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DEPARTMENT OF COMMERCE

Economic Development Administration

Announcement of Federal Interagency Competition, Fiscal Year 2014 Investing in Manufacturing Communities Partnership

AGENCY: Economic Development Administration, U.S. Department of Commerce

ACTION: Notice

AUTHORITY: The Public Works and Economic Development Act of 1965, as amended (42 U.S.C. § 3121 et seq.)

SUMMARY: This notice outlines a competition to designate up to 12 communities as manufacturing communities (Manufacturing Communities) through the Investing in Manufacturing Communities Partnership (IMCP), including proposal submission requirements and instructions, and eligibility and selection criteria that will be used to evaluate proposals. Manufacturing Communities will receive preference for a range of future Federal economic development funding and technical assistance offered by IMCP participating agencies. Some Manufacturing Communities, as discussed in the Supplementary Information section of this notice and subject to the availability of funds, may receive financial assistance awards from IMCP participating agencies to assist in cultivating an environment for businesses to create well-paying manufacturing jobs in regions across the country.

DATES: The deadline for receipt of applications is 11:59 p.m. Eastern Time on March 14, 2014. Applications received after this deadline will not be reviewed or considered. Applications will be accepted in electronic form. Applicants are advised to carefully read the application and submission information provided in the Supplementary Information section of this notice.

ADDRESSES: You may submit applications by any of the following methods. All comments must include the title, “Proposals for designation as a Manufacturing Community” and Docket No. 131121981-3981.

Email: IMCP@eda.gov. Include “Proposals for designation as a Manufacturing Community” and Docket No. 131121981-3981 in the subject line of the message.

Fax: (202) 482-2838, Attention: Office of Performance and National Programs.

Please indicate “Proposals for designation as a Manufacturing Community” and Docket No. 131121981-3981 on the cover page.

Mail: Economic Development Administration, Office of Performance and National Programs, U.S. Department of Commerce, 1401 Constitution Avenue N.W., Suite 71030, Washington, DC 20230. Please indicate “Proposals for designation as a Manufacturing Community” and Docket No. 131121981-3981 on the envelope.

FOR FURTHER INFORMATION CONTACT: Ryan Hedgepeth

U.S. Department of Commerce, Economic Development Administration, 1401

Constitution Avenue N.W., Suite 78006, Washington, DC 20230 or via email at rhedgepeth@eda.gov.

SUPPLEMENTARY INFORMATION:

I. Overview

The Investing in Manufacturing Communities Partnership (IMCP) is a new government-wide initiative that will help communities cultivate an environment for businesses to create well-paying manufacturing jobs in regions across the country and thereby accelerate the resurgence of manufacturing. The IMCP is designed to reward communities that demonstrate best practices in attracting and expanding manufacturing by bringing together key local stakeholders and using long-term planning that integrates targeted investments across a community's industrial ecosystem to create broad-based prosperity. Research has shown that vibrant ecosystems may create a virtuous cycle of development for a key technology or supply chain through integrated investments and relationships among the following elements:

- Workforce and training;
- Supplier network;
- Research and innovation;
- Infrastructure/site development;
- Trade and international investment; and
- Operational improvement and capital access.

Interactions within and between these elements create “public goods,” or assets upon which many firms can draw and that are fundamental in creating an advantage for industry but are not adequately provided by the private sector. Thus, well-designed public investment is a key part of

developing a self-sustaining ecosystem that attracts private investment from new and existing manufacturers and leads to broad-based prosperity.

Designation as an IMCP manufacturing community (each a Manufacturing Community, and collectively the Manufacturing Communities) will be given to communities with the best strategies for designing and making such investments in public goods. The Federal agencies participating in IMCP are the: Department of Commerce, Economic Development Administration; Department of Defense; Department of Education; Appalachian Regional Commission; Delta Regional Authority; Department of Energy; Department of Housing and Urban Development; Department of Labor, Employment and Training Administration; Department of Transportation; Environmental Protection Agency; National Science Foundation; Small Business Administration; and the Department of Agriculture (each an IMCP Participating Agency, and collectively the IMCP Participating Agencies). IMCP Participating Agencies will coordinate with each other to leverage complementary activities while also preventing duplication of efforts. Manufacturing Communities will receive preferential consideration for other Federal programs identified by IMCP Participating Agencies consistent with each program's eligibility requirements and evaluation criteria (see Section II. of this notice). Additionally, a Federal point of contact (POC) will be made available to help the winning community access Federal funds and resources. Manufacturing Communities will have access to generally available technical assistance resources developed through IMCP, namely: (1) an online data portal centralizing data available across agencies to enable communities to evaluate their strengths and weaknesses; and (2) a "playbook" that identifies existing Federal planning grant and technical assistance resources, and catalogues economic development best practices.

Some Manufacturing Communities, subject to the availability of funds, may receive awards from IMCP Participating Agencies (see Section II. of this notice).

II. Benefits of IMCP Manufacturing Communities Designation

Up to 12 communities will be designated as Manufacturing Communities for a period of two years. After two years, communities will be invited to apply to renew their designation as Manufacturing Communities; they will be evaluated based on: (a) performance against the terms of the designation and post-designation awards received (if any); and (b) progress against project-specific metrics as proposed by communities in their applications, designed to also help communities track their own progress. See Section V.A.2. of this notice for more information on self-defined metrics.

Co-applicants and identified partners in Manufacturing Communities' original IMCP proposals will be eligible for the following benefits:

1. Preferential consideration (or supplemental awards for existing grantees) for funding streams identified by the IMCP Participating Agencies as furthering IMCP goals and thereby assisting Manufacturing Communities in bolstering their economic development plans. Manufacturing Communities will only receive preference when applying for grants and projects consistent with the community's economic development strategy. (Note: In the event that co-applicants and partners submit multiple applications to a given funding stream, only one of the applicants may claim preference.)
2. A POC to help the Manufacturing Community access Federal economic development funding and non-funding related to specialized services provided by the IMCP

Participating Agencies. These specialized services include but are not limited to: big data analytics; capacity-building assistance; and capital access consulting.

3. Branding and promotion under the Manufacturing Community designation that may be helpful in attracting partners and investors behind the community's development strategy.

4. In addition, subject to the availability of funds, some Manufacturing Communities may be invited to submit additional documentation (e.g. budget information) for consideration for Federal financial assistance through Challenge Grant Awards from EDA with the possibility of additional funding from other Federal programs. Challenge Grant Awards are intended to support large public goods investments, such as transit or digital infrastructure, workforce training, and business incubators. The total sum for Challenge Grant Awards, subject to the availability of funding, is expected to be up to \$20 million.

Publication of this announcement does not obligate the IMCP Participating Agencies to award Manufacturing Communities any specific grant or cooperative agreement, and the IMCP Participating Agencies reserve the right to fund, in whole or in part, any, all, or none of the applications submitted in response to future solicitations.

The following 9 IMCP Participating Agencies have agreed to provide preferential consideration, and/or consideration in the determination of application merit, and/or grant supplemental awards (totaling approximately \$1.3 billion) for Manufacturing Communities for the following 18 economic development programs:

1. Appalachian Regional Commission

- a. Local Access Road Program: The Appalachian Regional Commission program aims to better link the Region's businesses, communities, and

residents to the Appalachian Development Highway System and to other key parts of the Region's transportation network. The program offers a flexible approach designed to meet local needs and provide a financing mechanism to support a variety of economic development opportunities throughout the Region. Funding is available to provide access to industrial sites, business parks, and commercial areas where significant employment opportunities are present. Other eligible sites include timberlands with significant commercial value and areas where educational services are provided. Proposals for the use of this program should be developed in coordination with the State ARC Program Office and State Department of Transportation as required lead times can span multiple fiscal years and/or project cycles.

- b. Area Development Program: The Appalachian Regional Commission program addresses three of the four goals identified in the Commission's strategic plan: 1) Increase job opportunities and per capita income in Appalachia to reach parity with the nation; 2) Strengthen the capacity of the people of Appalachia to compete in the global economy; and 3) Develop and improve Appalachia's infrastructure to make the Region economically competitive. Projects funded in these program areas create thousands of new jobs; improve local water and sewer systems; increase school readiness; expand access to health care; assist local communities with strategic planning; and provide technical and managerial assistance to

emerging businesses. Proposals for the use of this program should be developed in coordination with the State ARC Program Office.

2. Delta Regional Authority

- a. States' Economic Development Assistance Program (SEDAP)): DRA's primary investment, SEDAP provides for investments in Basic Public Infrastructure, Transportation Infrastructure, Workforce Development, and Business Development with an emphasis in entrepreneurship. SEDAP funds are allocated to Lower Mississippi Delta designated counties in eight states (Alabama, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee).

3. Department of Housing and Urban Development

- a. Office of Economic Resiliency Integrated Planning & Investment Grants (pending program funding) will offer \$75 million in Integrated Planning and Investment Grants that will seed locally-created, comprehensive blueprints that strategically direct investments in development and infrastructure to projects that result in: attracting jobs and building diverse and resilient economies, significant municipal cost savings, and stronger, more unified local leadership. Integrated Planning and Investment Grants will incorporate some of the same features of the previously-funded Regional Plans for Sustainable Communities and the Community Challenge Grants offered by the Office of Sustainable Housing and

Communities, but, using lessons learned from that program and feedback from local leaders, will place a greater emphasis on supporting actionable economic development strategies, reducing redundancy in Federally-funded planning activities, setting and monitoring performance, and identifying how Federal formula funds can be used smartly and efficiently in support of economic resilience. As with the previous efforts, priority will be placed on directing grants to rural areas, cities, counties, metropolitan areas and states that demonstrate economic need and are committed to building the cross-sector, cross-disciplinary partnerships necessary to tackle the tough decisions that help make places economically competitive. A portion of grant funds will be reserved for small and rural communities and regions.

- b. **Delta Community Capital Initiative:** Administered by HUD's Office of Rural Housing and Economic Development, DCCI is a collaborative effort among three Federal agencies - the Department of Housing and Urban Development (HUD), the Department of the Treasury - Community Development Financial Institutions Fund (CDFI Fund) and the Department of Agriculture – Rural Development (USDA-RD). The DCCI's goal is to increase access to capital for business lending and economic development in the chronically underserved and undercapitalized Lower Mississippi Delta Region. Specifically, it will provide direct investment and technical assistance to community development lending and investing institutions

that focus on small business development to benefit the residents of Lower Mississippi Delta Region.

- c. Appalachia Economic Development Initiative: Administered by HUD's Office of Rural Housing and Economic Development. AEDI is a collaborative effort among three Federal agencies - the Department of HUD, the CDFI Fund and the USDA-RD. The AEDI's goal is to increase access to capital for business lending and economic development in the chronically underserved and undercapitalized Appalachia Region. Specifically, it will provide investment and technical assistance to State community and/or economic development agencies that apply on behalf of local rural nonprofit organizations or community development corporations that focus on small business development to benefit the residents of the Appalachia Region.

4. Department of Labor, Employment and Training Administration

- a. Trade Adjustment Assistance Community College and Career Training Grant Program (TAACCT): The Education and Training Administration's Trade Adjustment Assistance Community College and Career Training Grant Program (TAACCT) provides community colleges and other eligible institutions of higher education with funds to expand and improve their ability to deliver education and career training programs. Through these multi-year grants, the Department of Labor is helping to ensure that our nation's institutions of higher education are helping adults succeed in

acquiring the skills, degrees, and credentials needed for high-wage, high-skill employment while also meeting the needs of employers for skilled workers.

5. Department of Transportation

- a. Transportation Investment Generating Economic Recovery (TIGER): The U.S. Department of Transportation's Transportation Investment Generating Economic Recovery, or TIGER Discretionary Grant program, provides a unique opportunity for the Department of Transportation to engage directly with states, cities, regional planning organizations, and rural communities through a competitive process that invests in road, rail, transit and port projects that promise to achieve critical national objectives. Each project is multi-modal, multi-jurisdictional or otherwise challenging to fund through existing programs. The TIGER program showcases DOT's use of a rigorous cost-benefit analysis throughout the process to select projects with exceptional benefits, explore ways to deliver projects faster and save on construction costs, and make investments in our Nation's infrastructure that make communities more livable and sustainable. For more information about the TIGER program, please visit <http://www.dot.gov/tiger>.

6. Environmental Protection Agency

- a. Targeted Brownfield Assessments (TBA) program is designed to help states, tribes, and municipalities, as well as land clearance authorities,

regional redevelopment agencies, and other eligible entities—especially those without other EPA brownfield site assessment resources – minimize the uncertainties of contamination often associated with brownfields, and set the stage for new investment. The TBA program is not a grant program, but a service provided by EPA via a contractor, who conducts environmental assessment activities to address the requestor’s needs.

- b.** Brownfield Site Assessment/cleanup/RLF (RLF) (includes assessment, Revolving Loan Fund, and cleanup grants) can support a range of activities needed to re-deploy properties, including for manufacturing and related uses. Assessment grants provide funding for communities, regional development authorities, and other eligible recipients to inventory, characterize, assess, and conduct planning and community involvement related to brownfield sites. Revolving Loan Fund (RLF) grants provide funding for states, communities, and other eligible recipients to capitalize a locally administered RLF to carry out cleanup activities at brownfield sites; alternatively, recipients may use up to 40% of their capitalization grants to provide subgrants for cleanup purposes. Cleanup grants provide funding to carry out remedial activities at brownfield sites. Cleanup grants require a 20 percent cost share (cash or eligible in-kind), which may be waived based on hardship. An applicant must own the site for which it is requesting funding at time of application. For additional information on brownfield grants, including examples of their use to advance manufacturing activities, please visit www.epa.gov/brownfields.

7. National Science Foundation

- a. Advanced Technology Education (ATE) (supplemental awards will be awarded only to existing ATE grantees also designated as *Manufacturing Communities* entitled to challenge grants): With an emphasis on two-year colleges, the Advanced Technological Education (ATE) program focuses on the education of technicians for the high-technology fields that drive our nation's economy. The program involves partnerships between academic institutions and employers to promote improvement in the education of science and engineering technicians at the undergraduate and secondary school levels. The ATE program supports curriculum development; professional development of college faculty and secondary school teachers; career pathways to two-year colleges from secondary schools and from two-year colleges to four-year institutions; and other activities. Another goal is articulation between two-year and four-year programs for K-12 prospective teachers that focus on technological education. The program also invites proposals focusing on research to advance the knowledge base related to technician education.

- b. I/UCRC (supplemental awards will be awarded only to existing ATE grantees also designated as *Manufacturing Communities* entitled to challenge grants): The Industry/University Cooperative Research Centers (I/UCRC) program develops long-term partnerships among industry, academe, and government. The centers are catalyzed by a seed investment

from the National Science Foundation (NSF) and are primarily supported by industry center members, with NSF taking a supporting role in their development and evolution. Each center is established to conduct research that is of interest to both the industry and the center. An I/UCRC not only contributes to the Nation's research infrastructure base and enhances the intellectual capacity of the engineering and science workforce through the integration of research and education, but also encourages and fosters international cooperation and collaborative projects.

8. Small Business Administration

- a. Accelerator Program (pending funding and authority for the program): The Accelerator Program, within the SBA's Office of Investment and Innovation, is comprised of ecosystems that encompass programs which at a high level provide high potential entrepreneurs and fast growing start-ups with three things – in exchange for minority equity stakes: (1) Mentorship – access to people that have “seen the movie” before and whom can be tapped for advice; (2) Access to Capital – access to super-seed cash to jump-start ideas and very young companies; and (3) Space – Sharing office space and co-working to enable both cost savings and idea proliferation in a Keiretsu-type setting. Some of the concrete and specific initiatives at the Accelerator Program include Demo Days (brought accelerators from diverse industries and geographies together to network and share ideas), Start-Up University (an online platform for universities

to build and share effective models for fostering student entrepreneurship), and Educate Accelerators (train the trainers type programs).

9. U.S. Department of Agriculture

a. Rural Economic Development Loan and Grant Program (REDLG)

REDLG provides loans and grants to local public and nonprofit utilities which use the funds to make zero interest loans to businesses and economic development projects in rural areas that will create and retain employment. Examples of eligible projects include: purchase or improvement of real estate, buildings, and equipment, working capital and start-up costs; health care facilities and equipment, business incubators; telecommunications/computer networks; educational and job training facilities and services; community facilities and other community development projects. In REDLG a rural area is any area other than a city or town that has a population of greater than 50,000 inhabitants and its contiguous urbanized area.

b. Rural Business Enterprise Grant Program (RBEG): RBEG grants may be made to public bodies and private nonprofit corporations which use the grant funds to assist small and emerging businesses in rural areas. Public bodies include States, counties, cities, townships, and incorporated town and villages, boroughs, authorities, districts, and Indian tribes. Small and emerging private businesses are those that will employ 50 or fewer new employees and have less than \$1 million in projected gross revenues.

Examples of eligible fund use include: capitalization of revolving loan funds to finance small and emerging rural businesses; training and technical assistance; job training; community facilities and infrastructure, rural transportation improvement; and project planning and feasibility. In RBEG a rural area is any area other than a city or town that has a population of greater than 50,000 inhabitants and its contiguous urbanized area.

- c. Intermediary Relending Program (IRP) IRP loans are provided to intermediaries to establish revolving loan funds which they use to with finance business and economic development activity in rural communities. Private non-profit corporations, public agencies, Indian groups, and cooperatives with at least 51 percent rural membership may apply for intermediary lender status. IRP funding may be used for a variety of business and community development projects located in a rural area. Under the IRP, a rural area is any area that is not inside a city with a population of 25,000 or more according to the latest decennial census. Some examples of eligible projects, related to businesses in the manufacturing sector are: acquisition of a business, purchase or development of land, buildings, facilities, leases, purchase equipment, leasehold improvements, machinery, supplies; startup costs and working capital. IRP may also finance community and economic development projects.

- d. Business & Industry Guaranteed Loan Program (B&I) The B&I Guaranteed Loan Program bolsters existing private credit structure by guaranteeing quality loans aimed at improving the economic and environmental climate in rural communities. A borrower may be a cooperative organization, corporation, partnership, or other legal entity organized and operated on a profit or nonprofit basis; an Indian tribe on a Federal or State reservation or other Federally recognized tribal group; a public body; or an individual. Borrowers must be engaged in a business that will: provide employment; improve the economic or environmental climate; promote the conservation, development, and use of water for aquaculture; or reduce reliance on nonrenewable energy resources by encouraging the development and construction of solar energy systems and other renewable energy systems.

In addition, each of the 13 IMCP Participating Agencies – the above nine plus the Departments of Commerce, Defense, Education, and Energy – will offer staff time in order that each Manufacturing Community will have access to a POC (assigned from an IMCP Participating Agency) to facilitate access to technical assistance and economic development funds.

III. Eligibility Information

A. Eligible Organizations

Proposals for designation as a Manufacturing Community must be submitted on behalf of the region by a consortium that includes one or more of the eligible organizations discussed in this section. The consortium must designate one of these eligible organizations as lead applicant and one member of that organization to be the primary point of contact for the consortium. Applicants are strongly encouraged to include other key stakeholders, including but not limited to private sector partners, higher education institutions, government entities, economic development and other community and labor groups, financial institutions and utilities. All members of the consortium must submit letters of commitment or sign a Memorandum of Understanding documenting their contributions to the partnership. Additionally, at a minimum, the applicant must have letters of support from a higher education institution, a private sector partner, and some government entity if not already part of the consortium. Applicants should demonstrate a significant level of regional cooperation in their proposal because only one designation will be made in a particular region.

Eligible lead applicants include a(n):

1. District Organization;
2. Indian Tribe or a consortium of Indian Tribes;
3. State, county, city, or other political subdivision of a State, including a special purpose unit of a State or local government engaged in economic or infrastructure development activities, or a consortium of political subdivisions;
4. Institution of higher education or a consortium of higher education institutions; or
5. Public or private non-profit organization or association acting in cooperation with officials of a political subdivision of a State.¹

B. Geographic Scope

¹ See section 3 of (42 U.S.C. § 3122) and 13 C.F.R. § 300.3.

Applicants may define their regional boundaries of their consortium, though all such regions should have a strong existing manufacturing base. In general, an applicant's region should be large enough to contain critical elements of the key technologies or supply chains (KTS) prioritized by the applicant, but small enough to enable close collaboration (e.g. generally, larger than a city but smaller than a state). The proposed manufacturing community should provide evidence that their community ranks in the top third in the nation for their key manufacturing technology or supply chain by either: location quotient for employment in the KTS, or location quotient for firms in the KTS.

A key element in evaluating proposals will be the rate of improvement in key indicators that the plan can credibly generate. Thus, both distressed and non-distressed manufacturing regions are encouraged to apply.

IV. Application and Submission Information

A. How to Submit an Application

You may submit applications by any of the following methods. All comments must include the title, "Proposals for designation as a Manufacturing Community" and Docket No. 131121981-3981.

Email: IMCP@eda.gov. Include "Proposals for designation as a Manufacturing Community" and Docket No. 131121981-3981 in the subject line of the message.

Fax: (202) 482-2838, Attention: Office of Performance and National Programs.

Please indicate "Proposals for designation as a Manufacturing Community" and Docket No. 131121981-3981 on the cover page.

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FOR FURTHER INFORMATION CONTACT: Ryan Hedgepeth, U.S. Department of Commerce, Economic Development Administration, 1401 Constitution Avenue N.W., Suite 78006, Washington, DC 20230 or via email at rhedgepeth@eda.gov.

In preparing their applications, communities are urged to consult online resources developed through IMCP, namely (1) a data portal centralizing data available across agencies to enable communities to evaluate their strengths and weaknesses; and (2) a “playbook” that identifies existing Federal planning grant and technical assistance resources and catalogues best practices in economic development. These resources are available at www.eda.gov/challenges/imcp/.

B. Content and Form of Application Submission

In order to be considered for designation, applicants must submit a proposal that includes all required elements outlined below. The proposal will be used to determine which communities will receive the manufacturing communities designation. Reviewers will focus on the quality of the analysis described below; the POC awarded to designees will help with identifying appropriate funding streams and fine-tuning the details of proposals to meet the requirements of individual agencies.

Each proposal shall consist of no more than thirty (30) single-sided pages exclusive of cover sheet and/or transmittal letter, and must include the following information:

- a) *Point of Contact*: Name, phone number, e-mail address, and organization address of the

respondent's primary point of contact, including specific staff member to be the point of contact;

- b) *Assessment of Local Industrial Ecosystem*: An integrated assessment of the local industrial ecosystem (i.e., the whole range of physical, capital, and human resource components needed for manufacturing activities) as it exists today in the area defined by the applicant and what is missing; and an evidence-based path for developing chosen components of this ecosystem (infrastructure, transit, workforce, etc.) by making specific investments to address gaps and make a region uniquely competitive;
- c) *Implementation Strategy Description*: A description of the proposed investments and implementation strategy that will be used to address gaps in the ecosystem;
- d) *Implementation Strategy Parties*: A description of the local partner organizations/jurisdictions, and their roles and responsibilities, that will carry out the proposed strategy, including letters of commitment or signed a Memorandum of Understanding documenting their contributions to the partnership as attachments that will not count against the 30-page limit;
- e) *Performance Metrics*: A description of metrics, benchmarks and milestones to be tracked and of evaluation methods to be used (experimental design, control groups, etc.) over the course of the implementation to gauge performance of the strategy;
- f) *Federal Financial Assistance Experience* : Evidence of the intended recipient's ability and authority to manage a Federal financial assistance award;
- g) *Geographic Scope*: Description of the regional boundaries of their consortium and the basis for determining that their manufacturing concentration ranks in the top third in the nation for their key manufacturing technology or supply chain by either: location quotient for employment in the KTS, or location quotient for firms in the KTS. .

- h) Submitting Official:* Documentation that the Submitting Official is authorized by the applicant to submit a proposal and subsequently apply for assistance;

C. Deadlines for submission

The deadline for receipt of applications is **March 14, 2014** at 11:59 p.m. Eastern Time.

Proposals received after the closing date and time will not be considered.

V. Application Review and Selection Process

Throughout the review and selection process, the IMCP Participating Agencies reserve the right to seek clarification in writing from applicants whose proposals are being reviewed and considered. IMCP Participating Agencies may ask applicants to clarify proposal materials, objectives, and work plans, or other specifics necessary to comply with Federal requirements. To the extent practicable, the IMCP Participating Agencies encourage applicants to provide data and evidence of the merits of the project in a publicly available and verifiable form.

A. Proposal Narrative Requirements and Selection Criteria

IMCP Participating Agencies will consider each of the following factors as a basis to confer the manufacturing communities designation. (See section V.B. of this notice for weighting).

1. Quality of assessment/implementation strategy:

Applicants should provide a detailed data-driven assessment of the local industrial ecosystem as it exists today, what is missing, and an evidence-based path to development that could make a region uniquely competitive. This description should also explain public good investments needed to realize these plans. The proposed development should involve strong coordination across the subcategories below. Applicants must conduct a thorough cost-benefit

analysis of their proposed public good investment and demonstrate that project benefits exceed project costs, similar to analysis required of Department of Transportation TIGER applicants (see www.dot.gov/sites/dot.dev/files/docs/TIGER%202013%20NOFA_BCA%20Guidance_0.pdf).

At the outset, applicants should identify KTS on which their development plan will focus, and explain how these KTS build on existing regional assets and capabilities. In selecting KTS and in defining the geographic boundaries of the community, applicants should choose areas that are sufficiently focused to ensure a well-integrated development plan, but sufficiently broad that resulting development of related capabilities have a substantial impact on a community's prosperity overall and achieve broad distribution of benefits. Finally, the applicant should discuss why this community has a comparative advantage in building these KTS (e.g., comparative data such as location quotients levels of sales, employment, patents) and how their strategy integrates the following subcategories into a coherent whole, leading to a vibrant manufacturing ecosystem based on these KTS.

We expect that winning applications will include a detailed, integrated, and data-driven assessment of the local industrial ecosystem as it currently exists for their KTS, what is missing, and a path to development that could make a region uniquely competitive. However, we do not expect that applicants will provide detailed budgets and analysis for plans to remedy every gap they identify. Instead, applicants should submit estimated budgets for such projects that they can show would be catalytic.

The following text provides guidance on how we will analyze the composition of a community's industrial ecosystem, and is not meant to be proscriptive.

For *workforce and training*, the applicant should consider:

- i. Current capability: What are the requisite skills and average compensation for employees in fields relevant to the KTS? How many people with these or similar skills currently reside in the region? How many employees could be added to the workforce with minimal additional training?
- ii. Current institutions for improving capability: What local community colleges, certified apprenticeships, workforce intermediaries, and other training programs exist that either specialize in the KTS or could develop specialties helpful for the KTS? Do these programs result in recognized credentials and pathways for continuous learning that are valued by employers and lead to improved outcomes for employees? To what extent do these institutions currently integrate research and development (R&D) activities and education to best prepare the current and future workforce? To what extent do postsecondary partners engage with feeder programs, such as those in secondary schools? What is the nature of engagement of Workforce Investment Boards, employers, community, and labor organizations?
- iii. Gaps: What short- and long-term human resources challenges exist for the local economy along the region's proposed development path? If available, what is the local unemployment rate for key occupations in the KTS? Are any local efforts underway to re-incorporate the long-term unemployed into the workforce that could be integrated into KTS?
- iv. Plans: Communities that intend to focus on workforce issues as a priority area in seeking future grants should explain how they intend to build on local assets to improve KTS in areas such as:

- a. Linkage (including training, financial and in-kind partnerships) with employers (or prospective employers) in the KTS and labor/community groups to ensure skills are useful, portable, and lead to a career path;
- b. Plans to ensure broad distribution of benefits, e.g., through programs to upgrade jobs and wages or support disadvantaged populations;
- c. Extent of plan to integrate R&D activities and education to best prepare the current and future workforce as appropriate to the KTS focus specified.

For *supplier networks*, the applicant should consider:

- i. Current Capability: What are key firms in the KTS? What parts of the KTS are located inside and outside the region defined by the applicant? How are firms connected to each other? What are the key trade and other associations and what roles do they play? How might customers or suppliers (even outside the region) support suppliers in the region? What are examples of projects/shared assets across these firms? What new KTS products have been launched recently? If your community is participating in SBA Supply Chain Analysis grant, how will you leverage their work?
- ii. Current Institutions for Improving Capability: What processes or institutions (foundations, medical or educational institutions, trade associations, etc.) exist to promote innovation or upgrade supplier capability? Please provide performance measures and/or case studies as evidence of these capabilities.
- iii. Gaps: What short- and long-term supply chain challenges exist for the local economy along the region's proposed development path? Are there institutions that convene suppliers and customers to discuss improved ways of working together, roadmap complementary investments, etc.?

iv. Plans: Communities that intend to focus on improving supplier networks as a priority area in seeking future grants should explain how they intend to build on local assets to improve KTS in areas such as:

- a. Establishing an industrial park conducive to supply chain integration, including support for convening and upgrading supplier firms of all sizes;
- b. Remediating gaps and/or undertaking more intensive supply chain mapping;
- c. Measuring and improving supplier capabilities in innovation, problem-solving ability, and systematic operation (e.g. lean, International Organization for Standardization (ISO) certification);
- d. Leveraging organizations that work with suppliers, such as Manufacturing Extension Partnership (MEP), U.S. Export Assistance Centers (USEAC), Small Business Development Centers (SBDCs), SCORE chapters and Women Business Centers (WBCs); and
- e. Measuring and improving trade association activity, interconnectedness, and support from key customers or suppliers (even if outside the region)

For research and innovation, the applicant should consider:

- i. Current Capabilities: What are the community's university/research assets in KTS? To what extent do training institutions currently integrate R&D activities and education to best prepare the current and future workforce? Does the community have shared facilities such as incubator space or research centers? What is the community's record for helping the ecosystem develop small businesses and start-ups?
- ii. Current Institutions for Improving Capability: How relevant are local institutions' program of research and commercialization for the proposed development path? How

robust is the revenue model? What local entities work with new and existing firms to help promote innovation? How integrated are industry and academia (including Federal Laboratories)?

iii. Gaps: What short- and long-term research challenges exist for the local economy along the region's proposed development path?

iv. Plans: Communities that intend to focus on improving local research institutions as a priority area in seeking future grants should explain how they intend to build on local assets to improve KTS in areas such as:

- a. Establishing shared space and procuring capital equipment for incubation and research;
- b. Developing strategies for negotiating intellectual property rights in ways that balance the goals of rewarding inventors and sharing knowledge;
- c. Plans for promoting university research relevant to new industry needs, and arrangements to facilitate adoption of such applied research by industry;
- d. Leveraging other Federal innovation initiatives such as the National Network for Manufacturing Innovation, MEP, Manufacturing Technology Accelerator Centers; and
- e. Plans to ensure broad distribution of the benefits of public investment, including benefits to disadvantaged populations.

For *infrastructure/site development*, the applicant should consider:

i. Current capability: Describe the quality of existing physical infrastructure and logistical services that support manufacturing and provide analysis of availability of sites prepared to receive new manufacturing investment (including discussion of specific limitations of

these sites, i.e., environmental concerns or limited transportation access). Provide detailed analysis on how transportation infrastructure serves KTS in moving people and goods. Do KTS firms contribute significantly to air or water pollution, or sprawl?

ii. Current institutions for improving capability: Is there capability for on-going analysis to identify appropriate sites for new manufacturing activity, and efforts necessary to make them “implementation ready?” Do the applicants control these sites? Are they well-located, requiring readily achievable remedial or infrastructural support to become implementation-ready? Are they easily accessible by potential workers via short commutes or multiple modes of transportation? Are they located in areas where planned uses will not disproportionately impact the health or environment of vulnerable populations? Are they suitable for manufacturing investment in accordance with Brownfield Area-Wide plans, Comprehensive Economic Development Strategies (CEDS), or other plans that focus on economic development outcomes in an area such as those associated with metropolitan planning organizations or regional councils of government? Are there opportunities to improve the environmental sustainability of the KTS?

iii. Gaps: Provide analysis of gaps in existing infrastructure relevant for proposed path to ecosystem development, including barriers and challenges to attracting manufacturing-related investment such as lack of appropriate land or transportation use planning, and explains how plans will address them. To what extent have firms indicated interest in investing in the region if infrastructure gaps are addressed?

iv. Plans: Communities that intend to focus on infrastructure development as a priority area in seeking future grants should explain how they intend to build on local assets to improve KTS in areas such as:

- a. Transportation projects that contribute to economic competitiveness of the region and United States as a whole by (i) improving efficiency, reliability, sustainability and/or cost-competitiveness in the movement of workers or goods in the KTS, and (ii) creating jobs in the KTS;
- b. Site development for manufacturing to take advantage of existing transportation and other infrastructure and facilitate worker access to new manufacturing jobs;
- c. Infrastructure and site reuse that will generate cost savings over the long term and efficiency in use of public resources; and
- d. Improvement of production methods and locations so as to reduce environmental pollution and sprawl.

For trade and international investment, the applicant should consider:

- i. Current capability: What is the current level and rate of change of the community's exports of products or services in the KTS? Identify existing number of international KTS firms, inward investment flow, outward investment flow, export and import figures, KTS trends in the region and internationally.
- ii. Current institutions for improving export capability and support: What local public sector, public-private partnership, or nonprofit programs have been developed to promote exports of products or services from the KTS?

iii. Gaps: What are the barriers to increasing KTS exports? Identify strategic needs or gaps to fully implement a program to attract foreign investment (e.g. outreach missions, marketing materials, infrastructure, data or research, missing capabilities).

iv. Plans: Communities that intend to focus on exports or foreign direct investment as a priority area in seeking future grants should explain how they intend to build on local assets to improve KTS in areas such as:

- a. Developing global business-to-business matching services; regional advisory services for engaging international markets and international trade officials, or planning and implementing trade missions.
- b. Location (investment) promotion in target markets and within target sectors to build the KTS; Investment Missions; business accelerators or soft landing sites to support new investors; marketing materials; or organizational capacity to support investment strategy implementation.

For operational improvement *and capital access*, the applicant should consider:

i. Current capability: For the KTS, what data is available about business operational costs and local capital access? The applicant can provide general description of what is available, and more detailed description of key areas of comparative advantage or of concern. How does industry partner with utility companies to achieve efficient energy distribution and delivery and/or more energy efficient manufacturing operations? What (if any) local institutions exist to help companies reduce business operational costs while maintaining or increasing performance? What (if any) sources of capital and infrastructure are available (public and private) to businesses to expand or locate in a community? What evidence exists regarding their performance?

ii. Gaps: What improvements or new institutions (including financial institutions and foundations) are key for promoting continuous improvement in KTS business operational capability?

iii. Plans: Communities that intend to focus on operational improvements and/or capital access as a priority area in seeking future grants should explain how they intend to build on local assets to improve KTS in areas such as:

- a. Reducing manufacturers' production costs by reducing waste management costs, enhancing efficiency, and promoting resilience establishing mechanisms to help firms measure and minimize life-cycle costs (e.g., improving firms' access to innovative financing mechanisms for energy efficiency projects, such as a revolving energy efficiency loan fund or state green bank);
- b. Building concerted local efforts and capital projects that facilitate industrial energy efficiency, combined heat and power, and commercial energy retrofits (applicants should detail strategies for capturing these opportunities in support of local manufacturing/business competitiveness); and
- c. Developing public-private partnerships that provide capital to commercialize new technology, and develop/equip production facilities in the KTS.

2. Capacity to carry out implementation strategy:

Applications will be judged in part on the quality of the evidence they provide, including the following information:

- i. Overall leadership capacity – lead organization’s capacity to carry out planned investments in public goods, e.g., prior leadership of similar efforts, prior success attracting outside investment, prior success identifying and managing local and regional partners, and ability to manage, share, and use data for evaluation and continuous improvement.

- ii. Sound partnership structure, e.g., clear identification of project lead, clarity of partner responsibilities for executing plan, and appropriateness of partners designated for executing each component; clarity of partnership governance structure; and strength of accountability mechanisms, including contractual measures and remedies for non-performance, as reflected in letters of commitment or Memorandum of Understanding among consortium members. As discussed in Section III.A. of this notice, the partnership (a) must include an EDA-eligible lead applicant (district organization; Indian tribe; state, county, city, or political subdivision of state, institution of higher education, or nonprofit); and (b) should include other key stakeholders, including but not limited to private sector partners, higher education institutions, government entities, economic development and other community and labor groups, financial institutions and utilities. At a minimum, the applicant must have letters of support from a higher education institution, a private sector partner, and some government entity if not already part of the consortium.

- iii. Partner capacity to carry out planned investments in public goods and attract companies, as measured by prior stewardship of Federal, state, and/or private dollars received and prior success at achieving intended outcomes

iv. State of ecosystem's institutions (associated with the six subcategories under Section I. of this notice) and readiness of industry, nonprofit, and public sector facilities to improve the way they facilitate innovation, development, production, and sale of products, as well as train/educate a corresponding workforce.

v. Depth and breadth of communities' short, medium and long term development and employment goals, plans to utilize high-quality data and rigorous methods to evaluate progress, and demonstration that the probability of achieving these goals is realistic.

Competitive applications will have clearly defined goals and impacts that are aligned with IMCP objectives. Over the long term (5-10 years), plans should lead to significant improvements in community's economic activity, environmental sustainability, and quality of life. Thus, every applicant should provide credible evidence that their KTS development plan will lead over the next 5- 10 years to significant but reasonably attainable increases in private investment in the sector, creation of well-paying jobs, increased median income, increased exports and improved environmental quality. We expect that every applicant will track these long-term outcomes, for either the community as a whole or only for their KTS.

In addition, applications will be evaluated on the extent to which applicants present practical and clear metrics for nearer-term evaluations. For the short and medium term (next 2-3 years), applicants should develop milestones (targets they expect to achieve in this time frame) and metrics (measurements toward the selected milestones and long-term goals) that measure the extent to which the chosen catalytic projects are successfully addressing the ecosystem gaps identified in their assessment and contributing to improving the long-term metrics above.

These intermediate metrics will vary according to the plan; for example, a community that has identified a weakness in supplier quality may track improvements in supplier quality systems, while a community that has identified a desire to increase university-industry collaboration might track invention disclosures filed by faculty and business. To the extent feasible, communities should also plan to statistically evaluate the individual programs as well as the effects of the bundle of programs taken together. For example, communities might choose randomly from among qualified applicants if job training programs are oversubscribed, and track job creation outcomes for both treatment and control groups.

A key element in evaluating proposals will be the rate of improvement in key indicators that the plan can credibly generate. Thus, both distressed and non-distressed manufacturing regions are encouraged to apply.

3. Verifiable Commitment from existing and prospective stakeholders—both private and public—to executing a plan and investing in a community.²

i. Cohesion of partnership. This may be shown in part by evidence of prior collaboration between the IMCP lead applicant, applicant consortium members, and other key community stakeholders (local government, anchor institutions, community, business and labor leaders and local firms, etc.) that includes specific examples of past projects/activities.

² Such commitments may range in intensity and duration. Lead applicants are responsible for overall coordination, reporting, and delivery of results. Consortium members have ongoing roles that should be specified in the proposal. Other partners may take on less intensive commitments such as in-kind donations of the use of meeting space, equipment, telecommunications services, or staffing for particular functions; letters or other expressions of support for IMCP activities and applications for resources; participation in steering committees or other advisory bodies; permanent donations of funding, land, equipment, facilities or other resources; or the provision of other types of support without taking on a formal role in the day-to-day operations and advancement of the overall strategy; stronger applications will also specify these commitments.

ii. Strength/extent of partnership commitment (not contingent upon receipt or specific funding stream) to coordinate work and investment to execute plan and strategically invest in identified public goods. Documented match for current project and evidence of past investments can help serve to demonstrate this commitment.

iii. Breadth of commitment to the plan from diverse institutions, including local anchor institutions (e.g., hospitals, colleges/universities, labor and community organizations, major employers small business owners and other business leaders, national and community foundations) and local, state and regional government officials.

iv. Investment commitments. Extent to which applicants can demonstrate commitments from public and private sectors to invest in public goods identified by the plan, or investments that directly lead to high-wage jobs in manufacturing or related sectors. Letters of intent from prospective investors to support projects, with detailed descriptions of the extent of their financial and time commitment, can serve to demonstrate this commitment. These commitments should be classified into two groups: those that are not contingent on receipt of a specific Federal economic development funding stream, and those that are contingent on the availability of such a Federal economic development funding stream. In the latter case, applicants should aim to show that each dollar of their proposed Federally-funded public investments will be matched over the next 5-10 years by at least two dollars of other investment, which may be private or public (non-Federal).

B. Review Process

All proposals submitted for the manufacturing communities designation will be reviewed on their individual merits by an interagency panel. The interagency panel will judge applications

against the evaluation criteria enumerated in section V.A. of this notice, and score applications on a scale of 100 points. The maximum number of points that may be awarded to each criterion is as follows:

1. Quality of implementation strategy: 50 points

- i. Quality of analysis of workforce, supplier network, innovation, infrastructure, trade, and costs (6 points per element) - 36 points
- ii. Bonus weight (applicant selects one of the elements in section V.B.1.i. for extra weighting) - 6 points
- iii. Quality of integration of the six elements - 8 points;

2. Capacity: 25 points

- i. Leadership capacity, partnership structure, partner capacity, readiness of institutions (4 points per element) - 16 points
- ii. Quality of goal-setting and evaluation plan - 9 points; and

3. Commitment: 25 points

- i. Cohesion, strength, and breadth of partnership - 14 points
- ii. Credibility and size of investments not tied to future Federal economic development funding - 7 points
- iii. Credibility and size of match tied to IMCP funding - 4 points.

Following the scoring of applications, the interagency panel will rank the applications according to their respective scores and present the ranking to the Assistant Secretary for Economic Development (who will serve as the selecting official for the manufacturing community designations made by EDA pursuant to this notice). In determining the issuance of manufacturing community designations, the Assistant Secretary for Economic Development will take into consideration the ranking and supporting justifications provided by the interagency

review panel, as well as the applicant's ability to successfully carry out the public policy and program priorities outlined in this notice. The decision of the Assistant Secretary for Economic Development is final; however, if the Assistant Secretary for Economic Development decides to make a manufacturing communities designation that differs from the recommendation of the interagency review panel, the Assistant Secretary for Economic Development will document the rationale for such a determination.

C. Transparency

The agencies and bureaus involved in this initiative are committed to conducting a transparent competition and publicizing information about investment decisions. Applicants are advised that their respective applications and information related to their review, evaluation, and project progress may be shared publicly. For further information on how proprietary, confidential commercial/business, and personally identifiable information will be protected see Section VI.A. of this notice.

VI. Other Information

A. Freedom of Information Act Disclosure

The Freedom of Information Act (5 U.S.C. 552) (FOIA) and DOC's implementing regulations at 15 C.F.R. part 4 set forth the rules and procedures to make requested material, information, and records publicly available. Unless prohibited by law and to the extent permitted under FOIA, contents of applications submitted by applicants may be released in response to FOIA requests. In the event that an application contains information or data that the applicant deems to be confidential commercial information, that information should be identified, bracketed, and marked as "Privileged, Confidential, Commercial or Financial Information."

Based on these markings, the confidentiality of the contents of those pages will be protected to the extent permitted by law.

B. Intergovernmental review

Applications submitted under this announcement are subject to the requirements of Executive Order (EO) 12372, “Intergovernmental Review of Federal Programs,” if a State has adopted a process under EO 12372 to review and coordinate proposed Federal financial assistance and direct Federal development (commonly referred to as the “single point of contact review process”). All applicants must give State and local governments a reasonable opportunity to review and comment on the proposed Project, including review and comment from area-wide planning organizations in metropolitan areas.³ To find out more about a State’s process under EO 12372, applicants may contact their State’s Single Point of Contact (SPOC). Names and addresses of some States’ SPOCs are listed on the Office of Management and Budget’s home page at www.whitehouse.gov/omb/grants_spoc. Section A.11. of Form ED-900 provides more information and allows applicants to demonstrate compliance with EO 12372.

VII. Contact Information

For questions concerning this solicitation, or more information about the IMCP Participating Agencies programs, you may contact the appropriate IMCP Participating Agency’s representative listed below.

1. Appalachian Regional Commission

- a. **Local Access Road Program:** Jason Wang, (202) 884-7725,

jwang@arc.gov

³ As provided for in 15 C.F.R. part 13.

- b. **Area Development Program:** David Hughes, (202) 884-7740,
dhughes@arc.gov

2. Delta Regional Authority

- a. **States' Economic Development Assistance Program (SEDAP):**
Kemp Morgan, (662) 483-8210, kmorgan@dra.gov

3. Department of Housing and Urban Development

- a. **Office of Sustainable Housing and Communities (OSHC) grant:**
Salin Geevarghese, (202) 402-6412, salin.g.geeverarghese@hud.gov

- b. **Delta Community Capital Initiative:** Jackie Williams, (202) 402-4611,
Jackie.L.Williams@hud.gov

- c. **Appalachia Economic Development Initiative:** (202) 402-4611,
Jackie.L.Williams@hud.gov

4. Department of Labor, Employment and Training Administration

- a. **Trade Adjustment Assistance Community College and Career Training (TAACCCT):**
Robin Fernkas, (202) 693-3177, Fernkas.Robin@dol.gov

5. Department of Transportation

- a. **Transportation Investment Generating Economic Recovery (TIGER):**
Thomas Berry, (202) 366-4829, thomas.berry@dot.gov

6. Environmental Protection Agency

- a. **Targeted Brownfield Assessments (TBA):**
Debra Morey, (202) 566-2735, morey.debi@epa.gov

- b. **Brownfield Grants**
Debra Morey, (202) 566-2735, morey.debi@epa.gov

7. National Science Foundation

- a. **Advanced Technology Education:** Susan Singer, (703) 292-5111,
srsinger@nsf.gov
- b. **I/UCRC:** Grace Wang, (703) 292-5111 jiwang@nsf.gov

8. Small Business Administration

- a. **Accelerator Program:**
Pravina Ragavan, (202) 205-6988, pravina.raghavan@sba.gov
Javier Saade, (202) 205-6513, javier.saade@sba.gov

9. U.S. Department of Agriculture

- a. **Rural Economic Development Loan and Grant Program (REDLG):**
Mark Brodziski, (202) 720-1394, mark.brodziski@wdc.usda.gov
- b. **Rural Business Enterprise Grant Program (RBEG):**
Mark Brodziski, (202) 720-1394, mark.brodziski@wdc.usda.gov

c. Intermediary Relending Program (IRP):

Mark Brodziski, (202) 720-1394, mark.brodziski@wdc.usda.gov

d. Business & Industry Guaranteed Loan Program (B&I):

John Broussard, (202) 720-1418, john.broussard@wdc.usda.gov

10. U.S. Department of Commerce

Michael Jackson, (202) 482-3639, mjackson@doc.gov

Dated: December 5, 2013

Thomas Guevara
Deputy Assistant Secretary for Regional Affairs

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