EDA GRANTS

The Economic Development Administration (EDA) will provide \$3 billion in grants to eligible entities to respond to the economic effects of the pandemic.

NOTE: U.S. Travel was able to get Congress to set aside \$750 million for communities impacted by job loss in the travel, tourism, or outdoor recreation sectors. Further, the House Committee Report accompanying the American Rescue Plan included the following language to clarify congressional intent for the \$750 million set-aside, which will help ensure marketing projects are competitively considered:

"In order to stimulate re-growth, the Committee has chosen to reserve a portion of the funding for the Economic Development Administration for areas experiencing severe economic distress as a result of declines in travel, tourism, and outdoor recreation. Consideration should be given to projects seeking to advance tourism marketing and promotion activities necessary to drive economic recovery in these sectors, as well as projects that provide information to potential consumers regarding health and safety protections necessary for safe travel."

ELIGIBLE APPLICANTS

- Nonprofit organizations¹ (including Destination Marketing Organizations)²
- EDA-designated Economic Development Districts (EDDs)
- Tribal governments
- States and local governments
- Political subdivisions of a state or local government, including a consortium of political subdivisions.
- Institutions of higher education or a consortium of institutions

PROGRAM DETAILS

- Grants will be awarded on a rolling, competitive basis until funds are exhausted or the program ends.³
- Grant amounts are usually based on 80% of the estimated cost of the project or activity, but may cover 100% of costs under certain circumstances.⁴
- Grants may be awarded within 60 days of a completed application (including supplemental materials) being submitted to EDA.⁵
- Eligible projects and activities must be consistent with a registered <u>Comprehensive Economic</u>
 <u>Development Strategy (CEDS)</u> or equivalent EDA-accepted regional economic development strategy.
- Applications must clearly explain how the project responds to the economic injury of the pandemic and contributes to the economic recovery and resiliency of the community, *such as by providing travel and tourism-related marketing campaigns* or the establishment of a qualified Revolving Loan Fund.

EDA GRANTS

APPLICATION PROCESS

- Please see EDA's <u>Guidance for DMOs</u> before submitting an application. It is also important to establish contact with your nearest <u>regional EDA office</u> before beginning the application process.
- EDA is not yet accepting grant applications. However, once they post a Notice of Funding Opportunity, you can apply <u>here</u>.
- The application process is likely to mirror the application process provided under the CARES Act. Please see this <u>EDA webinar</u> to see how the application process worked under the CARES Act.

1. Eligible nonprofits must either (1) act in cooperation with local government officials or (2) meet the definition of a District Organization.

- 2. Non-profit DMOs are eligible for EDA assistance so long as the organization (1) is engaged primarily in promoting a community or region as opposed to a specific business; (2) provides documentation that it is acting in cooperation with officials of a political subdivision of a State; and (3) operates as an eligible non-profit as determined by EDA.
- 3. Under the American Rescue Plan Act, program funds expire on September 30, 2022.
- 4. Grants covering 100% of project cost are reserved for projects (1) of a State (or political subdivision of a State) that EDA determines has exhausted its effective taxing and borrowing capacity or (2) of a non-profit organization that EDA determines has exhausted its effective borrowing capacity.

5. Historical turnaround time, as provided by EDA.