other groups to fund projects such as feasibility studies, impact analyses, disaster resiliency plans, and project planning.

While prior emphasis was the development of regular comprehensive economic development strategies, the EDA has now established investment priorities for these grants of equity, recovery and resilience, workforce development, manufacturing, technology-based economic development, environmentally sustainable development, exports, and attracting foreign direct investment (FDI).³ These priorities are directly aligned with current needs and provide an excellent opportunity for communities and regions seeking to find their way to sustained prosperity.

¹ US Economic Development Administration, "Notice of Funding Opportunity: EDA Planning and Local Technical Assistance Programs", March 2021

² US Department of Commerce, "Strategic Plan 2018-2022", March 2018

³ US Economic Development Administration, "Investment Priorities", March 2021. <https://www.eda.gov/about/investment-priorities/>

The EDA typically awards 30-50 grants per year with the median grant amount being \$100,000. In general, the investments span 12-18 months, but specific awards may allow up to three years to complete the scope of the work.⁴

The grant is already known as a tool for building economic diversity and resilience. For example, Lincoln County, Wyoming used approximately \$150,000 in grant funding (matched by \$37,800 in local investment) to support advancing recovery and resilience in Lincoln County, Wyoming. The funding will support a determination of the economic impact of a plan to develop a chemical cluster in the region to replace the economic reliance on traditional coal markets and will also help to identify necessary infrastructure improvements. Likewise, the Utah Advanced Material Manufacturing Institute was awarded \$70,000 (matched by \$72,000 in local investment) to fund a feasibility study focused on critical knowledge gaps in the strategy and growth of the value chain in Utah's Cut and Sew (C&S) Industry.⁵

The federal share of LTA awards tends to be <50% of the total project cost. The portion covered by federal funds can increase to 80% based on the relative needs of the region. Important factors in this determination include the severity and duration of the unemployment rate, the extent to which per capita income is below the national average, the outmigration of the population and resulting economic injury, and other factors.⁶

The Grant Process

The Local Technical Assistance program accepts applications on a rolling basis until the program guidelines change or funding has been exhausted. Applicants can submit their proposals to their applicable regional EDA office through Grants.gov, and EDA representatives are often involved in the application process itself, advising applicants on fulfilling all necessary requirements.⁷

Applications should highlight the cost-sharing breakdown for the project, specifically how the EDA investment will align with other private/public funding sources. Documentation is required for matching funding to show that it will be consistent with EDA investment assistance⁸.

After an application is submitted, the EDA regional offices perform an initial screen via an Investment Review Committee (IRC). The timing of these reviews depends on the volume of applications. Three members will review every application using the following criteria (each with equal weight)⁹:

1. The project's sustainability/durability, including the extent of support from regional stakeholders

⁴ US Economic Development Administration, "Notice of Funding Opportunity: EDA Planning and Local Technical Assistance Programs", March 2021

⁵ US Economic Development Administration, "Latest EDA Grants", 2022. <https://eda.gov/grants/>

⁶ Ibid.

⁷ Ibid.

⁸ Ibid.

⁹ Ibid.

2. The applicant's organizational capacity, including its financial and management capacity
3. The extent to which the project aligns with EDA's current Investment Priorities
4. The project's potential to increase the capacity of the area to foster creation and/or retention of high-quality jobs and promote private investment in the regional economy
5. The project's feasibility and the likelihood that the project will achieve its projected outcomes, which may include the availability and committed nature of proposed matching funds

EBP Helps Make a Difference

As EBP's Ira Hirschman noted in his [blog post](#) from September 2022, knowing the goals of the program and how to use this knowledge in making the case for a grant can help maximize the chances that a request will get funded. I (Chris) wrote an LTA grant application in 2017 to help the communities of Newton and Needham, MA obtain funding to develop a plan for a regional innovation district. By bringing together a multitude of smaller public and private funders along with the two municipalities, we successfully made the case for the broad need and support for the program, successfully bolstering the application.

So many municipalities see the need for change and do not yet know how they will find their way. Please give us a shout – we have ideas on how you might be able to find the resources to boldly move forward.