



## Summary of Responses from “7 Questions in 7 Minutes” Survey (April 14-21, 2020)

In March, NADO and NADO Research Foundation (RF) staff reached out to members with a short questionnaire to hear how regional development organizations (RDOs) are responding to the challenges and setbacks caused by the current pandemic (a summary of those responses is available [here](#)). With events moving at such a fast pace, NADO and NADO RF staff made another request to members between April 14 and 21 to provide additional information that will support advocacy and information dissemination efforts. Below is a summary of the 56 responses from this survey.

Additionally, NADO and NADO RF continue to update the [RDO COVID-19 Resource Center](#) nearly daily to provide advocacy updates and share resources relevant to RDOs during this challenging time. As always, please reach out to [staff](#) with any questions or for additional assistance. Be sure to also follow *NADO News* and our social media channels ([Facebook](#) & [Twitter](#)) for more information and updates.

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### ***On what sources of federal funding RDOs plan to use to support response and recovery:***

Respondents noted that they have either already or plan on pursuing funding from the following federal sources:

- [EDA](#) (including the [Revolving Loan Fund program](#), [Planning Program](#), [Economic Adjustment Program](#), and [Public Works Program](#))
- [USDA-Rural Development](#) (including the [Rural Microentrepreneur Assistance Program \(RMAP\)](#) and [Intermediary Relending Program \(IRP\)](#))
- [HUD](#) (including [CDBG](#))
- [DOT](#) ([FHWA](#) and [FTA](#))
- [SBA](#) – (including the [Paycheck Protection Program \(PPP\)](#) and [Economic Injury Disaster Loan program \(EIDL\)](#))
- [DOL](#)
- [DHS](#)

RDOs anticipate using funding for a wide-range of activities including, but not limited to: recapitalizing Revolving Loan Funds (RLFs); increasing staff capacity (including funding a disaster resiliency coordinator position); expanding training and workforce programs; investing in remote work and video conferencing technology; funding transit operating and capital expenditures (including hazard pay and Personal Protective Equipment (PPE) for drivers); enhancing technical assistance and outreach to communities and small businesses; and pursuing construction, infrastructure, housing, railroad, and emergency food pantry projects.

*Note:* Many respondents said that they were eagerly anticipating the release of EDA’s Notice of Funding Opportunity (NOFO) that has yet to be announced as of April 24. Click [here](#) to review slides from NADO’s recent caucus meetings with the latest information we have available about the funding opportunity and recommendations made to EDA about the process.

***On what challenges are posed by EDA Revolving Loan Fund (RLF) reporting:***

Most respondents said the EDA RLF reporting requirements are very time consuming, taking staff away from administering RLF loans and conducting outreach to community stakeholders. One EDD reported that each semi-annual report is at least a six-hour process. Reporting requirements have become more and more burdensome due to time involved; lack of resources to adequately support "institutional transition" (knowledge of how to complete the reporting and how to evaluate if it has been done correctly); lack of resources to participate in limited RLF training; and indirect losses to income when the RLF has been authorized for use during periods for recovery/resiliency at lower interest rates to speed access to capital but no relief was awarded for subsequent 'increased' administrative costs/percentage of portfolio use. One respondent stated that reporting is burdensome because the funds are for gap financing to already higher risk businesses and any defaults or loan write-offs are perpetually held against the fund in the EDA risk rating scoring matrix, even when loans have been closed for several years. *Stay tuned for a more comprehensive review of member perspectives on RLF reporting coming soon.*

***On contacting congressional delegations to advocate on behalf of RDOs:***

Nearly two-thirds of the survey respondents had reached out to members of their congressional delegations to discuss NADO policy recommendations or NADO action alerts pertaining to COVID-19. These topics included EDA RLF defederalization, match requirements, and positioning EDDs to be key partners in the recovery. In total, NADO members contacted the offices of 97 members of Congress through these outreach efforts.

***On what specific actions or projects have been pursued to respond to community needs:***

RDOs have engaged in a variety of activities to support local residents and businesses. In general, these activities fall into four categories: *Financing Assistance, Coordination and Outreach, Information Dissemination, and Innovative Projects.*

- *Financing Assistance:* Examples include assisting RLF borrowers with interest-only payments, modifications, and deferments; \$25,000 in working capital loans to small businesses - \$5,000 minimum loan, terms up to 36 months, 6 months of payment deferral; \$160,000 in funding for \$10,000 dollar loans for emergency funding for businesses; a 20K bridge loan program with 0% financing, 5 years, 6 months deferment; quick response loans up to 10K; a microlending pool, capitalized with local funds (not EDA funds) that offers loans up to \$5,000 at 0% interest with deferred principal and interest payments for up to 3 months following the lift of the State of Pandemic Emergency after which if loans cannot be paid in full, they will be converted to monthly amortized principal and interest prime-rate loans for up to 3 years; and serving as an approved SBA-lender for the PPP program and also training staff and updating the software system in anticipation of requests.
- *Coordination and Outreach:* Examples include technical assistance to the business community; contracting with a city to help local businesses with applications or contracting with a city to assist with a small business lending program; outreach to new immigrants and minority communities to provide support; providing staff assistance to the local Emergency Operations Center; supporting a regional coalition of Emergency Managers; working with a local community foundation to raise funds for non-profits and government operations; coordinating with SBDCs; partnering with the AAA to expand home food deliveries; and organizing a Brownfield and Broadband Task Force.

- *Information Dissemination*: Examples include publishing crisis toolkits and guides; developing a COVID-19 resource section on the organization’s website, sharing information and resources on social media; informing local elected officials on the latest funding information available; and hosting webinars and virtual meetings with stakeholders and the general public.
- *Innovative Projects*: Examples include a program that feeds public school children with food from local farmers that over the last several weeks has been providing over 2,850 meals a day (950 kids, 3 meals per day). Additionally, as of last week 130 senior adults are being provided 5 lunches and 5 dinners per week. Another member worked with the local Internet Service Provider (ISP) and the member’s internet provider to put a hot spot at the member’s office so residents and students in the area have internet access for work at home and home schooling activities.

***On how the CEDS is being used to support regional efforts:***

The vast majority of survey respondents are utilizing the CEDS or CEDS process in some capacity to provide support, seek funding, or better position their regions for recovery. The CEDS Committee has been identified as a useful forum to convene partners, share information, and plan for future funding opportunities. One member is planning to pivot the CEDS Committee into more of an “Economic Resiliency Committee,” while still performing necessary CEDS-related functions. Other members are planning on holding a CEDS Committee meeting as soon as the EDA NOFO is released and are working with the CEDS Committee right now to identify potentially fundable projects currently in the CEDS or that meet CEDS goals. In some instances, the CEDS has already been referenced by regional partners on applications for funding from USDA-RD and state agencies.

Nearly all respondents noted that the CEDS five-year rewrite and/or annual update will have to either be revised heavily or completely overhauled to address the current situation. Some noted that the resilience sections of their CEDS are already serving as a useful planning tool to prepare for recovery through increased diversification and resilience planning. Not surprisingly, very few CEDS had identified a pandemic of this scale as a potential economic shock to their regions. However, moving forward, many respondents noted that they plan to integrate lessons learned into their future CEDS, Hazard Mitigation Plans, and other resilience planning efforts. One member is currently preparing to work with its local University Center to develop a regional pandemic strategy that can be incorporated into the CEDS.

***On how this economic shock may influence how RDOs approach economic development, resilience, and overall serve their regions:***

Looking forward, respondents noted that they will increase assistance to small businesses, engage better with the retail industry, lift up “buy local” campaigns, provide new or improved lending opportunities, promote entrepreneurship and workforce development, and embrace diversification strategies. Improving broadband infrastructure and speed was mentioned as a key goal to increase opportunities to work from home, conduct remote business and meetings, and allow for distance learning and telemedicine. Respondents also mentioned efforts to improve food security in their regions through supporting local food banks, community gardens, and innovative culinary services to support those most in need, including low-income youth and seniors.

A handful of members are looking to write or implement continuity of operations or crisis communication plans to better be prepared for future organizational disruptions. Many are utilizing

video conferencing software to carry out business and want to improve and refine this approach moving forward. Many respondents noted the challenges that will exist in the months and years ahead in collecting local dues from the counties and municipalities they serve, as well as a potential decline in funding from state and federal sources. Despite these potential obstacles, there is a strong desire for EDDs to continue to promote regional cooperation and explore ways to maintain the role of being key capacity builders and service delivery vehicles for critical federal programs in their regions.

***On what additional resources and information RDOs need from NADO and NADO RF:***

Respondents expressed gratitude and appreciation for NADO and NADO RF staff efforts over the past month and a half in providing timely and useful information. In general, requests were made in three areas: continued advocacy on behalf of RDOs; on-going information sharing about federal programs; and the identification of best practices. Respondents noted the need to maintain the momentum generated over the past month that secured strong funding levels for EDA and other federal agencies that support RDO programming. Requests were made to continue to advocate for EDA RLF defederalization, streamline the RLF application and reporting process, waive match requirements for EDA projects, and consider intermediary lender forgiveness for the USDA RD Rural Microentrepreneur Assistance Program (RMAP) and Intermediary Relending Program (IRP).

Requests were made for continued updates (in *NADO News*, future webinars or caucus meetings, and the RDO COVID-19 Resource Center) about the specifics of how to access and apply for resources from federal supplemental programs once they are announced. Finally, respondents said they would benefit from additional best practices and examples from RDOs to highlight strategies to keep counties engaged and support regionalism, implement remote public engagement strategies, and develop regional economic recovery plans.

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