

# BroadbandUSA: Guide to Federal Funding of Broadband Projects

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**BROADBANDUSA**  
CONNECTING AMERICA'S COMMUNITIES

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#### ***Disclaimer***

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# OVERVIEW

**“Access to high-speed broadband is no longer a luxury; it is a necessity for American families, businesses, and consumers.”<sup>1</sup>**

1. President Barack Obama, “Presidential Memorandum — Expanding Broadband Deployment and Adoption by Addressing Regulatory Barriers and Encouraging Investment and Training,” Mar. 23, 2015, <https://www.whitehouse.gov/the-press-office/2015/03/23/presidential-memorandum-expanding-broadband-deployment-and-adoption-addr>.

The National Telecommunications and Information Administration’s (NTIA) BroadbandUSA initiative presents this guide to key federal programs that offer funding for broadband-related projects. NTIA intends this guide to answer questions from communities on how to access federal funding to support broadband planning, public access, digital literacy, adoption, and deployment.

Funding for broadband projects, including deployment, public access, adoption, and planning initiatives, is available through a number of agencies across the federal government. When reviewing the funding sources in this guide, readers should pay close attention to the following:

- ✦ The purpose of each program
- ✦ Potential restrictions on funding
- ✦ Rules for eligibility

As this guide only provides an overview of funding sources as of the time of publication, communities should also examine the agency websites and review the most recent funding announcements to determine if a funding opportunity matches their needs. NTIA intends to update this guide periodically at [www2.ntia.doc.gov/files/broadband\\_fed\\_funding\\_guide.pdf](http://www2.ntia.doc.gov/files/broadband_fed_funding_guide.pdf).

NTIA’s BroadbandUSA initiative is dedicated to helping communities achieve their broadband missions. NTIA will assist communities in working with the agencies to determine if funding is available.

If you have additional questions about the information contained in this guide, please contact us at [broadbandusa@ntia.doc.gov](mailto:broadbandusa@ntia.doc.gov) or 202-482-2048.

## WHAT IS BroadbandUSA?

BroadbandUSA is NTIA’s initiative that provides expert advice and field-proven tools for assessing broadband adoption, planning new infrastructure, and engaging a wide variety of partners in infrastructure projects. BroadbandUSA also brings stakeholders together to solve problems, improve broadband policies, share best practices, connect communities to other federal agencies and funding sources, and improve coordination among agencies. BroadbandUSA offers online and in-person technical assistance to communities; hosts regional workshops around the country; and publishes guides and tools that provide communities with proven solutions to address problems in broadband planning, financing, construction, and operations. If you are interested in receiving assistance from BroadbandUSA, please contact us at [broadbandusa@ntia.doc.gov](mailto:broadbandusa@ntia.doc.gov) or 202-482-2048. For more information about BroadbandUSA, visit our website at [www.ntia.doc.gov/broadbandusa](http://www.ntia.doc.gov/broadbandusa).

BroadbandUSA is publishing a series of guides and toolkits for communities determined to take steps to secure the robust broadband services and digital literacy skills needed to be competitive in today’s global economy. These publications provide practical advice for developing programs that will successfully meet the current and future broadband needs of communities. For example, BroadbandUSA has published an Introduction to Effective Public-Private Partnerships at [http://www2.ntia.doc.gov/files/ntia\\_ppp\\_010515.pdf](http://www2.ntia.doc.gov/files/ntia_ppp_010515.pdf), which provides an overview of common broadband partnerships, the factors communities should consider in developing a successful partnership model, and tips and best practices NTIA has observed through its oversight of broadband grants to public, private and joint projects across the country. BroadbandUSA also intends to soon publish a toolkit series for local and tribal governments, including:

- ✦ Planning for a Community Broadband Roadmap,
- ✦ Implementing the Community’s Broadband Network Vision,
- ✦ Strategizing for Broadband Network Sustainability, and
- ✦ The Power of Partnerships.

# FEDERAL PROGRAMS

The following agencies have programs that may fund projects involving broadband infrastructure, adoption, access, planning, or research.

	Infrastructure Deployment	Adoption and Digital Literacy	Public Computer Access	Planning	Research	Other
<i>Appalachian Regional Commission</i>						
<i>Telecommunications and Technology Program</i>	X	X	X	X		
<i>Federal Communications Commission</i>						
<i>Connect America Fund (High Cost Program)</i>	X					
<i>E-Rate (Schools and Libraries) Program</i>	X					
<i>Rural Health Care Program</i>	X					
<i>U.S. Department of Agriculture, Rural Utilities Service</i>						
<i>Telecommunications Infrastructure Loan Program</i>	X					
<i>Farm Bill Broadband Loan Program</i>	X					
<i>Substantially Underserved Trust Areas (SUTA) Provisions</i>	X					
<i>Community Connect Grant Program</i>	X					
<i>Distance Learning and Telemedicine Grant Program</i>						X*
<i>U.S. Department of Commerce, Economic Development Administration</i>						
<i>Public Works</i>	X					
<i>Economic Adjustment Assistance</i>	X			X		
<i>Partnership Planning</i>				X		
<i>Local Technical Assistance</i>				X		
<i>U.S. Department of Housing and Urban Development</i>						
<i>Community Development Block Grants (including Section 108 Loan Guarantee Program)</i>	X	X	X	X**		
<i>Public Housing Capital Fund</i>			X			
<i>Public Housing Operating Fund</i>		X	X			
<i>Multifamily Housing</i>		X	X			
<i>Indian Community Development Block Grants</i>	X					
<i>Indian Housing Block Grants</i>	X					

	Infrastructure Deployment	Adoption and Digital Literacy	Public Computer Access	Planning	Research	Other
<i>Title VI Loan Guarantee Program</i>	X					
<i>Native Hawaiian Housing Block Grants</i>	X					
<i>Choice Neighborhoods</i>	X	X		X		
<i>U.S. Department of Labor, Employment and Training Administration</i>						
<i>American Job Centers</i>		X	X			
<i>Institute of Museum and Library Services, Office of Library Services</i>						
<i>Native American Library Services Basic Grants</i>	X***	X	X			
<i>Native American Library Services Enhancement Grants</i>	X***	X	X	X		
<i>Native Hawaiian Library Services Grants</i>	X***	X	X	X		
<i>Laura Bush 21st Century Librarian Program</i>		X		X	X	
<i>National Leadership Grants for Libraries</i>		X		X	X	
<i>Sparks! Ignition Grants for Libraries</i>		X				

\* = distance learning and telemedicine equipment

\*\* = eligible for grantees only; not for subrecipients

\*\*\*= internal wiring and routers only; no construction

# ADDITIONAL FUNDING SOURCES

## Additional Federal Support

Broadband deployment, access, adoption, or planning can fall within the scope of other federal programs, such as those focused on economic development or education. The federal government's central funding portal, [www.grants.gov](http://www.grants.gov), makes available information on all federal grant programs. The portal allows a keyword search on all posted funding opportunities. This portal also allows users to narrow their search by the status of the opportunity (open, closed, or archived), funding instrument type, type of eligible applicant, programmatic category, and federal agency. In searching for opportunities on [grants.gov](http://www.grants.gov), potential applicants must think beyond the word "broadband" and consider that broadband is a multi-purpose tool. For example, if a program funds training for at-risk youth, a community may propose to use broadband as a tool to meet the purposes of that program. Or, if a program funds assistance to businesses, a business may propose broadband-related activities within the purposes and requirements of that program. The Catalog of Federal Domestic Assistance at <https://www.cfda.gov> is also a good source for all federal assistance programs.

## Other Sources of Funding

There are many potential sources of funding for broadband-related projects, and communities should consider several funding sources to complete projects. This guide is a starting point that communities can use to explore federal financing opportunities. If any program seems relevant, a community should examine the most current funding announcement to determine how closely its purposes and scope match those of the proposed project. Communities should consider

additional funding sources, including state grants and local resources such as foundations and other non-profits. Communities should also consider Public-Private Partnerships (see NTIA's paper at [http://www2.ntia.doc.gov/files/ntia\\_ppp\\_010515.pdf](http://www2.ntia.doc.gov/files/ntia_ppp_010515.pdf)). Just as with government funding, it may be useful to consider the project scope broadly, knowing that a targeted funder may support a broadband project if the goals of the broadband project intersect with the goals of that funder. Always remember that broadband is not an end in and of itself; but rather a tool for achieving other public policy goals such as education, employment, and economic development.

Regardless of the source, organizations that provide funds — federal, state, local, non-profit or private — usually share at least three common concerns when evaluating applications for funding. They all want to review proposals for projects that are well-planned, broadly supported and likely to succeed. While this funding guide is a first step for communities trying to find a match between their goals and the goals of a grant, it is critical for a community to develop project plans that meet these criteria before applying for funding.

# FEDERAL FUNDING PROGRAM INFORMATION



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## Appalachian Regional Commission (ARC)

### Telecommunications and Technology Program

The Appalachian Regional Commission is a regional economic development agency that represents a partnership of federal, state and local government. Established by an act of Congress in 1965, ARC is composed of the governors of the 13 Appalachian states and a federal co-chair, who is appointed by the president. Local participation is provided through multi-county local development districts.

The Appalachian Region, as defined in ARC's authorizing legislation, is a 205,000 square mile region that follows the spine of the Appalachian Mountains from southern New York to northern Mississippi. It includes all of West Virginia and parts of 12 other states: Alabama, Georgia, Kentucky, Maryland, Mississippi, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee and Virginia. There are 420 counties in the Region representing more than 25 million people. Forty-two percent of the Region's population is rural, compared with twenty percent of the national population.

Each year, ARC provides grant funding for several hundred projects in the Appalachian Region in areas such as business development, education and job training, health, telecommunications, infrastructure, community development and transportation. These projects 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.

ARC grants are available to public sector entities and non-profit 501(c)(3) organizations within the Appalachian Region. Private and for-profit companies are not eligible for ARC grants. Grant funding for area development and distressed county funding is allocated to each state and all grant applications must be recommended for approval by the state ARC office.

In the Telecommunications and Technology segment, ARC awards grants for a variety of activities. These include small broadband deployment projects such as fiber runs to industrial parks, installing wireless broadband in underserved and unserved areas, assistance with tele-health projects involving

equipment, systems and networking, installing Wi-Fi networks in downtown business districts, assisting with computers and equipment in schools and libraries, assisting local municipalities with technology related projects, conducting numerous feasibility studies on community broadband requirements, distance learning and many other applications. Many projects involve fiber deployments to local schools that capitalize on NTIA's Broadband Technology Opportunities Program investments related to the American Recovery and Reinvestment Act

Those interested in an ARC grant are encouraged to work with their designated Local Development District and the state ARC office. Links to this information is available on the main ARC website at [www.arc.gov](http://www.arc.gov).

Questions regarding the Telecommunications and Technology Program can also be directed to Mark DeFalco at [mdefalco@arc.gov](mailto:mdefalco@arc.gov).



## Federal Communications Commission (FCC)

### Connect America Fund (High-Cost) Program

(~\$3.75 billion disbursed in 2014; capped at \$4.5 billion/year)

#### Focus:

Subsidizes the cost of operating and extending infrastructure (both fixed and mobile) to serve consumers and small businesses in rural, high cost areas. Recipients of funding must be designated an “eligible telecommunications carrier” by the relevant state or, in cases where the state does not have jurisdiction over a particular type of provider, the FCC.

#### Recent Actions:

In 2011, the Commission comprehensively reformed and modernized the high-cost program to focus support on voice and broadband capable networks. These reforms included establishing an overall budget for the program, requiring recipients to meet defined broadband performance standards, and targeting funding to geographic areas that are not served by unsubsidized competitors. Of the \$4.5 billion annual budget, the Commission allocated up to \$1.8 billion to geographic areas served by the larger telecommunications carriers (known as Phase II of the Connect America Fund), up to \$2 billion to those areas served by the smaller carriers, \$500 million to the Mobility Fund, and at least \$100 million for remote areas.

The FCC is currently working to implement Phase II of Connect America. The Commission made the offer of Phase II support to incumbent providers in April 2015, with those companies required to accept or decline support offer by August 27, 2015. Ten telecommunications carriers accepted \$1.5 billion in annual support for rural broadband deployment. Most of the ten carriers are major national carriers, and their acceptance will infuse over \$9 billion from the Connect America Fund into rural broadband over the next six years. To the extent a larger incumbent provider has declined to commit to specified broadband deployment requirements in a given state, Connect America Phase II will award funding through a future competitive process. That auction will include remote areas of the country.

The 2011 Order largely maintained existing support mechanisms for the smaller carriers, but phased out some forms of legacy high-cost support and limited support to \$250/month/line. In December 2014, the Commission adopted certain near-

term reforms for smaller rural carriers, who are required to provide broadband to customers upon reasonable request. The Commission is currently considering various proposals for longer-term reforms for these smaller carriers, including a voluntary path for the carriers to receive support calculated using a cost model.

In April 2014, the Commission proposed rules for Phase II of the Mobility Fund, which will provide up to \$500 million each year to provide ongoing support to deploy and maintain mobile broadband and voice service in high-cost areas. The FCC is studying the exact amount to be allocated for services on Tribal lands in future years. As of the date of this publication, the Commission has not yet adopted final rules for Phase II of the Mobility Fund.

#### Broadband Benefits:

As of December 31, 2013, approximately 23 million Americans lacked access to infrastructure capable of providing 10/1 Mbps fixed broadband. Phase I of the Connect America Fund authorized nearly \$440 million in funding to serve over 1.66 million previously unserved individuals in 45 states and Puerto Rico. Phase I of the Mobility Fund is making available up to \$300 million to address gaps in mobile coverage in rural areas, with recipients extending mobile service to up to 83,000 road miles in 31 states and 1 territory. Phase II of the Connect America Fund aims to bring broadband service to the Americans living in rural areas lacking broadband through a combination of wireline, fixed wireless and satellite technologies.

#### Additional Information:

General Information about the Connect America Fund:

<http://www.fcc.gov/encyclopedia/connecting-america>

### E-Rate (Schools and Libraries) Program

(Annual cap is \$3.9 billion, cap adjusted annually for inflation)

#### Focus:

Provides discounts of up to 90 percent for broadband to and within elementary and secondary schools (public and private) and public libraries in rural and non-rural areas. Funding is provided through an annual application process; schools, libraries and consortia of schools and libraries apply for funding. A discount increase of up to 10 percentage points is available

for schools and libraries in rural areas depending on the poverty level of the applicant. The Universal Service Administrative Company (USAC) administers the program on behalf of the FCC.

#### Recent Actions:

In 2014 the Commission adopted two orders modernizing the E-rate program. The First E-rate Modernization Order focused on expanding funding for Wi-Fi networks, maximizing the cost-effectiveness of spending, and streamlining and simplifying the application process and overall program administration. The Second E-rate Modernization Order raised the annual cap from \$2.4 billion to \$3.9 billion, and provided additional construction options for schools and libraries seeking to deploy high-speed broadband to their buildings. For example, beginning in 2016, schools and libraries can seek E-rate support to construct their own networks, subject to specific requirements.

#### Broadband Benefits:

The program improvements adopted in the 2014 Orders will make it possible for all eligible schools and libraries to purchase high-speed connectivity to their premises and to deploy Wi-Fi within their buildings.

#### Additional Information:

- ✦ FCC e-Rate page: <http://www.fcc.gov/e-rate-update>
- ✦ Universal Service Administrative Company: <http://www.universalservice.org/sl/>

### Rural Health Care (RHC) Program

(~\$193 million disbursed in 2014; capped at \$400 million/year)

#### Focus:

Subsidizes connectivity for public and non-profit health care providers, with a focus on rural areas. Funding provided through an application process; eligible applicants can be (1) post-secondary educational institutions offering health care instruction, teaching hospitals, and medical schools; (2) community health centers or health centers providing health care to migrants; (3) local health departments or agencies; (4) community mental health centers; (5) not-for-profit hospitals; (6) rural health clinics; and (7) consortia of one or more of such entities. Eligible Health Care Providers must be non-profit or public. Supports recurring expenses as well as non-recurring expenses associated with constructing, maintaining, and upgrading broadband infrastructure. The Universal Service Administrative Company (USAC) administers the program on behalf of the FCC.

#### Most Recent Action:

In 2012, the Commission reformed the Rural Health Care Program, establishing the Healthcare Connect Fund (HCF) to expand health care provider access to broadband, especially in rural areas, encourage the creation of state and regional broadband health care networks (consortia), and maximize cost-effectiveness of the RHC Program. The Healthcare Connect Program provides support for 65 percent of the cost of broadband connectivity; eligible health care providers must provide a 35 percent contribution. A consortium must be composed of a majority of rural sites.

#### Broadband Benefits:

Since January 1, 2014, more than 4,773 individual applicants and 95 new consortia have been approved to receive HCF support. Approximately 6,675 rural sites currently participate in the RHC program, with roughly \$171.3 million annually going to rural sites.

#### Additional Information:

- ✦ Healthcare Connect Fund Order: <http://www.fcc.gov/document/fcc-releases-healthcare-connect-order>
- ✦ General information about the RHC Program: <http://www.fcc.gov/encyclopedia/rural-health-care>
- ✦ Universal Service Administrative Company Information: <http://www.universalservice.org/rhc/healthcare-connect/default.aspx>

### Additional Information

For additional information about the FCC's programs that support broadband deployment and adoption, please contact Ryan B. Palmer, Chief, Wireline Competition Bureau, Telecommunications Access Policy Division, at (202) 418-1442 or [Ryan.Palmer@fcc.gov](mailto:Ryan.Palmer@fcc.gov).



## Rural Utilities Service (RUS) Telecommunications Program, U.S. Department of Agriculture

The Rural Utilities Services (RUS) is an Agency within the US Department of Agriculture's Rural Development (RD) mission area. RUS includes three departments, all of which serve rural Americans' utility needs; these departments are water and waste water, electric, and telecommunications. In the 1930s, Franklin Roosevelt signed an executive order to create the Rural Electrification Administration (REA) to bring electricity to rural Americans. REA provided financing to local utility companies and co-ops who then built and managed the infrastructure. In the 1940s, REA's authority was expanded to include loans for telephone services. As technology evolved, so did the Telecom Program, which began requiring all networks financed to be broadband capable starting in 1995.

Currently, the Telecom Program offers two distinct loan programs and one grant program for broadband infrastructure, as well as one grant program for the purchasing of distance learning and telemedicine equipment. Additionally, the Telecom Program administered over \$3.5 billion in financing through loan and grants under the American Recovery and Reinvestment Act (ARRA) of 2009. That program is now closed, but progress on build out of the funded projects is ongoing. The four programs currently offered through the Telecom Program, as well as special funding provisions for tribes, are detailed below.

### The Telecommunications Infrastructure Loan Program

The Telecommunications Infrastructure Loan Program, often called just the Infrastructure Program, is the oldest of the Telecom loans. This program is designed to provide financing for new and improved telecommunications infrastructure in rural communities of 5,000 or less, and can be used for construction, expansion, and improvements, as well as acquisitions and refinancing (with restrictions). Loan applications are accepted year round for this program, and for the past several years RUS has had \$690 million available each fiscal year for this program. This program contains hardship, cost-of-money, and Federal Financing Bank (FFB) loans. Eligible entities include most entities that provide telecommunications in qualified rural areas, including state and local government entities, federally recognized Tribes, non-profits (including cooperatives and limited dividend or mutual associations), and for-profit

businesses (corporations and limited liability companies).

For more information on this program, visit our website at: [http://www.rurdev.usda.gov/utp\\_infrastructure.html](http://www.rurdev.usda.gov/utp_infrastructure.html)

### The Farm Bill Broadband Loan Program

The Farm Bill Broadband Loan Program, referred to as the Farm Bill program because of its authorization in the Food and Agricultural Act or "Farm Bill", is the second loan program offered through the RUS Telecommunications Program. This program was created under the 2002 Farm Bill and reauthorized under the 2008 and 2014 Farm Bills. It is designed to provide loans for funding, on a technology neutral basis, for the costs of construction, improvement and acquisition of facilities and equipment to provide broadband service to eligible rural communities. The program's goal is to ensure that rural consumers benefit from the same quality and range of telecommunications services that are available in urban and suburban communities. In general, the program reaches consumers in rural areas, excluding suburbs, where households are unserved or underserved. Networks built must meet a certain minimum required broadband speed which is defined by RUS. Eligible entities include most entities that provide telecommunications in qualified rural areas, including state and local government entities, federally recognized Tribes, non-profits (including cooperatives and limited dividend or mutual associations) and for-profit businesses (corporations and limited liability companies).

For more information on this program, visit our website at: [http://www.rurdev.usda.gov/utp\\_farmbill.html](http://www.rurdev.usda.gov/utp_farmbill.html)

### Substantially Underserved Trust Areas (SUTA) Provisions

Both of the two Telecom Loan Programs—the Infrastructure Program and the Farm Bill Program—have special provisions for projects serving trust lands as laid out in the SUTA Final Rule published in the Federal Register on June 13, 2012 and effective July 13, 2012. These provisions allow the RUS Administrator to provide special consideration—including but not limited to lower interest rates and extended loan terms—to projects serving tribal lands.

For information on what qualifies as a trust land, how to apply for SUTA consideration, the benefits of the provisions, and other questions, please visit the SUTA FAQ, the SUTA Fact Sheet, and the SUTA Final rule at: <http://www.rd.usda.gov/about-rd/initiatives/substantially-underserved-trust-area-suta>

### The Community-Oriented Connectivity Grant Program

The Community Connect Grant Program is Telecom's only grant program for broadband infrastructure. It is a nationally-competitive grant program for providing broadband service to the most rural and economically challenged communities. Grants are accepted during a grant application window, usually sixty days long and announced in the winter. Eligible areas for this program must contain a population of less than 20,000 and a broadband speed less than the speed defined in the annual NOFA (Notice of Funds Availability). The maximum grant amount under this program is \$3 million, and grantees must provide 15% matching funds. Additionally, grantees must provide a community center that provides free internet access to everyone in the service area for two years, and must provide free broadband services to critical community facilities—such as government buildings, fire stations, and libraries—in its service territory for two years as well. Eligible applicants include most state and local governments, federally recognized tribes, non-profits, and for-profit corporations. In fiscal year 2015, the program had \$10.4 million in appropriations.

For more information on this program, visit our website at: [http://www.rurdev.usda.gov/utp\\_commconnect.html](http://www.rurdev.usda.gov/utp_commconnect.html)

### The Distance Learning and Telemedicine (DLT) Grant Program

The Distance Learning and Telemedicine or DLT Grant Program is the only Telecom program that does not fund infrastructure. This program has a focus on using the unique capabilities of telecommunications to connect rural areas to each other and to the world, thus overcoming the effects of remoteness and low population density. To this end, the program funds equipment for the construction of networks for distance learning—defined as curriculum delivered via telecommunications and stresses the connection of students and teachers at remote sites—and telemedicine—defined as the delivery of health care from medical professionals at one site to patients at other sites via telecommunications. Equipment for this program can only be purchased if its primary purpose is for distance

learning or telemedicine. This is a competitive grant program whose funding window is usually announced in the spring. Eligible applicants include most entities that provide education or health care through telecommunications, including most State and local governmental entities, federally-recognized Tribes, non-profits, for-profit businesses, and consortia of eligible entities.

For more information on this program, visit our website at: [http://www.rurdev.usda.gov/UTP\\_DLT.html](http://www.rurdev.usda.gov/UTP_DLT.html)

### General Field Representatives (GFRs)

For the most part, the Telecommunications Program is run by national office staff in Washington, DC. However, each State has a General Field Representative or GFR who is the local expert on all Telecom programs. The GFR should be any prospective applicant's first point of contact for all questions regarding any Telecom program.

The contact information for the GFRs for each State can be found on our website at: [http://www.rd.usda.gov/files/UTP\\_TelecomGFRs.pdf](http://www.rd.usda.gov/files/UTP_TelecomGFRs.pdf).

National Office Staff can be contacted using information here: [http://www.rd.usda.gov/files/UTP\\_ContactStaff4Feb.pdf](http://www.rd.usda.gov/files/UTP_ContactStaff4Feb.pdf).



## Economic Development Administration (EDA), U.S. Department of Commerce

### Public Works and Economic Adjustment Assistance

EDA’s mission is to lead the federal economic development agenda by promoting innovation and competitiveness, preparing American regions for growth and success in the worldwide economy. Given that broadband is an important ingredient in economic development strategies, EDA funding may be used to support broadband infrastructure projects under EDA’s *Public Works* and *Economic Adjustment Assistance* competitive grant programs, within certain parameters.

EDA’s Public Works program helps distressed communities revitalize, expand, and upgrade their physical infrastructure. This program enables communities to attract new industry; encourage business expansion; diversify local economies; and generate or retain long-term, private-sector jobs and investment through the acquisition or development of land and infrastructure improvements needed for the successful establishment or expansion of industrial or commercial enterprises.

EDA’s Economic Adjustment Assistance program provides a wide range of technical, planning, and public works and infrastructure assistance in regions experiencing adverse economic changes that may occur suddenly or over time. These adverse economic impacts may result from a steep decline in manufacturing employment following a plant closure, changing trade patterns, catastrophic natural disaster, a military base closure, or environmental changes and regulations.

Eligible applicants for either program must be a state, a political subdivision of a state, district organization, Indian tribe, institution of higher education, or a non-profit acting in coordination with a political subdivision of a state. Also, in order for a project to be *eligible for EDA support under these programs*, the region needs to demonstrate that it is experiencing economic distress, defined as:

- ✦ an unemployment rate that is, for the most recent twenty-four (24) month period of which data is available, at least one (1) percent greater than the national average unemployment rate; or

- ✦ per capita income that is, for the most recent period for which data is available, eighty (80) percent or less of the national average per capita income; or
- ✦ a “special need” (certain unemployment or economic adjustment problems) as determined by EDA.

Proposals must be based on a locally developed Comprehensive Economic Development Strategy (CEDS) or equivalent document. Applicants also must demonstrate that the investment will help the community grow or strengthen its economy. Generally, the amount of the EDA investment may not exceed fifty (50) percent of the total cost of the project.

Some examples of EDA support of broadband include:

- ✦ In 2004, EDA awarded \$6 million to Mid-Atlantic Broadband Cooperative (MBC) to support an advanced open-access fiber-optic network for Southern Virginia to facilitate the growth and attraction of technology-related businesses and industries to the region. EDA’s investment assisted in the \$12 million construction of a 300-mile internet backbone for the region.
- ✦ In 2006 and 2009, EDA invested a total of \$1.8 million in the Sandia Science and Technology Park in Albuquerque, New Mexico, to fund infrastructure improvements including new, high-speed fiber optic lines that help the businesses located there leverage advances in technology that have been generated by nearby universities and federal labs.
- ✦ In 2009, EDA invested \$2.3 million to support a new fiber-optic backbone in Virginia’s Eastern Shore with a grant to the Eastern Shore of Virginia Broadband Authority. The new lines provided more affordable high-speed broadband access to support existing businesses and encourage expansion. This investment consists of the construction of approximately 66 miles of new fiber optic broadband lines commencing at the NASA Wallops Island Flight Facility and extending to Cape Charles, Virginia.

- ✦ In 2010, EDA awarded \$820,550 to the Standing Rock Sioux Tribe in North Dakota to fund the acquisition of high speed broadband and backhaul equipment. The project provided fully provisional, mobile and fixed wireless broadband service to the population of the Standing Rock Sioux Tribe Reservation. By providing voice and broadband services for small and home-based businesses, educational institutions, health care facilities and government, the project provided an opportunity to build the tribe's economy through business development, while also building out infrastructure that provides critical communication services to residents, schools, government, healthcare facilities and public safety.
- ✦ In 2012, EDA made a \$2.1 million grant to San Leandro, California, to support the construction of the conduit for a fiber optic network in the City. A community broadband project constructed 7.5 miles of conduit, which connected to the City's existing infrastructure. The new conduit will make 21st Century broadband available to almost all of San Leandro's developable industrial land.
- ✦ In 2014, EDA awarded approximately \$700,000 to OneCommunity in Cleveland, Ohio to help fund the construction of a high-speed 100 gigabit fiber network through Cleveland's Health-Tech Corridor. This public-private partnership is designed to provide Cleveland with the advanced infrastructure it needs to drive innovation and job creation.

Each of these investments contributed to significant job growth and private investment for the region.

### Planning and Local Technical Assistance

EDA also provides grants under its *Planning* and *Local Technical Assistance* programs, which may be of interest to those considering a broadband project.

Through the Planning program, EDA provides assistance to eligible recipients to create regional economic development plans in order to stimulate and guide the economic development efforts of a community or region. To facilitate a Comprehensive Economic Development Strategy (CEDS), EDA provides Partnership Planning grants to the designated planning organization (e.g., District Organization) serving EDA-designated Economic Development Districts (EDDs) throughout the Nation. These planning organizations are typically recognized by the State in which they reside as multi-jurisdictional councils of governments, regional commissions, or planning and development centers. The two categories of the Planning Assistance program are: (a) planning investments for

District Organizations, Indian Tribes and other eligible entities; and (b) short-term planning investments to states, sub-state planning regions and urban areas. Eligible activities under this program include developing, maintaining, and implementing a CEDS and related short-term planning activities.

The Local Technical Assistance program strengthens the capacity of local or State organizations and institutions to undertake and promote effective economic development programs through projects such as feasibility studies, impact analyses, disaster resiliency plans, and project planning. The program helps analyze the feasibility of potential economic development projects, such as an industrial park or a high-technology business incubator. Feasibility studies are an effective tool for determining whether the market will support a particular activity or site. Because of these feasibility studies, many communities have subsequently received funding under EDA's Public Works or Economic Development Assistance programs, or other federal and state programs, to implement those projects.

For both Planning and Technical Assistance awards, the minimum EDA investment rate is 50 percent, and the maximum allowable EDA investment rate generally may not exceed 80 percent.

### Contact EDA staff

EDA has staff in its six regional offices that can provide information about whether a project might be eligible, offer application assistance, or connect communities with other resources. Contact information by region is available at <http://www.eda.gov/contact/>.

### Additional Information

- ✦ Current Funding Opportunities: <http://www.eda.gov/funding-opportunities/>
- ✦ EDA Investment Priorities: <http://www.eda.gov/about/investment-priorities.htm>
- ✦ CEDS Content Guidelines: <http://www.eda.gov/ceds/>
- ✦ Public Works: <http://www.eda.gov/pdf/about/Public-Works-Program-1-Pager.pdf>
- ✦ Economic Adjustment Assistance: <http://www.eda.gov/pdf/about/Economic-Adjustment-Assistance-Program-1-Pager.pdf>
- ✦ Planning: <http://www.eda.gov/pdf/about/Planning-Program-1-Pager.pdf>
- ✦ Local Technical Assistance: <http://www.eda.gov/pdf/about/Local-TA-and-UC-Program-1-Pager.pdf>



## U.S. Department of Housing and Urban Development

### Community Development Block Grants and Section 108 Loan Guarantees

#### The Community Development Block Grant Program

The Community Development Block Grant (CDBG) program provides a critical funding stream for local development efforts and enables communities to leverage Federal funds to stimulate private investment. The CDBG program's primary objective is to develop viable urban and rural communities, by providing decent housing, providing a suitable living environment, and expanding economic opportunities, principally for persons of low- and moderate-income. Authorized by Title I of the Housing and Community Development (HCD) Act of 1974, CDBG provides grants to units of general local government and states to create locally driven solutions to community and economic development challenges. CDBG activities are initiated and developed at the local level based upon a community's perceptions of its local needs, priorities, and benefits to the community.

For Fiscal Year 2015, the CDBG program received \$3 billion in funding. Eligible CDBG grant recipients include states, units of general local government (cities, counties, towns, townships, parishes, villages), and the Insular Areas. By law, 70% of the funds are provided to larger metropolitan governments under the Entitlement CDBG program; 30% of the funds are awarded to states for areas that do not qualify for Entitlement program funding. The four U.S. Insular Areas receive a total of \$7 million from the annual appropriation.

The Entitlement CDBG program provides annual, formula-based funding to over 1,200 metropolitan cities (principal cities of metropolitan statistical areas (MSAs), or cities with populations of 50,000 or more) and urban counties (counties in metropolitan areas with populations of 200,000 or more, excluding the population within metropolitan cities). Each entitlement community receiving CDBG funds determines the activities it chooses to fund with its annual allocations, and describes those activities in its annual Action Plan submission to HUD.

For other areas that do not qualify for Entitlement program funding, HUD awards annual, formula based grants under the State CDBG program to 49 states plus Puerto Rico. States then

distribute the funds to local governments for activities to be carried out at the local level. States are given broad flexibility to design and administer their own programs, within statutory and regulatory parameters. The State of Hawaii permanently elected not to administer the State CDBG program, and, as a result, HUD awards CDBG funds directly to the three non-entitlement units of government in Hawaii.

CDBG recipients are able to choose from 28 different eligible activities, with the major categories being public facilities and improvements, public services, economic development, acquisition/clearance, housing, and general administration and planning. In addition to being eligible, all CDBG-funded activities (other than general administration and planning) must also meet one of three statutorily-established national objectives:

1. Benefit low- and moderate-income persons;
2. Prevent or eliminate slums or blighting conditions; or
3. Address other urgent needs affecting community health and safety.

The primary national objective of the CDBG program is to benefit low- and moderate-income persons. By law, at least 70 percent of all CDBG funds expended by each Entitlement grantee, state or Insular Area, during a period of up to 3 years established by the grantee, must go toward activities that principally benefit low- and moderate-income persons.

Broadband infrastructure development may be eligible in the CDBG program as a public facility or improvement, as a private utility, or as a public service, depending on the nature and design of the project. Grants or loans to for-profit businesses to support job creation or retention, including businesses involved in broadband deployment or other technologies, are eligible as economic development activities.

Broadband investments are most likely to meet the low- and moderate-income benefit national objective, either by serving all the residents of a primarily residential area in which at least 51% of the residents are low- and moderate-income, or by creating or retaining jobs of which at least 51% are held by or made available to low- and moderate-income persons. (In the CDBG program, low- and moderate-income is defined as 80% of the area median income, as adjusted for family size.)

Projects serving the residents of specific units of government or individual neighborhoods therein are generally more able to meet the low- and moderate-income benefit national objective criteria than are large-scale projects serving an entire metropolitan area or region of a state. It is generally difficult for a broadband telecommunications project to meet the national objective criteria for elimination of slum or blight or addressing an urgent need.

### The Section 108 Loan Guarantee Program

Section 108 is the loan guarantee component of the Community Development Block Grant (CDBG) program. Section 108 provides communities with a source of financing for economic development, housing rehabilitation, public facilities, and large-scale physical development projects. This flexibility makes it one of the most potent and important public investment tools that HUD offers to local governments. The Section 108 loan guarantee program allows local governments to transform a small portion of their CDBG funds into federally guaranteed loans large enough to pursue physical and economic revitalization projects capable of renewing entire neighborhoods. Such public investment is often needed to inspire private economic activity, providing the initial resources or simply the confidence that private firms and individuals may need to invest in distressed areas.

States and units of general local government eligible to receive CDBG funds, and certain public entities designated by them, are eligible to apply for Section 108 loan guarantees. Eligible uses of funding include most activities eligible under the CDBG program. For purposes of determining eligibility, the CDBG rules and requirements also apply. All projects and activities must principally benefit low- and moderate-income persons, aid in the elimination or prevention of slums and blight, or meet urgent needs of the community.

An entitlement public entity (and nonentitlement counties in Hawaii) may apply for up to five times the public entity's latest approved CDBG entitlement amount, minus any outstanding Section 108 commitments and/or principal balances of Section 108 loans. A state or nonentitlement public entity may apply for up to five times the latest approved CDBG amount received by its state, minus any outstanding Section 108 commitments and/or principal balances on Section 108 loans for which the state has pledged its CDBG funds as security. The maximum repayment period for a Section 108 loan is twenty years. HUD has the ability to structure the principal amortization to match the needs of the project and borrower.

The principal security for the loan guarantee is a pledge by the applicant public entity or the state (in the case of a nonentitlement public entity) of its current and future CDBG funds. Additional security will also be required to properly collateralize the guaranteed obligations. The additional security requirements will be determined on a case-by-case basis, depending on the nature of the Section 108 loan and the project financed. Section 108 obligations are permanently financed through periodic underwritten public offerings. Financing between public offerings is provided through an interim lending facility established by HUD.

For Fiscal Year 2015, the Section 108 Loan Guarantee program received \$500 million in loan guarantee authority. For Fiscal Year 2015, the Section 108 program will begin to collect fees from borrowers to offset the costs of Section 108 loan guarantees. The fee in the first year is estimated to be approximately 2.42% of the principal amount of the loan, which borrowers can pay upfront in the guaranteed loan amount, with CDBG funds, or with guaranteed loan proceeds.

### For Further Information

For more information on the CDBG and Section 108 programs, visit HUD's website at: [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/comm\\_planning/communitydevelopment/programs](http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/communitydevelopment/programs)

For a list of all CDBG recipients and their Fiscal Year 2015 award amounts, go to: [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/comm\\_planning/about/budget/budget15](http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/about/budget/budget15)

Staff in HUD's network of field offices work with local communities to assist communities in implementing their CDBG and Section 108 funding. For a list of HUD field office contacts, go to: <https://www.hudexchange.info/manage-a-program/cpd-field-office-directory/>

### Funds for Public Housing Authorities

The Public Housing Capital Fund can be used to open a Neighborhood Networks (NN) computer lab. Equipment, Internet connectivity, space renovation/remodeling, staff salary, and insurance costs can be paid for using Capital Funds for the first year of the center's operation. Subsequently, PHAs can use their Operating Funds for the continued operation of the NN center. However, any equipment upgrades over the life of the NN center would come from the Capital Fund. Similarly, PHAs can use their Capital Funds to purchase routers for individual units. However, neither Capital Funds nor Operating Funds can be used to pay for residents' in-unit Internet access.

## Federal Funding Program Information

Please see below for a comprehensive list of activities that may be paid for out of each fund.

**Capital Fund** may be used for the **establishment and initial operation** of a Neighborhood Networks computer center for such things as:

- ✦ Computer equipment (Capital Fund management improvement or Operating Fund)
- ✦ Equipment upgrades (over the life of the center from Capital Fund management improvement or Operating Fund)
- ✦ Space renovations (could be initial Capital Fund and later Capital Fund modernization expense)
- ✦ Internet connection and utilities (for initial operation of NN center)
- ✦ Staff salary (for initial operation of NN center)
- ✦ Insurance (for initial operation of NN center)
- ✦ Routers for individual units (not Internet connectivity) – initial CF expense, ongoing maintenance costs from Operating Fund. Installation of in-unit routers may not be targeted for a specific tenant or category of tenants, but must be provided uniformly across one or more developments.
- ✦ Statutory Authority: Capital Funds may be used for the initial operation of a Neighborhood Networks center per Section 9 (d) Capital Fund (of the 1937 Housing Act as amended) — subparagraph (1)(E). The statute can be found by going here: <http://www.gpo.gov/fdsys/granule/USCODE-2010-title42/USCODE-2010-title42-chap8-subchapl-sec1437g/content-detail.html>

### Capital Fund Rule References:

- ✦ Federal Register Notice — New Capital Fund Rule: <https://www.federalregister.gov/articles/2013/10/24/2013-23230/public-housing-capital-fund-program>
- ✦ New Capital Fund Rule, Overview Training: <http://www.youtube.com/watch?v=CWpULWYDx9E>

**Operating Fund** *must* be used for the ongoing costs of operating computer centers in public housing

- ✦ Ongoing Internet connection fees and utilities
- ✦ Staff salary
- ✦ Insurance
- ✦ Ongoing maintenance of in-unit routers

- ✦ Other activities related to the computer center (e.g., training programs) would be an Operating Fund expense
- ✦ Statutory Authority: Costs associated with the ongoing operation of a Neighborhood Networks/computer lab are specifically cited in the HUD statute as follows:
  - ▶ Section 9 (e) Operating Fund (of the 1937 Housing Act as amended) — subparagraph (1)(K): the costs of operating computer centers in public housing through a Neighborhood Networks initiative described in subsection (d)(1)(E) of this section.
- ✦ The statute can be found here: <http://www.gpo.gov/fdsys/granule/USCODE-2010-title42/USCODE-2010-title42-chap8-subchapl-sec1437g/content-detail.html>

## Multifamily Housing

To utilize HUD funding for a Neighborhood Networks center, talk with a HUD Account Executive in a Multifamily regional or satellite office. (See <http://portal.hud.gov/hudportal/HUD?src=/states>.) Multifamily Neighborhood Networks centers rely primarily on local support. The Initiative encourages partnership development, business opportunities, and other income-generating activities. To help support and sustain a center, HUD funding can be obtained from one or more of the following:

- ✦ **Residual Receipts account.** Residual Receipts accounts are found in properties owned by nonprofit and limited dividend owners. Funds from the Residual Receipts account may be used to fund a center to the extent that HUD determines that these funds are not required to maintain the habitability of units or to meet other building needs or to off-set the Housing Assistance Payments contract. To the extent that Residual Receipts are available at a new regulation project, owners are allowed an initial reserve (“Retained Balance”) in an amount equivalent to \$250 per unit to use for project purposes. Please refer to: Notice 2012-14 (<http://portal.hud.gov/hudportal/documents/huddoc?id=12-14hsgn.pdf>) and Chapter 25 of the Multifamily Asset Management and Project Servicing Handbook 4350.1 ([http://portal.hud.gov/hudportal/documents/huddoc?id=DOC\\_35309.pdf](http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_35309.pdf))
- ✦ **Owner’s Equity.** The owner of a limited distribution property can increase the amount of the initial equity investment (and, in turn, the yield on distribution) by investing non-repayable funds in the center. A rent increase, however, will not be approved to provide for additional yield.

**Other Multifamily funding options include:**

- ✦ **Funds borrowed from the [Reserve for Replacement Account](#).** Funds from the Reserve for Replacement Account may be used to fund a center as long as HUD determines that these funds are not required to meet anticipated repair and replacement needs. If this source of funding is used, a scheduled repayment plan that illustrates how the Reserve for Replacement Account will be replenished must be submitted. Please see Chapter 4 of the HUD Multifamily Asset Management and Project Servicing Handbook 4350.1 ([http://portal.hud.gov/hudportal/documents/huddoc?id=DOC\\_35335.pdf](http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_35335.pdf))
- ✦ **Rent increase.** The owner of a property where rents are set under the budgeted rent increase process may request an increase to cover center costs. These increases may be approved at HUD's discretion. For properties with Multifamily Assisted Housing Reform and Affordability Act (MAHRA) contracts, there may be limitations on HUD's ability to raise rents. Please go to Chapter 7 of the Multifamily Asset Management and Project Servicing Handbook 4350.1: ([http://portal.hud.gov/hudportal/documents/huddoc?id=DOC\\_25304.pdf](http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_25304.pdf))
- ✦ **Requesting a special rent adjustment.** Properties with rents that are set using the annual adjustment factor may request a special adjustment rent increase to cover costs of a Neighborhood Networks center. These increases may be approved at HUD's discretion and are subject to guidance in the Multifamily Asset Management and Project Servicing Handbook, 4350.1, Chapter 34 ([http://portal.hud.gov/hudportal/documents/huddoc?id=DOC\\_35329.pdf](http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_35329.pdf)).
- ✦ **Excess income.** For properties that generate excess income, HUD Notice 01-07 (Guidelines For Calculating and Retaining Section 236 Excess Income) authorizes the retention of excess income to help develop a Neighborhood Networks center. (<http://www.hud.gov/offices/adm/hudclips/notices/hsg/files/01-07h.doc>).

**Office of Native American Programs (ONAP)**

The three ONAP programs listed below could potentially be used to fund broadband projects.

**Indian Community Development Block Grant (ICDBG)**

Awarded under an annual competition, ICDBG provides funds to eligible grantees for housing rehabilitation, land acquisition, community facilities, infrastructure construction, and economic development activities that benefit primarily low and moderate income persons. Eligible applicants for assistance include any Indian tribe, band, group, or nation (including Alaska Indians, Aleut, and Eskimos) or Alaska Native village which has established a relationship to the Federal government as defined in the program regulations. In certain instances, tribal organizations may be eligible to apply.

Congress sets aside certain amounts of each year's appropriation for noncompetitive, first come-first served funding of grants to eliminate or lessen problems which pose an imminent threat to public health or safety. See: [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/ih/grants/icdbg](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/ih/grants/icdbg).

**Indian Housing Block Grant (IHBG)**

Established by the Native American Housing Assistance and Self Determination Act of 1996 (NAHASDA – see [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/ih/codetalk/nahasda](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/ih/codetalk/nahasda)), the IHBG program is a formula based grant program provided to Federally recognized Indian tribes or their tribally designated housing entity (TDHE), and a limited number of state recognized tribes who were funded under the Indian Housing Program authorized by the United States Housing Act of 1937. The grant amount received is determined annually based upon the tribe's current assisted housing stock and the need for additional low-income housing, as determined by population. Eligible activities include housing development, assistance to housing developed under the Indian Housing Program, housing services to eligible families and individuals, crime prevention and safety, and model activities that provide creative approaches to solving affordable housing problems. See: [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/ih/grants/ihbg](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/ih/grants/ihbg).

## Title VI Loan Guarantee Program

Also authorized under NAHASDA, the Title VI Loan Guarantee Program assists IHBG recipients (borrower) who want to finance eligible affordable housing activities, but are unable to secure financing without the assistance of a federal guarantee. Borrowers pledge future IHBG grant funds as security for repayment of the loan obligation to a private lender or investor who then provides lump sum project financing. HUD provides a guarantee to the lender or investor to repay all or a portion of the unpaid principal balance and accrued interest if a borrower fails to repay the debt and a default is declared. See: [http://portal.hud.gov/portal/HUD?src=/program\\_offices/public\\_indian\\_housing/ih/homeownership/titlevi](http://portal.hud.gov/portal/HUD?src=/program_offices/public_indian_housing/ih/homeownership/titlevi).

## Native Hawaiian Housing Block Grant (NHHBG)

NAHASDA was amended in 2000 to add a program similar to NAHASDA for Native Hawaiians who reside on Hawaiian Home Lands to the IHBG. See: [http://portal.hud.gov/portal/ HUD?src=/program\\_offices/public\\_indian\\_housing/ih/codetalk/onap/nhhbgprogram](http://portal.hud.gov/portal/HUD?src=/program_offices/public_indian_housing/ih/codetalk/onap/nhhbgprogram).

## Examples of broadband projects in tribal communities using ONAP funding sources

The Coquille Tribe of Oregon received a 2005 ICDBG grant of \$421,354 for broadband technology and infrastructure. Created in 2002, **Orca Communications** (see <http://www.orcacom.com/>) is an Information and Communications Technology (ICT) company whose over 40 miles of fiber optics in Coos Bay and North Bend, Oregon are dedicated to bringing competitive high-speed broadband services to Oregon's south coast. ORCA Communications is the trade name of Tribal One Broadband Technologies, LLC, which is an SBA-certified 8(a) ICT company that can apply its diverse technological experience to create innovative broadband solutions anywhere in the United States.

## Choice Neighborhoods

Choice Neighborhoods is HUD's signature place-based initiative and is a central element of the White House's Promise Zones Initiative, which builds on a federal partnership to transform high poverty neighborhoods into places of opportunity and economic growth. Choice Neighborhoods enables communities to revitalize struggling neighborhoods with distressed public housing or HUD-assisted housing. Local leaders, residents, and

stakeholders, such as public housing authorities, cities, schools, police, business owners, nonprofits, and private developers, create a plan that revitalizes distressed HUD housing and addresses the challenges in the surrounding neighborhood. Through these grants, communities are replacing obsolete, distressed housing with vibrant mixed-income communities, leveraging investments to develop new retail and businesses, turning around failing schools, strengthening early education, preventing crime, improving transportation, ensuring basic neighborhood assets, and increasing access to jobs.

Choice Neighborhoods offers Planning Grants and Implementation Grants.

1. Planning Grants assist communities in developing a successful neighborhood transformation plan and building support necessary for that plan to be successfully implemented.
2. Implementation Grants support those communities that have undergone a comprehensive local planning process and are ready to implement their "Transformation Plan" to redevelop the neighborhood.

In the 2014 Implementation Grant Notice of Funding Availability, eligible applicants for Choice Neighborhoods grants are Public Housing Authorities (PHAs), tribal entities, local governments, for-profit entities, nonprofit entities and tribal entities. For a nonprofit to demonstrate eligibility as a Lead or Co-Applicant, either an Internal Revenue Service determination letter indicating the organization's 501(c) status or the letter from the state government designating the organization's nonprofit status must be submitted in the attachments. Choice Neighborhoods has been funded since 2010, and it was funded at \$80 million in Fiscal Year 2015.

As part of this neighborhood revitalization, Choice Neighborhoods strongly encourages grantees to increase broadband connectivity. Grantees are required to build the infrastructure to support broadband internet in all new units. Grantees can also use their funds to install broadband in these units and establish neighborhood broadband programs. To learn more about Choice Neighborhoods, visit [www.hud.gov/cn](http://www.hud.gov/cn).



## Employment and Training Administration, U.S. Department of Labor

The Employment and Training Administration (ETA) within the U.S. Department of Labor administers and oversees a number of programs designed to assist youth, adults and dislocated workers who are unemployed, underemployed, low-skilled, or economically disadvantaged to obtain career services and job training needed to enter or progress in the labor market. These programs are also designed to ensure that American business has the skilled workforce needed to compete in the 21st century economy.

ETA fulfills a wide range of leadership and administrative responsibilities relating to employment services, job training, and unemployment insurance. ETA funds a number of employment and training programs (through annual allocation formula and periodic discretionary grant competitions) which enable workers to attain the skills needed for employment, and administers a Federal-State employment service system which helps people find jobs and employers find workers. The agency also offers wage replacement programs for workers who lose their jobs through no fault of their own, such as the Unemployment Insurance (UI) and the Trade Adjustment Assistance (TAA) programs.

Special efforts are also made to address the unique job market problems of groups having difficulty entering or returning to the work force, such as transitioning service members, older workers, out-of-school youth, displaced homemakers and individuals with disabilities. ETA also is responsible for promoting apprenticeship standards and programs and conducting programs of research, development and evaluation.

The Workforce Innovation and Opportunity Act (WIOA), signed into law on July 22, 2014, represents the first legislative reform of the public workforce system in 15 years. The law supersedes the Workforce Investment Act of 1998 and amends the Adult Education and Family Literacy Act, the Wagner-Peyser Act, and the Rehabilitation Act of 1973.

WIOA presents a significant opportunity to improve job and career options for our nation's workers and jobseekers through an integrated, job-driven public workforce system that links diverse talent to businesses. In its drafting of the new law,

Congress reaffirmed the role of the American Job Center (AJC) system, a cornerstone of the public workforce investment system, and brought together and enhanced several key employment, education, and training programs. In recent years over 16 million people annually turn to these programs to obtain good jobs and a pathway to the middle class. The services are provided to jobseekers and employers through a network of nearly 2,500 American Job Centers. America's Service Locator offers a profile of each of these Centers, describing location, hours of operation, and services provided.

WIOA reinforces the partnerships and strategies necessary for the Centers to provide job seekers and workers with the high-quality career services, education and training, and supportive services they need to get good jobs and stay employed, and to help businesses find skilled workers and access other supports, including education and training for their current workforce.

The new law became effective on July 1, 2015. The Departments of Labor and Education have drafted five Notices of Proposed Rulemaking which will govern WIOA. These were published in the Federal Register in April 2015. Based on the comments received, the Departments anticipate publication of the final regulations in January 2016. In advance of the final regulations, the Departments will be publishing operational guidance to assist the State and local governments in implementing various aspects of the new law.

### Use of Technology and Broadband

The American Job Centers rely on technology to ensure that the customers and patrons of the "resource rooms" have access to the Internet for quality workforce information, resume preparation, job search, and exploration of careers. As their funding permits, some Centers have installed broadband connections to accelerate and expedite these processes. For many low-income customers who cannot afford Internet access, these Centers — along with public libraries in the community — have become a destination for navigating and discovering opportunities in the local labor market.

Broadband can be both an asset and beneficiary under ETA's investments. For example, ETA's discretionary grant

competitions have recognized that various industries are being transformed by technology and innovation, requiring new skill sets for workers. Several of the agency's solicitations in recent years have noted: "Fields like information technology, advanced manufacturing, wireless and **broadband deployment**, transportation and warehousing, and biotechnology may be high growth and emerging industries in specific regional economies, offering jobs and solid career paths left vacant due to a lack of qualified workers." If a consortium of applicants, for example, seeks funding for training at risk-youth under a discretionary grant competition, it may propose to use broadband as a tool to meet the purposes of the training and education component of that program. Broadband and distance learning have both supply and demand implication in America's labor market — they can support preparation of a new generation of workers, retraining of current workers, and the expanding requirement to meet the needs of employers in the information technology sector.

The Department recognizes the importance of broadband and information technology as regions of the country are impacted by declining employment in particular industries. In Eastern Kentucky, for example, Bit Source has an initial mission to recruit dislocated former coal industry workers, retrain them as computer coders, and put them to work in coding jobs. Once successfully trained as junior coders, these workers will then work full-time at Bit Source doing coding work that the company secures under contracts with outside clients. Bit Source reflects the principles of the Administration's TechHire initiative — it is an example of the type of innovation that can occur through the strength of public-private partnerships and calculated risk taking. A group of private investors have invested in the development of the company and Department of Labor resources are helping to pay for the worker/trainee wages and training costs — united in a strategy of "insourcing" IT jobs to rural America. These types of targeted investments under "Coal to Coding" — and many others like them — will both support and benefit broadband extension.

### Contact ETA Staff

To meet the needs of both the jobseeker and business, the public workforce system is a decentralized one built on the partnerships and shared "best practices" of the major principals at the local, regional, State and Federal levels. The Employment and Training Administration has staff located in its six regional offices (Boston, Philadelphia, Atlanta, Chicago,

Dallas, and San Francisco) that closely work with the State and local jurisdictions in the implementation of WIOA as well as manage the discretionary grant recipients. The regional office staff can refer you to key personnel in the States and local board level for discussions concerning the application and leveraging of technology and broadband. The listing of contacts may be found at [http://www.doleta.gov/regions/regoffices/Pages/eta\\_default.cfm?CFID=502760150&CFTOKEN=76540577](http://www.doleta.gov/regions/regoffices/Pages/eta_default.cfm?CFID=502760150&CFTOKEN=76540577)

### For More Information

- ✦ ETA's principal webpage for the public: [www.doleta.gov/](http://www.doleta.gov/)
- ✦ ETA policy guidance / information notices for the workforce system: <http://wdr.doleta.gov/directives/>
- ✦ WIOA resources (law, regulations, policy guidance, technical assistance): [www.doleta.gov/wioa](http://www.doleta.gov/wioa)
- ✦ Description of ETA's seven budget accounts: <http://www.doleta.gov/budget/acctstr2.cfm>
- ✦ ETA's FY 2016 budget request: <http://www.doleta.gov/budget/16bud.cfm>
- ✦ ETA partnership with the Institute of Museum and Library Services (IMLS): <http://wdr.doleta.gov/directives/attach/TEN/ten2009/ten50-09acc.pdf>
- ✦ Available ETA funding opportunities: [http://www.doleta.gov/grants/find\\_grants.cfm](http://www.doleta.gov/grants/find_grants.cfm). These solicitations can be reviewed for references to infrastructure, technology and broadband.
- ✦ Webinars and other content related to the National Broadband Plan can be found at [www.workforce3one.org](http://www.workforce3one.org) and [www.doleta.gov/usworkforce](http://www.doleta.gov/usworkforce).
- ✦ State strategic plans and annual reports referencing infrastructure, technology and broadband can be found at [http://www.doleta.gov/performance/results/AnnualReports/annual\\_report.cfm](http://www.doleta.gov/performance/results/AnnualReports/annual_report.cfm)  
*Note: Under the Workforce Investment Act (and now under WIOA) States are obligated to report to ETA on an annual basis on the various activities conducted under the Federal funding. States often comment on initiatives or projects in these reports which benefit from the application of technology.*
- ✦ America's Service Locator: [www.servicelocator.org](http://www.servicelocator.org)



## Office of Library Services Institute of Museum and Library Services

The Institute of Museum and Library Services, Office of Library Services, offers a number of funding opportunities to local and tribal governments that can be used to support technology development and deployment, broadband adoption, and digital literacy. See Notices of Funding Opportunity for deadlines.

### Native American and Native Hawaiian Library Services Grants

#### Native American Library Services Basic Grants

<http://www.ims.gov/applicants/detail.aspx?GrantId=15>

The Native American Library Services Basic Grant is noncompetitive and distributed in equal amounts among eligible applicants. Basic Grants are available to support existing library operations and to maintain core library services. Indian tribes, Alaska native villages, regional corporations, and village corporations are eligible to apply for funding under the Native American Library Services grant program. The Education/Assessment Option is supplemental to the Basic Grants. It is also noncompetitive and must be requested. The purpose of the Education/Assessment Option is to provide funding for library staff to attend continuing education courses and training workshops on- or off-site, for library staff to attend or give presentations at conferences related to library services, and/or to hire a consultant for an on-site professional library assessment. The estimated Basic Grant one-year award for FY 2015 is \$6,000. The estimated Basic Grant with Education/Assessment Option award amount is \$7,000, which includes the \$6,000 Basic Grant and the supplemental amount of \$1,000 for eligible education and assessment activities.

#### Native American Library Services Enhancement Grants

<https://www.ims.gov/grants/available/native-american-library-services-enhancement-grants>

The Native American Library Services Enhancement Grants are competitive and available to support activities that advance the operations of eligible Native American libraries to new levels of service. Indian tribes, Alaska native villages, regional

corporations, and village corporations are eligible to apply for funding under the Native American Library Services grant program. Enhancement Grant awards are up to \$150,000, subject to the availability of funds and IMLS discretion.

#### Native Hawaiian Library Services Grants

<https://www.ims.gov/grants/available/native-hawaiian-library-services>

The Native Hawaiian Library Services Grants are competitive grants available to support activities that enhance existing library services or implement new library services. Grants are available to nonprofit organizations that primarily serve and represent Native Hawaiians. Grant awards are anticipated to be up to \$150,000, subject to the availability of funds and IMLS discretion.

#### What types of activities can be funded by these three programs?

Native American Library Services Basic and Enhancement Grant, and Native Hawaiian Library Services Grant projects may enhance existing library services or implement new library services, particularly as they relate to the following goals in the updated Museum and Libraries Services Act (20 U.S.C. §9141):

1. Expanding services for learning and access to information and educational resources in a variety of formats, in all types of libraries, for individuals of all ages in order to support such individuals' needs for education, lifelong learning, workforce development, and digital literacy skills
2. Establishing or enhancing electronic and other linkages and improved coordination among and between libraries and entities, as described in 20 U.S.C. §9134(b)(6), for the purpose of improving the quality of and access to library and information services
3. (A) Providing training and professional development, including continuing education, to enhance the skills of the current library workforce and leadership, and advance the delivery of library and information services, and  
(B) Enhancing efforts to recruit future professionals to the field of library and information services

## Federal Funding Program Information

4. Developing public and private partnerships with other agencies and community-based organizations
5. Targeting library services to individuals of diverse geographic, cultural, and socioeconomic backgrounds, to individuals with disabilities, and to individuals with limited functional literacy or information skills
6. Targeting library and information services to persons having difficulty using a library and to underserved urban and rural communities, including children (from birth through age 17) from families with incomes below the poverty line (as defined by the Office of Management and Budget and revised annually in accordance with section 9902(2) of title 42) applicable to a family of the size involved
7. Developing library services that provide all users access to information through local, state, regional, national, and international collaborations and networks
8. Carrying out other activities consistent with the purposes of the Library Services and Technology subchapter of the IMLS statute (20 U.S.C. §9121).

## Other Programs

### Laura Bush 21st Century Librarian Program

<http://www.ims.gov/applicants/detail.aspx?GrantId=9>

The Laura Bush 21st Century Librarian Program supports professional development, graduate education and continuing education to help libraries and archives develop the human capital capacity they need to meet the changing learning and information needs of the American public. Libraries that fulfill the general criteria for libraries (see <http://www.ims.gov/applicants/libraries.aspx>) may apply. See Notice of Funding Opportunity for special conditions of eligibility for this program.

The funding categories are: 1) Project Grants; 2) Research Grants; 3) Planning Grants: up to \$50,000; and 4) National Forum Grants: up to \$100,000. Project and research awards are from \$50,000 to \$500,000, subject to the availability of funds and IMLS discretion.

**There are six project categories:** 1) Continuing Education; 2) Programs to Build Institutional Capacity (Only eligible graduate programs in Library and Information Science or School Library Media may apply to this category); 3) Doctoral Programs; 4) Master's Programs; 5) Research; and 6) Early Career Development.

IMLS encourages internships and residency programs and is especially interested in increasing diversity in professional employment in libraries and archives.

### National Leadership Grants for Libraries

<http://www.ims.gov/applicants/detail.aspx?GrantId=14>

National Leadership Grants for Libraries support projects that address challenges faced by the library and archive fields and that have the potential to advance practice in those fields. Successful proposals will generate results such as new tools, research findings, models, services, practices, or alliances that can be widely used, adapted, scaled, or replicated to extend the benefits of federal investment. Libraries that fulfill the general criteria for libraries (see <http://www.ims.gov/applicants/libraries.aspx>) may apply. See Notice of Funding Opportunity for special conditions of eligibility for this program.

The funding categories are: 1) Project Grants; 2) Research Grants; 3) Planning Grants: up to \$50,000; and 4) National Forum Grants: up to \$100,000. Project and research awards are from \$10,000-\$2,000,000, subject to the availability of funds and IMLS discretion.

The two project categories/funding priorities: 1) National digital platform; and 2) Learning spaces in libraries.

### What types of activities can be funded under National Digital Platform?

IMLS is interested in proposals that will support a national digital platform, providing expanded and improved digital content and services to all users in the United States. Libraries have made important advancements in this area over the past 20 years, but much of that work was experimental or isolated. IMLS wants to bridge gaps between disparate pieces of the existing digital library infrastructure, for increased efficiencies, cost-savings, access and services.

### What types of activities can be funded under Learning Spaces in Libraries?

IMLS is interested in work that builds institutional capacity, engages community and encourages partnerships to support all types of learning and inquiry, including participatory and hands-on learning, in libraries. Since IMLS cannot fund the development and installation of learning spaces, proposals should focus on how to support and enhance libraries' ability to make their own decisions and investments.

## Sparks! Ignition Grants for Libraries

<http://www.ims.gov/applicants/detail.aspx?GrantId=19>

Sparks! Ignition Grants for Libraries are a special funding opportunity within the IMLS National Leadership Grants for Libraries program. These small grants encourage libraries and archives to prototype and evaluate specific innovations in the ways they operate and the services they provide, resulting in new tools, products, services, or organizational practices. Applicants may propose activities or approaches that involve risk, but the project results — be they success, failure, or a combination thereof — must offer valuable information to the library or archives fields, promise an impact beyond the applicant's institution and provide the potential for improvement in the ways libraries and archives serve their communities. Grantees are required to submit a short white paper, which will be publicly posted and shared.

Libraries that fulfill the general criteria for libraries (see <http://www.ims.gov/applicants/libraries.aspx>) may apply. See Notice of Funding Opportunity for special conditions of eligibility for this program.

The characteristics of successful Sparks Grants projects are: 1) Broad Impact; 2) In-depth Knowledge; 3) Innovative Approach; and 4) Shared Results.

Sparks Grants range from \$10,000 to \$25,000, subject to the availability of funds and IMLS discretion.

There are no specific project categories within the Sparks Grants program. Examples of activities that may be funded by this program are listed on the IMLS website at <http://www.ims.gov/applicants/detail.aspx?GrantId=19>.

## CONTACT US

NTIA's BroadbandUSA initiative is dedicated to helping communities achieve their broadband missions. NTIA will assist communities in working with the agencies to determine if funding is available. If you have additional questions about the information contained in this guide, please contact us at [broadbandusa@ntia.doc.gov](mailto:broadbandusa@ntia.doc.gov) or 202-482-2048.

## ABOUT NTIA

The National Telecommunications and Information Administration (NTIA) is the Executive Branch agency principally responsible for advising the President on telecommunications and information policy issues. NTIA's programs and policymaking focus largely on expanding broadband Internet access and adoption in America, expanding the use of spectrum by all users and ensuring that the Internet remains an engine for continued innovation and economic growth.





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