



MEMORANDUM

To: Members of the Rappahannock-Rapidan Regional Commission
From: Patrick L. Mauney, Executive Director
Date: August 17, 2021
Subject: Application to U.S. Economic Development Administration for CEDS Planning Grant

As part of the American Rescue Plan Act (ARPA) passed by Congress in March, \$3 million in supplemental funding was provided to the U.S. Economic Development Administration's (EDA) to assist communities nationwide with their efforts to build back better by accelerating the economic recovery from the coronavirus pandemic and building local economies that will be resilient to future economic shocks. Broadly, EDA provides strategic investments to support economic development, foster job creation and attract private investment in economically distressed areas of the U.S. In normal circumstances, a CEDS plan serves as a vehicle for opening up funding opportunities related to infrastructure, business development and assistance, and planning through the U.S. EDA, along with the potential for Economic Development District designation.

Development of a Comprehensive Economic Development Strategy (CEDS) plan is an eligible activity under the EDA ARPA funding, specifically the Economic Adjustment Assistance program. Historically, the Rappahannock-Rapidan region has considered development of a CEDS or similar plan several times, but has not opted to do so formally, and is one of the few regions in Virginia that does not have a CEDS plan in place (Charlottesville and Fredericksburg are among the others without CEDS).

The current competitive funding available through EDA ARP program presents several opportunities for the region and our localities:

- Development of CEDS plan providing additional opportunities for public/private/non-profit collaboration and potential for additional grant options for future investments and strategy development. One example highlighted through the CARES Act funding to EDA is broadband; the lack of a CEDS is an impediment to applying for these funds through EDA at present.
- EDA ARP funding, if awarded, would require a 20% local match. Normal EDA funding for CEDS development requires a 50% match. Thus, if the typical cost to develop a

CEDS is estimated at \$120,000, the current competitive round is more attractive given the match requirements.

You may recall a similar request from June 2020 in which staff proposed partnering with the Thomas Jefferson Planning District Commission on a joint application to EDA. That proposal was not funded via CARES Act funding. While it remains possible that we will coordinate activities with TJPDC and other regional partners, staff recommends moving forward with a standalone application from the Regional Commission at this time.

More information on EDA ARP programs can be found at <https://eda.gov/arpa/>

I welcome your questions prior to the meeting and/or next Wednesday.

REQUESTED ACTION: Authorize Executive Director and Commission staff to develop application the U.S. Economic Development Administration ARP Economic Adjustment Assistance Program for CEDS plan development

What is a Comprehensive Economic Development Strategy (CEDS)?

A CEDS is a strategy-driven plan for regional economic development. A CEDS is the result of a regionally-owned planning process designed to build capacity and guide the economic prosperity and resiliency of an area or region. It is a key component in establishing and maintaining a robust economic ecosystem by helping to build regional capacity (through hard and soft infrastructure) that contributes to individual, firm, and community success. The CEDS provides a vehicle for individuals, organizations, local governments, institutes of learning, and private industry to engage in a meaningful conversation and debate about what capacity building efforts would best serve economic development in the region. The CEDS should take into account and, where appropriate, integrate or leverage other regional planning efforts, including the use of other available federal funds, private sector resources, and state support which can advance a region's CEDS goals and objectives.

What is included in a CEDS?

There are four main elements of a CEDS:

- 1) Summary Background
- 2) SWOT Analysis
- 3) Strategic Direction/Action Plan
- 4) Evaluation Framework

The background should provide an overview of the region's economic situation. Building on data from the summary background, the SWOT analysis should assess the state of the regional economy, including the opportunities and threats posed by internal and external trends and forces, and the availability of resources for economic development. The region's vision, goals, and measurable objectives, together with an appraisal of the region's competitive advantages, should form the basis of the strategic direction and action plan. The evaluation framework should establish criteria and performance measures for evaluating the region's implementation of the strategic direction and progress toward goals and measurable objectives.

In addition to the sections noted above, the CEDS must incorporate the concept of economic resilience (i.e., the ability to avoid, withstand, and recover from economic shifts, natural disasters, the impacts of climate change, etc.). The EDD or community responsible for the CEDS can address resilience as a separate section, distinct goal or priority action item, and/or as an area of investigation in the SWOT analysis. It may be most effective, however, to infuse the concept of resilience throughout the CEDS document.

What opportunities are available through development of a CEDS?

Regions must update their CEDS at least every five years to qualify for EDA assistance under its Public Works and Economic Adjustment Assistance programs. In addition, a CEDS is a prerequisite for designation by EDA as an Economic Development District (EDD).

Source: <https://www.eda.gov/ceds/>

EDA: AMERICAN RESCUE PLAN

ECONOMIC ADJUSTMENT ASSISTANCE

Providing the Building Blocks for Success



EDA's American Rescue Plan **Economic Adjustment Assistance** program makes \$500 million in Economic Adjustment Assistance grants available to American communities.

The Economic Adjustment Assistance program is EDA's most flexible program, and grants made under this program will help hundreds of communities across the nation plan, build, innovate, and put people back to work through construction or non-construction projects designed to meet local needs.

A wide range of technical, planning, workforce development, entrepreneurship, and public works and infrastructure projects are eligible for funding under this program.

As part of the \$300 million **Coal Communities Commitment**, EDA will allocate at least \$200 million of the Economic Adjustment Assistance funding to support coal communities.



WHO SHOULD APPLY

Eligible applicants for EDA's Economic Adjustment Assistance program include a(n):

- District Organization of an EDA-designated Economic Development District
- Indian Tribe or a consortium of Indian Tribes
- State, county, city, or other political subdivision of a State, including a special purpose unit of a State or local government engaged in economic or infrastructure development activities, or a consortium of political subdivisions
- Institution of higher education or a consortium of institutions of higher education
- Public or private non-profit organization or association acting in cooperation with officials of a political subdivision of a State

Individuals or for-profit entities are not eligible.



APPLICATION DEADLINE

→ Suggested application submission date:
March 15, 2022

*Applications reviewed
on a rolling basis*



CONTACTS

- Please visit www.eda.gov/contact to find contact information for your Economic Development Representative.



To learn more about EDA's American Rescue Plan **Economic Adjustment Assistance**, visit eda.gov/arpa/economic-adjustment-assistance/.