

EDA Performance Metrics

Summary of FY 2012-2016 Awards

Since FY 2012, EDA invested nearly \$1.4 billion in 3,244 projects to help communities and regions build the capacity for economic development. Of the total, 615 projects totaling \$786.2 million are expected to create and/or retain 226,393 jobs and attract nearly \$29 billion in private investment, according to recipient estimates. The other 2,629 projects totaling \$571 million support planning, research, technical assistance, access to capital, and/or other activities that are essential for successful economic development and job creation in the future.



While the figures above are estimates of anticipated future jobs created/retained and private investment generated, EDA also collects **actual** results in accordance with the Government Performance and Results Act (GPRA). For example, actual GPRA results show that EDA construction projects awarded in FY 2007¹ have helped create/retain 22,471 jobs and generate close to \$2.6 billion in private investment.

Urban/Rural Split

Historically, EDA provides about two-thirds of its funding to rural areas and one-third to urban areas. For example, of the Public Works and Economic Adjustment Assistance grants awarded between FY 2012 and FY 2016, approximately 61% of funding went to rural areas, and 34% of the funding went to urban areas.

Program Impacts

Construction Projects

Based on historical averages of actual GRPA results, every \$1 of EDA construction project funding helps generate approximately \$15 in private investment at a cost per job created/retained of approximately \$13,550.

Non-Construction Projects (examples: Trade Adjustment Assistance for Firms and Revolving Loan Funds)

Trade Adjustment Assistance for Firms (TAAF)

EDA's TAAF program provides cost-shared technical assistance to U.S. manufacturing firms experiencing lost sales and employment due to increasing imports.

One year after completing the program, firms participating in the Trade Adjustment Assistance for Firms (TAAF) program reported that average sales had increased by 20.8 percent, average productivity had increased by 18.1 percent, and average employment had increased by 2.3 percent from the prior year.

¹ EDA's GPRA process collects actual results data on the jobs created/retained and private investment generated three, six, and nine years after the award is made. As of FY 2016, the most recent complete (9-year) snapshot of this actual results data is for those grants made in FY 2007.

By comparison, the U.S. Bureau of the Census Annual Survey of Manufacturers (Census) reported that, during the same time period, the national manufacturing industry in aggregate experienced an average sales increase of 1.2 percent and an average productivity decrease of .09 percent, while the U.S. Bureau of Labor Statistics (BLS) reported an average employment increase of 1.3 percent. Therefore, TAAF-assisted firms performed better in all three measures than the manufacturing industry as a whole during this time period.

Two years after completing the program, these same firms reported average sales had increased by 13.6 percent, average productivity had increased by 9.7 percent, and average employment had increased by 3.5 percent from 2013. Meanwhile, BLS reported that the manufacturing industry experienced an average employment increase of 2.5 percent from 2013.

Additionally, these same firms reported that from the time of petition certification to one year after completing the program (a period of six years, on average), sales increased by 42.6 percent, productivity increased by 28 percent, and employment increased by 11.4 percent. By comparison, Census reported that, during the same time period, the national manufacturing industry in aggregate experienced an average sales increase of 10 percent and an average productivity increase of 25 percent, while the U.S. Bureau of Labor Statistics (BLS) reported an average employment decrease of 12 percent. Therefore, TAAF-assisted firms performed better in all three measures than the manufacturing industry as a whole during this time period. (Source: FY 2015 TAAF Annual Report to Congress)

Revolving Loan Fund (RLF)

EDA’s RLF program provides access to capital at below-market interest rates for U.S. firms in economically distressed areas.

As of September 30, 2016, EDA oversees 520 Revolving Loan Funds (RLF) nationwide, with a combined EDA investment of almost \$538 million in RLFs. The RLF portfolio has a combined capital base of about \$824 million (includes EDA investment plus grantee matching funds plus interest income), of which \$267 million is available for lending. EDA-funded RLFs have made more than 37,500 loans to American small businesses and have leveraged more than \$16 billion non-RLF dollars. RLF Recipients report that the program has contributed to creating or retaining more than 662,000 jobs.

According to September 30, 2016 semi-annual reports submitted by RLF Recipients:

- Number of active RLFs: 520
- Aggregate EDA funding: \$538 million
- Combined Capital base: \$824 million
- Funds available for lending: \$267 million
- Aggregate number of loans made: 37,520
- Aggregate amount of leveraged funds: \$16.5 billion

| | |
|-------------------------------------|----------------|
| <i>JOBS CREATED/RETAINED</i> | 662,259 |
|-------------------------------------|----------------|

High Demand for EDA Funding

EDA regularly receives more applications for economic development projects than it can fund. From FY 2012 to FY 2016, EDA received a total of 5,955 applications totaling \$3.8 billion. Of these, 4,127 applications (totaling \$2.4 billion in requested funding) were deemed high-quality projects worth potentially funding. Of these high-quality applications, EDA’s appropriation level could only support 3,244 projects, totaling \$1.4 billion in grant funding. This left an unmet demand of 883 applications for high-quality economic development projects, totaling \$1 billion in requested funding.