

DEPARTMENT OF COMMERCE**Economic Development
Administration**

[Docket No. 980331082-8082-01]

RIN 0610-ZA06

**Research and Evaluation, National
Technical Assistance—Request for
Grant Proposals****AGENCY:** Economic Development
Administration (EDA), Department of
Commerce (DoC).**ACTION:** Notice of availability of funds.

SUMMARY: A total of \$340,000,000 is available to EDA for all of its programs for FY 1998 (See Notice of Funding availability for FY 1998 at 63 FR 10116), of which approximately \$1,600,000 is or will be available for National Technical Assistance and for Research and Evaluation. EDA is soliciting proposals for the specific projects described herein: (1) Development and dissemination of cutting-edge and innovative techniques in economic development; (2) evaluation of technology transfer and commercialization efforts; (3) evaluation of the impact of EDA revolving loan fund investments; (4) development of information on effective Indian economic development projects and practices.

These projects will be funded if acceptable proposals are received. Remaining funding, if any, may be used to fund additional projects. The average funding level for a Research and Evaluation grant is \$171,000 and for a National Technical Assistance grant is \$176,000. Additional funding may or may not be available. EDA issues this Notice describing the conditions under which eligible applications for these National Technical Assistance under 13 CFR Part 307, Subpart C, and Research and Evaluation under 13 CFR Part 307, Subpart D, projects will be accepted and selected for funding.

DATES: Prospective applicants are advised that EDA will conduct a pre-proposal conference on May 7, 1998, at 10:00 a.m. EDT in the Department of Commerce, Herbert C. Hoover Building, 14th and Constitution Avenue, N.W., Washington, DC 20230, Room 1414, at which time questions on the National Technical Assistance and Research and Evaluation projects can be answered. Prospective applicants are encouraged to provide written questions (See **ADDRESSES** section below) by May 4, 1998. Prospective applicants unable to attend the pre-proposal conference may participate by teleconference.

Teleconference information may be obtained by calling (202) 482-4085 between 9:00-4:00 EDT on May 6, 1998.

Initial proposals for funding under this program will be accepted through May 28, 1998. Initial proposals received after 5:00 p.m. EDT in Room 7005, on May 28, 1998, will not be considered for funding.

By June 16, 1998, EDA will advise successful proponents to submit full applications (containing complete proposals as part of the application), OMB Control Number 0610-0094. Completed applications must be submitted to EDA by July 7, 1998. EDA will make these awards no later than September 30, 1998.

ADDRESSES: Send initial proposals to John J. McNamee, Director, Research and National Technical Assistance Division, Economic Development Administration, Room 7005, U.S. Department of Commerce, Washington, DC 20230.

FOR FURTHER INFORMATION CONTACT: John J. McNamee, (202) 482-4085.

SUPPLEMENTARY INFORMATION:**I. Introduction****A. Authority**

The Public Works and Economic Development Act of 1965 (PWEDA), (Pub. L. 89-136, 42 U.S.C. 3121 *et seq.*), as amended at § 3151 authorizes EDA to provide technical assistance which would be useful in reducing or preventing excessive unemployment or underemployment, and enhancing the potential for economic growth in distressed areas (42 U.S.C. 3151 (a)); and a program of research to assist in the formulation and implementation of national, state, and local programs to raise income levels and other solutions to the problems of unemployment, underemployment, underdevelopment and chronic depression in distressed areas and regions (42 U.S.C. 3151 (c)(B)). Pub. L. 105-119, makes funds available for these programs.

B. Catalog of Federal Domestic Assistance

11.303 Economic Development—Technical Assistance Program; 11.312 Economic Development—Research and Evaluation Program.

C. Program Descriptions

For descriptions of these programs see PWEDA and EDA's regulations at 13 CFR Chapter III.

D. Briefings and Workshops

Unless otherwise noted, each of the proposals requested below includes a requirement that the applicant conduct

a total of up to seven briefings and/or training workshops for individuals and organizations interested in the results of the project. These will take place when the project is completed in all other respects and the results known. Potential applicants should be aware that the completion dates set forth below are for completion of the project and submission of the final written report. Briefings/workshops will take place no later than one year after completion of the project and submission of the final report, at seven locations and on seven dates at EDA's discretion. The locations include one in Washington, DC and one in each of EDA's six regions.

E. Additional Information and Requirements

Applicants should be aware that if they incur any costs prior to an award being made, they do so solely at their own risk of not being reimbursed by the Government. Notwithstanding any verbal or written assurance that may have been received, there is no obligation on the part of EDA to cover pre-award costs.

The total dollar amount of the indirect costs proposed in an application under this program must not exceed either the indirect cost rate negotiated and approved by a cognizant Federal agency prior to the proposed effective date of the award, or 100 percent of the total proposed direct costs dollar amount in the application, whichever is less.

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 the sole discretion of EDA.

Unless otherwise noted below, eligibility, program objectives and descriptions, application procedures, selection procedures, evaluation criteria, and other requirements for this program are set forth in PWEDA and EDA's regulations at 13 CFR Chapter III, and EDA's Notice of Availability of Funds for FY 1998 at 63 FR 10116.

No award of Federal funds will be made to an applicant who has an outstanding delinquent federal debt until either: (1) the delinquent account is paid in full; (2) a negotiated repayment schedule is established and at least one payment is received; or (3) other arrangements satisfactory to the Department of Commerce are made.

Unsatisfactory performance under prior Federal awards may result in an application not being considered for funding.

Applicants should be aware that a false statement on the application is grounds for denial of the application or termination of the grant award and grounds for possible punishment by a fine or imprisonment as provided in 18 U.S.C. 1001.

Applicants are hereby notified that any equipment or products authorized to be purchased with funding provided under this program must be American-made to the maximum extent feasible.

Notwithstanding any other provisions of law, no person is required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act (PRA) unless that collection of information displays a currently valid Office of Management and Budget (OMB) control number. This notice involves a collection of information requirement subject to the provisions of the PRA and has been approved by OMB under Control Number 0610-0094.

II. How to Apply

A. Eligible Applicants

- **National Technical Assistance**—See 13 CFR 307.12. Eligible applicants are as follows: public or private nonprofit organizations including nonprofit national, state, area, district, or local organizations; accredited educational institutions or nonprofit entities representing them; public sector organizations; Native American organizations, including American Indian tribes; local governments and state agencies. Technical Assistance grant funds may not be awarded to private individuals or for-profit organizations.

- **Research and Evaluation**—See 13 CFR 307.17. Eligible applicants are as follows: private individuals, partnerships, corporations, associations, colleges and universities, and other suitable organizations with expertise relevant to economic development research.

B. Proposal Submission Procedures

The initial proposals submitted by potential applicants may not exceed ten pages in length and should be accompanied by a proposed budget, resumes/qualifications of key staff, and proposed time line. EDA will not accept proposals submitted by fax. Proposals must be received in Room 7005 at the address and by the submission deadline indicated above, in order to be considered.

III. Areas of Special Emphasis

A. National Technical Assistance Program

- **Cutting-Edge and Innovative Practices in Economic Development.** EDA invites proposals to examine successful cutting-edge and innovative techniques in economic development that could be replicated in, adapted to, or serve as models for local economic development efforts; to develop a system for disseminating this information to the broadest possible audience through reports, brochures, Internet access/Web pages, etc.; to document in final hard copy and electronic report(s) the results of the research; and to facilitate making the results of EDA-funded research—already completed or currently underway—available on the Internet. The target audience is the economic development professional at the local level.

Background: A recent evaluation of the federal role in economic development noted that the evidence of the past decade shows states and localities do not have adequate incentive to invest in evaluation or in sharing their learning with peers in other localities or states. Word about cutting-edge and innovative economic development ideas and practices that work well does spread to other localities and states. However, the pace at which that information sharing takes place can be significantly accelerated and the quality of the information developed and shared can be significantly improved. The purpose of this grant is to develop and/or accelerate dissemination of cutting-edge and innovative practices in economic development.

One part of this goal will be achieved by systematically gathering and assessing exemplary practices, developing case studies, and facilitating dissemination of the results rapidly, particularly through use of the Internet. Case studies of interest, in addition to ones of general economic development, include ones in the following areas: trade and export development, technology transfer and commercialization, technology deployment in distressed areas, sustainable development and brownfields redevelopment, and projects that result from or demonstrate the positive value of regional cooperation. Exemplary practices in economic development through technology transfer or commercialization are the subject of a separate proposal, below. The exemplary practices selected need not

be limited to EDA-funded projects, but they should, when possible, serve as examples of what EDA can and might fund. Since the purpose for collecting and disseminating the information is to highlight recent developments, projects selected for review should be limited to ones completed no earlier than 1994. Each case study should provide sufficient information about the project to be of maximum use to practitioners.

A second part of this goal is achieved by disseminating the results of major EDA-funded studies. EDA studies funded in the past two years have already produced (or shortly will produce) significant new information on such issues as the impact of incubator investments, the role of cluster-based economic development as a regional strategy, an assessment of state and regional business incentives, etc. This information has been or will be made available in written report form. It should also be made available on the Internet, in order to be readily accessible and available to the greatest number of economic development practitioners.

Scope of Work: The successful applicant will (1) survey a broad range of economic development practitioners and organizations at the local, state, and federal levels to gather information on a variety of cutting-edge and innovative practices in rural and urban economic development; (2) convene a panel of practitioners to evaluate the cases; (3) in a final report, describe the context, design, implementation, and results of—including lessons learned from—each exemplary practice, and provide the rationale for selecting it; (4) review selected governmental and non-governmental economic development Web sites for effectiveness of information dissemination to practitioners, identify deficiencies, and recommend appropriate design and technical specifications and provide technical assistance so that selected EDA-funded studies that were completed since FY 96 or will be completed in FY 98 and the cutting-edge and innovative practices studies that will be developed under this grant can be readily accessed by practitioners; (5) recommend “hot links” to other appropriate economic development Web sites; (6) recommend other information dissemination vehicles, such as targeted brochures to disseminate the information to the broadest possible audience in the economic development community; and (7) conduct briefings and/or training workshops as set forth in Section I.D. above.

Cost: If properly justified, the Assistant Secretary may consider a

waiver of the required 25 percent local share of the total project cost.

Timing: The project should be completed and the final report submitted by March 31, 1999.

- Evaluation of Technology Transfer and Commercialization Efforts.

EDA invites proposals to evaluate the state of technology transfer and commercialization projects, report on best practices in the field, and present models for developing and implementing such types of projects at the local level, including in distressed areas.

Background: Technology represents 50 percent of the nation's economic growth and is the most important enabling industry. There has been extensive Federal and state funding for technology transfer and commercialization projects. Growing technology-based enterprises, however, poses unique challenges. One of the purposes of this proposal is to determine what the key ingredients of a successful technology transfer and commercialization project are. A second is to identify the appropriate tools and models for technology transfer and commercialization in varying economic situations, including in economically distressed communities. What are the characteristics, structures and practices that drive technology transfer and commercialization to successful outcomes? How effective are they (or could they be)?

Information about the process of development and implementation of technology transfer and commercialization projects, and the kinds of projects that have been successful, is not readily available to economic development practitioners. There is a need to educate public and private sector leaders, especially those in economically distressed areas, about the economic benefits of science- and technology-based jobs and the potential coupling of those jobs with unemployed or underemployed workers. When considering technology transfer and commercialization projects, local leaders and economic development professionals need to know what kinds of projects have worked in various settings, such as urban or rural economies, the major elements of successful development and implementation, appropriate partners, etc.

Scope of Work: The successful applicant will (1) survey economic development practitioners and technology transfer and commercialization projects and specialists to identify technology projects in diverse settings for

evaluation, including those that are appropriate examples for distressed area economic development; (2) visit a variety of such projects to determine the major elements involved in the project development and implementation process; (3) determine what the goals of successful projects were and whether the chosen strategies and practices were successful in achieving those goals; (4) define what the measures of success for technology commercialization at the local level are (job creation, diversification of the local economy, creation of high quality, better-paying jobs, international competitiveness, etc.); (5) determine what the most pressing problems are which local communities and entrepreneurs face in technology transfer and commercialization; (6) identify models for adoption or adaptation in economically distressed areas; (7) convene a panel of practitioners to review the identified development and implementation process and identify exemplary practices; (8) in a final report, describe the development and implementation process and exemplary practices in technology transfer and commercialization projects, as well as models for their implementation in distressed areas; and (9) conduct briefings and/or training workshops as set forth in Section I.D. above.

Cost: If properly justified, the Assistant Secretary may consider a waiver of the required 25 percent local share of the total project cost.

Timing: The project should be completed and the final report submitted by June 30, 1999.

B. Research and Evaluation Program

- Impact of EDA Revolving Loan Fund (RLF) Investments:

EDA invites proposals to evaluate the extent to which EDA RLF grants achieve structural economic adjustment in the target community and the length of time required to do so.

Background: EDA's Economic Adjustment Program, which was established in 1974, helps communities design and implement strategies for facilitating adjustment to economic changes that are causing or threaten to cause serious structural damage to the underlying economic base. Such changes may occur suddenly or over time, and result from industrial or corporate restructuring, reductions in defense expenditures, natural disasters, depletion of natural resources, or new Federal laws or requirements. EDA grants provide such communities with the critical resources necessary to organize and carry out an adjustment strategy tailored to their particular

economic problems and opportunities. EDA economic adjustment assistance may fund strategic planning, technical assistance, construction of critical infrastructure or establishment of a revolving loan fund (RLF). This research effort is limited to an evaluation of RLFs as an economic adjustment tool.

Each EDA RLF grantee must prepare a strategy which identifies the approach it will use in providing RLF financing, as part of the broader business development strategy designed to support achieving the goals and objectives of the community's economic adjustment process. The strategy incorporates the particular opportunities identified for stimulating business investment and productivity, and defines the types of RLF investments believed to be most effective in supporting the objectives of the adjustment program. All RLF investments must be consistent with the strategy.

The fundamental impact of an EDA RLF economic adjustment grant should be the economic adjustment of the target area. Much of that impact will occur a considerable time after the grant is made. The proposed research should determine the extent to which target communities have begun (or achieved) structural economic adjustment, factors that affect the length of time needed to achieve full adjustment, and the contribution that the RLF funding made (or did not make) in stimulating/enabling positive structural economic change within a community.

Scope of Work: The successful applicant will develop a methodology for determining and evaluating the economic impact of RLF investments in achieving structural economic adjustment. In doing so, it will examine such issues as whether the RLF strategy was the appropriate one, i.e., was the underlying adjustment strategy rational, realistic, and responsive to the structural dislocation; was the community committed to following the strategy; and were the loans made consistent with the strategy, i.e., whether the potential categories of borrowers identified in the strategy were in fact targeted for loans, and whether initial and subsequent loans were made in a timely manner. The applicant will examine briefly the distinctions among EDA-funded RLFs and those funded by other federal agencies such as HUD, USDA, SBA, etc. The applicant will make the evaluation using a sample group of RLF projects. The sample should be stratified to include RLF grants funded under EDA's (a) regular Economic Adjustment Program, (b) Defense Adjustment Program, and (c)

other special initiatives, including disaster relief. EDA expects the methodology to consider the core performance measures that are currently applied to RLF grants, as well as other relevant measures suggested by the above-described analysis. It should determine whether these measures in fact demonstrate the value of an RLF strategy in achieving structural economic adjustment. The research should also evaluate whether failure to achieve structural economic adjustment correlates with failure to implement the RLF economic adjustment strategy, or whether the strategy itself was an appropriate one. The final report must fully document the methodology used for the project, as well as revisions suggested by testing the methodology on the actual projects. The results must be presented in briefings and/or training workshops as set forth in Section I.D. above.

Cost: No local match is required for this project.

Timing: This project should be completed and the final report submitted by September 30, 1999.

- American Indian Economic development.

EDA invites proposals to develop and disseminate information on effective economic development projects and practices in Indian economic development.

Background: Economic development on American Indian reservations presents a unique set of circumstances and opportunities, as well as challenges. Successful projects do occur within the context of those unique circumstances. The factors that contribute to their success, however, often remain unknown outside a particular

reservation or tribe. This project will examine reservation economic development to identify a wide variety of successful economic development projects, determine the principal factors that contributed to their success, document the results in case studies, and disseminate the results both through the case studies and conferences. EDA has partnered with a number of tribes in developing and implementing economic development projects. This project will also examine EDA's effectiveness in doing so.

Scope of Work: The successful applicant will:

1. Compile approximately 20 examples of practices in Indian economic development that are viewed as successful by the local tribal communities. These examples should be drawn from across the country and from across the range of reservation settings. For example, the examples could address telecommunications and technology, workforce development, tourism, manufacturing, and microenterprise, among others.

2. Define the unique characteristics of each successful project, and describe the major elements of the process for developing and implementing such projects.

3. Study EDA's historic role in reservation economic development, evaluate the success of that role, and identify the ways in which EDA has been most effective.

4. Within the context of the above examples of effective EDA involvement in reservation development, assemble several examples of how partnerships were effective, and outside resources, as well as tribal resources, were leveraged effectively.

5. Consider the option of creating a small panel of experts that could further focus the issues.

6. At completion of the project, hold two conferences targeted to economic development practitioners on Indian reservations to disseminate the project results. These conferences will be held at locations agreed to by EDA and take the place of the conferences set forth in Section I.D. above.

Cost: No local match is required for this project.

Timing: This project should be completed and the final report submitted by September 30, 1999.

IV. Selection Process and Evaluation Criteria

Proposals will receive initial reviews by EDA to assure that they meet all requirements of this announcement, including eligibility and relevance to the specified project as described herein. If a proposal is selected, EDA will provide the proponent with an Application form, and EDA will carry out its selection process and evaluation criteria as described in 13 CFR Chapter III, Part 304 and Sections 307.13, 307.14, 307.18, and 307.19.

From the full proposals and application, EDA will select the applicants it deems most qualified and cost effective. EDA anticipates that more full proposals and applications will be invited than will eventually be funded.

Dated: April 16, 1998.

Phillip A. Singerman,

Assistant Secretary for Economic Development.

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