States' Economic Development Assistance Program

Notice of Funding Availability

Executive Summary

NOFA Release Date: June 1, 2026
Proposal Due Date: July 31, 2026

The Delta Regional Authority (DRA) is publishing this Notice of Funding Availability (NOFA) to solicit applications for grants under the 2026 States' Economic Development Assistance Program (SEDAP).

The program aims to target federal resources toward communities in the Mississippi River Delta and Alabama Black Belt regions. SEDAP provides direct investment into community-based and regional projects that address the DRA's congressionally mandated four funding categories.

Under federal law, at least 75% of DRA funds must be invested in economically distressed counties and parishes and isolated areas of distress in the region. At least 50% shall be allocated to transportation and basic public infrastructure improvements. The remaining funds are directed to DRA's other funding priorities of workforce development and business development with a focus on entrepreneurship.

This NOFA is organized to provide a general overview of the grant program as well as the specific requirements needed to complete an application. Additional background information on SEDAP is available here: States' Economic Development Assistance Program – Delta Regional Authority (dra.gov).

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A. DRA OVERVIEW

The Delta Regional Authority is a federal agency that helps communities grow and expand their economies across eight states and 255 counties/parishes. Created by Congress in 2000, the DRA uses federal investments across the Delta region to support critical and human infrastructure projects. The DRA includes the governors of the eight states and a Federal Co-Chair chosen by the president and approved by the Senate. Local participation comes through 45 Local Development Districts (LDD). The DRA helps more than 10 million people across parts of Alabama, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri and Tennessee. (A map of the DRA region can be found here.)

B. SEDAP PROGRAM DESCRIPTION

The States' Economic Development Assistance Program (SEDAP) makes strategic investments in the 255 counties and parishes served by the DRA in an effort to improve quality of life and create economic development opportunities. As DRA's main investment tool, SEDAP provides direct investments into community- based and regional projects that center on the DRA's congressionally mandated areas of:

- **Basic Public Infrastructure** in distressed counties and isolated areas of distress
- **Transportation Infrastructure** for the purpose of facilitating economic development in the region
- **Business Development** with an emphasis on entrepreneurship
- **Job Training or Employment-Related Education** with an emphasis on the use of existing public educational institutions located in the region and registered apprenticeships, consistent with Executive Order 14278, "Preparing Americans for High-Paying Skilled Trade Jobs of the Future" and America's Talent Strategy

By working with community stakeholders and its LDD partners, the DRA ensures investments create locally driven impact. All submitted applications will be reviewed and checked for eligibility. Those that meet the application criteria will be scored.

Technical questions about the NOFA should be sent to sedap.cif@dra.gov with the subject line "SEDAP NOFA" and should include the contact's name, organization, and phone number. All applicants must follow DRA's general funding rules, the requirements of this NOFA, and DRA's Regional Development Plan IV (RDP IV).

Background on DRA’s Strategic Investment Goals

The Delta Regional Authority advances four key objectives: improving infrastructure, creating jobs, expanding businesses, and supporting local placemaking and capacity-building. These goals strengthen communities, support workers, create economic growth, and build a foundation for long-term success throughout the DRA footprint.

2026 SEDAP Priorities, Objectives and Funding Principles

The DRA’s aim is to strengthen Delta communities while driving economic growth across the region. The States’ Economic Development Assistance Program focuses on supporting local and regional investments that are industry-driven and community centered. SEDAP projects must be located within the Delta region. Projects may help improve job skills and training to make local industries more competitive.

This 2026 SEDAP Opportunity places a strong emphasis on data transparency. The DRA is committed to requiring recipients to report and track outcomes to enable DRA to track the effectiveness of its investments, ensuring projects effectively meet the needs of communities and contribute to long-term well-being.

Collaboration is encouraged across states, business, municipalities, community stakeholders, labor unions, industries, and educational institutions – including K-12 and four-year higher education institutions. By encouraging cross-sector partnerships, the DRA brings together collective local expertise and federal resources. These partnerships help create impactful projects that align with DRA’s strategic objectives.

SEDAP prioritizes projects that have strong potential for community impact, address immediate infrastructure needs, and contribute to the long-term economic resilience and prosperity of the Delta region.

C. AWARD & ELIGIBILITY INFORMATION

DRA will evaluate project outcomes using both quantitative and qualitative measures, with support from the USDA-funded Delta Research Program and the Monitoring and Compliance Program.

Availability of Funding

2026 SEDAP grant funds are available as follows:

In general, DRA expects to allocate funding to each of the eight states based on an allocation formula, which has been approved by the authority. Most project award amounts will range from $50,000 to $500,000 based on the project type and application score. DRA reserves the right to negotiate with applicants to adjust their budgets, including adjusting or removing certain proposed costs.

2026 STATE ALLOCATIONS	
10.26%	Alabama
14.58%	Arkansas
8.10%	Illinois
9.10%	Kentucky
19.71%	Louisiana
15.53%	Mississippi
11.72%	Missouri
11.01%	Tennessee
100.00%	

Projects must benefit part of the Delta region, which includes counties and parishes in Alabama, Arkansas, Illinois, Kentucky, Louisiana, Missouri, Mississippi and Tennessee, as defined by the Delta Regional Authority Act of 2000. If a project extends beyond this region, only the part within the Delta region can receive DRA funding.

Funding of approximately $16,619,000 is available through this Notice. Of this amount, $12,250,000 is 2026 appropriations and $4,369,000 is carryover funds.

If, after announcement of awards under this Notice, additional funds become available through recapture of funds, the Delta Regional Authority may elect to award additional funds to applications. Any selection and award under this NOFA is subject to the availability of funds.

Cost Sharing

Cost-sharing funds must come from non-federal sources, except in cases where another federal program specifically allows funds to be counted as non-federal cost share. Projects that provide transportation or basic public services to populations in distressed counties or isolated areas are exempt from the cost-sharing requirement. Projects that offer more cost-sharing funds will be prioritized for CIF funding.

Period of Performance

Applicants decide how much time they need to complete their project. However, the period of performance for awards made under this program will be no more than 24 months, with a start date indicated on the Notice to Proceed.

Eligible Applicants include:

- Counties/parishes, cities, or other local government subdivisions and municipalities
- Public or private nonprofit organizations, including special purpose districts
- Regional and economic development organizations
- Workforce boards, labor unions, community and faith-based organizations
- Colleges, trade schools, and minority-serving institutions (including HBCUs)
- Federally recognized Tribes

D. APPLICATION SUBMISSION & GENERAL TECHNICAL ASSISTANCE

The 2026 SEDAP competitive grant program is administered as follows:

Funding Cycle Opens
Application Deadline to DRA:
Merit Reviews Complete:
DRA Eligibility Determination:
DRA Meetings with States Complete:
Project Award Announcements

Project applications must be submitted electronically via the SEDAP Portal. All applications received by the deadline will be screened for eligibility. Applications that meet the eligibility criteria will be reviewed and scored. Top-scoring applications will be selected to receive a 2026 SEDAP grant. Applications not selected for funding during this cycle can be revised and resubmitted in future funding cycles, pending the availability of federal funds. Potential applicants are encouraged to contact DRA programs staff or their Local Development Districts office for application assistance and additional information about the 2026 SEDAP application submission requirements. In addition to the requirements described in this NOFA, all applications must meet the general requirements for DRA funding and be consistent with the DRA Strategic Plan.

DRA staff are available to discuss pre-award eligibility concerns, as well as post-award requirements. The DRA will provide technical assistance to unfunded applicants who send a request to sedap.cif@dra.gov at the conclusion of the funding cycle. Local Development

Districts may also serve as technical assistance providers for DRA funding programs.

E. APPLICATION SCORING CRITERIA & PROMPTS

The Delta Regional Authority has instituted a technical review process to provide for an objective review of applications. The evaluation criteria are based on SEDAP program priorities, objectives and funding principles as laid out in RDP IV. DRA recommends no more than a total of eight (8) pages (project narrative section, not including attachments).

Project Description and Alignment

<table>
<tr><td>Description of Project and Community Needs
Community: Describe their unique community, highlighting its characteristics, demographics, and any relevant socioeconomic factors.
Infrastructure Challenge: Describe the infrastructure challenges faced by their region, such as outdated transportation systems, inadequate water and sewer systems, or insufficient flood control measures. Describe how these challenges affect your community's well-being, economic development, public health or quality of life.
Data: Illustrate their infrastructure challenges by including relevant data and statistics, along with a narrative that demonstrates the potential impact your community's well-being, economic development, public health or quality of life.
Examples of data and statistics include:
a) Due to the failure of the water system, the city is experiencing 50% water loss in the distribution system.
b) With improved rail infrastructure, shipping costs will be reduced by 20%.</td><td>15 Points</td></tr>
<tr><td>Project Design and Implementation Plans
Project Design: Describe a clear design that illustrates a feasible approach to addressing your identified infrastructure need and ensure the desired outcome.</td><td>10 Points</td></tr>
</table>

• **Project Goals:** Define the scope and objectives, outlining specific goals and detailing all major activities and components. • **Results:** Explain how your project design incorporates strategies to achieve measurable outcomes, including whether any innovative solutions, evidence-based interventions, or best practices will be utilized. • **Documentation:** For projects involving specific infrastructure types, such as water and sewer projects, applicants must include all required documentation as outlined in Appendix II, ensuring compliance with all technical and regulatory requirements.	
Alignment with Strategic Goals and Plans 1. Detail how your project aligns with DRA goals, SEDAP priorities, and/or regional development strategy. What statistics or data can you provide to illustrate this alignment? Specifically, applicants should include information about: • **SEDAP Alignment:** How your project aligns with and contributes to specific goals or priorities. To receive full points, applicants should use relevant research evidence, data or statistics to illustrate how your project supports relevant SEDAP priorities. • **Alignment with Local Plans:** Explain how your project aligns with existing local, regional, or state infrastructure plans or economic development strategies. This should note if your project advances specific goals, addresses infrastructure needs, or fulfills action items outlined in these plans. • **Collaboration:** Demonstrate collaboration with regional planning commissions, transportation authorities, utility providers or economic development organizations. Successful applications will demonstrate how these project outcomes align with long-term development goals for the DRA region.	**10 Points**

Community Benefits Plan

Evidence of Community and Employer Demand for Proposed Project	15 Points
Stakeholder Engagement: Applicants must demonstrate strong community demand by demonstrating meaningful, two-way engagement with residents, community organizations and stakeholders. **Feedback:** Applicants should provide specific examples of how and where community feedback has influenced the project. **Employer Demand:** To receive full points, applicants should provide letters of support and/or a participation agreement, showcasing your local employers' demand and support for the project. Participation agreements are to be utilized to guarantee jobs by large companies, emphasizing job creation.	
Demonstration of Realistic and Attainable Outcomes	**10 Points**
Project Activities: This should contain details about the key activities, the applicant's plans/goals for each activity, the strategies applicants will undertake to achieve the goals/plans, and the metrics applicants will track to measure goal/plan attainment. **Durability:** Strategies that enhance long-term infrastructure durability and operational efficiency are especially important. **Evaluation:** Applicants should also outline plans for monitoring and evaluating progress.	

Evidence of Community Impact and Quality of Life Improvements Specifically, applicants should detail how their project will positively impact their community by: • **Access to Resources:** Applicant should detail how the project will improve access to clean water or reliable transportation. • **Strengthening the Local Economy:** Lowering consumer costs, jobs created/retained, and strengthening the national supply chain. • **Strengthening the Local Workforce:** Developing new workforce initiatives and supporting registered apprenticeships. • **Overall Benefit:** Applicants must show their project plan's overall benefit to their community and the Delta more broadly.	**10 Points**

Project Management and Team Partners

A comprehensive overview of your project will address the following sections:

Evidence of Project Team and Organizational Capacity 1. Who are the key members of your project team and what are their roles and responsibilities? Does your organization have the capacity to manage and implement the project well? Specifically, applicants should include information about: • **Relevant Experience:** Highlight your team's relevant experience and organizational capacity to manage and implement the project effectively. Previous experience with managing federal grants may be highlighted but is not a requirement to submit a competitive application. • **Resumes and Job Descriptions:** Please include staff résumés and/or job descriptions for any positions to be filled using grant funds as attachments to the application.	**10 Points**

Local and Regional Collaboration with Public and Private Partners 1. Who are your local and regional partners on this project and how are you collaborating with them? Please describe their roles and any leveraged resources or services they provide. Specifically, applicants should include information about: • **Local Development Districts:** Applicants may consider partnering with their Local Development Districts to benefit from their regional development expertise. Having project partners who are well-versed in these areas may strengthen your proposal and ensure that the project is carried out smoothly and that grant funds are managed responsibly. • **Local Partners:** Applicants may demonstrate partnerships with local government, community colleges, unions, nonprofits and similar institutions. Applicants should show how these partnerships bring diverse expertise, resources and community perspective, which are crucial to ensure that benefits are fully and fairly distributed throughout your community. • **Letters of Support:** Applications may include letters of support to showcase how your local partnerships have created full community benefits.	**5 Points**
Evidence of Institutional Partnerships Grounded in Collaboration 1. How will your project impact the Delta region? In what ways do your partnerships with local businesses, trade associations or educational institutions contribute to regional economic development?	**5 Points**

Budget, Implementation and Impact

Budget and Funding Request and Description of Matching Funds	5 Points
1. What is the total amount of funding you are requesting from the DRA? Please submit a detailed categorical budget narrative for both DRA and non-DRA funds. Specifically, applicants should include information about: • **Amount Requested:** Applicants must provide the total amount of funding requested from the Delta Regional Authority. • **Matching Funds:** Applicants must disclose any matching funds from non-DRA sources—both cash and in-kind—that exceed the DRA requested award and will support grant activities. Match is not required, but encouraged, for any infrastructure initiative projects in a distressed county or parish within the DRA region. Information about the sources of matching funds must be included, along with letters of commitment or supporting documentation from each source. • **In-Kind Match:** Applicants must demonstrate all in-kind match, in the form of goods/equipment and/or services, that are necessary to support your project. In-kind goods/equipment match must be items to be purchased and not already in use within the proposed project. In-kind match exclusions include, but are not limited to, project staff salary/fringe for individuals already employed by the applying entity and staff salary/fringe to administer your proposed project. • **Budget Narrative:** To maximize their score, applicants should submit a detailed categorical budget narrative for both DRA and non-DRA funds, explaining how these costs align with the proposed project. Projects that offer more cost-sharing funds will be prioritized for CIF funding. • **Budget Categories:** Each budget category (such as personnel, travel, equipment, supplies and other expenses) should include the total estimated cost for the entire period of performance and demonstrate how the cost contributes to project completion. • **Resource Allocation:** Applicants must demonstrate that their resource allocation will lead to effective planning and management.	

Applicants' budget narrative must align with their project timeline so that each budget category corresponds to specific milestones and phases of the project.	
Realistic Project Timeline and Risk Management • Describe how your project timeline ensures each phase of the project will be executed in a timely and accountable way. Explain how your timeline aligns with your budget narrative. Specifically, applicants should include information about: • **Project Timeline:** Applicants must include a realistic project timeline starting from the award announcement through the completion of all proposed project activities. Project timeline must display key milestones that demonstrate how the project will be executed successfully within the proposed timeframe. • **Roles and Responsibilities:** Applicants must detail specific responsibilities to team members or partners, including contractors, engineers or consultants. • **Success Factors:** Applicants must detail factors that may impact project success—such as regulatory approvals, environmental concerns or supply chain disruptions—and describe strategies to mitigate these risks.	**5 Points**

F. APPLICATION REVIEW INFORMATION

All applications submitted to the DRA for the 2026 SEDAP funding cycle will undergo an initial pre-screening to verify eligibility and completeness. Eligible submissions will then undergo a preliminary review by DRA program staff to ensure alignment with the program guidelines outlined in this NOFA. Following this, each application will be thoroughly reviewed and scored based on the criteria specified in Section E Application Review Information.

DRA reserves the right to negotiate budget costs with selected applicants, which may include adjusting proposed expenses, modifying project objectives, or requesting additional information. The DRA may also reject applications if concerns arise regarding applicants' ability to successfully fulfill the grant's objectives and requirements.

Ultimately, DRA holds full discretion to award some, all or none of the applications received under this competitive solicitation. All award decisions made by DRA are final.

G. AWARD ADMINISTRATION

Build America, Buy America Act Requirements

All grantees must comply with the Infrastructure Investment and Jobs Act (IIJA) and the Build America, Buy America Act (the Act), Pub. L. No. 117-58, §§ 70901-52, including the implementing requirements at 2 CFR Part 184 and M-24-02, as summarized here. None of the funds provided under this award may be used for an infrastructure project unless:

a) All iron and steel used in the project are produced in the United States. This means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.

b) All manufactured products used in the project are produced in the United States. This means the manufactured product was manufactured in the United States, and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55% of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation.

c) All construction materials are manufactured in the United States. This means that all manufacturing processes for the construction material occurred in the United States. The construction material standards are listed in the definitions section below.

Incorporation into an Infrastructure Project: The Buy America Preference only applies to articles, materials and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. As such, it does not apply to tools, equipment and supplies, such as temporary scaffolding brought to the construction site and removed at or before the completion of the infrastructure project. Nor does a Buy America Preference apply to equipment and furnishings, such as movable chairs, desks and portable computer equipment that are used at or within the finished infrastructure project but are not an integral part of the structure or permanently affixed to the infrastructure project.

Waivers: When necessary, recipients may submit a written waiver request to DRA to waive the Buy America Preference. Waiver requests are subject to public comment periods of no less than 15 days and must be reviewed by DRA and the Office of Management and Budget Made in America Office.

When DRA has determined that one of the following exceptions applies, a final determination of the waiver request will be made:

a) applying the Buy America Preference would be inconsistent with the public interest.

b) the types of iron, steel, manufactured products or construction materials are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality; or

c) the inclusion of iron, steel, manufactured products or construction materials produced in the United States will increase the cost of the overall project by more than 25%.

See the definitions section of Buy America terms:

Definitions

a) Construction materials mean articles, materials or supplies that consist of only one of the items listed in paragraph (1) of this definition, except as provided in paragraph (2) of this definition. To the extent one of the items listed in paragraph (1) contains as inputs other items listed in paragraph (1), it is nonetheless a construction material. (1) The listed items are (i) non-ferrous metals; (ii) plastic and polymer-based products (including polyvinylchloride, composite building materials, and polymers used in fiber optic cables); (iii) glass (including optic glass); (iv) fiber optic cable (including drop cable); (v) optical fiber; (vi) lumber; (vii) engineered wood; and (viii) drywall. (2) Minor additions of articles, materials, supplies or binding agents to a construction material do not change the categorization of the construction material. “Buy America Preference” means the “domestic content procurement preference” set forth in section 70914 of the Build America, Buy America Act, which requires the head of each federal agency to ensure that none of the funds made available for a federal award for an infrastructure project may be obligated unless all of the iron, steel, manufactured products, and construction materials incorporated into the project are produced in the United States.

b) Infrastructure means public infrastructure projects in the United States, which includes, at a minimum, the structures, facilities, and equipment for roads, highways, and bridges; public transportation; dams, ports, harbors, and other maritime facilities; intercity passenger and freight railroads; freight and intermodal facilities; airports; water systems, including drinking water and wastewater systems; electrical transmission facilities and systems; utilities; broadband infrastructure; buildings and real property; and structures, facilities, and equipment that generate, transport, and distribute energy, including electric vehicle (EV) charging.

H. DRA CONTACT INFORMATION

DRA collaborates with the region's LDDs to offer interested applicants and awardees technical assistance, application support and review, and post-award assistance. Applicants may choose to work the LDD within their district. DRA strongly encourages interested applicants to contact DRA programs staff and/or their respective LDDs with any questions they have about SEDAP in general, as well as with any specific questions they have about the use of agency funds to support projects in Delta communities and regions.

Applicants with additional questions are encouraged to submit these to sedap.cif@dra.gov.

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I. GENERAL DISCLOSURES

The 2026 SEDAP program awards will be made only to the extent that funds are available. Publication of this NOFA does not obligate DRA to award any specific grant or cooperative agreement or to obligate all or any part of available funds. Applicants intending to contract with a specific individual, consulting group, or organization with DRA funding must have a competitive procurement policy in place. This NOFA does not commit DRA to award a contract, procure or contract for services or supplies. Notwithstanding any other provisions of the NOFA, DRA reserves the right to award grants, cooperative agreements, or contracts to communities or regions that best meet the requirements of the NOFA and not necessarily to the lowest-cost proposers. DRA reserves the right to accept or reject any or all responses received as a result of this NOFA to negotiate with all qualified sources, or to cancel in part, or in its entirety this NOFA, if it is in the interests of DRA to do so.

See Appendix I, II, and III for Award Administration, Eligible and Ineligible Examples, and General Instructions.