

EDA GRANTS

The American Rescue Plan Act provided EDA with \$3 billion to respond to the economic effects of the pandemic, including the \$750 million U.S. Travel was able to get Congress to set aside for communities impacted by job loss in the travel, tourism, and outdoor recreation sectors.

GENERAL OVERVIEW

EDA funds are provided through the following programs:

- [State Tourism Grants \(\\$510 million\)](#): Funds awarded by formula to States to invest in marketing, infrastructure, workforce and other projects to rejuvenate leisure, business and international travel.
- [Competitive Tourism Grants \(\\$240 million\)](#): Funds competitively awarded to local governments and nonprofit organizations in regions most impacted by job loss in the travel, tourism, and outdoor recreation sectors—for projects that promote economic resilience and development and align with an [EDA Investment Priority](#).
- [Build Back Better Regional Challenge \(\\$1 billion\)](#): Funds competitively awarded to regional coalitions for projects that grow new regional industry clusters or scale existing ones through planning, infrastructure, innovation and entrepreneurship, workforce development, and financing—excluding travel and tourism-related projects.
- [Good Jobs Challenge \(\\$500 million\)](#): Funds competitively awarded to local governments and nonprofit organizations for workforce development programs.
- [Economic Adjustment Assistance Challenge \(\\$500 million\)](#): Funds competitively awarded to local governments and nonprofit organizations for technical assistance, planning, workforce development, entrepreneurship, and public works and infrastructure projects—with \$200 million set aside for “coal communities.”
- [Indigenous Communities Challenge \(\\$100 million\)](#): Funds competitively awarded to tribal governments and nonprofit organizations that primarily serve indigenous communities for technical assistance, planning, workforce development, entrepreneurship, and public works and infrastructure projects
- [Statewide Planning, Research, and Networks Grants \(\\$90 million\)](#): Funds awarded by formula to states or competitively awarded to local governments and nonprofit organizations to invest in research that assesses the effectiveness of EDA’s programs, and provides technical support for stakeholder communities around key EDA initiatives—such as workforce development, economic resilience and diversification, environmental sustainability, and equity.

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STATE TOURISM GRANT PROGRAM DETAILS

Each state and U.S. territory—including the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Marianas, the Marshall Islands, the Federated States of Micronesia, and Palau—will be awarded grants by formula based on the pre-pandemic travel and tourism sectors' percentage of the state or territory's Gross Domestic Product (GDP), along with employment and GDP loss in the travel and tourism sectors during the pandemic.

Eligible uses:

- State, county, city, or community tourism marketing and promotion campaigns, consistent with CDC COVID-19 guidelines. *(Note: Advertising for private companies is prohibited.)*
- Workforce training that supports the travel, tourism, and outdoor recreation industries.
- Economic development planning and coordination to respond to the effects of the coronavirus pandemic on the regional travel, tourism, and outdoor recreation industry.
- Technical assistance to businesses, entrepreneurs, and small and rural communities to help them respond to changes to travel, tourism, and outdoor recreation brought on by the pandemic.
- Upgrades/retrofits to existing travel, tourism, and outdoor recreation facilities, such as convention centers, to increase travel/tourism activity or to make such facilities more functional under pandemic social distancing conditions—which may include accessibility upgrades.
- Infrastructure projects that lead to long-term increases in tourist activity, including in gateway communities next to National Parks, State Parks, National Marine Sanctuaries, and other natural destinations. *(Note: Infrastructure projects will be subject to Federal environmental review and Davis-Bacon wage requirements.)*
- Other uses to support the travel, tourism, and outdoor recreation industries, as approved by EDA.

Eligible subrecipients:

States can award subgrants¹ to the following entities within the state to spend on eligible uses:

- County, city, or other political subdivision of a State
- Nonprofit organizations, including destination marketing organizations (DMOs). *(Note: Nonprofits must act in cooperation with local officials.)*
- Tribal governments

Other information:

- Although States and subrecipients must use the funds in a way that is consistent with an approved CEDS, they do not have to prove the use aligns with a CEDS before receiving the funds. See **Additional Rules** below for more information.
- States do not have to identify subrecipients at the time of application.
- No cost sharing is required.

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COMPETITIVE TOURISM GRANT PROGRAM DETAILS

Grants will be awarded by EDA regional offices on a competitive, rolling basis to projects that promote long-term economic resilience,² are regionally oriented, and utilize collaborative economic development strategies—with a preference for projects that directly support the travel, tourism, and outdoor recreation sectors.

Eligible Applicants:

- State, county, city, or other political subdivision of a State
- Nonprofit organizations, including DMOs. (*Note: Nonprofit applications must act in cooperation with local officials.*)
- Tribal governments

Eligible Uses:

- New or expanded infrastructure projects.
- Workforce development projects.
- Projects that promote diversity, equity, and inclusion.
- Projects that promote economic diversification, but projects that strengthen the travel and tourism industry will be favored.
- Projects that promote the commercialization of new technologies.
- Projects that seek to mitigate climate change.
- Projects that seek to grow U.S. exports.

Other Information

- Travel promotion and marketing projects are ineligible for Competitive Tourism Grants, except for marketing campaigns that promote a multi-state destination (e.g. New England, Gulf Coast, etc.)
- Grant amounts will typically range between \$500,000 and \$10,000,000, although EDA will consider applications above and below these amounts.
- Up to 20% cost sharing may be required, as determined by EDA on a case-by-case basis,³ but may include in-kind contributions.⁴
- Project performance periods will be determined based on the nature of the project, but typically non-construction projects are required to be performed within 12 to 24 months, while construction projects are expected to be completed within 12 to 48 months.

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- Applicants must detail how the proposed project will support the economic development needs and objectives outlined in an EDA-approved CEDS or equivalent strategy, and provide a copy of this planning document, either by attaching the document to the application or providing a web link for the document. See **Additional Rules** below for more information.
- Projects that propose subgrants to third-parties are highly discouraged.

ADDITIONAL RULES

The following rules apply to both State Tourism Grants and Competitive Tourism Grants.

CEDS Requirement

Eligible projects must be consistent with an EDA-approved [Comprehensive Economic Development Strategy \(CEDS\)](#) or equivalent plan, as developed by an [Economic Development District](#).

Ineligible Uses

- Projects that are primarily residential in nature.
- Projects to create community amenities that are not specific to regional tourism (e.g., swimming pools, golf courses).
- Projects that directly support casinos or gaming.
- Projects that support general governmental or public safety functions.
- Projects to supplement operating budgets or replace lost revenue (including lost tax revenue).
- Projects primarily related to public health responses, such as for testing, vaccination centers, or hospital facilities—but not including incidental public health costs.
- Projects selected under the Build Back Better Regional Challenge program.
- Pre-award project costs.
- Subgrants to private entities.

APPLICATION PROCESS

State Tourism Grants:

EDA will send a letter to states and territories inviting them to apply, with detailed information about the application process provided within the letter.

The Governor, or equivalent, of each State or territory is authorized to designate an entity to receive and administer the State Tourism grant, which may be the State, an agency thereof, or another entity. You can find each state's allocation [here](#).

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Competitive Tourism Grants:

All applicants must apply electronically [here](#), unless they request and receive authorization to submit a paper application from their corresponding EDA regional office. Complete applications must be submitted no later than January 31, 2022.

Each EDA regional office is allocated the following amounts, with discretion to award grants to eligible applicants within their region:

- Atlanta Regional Office – \$24,376,044
Covering Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee
- Austin Regional Office – \$16,635,106
Covering Arkansas, Louisiana, New Mexico, Oklahoma, Texas
- Chicago Regional Office – \$26,236,391
Covering Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin
- Denver Regional Office – \$19,849,552
Covering Colorado, Iowa, Kansas, Missouri, Montana, North Dakota, Nebraska, South Dakota, Utah, Wyoming
- Philadelphia Regional Office – \$95,146,537
Covering Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia, Puerto Rico, Virgin Islands
- Seattle Regional Office – \$57,756,370
Covering Alaska, Arizona, California, Hawaii, Idaho, Nevada, Oregon, Washington, American Samoa, Northern Mariana Islands, Guam, Federated States of Micronesia, Marshall Islands, Palau

Applicants are strongly encouraged to work with their respective [EDA regional office and Economic Development District](#) before applying. For EDA regional office contact info, as well as additional information about the application process or selection criteria, please see the [Tourism Grants NOFO](#) (pages 15-28, 30-35, 38-39).

NOTE: EDA may contact an applicant to request additional documentation after reviewing their application.⁵

End Notes

1. States must report to EDA the identity of the subrecipient, the amount of the subaward, and the scope of work of the subaward. In addition, EDA may require States to report additional information for certain subawards to ensure compliance with applicable laws and regulations.
2. EDA will determine if a project promotes economic resilience based on how it seeks to mitigate the potential for future economic injury; promote a faster recovery for the travel, tourism, and outdoor recreation sectors; and strengthen local and regional capacity to troubleshoot and address vulnerabilities within the regional economy.
3. See page 14 of the [Tourism Grants NOFO](#) for details on cost sharing factors.
4. Examples of possible in-kind contributions include space, equipment, services, or forgiveness or assumptions of debt.
5. Examples of additional documentation may include, but are not limited to, title verification, documentation of the value of in-kind contributions, or documentation required for environmental or legal compliance.