

ANNOUNCEMENT OF FEDERAL FUNDING OPPORTUNITY

EXECUTIVE SUMMARY

- **Federal Agency Name:** Economic Development Administration (EDA), Department of Commerce
- **Federal Funding Opportunity Title:** *Economic Development Research Project in Regional Innovation Systems* – National Technical Assistance, Training, Research and Evaluation Program under section 207 of the Public Works and Economic Development Act of 1965 (42 U.S.C. § 3147), as amended
- **Announcement Type:** Initial announcement of federal funding opportunity (FFO) dated October 31, 2008.
- **Catalog of Federal Domestic Assistance (CFDA) Number:** 11.312, Economic Development—Research and Evaluation
- **Dates:** To be considered timely, a completed application, regardless of the format in which it is submitted, must be either: (a) received by the EDA representative listed in section VII. of this announcement no later than December 1, 2008 at 5:00 pm Eastern Time; or (b) transmitted and time-stamped at www.grants.gov no later than December 1, 2008 at 5:00 pm Eastern Time. Any application received or transmitted, as the case may be, after December 1, 2008 at 5:00 pm Eastern Time will be considered non-responsive and will not be considered for funding. Because this announcement solicits applications for a single research project and it is anticipated that a single award will be made, EDA expects to notify the applicant selected for investment assistance under this announcement by December 26, 2008.
- **Application Submissions:** Paper (hardcopy) applications may be submitted to EDA Headquarters in Washington, D.C. by hand-delivery or postal mail. Applications also may be submitted electronically via www.grants.gov or via email to Kerstin Millius at KMillius@eda.doc.gov. Applicants are solely responsible for ensuring that EDA receives complete, accurate, and timely applications. See section IV.D. of this announcement for application submission requirements.
- **Federal Funding Opportunity Description:** Pursuant to the National Technical Assistance, Research and Evaluation program, EDA is soliciting applications for an economic development research project that addresses regional innovation systems.

FULL ANNOUNCEMENT TEXT

I. Federal Funding Opportunity Description

A. Program Objective and Solicitation Information

The Economic Development Administration's (EDA) mission is to lead the federal economic development agenda by promoting innovation and competitiveness, preparing American regions for growth and success in the worldwide economy. Through its National Technical Assistance, Training, Research and Evaluation program, EDA works towards fulfilling its mission by funding research and technical assistance projects to promote competitiveness and innovation in distressed rural and urban regions throughout the United States and its territories. By working in conjunction with its research partners, EDA will help States, local governments, and community-based organizations to achieve their highest economic potential.

On March 14, 2008, EDA published a *Federal Register* notice (73 FR 13844) to solicit applications for funding under its National Technical Assistance, Training, Research and Evaluation program that addressed one or more of the following three projects: (a) regional innovation systems; (b) urban economic development policy; and (c) global economic development strategy. The deadline for receipt of applications closed May 9, 2008 at 5:00 p.m. Eastern Time. After completing its review of submitted applications, EDA funded projects under each research topic, including two awards under the regional innovation systems project. One successful recipient was located in West Virginia and the other was in California, and both of these successful projects highlight regional innovation systems in those respective areas. EDA now is interested in making another award exploring regional innovation systems in an additional geographic location.

EDA advises applicants to read carefully the description of the research project set forth below as this announcement contains information on important requirements that were not included in the earlier FFO announcement and March 14, 2008 *Federal Register* notice. EDA will not review applications submitted under the previous announcement. Therefore, to be considered for funding under this announcement, all applications must comply with the new program and application requirements set out below. Any applicant that submitted an application under the previous FFO announcement should submit a new and complete application if it wishes to be considered for funding. If an applicant submits more than one application under this announcement, EDA will evaluate only the first application received and will consider subsequent applications non-responsive.

Applicants for funding under this FFO should focus on economic development activities that foster higher-skill, higher-wage job creation and private sector investment. An applicant whose projects lacks this focus is encouraged to seek financial support from other sources. All submissions under this announcement should propose methodologically rigorous, peer-review quality, and practitioner-accessible interpretations, digests, and tools.

B. Project Description: Regional Innovation Systems

In today's worldwide marketplace, competition no longer comes from just the company or county next door. Increasing competition comes from any person on the globe with a good education, a good idea, and a good Internet connection. In order to succeed, U.S. communities will require a comprehensive, holistic approach to economic development; an appreciation and understanding of the challenges of thriving in the 21st century economy; and an international economic development perspective.

Pursuant to its National Technical Assistance, Training, Research and Evaluation program, EDA is soliciting applications for an economic development research project addressing regional innovation systems.

Background Statement:

An international consensus is developing among economic development policy-makers: globalization is making regions the focus for economic development. In response, policy-makers in developed countries, and those who advise them, are giving renewed emphasis to regional policy. Current economic development policy emphasizes replacing past practices with a more integrated approach of identifying and building on the distinct competitive advantages of individual regions. However, because globalization frequently makes existing economic engines obsolete, regions must build new economic engines to remain globally competitive. Therefore, if economic development policies built around regionalism are to be effective, more emphasis must be placed on policies that support regional innovation. For example, in countries like the United States, many regions are pursuing 'knowledge sectors,' which are economic sectors where market opportunities are greatest and inter-regional competition the highest.

Proposed Study:

'Regional innovation systems' is a topic that is rapidly gaining currency in regional development policy discussions. Unfortunately, very little is known about these systems. The critical elements that comprise a highly effective regional innovation system are not well understood. The processes by which a region should identify and select an innovation system designed to best take advantage of its competitive advantages are largely unknown. The role, if any, public policy plays in developing and maintaining regional innovation systems in the context of regional differences is not clear. Providing more insight into the interaction between public policy and the effective creation and maintenance regional innovation systems will help illuminate regional development technique.

EDA solicits applications from qualified researchers to begin a research program that will respond to these needs, informing the design of policies that build and sustain innovative regions. Since most developed countries are confronted with essentially the same challenge, EDA anticipates that the study will identify and analyze best practices from throughout the world.

Deliverables:

- Creation of an analysis comparing regions of the same type using a recognized typology, including, but not limited to, gathering information on the range of emerging regional innovation systems.
- Development of case studies that illuminate best practices and an analysis of those case studies to identify the factors most critical to the success of the innovation system and the role public policies did or did not play in shaping the success.
- Development and implementation of a communication strategy that ensures the widest possible dissemination of the findings. Dissemination activities must include, but are not limited to, policy briefings, symposia, conferences, and publications.
- Publication of a practitioner-accessible report or equivalent document that presents project findings in a visually appealing format and, if appropriate, includes interactive media or its equivalent. The recipient should publish a minimum of 10 copies of the report or equivalent document.
- EDA also shall receive one electronic copy of any resulting report or equivalent document suitable for posting to EDA's website and one electronic copy of all data and other materials used in the analysis suitable for confirmatory and other federal purposes.

Any information disseminated to the public under this announcement is subject to the Information Quality Act (Pub. L. No. 106-554). Applicants are required to comply with the Information Quality Guidelines issued by EDA pursuant to the Information Quality Act, which are designed to ensure and maximize the quality, objectivity, utility, and integrity of information disseminated by EDA. These guidelines can be found on EDA's website at www.eda.gov.

Completion Deadlines:

Typically, EDA gives a recipient one year from the award date to complete the scope of work, which consists of research and associated research activities, composing the resulting report, and presenting the report to EDA senior management. A typical research project period begins with an initial meeting between the recipient and EDA staff to ensure that all parties are in agreement as to project terms. After the initial meeting, the recipient generally submits a final work plan to EDA staff for review and approval. Throughout the project period there will be regular contact between EDA staff and the recipient for updates on project progress. Also, as interim progress reports will be required throughout the project period. The schedule of interim progress reports will be determined subsequent to award.

Typically, the recipient submits a draft research report to EDA at least 90 days before the end of the project period for EDA's review. If the draft research report is approved, EDA will

approve publication of a final research report, and the recipient will brief EDA senior management on research methods and report results.

C. Program Authority

The authority for the National Technical Assistance, Training, Research and Evaluation program is section 207 of the Public Works and Economic Development Act of 1965 (42 U.S.C. § 3147), as amended (PWEDA), and 13 C.F.R. part 306, subpart A. EDA's regulations, which will govern an award made under this announcement, are codified at 13 C.F.R. chapter III. The regulations and PWEDA are accessible on EDA's Internet website at www.eda.gov/InvestmentsGrants/Lawsreg.xml.

II. Award Information

A. Funding Availability

EDA is operating with appropriations made available under the Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009, Pub. L. No. 110-329 (September 30, 2008). This Act makes available appropriations in an amount based on FY 2008 funding levels that are pro-rated through March 6, 2009 for the economic development assistance programs authorized by PWEDA and for the Trade Adjustment Assistance for Firms program authorized under the Trade Act of 1974, as amended (19 U.S.C. 2341 – 2355, 2391). At FY 2008 funding levels, EDA estimates that the regional innovation systems project will be funded in an amount ranging from \$200,000 to \$300,000.

B. Type of Funding Instrument

Subject to the availability of funds, EDA anticipates that an award made under this competitive solicitation will be in the form of a grant for a one-year project period.

III. Eligibility Information

A. Eligible Applicants and Eligible Recipients

Pursuant to PWEDA, eligible applicants for and recipients of EDA investment assistance include a District Organization; an Indian Tribe or a consortium of Indian Tribes; a State; a 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; an institution of higher education or a consortium of institutions of higher education; and a public or private non-profit organization or association.

B. Cost Sharing or Matching Share Requirement

Generally, the amount of the EDA grant may not exceed 50 percent of the total cost of the project. However, a project may receive an additional amount that shall not exceed 30 percent, based on the relative needs of the region in which the project will be located, as

determined by EDA. *See* section 204(a) of PWEDA (42 U.S.C. § 3144(a)) and 13 C.F.R. § 301.4(b)(1). Under this announcement, the Assistant Secretary of Commerce for Economic Development (Assistant Secretary) also has the discretion to establish a maximum EDA investment rate of up to 100 percent where the project: (a) merits and is not otherwise feasible without an increase to the EDA investment rate; or (b) will be of no or only incidental benefit to the recipient. *See* section 204(c)(3) of PWEDA (42 U.S.C. § 3144) and 13 C.F.R. § 301.4(b)(4).

EDA will consider the nature of the contribution (cash or in-kind), the amount of any matching share funds, and fairly assess any in-kind contributions in evaluating the cost to the Government and the feasibility of the project budget (*see* section V. below). While cash contributions are preferred, in-kind contributions, fairly evaluated by EDA, may provide the non-federal share of the total project cost. *See* section 204(b) of PWEDA (42 U.S.C. 3144). In-kind contributions, which may include assumptions of debt and contributions of space, equipment, and services, are eligible to be included as part of the non-federal share of eligible project costs if they meet applicable federal cost principles and uniform administrative requirements. Funds from other federal financial assistance awards are considered matching share funds only if authorized by statute, which may be determined by EDA's reasonable interpretation of the statute. *See* 13 C.F.R. § 300.3. The applicant must show that the matching share is committed to the project for the entire project period, will be available as needed, and is not conditioned or encumbered in any way that precludes its use consistent with the requirements of EDA investment assistance. *See* 13 C.F.R. § 301.5.

IV. Application and Submission Requirements

A. The Application Package

On October 1, 2008, EDA published a notice in the *Federal Register* (73 FR 57049) to introduce its new, streamlined *Application for Investment Assistance* (Form ED-900), which consolidates all EDA-specific requirements into a single application form. EDA will continue to require additional government-wide federal grant assistance forms from the Standard Form (SF) 424 family and certain Department of Commerce (CD) forms as part of a complete application package. These forms had been embedded in EDA's previous suite of EDA-specific forms (the *Pre-Application for Investment Assistance* (Form ED-900P), the *Application for Investment Assistance* (Form ED-900A), and the program-specific components to Form ED-900A), all of which have been superseded by the new Form ED-900. Please see section IV.C. below for information on obtaining application packages.

Applicants seeking assistance under this announcement must complete and submit the following application package:

1. Form ED-900 (*Application for Investment Assistance*)
2. Form SF-424 (*Application for Federal Assistance*)
3. Form SF-424A (*Budget Information—Non-Construction Programs*)
4. Form SF-424B (*Assurances—Non-Construction Programs*)
5. Form CD-511 (*Certification Regarding Lobbying*)

In addition, applicants may be required to submit to an individual background screening using the form titled *Applicant for Funding Assistance* (Form CD-346) and to provide certain lobbying information using the form titled *Disclosure of Lobbying Activities* (Form SF-LLL). The new Form ED-900 provides detailed guidance to help the applicant assess whether Forms CD-346 and SF-LLL are required and how to access them.

The new Form ED-900 is divided into lettered sections that correspond to specific program components that address all of EDA’s statutory and regulatory requirements. Based on the type of program, the Form ED-900 details the sections and exhibits that the applicant must complete. Because this announcement seeks Research and Evaluation Assistance applications only, an applicant only needs to complete those sections of the Form ED-900 identified in the table below. Complete instructions are included in the Form ED-900.

EDA Program	Required Form ED-900 Sections
Research and Evaluation Assistance	Complete Sections A, C, and E and Exhibit B.

B. Page Limitation Requirements

Applicants are advised to observe the following page limitation requirements that relate to Form ED-900. To ensure adherence to these requirements, applicants that choose to complete the Form ED-900 electronically are advised to first compose their responses in a separate word processing program and then cut and paste the text into the Form ED-900.

1. Section A.2. of Form ED-900 requires applicants to submit a detailed description of the project scope of work. This description must not exceed ten pages typed in a minimum 11 point common typeface, inclusive of all diagrams, tables and any ancillary materials.
2. Section C.3. of Form ED-900 requests information on the qualifications and capacity of key project staff. These descriptions must not exceed two pages per individual, with an additional two pages allowed for a single summary description of all organizations or consultants named in the application.

C. Obtaining Application Packages

Applicants may request a paper (hardcopy) application package by contacting the designated point of contact listed in section VII.B. of this FFO. Alternatively, applicants may obtain the application package electronically at either www.grants.gov or www.eda.gov/InvestmentsGrants/Application.xml.

See section IV.D. of this FFO for paper or electronic submission requirements.
See section V.A. of this FFO for information regarding evaluation and selection procedures.

D. Application Submission Information

The content of a completed application package is the same for paper submissions as it is for electronic submissions. EDA will not accept facsimile transmissions of applications.

1. Paper Submissions

All components of the application package may be accessed and downloaded at either www.grants.gov or www.eda.gov/InvestmentsGrants/Application.xml. The applicant should download and print copies of the application package. If an applicant is required to submit either Form CD-346 or Form SF-LLL, the Form ED-900 provides detailed guidance on accessing both forms.

Applicants that wish to obtain all forms in a screen-fillable format must download a complete application package from www.grants.gov/applicants/apply_for_grants.jsp. While all required application forms are available on EDA's website at www.eda.gov/InvestmentsGrants/Application.xml, only the Forms ED-900 and CD-346 are screen-fillable there. Required forms from the Standard Form (SF) 424 family are *not* screen-fillable on EDA's website, and the applicant will have to print these forms and complete them manually in clear, legible handwriting or with a typewriter.

The applicant must submit one original and two copies of the completed application package via postal mail, shipped overnight, or hand-delivered to the EDA representative listed below in section VII.B. Department of Commerce mail security measures may delay receipt of United States Postal Service mail for up to two weeks. Therefore, applicants who submit paper submissions are advised to use guaranteed overnight delivery services.

2. Electronic Submissions

Applicants are encouraged to submit applications electronically in accordance with the instructions provided at www.grants.gov. The preferred file format for electronic attachments is portable document format (PDF); however, EDA will accept electronic files in Microsoft Word, WordPerfect, or Microsoft Excel.

Applicants should access the following link for assistance in navigating www.grants.gov and for a list of useful resources: www.grants.gov/applicants/applicant_help.jsp. If you do not find an answer to your question under Frequently Asked Questions, try consulting the Applicant's User Guide, which may be downloaded at www.grants.gov/applicants/app_help_reso.jsp. If you still cannot find an answer to your question or require technical support, contact the www.grants.gov Contact Center via email at support@grants.gov or telephone at 1-800-518-4726. The hours of operation for the Contact Center are Monday-Friday, 7:00 a.m. to 9:00 p.m. Eastern Time (except for federal holidays).

Applicants also may email completed application packages to Kerstin Millius at KMillius@eda.doc.gov. To take advantage of screen-fillable functionality, an applicant choosing this option must download the application package from www.grants.gov and make

sure to choose the Forms SF-424, SF-424A, and SF-424B to attach as “Optional Documents,” and use the “Save As” function to save the application package to the applicant’s computer. Alternatively, the applicant may download all forms at www.eda.gov/InvestmentsGrants/Application.xml. As noted above, only Forms ED-900 and CD-346 are screen-fillable on EDA’s website. Therefore, all other required forms will have to be printed, completed manually with neat, legible handwriting or with a typewriter, scanned, and saved as electronic files in an appropriate electronic attachment format as noted above.

3. Submission Deadline

To be considered timely, a completed application, regardless of the format in which it is submitted, must be either: (a) received by the EDA representative listed in section VII. of this announcement no later than December 1, 2008 at 5:00 p.m. Eastern Time; or (b) transmitted and time-stamped at www.grants.gov no later than December 1, 2008 at 5:00 p.m. Eastern Time). Any application received or transmitted, as the case may be, after December 1, 2008 at 5:00 p.m. Eastern Time will be considered non-responsive and will not be considered for funding. The closing date and time are the same for paper submissions as for electronic submissions. By December 26, 2008, EDA expects to notify the applicant selected for investment assistance under this announcement.

Applicants are advised that they are solely responsible for ensuring that EDA receives complete, timely, and accurate applications. EDA will not accept any changes, additions, revisions, or deletions to applications after the closing date and time have passed. EDA may contact an applicant for additional clarifications regarding its application after final evaluations by the review panel.

Applicants are strongly encouraged to start early and not to wait until the approaching due date before logging on and reviewing the instructions for submitting an application through www.grants.gov. Applicants should save and print written proof of an electronic submission made at www.grants.gov. If problems occur, the applicant is advised to: (a) print any error message received; and (b) call the www.grants.gov Contact Center at 1-800-518-4726 for immediate assistance. EDA may allow more time for application submission due to system problems at www.grants.gov that are beyond the control of the applicant.

E. Intergovernmental Review

Applications for funding under this announcement are not subject to the requirements of Executive Order 12372, “*Intergovernmental Review of Federal Programs.*”

V. Application Review Information

A. Evaluation Criteria and Selection Procedures

To apply for an award under this announcement, an eligible applicant must submit a completed application package to EDA by the deadline specified and in the manner provided in section IV.D. of this FFO. Applications that do not meet all requirements or that exceed the page

limitations set forth in section IV.B. of this announcement will be considered non-responsive and will not be considered by the review panel. A panel comprised of at least three EDA staff members, all of whom will be full-time federal employees, will be formed to review applications. The review panel will evaluate applications and rate and rank them using the following criteria of approximate equal weight:

1. Conformance with EDA's statutory and regulatory requirements, including the extent to which the proposed project satisfies the award requirements set out below and as provided in 13 C.F.R. § 306.2:
 - a. Strengthens the capacity of local, State, or national organizations and institutions to undertake and promote effective economic development programs targeted at distressed regions;
 - b. Benefits distressed regions; and
 - c. Demonstrates innovative approaches to stimulate economic development in distressed regions.
2. The degree to which an EDA investment will have strong organizational leadership, relevant project management experience, and a significant commitment of human resources talent to ensure the project's successful execution (*see* 13 C.F.R. § 301.8(b)).
3. The ability of the applicant to implement the proposed project successfully (*see* 13 C.F.R. § 301.8).
4. The feasibility of the budget presented.
5. The cost to the Federal Government.

For purposes of this FFO, EDA only will consider applications submitted by applicants with the current capacity to undertake research that advances innovation in economic development practice or theory and that has the potential for impact on a regional and/or national scale. *See* section 3 of PWEDA (42 U.S.C. § 3122) and 13 C.F.R. §§ 300.3 and 306.2. Also, the addition of research and project data to an existing website or the design of a companion website to disseminate the results of the research study and provide links to data encapsulated in reports free of charge is preferred.

B. Selection Factors

The Assistant Secretary, as the Selecting Official, expects to fund the highest ranking application for this research project, as recommended by the review panel, submitted under this announcement. However, if EDA does not receive satisfactory applications, the Assistant Secretary may not make any selection. Depending on the quality of the applications received, the Assistant Secretary may select more than one application. Also, the Assistant Secretary may select an application out of rank order for the following reasons:

1. A determination that the selected application better meets the overall objectives of sections 2 and 207 of PWEDA (42 U.S.C. §§ 3121 and 3147);
2. The applicant's performance under previous awards; or
3. The availability of funding.

VI. Award Administration Information

A. Award Notices

Because this announcement solicits applications for a single research project and it is anticipated that only one award will be made, EDA expects to notify the applicant selected for investment assistance under this announcement by December 26, 2008. The successful applicant should expect to receive funding for the project within thirty days of EDA's notice of selection. Unsuccessful applicants will be notified that their applications were not selected for funding.

The Selecting Official will issue the grant award (Form CD-450, *Financial Assistance Award*), which is the authorizing financial assistance award document. By signing the Form CD-450, the recipient agrees to comply with all award provisions. EDA will send the grant by an appropriate delivery method to the appropriate business office of the recipient's organization, and it must be signed and returned without modification by the recipient within 30 days of receipt.

B. Administrative and National Policy Requirements

Administrative and national policy requirements for all Department of Commerce awards are contained in the *Department of Commerce Pre-Award Notification Requirements for Grants and Cooperative Agreements*, published in the *Federal Register* on February 11, 2008 (73 FR 7696). This notice may be accessed through the Federal Register Internet website at www.gpoaccess.gov/fr/retrieve.html, making sure the radial button for the correct Federal Register volume is selected (in this instance, 2008 Federal Register, Vol. 73), entering the Federal Register page number provided in the previous sentence (7696), and clicking the "Submit" button.

C. Other Information and Requirements

Certain EDA, Department of Commerce, and other award requirements are as follows:

1. All recipients of EDA investment assistance are required to submit financial and performance (technical) reports in accordance with the terms and conditions of the grant award. All financial reports must be submitted in triplicate (one original and two copies) to the EDA Program Officer. *See* 13 C.F.R. § 302.16.
2. Projects are expected to be completed in a timely manner consistent with the nature of the project. The completion deadline for the project is specified under section I.B. of this announcement.
3. If an application is selected for funding, EDA has no obligation to provide any additional future funding in connection with an award. Renewal of an award to increase funding or extend the period of performance is at EDA's sole discretion.
4. EDA is committed to a policy of non-discrimination in the administration of all its programs.

VII. Agency Contacts

A. Additional Information

EDA's Internet website at www.eda.gov contains additional information on EDA and its programs. For additional information on the National Technical Assistance, Training, Research and Evaluation program or to obtain a paper application package for this announcement, please contact Kerstin Millius via email at KMillius@eda.doc.gov (preferred) or by telephone at (202) 482-3280.

B. Addresses for Application Submissions

Applications submitted pursuant to this announcement may be:

1. Submitted via www.grants.gov or emailed to Kerstin Millius, Program Analyst, at KMillius@eda.doc.gov; or
2. Hand-delivered or mailed to Kerstin Millius, Program Analyst, Economic Development Administration, Room 7009, U.S. Department of Commerce, 1401 Constitution Avenue, N.W., Washington, D.C. 20230.

Applicants are encouraged to submit applications electronically through www.grants.gov or via email.