Statewide Planning Grants:

A Look at State Practices, Roadblocks, and Metrics

Center for Regional Economic Competitiveness (CREC)

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Introduction

In July 2021, the Economic Development Administration (EDA) announced the Statewide Planning, Research and Networks Notice of Funding Opportunity (NOFO) under the American Rescue Plan Act (ARPA), marking a step toward economic recovery and resilience-building efforts following the COVID-19 pandemic. The Statewide Planning Grant (SPG) Program ultimately awarded $1 million to every state, territory, federally recognized areas, and the District of Columbia ("states") to support strategic planning activities. Using this grant, states began developing strategies not only to recover from the pandemic, but also to drive toward more resilient and equitable state economies. Many states have relied on partners, including Economic Development Districts[1] (EDDs), to plan and execute their SPG project[2], often highlighting how partnerships can improve projects and potentially economic outcomes.

> ### Key Takeaways from Survey and Interviews
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> - Statewide Planning Grants fostered an ecosystem of cooperation between states and partners, enabling states to complete creative economic development-related projects that previously lacked the funding to be fulfilled.
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> - The most common roadblocks encountered were related to inadequate staffing and difficulties in adhering to the project timeline due to changes in scope or difficulties starting grant expenditure.
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> - Six states and territories, namely DC, LA, NC, OH, SD, and WA, demonstrated best practices in EDD inclusion and project creativity, as highlighted in six case studies available here (along with other project reports).
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> - 31 states reported that EDDs assisted in project implementation and 19 participated in project planning. States that involved EDDs generally reported fewer capacity roadblocks and noted projects benefited from EDD expertise and knowledge.
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> - States used a variety of metrics to evaluate their projects. Most metrics were process-driven (e.g., adherence to timelines) rather than outcome-driven (e.g., impacts of the project). However, a logic model reveals additional metrics that could be used to evaluate project performance.

SPG funding enabled states to design and complete both unique and important projects. Projects included such topics as economic and industry conditions; labor force attributes; small business needs; industry growth opportunities; and comprehensive plans detailing essential steps for promoting economic growth, innovation, and inclusivity. The SPG projects also span numerous sectors and address many key factors influencing economic success including technological advancement, workforce development, small business support, and infrastructure enhancement. Moreover, many state projects emphasize the importance of sustainability and resilience in the face of growing climate change threats, underlining the necessity for economies to adapt and mitigate such risks.

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[1] Economic Development Districts are often referred to differently throughout the country – e.g., Rural Development Districts, Local Development Districts, Council of Governments, to name a few. All these EDA-designated districts are collectively referred to as EDDs in this report.

[2] Although many states completed more than one activity with their SPG funding, each state's effort is referred to as a "project" as states viewed their SPG project as a single initiative that could include several activities or tasks.

To better understand the projects and identify ways to improve the alignment and coordination between states and EDDs, the EDA awarded funds to CREC to investigate the impacts of the projects funded by the SPG Program, assist in project implementation, and identify how these projects fueled strategic alignment between states and EDDs. The initiative enabled CREC to carry out a more comprehensive national survey and conduct one-on-one interviews with representatives from all 59 states. The interviews offered insights into the collaboration efforts nationwide and uncovered a set of effective grant management practices, such as creativity, alignment with partners and EDDs, and successful administrative management of the funds, as well as common metrics for assessing the success of the states in their activities.

Several reports and a database have been completed detailing project findings and are available [here](). In this report, CREC has collated findings on state practices and common metrics to share new insights into SPG activities and provide a foundation for guidelines for future projects and state-EDD collaboration.

SPG Practices

States have implemented a variety of projects through the SPG funds covering numerous topics, showcasing the flexibility EDA allowed in the project development. By reviewing project details through interviews and site visits, CREC identified four practices in project planning and implementation that can yield improved results if adopted by future projects:

- **Collaborate** to add expertise and capacity,
- **Plan and Implement** previously unfunded innovative and creative projects,
- **Leverage** SPG funds to access or complement other funding, and
- **Partner** with Tribal nations.

Collaborate

The nation faces complex economic challenges, and collaboration with partners and stakeholders can be critical to successful planning and implementation of any activity. For the SPG Program, collaboration is an important indicator of strategic alignment between states and Economic Development Districts (EDDs). EDA designation and limited planning funds have spurred a strong relationship with EDDs; in contrast, no such ongoing funding or program designation relationship with states generally exists.

The SPG was a unique opportunity for EDA to provide funds directly to all states, with many tapping into EDDs during project planning and implementation. These projects tended to create outcomes with regional and statewide significance, impacting the overall economic development ecosystem. Those states that aligned their SPG efforts with EDDs, whether in the planning phase or implementation phase, noted that the collaboration strengthened their projects by having a greater understanding of local priorities and reducing the duplication of efforts which was important to address capacity concerns due to staff turnover. In particular, states emphasized that EDD staffing, knowledge, and expertise was often instrumental in achieving SPG project goals.

Project Planning

Project planning is critical for successful project execution and about one-third (19) of states collaborated with EDDs during the grant project planning phase, with the EDDs providing capacity, insights, and information. For example, Utah worked closely with EDDs within the state to develop the project proposal for the funding opportunity, encouraging each of the regions to consider their unique needs and how these could align with overall efforts. Montana undertook an extensive information gathering process to define their project's structure, the Montana Community Planning Platform. The development of this centralized public data platform was informed by a comprehensive community survey and expert interviews, including those with EDDs. Importantly, these local and regional stakeholders will continue to be involved and kept informed throughout the process, ensuring that the resulting database meets the overall needs they identified. While these alignment efforts are ongoing, the state and EDDs are engaging in important conversations about the future of their collaboration.

Project Implementation

Project implementation relies on good planning and sound execution which can be aided by additional partners. Although 19 states collaborated with EDDs during the project planning phase, a larger number (31 states) partnered with EDDs in the implementation phase. Many reported that involving EDDs at this stage was more practical, as EDDs can assist with implementation at the local level more effectively than states. The most common contribution by EDDs during this phase was their provision of local expertise or CEDS knowledge, with 17 states engaging with EDDs for these reasons.

In Alaska, EDDs were crucial in the development and implementation of the state's new statewide CEDS. The Alaska Department of Commerce Community and Economic Development (DCCED) maintained regular communication with EDDs while formulating its plan, with EDDs playing a key advisory role on the statewide CEDS Strategy Committee. After drafting the CEDS, the EDDs assisted DCCED in refining the strategies, taking local community needs into account. DCCED acknowledged the significant contribution of EDDs to this project's success. Similarly, in Utah, the state allocated a portion of its grant to fund regional projects aligned with the state's new economic vision. By providing $100,000 to each of its seven regions for regional projects and dedicating state staff to engage with EDD staff in each region, Utah fostered a sense of trust that empowered regions to confidently propose and execute projects aligned with the statewide CEDS – a process that would not have been possible with the turnover of state staff.

The practice of designating EDDs as subrecipients of project funding, combined with strong engagement from state personnel, has emerged as an effective method to strengthen state-EDD alignment. In Colorado, for example, the state distributed funding to four EDDs to develop their individual CEDS with the goal to increase competitiveness for state and federal funding opportunities and generate regional buy-in for statewide alignment efforts.

Ohio also awarded funds to four EDDs in the Appalachian region of the state to strengthen the region's competitiveness for federal resources, addressing issues such as broadband access, downtown revitalization, and workforce development. Each EDD leads a project tailored to their needs, thereby increasing their long-term capacity. Tennessee has a strong relationship with EDDs and provides $250,000 in annual funding to these regional organizations to assist with state program administration. The state often relies on EDDs to assist with special projects and will rely on the regional organizations to assist in SPG project implementation which adds to the state's capacity.

Leverage SPG Funds

One noteworthy outcome of state projects was their ability to leverage additional or complementary funding with an emphasis on federal sources. Out of the 59 interviewees, 19 reported that their project complemented other EDA or federal funding sources, identifying 12 federal initiatives, programs, or grants that either supported their project directly or to which they applied their grant as leverage. The specific federal grants mentioned were as follows:

Grant Name	Federal Agency
Build Back Better Regional Challenge Grant	Economic Development Administration
Climate Pollution Reduction Grant	Environmental Protection Agency
Travel, Tourism, and Outdoor Recreation Grant	Economic Development Administration
CARES Recovery Assistance Grant	Economic Development Administration

When grants weren't specifically noted, states often mentioned federal programs. Some federal programs were identified more frequently than others such as: the Broadband Equity Access and Deployment Program (BEAD), mentioned by five states; the Bipartisan Infrastructure Investment and Jobs Act (IIJA), mentioned by four states; and the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) which was mentioned by three states. Projects complemented by either BEAD or IIJA funding were either partially or wholly focused on broadband development and planning. In contrast, projects that cited SLFRF did not share the same project objectives.

Federal departments and programs mentioned were:

Federal Department(s)	Relevant Program
National Telecommunications and Information Administration (NTIA)	Broadband Equity Access and Deployment Program (BEAD)
Department of Transportation (DOT)	Bipartisan Infrastructure Investment and Jobs Act (IIJA)
Department of Commerce/Economic Development Administration	Coronavirus Aid, Relief, and Economic Security (CARES)
Department of Energy (DOE)	State Manufacturing Leadership Program
Department of the Treasury	State and Local Fiscal Recovery Funds (SLFRF)
Economic Development Administration	Public Works and Economic Adjustment Assistance (PWEAA)
Economic Development Administration/Department of the Treasury	American Rescue Plan Act

In many cases, it was evident that the states used the SPG Program to catalyze efforts to tap into a wider ecosystem of funding sources. For example, the Marshall Islands indicated the grant allowed their Chamber of Commerce to expand its capacity and add full-time staff. This expanded capacity fueled by the SPG has drawn interest from other organizations including USAID, the World Bank, and foreign governments, thereby generating additional funds for economic development. Similarly, states like Nevada and New Mexico are utilizing their grants to establish offices or positions dedicated to identifying and coordinating applications for federal funds. Some states are actively using their grant to attract funds from major federal legislation. For example, Wisconsin's project focused on electric vehicle (EV) infrastructure and investment, which will be used to pursue funds from the CHIPS and Science Act. Other states including Maryland and Oklahoma are using their SPG results to encourage state funding to build upon these initial project efforts.

Implement Creative and Innovative Projects

Economic developers often have project ideas that may be impactful, but states lack the funding to complete the effort. Conversations with states often highlighted these dormant projects and noted that the SPG Program provided the necessary funding to design and execute latent creative and innovative projects, with some reporting that the initiatives would not have been completed but for the SPG. For example:

New Jersey launched five projects with SPG funds aimed at enhancing the competitiveness of the state's aviation cluster. These projects included the development of a statewide air cargo plan and an aviation entrepreneurship center.

Washington created the country's first statewide initiative to develop innovation clusters, a program that actively involves participation from EDDs, tribes, and industry leaders. Before the SPG-funded cluster incubation program, the state and partners lacked the capacity to create strategies for cluster development.

Wisconsin used the funding to facilitate the development of a comprehensive electric vehicle (EV) infrastructure plan and a supply chain strategy to assist the state's automotive suppliers in transitioning from the internal combustion engine products to EV-compatible offerings. Wisconsin intends to leverage its planning focus on renewable energy and green infrastructure and technology to enhance its competitiveness for anticipated federal funding under the Inflation Reduction Act.

Oklahoma invested the funds into a general asset-based business location study for communities across the state. The previously unfunded work provided baseline location information for 32 communities and the state legislature provided additional funding to build on these efforts. Many stakeholder meetings occurred to scope out the project and, in some cases, tribal communities played an important and significant role.

Partner with Tribal Nations

Tribal nations are an important part of every state's economic development ecosystem and six states reported tapping into this expertise with the SPG, often fostering improved communication structures and processes for future collaboration. Interviews with these states revealed that these tribal interactions not only greatly expanded state access to local (tribal) perspectives, but that the tribes were an important resource and partner.
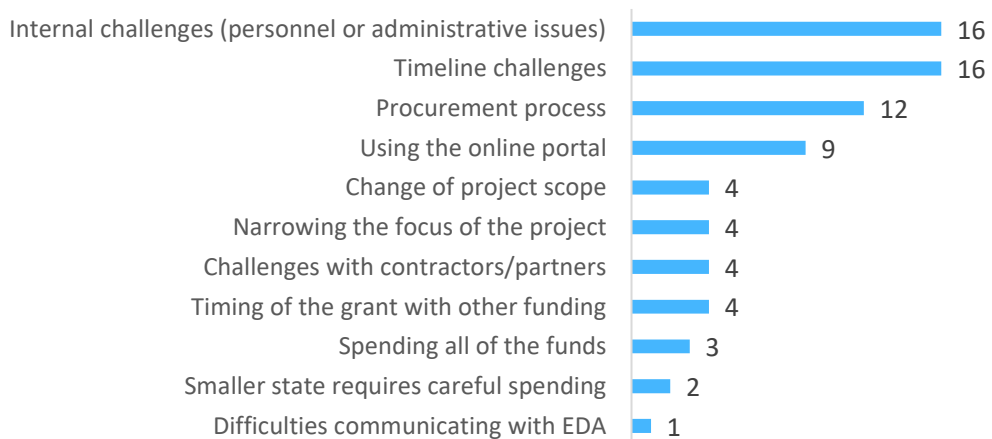
Wisconsin, Florida, Washington, Oregon, and Nevada all consulted with tribes during the planning process. Nevada, in particular, focused on tribal collaboration and assistance, developing a tribal community economic development initiative and plan for impoverished tribal communities. Moreover, Nevada utilized the funding to host a tribal summit where the Governor's Office of Economic Development engaged with tribes to understand their needs and priorities to foster economic growth across Tribal nations.

South Dakota and Oregon reported collaborating with Tribal nations during the implementation process. South Dakota involved tribal communities in CEDS development and coordinated with tribes regarding state, regional, and local planning efforts that directly affect Native people. Oregon engaged nine federally recognized tribes through surveys and interviews to inform a broadband mapping and equitable recovery plan. Their contributions not only enriched the project development, but also ensured meaningful tribal participation during the implementation phase.

Roadblocks

Given the unique and flexible nature of the SPG Program, states often did not have a clear model to follow in the planning and implementation of their SPG project. As a result, states often encountered unexpected roadblocks and challenges. The survey and interviews offered insights into these challenges, as well as the steps states undertook to achieve success with Figure 1 revealing some of the major hurdles states faced.

Figure 1: Number of States Noting Grant Roadblocks

Roadblock	Number of States
Internal challenges (personnel or administrative issues)	16
Timeline challenges	16
Procurement process	12
Using the online portal	9
Change of project scope	4
Narrowing the focus of the project	4
Challenges with contractors/partners	4
Timing of the grant with other funding	4
Spending all of the funds	3
Smaller state requires careful spending	2
Difficulties communicating with EDA	1

Addressing the Roadblocks

Grant management, especially during periods of increased federal spending, presented a multitude of challenges that required careful attention to overcome. The planning process followed by all states entails developing the initial application, ensuring compliance with regulation and reporting requirements, and coordinating with a diverse set of stakeholders. These aspects are just a few of the many moving components – especially during implementation - that states navigated to manage grants effectively.

Not surprisingly, states faced capacity and time-related challenges when administering the SPGs. Staff turnover through retirements and staff departures was a frequently reported roadblock. Economic development organizations often struggle to recruit talent to fill vacancies but improved alignment between states and EDDs can minimize duplication and enhance capacity resulting in more efficient organizations and often better programmatic outcomes.

Even with external support, states sometimes reported struggling to maintain momentum when using funds for ambitious projects. For example, Minnesota embarked on a challenging project, administering separate surveys in four priority areas: equity, workforce, industry clusters, and climate change. Staff reported that turnover in the agency's project management and financial services affected project administration, especially in the coordination with multiple consultants. Given the already limited staff capacity, the state's lengthy RFP process caused further delay in the project. However, Minnesota identified creative solutions to expedite the work, such as recruiting the Labor Market Information (LMI) office to assist with background research.

Unforeseen challenges that interrupt an already compressed grant timeline can add an extra layer of difficulty to allocating staff and time. Some state economic development departments reported receiving the NOFO from state officials with 1-2 weeks remaining in the application period, severely limiting project creativity and alignment with EDDs and partners. Texas reported capacity and RFP challenges in developing a statewide CEDS with a consultant affecting the project timeline. In Alaska, officials reported that their project was delayed due to an unexpected delay in federal approval of their Grant Administration Plan. It is unclear what caused this delay or whether the timeline was consistent with what other states experienced as most states did not report similar approval delays. This delay impacted the proposed subawards to EDDs and other regional EDOs, affecting the timeline for the development of the statewide CEDS. With an already tight schedule, Alaska had less than nine months to update the CEDS before the existing one expired. These delays highlight the need to have sufficient time and necessary resources to not only complete the project but also to adapt to any project modifications.

> *"Our scope of work is huge… and our EDDs and tribes do not have a lot of capacity… it can be hard to organize and do all of this at once."*
>
> - Stephanie Prybyl, Economic Recovery Coordinator, Oregon

Oregon is developing an equitable economic recovery plan and broadband map. Both the state and the EDDs experienced struggles with capacity, with the state noting that due to a lack of experience with EDA's grant programs, filing reimbursement requests strained the timely completion of extensive projects. Oregon also noted the issue of expertise limitations, recognizing that neither the state nor any single agency or EDD can specialize in every policy area. For example, an EDD might identify childcare planning as a critical area but may not have the necessary expertise to address it effectively. This situation emphasizes the importance of strategic alignment between states and EDDs, leveraging their collective strengths to fill gaps in knowledge and capacity.

One grant manager observed that their state often prioritized outputs over planning. While planning is key for facilitating healthy economic development, the benefits are not always immediately apparent. For example, while CEDS are not required and many states do not have them, they can be a useful resource to plan economic development projects. In some cases, states lacked a relevant planning office for certain projects altogether. For example, Louisiana established the State Planning and Resilience Office with SPG funding. Technically, this office had existed in statute for years, but remained unfunded. But the SPG allowed the state to reopen the office and commit a full-time staff member to operate it. Oklahoma utilized SPG funds to assist communities with industry site location planning studies, a project so successful that the state has decided to replicate the program with state funds, creating a sustainable funding stream for similar initiatives and preparing the state for future economic growth.

A Note on Alignment and Roadblocks

A key predictor in avoiding some roadblocks and paving the way to successful projects was the alignment between state and local organizations, specifically between states and their EDDs. However, the relationship was not always easy. In some instances, respondents indicated that collaboration with their EDDs was challenging due to differing priorities, a lack of knowledge about EDD capacity or function, or because states felt EDD assistance was unnecessary. For some states, the relationship between their agencies and EDDs was sporadic or nonexistent. In other cases, states did not believe EDDs were necessary to accomplish the states' projects' goals. To learn more about how these relationships differed among states and how close relationships benefited project outcomes, read CREC's report on the results of the national survey and interviews, [here](#).
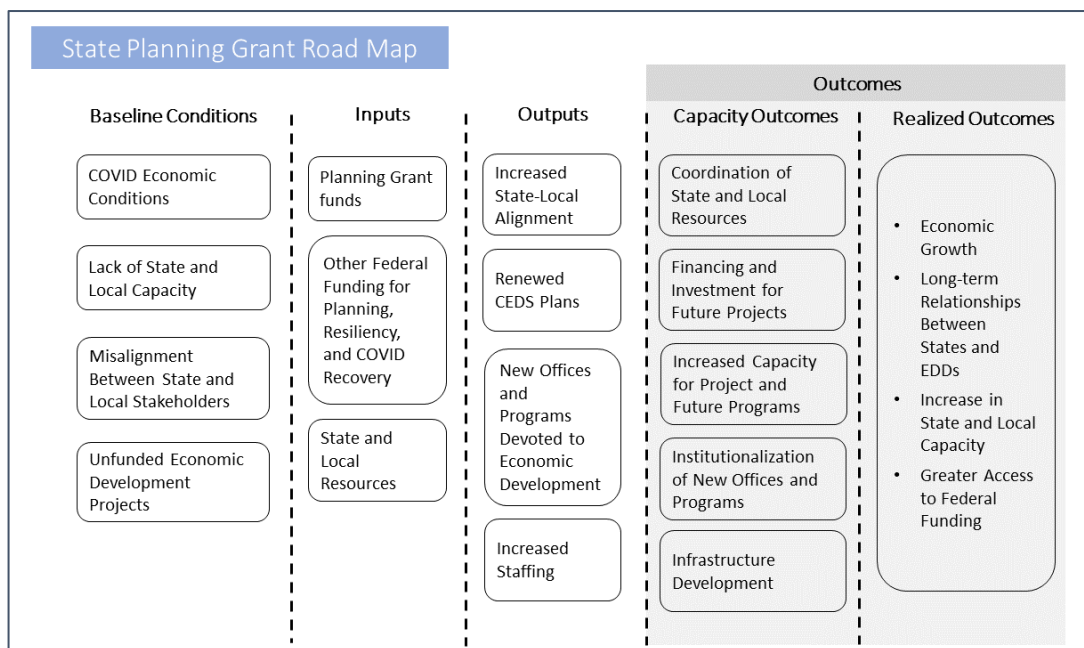
SPG Road Map

A grant activity road map, or "Logic Model," is a visual model that outlines the process for achieving a set of goals within a project or initiative. The SPG Logic Model illustrates the general pathway states followed in their SPG projects, from initial conditions to expected outcomes. It was developed based on surveys and one-on-one interviews with all 59 states.

Most states began their project at the end of a macroeconomic recession, accompanied by a supply chain disruption— leading to restricted supply and rising prices.[3] Further, increased government spending greatly bolstered household balance sheets and affected labor market conditions. These macroeconomic shocks impacted SPG projects in two significant ways: 1) economic conditions increased the demand for SPG funds, and 2) a staffing shortfall (and limited capacity) resulted from retirements and turnover.

States used the SPG funds alongside other federal funding and resources from their own state and local governments. These inputs were leveraged to produce short term outputs like enhanced alignment, coordinated economic development plans, and the establishment of sustained offices, positions, and programs to manage these and future funds. By utilizing these new tools, states developed institutions, programs, and relationships aimed at future outcomes, including economic growth, increased capacity, and improved structures for easier access to federal funding.

These initial baseline conditions along with inputs are reflected in the logic model along with how they translate into outputs and outcomes. The outputs and outcomes shown in the model and how they may be used in performance evaluation are discussed in the Metrics to Evaluate Success section below.

Figure 2: Statewide Planning Grant Logic Model

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[3] https://www.bls.gov/opub/mlr/2023/beyond-bls/what-caused-the-high-inflation-during-the-covid-19-period.htm
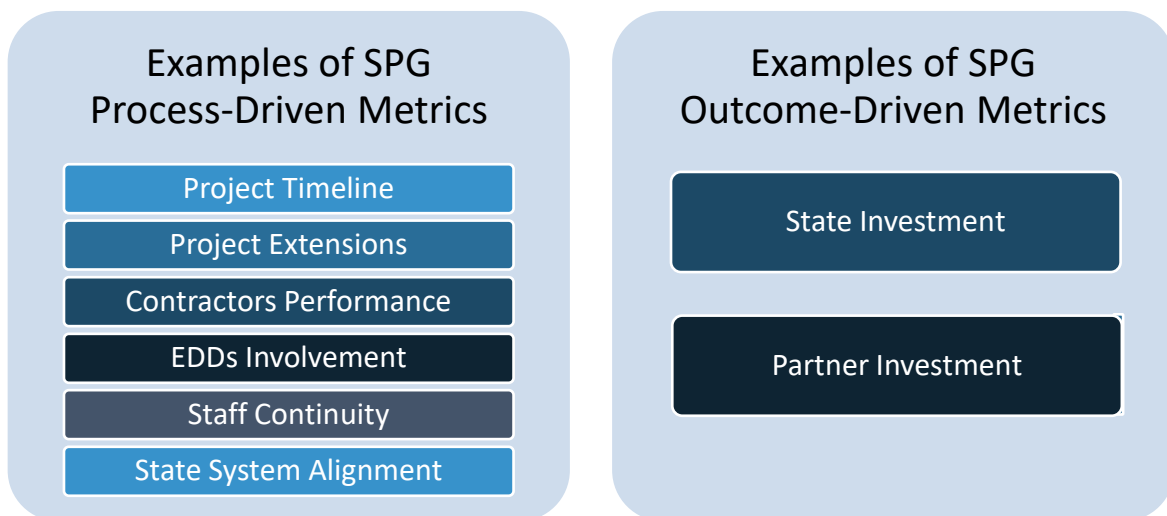
Metrics to Evaluate Success

Metrics allow organizations to monitor progress and fuel additional investigation into areas of improvement. For most initiatives, measuring results with one metric is inadequate; a combination of metrics should be used to truly measure the program effectiveness.

For SPG projects, metrics used by states are generally categorized as either process-driven or outcome-driven. Process-driven metrics are based on the execution and completion of activities that contribute to achieving outcomes, whereas outcome-driven metrics assess the extent to which these activities realize the desired results or impact.

The SPG is often one of many building blocks used to support overall economic or program success. Given the planning nature of many of these projects, assessing the ultimate results or impact is challenging as subsequent activities or achievements will be the key metric for success. Consequently, while not exclusively, most metrics provided by states to measure their projects' success are process-driven metrics. Nevertheless, these metrics can be useful in evaluating project management and limited project success.

Figure 3: Examples of SPG Metrics

Examples of SPG Process-Driven Metrics
- Project Timeline
- Project Extensions
- Contractors Performance
- EDDs Involvement
- Staff Continuity
- State System Alignment

Examples of SPG Outcome-Driven Metrics
- State Investment
- Partner Investment

Process-Driven Metrics

Process metrics are often utilized to measure the efficiency, productivity, and effectiveness of a process with states relying on these metrics to evaluate the effectiveness of their project implementation. These metrics encompass limited measures of collaboration and the team's capacity to navigate challenges. Although these self-reported metrics are often used to assess performance in unique SPG situations, most are general enough to be applied to other projects as well.

- *Project Timeline:* Timeliness in designing and implementing a project, along with the capability to stay on schedule, serves as a crucial success indicator. Conversely, project delays often signal the first signs of emerging or underlying issues. States often measure their adherence to project timelines and grant expenditures as an initial step in identifying problems and challenges.

- *Project Extension:* Requesting extensions provides a more specific measure of a state's ability to maintain its schedule. The number of extensions requested or granted, along with the requested extension duration, can sometimes serve as a proxy for effective project management.

- *Contractor Performance:* A significant portion of SPG-funded projects require the involvement of contractors and consultants, who typically conduct most of the analytical work under state oversight. However, some states may face challenges in securing qualified contractors, such as issues in developing the Request for Proposal or during the subsequent bidding process.

- *EDD Involvement:* Strategic alignment between states and EDDs in their region is a priority for EDA, and the SPG Program offered an opportunity for states to build and strengthen relationships with EDDs. While each state has unique objectives to address through the grant, involving EDDs in the project is a positive signal of stakeholder involvement.

- *Staff Continuity:* Interviews with states revealed that staff continuity in overseeing the SPG correlates with project success. States experiencing key staff departures often faced implementation difficulties or delays. New staff members, lacking the implicit knowledge of their predecessors, required considerable time to familiarize themselves with the projects, reporting, and compliance requirements. The presence and extent of continuity among key staff members involved in the SPG can be a strong predictor of project success.

- *State System Alignment:* Interviews underscored the importance of aligning planning grant projects with a state's existing initiatives and schedules. State statutory planning update requirements or political election cycles can significantly impact a state's readiness and ability to undertake extensive, creative initiatives or projects that may be influenced by a new governor's agenda.

Outcome-Driven Metrics

Outcome metrics are used to assess the extent to which expected outcomes have been achieved with a focus on activity that has relevance and importance to the needs of customers or the organization. For SPGs, states frequently utilized leverage-related outcome-driven metrics to determine whether the projects met established goals. Leveraged funds were used for projects to evaluate the stakeholder's views of project impacts.

- *State Leverage:* A financial contribution from states either prior to, or subsequent to the project strongly indicates state commitment to a planning project and its relevance to the state's needs. Investing state funds into the SPG or subsequent related projects also demonstrates strong alignment with the state's broader strategic goals.

- *Partner Leverage:* Financial contributions from regional and/or local partners not only demonstrate commitment and support, but also suggest strong alignment between state and local objectives. Such an investment suggests that the project aligns closely with local priorities and that the state has considered local interests in the project's design and implementation.

Proposed Metrics

Given the unique nature of the SPG projects, it isn't unexpected that the states typically used a limited portfolio of process and outcome metrics to evaluate project performance. These metrics were generally limited to grant administration with some exposure to project leverage – neither of which captured the key outcomes associated with most EDA projects.

A more robust collection of metrics can contribute to an improved insight into project performance across all 59 states and the program's contribution to important national priority economic outcomes. The first five additional metrics build off of the commonly used metrics cited by states and discussed above but additional details allow more in-depth and comparative analysis of grant administration among states:

- *Timeline Deviation:* This process metric standardizes the rate at which projects are deviating from a given timeline. Similar to EDA's current risk portfolio evaluation, this rate may be used to identify the risk that a given project may not meet its set deadline.

- *EDD Inclusivity Index:* This index uses a mix of variables to measure the degree to which EDDs were included in the project. The metric draws on several indicators to create a composite score including: communication with EDDs, inclusion of EDDs in grant planning or implementation, incorporation of EDD CEDS in the project framework, and EDD feedback at the conclusion of the project.

- *State Leverage Ratio:* This metric measures the proportion of project funding contributed by the state itself, demonstrating its commitment and financial responsibility. Higher ratios indicate stronger state engagement and dedication to project outcomes.

- *Staff Continuity Ratio:* Turnover has proven to be a significant roadblock to project success. This continuity ratio compares the level of staff turnover experienced on a project with some attention to additional or new staff added to the project. A lack of staff or a change in staffing levels threatens project success and may indicate a need for improved project management and/or EDA assistance.

- *Expenditure Efficiency:* The pace of project expenditures can reveal states that are lagging others in project completion. The metric measures the percentage of total allocated funds expended within a given timeframe. Various project factors may impact this ratio, but it is a good metric to begin a conversation.

Measuring and comparing grant administration performance is important, but ultimately government programs are designed to achieve outcomes that will meet national and EDA priorities. EDA can evaluate formula grant applications and project performance using many of the same metrics used for competitive grants: EDA Investment Priorities, Job Creation, and Leverage Resources.

Similarly, EDA's Economic Development Logic Model and *Innovative Metrics for Economic Development: Final Report*[4] offers compelling rationale as to why more robust data and performance metric information should be collected for formula grants like the SPG Program. All of the SPG projects and associated activities could be captured in the output and outcomes in the State Planning Grant Logic Model shown in Figure 2.

Performance data collection instruments like the ED-916, ED-917, and ED-918 used by EDA could be developed to gather the necessary information noted in the model to better understand the impacts of individual projects and the SPG Program overall. For example, metrics associated with measuring asset development could be immediately associated with state SPG projects focused on industry capacity, regional preparedness, workforce skills, organizational capacity, and economic resiliency. Likewise, long-term realized outcomes like job growth, industry performance, and workforce attributes could be measured on a longer-term basis. Data collection instruments could be developed and designed to gain necessary insights into SPG project performance and impacts on regional and national outcomes.

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[4] https://www.eda.gov/sites/default/files/filebase/archives/2021/files/performance/Innovative-Metrics-ED-Report.pdf

Lessons Learned

Taken together, the 59 SPG projects paint a picture of improved levels of alignment, project creativity, leveraged funding, new partnerships, addressing roadblocks, and common metrics. Several lessons can be drawn from this analysis to inform future planning grant programs:

- **Develop realistic plans**. It is critical that grant administrators develop realistic and robust project plans that incorporate elements to identify and mitigate potential risks throughout the project. Projects lacking thorough planning may experience delays and difficulties, negatively affecting the state's ability to complete the project on time and as initially envisioned. Indeed, 32 states encountered SPG timing issues due to administrative or planning challenges with many facing timing challenges related to delays in program awareness leading to insufficient time to properly scope a project to meet application deadlines.

- **Leveraged investments**. Grant administrators and their partners should be incentivized to add their own investments to complement EDA grants. This complementary funding demonstrates strong commitment to the project's success and alignment with broader strategic priorities, often leading to a better chance of success. SPG projects that incorporated local funding benefitted from stronger local ties and improved project outcomes.

- **EDD Involvement.** States and EDDs can benefit from aligning on projects, whether in planning or implementation phases. While not every project presents an opportunity for state-EDD collaboration, any level of collaboration can leverage respective expertise and stakeholder perspectives. States that worked closely with EDDs in SPG planning or implementation were less likely to encounter roadblocks, especially those related to timing or capacity.

- **Project Timing.** The SPG Program was the first time that an EDA program was focused on making grants directly to states, leading to incongruencies between the EDA disbursement and state planning activities. Nearly one-third (18) of states reported struggling with the SPG project timelines, and four states indicated that the timing of the grant, relative to other funding, made project completion more challenging. Other states mentioned that grant timing was difficult due to state-level spending priorities. Improved alignment between grant disbursements and states' planning cycles (or vice versa, given state capacity) can significantly improve a project's scale and quality.

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[5] This point is well documented in CREC's Interview and Survey Report, which compared incidents of challenges against involvement of EDDs and found that overall, states which included EDDs suffered fewer roadblocks.

- **EDDs as Primary Implementers.** Grant administrators should ensure that partners play a central role in implementing plans funded by a grant. In particular, empowering EDDs to have a role in the development of a statewide strategic plan fosters improved state-local alignment. EDDs have a unique understanding of regional community needs and are well-equipped to implement statewide priorities through locally and regionally oriented solutions.

- **Capacity Building.** Staff turnover and retirements remain significant challenges in project administration, with 18 states reporting issues related to personnel or capacity in the SPG Program. Promoting staff continuity and ensuring states have the capacity to effectively manage projects funded by EDA planning dollars highlights the importance of capacity building throughout an organization and methods to improve personnel retention.