



# EDA Update

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## EDA Fiscal Year 2008 Disaster Supplemental Appropriations

As the primary Department of Commerce bureau to assist with post-natural disaster economic recovery, EDA received two distinct disaster supplemental appropriations totaling \$500 million in Fiscal Year 2008. The appropriations are to be used for disaster relief, long-term recovery and restoration of infrastructure in areas covered by a declaration of major disaster under the Robert T. Stafford Disaster Relief and Emergency Assistance Act.

The first \$100 million supplemental appropriation was awarded on June 30, 2008, as part of the 2008 Disaster Supplemental Appropriations Act. On August 11, 2008, EDA posted an initial Federal Funding Opportunity (FFO) announcement regarding the allocation and availability of these funds. That announcement is available at: <http://www.eda.gov/InvestmentsGrants/FFON.xml>. A modification to the initial announcement was posted at that site on October 1, 2008, regarding the new single application.

On September 30, 2008, EDA's \$400 million second supplemental appropriation was awarded as part of the 2009 Consolidated Security, Disaster Assistance and Continuing Appropriations Act. Information about the allocation and use of these funds is forthcoming and will be published in an FFO on [www.eda.gov](http://www.eda.gov) in the coming weeks.

Although EDA does not have "first responder" duties or capabilities, EDA typically offers four services in disaster situations:

1. Economic Impact Assessment: EDA assists FEMA through a mission assignment protocol to help evaluate the economic impact of the disaster.
2. Strategic Planning: EDA offers financial resources and technical assistance to help rebuild economic development plans following a disaster.
3. Infrastructure Development: EDA offers grant funds to build new infrastructure (e.g. business incubators, technology parks, research facilities, basic utilities such as water treatment) to retain or attract jobs to the region. *NOTE: EDA cannot rebuild existing public infrastructure damaged during the disaster; that is FEMA's responsibility.*
4. Business Loans: Through EDA's Revolving Loan Fund (RLF) program, non-profit and governmental entities can apply to establish an RLF which in turn makes below market-rate loans to businesses to help recovery.

## FISCAL YEAR MESSAGE FROM BEN ERULKAR:

On October 2, 2008, Deputy Assistant Secretary Ben Erulkar addressed all EDA Staff via a Webinar. Below is a transcript of his message to the staff. During the presentation, Ben addressed five areas:

1. [Strengthening EDA's Niche](#)
2. [Partnership With Congress](#)
3. [Maintaining Superior Investment Results](#)
4. [Communicating Openly and Clearly](#)
5. [Reflecting on the President's Priorities](#)

As you know, October 1 marked the beginning of our new fiscal year. As the dust slowly settles on EDA's Fiscal Year 2008 activities, I would like to take a moment to recap briefly our past successes, and provide you with a sense of the direction that EDA will follow in the coming year.

Let me begin by saying that as we begin Fiscal Year 2009, EDA is doing extremely well as an agency, and is positioned to continue to lead the Federal economic development agenda well into the future. EDA's strength today is a direct result of your hard work and your commitment to continuously improving how EDA operates to serve our customers and stakeholders. I touched on some of those successes during last week's All Hands conference call – the Austin office's work on Hurricane Gustav, the rapid response of the Denver and Chicago offices to the Midwest floods, and the successful regional conferences along with the National Summit, to name just a few.

As we look forward into 2009, our main challenge will be to **implement, execute and take advantage of** the opportunities we've provided for ourselves as an agency during 2008. So let's connect the work we did last year with what lies ahead by looking at our five current management priorities:

1. Strengthening EDA's niche in the federal economic development portfolio by focusing on innovation, entrepreneurship and collaborative regional development approaches.
2. Working in partnership with Congress, including EDA's reauthorization.
3. Maintaining EDA's superior investment results and strengthening the agency's quantifiable performance measurements.
4. Communicating openly and clearly with internal and external stakeholders; and
5. Reflecting the President's policy priorities.

### 1. Strengthening Our Niche

We did a great job processing grants according to our policy priorities last year.

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### APA's Economic Development Toolbox Part Eight: *Economic Development Indicators II*

Economic development indicators can be a valuable and proactive tool – not simply reactive records – for developers and communities if they are carefully developed and presented in a manner that is easily understood. In [APA's Toolbox](#), practitioners will explore how indicator systems play a key role in the success of economic development projects. Indicators assist communities and regions in realizing their inherent values and assets, thereby maximizing internal and cross-jurisdictional economic benefits. The Toolbox also features the work of G. Thomas Kingsley, AICP, economic expert with the Urban Institute, who advocates that indicators systems present communities and regions with long-term strategies for growth.

### Coming Soon!

#### November 17–23, 2008

Global Entrepreneurship Week  
[\[Website\]](#)

#### January 25 – 27, 2009

IEDC's Leadership Summit – Turning Today's Economic Challenges into Tomorrow's Successes [\[Website\]](#)

### 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](http://www.grants.gov) and is ready for use 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](http://www.eda.gov) under the heading 'Top News'.

And the natural disaster work we did enabled us to receive appropriations recognition for disaster redevelopment of 500 million dollars. Make no mistake about it – this appropriation is a game-changer for EDA. Of course, game-changers present both challenges and opportunities. The challenges here are that we didn't receive any additional S&E and that the political expectation is that this money is going to go out the door quickly. So we need to develop a new way of doing our disaster redevelopment business in order to satisfy those demands without sacrificing the quality of the disaster redevelopment work we do. We'll be communicating with you in the near future about the new ways of doing business that we're now thinking about.

## **2. Partnership with Congress**

We've done a lot to strengthen our partnership with Congress, as evidenced by the additional appropriations that have come our way. We also made great strides in our reauthorization campaign. In the Senate, because of the hearing that was held, we heard an explicit bipartisan consensus that EDA's programs are vital to American economic development in the 21st century. While our Senate authorizing committee marked up and voted out successfully an EDA reauthorization bill in 2008, the House counterpart committee was incapable of taking action on that legislation. As a result, as far as we can see, EDA will not be reauthorized before 2009.

I would like to take a moment to thank Patty Sheetz, EDA's Director of Legislative and Intergovernmental Affairs, for her great work related to advancing EDA reauthorization. A year ago, we asked Patty to lay out a plan for reauthorization, which she did, and that plan went as far as it could thanks to Patty's commitment to raising awareness on this issue on Capitol Hill. Looking forward, we will continue to build on the strong progress we have made toward reauthorization. While some uncertainty remains, we will maintain close contact with Members of EDA's authorizing and appropriating committees to ensure that EDA remains highly visible as a preeminent economic development thought leader, a disaster redevelopment authority, and an exemplary Federal financial assistance agency.

## **3. Maintaining Superior Investment Results**

As I mentioned on our All Hands conference call last week, I am very pleased with the improvements we have made in grants processing. I am concerned, however, that the fourth quarter still remains our heaviest processing time. This is institutionally dangerous for EDA; the more we leave ourselves to do in the fourth quarter, the more annual reporting and monitoring requirements will come due at that time which it will make more difficult to process more projects in the fourth quarter. This cycle guarantees that we will be overwhelmed in fourth quarters for years to come, a circumstance that degrades the quality of our work and will impair our agency's capability to fulfill our mission. We'll be addressing this issue in performance plans for FY 2009.

To help improve our work and break this cycle of imbalance, we will be implementing a number of system improvements this year intended to allow EDA to work smarter. These include:

- the new Single Application, which **should** now be used for all EDA applications, and, by November 1, will be required for all for all applications;
- The Grantium grants management program, which we expect to be ready for use by early November;
- The RLF Automated Administration System, which will be ready for use for the reporting period ending on March 31, 2009;
- WEBCIMS, which is currently in use;
- And the EDA Balanced Scorecard, which I will speak more about in a moment.

## **4. Communicating Openly and Clearly**

We had tremendous success in 2008 in our communications activities with internal and external stakeholders. We conducted four, highly-viewed *Economic Development Today* telecasts and webcasts; redesigned and published four issues of the *Economic Development America* quarterly publication; and increased the distribution list for the monthly *EDA Update* e-newsletter to over 40,000. We ran a highly successful EDA Excellence in Economic Development Awards program that was capped off with high-quality onsite award presentation events.

EDA also excelled in communicating with our customers and stakeholders through the well-received regional conferences, and the 2008 National Summit on American Competitiveness, held on May 22 in Chicago, Illinois. This Secretarial Summit served as a platform to convene premier leaders from the private, public and academic sectors to discuss policies needed to ensure our nation's future prosperity and to address the issues that are vital to America's global economic competitiveness. The discussions were viewed nationwide via CNBC, C-SPAN and web cast. As we heard first hand from the Secretary and many others, the Summit was a great success.

Looking ahead, I expect that these types of communications activities will take place in 2009. While we have not yet announced plans for conferences and seminars, I have become convinced during my time at EDA of the basic importance of continuing to spread our message and share our good ideas.

## **5. Finally, Reflecting the President's Priorities**

EDA created a fourth policy priority in 2008: Connecting regional economies with the worldwide marketplace. I appreciate the great work that each EDA region is doing to help communities determine what their "global position" is in the worldwide marketplace, and in helping them build strategies for connecting with the opportunities that the worldwide marketplace offers. There are great examples in each of our six regions, but a couple that stick out are:

- The Seattle Regional Office's work in Washington's Puget Sound region, where the Puget Sound Regional Council has brought together Boeing, its suppliers, the State of Washington, and the Canadian GLOBE Trade Fair and Conference to advance the development of a clean technology cluster in the Puget Sound region;
- And the Philadelphia Regional Office's work with the World Trade Center of Greater Philadelphia to help the region identify and work with small

manufacturers that are looking to enter export markets.

Moving forward, I would expect that EDA would continue to focus on this priority of helping regions tap into the worldwide marketplace, not because President Bush or I demand it, but because **businesses and our communities** demand it. Engagement in worldwide markets is simply a **reality** of the 21 st century economy.

So, that's a brief overview of our 2008 accomplishments in EDA's five management priority areas, and the future directions that we will take to build upon these accomplishments. Let me now take a moment to address in more detail a point that I mentioned previously – EDA's Balanced Scorecard. As you know, EDA established its Balanced Scorecard in 2003 to help the agency continuously improve performance as we strive to achieve our mission. Development of the Balanced Scorecard has raised EDA's visibility, and has helped to establish good working relationships with OMB and Congress by effectively communicating EDA's strategic focus.

You may wonder how exactly EDA uses the Balanced Scorecard. The Balanced Scorecard is a communication tool that supports EDA's strategic priorities. Strategic priorities are those that directly advance our mission, such as forming regional partnerships or educating our market. While it is important that EDA continue to perform the basic operational functions that enable us to conduct business, we cannot allow our agency to lose sight of the strategic priorities that advance our organizational mission. The Balanced Scorecard is the lens through which we maintain our strategic focus.

It's important to remember that, as EDA evolves, so too must its Balanced Scorecard in order to reflect accurately the agency's priorities. Throughout 2007 and into 2008, an intense effort was undertaken by both Headquarters and the Regional Offices to re-examine and refine the strategic objectives and measures of EDA's Balanced Scorecard. This effort resulted in more performance measures which better reflect EDA's current priorities, as well as a Balanced Scorecard Interim Reporting Tool. We can all be very proud of EDA's progress in 2008 in refreshing the agency's Balanced Scorecard. As we continuously improve the Balanced Scorecard, you will soon see a new Balanced Scorecard Automation Tool, a web-based system that will be accessible on EDA's Intranet.

The look and feel of the BSC Automation Tool should be familiar, and will carry forward many of the elements of the BSC Interim Reporting Tool. Unlike the static nature of the BSC Interim Tool, the BSC Automation Tool will increase internal communications and augment the implementation of EDA's strategies by providing real-time management information. It will provide the ability to observe trends associated with each strategic objective or measure, allowing both Regions and Headquarters Divisions to monitor processes and proactively adjust activities and efforts to improvement fulfillment of EDA's strategic mission.

You will have access to scorecards, measures, strategy diagrams, as well as the ability to create various measure-related reports to enhance the BSC's power as a management tool. In the future, as goals evolve, new measures may easily be created to track performance. The BSC Automation Tool is slated to "go live" late in the first quarter of FY 2009.

A Balanced Scorecard Implementation Team from Headquarters will be visiting Regional EDA Offices later this month to roll out EDA's Balanced Scorecard and demonstrate the BSC Automation Tool. I will also be visiting regional offices myself later in the fall, and I look forward to speaking with you about this and other topics.

These are just some of the accomplishments in 2008 that we can all be proud of. I, myself, am proud to be part of such an effective agency that boasts such impressive accomplishments, and I look forward to working with you over the next several months as we work to implement all that we developed in 2008. Thank you for the strong contribution that you make as a part of the EDA team to American economic development in the 21 st century.



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