

Overview

The Economic Development Administration (EDA) was established under the Public Works and Economic Development Act of 1965, as amended (42 U.S.C. § 3121 et seq.) (PWEDA), to lead the Federal economic development agenda. EDA makes investments in economically distressed communities in order to promote American innovation and accelerate long-term sustainable economic growth. The agency works to foster regional collaboration, to spur the strong public/private partnerships needed to attract private capital investment and create higher-skill, higher-wage jobs.

EDA's Role in Environmental Sustainability

Investments in environmentally-sustainable economic development are essential to improving our Nation's competitiveness. EDA believes that green versions of its traditional grant-based investments are a key component to advancing and growing the economy. By encouraging environmentally-sustainable economic development, EDA helps to cultivate innovations that can fuel green growth in communities suffering from economic distress. Through investments in emerging regional clusters related to energy, cutting-edge environmental technologies, green building practices, and sustainable communities that connect jobs to workers through smart location choices, EDA is well-positioned to foster job creation by limiting the Nation's dependence on fossil fuels, enhancing energy efficiency, curbing greenhouse gas emissions, and protecting natural systems.

Operationalizing Green Growth

EDA operationalizes its role in green growth through an investment priority (i.e., Environmentally Sustainable Development) that encourages the use of its programs to support environmentally-sustainable economic development. The Environmentally Sustainable Development investment priority promotes job creation and economic prosperity through projects that develop and implement green products, processes, places and buildings. While such projects enhance environmental quality, the environmental benefits are ancillary to the projects' economic development and job creation impacts.

EDA, through the Environmentally Sustainable Development investment priority, seeks to support green projects (e.g., renewable energy, energy efficiency and reuse/recycling/restoration/preservation) economic development projects that will result in one or more of the following:

- **Development or manufacture of a green end-product (Green End-Product).** Investments that produce an end-product that furthers or contributes to sustainability in general or the environmental quality of the associated community or region. The end-product (what is being developed or produced) can take numerous forms, such as

an activity, item, plan or program. For example, a Green End-Product might be a business incubator focused on renewable energy, infrastructure for a business park in which the primary tenant will produce solar panel components, or a feasibility study for developing a biomass-to-electricity facility.

- **Greening of an existing function or process (Green Process).** Investments that result in green enhancements such as improvements to the resource, energy, water, and/or waste efficiency of an existing function or process. The enhancements reflect changes to the life-cycle process of an existing function so that the function is performed in a more sustainable manner. The focus is on how the product is being developed or produced rather than the product itself. For example, a Green Process might be the expansion of a tannery facility to allow for training programs in tannery operations which use water and energy in a more sustainable manner. The project would potentially impact multiple stages (e.g., use and reuse) of the associated training process life-cycle.
- **Creation of, or renovation to, a green building (Green Building).** Investments that result in the construction or renovation of a structure using green building techniques that result in a net positive outcome in terms of energy, materials, and/or water use efficiency. Such buildings or structures must pursue and receive U.S. Green Building Council Leadership in Energy and Environmental Design (LEED™) certification (or other comparable green building certification). The focus is on the green aspects of the building or structure itself, not what is being created, developed or undertaken within. For example, a Green Building might be a LEED-certified agribusiness commercialization center.
- **Support or enhance a green place or location (Green Place).** Investments located within mixed-use, transit-oriented areas that increase community revitalization, improve job access and protect rural lands and landscapes or other undeveloped or environmentally sensitive lands (e.g., greenfields or wetlands). The green portion of these investments is not what is being created, developed or undertaken, but where (from a land-use perspective) the project activity is taking place. Such investments are:
 - located within a ½ mile of quality transit (i.e., fixed guide way transit station or well-served bus transit stop) for urban or inner-suburban locations, or within a ½ mile of town center or main street area for rural locations; AND
 - situated on previously developed or degraded land – includes infill and vacant property development, intensification of underutilized parcels, and/or the leveraging of existing public infrastructure;

-OR-

- sited within the boundaries of an area that has received the US Department of Housing and Urban Development's Preferred Sustainability Status designation (for more information:
http://portal.hud.gov/hudportal/HUD?mode=disppage&id=OSHC_PREF_SUST

[STATUS PG](#)) and can demonstrate how the project is consistent with the Partnership for Sustainable Communities Livability Principles (i.e., provide more transportation choices; promote equitable, affordable housing; enhance economic competitiveness; support existing communities; coordinate policies and leverage investment, value communities and neighborhoods). For more information on the Livability Principles, please see <http://www.sustainablecommunities.gov/aboutUs.html#2>,

For example, a Green place might be the construction of a business incubator on a former brownfields site that is located within 3/10 of a mile of a light rail stop.

Applying for EDA Funding

In order to successfully demonstrate that a project addresses the Environmentally Sustainable Development investment priority, an applicant must clearly explain in its application how the proposed project satisfies at least one (note that no additional credit will be received for addressing more than one) of the project outputs noted above – Green-End Product, Green Process, Green Building, or Green Place.

Questions regarding EDA's application procedures, including eligibility requirements, distress criteria, investment priorities, and application procedures should be referred to the EDA regional office that serves an applicant's State or region. For more information, see PWEDA and EDA's regulations set out at 13 C.F.R. chapter III, both of which can be found on EDA's website. Regional office contact information may also be found on EDA's website. Additional information may be found in the appropriate EDA Federal funding opportunity announcement which is posted at www.grants.gov and on EDA's website at www.eda.gov.