



UNITED STATES DEPARTMENT OF COMMERCE  
Economic Development Administration  
SEATTLE REGIONAL OFFICE  
915 Second Ave, Room 1890  
Seattle, WA 98174

May 8, 2020

Charles McKee, County Administrative Officer  
County of Monterey  
1441 Schilling Place - North, 3rd Floor  
Salinas, CA, 93901

RE: Invitation for CARES Act Supplemental EDA Awards for  
Revolving Loan Fund Grant Recipients

Sent via email

Dear Mr. McKee:

As you may be aware, the U.S. Department of Commerce, Economic Development Administration (EDA) recently received a supplemental appropriation to “prevent, prepare for, and respond to coronavirus . . . including for necessary expenses for responding to economic injury as a result of coronavirus,” as part of the Coronavirus Aid, Relief, and Economic Security Act, Pub. L. 116-136 (March 27, 2020) (CARES Act). On May 7, 2020, EDA published an addendum to the FY 2020 Public Works and Economic Adjustment Act Notice of Funding Opportunity to announce EDA’s CARES Act Recovery Assistance, through which EDA will award grants under the supplemental appropriation.

As part of EDA’s CARES Act Recovery Assistance, EDA is inviting certain current recipients of existing EDA-funded Revolving Loan Fund (RLF) awards to apply for a supplemental RLF award to help respond to the unusual and compelling urgency of the coronavirus pandemic. EDA has determined that these RLF partners, by virtue of their longstanding and substantial investment in making credit available to small businesses, possess unique abilities to support the CARES Act Recovery Assistance initiative and that it is therefore in the public interest to make awards to these organizations on a non-competitive basis.

Specifically, EDA is inviting your organization to apply for a single supplemental financial assistance award with two components: (1) up to \$1,600,000.00 to capitalize a new RLF to alleviate sudden and severe economic dislocation caused by the coronavirus (COVID-19) pandemic to serve the same lending area as your existing RLF award<sup>21</sup> and (2) up to an additional ten percent of that amount to defray administrative costs necessary to establish the new RLF and to facilitate rapid and prudent lending to respond to the pandemic (the ten percent for administrative costs is in addition to, not a portion of, the funds used to capitalize the RLF). An application for funds to defray administrative costs necessary to establish a new CARES Act RLF is optional but is encouraged to ensure that you have sufficient resources to respond promptly to the urgent need.

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<sup>21</sup> Current recipients that are EDA-designated District Organizations may request that the lending area of the new RLF be the same as the Economic Development District served by the District Organization. All other recipients must serve the same lending area as your existing RLF award. For recipients of multiple RLF awards, the lending area must be the same as largest lending area of any of your existing awards.

## Invitation for CARES Act Supplemental EDA RLF Award

The full terms and conditions applicable to this award, including a scope of work, are attached for your review. The period of performance for the award is 24 months; all award funds must be disbursed and lent or used for administrative costs during this period. EDA will fund the award at a 100 percent federal grant rate; no matching share is required. Applying for a supplemental award will not preclude you from applying to EDA for additional funding for other projects.

Following the initial round of lending, the RLF award funds may continue to be re-lent as the initial loans are repaid. **At no point may loans be forgiven; an RLF recipient may only make RLF loans that are reasonably expected to be repaid in full.**

To apply for a supplemental RLF award, you must submit the following documents:

1. A letter, signed by your organization's Authorized Representative, confirming that you have reviewed and are ready, willing, and able to perform the scope of work for the supplemental award.
2. A Project Narrative of no more than three pages that describes:
  - a. The lending area for the RLF (see above regarding lending area requirements);
  - b. The Comprehensive Economic Development Strategy(ies) (CEDS) or other strategic planning document(s) that covers the defined lending area and how the project addresses the goals and objectives of the CEDS or alternative planning document (if an alternative planning document is used in lieu of an EDA-funded CEDS, provide a copy of this document);
  - c. A description of the administrative activities that will be funded through the administrative costs portion of the award; and
  - d. How the proposed RLF and administrative activities will help the lending area to "prevent, prepare for, and respond to coronavirus" or respond to "economic injury as a result of coronavirus."
3. A completed Form SF-424.
4. An executed Form ED-900A and Form CD-511.
5. A completed Form SF-424A.
6. A budget narrative that aligns with Form SF-424A.
7. A staffing plan.
8. If indirect costs are included in your administrative budget, a copy of your organization's current negotiated indirect cost rate or, for governmental organizations, a certificate of indirect cost rate.
9. For corporations only, including non-profit corporations, a Certification Regarding Federal Felony and Federal Criminal Tax Convictions, Unpaid Federal Tax Assessments and Delinquent Federal Tax Returns.
10. Documentation of Project submission to the State Single Point of Contact, if applicable, and any comments/clearance received.

**Applications should be submitted within 30 days of the date of this letter.** Please submit the forgoing materials via <https://www.grants.gov/>, by selecting funding opportunity number FY2020-EDA-RLF-CARES at <https://www.grants.gov/web/grants/view-opportunity.html?oppId=326850>. An optional template to assist you with preparing a budget narrative and staffing plan is attached. All applicants are required to have an active SAM.gov registration at the time of award and to maintain active registration throughout the grant period.

## Invitation for CARES Act Supplemental EDA RLF Award

You are not required to submit an RLF Plan for administering the new RLF award at this time. If your application is approved, you will be required to submit an RLF Plan that must be approved by EDA prior to disbursing loan funds to an RLF borrower but no later than 60 days following award. EDA expects that most recipients of supplemental RLF awards will be able to quickly and easily adapt an existing RLF Plan for use with the new RLF. If your application is approved, you will also be required to provide a Grant Administration Plan that further details the tasks you will undertake pursuant to the scope of work, the staff responsible for the primary tasks, the timeline for implementation of the tasks, and a hiring plan if you will be hiring additional staff under this award. Please contact your RLF administrator (Frank Wessbecher, 206.220.7689 / [fwessbecher@eda.gov](mailto:fwessbecher@eda.gov)) with questions regarding preparation of the RLF Plan, Grant Administration Plan, or if you have any other questions regarding the application process.

This funding invitation is not a guarantee that EDA will approve your application. Approval is contingent upon factors including, but not limited to, the availability of funds, your past performance and compliance with federal awards, and the responsiveness of your application to the criteria of this letter invitation. EDA anticipates making funding decisions within 30 days of the receipt of a complete application.

If you have any questions, please contact the Economic Development Representative for your state. Contact information may be found at <https://eda.gov/contact>.

Sincerely,

A. Leonard Smith  
Regional Director, Seattle Regional Office