

Dear Members,

Several current EDA funding programs provide many opportunities for incubators. Read on for information about these EDA grant opportunities.

### **Currently available EDA funding opportunities**

Given passage of the stimulus package and existing EDA funding programs, there are opportunities for you to obtain EDA grants to assist your program *now*.

The bulk of EDA funds are generally set aside for:

- Public Works and Economic Development – for commercial structures, sewage systems, incubators and industrial parks. New incubators and expansions are funded through this program.
- Economic Adjustment Assistance – designed to solve problems of severe economic dislocation, often from a natural disaster, base closure, failure of large industry or plant moving offshore. These section 209 funds are much more flexible and may be used for planning, operations, strategy development, bricks and mortar, and even to capitalize a loan fund.

*Thus, business incubators could use economic adjustment assistance funds to maintain current operations, initiate innovative new programs, and/or expand services to new regions or populations. Keep in mind that EDA has expressed interest in funding renewable-energy projects in recent years.*

EDA also has recently announced the availability of \$400 million appropriated for disaster assistance to areas affected by hurricanes, floods or other natural disasters during 2008. This [announcement](#) details the funding available to each state. These funds can be used to help regions recover by diversifying their local and regional economies; funding for incubators would fit under these appropriations. EDA hopes to have these funds committed within 18 months.

Finally, EDA has loosened match and definition requirements for both the disaster and stimulus funds, making money available to more communities. But because of pressures to make immediate investments, the agency will give precedence to “shovel-ready” projects and others that can begin very shortly.

*Therefore, there is no time to lose. If you need operating funds or expansion money, you should to meet with your EDA Regional Director or state representative, acquaint yourself with EDA programs and applications for assistance, determine match requirements and get your application in order as soon as possible. EDA state contacts are included as links from the [EDA Regional Offices list](#); a PDF listing EDA contacts also is attached.*

[Recent research](#) we have shared with you proves that business incubators are the most effective of EDA’s public works investments. As you speak with EDA officials, you should cite this research that shows that incubator investments create from 46 to 69 jobs per \$10,000 of EDA investment, at an average cost of \$144 to \$216 per job. Using these metrics will help to back up your arguments – with local governments as well as federal agencies. Also see the attached fact sheet on EDA appropriations for more information.

We will continue to update you about the progress during the upcoming appropriations cycles and alert you to any important regulatory changes.

Sincerely,

Dinah Adkins  
President & CEO