



MEMORANDUM

To: Sustainable Strategies DC Clients
From: Sustainable Strategies Team
Date: August 17, 2021
Subject: *Guidance on EDA American Rescue Plan Act Funding Package*

This memorandum provides an overview of five (5) components of the new package of \$3 billion in grant resources from U.S. Economic Development Administration created by the American Rescue Plan Act of 2021. This memo covers four other memos which provide more detailed descriptions of the EDA “Build Back Better Regional Challenge” grant, the EDA “Good Jobs Challenge” grant, the EDA “Travel, Tourism & Outdoor Recreation” grant, and the EDA “Economic Adjustment Assistance Grant”. Within this cover memo, we also provide an overview of the “Statewide Planning, Research & Networks Grants”. Sustainable Strategies DC has substantial experience in securing EDA funding for its clients, and we are prepared to help your community or coalition pursue these EDA grant resources.

The American Rescue Plan Act (ARPA) authorized and funded \$3 billion for six EDA grant programs¹ including the following. See the attached four memos for details.

- 1.) The \$500 million **Economic Adjustment Assistance (EAA)** program will give grants, typically ranging from ~\$500,000 to ~\$5 million (but potentially up to \$10 million), for an individual economic development project which creates or retains jobs through the design or construction of a component of public infrastructure, a public facility, or a program that can leverage additional private sector investment. The EAA program is a tried-and-true EDA program that has been available for many years, but under this ARPA round of funding, all Census tracts in America are eligible, and the match is lowered to 20%. EDA will accept applications on a rolling basis until March 31, 2022, but we encourage you to apply much sooner. EDA is allocating at least \$200 million of the EAA funding to coal-impacted communities.
- 2.) The \$750 million **Travel, Tourism & Outdoor Recreation** program will give \$240 million for ~150 competitive grants, ranging from \$500,000 to \$10 million each with a potentially waivable 20% match, to eligible applicants for projects to invest in infrastructure, workforce, and other projects to boost the travel, tourism, and outdoor recreation sectors. EDA will accept applications on a rolling basis until March 31, 2022, but we encourage you to apply much sooner. As EDA will also be giving \$510 million to the states for travel, tourism, and outdoor recreation infrastructure, workforce development, and other activities, we encourage you to also consider approaching your state governor’s office and tourism/travel or economic development department to discuss how state funding could be devoted to your local project.
- 3.) The \$500 million **Good Jobs Challenge** program will provide no-match grants of between ~\$5 million to ~\$20 million each, to assist communities and regions build regional workforce training systems and sectoral partnerships, with funding for programs, equipment, and facilities to support

¹ This package of memos does not cover the “Indigenous Communities Challenge” program, but we are happy to discuss that \$100 million funding opportunities with any Tribes or tribal interests.

system development, program design, and program implementation activities for quality jobs. Applications are due January 26, 2022.

- 4.) The \$1 billion **Build Back Better Regional Challenge** program will provide grants in two phases, with between 50-60, \$500,000, no-match Phase 1 grants awarded to regional coalitions formed to launch and expand regional growth clusters of key business sectors and industries, with the grant used for strategy development for 3-8 catalytic projects that boost those clusters; and with Phase 2 awards of between \$25 million to \$100 million each to 20 to 30 Phase 1 finalists for implementation of those strategies and 3-8 catalytic projects for regional growth clusters. Our firm has represented regional coalitions on major, large-award EDA and other federal grants and, based on our experience and the number of grants to be awarded, we recommend that only the most transformational, game-changing, regional economic diversification initiatives that are based on strong regional assets, will be able to compete in this Build Back Better Challenge. We also advise that multiple applications from the same community or region will demonstrate a lack of regional strategic cohesion, and we advise that potential applicants consider how to find solid approaches to joint, collaborative applications, or to consider how other EDA grants described above might be a better fit for less comprehensive and transformational endeavors. The Phase 1 applications are due October 19, 2021, and the Phase 2 applications are due March 15, 2022.

- 5.) While S²'s client base of local governments and community organizations cannot receive funding from EDA's new, \$59 million **Statewide Planning Grant** program which will provide each state and territory with a no-match grant for economic planning, your locality or organization may wish to reach out soon to your State to get involved in the projects they seek to fund with this EDA grant. Eligible state projects include: economic development plans that identify new or existing industry clusters that would benefit from specific infrastructure, studies, and/or workforce investments to facilitate rapid expansion of such industry clusters (including plans that support regional Build Back Better Challenge applications; efforts to bring together potentially disparate existing local and regional plans, such as Comprehensive Economic Development Strategies (CEDs), or state and local plans under the Workforce Innovation and Opportunity Act (WIOA), into one holistic and inclusive state-wide plan or a plan that encompasses multiple regions within a state or across state lines including strengthening links between urban and rural areas; and efforts to analyze the needs of persistent poverty communities and formulating strategies to decrease disparities between these areas and more prosperous areas within a State. Under this program, EDA will also devote \$51 million for "**Communities of Practice**" and "**Research**" grants to economic development districts, nonprofit organizations, universities and other eligible EDA recipients to support development of EDA ARPA projects among coal-impacted communities, Build Back Better Regional Challenge grantees, and Good Jobs Challenge grantees. S² does not attach a memo with details on these State Planning, Research & Network Grant funds, but we are happy and prepared to discuss this program if you wish to partner with you state on an economic initiative, or seek a Communities of Practice or Research award from EDA.

Sustainable Strategies has substantial experience working with the Economic Development Administration to secure EDA grants, including for large regional coalition awards. We help clients and coalitions form projects, build coalitions and partnerships, organize grant drafting efforts, draft the EDA grants and attachments, gather stakeholder support, and conduct advocacy to secure these grants. We are prepared to support our retainer clients and new prospects in seeking EDA ARPA funding. Given the large size and complex applications for several of these EDA award categories, we will be selective in the clients we serve, and will need commitments of compensation equal to the level of effort. Please contact your S² lead professional, or CEO Matt Ward at 202.422.2411 or Matt.Ward@StrategiesDC.com if you wish to discuss moving forward with an EDA application.



MEMORANDUM

To: S² Clients
From: Sustainable Strategies DC
Date: August 9, 2021
Subject: *US EDA American Rescue Plan Act – Economic Adjustment Assistance*

This memorandum provides an overview of US EDA’s American Rescue Plan Act (ARPA) Economic Adjustment Assistance (EAA) grant program, and outlines the steps you will need to take to work with Sustainable Strategies DC (S²) to submit a competitive proposal.

EDA’s ARPA EAA program makes \$500 million in funding available for a wide range of project activities in response to and to recover from the coronavirus pandemic, including long-term recovery and resilience for future economic shocks. The EAA grants have been available for many years at EDA, but there are a few differences from the typical EAA grants being provided by EDA under the ARPA.

Competitive applications should be based on long-term, regionally oriented, coordinated, and collaborative economic development or redevelopment strategies and must support strong employment opportunities for workers. Allowable project activities include construction activities such as water and sewer system improvements, industrial parks, high-tech shipping and logistics facilities, business incubators and accelerators, brownfield redevelopment, technology-based facilities, wet labs, workforce training facilities, telecommunications infrastructure, and more. Allowable project activities also include non-construction activities, such as design and engineering, technical assistance, economic recovery strategy development, and capitalization of revolving loan funds (RLFs). A showing that the project will create or retain jobs will be much more competitive.

EDA expects \$200 million of the funds under EAA to go to communities negatively impacted by changes in the coal economy, including in the complete supply chain of coal-reliant industries.

Eligible applicants include economic district organizations, Indian Tribes or a consortium of Indian Tribes, States, counties, cities, or other political subdivisions of a State, institutions of higher

education or a consortium of institutions of higher education, and public or private non-profit organizations acting in cooperation with political officials.

Grants can be for a period of 12-48 months, and these grants can be for projects in the ~\$500,000 to ~\$5 million range, although EDA conveys that projects may go up to \$10 million. For this EAA grant under ARPA, the typical match requirement is lowered to 20% non-federal share, with the potential for EDA waiver to 0% match upon a demonstration of need.

This memo outlines the key tasks to accomplish, indicates division of work on action items, and provides suggested deadlines for accomplishing these tasks. The application has a rolling deadline with a final due date of March 31, 2022. However, we recommend that you apply as soon as possible due to high competition and limited funds.

Sustainable Strategies DC recommends the following steps to submit a competitive proposal:

1. ***Grants.Gov Submission Issues:*** We need to confirm that your community/organization has valid and active grants.gov and SAM Accounts. If not, we will need to take immediate action to register. S² can take the lead on registering your locality, but we will need your DUNS number, EIN number, and additional information to do so.

Action: Confirm sam.gov and grants.gov status ASAP.

2. ***Confirm Project Scope, Budget, and Match:*** Your team should set up a call with S² to discuss your project scope of work, budget, and alignment with the following key components:

a. ***Coal Community:*** If applicable, use acceptable data to prove that your community has suffered or will suffer economic distress due to negative impacts from local and/or regional coal industry contractions. Acceptable data includes economic indicators, labor market analyses, official announcements made by local and regional industries and firms, and demographic and industry data, among others.

b. ***EDA Recovery and Resilience Investment Priority:*** To what extent will the proposed project support the economic recovery and long-term resilience to future pandemics or other sudden and severe economic dislocations for the travel, tourism, and outdoor recreation sectors?

c. ***CEDS:*** Does the project align with the local Comprehensive Economic Development Strategy?

d. ***Start/End Date:*** When is the estimated start/end date for the project? Maximum of four-year period of performance; must be completed before September 30, 2027.

e. ***Beneficiaries:*** Who will be beneficiaries of the project? What is the number of full- or part-time jobs estimated to be created or saved? What is the private investment estimated to be generated?

f. ***Level of Match:*** EDA provides at least 80% and up to 100% of eligible project costs. To determine match, you must establish regional eligibility either through unemployment rate, per capita income, or special need, which can include impacts from the coronavirus.

g. ***Organizational Capacity:*** What is your organization's capacity to implement the proposed project, including financial and management capacity?

Following our discussion, S² will draft the budget and budget narrative to be included in the application.

Action: Set up call to discuss scope of work and budget.

- 3. *One-Page Briefing Sheet:*** S² will create a one-page briefing sheet that clearly communicates the project goals and themes that can be handed to key stakeholders and potential partners throughout the grant process. This one pager will also be included as an attachment with your application package as an option narrative statement which may not exceed one page in length.

Action: Draft one pager for internal review and finalization.

- 4. *Conversation with EDA Representative:*** Applicants are highly encouraged to contact the EDA representative identified for the State(s) in which your proposed project is located before submitting an application. A comprehensive and up-to-date list of State Economic Development Representative (EDR) contacts can be found here: <https://www.eda.gov/contact/>. S² can work with you to set up a call with the appropriate EDA representative, help guide the discussion, and/or provide guidance on the call.

Action: Hold call with EDA Representative to discuss project.

- 5. *Form ED-900 Completion:*** Applicants will respond to the narrative questions including a description of the economic impacts in the region from the coronavirus pandemic and describe how the proposed project scope of work will respond to those impacts and support pandemic recovery and resilience efforts in the [ED-900 Form](#). S² will work with your team to obtain relevant information to complete this document. Prior to application submission, S² will send a draft out for your team's review and incorporate all edits and comments.

Action: S² to draft ED-900 form for internal review and finalizations.

- 6. *Environmental Narrative (for construction, design, and engineering projects):*** Applicants must submit an environmental narrative along with their application to enable EDA to comply with its NEPA responsibilities. S² will take the lead on drafting the environmental narrative and will work with your team to obtain relevant information necessary to complete this document including alternatives to the proposed project, historical/archeological resources within the project site(s) or area of potential effect, the affected environment, and proposed mitigation efforts to reduce impacts to any and all adverse impacts. S² will send a draft environmental narrative out for your team's review and incorporate all edits and comments.

Action: S² to draft environmental narrative for internal review and finalization.

- 7. *Letters of Match Commitment:*** Applicants must submit for each source of the matching share a commitment letter or equivalent document signed by an authorized representative of the organization providing the match funding. S² will draft a template letter of commitment for your review and distribution.

Action: S² to draft match commitment letter to be signed and returned.

- 8. *Letters of Support:*** It is important to collect letters of support and partnership from any organizations or businesses that may be beneficiaries of your EDA project. This may include non-profits, workforce development entities, state and federal political representatives,

educational institutions, job training and workforce development institutions, business organizations, and others. To the extent possible, letters should also document the projected job growth or employment benefits associated with your project. S² will draft a template letter of support for your review and distribution.

Action: S² to draft support letter to be signed and returned by stakeholders and beneficiaries.

9. *Map of the Project Site (for construction projects only):* Please provide S² with a map of the project site to be included with the application.

Action: Provide S² with copy of project site map.

10. *Intergovernmental Review:* If applicable, you may need to provide a copy of the application to your state's Single Point of Contact (SPOC) before final submission.

Action: Send application to SPOC prior to submission.

11. *Submission:* All materials must be submitted to grants.gov. There is a rolling deadline, but applicants are encouraged to submit well before March 31, 2022.

12. *Advocacy:* It is always advisable to advocate to EDA's Philadelphia and sometimes the HQ office to push these applications forward, with the PA (and as relevant WV or OH) congressional delegations.

Please contact Suzie Kazar at 202.803.2407 with any questions.



MEMORANDUM

To: Sustainable Strategies DC Client
From: Sustainable Strategies Team
Date: August 10, 2021
Subject: *EDA American Rescue Plan –Good Jobs Challenge Grant*

This memorandum provides an overview of U.S. EDA’s American Rescue Plan’s “Good Jobs Challenge” grant program and outlines the steps that you will need to take to work with Sustainable Strategies DC (S²) to submit a competitive proposal.

The U.S. Economic Development Administration’s (EDA) American Rescue Plan Act (ARPA) “Good Jobs Challenge” Grant (Jobs Challenge) program is offering grants of between ~\$5 million to ~\$20 million each to assist communities and regions build regional workforce training systems and sectoral partnerships, with funding for programs, equipment, and facilities to support system development, program design, and program implementation activities for quality jobs.

Eligible applicants for the Jobs Challenge include states including their workforce development departments, District Organizations of an EDA-designated Economic Development District (EDD), counties, cities, and other political subdivisions of a State, institutions of higher education, public or private nonprofit organizations or associations, and Tribes. EDA will fund 100% of Jobs Challenge projects with **no match**, but EDA emphasizes that applications with **substantial leverage of other resources** will be much more competitive.

Applications must be submitted no later than **January 26, 2022**. EDA requires a **24-month project period**, for grants which will be awarded by September 30, 2022, and which must be fully completed by September 30, 2027.

EDA’s framework for the Jobs Challenge is to:

- a. Fund the **System Development** and strengthening of a “**regional workforce training system**” which supports multiple sectoral partnerships, which is **led by “System Lead Entity”** that can be a state government, municipal government, state workforce board, local workforce board, or other similar entity);
- b. Fund the **Program Design** of specific “**sectoral partnerships**” served by a “**Backbone Organization**” (must be an EDA-eligible entity) which serves as an intermediary across all sectoral partners. Program Design activities help sectoral partnerships to identify the skills

needed by industry and workers; conduct outreach and recruitment of employers; conduct outreach and recruitment plans for workers including plans to reach diverse and underserved communities; develop skills training models, curriculum and materials; secure technical expertise needed to train workers with the skills needed by businesses, including providing professional development and capacity-building to trainers and educators; and purchase of necessary equipment to support and expand existing workforce training projects.

- c. Fund **Implementation of sectoral partnerships** which lead to quality jobs, including workforce training, work-and-learn approaches, and wrap-around services that place workers into quality jobs through new or expanded sectoral partnerships.

The Jobs Challenge applicant can be either a System Lead Entity or Backbone Organization. A grantee should use its grant for all three of these activities, with an emphasis on the stage of regional sectoral partnerships that best suits the level of establishment and existing programs which already exist and are active. The idea behind the ARPA Good Jobs Challenge NOFO is to support the needs of an applicant's identified system and/or partnership(s) through a single integrated award.

EDA recommends applications that seek up to \$1 million for system development, up to \$2 million for program design, and between \$2-\$7 million for implementation. That suggests that grant requests of between \$5 million to \$10 million make sense. However, in the NOFO, EDA suggests that larger regional efforts with more robust or multiple sectoral partnerships could be awarded up to \$20 million per grantee (note that EDA says it will give 25-50 awards with this \$50 million, which suggests average grants more like \$15 million than \$5-10 million). Although EDA requires the applicant to seek the entire grant amount, "EDA anticipates making an overarching award to each successful System Lead Entity (on behalf of a regional workforce training system) or Backbone Organization (on behalf of a sectoral partnership) and then approving the release of award funds over the period of performance based on successful completion of specific applicant-proposed benchmarks that will be clearly identified in the award as the organization moves through System Development, Program Design, and/or Program Implementation, as applicable to the particular award."

Here is a more detailed discussion of the types of proposals which EDA seeks for the Good Jobs Challenge:

- This program is designed to get Americans back to work and increase wage growth, as well as develop demand-driven systems that will continue to support Americans in securing and retaining quality jobs. Successful applicants will include **proactive employer engagement and mobilization and employer commitments to hire**. Regional workforce training systems and sectoral partnerships funded under this NOFO should connect employers in an industry with key regional stakeholders, including State, Tribal, and local governmental entities, economic development organizations, workforce development boards, Career OneStops, employer-facing organizations and employer associations, education and training providers,

community-based organizations (CBOs) (including faith-based organizations), worker-serving organizations (WSOs), labor unions, and/or other **key stakeholders** with responsibilities in advancing the goals of the sectoral partnerships.

- The system or partnership should be **led by a System Lead Entity or Backbone Organization**, serving as an intermediary that has convening power in the region and the capacity to coordinate engagement and collaboration across all necessary stakeholders.
- EDA encourages sectoral partnerships to **address populations with labor market barriers** such as persons with disabilities, disconnected youth, individuals in recovery, individuals with past criminal records including justice-impacted and reentry participants, serving trainees participating in the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), and Women, Infants and Children (WIC), and veterans and military spouses. EDA also encourages partnerships with Historically Black Colleges and Universities, Tribal Colleges and Universities, or Minority-Serving Institutions.
- EDA recognizes that in many circumstances having adequate, modernized facilities is a critical component of a successful workforce training program that responds to industry needs today and into the future. As such, **equipment costs, expenses related to securing adequate space (e.g., rent, leases), and other non-construction capital expenses are allowable expenses** under this program. However, building-based construction projects (i.e., any activity that disturbs the ground or modifies a structure) are not eligible under this NOFO, and should be pursued under the EDA Economic Adjustment Assistance program.
- The use of project funds to make equity or hybrid investments in businesses is not an allowable cost; neither EDA funds nor matching share may be used for such purposes.

Sustainable Strategies DC recommends the following steps to submit a competitive proposal:

- 1. *Identify sectoral partnerships for the EDA project:*** Identify one or more sectoral partnerships in the targeted region that will be supported by the regional workforce training system; ideally these sectoral partnerships will be thematically or technologically connected, and supported by the same regional systems and partners.
- 2. *Identify the Regional System Lead and the Sectoral Backbone Organizations leading these sectors,*** and designate one of those organizations as the EDA applicant.
- 3. *Convening of Partners:*** Because this EDA grant is based on the idea of regional sectoral partnerships, your organization should convene a videoconference of potential partners to discuss the proposed approach, project, and application to get their input, ideas, support, and participation. Individual phone call or meeting reach-outs to specific organizations can be conducted before or after the group videoconference. S² can support you in identifying partners to convene, confirming their optimal roles, and recruiting them.

4. **Grants.Gov Submission Issues:** Confirm that the EDA applicant has valid and active grants.gov and SAM Accounts. If not, we will need to take immediate action to register. S² can take the lead on registering your entity, but we will need your DUNS number, EIN number, and additional information to do so.

Action: Confirm sam.gov and grants.gov status ASAP.

5. **Confirm Project Scope, Budget, and Match:** Your team should set up a call with S² to discuss the project scope of work, budget, and alignment with the following key components:
- Economic Injury:** To what extent has the region served by the project suffered from economic injury because of job and gross domestic product losses in the travel, tourism, and outdoor recreation sectors?
 - EDA Recovery and Resilience Investment Priority:** To what extent will the proposed project support the economic recovery and long-term resilience to future pandemics or other sudden and severe economic dislocations for the travel, tourism, and outdoor recreation sectors?
 - CEDS:** Does the project align with the local Comprehensive Economic Development Strategy?
 - Beneficiaries:** Who will be beneficiaries of the project? What is the number of full- or part-time jobs estimated to be created or saved? What is the private investment estimated to be generated?
 - Leverage:** EDA will favor projects with high levels of resource leverage.
 - Organizational Capacity:** What is your organization's capacity to implement the proposed project, including financial and management capacity?

Following our discussion, S² will draft the budget and budget narrative to be included in the application.

Action: Set up call to discuss scope of work and budget.

6. **One-Page Briefing Sheet:** S² will create a one-page briefing sheet that clearly communicates the project goals and themes that can be handed to key stakeholders and potential partners throughout the grant process.

Action: Draft one pager for internal review and finalization.

7. **Conversation with EDA Representative and Regional Administrator:** Applicants are highly encouraged to contact the EDA representative identified for the State(s) in which your proposed project is located before submitting an application. A comprehensive and up-to-date list of State Economic Development Representative (EDR) contacts can be found here: <https://www.eda.gov/contact/>. S² can work with you to set up a call with the appropriate EDA representative, help guide the discussion, and/or provide guidance on the call. For these large grants, it is also advisable to seek a meeting or videoconference with the EDA Regional Administrator in your region, which we can help set up.

Action: Hold call with EDA Representative and Regional Administrator to discuss project.

8. **Form ED-900 Completion:** Applicants will respond to the narrative questions including a description of the economic impacts in the region from the coronavirus pandemic and describe how the proposed project scope of work will respond to those impacts and support pandemic recovery and resilience efforts in the [ED-900 Form](#). S² will work with your team to obtain

relevant information to complete this document. Prior to application submission, S² will send a draft out for your team's review and incorporate all edits and comments.

Action: S² to draft ED-900 form for internal review and finalizations.

9. **Letters of Support:** It is important to collect letters of support and partnership from any organizations or businesses that may be beneficiaries of your EDA project, or who will contribute leverage or other support to the endeavor. This may include non-profits, workforce development entities, state and federal political representatives, educational institutions, job training and workforce development institutions, business organizations, and others. To the extent possible, letters should also document the projected job growth or employment benefits associated with your project. S² will draft a template letter of support for your review and distribution.

Action: S² to draft support letter to be signed and returned by stakeholders and beneficiaries.

10. **Intergovernmental Review:** If applicable, you may need to provide a copy of the application to your state's Single Point of Contact (SPOC) before final submission.

Action: Send application to SPOC prior to submission.

11. **Submission:** All materials must be submitted to grants.gov by January 26, 2022.

12. **Advocacy:** Grants of this large size will certainly require robust education of key political stakeholders, and advocacy to get them to champion the application. S² can assist you in obtaining the solid support of your state governor's office, state workforce development and commerce departments, your congressional delegation, and other key advocates.

Please contact Sarah Marin at 202.308.7125 with any questions.



MEMORANDUM

To: Sustainable Strategies DC Client
From: Sarah Marin, Associate & Client Services Manager
Date: August 2, 2021
Subject: *EDA American Rescue Plan –Travel, Tourism, & Outdoor Recreation Grant*

This memorandum provides an overview of U.S. EDA’s American Rescue Plan Act Travel, Tourism, & Outdoor Recreation program and outlines the steps that you will need to take to work with Sustainable Strategies DC (S²) to submit a competitive proposal.

The U.S. Economic Development Administration’s (EDA) American Rescue Plan Act (ARPA) Travel, Tourism, and Outdoor Recreation Competitive Grants (Competitive Tourism Grants) program is offering between \$500,000 to \$10 million per grant to assist communities and regions in recovery from the coronavirus pandemic’s significant negative impact on travel, tourism, and outdoor recreation sectors. ARPA funds are intended to be flexible and responsive to the economic development needs and priorities of local and regional stakeholders and can support both construction and non-construction. EDA will provide \$240 million for ~150 competitive grants to individual applicants. As EDA will also be giving \$510 million to the states for travel, tourism, and outdoor recreation infrastructure, workforce development, and other activities, we encourage you to also consider approaching your state governor’s office and tourism/travel or economic development department to discuss how state funding could be devoted to your local project.

Competitive applications should be based on long-term, regionally oriented, coordinated, and collaborative economic development or redevelopment strategies that foster economic growth and resilience. Examples include efforts to enhance business retention and expansion to strengthen the travel, tourism, and outdoor recreation sectors, development and construction of high-performance and resilient infrastructure and buildings (e.g., broadband, energy, flexible and natural infrastructure, safe development practices) to mitigate future risk and vulnerability; and, comprehensive planning efforts that involve extensive engagement from the community to define and implement a collective vision for economic recovery.

Construction activities may include water and stormwater/wastewater improvements; pier construction and improvements; new outdoor recreation and trail infrastructure and public access

enhancements; nature-based infrastructure projects to improve access to recreation, cultural, arts, and tourism facilities; workforce training facilities and capacity building programs; accessibility enhancements; and country-wide or multi-state travel, tourism, or outdoor recreation promotion.

Eligible applicants include District Organizations of an EDA-designated Economic Development Districts (EDD), Indian Tribes, States, counties, cities, and other political subdivisions of a State, institutions of higher education, and public or private nonprofit organizations or associations. A 0% to 20% match is required. If match is less than 20%, the applicant must demonstrate elevated need based on the relative economic distress of the region.

Applications will be accepted on a **rolling basis**; however, EDA strongly advises applicants to submit their application before the final deadline of **March 15, 2022**.

Sustainable Strategies DC recommends the following steps to submit a competitive proposal:

1. ***Grants.Gov Submission Issues:*** We need to confirm that your community/organization has valid and active grants.gov and SAM Accounts. If not, we will need to take immediate action to register. S² can take the lead on registering your locality, but we will need your DUNS number, EIN number, and additional information to do so.
Action: Confirm sam.gov and grants.gov status ASAP.
2. ***Confirm Project Scope, Budget, and Match:*** Your team should set up a call with S² to discuss your project scope of work, budget, and alignment with the following key components:
 - a. ***Economic Injury:*** To what extent has the region served by the project suffered from economic injury because of job and gross domestic product losses in the travel, tourism, and outdoor recreation sectors?
 - b. ***EDA Recovery and Resilience Investment Priority:*** To what extent will the proposed project support the economic recovery and long-term resilience to future pandemics or other sudden and severe economic dislocations for the travel, tourism, and outdoor recreation sectors?
 - c. ***CEDS:*** Does the project align with the local Comprehensive Economic Development Strategy?
 - d. ***Start/End Date:*** When are the estimated start/end dates for the project? Maximum of four-year period of performance; must be completed before September 30, 2027.
 - e. ***Beneficiaries:*** Who will be beneficiaries of the project? What is the number of full- or part-time jobs estimated to be created or saved? What is the private investment estimated to be generated?
 - f. ***Level of Match:*** EDA provides at least 80% and up to 100% of eligible project costs. To determine match, you must establish regional eligibility either through unemployment rate, per capita income, or special need, which can include impacts from the coronavirus.
 - g. ***Organizational Capacity:*** What is your organization's capacity to implement the proposed project, including financial and management capacity?

Following our discussion, S² will draft the budget and budget narrative to be included in the application.

Action: Set up call to discuss scope of work and budget.

- 3. *One-Page Briefing Sheet:*** S² will create a one-page briefing sheet that clearly communicates the project goals and themes that can be handed to key stakeholders and potential partners throughout the grant process. This one pager will also be included as an attachment with your application package as an option narrative statement which may not exceed one page in length.

Action: Draft one pager for internal review and finalization.

- 4. *Conversation with EDA Representative:*** Applicants are highly encouraged to contact the EDA representative identified for the State(s) in which your proposed project is located before submitting an application. A comprehensive and up-to-date list of State Economic Development Representative (EDR) contacts can be found here: <https://www.eda.gov/contact/>. S² can work with you to set up a call with the appropriate EDA representative, help guide the discussion, and/or provide guidance on the call.

Action: Hold call with EDA Representative to discuss project.

- 5. *Form ED-900 Completion:*** Applicants will respond to the narrative questions including a description of the economic impacts in the region from the coronavirus pandemic and describe how the proposed project scope of work will respond to those impacts and support pandemic recovery and resilience efforts in the [ED-900 Form](#). S² will work with your team to obtain relevant information to complete this document. Prior to application submission, S² will send a draft out for your team's review and incorporate all edits and comments.

Action: S² to draft ED-900 form for internal review and finalizations.

- 6. *Environmental Narrative (for construction, design, and engineering projects):*** Applicants must submit an environmental narrative along with their application to enable EDA to comply with its NEPA responsibilities. S² will take the lead on drafting the environmental narrative and will work with your team to obtain relevant information necessary to complete this document including alternatives to the proposed project, historical/archeological resources within the project site(s) or area of potential effect, the affected environment, and proposed mitigation efforts to reduce impacts to any and all adverse impacts. S² will send a draft environmental narrative out for your team's review and incorporate all edits and comments.

Action: S² to draft environmental narrative for internal review and finalization.

- 7. *Letters of Match Commitment:*** Applicants must submit for each source of the matching share a commitment letter or equivalent document signed by an authorized representative of the organization providing the match funding. S² will draft a template letter of commitment for your review and distribution.

Action: S² to draft match commitment letter to be signed and returned.

- 8. *Letters of Support:*** It is important to collect letters of support and partnership from any organizations or businesses that may be beneficiaries of your EDA project. This may include non-profits, workforce development entities, state and federal political representatives, educational institutions, job training and workforce development institutions, business organizations, and others. To the extent possible, letters should also document the projected job growth or employment benefits associated with your project. S² will draft a template letter

of support for your review and distribution.

Action: S² to draft support letter to be signed and returned by stakeholders and beneficiaries.

9. *Map of the Project Site (for construction projects only):* Please provide S² with a map of the project site to be included with the application.

Action: Provide S² with copy of project site map.

10. *Intergovernmental Review:* If applicable, you may need to provide a copy of the application to your state's Single Point of Contact (SPOC) before final submission.

Action: Send application to SPOC prior to submission.

11. *Submission:* All materials must be submitted to grants.gov. There is a rolling deadline, but applicants are encouraged to submit before January 31, 2022.

Please contact Sarah Marin at 202.308.7125 with any questions.



MEMORANDUM

To: Sustainable Strategies DC Client
From: Sustainable Strategies Team
Date: August 16, 2021
Subject: *EDA American Rescue Plan –Build Back Better Regional Challenge Grant*

This memorandum provides an overview of U.S. EDA’s American Rescue Plan Act’s “Build Back Better Regional Challenge” grant program, and outlines the steps that you will need to take to work with Sustainable Strategies DC (S²) to submit a competitive proposal.

Overview

The U.S. Economic Development Administration’s (EDA) American Rescue Plan Act (ARPA) “Build Back Better Regional Challenge” Grant (BBBRC) program is offering two phases of grants, the first a \$500,000 no-match award that will help the awardee develop a regional plan for “transformational economic development strategies”, and a second phase to provide \$25 million to \$75 million (or up to \$100M) per grantee to fund the implementation of those strategies. A successful initiative will create and grow “regional growth clusters” through complementary and aligned construction and non-construction projects which create high quality jobs in new or expanded industries, increase wages, build capacity, attract investment, and revitalize communities. EDA is dedicating \$1 billion to this initiative, with \$100 million set aside for coal-impacted communities.

Sustainable Strategies has helped regional coalitions successfully organize for, compete for, and implement these types of major regional awards from EDA and other federal agencies, such as through the Obama Administration’s “Investing in Manufacturing Communities Partnership” led by the White House and EDA, and the “Defense Manufacturing Communities Partnership” led by the Department of Defense. Based on our experience, we recommend that only the most ambitious and transformational initiatives should seek a Build Back Better Regional Challenge grant, given the small number of winners to be selected, and the very large grant award amounts. A proposal that is truly regional, has a well-organized coalition of key stakeholders who are ready to build on established competitive regional assets, and that has a strong concept for transformational regional economic diversification in promising sectors – will be solid enough to compete. More limited projects confined to one or two smaller, less regional endeavors, should probably instead consider an EDA Economic Adjustment Assistance Grant or Good Jobs Challenge Grant, rather than a BBBRC application.

Eligible applicants for the Jobs Challenge include states including their workforce development departments, District Organizations of an EDA-designated Economic Development District (EDD), counties, cities, and other political subdivisions of a State, institutions of higher education, public or private nonprofit organizations or associations, and Tribes.

Two-Phase Competition

In **Phase 1**, EDA will provide \$500,000 “technical assistance” grants to 50-60 regional coalitions, through a lead entity/applicant which is an eligible entity for EDA funding, with **applications due October 19, 2021**. These coalitions will be considered “finalists”, and the Phase 1 grants will be used by the finalists to prepare more detailed applications for transformational projects that benefit their respective geographic regions and are aligned around a holistic approach to building, strengthening, or scaling a strategic industry or industries.

In Phase 1 of the BBBRC, eligible applicants should form regional coalitions and collaborate to develop a **Concept Proposal** that outlines a vision for the development or expansion of a new or existing regional industry or industries as well as a collection of 3–8 potential projects designed to support that vision. The Concept Proposal must articulate the coalition’s proposed vision and possible outcomes for the cluster; articulate how the proposed cluster will meet the four key elements of a successful cluster (Regional Assets, Industry Leadership, Sustainability, and Equity); identify the lead institution, coalition members, and additional existing or potential cluster partners (including letters of support); and include a proposal for how the technical assistance award funds will be spent along with the identification of any prospective matching funds for Phase 2. For selected finalists, the lead institution will receive a grant of up to \$500,000 to further develop individual component projects necessary to support the regional growth cluster, in collaboration with other coalition members and cluster partners. The deliverables for this technical assistance award include submittal of a Full Application for Phase 2 of this competition and continued development of component projects either into Phase 2 if selected to proceed, or to mature the projects for future funding opportunities at EDA or other agencies. Eligible uses of the technical assistance award funds include development of environmental and engineering information, if applicable. The lead institution and other appropriate eligible applicants within the Phase 1 coalition will then be eligible to submit a Full Application for Phase 2, including proposals for individual component projects to support the regional growth cluster. Phase 1 projects will generally have a 12-24 month project period, but EDA will allow up to 48 months for completion of Phase I components, which may overlap with the time of Phase 2 submittal, award and implementation.

In **Phase 2**, 20-30 finalist coalitions will receive between \$25-\$75M (and potentially up to \$100 million) to fund the collection of projects identified in the Phase 1 strategy, and implemented through grants to coalition members. **There is a 20% match requirement, but the coalition members who are awarded component projects within a selected Phase 2 recipients may seek a waiver of this match** for project components. Selected finalists under Phase 1 should submit a Full Application for Phase 2, which will include an Overarching Narrative and applications for individual component projects necessary to support the regional growth cluster. Coalitions that are not selected for funding in Phase 2 may be eligible for funding under other EDA programs or other federal

agencies. EDA, at its discretion, may award individual grants or cooperative agreements for component projects to various eligible applicants identified as coalition members. Alternatively, EDA may award the lead institution a grant or cooperative agreement and permit the lead institution to sub-award funds among various coalition members to implement component projects.⁵ EDA at its discretion may fund all or only some of the originally proposed component projects depending on the viability and feasibility of those components and the availability of funds. Phase 2 applications will be **due March 15, 2022**. Phase 2 projects should be 12-48 months total.

Elements of a Competitive Application

Applicants must have a regional approach, with a “**region**” defined as a “footprint designed and bounded in a way that ensures maximum collaboration and impact. The target region could correspond closely to statistical labor market areas such as metropolitan and micropolitan statistical areas, or to an industry that may be geographically dispersed but has unusually strong connectivity due to an established coalition of local government, industry, labor, and academic leaders. Regional growth clusters might reflect a hub and spoke model, anchored around a ‘hub’ such as a city, business park, port, educational or research institution, or technology center, and complemented by significant investment strategies in multiple ‘spokes’ that represent demographic and geographic diversity.” Within a region, a BBBRC must focus on one (or more) “**regional growth clusters**”, which is defined as “several entities working together to grow a regional economy through the growth of an existing and/or creation of a new regional industry or industries.” A regional “**coalition**” is a group of all-eligible EDA grant entities that come together to apply for a BBBRC award including, at a minimum, a lead institution and all entities that will submit applications for component projects in Phase 2. A strong coalition should involve state and local governments, labor and community-based organizations, industry, academia, research institutions, philanthropy, and non-profits. Meanwhile, a “**partner**” is defined as an entity that is not part of the official coalition, but who is committed to partnering with the coalition to make the initiative successful, including employers, community-based organizations, and private sector partners.

A competitive regional growth cluster for BBBRC funding will have a strong strategy on each four key factors (RISE): **Regional Assets:** the regional growth cluster must identify, make use of, and enhance regional competitive advantages and infrastructure. **Industry Leadership:** must have strong alignment with existing or prospective industry needs, and strong alignment on vision and strategy with private sector leadership. **Sustainability:** beyond the EDA ARPA award. **Equity:** across urban and rural communities in the regional cluster, and benefits to existing residents, with efforts to reach distressed communities, historically excluded populations, minorities, and women. Strong proposals will also increase regional **innovation and entrepreneurship** capacity, build physical and non-physical **infrastructure** for growth, and have strong **workforce development** components.

Eligible Uses of Funding include:

- **Construction activities** such as water and sewer system improvements, industrial parks, shipping and logistics facilities, business incubators and accelerators, brownfield redevelopment, technology-based facilities, food aggregation, processing and distribution centers, wet labs, multi-tenant manufacturing facilities, science and research parks, transportation enhancements, and telecommunications infrastructure (e.g., broadband) and development facilities.
- **Non-construction activities** such as design and engineering, technical assistance, economic recovery strategy development, entrepreneurial support, demand-driven workforce training, new academic curricula, market feasibility studies, the capitalization of revolving loan funds (RLFs), and indirect costs.

Ineligible uses of EDA funds include:

- Projects that directly improve facilities or improvements owned by a for-profit entity
- Projects that are primarily residential in nature
- Projects to create community amenities (e.g., swimming pools, zoos, recreational centers)
- Projects that support general governmental or public safety functions (e.g., buildings to house municipal government, firehouses, public safety equipment), and requests for funding to supplement operating budgets or replace lost revenue (including lost tax revenue)
- Projects that are primarily directed at public health responses to the coronavirus pandemic (e.g., testing or vaccination centers, increased hospital capacity, acquisition of personal protective equipment (PPE) for general government use or public distribution) because there are other ARPA funds dedicated to these efforts

Sustainable Strategies DC recommends the following steps to submit a competitive proposal, all of which we can help you undertake:

1. ***Identify growth clusters in your region that can compete, and define the region:*** Identify one or more regional growth, industrial, or business/innovation clusters with established competitive assets around which you will build your BBBRC application. Define the region.
2. ***Identify the Lead Applicant and eligible coalition entities, as well as supportive partners***
3. ***Convening of Coalition Partners:*** Because this EDA grant is based on the idea of regional growth clusters, your organization should convene a videoconference of potential coalition members and partners to discuss the proposed approach, project, and application to get their input, ideas, support, and participation. Individual phone call or meeting reach-outs to specific organizations can be conducted before or after the group videoconference. This should likely include state government and economic development officials, and representatives from your congressional delegation. S² can support you in identifying partners to convene, confirming their optimal roles, and recruiting them.
4. ***Grants.Gov Submission Issues:*** Confirm that the EDA applicant has valid and active grants.gov and SAM Accounts. If not, we will need to take immediate action to register. S² can

take the lead on registering your entity, but we will need your DUNS number, EIN number, and additional information to do so.

5. ***Confirm Project Scope, Budget, and Match:*** A winning BBBRC grant will be about a regional coalition that has an effective project scope and budget for 3-8 projects to grow and build a regional growth sector, with site upgrades, infrastructure upgrades, innovation projects, workforce development projects, and projects to bring the best non-profit, educational, and economic development assets together for transformational economic diversification. Therefore, a winning proposal must identify a scope of activities, confirm 3-8 catalytic projects, and put together a budget of activities that adds up to between \$30-\$90 million (\$25-\$75 million in EDA funding plus a 20% match). And then, of course, you need to dig deep for the 20%. \$5 million-\$15 million match of cash and genuine in-kind contributions, which may require coordination with your state or other large regional institutions that can provide those levels of funding. Short of that kind of design of a full Phase 2 proposal, a Phase 1 application will also require your coalition to identify a specific scope and budget for how you would use the \$500,000, Phase 1 grant to get yourself ready for the broader BBBRC Phase 2 application and project implementation. This step is the most important step of the entire grant process. S² can help regional coalitions on this project development steps.
6. ***Briefing Sheet:*** An application/regional coalition should create a short briefing sheet that clearly communicates the project goals and themes that can be handed to key stakeholders, senior political officials, and potential partners throughout the grant process.
7. ***Conversation with EDA Representative and Regional Administrator:*** Applicants are highly encouraged to contact the EDA representative identified for the State(s) in which your proposed project is located before submitting an application. S² can work with you to set up a call with the appropriate EDA representative, help guide the discussion, and/or provide guidance on the call. For these large grants, it is also advisable to seek a meeting or videoconference with the EDA Regional Administrator in your region, which we can help set up.
8. ***Letters of Support:*** It is important to collect letters of support and partnership from any organizations or businesses that may be coalition members or partners of your EDA project, or who will contribute leverage or other support to the endeavor. This may include non-profits, workforce development entities, state and federal political representatives, educational institutions, job training and workforce development institutions, employers and business organizations, and others. To the extent possible, letters should also document the projected job growth or employment benefits associated with your project. S² can draft a template letter of support for your review and distribution to stakeholder supporters.
9. ***Advocacy:*** Grants of this large size will certainly require robust education of key political stakeholders, and advocacy to get them to champion the application. S² can assist you in obtaining the solid support of your state governor's office, state workforce development and commerce departments, your congressional delegation, and other key advocates.