

name of the original district organization if EDA determines that the remaining counties can meet the requirements for authorizing and designating economic development districts, as set forth at part 302 of this chapter.

Subpart F—State and Urban Economic Development Planning Grants

§ 307.29 Purpose and scope.

Planning assistance is to strengthen significant economic development planning capability and initiatives of eligible applicants to ensure a more productive use of available resources in reducing the effects of economic problems by formulation and implementation of an economic development program. Assistance must be part of a continuous process involving significant local leadership from public officials and private citizens and should include efforts to reduce unemployment and increase incomes. These efforts should be systematic and coordinated when applicable, with other planning organizations in the area, and should strengthen the planning capabilities of applicants.

§ 307.30 Applicants.

Eligible applicants under this program are as follows:

- (a) Governors or agencies so designated by Governors of States;
- (b) Chief executive officers of cities or counties, or their designated agencies or organizations; and
- (c) Sub-state planning and development organizations (including redevelopment areas and economic development districts).

§ 307.31 Selection process.

Projects will be selected in accordance with § 304.1 of this chapter.

§ 307.32 Evaluation criteria.

In addition to and/or as an elaboration of the evaluation criteria set forth in part 304 of this chapter and to the extent practicable, EDA will evaluate projects on the following:

- (a) Overall quality of the proposal;
- (b) Extent to which the proposed planning activities are expected to:

(1) Impact upon the service area's economic development needs; and

(2) Address the problems of the unemployed and underemployed of the area, including minorities, workers displaced by plant closings, etc.;

(c) The proximity of the performing office to the chief executive (i.e., likelihood that the activities will have a significant influence on the policy and decision making process);

(d) Past performance of currently or formerly funded grantees, when applicable;

(e) The amount of local participation provided as matching share to the Federal funds; and

(f) Other characteristics, such as involvement of the private sector businesses and professional groups in the proposed activities, and particularly for states, the innovativeness of the proposed approach and replicability of the model process or results.

§ 307.33 Award requirements.

(a) Assistance will be for the period of time required to complete the work. This period is normally 12 to 18 months.

(b) Grant assistance may be provided for up to 75 percent of project costs. Applicants will be required to provide the remaining share, preferably in cash.

PART 308—REQUIREMENTS FOR GRANTS UNDER THE TITLE IX ECONOMIC ADJUSTMENT PROGRAM

Sec.

- 308.1 Purpose and scope.
- 308.2 Use of economic adjustment grants.
- 308.3 Eligible applicants.
- 308.4 Eligible areas.
- 308.5 Selection process.
- 308.6 Evaluation factors.
- 308.7 Award requirements.

AUTHORITY: Sec. 701, Pub. L. 89-136; 79 Stat. 570 (42 U.S.C. 3211); Department of Commerce Organization Order 10-4, as amended (40 FR 56702, as amended).

SOURCE: 60 FR 49692, Sept. 26, 1995, unless otherwise noted.

§ 308.1 Purpose and scope.

(a) The Economic Adjustment Program addresses the particular needs of

areas experiencing changes in their economic situation which are causing, or threaten to cause, serious structural damage to the underlying economic base. Such changes may occur suddenly or over time, for example, as a result of industrial or corporate restructuring in response to technological advancements or changes in the marketplace, new Federal laws or requirements, reductions in defense expenditures, or depletion of natural resources or natural disasters.

(b) Economic Adjustment grants are awarded for the purpose of enabling communities in such areas to meet the challenge of economic change more effectively through the development and implementation of strategies for inducing capital investment in production of the types of goods and/or services for which the community may have or be able to develop a comparative economic advantage, and which will lead to economic recovery and saving and/or creating permanent jobs.

(c) Overall funding objectives of this program are to:

(1) Provide impacted communities with the skills and knowledge needed to organize and carry out a strategic planning process focusing on increasing the productivity and competitiveness of a community's assets, such as for example, existing industries and business acumen, natural resources, or labor force skills;

(2) Expand the capacity of public officials and development organizations to work more effectively with their business community to identify and address unmet needs of the types of firms identified in area strategies. Such needs include, for example, management assistance and information to help with modernization, financing, market research, and new product development;

(3) Assist communities to overcome critical impediments to implementing their adjustment strategy. Such impediments include, for example, a lack of available financing for the businesses or weaknesses in economic infrastructure;

(4) Enable communities to plan and coordinate:

(i) The use of Federal, and/or other resources available to support eco-

nommic recovery from Federal actions adversely affecting a major industrial sector;

(ii) The economy of a discrete geographic region; or

(iii) Recovery from natural disasters.

(5) Encourage the development of innovative public/private approaches to economic restructuring and revitalization.

§ 308.2 Use of economic adjustment grants.

(a) Grants shall be used to develop or implement economic adjustment strategies. Strategy grants provide the resources for organizing and conducting a strategic planning process. Implementation grants support one or more activities identified in an adjustment strategy approved by EDA. Such activities include the following, which may be undertaken singly or in combination:

(1) Infrastructure improvements, such as for example, acquisition, site preparation, construction, rehabilitation and/or equipping of eligible facilities;

(2) Provision of business financing through establishment of locally administered revolving loan funds (RLFs);

(3) Planning, including strategy development, updating or refinement;

(4) Market or industry research and analysis;

(5) Technical assistance, including organizational development such as business networking, restructuring or improving the delivery of business services, or for feasibility studies;

(6) Public Services;

(7) Training; and

(8) Other activities as justified by the economic adjustment strategy which meet statutory and regulatory requirements.

(b) Adjustment grants may be disbursed by the grantee through direct expenditures or through redistribution by them to public and private entities.

(1) Redistribution in the form of grants may only be to units of government or to public or private non-profit organizations.