



EDA

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EDA's Winter Telecast Highlighting Corporate Community Investment December 11, 2008 2:00 p.m. EST

Join EDA as it hosts the U.S. Chamber of Commerce's Business and Civic Leadership Center (BCLC) for a 30-minute telecast on Corporate Community Investment. Hosted by Deputy Assistant Secretary Ben Erulkar, this broadcast will highlight how community investment benefits the economic growth and stability of the community and how these investments also provide for a return on investment for corporations.

The 30-minute broadcast will feature participants from the public and private sectors as well as interviews from guests that attended the recent U.S. Chamber of Commerce's Ninth Annual Corporate Citizenship Awards Dinner and Celebration in Washington, DC.

REGISTER TODAY! <http://edabroadcast.haverstick.biz>

The Promise of a Brighter Future: Local Scholarship Program Boosts Arkansas Economy

Most students (and their parents) across the United States share a common goal – graduate from high school and go to college. Many of them, however, know that the promise of a college education is dependent on scholarships, student loans and other financial considerations.

Meanwhile, community leaders are faced with the responsibility of providing educational opportunities for their citizens that will, in turn, lead to economic growth for the community as a whole.

In recognizing these challenges, Murphy Oil Corporation funded the El Dorado Promise – a scholarship program set in motion to advance the residents of El Dorado, Arkansas - a small southern city of 21,500 people, located 120 miles south of Little Rock.

Initiated in 2007, the "El Dorado Promise" is a \$50 million scholarship commitment serving El Dorado High School seniors. Tuition is provided for graduating seniors intending to pursue an associate's or bachelor's degree. Scholarships are based on years of attendance at El Dorado public schools, with the maximum amount based on the resident tuition at an Arkansas public university.

Students can attend any college and funding is granted for up to five years. The program is not needs-based and students apply by filling out an application during their senior year. Over 200 scholarships have been awarded, each year, for the past two years.

According to President and CEO of Murphy Oil Claiborne Deming, "education is the one thing you can provide people that permanently changes their lives."

But changing people's lives isn't the only benefit that the El Dorado Promise is bringing.

The projected economic impacts of this investment include: enhanced workforce development, higher-skill, higher-wage jobs and a more competitive region within Arkansas. In fact, El Dorado Mayor Mike Dumas has already seen drastic changes in his community.

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APA's Economic Development Toolbox Part Nine: *Economic Development Indicators III*

A successful community and regional indicator system includes the involvement of multiple stakeholders, as well as economic development practitioners. In [APA's Toolbox](#) practitioners can see how local and regional priorities match with economic and social activities to create sustainable communities. By encouraging the participation of business owners and residents, policy makers can contribute to finding solutions to common problems and implementing innovative development practices.

Coming Soon!

February 4–5, 2009

Reinventing Retail and Mixed-Use: Surviving, Thriving, and Positioning for the Future Beverly Hills, CA
[\[Website\]](#)

March 24 –27 2009

Nado's Economic Development Finance Service Conference New Orleans, LA, 70112 [\[Website\]](#)

April 25 –29 2009

APA's 101st National Planning Conference Minneapolis, MN
[\[Website\]](#)

New Streamlined Application is now available!

The Economic Development Administration is pleased to announce that it introduced a new, streamlined single application form, the *Application for Investment Assistance* (Form ED-900), on October 1, 2008. The new Form ED-900 is available for download at www.grants.gov and is ready for use

"Before the El Dorado Promise," said Mayor Dumas, "there was this attitude that El Dorado was dying on the vine." But encouraged by private investment in the program, the region is already seeing the impact of this effort as it leverages and attracts new business. As an example, the mayor points to a new biodiesel plant that is interested in his town and a budget increase – recently approved by voters – for economic development programs. Mayor Dumas acknowledges that such positive changes have come about in large part due to Murphy Oil's local community investment. Through this scholarship program and other city initiatives, strides are being made to perpetuate a stable and competitive El Dorado economy.

For Murphy Oil and other companies in the region, the program has proven to be a successful tool in workforce attraction and retention strategies. Families looking to relocate for new jobs routinely cite the quality of the local school system in their decision. The El Dorado Promise program is a significant draw for new employees when Murphy Oil recruits outside the region, drawing over 200 families to the region over the past two years. Similarly, for families already within the district, the program continues to reap dividends through the high retention rate of Murphy Oil's existing employees.

For more information on the El Dorado Promise scholarship program and Murphy Oil, please visit www.eldoradopromise.com and www.murphyoilcorp.com.

by all eligible applicants. The new Form ED-900 consolidates all EDA-specific requirements into a **single** application form and replaces EDA's previous suite of application materials. Beginning November 1, 2008, only the Form ED-900, along with specific forms and attachments from the Standard Form 424 family, will be accepted for consideration. Additional information about the new single application and EDA's application process is available at www.eda.gov under the heading 'Top News'.

EDA's interim final regulations effective as of October 22, 2008.

EDA published an interim final rule on October 22, 2008 in the Federal Register (73 FR 62858) to amend some of its regulations, namely the Trade Adjustment Assistance for Firms (TAA) regulations and the Revolving Loan Fund (RLF) regulations. The interim final rule includes a preamble that explains the revisions. The technical revisions to a few of the TAA definitions were made to help better align EDA's responsibilities in implementing the TAA program under the Trade Act. EDA also made a number of changes to the RLF regulations in line with our commitment to implement the Office of Inspector General's audit recommendations and to improve the administration and effectiveness of the RLF program.

Summary Of Revisions To EDA's Regulations Published In The Federal Register On October 22, 2008 (73 Fr 62858)

(1) EDA made a number of changes to the revolving loan fund (RLF) regulations (13 C.F.R. part 307), such as:

- a. Sec. 307.8: removal of defined term "*Guaranteed Loan*". As of the publication date of October 22, EDA will not allow recipients to use RLF capital to guarantee loans.
- b. Sec. 307.9: *RLF Plans*
 - Unless paper submission is approved, RLF Plans must be submitted *electronically* to EDA.
 - At a minimum, recipient must submit an updated Plan to EDA every 5 years.
 - Any change to the Plan must be reported. All material modifications must be submitted for EDA approval.
- c. Sec. 307.13: *Records and Retention*
 - All records relating to an RLF's operations must be retained for three years from the submission date of the last semi-annual report.
- d. Sec. 307.14: *Semi-annual report and Income and Expense Statement*
 - All recipients will complete and submit (**electronically unless EDA approves a paper submission) semi-annual reports (new Form ED-209).
 - All recipients using either 50% or more (or < \$100,000) of RLF Income for administrative costs in a six-month Reporting Period must submit semi-annually a completed Form ED-209I.
- e. Sec. 307.15(b): *Prudent management*

- Minimum loan documentation now includes the *record of decision*, stating the Board's approval of an RLF loan, and evidence demonstrating that credit was not otherwise available to the recipient: "Signed bank turn-down letter...."

f. Sec. 307.15(c): *Interest rates*

"The minimum interest rate an RLF may charge is four percentage points below the lesser of the current money center prime interest rate quoted in the **Wall Street Journal**, or the maximum interest rate allowed under State law. In no event shall the interest rate be less than the lower of four percent or 75 percent of the prime interest rate listed in the **Wall Street Journal**."

g. New Sec. 307.15(e):

RLF certification course. EDA may establish a mandatory RLF certification program to enhance RLF Recipients' ability to administer RLF Grants in a prudent manner. If so required by EDA, the RLF Recipient must satisfactorily complete this program, and may consider the cost of attending the certification courses as an administrative cost, provided the requirements set forth in § 307.12 are satisfied.

h. Sec. 307.16: *Effective utilization*

- New para. (d): **Loan default rates.** EDA shall monitor the RLF Recipient's loan default rate to ensure proper protection of the Federal Share (as defined in § 314.5 of this chapter) of the RLF property, and may request information from the RLF Recipient as necessary to determine whether it is collecting loan repayments and complying with the financial obligations under the RLF Grant.

i. Sec. 307.17: *Uses of capital*

- New para. (c): **Compliance and Loan Quality Review.** To ensure the RLF Recipient makes eligible RLF loans consistent with its RLF Plan or such other purposes approved by EDA, EDA shall require an independent third party to conduct a compliance and loan quality review for the RLF Grant every three years. The RLF Recipient may undertake this review as an administrative cost associated with the RLF's operations, provided the requirements set forth in § 307.12 are satisfied.

j. Sec. 307.20 – *Partial liquidation*

Added more grounds for having to partially liquidate or "disallow" a portion of the RLF grant, such as: - Excess cash remains sequestered for twelve months and EDA has not approved an extension request; - Recipient makes an ineligible loan; - Recipient fails to disburse the EDA funds in accordance with the time schedule prescribed in the RLF grant; or - Recipient determines that it does not wish to further invest in the RLF or cannot maintain operations at the degree originally contemplated upon receipt of the RLF grant and requests that a portion of the grant be disallowed.

k. Sec. 307.21 – *Termination*

Added more grounds for termination, such as failure to: - submit an updated Plan; - submit timely progress, financial and audit reports in the format required by the grant and § 307.14, including the semi-annual report and Income and Expense Statement (if applicable); - manage the grant in accordance with "Prudent Lending Practices"; - submit documentation requested by EDA re a high loan default rate and collection efforts, or correct a high loan default rate, as determined by EDA; - comply with OMB Circular A-133 audit requirements.

(2) EDA made a few technical changes to Trade Adjustment Assistance for Firms (TAA) regulations (13 CFR part 315), including the following:

Section 315.2: *Definitions*

- To ensure that the definitions of "*Decreased Absolutely*" and "*Significant Number or Proportion of Workers*" are not unduly restrictive, we added

"unless EDA determines that these limitations in a given case would not be consistent with the purposes of the Trade Act" to each of them.

- We think the definition of "Firm" is improved by including in the definition a portion of sec. 261 of chapter 3 of title II of the Trade Act, which states: *"a Firm, together with any predecessor or successor firm, or any affiliated firm controlled or substantially beneficially owned by substantially the same person, may be considered a single Firm where necessary to prevent unjustifiable benefits."*

(3) The interim final rule includes technical revisions to the property management regulations (13 C.F.R. part 314), as well as other minor editorial revisions that do not change current practice.



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