

ADJUSTMENT ASSISTANCE AVAILABLE FOR DEFENSE INDUSTRY COMMUNITIES

On June 17, 2013, the Department of Defense's (DoD) Office of Economic Adjustment (OEA) published a Federal Funding Opportunity to solicit project proposals from States and communities impacted by reductions or cancellations in DoD spending. Through grants and technical assistance, OEA assistance can enable impacted regions to organize themselves to respond on behalf of affected communities, workers, and businesses; plan local community and economic adjustment activities; and carry-out plans to respond to the defense impacts and stabilize the local economy. Proposals will be considered for funding on a continuing basis, subject to available appropriations.

A project proposal must respond to a direct and significant community impact caused by: a publicly announced planned major reduction in DoD spending; the closure or significantly reduced operations of a defense facility as the result of the merger, acquisition, or consolidation of the defense contractor operating the defense facility; the cancellation or termination of a DoD contract; or the failure to proceed with an approved major weapon system program.

In order to establish eligibility, the community must demonstrate that the announced DoD action has or will result in the loss of: 2,500 or more employee positions, in the case of a Metropolitan Statistical Area; 1,000 or more employee positions, in the case of a labor market area outside of a Metropolitan Statistical Area; or one percent of the total number of civilian jobs in the local labor market for the impacted area. In order to demonstrate eligibility, only direct (i.e., prime and supply chain) job loss may be counted. Applicants may document a cumulative job loss over the span of not more than three consecutive years (e.g., two years prior to proposal and one year forward). The applicant must explain how this job loss will cause direct and significant adverse impacts to the community or residents in the area.

Applicants are encouraged to submit proposals which demonstrate appropriate leverage of all existing public and private resources and programs.

Eligible activities may include (but are not limited to): staffing, operating and administrative costs for an organization; outreach to businesses, workers, and other community interests; regional supply-chain mapping of defense-specific industry clusters; asset mapping to support a response; economic data collection and analysis to identify regional comparative advantages; preparation of diversification plans to lessen economic dependency on defense expenditures; facilitation of workforce adjustment and retraining efforts; provision of business planning and market exploration services for defense contractors and sub-contractors that seek modernization or diversification assistance; and, preliminary strategies and plans for the potential reuse or redevelopment of existing defense facilities.

Funds available under this program may not duplicate nor replicate activities otherwise eligible for or funded through other Federal programs.

The full Federal Funding Opportunity notice can be found on OEA's website:
<https://www.oea.gov/about/news/announcements>.