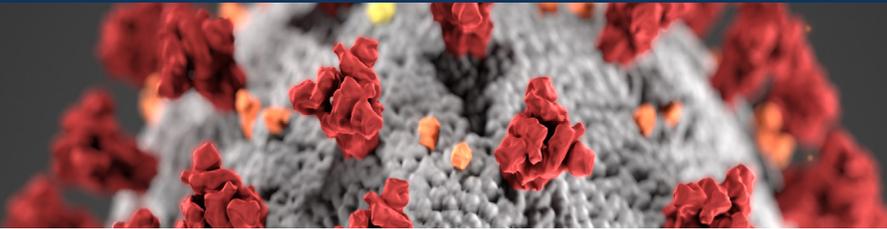


Coronavirus Aid, Relief, and Economic Security Act Frequently Asked Questions



The Coronavirus Aid, Relief, and Economic Security Act (CARES Act), signed into law by President Donald J. Trump on March 27, 2020, provides the U.S. Department of Commerce Economic Development Administration (EDA) with \$1.5 billion for economic development assistance programs to help communities *“prevent, prepare for, and respond to coronavirus.”*

Below are answers to frequently asked questions (FAQ) to help understand EDA’s CARES Act funding, who qualifies for grants, how to apply, and more. There are also answers to questions current EDA recipients may have and that provide additional, relevant program, and application information.

EDA is open for business! We are available to answer any additional questions you may have or to discuss the application process and project ideas. For more information, please visit EDA’s [contacts webpage](#) to find the Economic Development Representative serving your state.

General Topics of Inquiry

- [EDA and the CARES Act](#)
- [Eligibility](#)
- [Current EDA Grantees](#)
- [Information and Resources](#)

EDA and the CARES Act

1 Congress appropriated EDA \$1.5 billion via the CARES Act. What role will EDA play in strengthening and assisting communities recovering from the coronavirus crisis?

EDA’s mission is to lead the federal economic development agenda. EDA works directly with communities to catalyze locally developed strategies to build capacity for economic development based on local business conditions and needs.

CARES Act funds were appropriated under the [Economic Adjustment Assistance \(EAA\) Program](#), which is EDA’s most flexible program. EDA will accept applications for grants to support a wide variety of assistance including:

- Planning and Technical Assistance
- Capitalization and Recapitalization of Revolving Loan Funds (RLFs), which provide access to capital for businesses
- Construction of infrastructure and other economic development projects
- Innovation grants

2 When will EDA begin awarding grants using CARES Act funding?

EDA will award grants to successful applications on a rolling basis. EDA began accepting applications on May 7, 2020 and will deploy its CARES Act funding as quickly, effectively, and efficiently as possible, and in a manner that meets the needs of these communities.

3 What specific programs will EDA implement immediately to assist communities?

EDA's CARES Act Recovery Assistance will advance economic development in communities negatively impacted by COVID-19 in a variety of ways, including, but not limited to:

- COVID-19 Economic Recovery Planning and Technical Assistance Grants: Provide economic recovery grants to each of EDA's [Economic Development Districts \(EDDs\)](#), [Tribal Grantees](#) and [University Centers](#), and others.
- Grants to state and regional organizations to develop CARES Act recovery and resilience strategies, including industry supply chain, cluster analyses, econometric analyses, diversification efforts, and travel and tourism-related marketing campaigns.
- Capitalizing or Recapitalizing [RLFs](#) across the nation targeting businesses in particularly economically distressed areas that have been affected by the coronavirus pandemic.
- Innovation grants similar to [Build to Scale, formerly known as Regional Innovation Strategies \(RIS\)](#)-like awards focused on technology innovation activities that will help communities prevent, prepare, and respond to the coronavirus pandemic.

4 Does the CARES Act provide EDA with funding for loans?

No, not directly. EDA's [RLF program](#), however, provides grants to eligible recipients of Economic Adjustment Assistance, including state and local governments and non-profit organizations, to operate a lending program that offers low-interest loans to businesses that cannot obtain traditional bank financing. Please click here for EDA's [RLF FAQ](#).

5 What are the match requirements for EDA's CARES Act funding? Can I get 100% grant rate?

Under our CARES Act Recovery Assistance, EDA generally expects to fund at least 80%, and up to 100% of eligible project costs. Please see the [EDA CARES Act Recovery Assistance NOFO](#) for more information on cost sharing or matching requirements.

Eligibility

6 Is every community in the country eligible for EDA CARES Act funding?

Yes. EDA has determined that economic injury from the coronavirus pandemic constitutes a "Special Need" under the EAA program and eligibility may be established on that basis without reference to other economic distress criteria. Nonetheless, applicants for EDA CARES Act Recovery Assistance are still required to explain clearly in their application how their project would "prevent, prepare for, and respond to coronavirus" or respond to "economic injury as a result of coronavirus."

7 Are individuals or for-profit entities eligible for EDA CARES Act funding?

No. EDA can only make grants to state and local governmental entities, institutions of higher education, not for-profit entities, and federally recognized Tribes. Please see the FY 2020 EDA Public Works and Economic Adjustment Assistance Programs (PWEAA) [Notice of Funding Opportunity \(NOFO\)](#) for more information on eligible applicants. Businesses, however, may be eligible for various types of assistance from EDA recipients, including loans from an EDA-funded Revolving Loan Fund (RLF) and technical assistance from University Centers and other recipients. Please click here for [EDA's RLF FAQ](#).

8 Are small businesses eligible to receive grants from the EDA?

No. Only state and local governmental entities, institutions of higher education, not for-profit entities, and federally recognized Tribes. Small business owners should visit www.coronavirus.gov/smallbusiness for details on small business assistance programs including SBA's Paycheck Protection Program.

9 **How do I know if my institution qualifies to apply for EDA CARES Act grants?**

Please see the FY 2020 EDA PWEAA NOFO for more information on eligibility or contact, email is preferred, the EDA Economic Development Representative (EDR) [serving your state](#) for more information.

10 **Given the urgent needs of communities, will grant eligibility requirements be adjusted or relaxed in any way?**

EDA does not have the authority to waive its statutory requirements regarding eligible recipients of EDA assistance. However, EDA has determined that economic injury from the coronavirus pandemic constitutes a “Special Need” for purposes of regional eligibility. In addition, EDA is making full use of administrative flexibilities at its disposal, including flexibilities provided by the Office of Management and Budget (OMB). Please see [OMB M-20-17](#).

Current EDA Grantees

11 **Will existing awards be in jeopardy of termination?**

No. EDA will work with existing recipients to modify projects if necessary to meet regional and community needs.

12 **What can recipients do if an already approved project scope of work is no longer feasible given the foreseeable economic climate?**

If a grant recipient believes that a current project scope of work is no longer feasible, they should contact their [Regional Office](#) Project Officer to discuss options. It may be possible, for example, for a recipient to request an amendment to the project’s scope of work to address changed circumstances. If an amendment is not feasible, then the recipient’s Project Officer can discuss options for terminating the award early.

13 **What if an already approved scope of work cannot be accomplished in the short-term or needs to be modified?**

Existing grant recipients may request no-cost time extensions as necessary to complete a project’s scope of work. EDA anticipates that requests for extensions related to the coronavirus pandemic will normally be granted. EDA will also consider modifications to the scope of work. These modifications may require an award amendment. The recipient’s Project Officer can provide details on the amendment process.

14 **Are no-cost time extensions an option? Are there any caveats?**

Yes. Existing grant recipients should contact their Project Officer.

15 **If I am a current EDA grant recipient, is it okay to work remotely?**

Yes, EDA does not object to EDA grant recipients working on grants remotely if they are either temporarily shutting down their facilities or moving completely to remote operations. Please note that it is up to each individual recipient to make decisions regarding remote work, consistent with their own policies and all guidance from federal, state, and local authorities. Recipients should contact their EDA Regional Office regarding additional project costs due to the need to shut down or telework or the need for time extensions.

EDA grant recipients who have placed project staff on emergency paid leave may continue to pay those staff members’ salaries using award funds, provided that:

- The leave has been granted pursuant to the recipient’s written policies, which may have been recently adopted in response to the current emergency.
- The staff member continues to be paid in the same proportion from federal and non-federal sources, e.g., a staff member who normally charges 25 percent of her time to an award may have 25 percent of her pay charged to the award while on emergency leave.

Information and Resources

16 Where can potential grant recipients and other interested stakeholders find the latest news on how EDA is helping communities respond to the coronavirus crisis?

EDA's website, eda.gov, is regularly updated with the latest information and news. The website contains funding opportunities and comprehensive agency contact information, including for its headquarters and six regional offices. In addition, EDA's robust digital media platforms, [Twitter](#), [LinkedIn](#), [Facebook](#), and [YouTube](#), provide users with the latest agency news and encourages feedback and information sharing.

17 Where can I find information on all of EDA's CARES Act resources?

EDA has established an EDA CARES Act Assistance webpage. Please visit: www.eda.gov/coronavirus/ to find extensive information on availability of funding, eligibility, FAQs, fact sheets, applications, and other vital information. In addition, EDA regional staff is available to answer any questions you may have. Please contact the EDA Economic Development Representative (EDR) [serving your state](#) for more information. Email is preferred.

18 Does EDA help spotlight the investments they make to support community efforts to respond to the COVID-19 crisis?

Yes. EDA issues press releases to announce major grant investments. In addition to these initial announcements, EDA's robust [success story library](#) allows us to demonstrate the accomplishments of our grantees as they attract private investment and create jobs. These success stories are featured on EDA's website, over our social media platforms and through other communications vehicles like our monthly newsletter. We encourage you to [share your story ideas with us](#).

19 Who should I contact to discuss possible EDA CARES Act funding?

EDA's responsive regional office staff is dedicated to providing information on CARES Act and other funding resources and can provide technical assistance to help you develop your proposals. Please contact the EDA Economic Development Representative (EDR) [serving your state](#) for more information. Email is preferred.

20 What is an EDD, what are they doing to help my region respond and recover from the coronavirus pandemic, and how do I contact them?

EDA's [EDDs](#) are on the front lines of planning and implementing economic development projects that will help communities respond to and recover from the coronavirus pandemic. They are local entities located across the country and are the backbone of EDA's economic development assistance programs. They are usually multi-jurisdictional entities, commonly composed of multiple counties, and, in some cases, involve entities from multiple states. They lead the regional economic development planning process by developing and maintaining the strategic economic development blueprint for a community or region, known as a [Comprehensive Economic Development Strategy \(CEDS\)](#). You can find more information about your EDD [here](#).