Lumpkin County, Georgia
Finance Department

Date: July 30, 2015

Agenda Item: Funding Opportunity
Appalachian Regional Commission
Intersection Improvements at Highway 60 and Calhoun Mine Road

Facts & Historical Information:

The Appalachian Regional Commission (ARC) 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.

ARC funds projects that address the four goals identified in the Commission's strategic plan:

1. Increase job opportunities and per capita income in Appalachia to reach parity with the nation.
2. Strengthen the capacity of the people of Appalachia to complete in the global economy.
3. Develop and improve Appalachia's infrastructure to make the Region economically competitive.
4. Build the Appalachian Development Highway System to reduce Appalachia's isolation.

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

The County's Public Works Director has identified the proposed intersection improvements at Highway 60 and Calhoun Mine Road as a potential ARC project. In order for this project to be considered for funding, a pre-application must be submitted to ARC no later than August 31, 2015. If ARC selects the proposed project for further consideration, a full application must be completed and returned to the ARC in March of 2016.

Potential Courses of Action:

A. Prepare and submit a pre-application to the ARC for funding assistance for the proposed intersection improvements at Highway 60 and Calhoun Mine Road.

B. Take no action.

Budget Impact: While the ARC funding program does require a minimum 50% match, it is the County's intention to utilize funds committed to the County by the Georgia Department of Transportation to meet the matching requirement. If successful in in obtaining funding assistance from the ARC for this project, there would be no impact to the County's operating budget.

Staff Recommendation: Please see statement form Larry Reiter, Public Works Director.

Calhoun Road and Highway 60 Road / Intersection Improvements

- Lumpkin County has GDOT funding (estimate $ 150,000) available to make road improvements (?)
- GMRC indicated LC could use the GDOT funds as LC's matching portion toward an ARC Grant
- A priority for ARC Grant funding is to improve transportation as well as economic development
- Focus on increased potential for job creation at Fieldale Building with road improvments (?)
- What about potential job creation for proposed Wedding Venue / Event Center on Calohun Road

ARC Project Guidelines

Revised 2011

Introduction

On November 22, 2010, the Appalachian Regional Commission approved *Moving Appalachia Forward: Appalachian Regional Commission Strategic Plan 2011–2016*. Following adoption of the Plan, a revision of the ARC governing Code was undertaken to develop programs and policies to carry out the goals and objectives set forth in the Plan. Pursuant to Section 6.6 of the Code, the following project guidelines are established. The guidelines set forth the criteria for approval of ARC projects reflecting the requirements of the Appalachian Regional Development Act of 1965 (ARDA), as amended, the ARC Code, and the provisions of the ARC Strategic Plan.

In accordance with Section 6.6 of the ARC Code, the Commission may, from time to time, approve additional Policy Statements concerning the implementation of Commission Area Development Programs. These Policy Statements will be included as appendices to these guidelines.

Appalachian Regional Development Act

The statutory criteria for approval of ARC projects are found mainly in Sections 223, 224, 225, and 303 of the ARDA (40 U.S.C. 14322, 14523, 14524 and 14525). Primarily, ARC approval requires a determination by the Commission that the project will contribute to the development of the Appalachian Region (Section 223). The pertinent provisions of these sections may be summarized as follows:

- In approving a particular project, the Commission must also consider whether the project will improve, on a continuing rather than a temporary basis, the opportunities for employment, the average level of income, or the economic and social development of the area served by the project (Section 224).
- The Commission must also consider the importance of the project or class of project in relation to other projects or classes of projects which may be in competition for the same funds (Section 224).
- For each project, the Commission must consider the relative financial resources available to the applicant (i.e. its "ability-to-pay") (Section 224) and determine that there is adequate assurance that the project will be properly administered, operated, and maintained (Section 303).
- To receive ARC approval, a project must implement the Development Plan of the Appalachian State in which it is located and it must have been identified by the state in its annual Strategy Statement (Sections 225 and 303).
- Applications for ARC assistance are made through the state member of the Commission representing the applicant and are submitted to the ARC Federal Co-Chairman for approval. Approval requires a certification by the state member and a determination by the Federal Co-Chairman that the project meets the requirements for assistance (Section 303).
- ARC grants that are administered for the Commission by a basic federal agency must also meet the applicable requirements of that agency (Sections 214 and 223).

ARC Code: General Project Approval Criterion

The strategic planning process undertaken by the Commission generated four goals that define social and economic conditions that must be created to realize ARC's vision. These goals now guide the Commission strategies and program investments. The ARC strategic goals are:

> **Goal 1—Job Growth:** *Increase job opportunities and per capita income in Appalachia to reach parity with the nation.*
>
> **Goal 2—People:** *Strengthen the capacity of the people of Appalachia to compete in the global economy.*
>
> **Goal 3—Infrastructure:** *Develop and improve Appalachia's infrastructure to make the Region economically competitive.*
>
> **Goal 4—Highways:** *Build the Appalachian Development Highway System to reduce Appalachia's isolation.*

The ARC Code provides a single general project approval criterion to reflect the importance of its strategic goals. That criterion is found in Section 7.3 of the Code, which requires that each project for which ARC approval is requested be supported by a demonstration that it will contribute to the achievement of one or more of the Commission's strategic goals. (A limited exception to this criterion is recognized for individual projects that take advantage of special development opportunities or respond to emergency economic distress.)

Section 1—Objectives

The demonstration required by Section 7.3 of the Code may be accomplished most effectively by explaining how the proposed project moves the region closer to one or more of the objectives specifically identified for each goal area in the ARC Strategic Plan or additional objectives identified by a state in its Commission-approved Plan or Annual Strategy Statement. The Commission's objectives for each goal area are set out below.

Goal 1—Job Growth–Objectives

a. Develop leaders and strengthen community capacity.
b. Diversify the economic base.
c. Enhance entrepreneurial activity in the Region.
d. Develop and market strategic assets for local economies.
e. Increase the domestic and global competitiveness of the existing economic base.
f. Foster the development and use of innovative technologies.
g. Capitalize on the economic potential of the Appalachian Development Highway System.
h. Encourage sustainable economic use of natural resources.
i. Encourage investments in energy projects that create jobs.

Goal 2—People–Objectives

a. Develop leaders and strengthen community capacity.
b. Enhance workforce skills through training and education.
c. Increase access to quality child care and early childhood education.

d. Increase educational attainment and achievement.
e. Expand community-based wellness and disease-prevention efforts.
f. Increase the availability of affordable, high-quality health care.

Goal 3—Infrastructure–Objectives

a. Develop leaders and strengthen community capacity.
b. Build and enhance basic infrastructure.
c. Increase access to and use of telecommunications technology.
d. Preserve and enhance environmental assets.
e. Promote the development of an Intermodal Transportation Network.

Goal 4—Highways–Objectives

a. Develop leaders and strengthen community capacity.
b. Promote the successful development of the ADHS.
c. Improve planning to enhance multi-jurisdictional coordination and efficiency.
d. Encourage intermodal coordination.
e. Enhance the energy efficiency of the transportation system.
f. Develop a transportation system that enhances and preserves the Region's environmental quality.

Section 2—Guiding Principles: Strategies

The development of regional and state strategies is guided by certain principles that should also be reflected in the development of particular projects implementing these strategies. These principles underlie ARC's four regional development roles as advocate, knowledge builder, investor and partner. The Commission's guiding principles are as follows:

1. Promote homegrown solutions.
2. Create sustainable economic development.
3. Address persistent economic distress.
4. Seed innovation.
5. Stimulate investments by federal, state, and local agencies; philanthropies; and the private sector.
6. Support inclusive local decision making.
7. Act as a clearinghouse for ideas and expertise.
8. Capitalize on existing assets.
9. Encourage lifelong learning.
10. Seek regional solutions.
11. Strengthen global competitiveness.

The Commission described a number of regional strategies to accomplish the Strategic Plan's objectives. In addition, each state will annually prepare its own Strategy Statement, which may make use of some or all of the regional strategies or identify additional strategies tailored to the unique conditions of such state. The State Strategy Statements are subject to annual Commission approval.

Projects of a type described among the regional and state strategies are generally understood to be designed to contribute to the achievement of a Commission goal.

The Regional Strategies for each goal area are identified below.

Goal 1—Jobs–Strategies

Strategic Objective 1.1: Develop Leaders and Strengthen Community Capacity

- Support the development of broad-based leadership structures and transformative institutions for change, such as community-development foundations and community-development financial institutions.

- Build the capacity to collaborate among government, business, and nonprofit and philanthropic sectors by improving skills in consensus building, communication, networking, knowledge and understanding of economic and social trends, and other elements of civic capacity.

- Support strategic planning initiatives for local and regional organizations to capitalize on economic development opportunities.

- Encourage partnerships and promote regional efforts in economic development.

- Provide training and consultation services to local governments and nonprofit organizations engaged in economic development.

Strategic Objective 1.2: Diversify the Economic Base

- Encourage the establishment and development of workforce training programs, entrepreneurial support, and export activities, and the promotion of technological advances and technology-related businesses and services.

- Expand efforts to modernize and strengthen existing businesses.

- Develop new businesses that can expand the economic foundation of the Region.

- Raise awareness about economic development tools communities can use to strengthen and diversify their economic base.

Strategic Objective 1.3: Enhance Entrepreneurial Activity in the Region

- Improve access to investment capital and credit for local businesses through resources such as venture capital funds, subordinated debt funds, and micro-credit lending programs.

- Educate current and future entrepreneurs through training programs in middle schools, high schools, community colleges, and four-year colleges and universities.

- Nurture local businesses by creating technical assistance networks through business incubators, business associations, and private-sector resources.

Strategic Objective 1.4: Develop and Market Strategic Assets for Local Economies

- Identify local and regional assets for development.
- Create strategies that help existing and new local businesses capitalize on indigenous assets.
- Support efforts to maximize the economic benefits of Appalachian cultural and heritage tourism and crafts industries.

Strategic Objective 1.5: Increase the Domestic and Global Competitiveness of the Existing Economic Base

- Support research on global and domestic market opportunities.
- Support technical assistance and ongoing business consultation to help medium and small businesses connect to national and international markets.
- Support foreign direct investment in Appalachia.

Strategic Objective 1.6: Foster the Development and Use of Innovative Technologies

- Assist in the creation of telecommunications and computing enterprises.
- Provide assistance for expanding existing high-technology operations in the Region.
- Promote partnerships with, and leverage research opportunities generated by, government-sponsored and private-sector research labs.
- Expand and create technology research initiatives in the Region's colleges and universities.
- Increase support for public-sector science and technology programs.
- Support the commercialization of new technologies developed by federal labs, universities, and other sources.

Strategic Objective 1.7: Capitalize on the Economic Potential of the ADHS

- Support local and regional economic and community-development initiatives that effectively use completed sections of the ADHS.
- Encourage strategic planning to help direct and select appropriate development along future segments of the system.
- Promote cooperative projects and programs between economic development officials and highway officials.

Strategic Objective 1.8: Encourage Sustainable Economic Use of Natural Resources

- Support economically sustainable uses for Appalachia's natural and environmental assets, including its forests and wood products, water features and watersheds, agricultural resources and local food systems, and scenic viewsheds.

- Promote activities and initiatives that effectively use walking, cycling, and other outdoor recreation trails for local economic benefit.

- Encourage research on natural resources that can make a vital contribution to sustainable economic growth in the Appalachian Region.

Strategic Objective 1.9: Encourage Investments in Energy Projects that Create Jobs

- Promote energy efficiency in Appalachia to enhance the Region's economic competitiveness.

- Increase the use of renewable energy resources in Appalachia, including wind, solar, geothermal, and biomass, to produce alternative transportation fuels, electricity, and heat.

- Support the development of conventional energy resources in Appalachia, especially advanced clean coal, to produce alternative transportation fuels, electricity, and heat.

Goal 2—People–Strategies

Strategic Objective 2.1: Develop Leaders and Strengthen Community Capacity

- Establish and maintain collaborative relationships between training institutions and businesses to improve workforce readiness.

- Strengthen school-based civic education through service learning and youth community-development efforts.

- Support greater involvement of young people in community activities such as tutoring, peer mediation, and serving on advisory boards.

- Promote community-based dialogue and management of critical local health issues.

- Encourage broad-based, diverse participation in leadership and community capacity building.

Strategic Objective 2.2: Enhance Workforce Skills through Training and Education

- Support the expansion and modernization of workforce training and education programs in strategic industry sectors.

- Encourage workforce development that supports green jobs in the fields of energy efficiency and conservation, environmental remediation, and alternative energy development.

- Partner with community colleges, technical schools, and universities to support strategic workforce development initiatives.

Strategic Objective 2.3: Increase Access to Quality Child Care and Early Childhood Education

- Support local and regional efforts to increase access to early childhood education programs.

- Promote efforts that increase access to quality child care to support workforce recruitment and retention.

Strategic Objective 2.4: Increase Educational Attainment and Achievement

- Support local and regional efforts to better prepare students, out-of-school youths, and adults for post-secondary-level training.
- Maintain support for and seek expansion of the Appalachian Higher Education Network and other partnerships that increase college-going and college-completion rates.
- Support dropout prevention programs.

Strategic Objective 2.5: Expand Community-Based Wellness and Disease-Prevention Efforts

- Use best practices in public health to develop targeted approaches to wellness and disease prevention.
- Support partnerships that educate children and families about basic health risks and encourage lifelong healthy behaviors.
- Enhance community efforts to improve health-delivery services, especially in communities facing high rates of chronic disease.

Strategic Objective 2.6: Increase the Availability of Affordable, High-Quality Health Care

- Expand the Region's supply of quality health-care professionals by attracting new practitioners and offering training and education for members of the health-care workforce.
- Improve facilities and infrastructure to support the provision of high-quality clinical care in underserved areas.
- Use technology to reduce the high cost of health-care services.
- Offer short-term support for sustainable clinical services among underserved populations, especially those in Health Professional Shortage Areas.
- Improve access to health care for underserved populations.

Goal 3—Infrastucture–Strategies

Strategic Objective 3.1: Develop Leaders and Strengthen Community Capacity

- Build the organizational capacity required to meet increasing demands related to technology, environmental standards, and changing revenue sources.
- Provide training, consultation, and financial support for local leaders and organizations to build their capacity to address infrastructure challenges.
- Support partnerships and regional efforts among local and state governments, nonprofit agencies, and citizens engaged in infrastructure development.

- Encourage water and sewer infrastructure development through self-help projects that use the skills and commitment of local communities.

- Support strategic planning initiatives for local organizations and agencies to capitalize on economic development opportunities created by the Appalachian Development Highway System.

Strategic Objective 3.2: Build and Enhance Basic Infrastructure

- Make strategic investments that leverage federal, state, private, and local capital for the construction or improvement of basic public infrastructure that supports economic development or addresses a public health concern.

- Encourage planning, design, coordination, and construction practices that improve the energy efficiency of infrastructure investments.

- Support continued efforts to maintain and expand the Region's stock of safe, affordable housing.

Strategic Objective 3.3: Increase Access to and Use of Telecommunications Technology

- Make strategic investments in high-speed telecommunications infrastructure to increase local and regional connectivity and affordability.

- Encourage the use of telecommunications applications in education, health care, business, and government initiatives.

- Provide assistance for telecommunications development that coincides with other public infrastructure development.

Strategic Objective 3.4: Preserve and Enhance Environmental Assets

- Raise awareness of and leverage support for the reclamation and redevelopment of brownfields and mine-impacted communities.

- Encourage eco-industrial development that can responsibly take advantage of the Region's natural-resource assets.

- Support regional planning and economic development that promote good stewardship of the Region's natural resources.

- Promote efforts to protect and enhance the quality of surface and ground water.

Strategic Objective 3.5: Promote the Development of an Intermodal Transportation Network

- Encourage the planning and development of infrastructure that enhances economic development opportunities presented by intermodalism.

- Construct access roads that link economic development opportunities to the Appalachian Development Highway System corridors and other transportation networks.

Goal 4—Highways–Strategies

Strategic Objective 4.1: Develop Leaders and Strengthen Community Capacity

- Encourage local and multi-jurisdictional forums to strengthen communication, awareness, and mutual understanding in support of continued ADHS development.

- Support collaboration and coordination between transportation and economic development interests to strengthen access to domestic and international markets and to maximize economic and employment benefits to the Region.

Strategic Objective 4.2: Promote the Successful Development of the ADHS

- Work with federal and state departments of transportation to identify and overcome barriers to the development of ADHS sections in the location-study phase.

- Assist federal and state departments of transportation in solving design problems and moving ADHS sections to the construction phase.

- Promote a development approach for the ADHS that preserves the cultural and natural resources of the Region while enhancing economic opportunity.

Strategic Objective 4.3: Improve Planning to Enhance Multi-Jurisdictional Coordination and Efficiency

- Promote improved coordination of technical information, funding disbursements, and construction scheduling to facilitate the construction of ADHS highway state-line crossings.

- Support opportunities to expand public-private coordination to increase the availability of capital investments and improve the transportation capacity of the Region.

Strategic Objective 4.4: Encourage Intermodal Coordination

- Develop the ADHS as the foundation for a coordinated and balanced intermodal transportation system that maximizes the Region's access to domestic and international markets.

- Encourage the development of key regional transportation corridors (highway, rail, and waterway) that link intermodal inland ports with key coastal ports to strengthen domestic and global access and enhance the competitiveness of Appalachian businesses.

Strategic Objective 4.5: Enhance the Energy Efficiency of the Transportation System

- Encourage planning, design, coordination, and construction practices that improve overall energy efficiency in the movement of Appalachian travelers and cargo.

- Support the development and application of advanced transportation technologies that reduce energy consumption and help ensure the competitiveness of the Region's businesses.

Strategic Objective 4.6: Develop a Transportation System that Enhances and Preserves the Region's Environmental Quality

- Encourage planning, coordination, and cooperation to achieve a reliable, safe, and cost-efficient transportation system that can both contribute to the Region's economic success and help protect its environmental quality.

- Promote the use of technologies that reduce the environmental impact of moving Appalachia's travelers and cargo.

Section 3—Matching

In general, the Commission expects a recipient of an ARC grant to contribute its own resources to a project to the extent it is able to do so and to seek additional non-ARC funding assistance in a diligent manner.

The Appalachian Regional Development Act imposes matching requirements on ARC grants as described below. In addition to these statutory match requirements, however, the individual Appalachian States set forth in their Annual Strategy Statements their own cost-sharing and matching requirements, which may be more restrictive than the statutory limits in a particular instance.

3.1 ARDA Matching Requirements–General

a. Generally, ARC grants are limited to 50% of project costs.

b. For projects in ARC-designated distressed counties, this limit can be raised to 80%.

c. For projects in ARC-designated at-risk counties, this limit can be raised to 70%.

d. For projects located in ARC-designated competitive counties (those that are approaching national economic norms), funding is usually limited to 30% of project costs

e. ARC funding is usually not available for projects located in ARC-designated attainment counties (those that have attained or exceeded national economic norms).

3.2 ARDA Requirements–Miscellaneous

a. LDD administrative grants may be funded at 50%, wherever the LDD is physically located, except that a state may request that the ARC participation be raised to as much as 75% for an LDD that includes a distressed county or counties within its service area and 70% for an LDD that includes an at-risk county or counties within its service area.

b. Funding for work on the Appalachian Development Highway System is allowed at 80%, wherever the project is located.

c. Funding for an access road project is allowed at 80% in distressed, at-risk and transitional counties. Funding is limited to 30% in competitive counties and is prohibited in attainment counties.

d. Similarly, loans from an ARC Revolving Loan Fund (RLF) are restricted by the limit applicable to the county in which the project for which the loan is requested is located. (This rule does not apply to loans made with ARC RLF funds approved prior to November 13, 1998. Loans using such funds are restricted in accordance with the terms of the grant agreements under which they were made available.)

e. If otherwise eligible for funding, projects involving construction assistance for housing under Section 207 of the ARDA (40 U.S.C. 14503) cannot exceed 10% of total project costs regardless of location.

f. Health operations continuation projects under Section 202 of the ARDA (40 U.S.C. 14502) are limited to 75% of project costs after the second year of operations, even in distressed counties.

3.3 ARDA–Waiver of Restrictions on Projects in Economically Strong Counties

The restrictions on projects in competitive and attainment counties may be waived by the Commission upon a showing of (1) the existence of a significant pocket of distress in the part of the county in which the project is carried out or (2) the existence of a significant potential benefit from the project in one or more areas of the region outside the designated economically strong county in which the project is carried out. Waiver requests are made by the State Alternate representing the potential grantee, and such requests must be approved by the Federal Co-Chairman and State Alternates.

3.4 Multi-County Projects

Special matching rules apply to projects that are carried out in more than one county.

a. If there is a distressed county in a project:
   1. and at least half the counties are distressed, the project may be funded at up to 80% of project costs;
   2. and at least half the counties are in some combination of distressed and at-risk, ARC assistance can be the higher of 70% of project costs or the average percentage applicable to the various counties in the project; and
   3. but fewer than half the counties are distressed, ARC assistance can be the higher of 50% of project costs or the average percentage applicable to the various counties in the project.

b. If there is no competitive county or attainment county in a project, and at least half the counties are at-risk, the project may be funded at up to 70% of project costs.

c. All other projects shall be funded at the average percentage applicable to the various counties in the project; except that the portion of a project, which is attributable to an attainment county in a project not including a distressed county, shall be considered ineligible for ARC assistance and may not be considered for matching purposes.

3.5 Discretionary Grant Authority

A limited amount of discretionary authority is made available to the Commission under Section 302 of the ARDA (40 U.S.C. 14321). Annually, the Commission allocates this authority to the Co-Chairmen's Committee and among the Appalachian States. The authority can be used to raise the statutory limits on ARC funding in projects implementing special regional initiatives approved by the Commission. It can also be used, with the approval of the Co-Chairmen's Committee, in instances of emergency economic distress. The discretionary authority, however,

cannot be used to eliminate the funding restrictions on projects in competitive and attainment counties.

Section 4—Miscellaneous Requirements

4.1 The ARC Code (Section 8-4) also specifically restricts the use of ARC funds for:

1. any form of assistance to a relocating industry or business (Section 224(b) of ARDA);

2. recruitment activities that place a state in competition with another state or states; and

3. projects that promote unfair competition between businesses within the same immediate service area.

4.2 The Code (Section 8-1 b) allows an ARC grant involving significant construction to be directly administered by the Commission only if the project will be managed by a Federal or State entity experienced in the management of federally funded construction projects.

4.3 The same Code section also prohibits grants made directly to a for-profit entity.

4.4 Generally, assistance for an operations project is not available beyond three years after the effective date, except that a state may request additional funding for such a project pursuant to Section 303 of the ARDA (40 U.S.C. 14322).

4.5 Commission approval of a project for construction, renovation or equipment must take place prior to the letting of any contract. Except for a project under Section 201 of the ARDA (40 U.S.C. 14501) or as otherwise prohibited by law, a State may waive this requirement at its option upon a finding that conditions warrant such action. A State that waives this requirement shall immediately notify ARC of such waiver.

4.6 At the request of a state, the Commission may revoke or revise its approval of any project pursuant to Section 303 of the ARDA (40 U.S.C. 14322) (excluding projects under Section 201 (40 U.S.C. 14501)) if the work intended to be assisted is not under way within 18 months after the date of approval of such project.

Section 5—Project Applications

To assist the Commission with the project evaluations required by the ARDA and the Code, all applications for ARC assistance should provide the following information and explanations:

1. Identification and description of grantee.

2. Identification and description of the area to be served by the project.

3. A brief statement of the objective of the project and an explanation of its relationship to one or more of the Commission's Strategic Goals.

4. A description of the project rationale, including a description of the needs and specific problems to be addressed by the project and a demonstration of the need for ARC financial assistance, including reasonable assurances that the project makes use of all available federal and non-federal funds. An application for an ARC-assisted construction

project should include a discussion of any efforts that may have been made to improve the energy efficiency of the project.

5. A detailed description of the work to be undertaken with grant and matching funds with pertinent budget information. Matching funds should be identified by amount and source with evidence of assurance that such funds are available. The application shall also provide reasonable assurance that there is management capability to carry out the project effectively.

6. A description of the output and outcome benefits to be derived from the project with particular emphasis on the extent to which the benefits to the area being served by the project will be realized on a continuing rather than a temporary basis. Benchmarks and performance measures shall be identified for each ARC-assisted project using the following definitions:

    a. Output measures are indicators that count the goods and services produced by an individual or agency.

    b. Efficiency measures are indicators that measure the unit cost associated with a given output.

    c. Outcome measures are indicators that measure the actual impact of public benefit of the actions of an individual or agency.

Section 6—Local Access Roads

6.1 Authority

ARDA. The construction of local access roads in the Appalachian Region is authorized under Section 201 of the Appalachian Regional Development Act of 1965, as amended (ARDA) (40 U.S.C. 14501). The ARDA authorizes the construction of up to 1,400 miles of local access roads that will serve recreational, residential, educational, commercial, or industrial sites, or facilitate a school consolidation program. ARDA Section 201 access road projects must be approved by the Commission, the State Department of Transportation and the Federal Highway Administration. Projects are usually administered by the State Department of Transportation.

SAFETEA-LU. Funds authorized for the Appalachian Development Highway System (ADHS) program under Section 1101 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy For Users may be used to construct Appalachian access roads (SAFETEA-LU, Public Law 109-59, Section 1116).

Section 214. A State may also use a portion of its ARC Area Development allocation to fund an access road project under Section 214 of the ARDA (40 U.S.C. 14507). Such a project must be authorized under another Federal grant program and will be administered by the basic Federal agency (HUD, EDA or Agriculture) having responsibility for such grant program. Project criteria and matching limits for ARC Section 214 projects are discussed in the ARC Project Guidelines.

6.2 Funding and Match.

The ARC Code allows Appalachian States to apply a portion of their ADHS funds to access road projects (Section 9.5.c). Annually, each State may use $500,000 plus an additional 5% of its

ADHS allocation for access road projects, provided the total amount does not exceed $1 million. Access road authority is not cumulative, but must be approved by ARC during the year of availability.

The maximum Federal participation in an Appalachian access road project is 80% in ARC Distressed and Transitional counties. Funding is limited to 30% of project costs in ARC Competitive counties and is prohibited in ARC Attainment counties.

6.3 Standards.

Section 201 of the ARDA requires Appalachian access road projects to be designed, constructed and maintained in accordance with the provisions of Title 23 of the U.S. Code. Section 109 of Title 23 allows road projects, such as access roads, that are not on the National Highway System, to be designed and constructed in accordance with State standards. ARC access roads are to be designed to accommodate the types and volumes of traffic that are anticipated for the 20-year period following construction.

6.4 Specific Project Criteria.

Section 9.6.b of the ARC Code provides criteria for specific types of ARC access roads:

Industrial, Commercial and Service Areas. Projects serving such areas must provide significant employment opportunities or otherwise meet the criteria set forth in an approved State Strategy Statement. A program for stimulating development in the area served by the project must be in existence, or specifically planned and funded. Such programs shall make provisions for necessary utilities, and shall be compatible with other development plans for the area.

Residential Developments. Projects may be approved to provide access to sites required to satisfy demonstrated needs for permanent housing.

Recreation Areas. Projects serving a recreational development must have a significant impact on the local economy. A program for stimulating development in the area served by the project must be in existence, or specifically planned and funded.

Educational Areas. Projects serving school consolidations or other educational activities shall be designed, wherever possible, to serve additional developmental objectives.

Timber Areas. Projects may be approved to facilitate the harvesting of timber lands which have significant commercial value. Priority shall be given to projects that complement other developmental activities serving the same areas.

6.5 Eligible Activities.

ARC local access road projects may provide funding for preliminary engineering, purchase of rights-of-way and construction. ARC funds are available for initial construction of local access roads but not for resurfacing, rehabilitation, upgrading or safety improvements on previously constructed ARC access roads. Eligibility of specific costs items are governed by the appropriate Federal-aid and State regulations for engineering, right-of-way and construction, including regulations pertaining to utility adjustments and accommodation.

6.6 Project Applications.

In addition to the information required by Section 5 of the ARC Project Guidelines, local access road project applications must include a certification by the State Department of Transportation that the project has been, or will be, included in the statewide transportation improvement program (STIP), that it meets state design criteria and that funds and obligation authority necessary for the project will be made available from the State's ADHS account for the project. The application should also include a description of the project including the roadway typical section(s), length to the nearest hundredth of a mile, pavement structure, and applicable design criteria, as well as a schedule for the completion of important project components.

Section 7—Regional Skills Partnerships

7.1 ARDA Authority

Section 205. Assistance to regional skills partnerships in the Appalachian Region in order to improve the job skills of Appalachian workers for a specified industry is authorized by Section 205 of the Appalachian Regional Development Act of 1965, as amended (ARDA) (40 U.S.C. 14506). Section 205 grants are made and administered directly by the Commission. Section 205 contains eligibility criteria for grantees and projects that are summarized in these guidelines.

Other Authorities for ARC Job-Training and Skills Development Projects. A State may also use a portion of its ARC Area Development allocation to fund job-training and skills development projects under Sections 214 and 302 of the ARDA. (40 U.S.C. 14507 and 14321)

A project under Section 214 must be authorized under another Federal grant program and will be administered by the basic Federal agency having responsibility for such grant program. The Carl D. Perkins Vocational and Technical Education Act of 1998, administered by the Department of Education, is mentioned specifically in Section 214, but other Federal grant programs for such assistance may also be available for ARC project funding. Project criteria and matching limits for ARC Section 214 projects are discussed elsewhere in these Guidelines.

Grants for such projects under Section 302 are made and administered directly by the Commission and are not subject to the eligibility restrictions of Section 205 grants

7.2 Eligible Entities.

Section 205 funding is available only to a consortium established to serve one or more industries in a specified geographic area of the Region, which consists of representatives of businesses or a nonprofit organization that represents businesses, labor organizations, State and local governments, or educational institutions.

7.3 Eligible Activities.

In general, Section 205 funding is available for any project that is intended to improve the job skills of workers for a specified industry in a specified geographic area of Appalachia. The ARDA includes as eligible for funding under Section 205 the following types of projects; other types of projects, however, that meet the general eligibility criteria may also be considered for funding: (1) assessments of training and job skill needs for an industry; (2) development of curricula and training methods, including electronic learning or technology-based training; (3)

identification of training providers and the development of partnerships between the industry and educational institutions, including community colleges; (4) development of apprenticeship programs; (5) development of training programs for workers, including dislocated workers; and (6) development of training plans for businesses.

7.4 Restriction on Administrative Costs.

A grantee consortium under a Section 205 grant may not use more than 10% of the grant funds to pay the administrative costs associated with its project. Administrative costs, however, may be used to supply the grantee's cost share obligations for its grant.

7.5 Project Applications.

In addition to the information required by Section 5 of the ARC Project Guidelines, regional skills partnership project applications must include a description of the consortium that is applying for the grant indicating the geographic area and the industry or industries it serves along with a listing of its members and their business or organizational affiliations. The project application must also indicate the specific industry for which it is designed to improve workers skills. Evaluation measures keyed to jobs created or preserved by the project must be included.

Appendix A—Policy Statements

Policy for the Development of the Travel and Tourism Industry

The Appalachian Regional Commission (ARC) recognizes the development of the travel and tourism industry as an important component of the Commission's strategy to improve the economic health of the Appalachian Region.

ARC will support activities as they relate to the travel and tourism industry in the context of an overall development strategy - such as:

1. Planning and research
2. Training and technical assistance
3. Education and capacity building
4. Marketing and promotional efforts

Infrastructure projects related to the travel and tourism industry will be reviewed using the same criteria as that used for all other economic development projects. Proposals to use ARC funds for capital investments in this sector, including construction and acquisition, are not prohibited but will be reviewed stringently. In particular, such projects must be an integral part of a strategic plan for the community and/or region and must meet the highest standards of a cost-benefit analysis as to economic outcomes.

All local and regional proposals for travel- and tourism-related funds should be discussed with the States at the earliest possible state of development.

Policy for the Use of ARC Export Funds for Trade Events

ARC funds *may not* be used to support travel for persons acting in the capacity of private business people.

ARC funds *may* be used for trade events overseas as noted below:

1. Travel support for one public sector representative per ARC state
2. Translation of materials to be used at the event and general translation services at the event
3. Shipping materials to the event
4. Exhibit space and registration fees for the event for private businesses
5. Incidental services for the event

ARC funds should be used for value-added export promotion projects within the Appalachian portion of each state and should not be used to replace state funds in on-going state projects or programs. ARC-funded activities should be part of a comprehensive marketing effort.

Policy for Residential Infrastructure Projects

The Commission will provide grants for basic residential infrastructure projects only for communities in ARC designated distressed counties except that such assistance may be provided in a transitional county upon a special showing of compelling need such as the location of the project in a distressed area of the county or as disaster relief or to address a mandate of the

Federal EPA or a state health or environmental agency. Self-help projects for basic residential infrastructure may also be funded in transitional counties.

Appendix B—Regional Initiative Guidelines

General Provisions

Implementation of the four regional initiatives in leadership and civic development, export development, telecommunications, and entrepreneurship marks a new path for Federal-State collaboration at the Commission. The Commission has established a regional goal for each of the initiatives, and the States have developed their own strategies for achieving these goals. The States shall have maximum flexibility in crafting projects that address the initiatives in a meaningful and systemic fashion. To assure that the goals of the initiatives are met, the Commission shall assess the progress of the States' efforts.

Specific guidelines for each of these regional initiatives follow these general provisions.

Program Review and Evaluation. The Commission staff, with the cooperation and assistance of the States, has inventoried relevant past, ongoing, and nascent program efforts in each State. The reviews provided a programmatic baseline from which each State developed objectives for each of the initiatives and strategies for accomplishing them. Each Governor submitted to the Commission a statement (Strategy Statement) outlining the State's objectives and strategies.

The Executive Director continues to work with the States to ensure that their objectives and implementation strategies are supportive of the Commission's goals, and he shall use the Governors' Strategy Statements to establish benchmarks for measuring progress in the future. The Governors shall review their Strategy Statements on an annual basis and amend them as necessary.

The Commission staff, with the assistance of the States, shall prepare an annual report that gauges the progress made in each of the initiatives. The report will be presented at the Governors' Quorum meeting, and this annual review will also be an opportunity to showcase best practices and highlight successful model projects.

Project Review. A state shall include with each project submission a statement explaining how the proposed project implements the State's strategy, achieves the State's objectives, and advances the regional goals. The Commission shall use these three criteria as the primary basis for evaluating projects.

States may submit projects for any of the regional initiatives. States should document activities for the regional initiatives funded by other sources.

Project Application Requirements.

1. Eligible Applicants: Community-based organizations, public and private non-profit organizations, educational institutions, Local Development Districts (LDDs), local and state governments. Funding may not be used for sectarian purposes.

2. Service Area: An applicant organization must either be located in Appalachia, or limit its proposal exclusively to the Appalachian Region. Appalachia is defined by the Appalachian Regional Development Act of 1965, as amended to include certain counties in Alabama, Georgia, Kentucky, Maryland, Mississippi, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Virginia, and all of West Virginia.

3. Proposals shall be developed in concert with directions from the ARC Alternate of the Appalachian State in which the project is located. In the case of a multistate proposal, the affected States shall decide among themselves which State will have the primary responsibility for submission of the proposal and general program administration. Multistate proposals must contain Governor's letters of endorsement from all States involved in the project.

4. Interested organizations must submit an original and two copies (one copy to be retained by the state) of the proposal to the State Alternate for review.

5. Proposals submitted under this initiative must include:

    a. an explanation of how the project conforms to the State's strategy for implementing the regional initiative, how it would further the objectives of the State and advances the regional goals;

    b. a description of the relationship of the proposed project to other relevant efforts of organizations operating in the same service area;

    c. letters of support from each agency or organization participating in program implementation and affirming its financial commitment in services and/or cash;

    d. an explanation of how the proposed project would fill a void in current services or needed programs; and

    e. definition of the benchmarks to be used in evaluating the outcomes of the proposed project.

Area Development Transfers. A State may transfer funds from its area development or distressed counties allocations to supplement other distributions it receives for regional initiative projects. Funds so transferred will be subject to the requirements applicable to the regional initiatives. Funds transferred from a distressed counties allocation must be applied to projects in, or serving, an ARC designated distressed county or counties.

Energy Efficiency Construction. Amounts available in a State's Regional Initiative allocation may be applied to any ARC-assisted construction project to support elements of the project that improve its energy efficiency.

Leadership and Civic Development Project Guidelines

Each member State of the Commission may have additional guidelines and criteria that applicants must address. All applicants are advised to work closely with their State ARC office in the development of proposals.

Background and Goals. Across rural America, examples may be found of small but growing communities that are overcoming the obstacles of isolation, scarce resources, and the many other challenges to economic and social development that face nonmetropolitan areas. In nearly every case, the impetus behind these successful communities is an informed and involved public. For communities such as Tupelo, Mississippi, and Ivanhoe, Virginia, an appreciation of the importance of everyone working together, from the grass roots to the highest public- and private-sector leaders, to accomplish community goals, has been critical in achieving sustainable growth. While no two communities follow identical development paths, the successful ones clearly demonstrate the value of teamwork to deal with their local problems. Critical to a community's ability to do this are widespread and effective leadership, broad-based community-based organizations (CBOS), and productive collaboration between CBOS and public- and private-sector leaders.

Therefore, the ARC has established as a regional goal:

> *The people of Appalachia will have the leadership and organizational capacity to work together for their economic and community development.*

To achieve this goal, the Commission is undertaking a regional initiative on leadership and civic development. The Commission intends to focus assistance on improving the ability of Appalachian communities to learn from examples of civic commitment, and giving them the opportunity to devise their own ways of raising their capacity to work cooperatively to address local concerns.

Eligible Activities. Eligible activities include leadership and organizational development and training, technical assistance, start-up operational expenses, small-scale community development projects, and resource development and coordination activities. Specific examples include, but are not limited to, the following:

- Scholarships for enrollment in leadership and organizational development programs, including tuition, necessary supplies, materials, and travel.
- Customized technical assistance for leadership or organizational training, especially for applicants that have participated in recognized leadership and organizational training programs.
- Efforts by intermediaries to develop and support grassroots and self-help organizations.
- Small-scale community development projects that:
  a. develop leadership;
  b. encourage the formation of community-based groups;
  c. utilize self-help approaches;
  d. foster collaboration between community-based groups, which had previously acted independently; and/or

e. foster collaboration between community-based groups and local public- and private-sector leaders.

- Assistance for resource development and coordination activities to share best practices, enhance grant-writing skills, and/or improve networking between local groups in the community and other community development assistance organizations.
- Development of a leadership, facilitation, or collaboration training program, preferably by a private nonprofit group, where there is an identified lack of such a program.
- Community-wide strategic planning activities modeled on the Initiative on Empowerment Zones and Enterprise Communities or other successful processes, which are based on inclusion, collaboration, and a recognition of common goals.

Internationalization of the Appalachian Economy Project Guidelines

Each member State of the Commission may have additional guidelines and criteria that applicants must address. All applicants are advised to work closely with their state ARC office in the development of proposals.

Background and Goals. One of the key strategies for the economic development of Appalachia is to stimulate export activity of the Region's small and medium-sized enterprises (SMEs). Significant benefits to the Region may be gained by increasing the number of firms involved in export trade, the number of jobs associated with export trade, and the amount of international sales of manufactured goods and services.

Therefore, the ARC has established as a regional goal:

> *Small and medium-sized businesses throughout Appalachia will have the commitment and capability to participate in the global market.*

To achieve this goal, the ARC is undertaking a regional initiative to promote the internationalization of the Appalachian economy. The Commission intends to assist the expansion of appropriate export services and activity in the Appalachian areas of the 13 Appalachian states, to encourage states to develop strategic trade development plans, to utilize new technologies that facilitate export activity of SMEs, and to encourage public-private initiatives to provide the most cost-effective and efficient delivery of programs.

Eligible Activities. Eligible activities include those pertaining to data development, finance, technical assistance, training, and marketing. Activities should focus on increasing the number of firms exporting, expanding the number of jobs attributable to exporting, and increasing export sales.

Specific examples include, but are not limited to the following:

- Development and implementation of strategic plans to encourage export trade.
- Demonstrations of new ways of delivering export assistance services.
- Creating networks of private and public service providers to deliver more efficiently training, technical assistance, and other trade services.
- Building awareness of export potential in rural business communities.
- Identification of foreign markets for Appalachian SMEs and development of services or technical assistance to benefit from new market opportunities.
- Demonstrations of new technologies that meet the needs of new-to-exporting, export-ready and potential exporters.
- Provision of startup funding to an organization that provides direct technical assistance or other services to area industries where none exists.

Telecommunications and Technology Guidelines

Each member State of the Commission may have additional guidelines and criteria that applicants must address. All applicants are advised to work closely with their State ARC office in the development of proposals.

Background and Goal.
In November 2001, the Appalachian Regional Commission adopted the ARC Telecommunications Strategic Initiative: Information Age Appalachia Program, which contained guidelines for project activities supported by the Initiative. The ARC Program was predicated on a Regional Vision that:

> *Appalachia is a prosperous and vibrant region with full access to the tools of the Information Age and has the knowledge and capacity to use those tools to compete successfully in the 21st Century economy.*

In March 2002, Congress added this Initiative, essentially as adopted by the Commission, to the Appalachian Regional Development Act (ARDA) as Section 203 and authorized additional appropriations to carry out the Initiative in the amount of $23 million through fiscal year 2006.

In approving the Initiative, Congress noted that, while much of the Nation is experiencing the benefits of access to technology and telecommunications, Appalachia has extremely limited access to these assets. Accordingly, Congress added Section 203 to the ARDA in order to provide funds and technical assistance to increase affordable access to advanced telecommunications services, provide education and training, assist industry groups and businesses in preparing to utilize technology, and support entrepreneurial opportunities in these areas in the Region.

These Guidelines incorporate the background discussions and guiding principles contained in the Information Age Appalachia Program approved by the Commission in 2001.

Eligible Activities. These Guidelines provide general provisions and eligibility requirements for the telecommunications and technology grant program. In general, ARC Telecommunications and Technology projects should address serious gaps found in access to a modern telecommunications and technology infrastructure, especially in distressed areas of the Appalachian region. Program activities feature both region-wide and local initiatives and are based on four broad strategies adopted by the Commission and included by Congress in the approved Initiative. Multi-use strategies are highly recommended. Each activity allows maximum flexibility for the states to determine the best approach to delivering modern telecommunication systems and other technological improvements to business, education, health, and citizen groups.

(1) **Access:** *Increase affordable access to advanced telecommunications, entrepreneurship, and management technologies or applications in the region:*

Eligible activities include, but are not limited to the following: development of local community strategic telecommunications plans including assessment of local infrastructure and demand; assistance with the aggregation of local demand to make private sector investments economically feasible; the establishment of eligible entities that encourage donated networking hardware, software and other services to facilitate connectivity to rural communities in the region; and facilitation of enhanced Internet or other telecommunications services to hard-to-reach communities (referred to as last mile assistance).

(2) **Education:** *Provide education and training in the use of telecommunications and technology.*

In addition to access, the people of Appalachia must have the appropriate awareness, knowledge and training to fully understand and utilize the benefits of information technology for themselves and their children. Program activities include, but are not limited to the following:

- Upgrade the skills of teachers, create training opportunities for local leaders including the staffs of Local Development Districts (LDD), Industrial Development Authorities (IDA), and Small Business Development Centers (SBDC) and other business organizations; increase the level of Universal Service funds in distressed counties and areas and multi-county areas; develop comprehensive technology plans; and planning initiatives related to adult education and job-related technology training; distance learning (K-12 and adult) that may include traditional technologies as well as cable TV, wireless and other technologies to enhance training opportunities; and develop Community Tele-centers that create community access points available to welfare-to-work programs, adult-oriented activities, and existing state initiatives.

(3) **E-Commerce:** *Develop programs to increase the readiness of industry groups and businesses in the region to engage in electronic commerce.*

To remain competitive, Appalachia's businesses must maximize their use of the Internet and electronic commerce. For example, existing and new businesses need training in how to bring the Internet into their daily work environment, how to design strategies for marketing products over the web, and how to design plans for meeting production and shipping requirements in an Internet economy. The Initiative focuses on e-commerce readiness training for small and medium-sized enterprises to promote Internet-enabled business techniques. Program activities include, but are not limited to the following:

- Developing an inventory and assessment of the current level of telecommunications access and use within either a geographic region or industry sector; increasing the opportunity for small- and medium-sized enterprises to engage in e-commerce by seeking discounts on software and hardware necessary to launch an e-commerce business; building on the

region's sectoral strengths to ensure that e-commerce activities assist Appalachian businesses to connect with manufacturers, suppliers, buyers, and customers; promoting e-commerce readiness training to small and medium-sized enterprises to stimulate adoption of Internet-enabled business techniques.

(4) **Entrepreneurship:** *Support entrepreneurial opportunities for businesses in the information technology sector.*

Strategies for implementing this activity include supplying the region with enhanced telecommunications equipment, assisting with strategic planning for Information Technology (IT) business development through SBDCs and IDAs, fostering indigenous software and network design companies, developing IT incubators and "Smart Parks" for new businesses that provide a modern telecommunications environment that is critical to new businesses in the region; collaborating with organizations such as the Small Business Administration (SBA), the National Business Incubator Association (NBIA), state and regional organizations that use enhanced telecommunications services to support the growth of small and medium-sized businesses; and supporting small and startup enterprises through access to developmental venture capital and credit, managerial and technical assistance and training.

Strategy Statement. Each Appalachian State has submitted to the Commission a strategy for the Telecommunications Regional Initiative describing the State's proposed program in telecommunications development, including objectives and strategies. Regional initiative strategies are reconsidered and revised or renewed each year in the State's Annual Strategy Statement. Future State Development plans should also reflect the importance of the Initiative to overall State Appalachian Planning. States may have additional guidelines and criteria that applicants must address. All applicants are advised to work closely with their State ARC office in the development of proposals.

In developing strategies for the regional initiative, states are encouraged to obtain input from policy makers, state and local officials, community leaders, and telecommunications and technology development practitioners from both the public and private sectors.

The Commission staff, with assistance from the States, shall determine performance measures for the initiative consistent with procedures set by the Commission for other regional initiatives and the five goals of the Strategic Plan.

Building Entrepreneurial Economies Project Guidelines

Each member State of the Commission may have additional guidelines and criteria that applicants must address. All applicants are advised to work closely with their State ARC office in the development of proposals.

Background and Goal. The Appalachian Entrepreneurship Initiative, established by the Appalachian Regional Commission in 1997, was recognized by Congress and included among the ARC statutory programs in the Appalachian Regional Development Amendments of 2002 as Section 204 of the Appalachian Regional Development. Act. In establishing the Initiative, the Commission adopted a regional goal on entrepreneurship and delineated programmatic areas for eligible funding, which have now been further refined by Congress, as described in these Guidelines. Each Appalachian state has adopted its own strategies to implement the Initiative with specific objectives that provide the basis for reviewing the merits of proposed projects.

The ARC has established as a regional goal:

> *Appalachian communities will have the commitment and resources to assist entrepreneurs in starting and expanding local business, thus creating jobs, increasing local wealth, and strengthening local economies.*

Eligible Activities. Proposals for funding under the Entrepreneurship Initiative must be supported by a demonstration that they will contribute to the achievement of the regional initiative goal. The General Provisions for ARC Regional Initiatives will apply to the Appalachian Entrepreneurship Initiative. Business establishments that are not locally owned and are part of a larger non-locally based organization, i.e. branch plants, are ineligible for assistance under this initiative.

In general, eligible activities implementing the Initiative should build awareness of, and advocate, creating entrepreneurial economies with communities and policy makers at the state and/or local level and promote the integration of the elements of an entrepreneurial system at the state or regional level.

Specific project proposals should address gaps in any or all of the four key elements of an entrepreneurial economy identified in Appalachian Regional Development Act Amendments of 2002: entrepreneurial training and education; access to debt and equity capital; sector development strategies; and business incubator networks, as described below.

1. **Entrepreneurial Training and Education**—*to support the advancement of, and provide, entrepreneurial training and education for youths, students, and businesspersons.* Education and training institutions play a key role in stimulating entrepreneurship through the introduction of entrepreneurial content into the curriculum of primary and secondary school courses. At the secondary education level, nonprofit organizations, as well as business and trade groups, can help start and assist in developing alternative educational venues, including mentoring programs. In addition, conducting hands-on activities that expose students to entrepreneurial environments permit them to explore the tasks and challenges of enterprise development. Postsecondary educational institutions also play an important role as colleges and universities can offer more advanced educational and training courses providing managerial and technical assistance and information to entrepreneurs and those who wish to start businesses.

2. **Access to Debt and Equity Capital**—*to improve access to debt and equity capital by such means as facilitating the establishment of development venture capital funds.* Finding the initial start-up capital for a new business is often the most daunting hurdle for an entrepreneur to clear, particularly equity capitalization, but other hurdles rapidly confront the new business, including finding adequate working capital and credit for building up inventories. Other financing problems include finding seed capital for new technological innovation, loan packaging assistance and long-term debt financing for newer companies or businesses that are seeking to expand. A wide range of private and public institutions play a role in servicing these financial needs, but the role of development finance institutions is particularly important for rural regions like Appalachia, as these organizations often provide both finance and technical assistance to new and expanding small businesses.

3. **Sector Development Strategies**—*to aid communities in identifying, developing, and implementing development strategies for various sectors of the economy.* Specific regions of the United States have enjoyed enormous economic success by identifying and employing their distinctive competitive advantages in the market place. There are a number of factors that can contribute to such successes, including access to well-educated employees, proximity to customers, partnerships with research institutions, presence of financial systems that understand the specific needs of an industry, access to ports and other export services, as well as collaboration among area firms. By identifying strengths and weaknesses in the Appalachian Region, especially in the Region's most economically distressed counties and areas, communities can take an important step in realizing their economic potential. Private-sector participation and leadership are key ingredients in the success of this approach.

4. **Business Incubator Networks**—*to develop a working network of business incubators and to support entities that provide business incubator services.* Formal and informal networks of professional and trade service providers link entrepreneurs and firms to various business, technical, educational, training and information services. Such service provider networks can realize synergies in providing a *one-stop shop* for their customers, even though all the providers may not be under one roof. An entrepreneurial business incubator network can coordinate the provision of services to customers and supply specific resources including legal services and protection of intellectual property services in support of the acquisition and use of advanced technology and consultation on strategic planning, marketing and advertising. Moreover, collaboration among service providers often generates unique information resources for participants and can stimulate new types of innovations in services and new market opportunities.

The Commission also recognizes two other areas of concern for entrepreneurial development that cross cut these key elements and may be important components of ARC entrepreneurship projects:

Technical and Managerial Assistance—For a majority of entrepreneurs, the key to launching a business, as well as surviving and thriving past the first year, is the availability of technical, managerial, and financial expertise. Such business management expertise is essential for enterprise development, from early stage activities, including market feasibility studies, business planning, financial planning and packaging, to on-going marketing, accounting, procurement advice, export assistance, and management and legal capability. Such services, as well as other more specialized assistance, are available from a wide range of private- and public-sector providers, including business

consultants, business incubators, colleges and universities, financial institutions, small business development centers, and economic development agencies. However, anecdotal evidence suggests that the availability of these services range from fragmented at best to nearly unavailable.

Technology Transfer—Technological innovation by new and existing businesses often lies at the heart of enterprise development and brings with it a host of problems that may confound success unless they can be solved in an efficient and timely manner. The technological assistance required by businesses includes a wide range of services, such as engineering services for product development and manufacturing process design; technology transfer programs to promote commercialization of technologies from universities, public laboratories, or large firms; innovation seed grants; research and development financing; patent and licensing assistance; and technology-based incubators. This assistance is very fragmented throughout the Region and highly geographically concentrated.

Strategy Statement. Each Appalachian State has submitted to the Commission a strategy for the Entrepreneurship Regional Initiative describing the State's proposed program in entrepreneurial development, including objectives and strategies. Regional initiative strategies are reconsidered and revised or renewed each year in the State's Annual Strategy Statement. Future State Development plans should also reflect the importance of the Initiative to overall State Appalachian Planning. States may have additional guidelines and criteria that applicants must address. All applicants are advised to work closely with their State ARC office in the development of proposals.

In developing strategies for the regional initiative states are encouraged to obtain input from and participation of policy makers, state and local officials, appropriate private sector representatives, community leaders, and development practitioners.

The Commission staff, with assistance from the States, shall determine performance measures for the initiative consistent with procedures set by the Commission for the first three regional initiatives and the five goals of the Strategic Plan.

Asset Based Development Guidelines

Identifying the strengths found in Appalachia, and leveraging these strengths into economic opportunity, is one way to increase revenue and create jobs. To focus the attention of the Region's public, private, and non-profit leaders on Asset Based Development strategies, and to increase the chances of the success of these activities, ARC will undertake a broad scope of work to identify best practice, forge linkages with institutional partners, provide technical assistance to communities, and finance asset based development efforts. ARC will support projects that demonstrate potential for generating new revenue streams and creating jobs for Appalachian communities.

Asset based economic development is one of several possible strategies for achieving the Commission's Strategic Goals and for addressing the economic restructuring taking place across the Region. It is a strategy that complements other economic development strategies being employed throughout the Region. Asset based development can be defined as a strategy that builds on existing resources—natural, cultural, structural and leadership—to create valued products and services that can be sustained for local benefit. This strategy involves developing the Region's assets and identifying new and creative uses for perceived liabilities in order to generate revenue and create jobs. Communities can inventory cultural, natural, structural and leadership/community resources and develop strategies that utilize strengths and transform liabilities. The key is to identify the potential within a community and maximize its impact, developing new revenue streams by turning perceived liabilities into strengths, or developing untapped natural and cultural resources into desired products and services.

Asset based development focuses on enhancing the assets in the region. Successful strategies not only have positive economic impacts, like new jobs and businesses, but strengthen the assets themselves – be they forests, rivers, downtowns or renovated Brownfield facilities—to ensure sustained, long term impact in a community. Asset based economic development is not a quick fix or a panacea for the Region. However, it can be part of a comprehensive solution for sustainable community and economic development.

Some examples of successful Asset Based Development include:

> Aquaculture. In 1999 the Mingo County Redevelopment Authority built a fish hatchery for the salmon-like Artic Char, using water from an abandoned section of the Mingo Logan Coal Mine in a distressed county. The mining companies donated $150,000 of in-kind contributions, matched by funds from the State of West Virginia and USDA. The hatchery was stocked with 188,000 eggs in 2000, using the market-proven Char as inventory. These facilities shipped 300,000 pounds of Char in 2003 and increased that to 400,000 pounds in 2004.
>
> Shut-in Natural Gas Wells or Stripper Wells. Gas wells that once produced a significant amount of natural gas frequently lay dormant throughout the region. These wells don't produce natural gas at a volume sufficient to go through large scale transmission lines, but do produce enough natural gas to fuel businesses. The Conservation Fund worked to harvest the resources of four such wells in Upshur County in West Virginia as a part of a pilot project. To date, these wells are being utilized to fuel a greenhouse which is now producing vegetables and herbs, and generating revenue year round with a free energy and water supply.

Gateway Communities. The Blue Ridge Mountains and the Great Smoky Mountain National Park are assets unique to the Appalachian Region. Communities as diverse as Asheville in North Carolina and Etowah in Tennessee have leveraged the beauty of this region, and the public spaces and parks, for their benefit. Annually, more than six million visitors make Asheville their destination of choice. Some come for the highly touted arts and crafts of the region (the oldest craft guild in the nation got its start here in 1898). Some are attracted by the eclectic downtown which boasts fine restaurants, an assortment of shopping opportunities, and Art Deco architecture. Others are attracted by the myriad of outdoor activities such as hiking in the nearby national forests, whitewater rafting, fishing, driving down the Blue Ridge Parkway, or learning about the native Cherokee. Asheville is truly the gateway to the Smokies. And in Etowah, the community has renovated a historic railway depot and abandoned rail line, and now provides tourist excursions deep into the lush mountains. Etowah is also adjacent to the Ocoee River, renown for its whitewater rafting and home to a US Forest Service managed Olympic venue for whitewater racing (which is also open to the public).

Cultural and Heritage Tourism. Berea, Kentucky has a long-established reputation as the Folk Arts and Crafts Capital of the State. Its tradition began in the late 19th century when Berea College started a crafts production program to help students pay for their education. In 2003, the Kentucky Artisan Center opened to encourage visitors to learn more about the Commonwealth's crafts. The Center features local artists through retail displays of their work. Music, books, specialty food products, visual arts and crafts, and other handmade objects by Kentucky artisans are presented. In addition, the Kentucky Artisan Heritage Trails showcases interesting places, exciting events, wonderful food throughout eastern Kentucky. Over 170 businesses participate in the Trails program, and more then 70 new cultural-heritage businesses have opened in the region. And in August 2004, the winding 200 mile stretch from Galax to Clintwood was dubbed Virginia's Heritage Music Trail. Planners of "The Crooked Road" anticipate that within three years, the trail will be a nationally recognized heritage tourism destination and that within four years, the trail will generate triple the current revenues from tourism.

Brownfields. In Titusville, Pennsylvania the site of the former Cyclops (Cytemp) Steel Company was gifted to the Titusville Redevelopment Authority when the company closed in 1998. The site has been developed into a world class industrial park. One element of the redevelopment plan included improvements to a building to house a 100,000 square foot industrial business incubator that provided a common shipping and receiving area with access to cranes, forklift trucks, loading docs with different height bays and freight car loading services for rail transport.

Asset Based Development - Eligible Activities

As we identify the advantages of our Region, four broad opportunities for development become apparent: leveraging our Cultural Assets, our Natural Assets, our Structural Assets, and our Leadership/Community Assets. Each of these assets offer unique avenues for crafting new enterprise and injecting vitality into Appalachian communities. ARC's Regional Initiative on Asset Based Development will support strategies that leverage these assets, including, but not limited to:

- Cultural Assets. Building creative economies by capitalizing on traditional arts, culture, and heritage, supporting local entrepreneurs, and attracting visitors. These strategies include the creation of heritage trails, the development of apprenticeship programs, using

web-based or traditional retail venues to market products, as well as showcasing the Region's music and narrative traditions.

- Natural Assets. Opening the beauty of the mountains and rivers by leveraging unique ecological assets and the gateway communities leading there, including white water, fishing, camping trails and rock climbing. Enhancing natural advantage by adding value to the farm by processing specialty food items, fish farming and transitioning to organic products. Getting the most from the Region's unique and productive hardwood forests by maximizing sustainable timber harvesting and value added processing.
- Structural Assets. Just as we leverage our Region's natural and cultural assets, we can also turn our community liabilities into opportunities, focusing on such strategies as Brownfield redevelopment, adaptive reuse, and downtown redevelopment. Converting overlooked and underused facilities into industrial parks, business incubators, or educational facilities have shown positive results across Appalachia. The Appalachian Development Highway System is an asset that can be leveraged for economic development as well. In West Virginia, four counties worked together to form a steering committee to select projects that could enhance the value of Corridor G. Throughout the Region, communities and businesses are integrating development and management practices to leverage what they have – historic buildings, abandoned railroads, scenic by-ways and old mines – to build and enhance economic vitality.
- Leadership / Community Assets. Successful development takes place when business, government, nonprofit organizations, and community groups mobilize resources towards a common goal. Promising local leaders and emerging civic entrepreneurs are critical assets for developing—and redeveloping—opportunities in our region. Providing tools and resources for enhancing civic entrepreneurship is often a critical first step to leveraging local assets. Community assets include institutions such as Appalachia's four-year colleges, research institutions and two-year community colleges.

Activities Not Supported by the Initiative

Asset Based Development does *not* include filling gaps, addressing deficiencies, or the provision of amenities, which often occur at the expense of leveraging unique assets and community strengths. For example, support for a local symphony, ballet, or swimming pool – something that is not unique to the Region but are based in many mid-sized communities – would not well fit this Initiative, while support for indigenous community assets like the Carter Family Fold (in Virginia) or reclamation of an old industrial site such as the Cytemp Steel Co. facility in Titusville (Pennsylvania) are compelling asset based activities.

Because ARC projects are funded with federal dollars, careful stewardship of those funds must exist. Therefore, ARC will closely scrutinize asset based development activities to determine their eligibility for funding as a part of this Initiative. State partners are encouraged to interact with POD staff often and early in the project development process to ensure that each project has the optimum opportunity to succeed. Projects will be considered on a case by case basis.

Outcomes: Activities supported by this Regional Initiative must have economic impact – either by preparing the way for future sustainable growth through asset mapping or strategic planning, or supporting the implementation of projects that result in the direct creation of new jobs or businesses. Projects should demonstrate the potential for generating new revenue streams for Appalachian communities. Successful strategies include those that are proven or those that have a high chance for achieving the designated outcome, those that involve resources indigenous to the region, and those that have the potential to leverage additional funding from other public and private sources.

A Roadmap for Asset Based Development in Appalachia

ARC is embarking on a comprehensive Asset Based Development work plan for the Region. ARC and partners-- including the National Endowment for the Arts, The Conservation Fund, The National Trust for Historic Preservation, the Southern Arts Federation, National Geographic Society, US Environmental Protection Agency, US Department of Agriculture, and the US Forest Service— are engaged in a broad range of activity to support Asset Based Development efforts.

ARC suggests communities employ a roadmap to strategically build on their strengths, researching and structuring initiatives to ensure success when implementing these programs. Communities may begin by mapping their assets, and engage in strategic planning to articulate options and clarify directions. Alternately, if a clear direction has been well crafted, priority activities may involve financing or marketing asset based initiatives. Activities are eligible at any point along this development path. This roadmap for developing asset based initiatives includes:

- Asset Mapping – identifying the unique assets of a region. This is a critical first step in building an asset based development strategy. Visually mapping assets – be they historic structures, scenic rivers, forest lands, or artisan studios – often serves as a catalyst to engage community leaders in creatively leveraging the strengths of a community. College partners or third party vendors can be helpful in completing GIS mapping profiles.

- Strategic Planning – The provision of information and technical support to local leaders, as well as the crafting of a strategic vision, is essential to developing successful community efforts. Effective development takes place when business, government, and community groups mobilize resources towards a common goal. Convening these local leaders, with technical support from across the Region and across the nation, holds the promise for crafting asset based initiatives that truly impact the Appalachian economy. Local leadership and emerging civic entrepreneurs are critical for developing—and redeveloping—the assets of our Region.

- Education and Training – Assisting new and aspiring entrepreneurs learn the old traditions of the Region while competing successfully in the marketplace. ARC has provided support to the Handmade Institute to form a Crafts Advisory Council and to develop a pilot apprenticeship program. This apprenticeship program, in partnership with the Region's educational institutions, will train new artisans in old traditions. In addition, the Arts Business Institute is holding a series of 'Bootcamps for Craft Entrepreneurs', with the support of ARC and NEA, to help businesses successfully market the craft and traditions of the mountains. ARC will continue its partnership with the EPA to work on Brownfield redevelopment. And, ARC's work to support youth entrepreneurship education programs will continue to encourage the development of locally-owned asset-based businesses in the Region.

- Financing – Programs designed to help finance both private sector and social enterprises are important tools to effectively leverage a communities assets. ARC will continue to work to address the capital gaps of the Region—including providing support for the formation of development venture capital funds, micro-credit loan funds, and assisting the Region's revolving loan funds to access private capital markets – is essential for the development of successful asset-based enterprises in Appalachia.

- Marketing – Activities designed to market the unique asset of the Region. Support could be targeted to branding of unique Appalachian products; development of distribution channels for value added agricultural products; and assistance for cooperative business efforts. As part of this initiative, ARC will not support marketing activities that generally promote local or regional tourism, or target single-site tourism destinations. Marketing activities will be held to a strict standard of review and performance.

A Regional Focus

ARC anticipates that these activities will catalyze a broad range of Asset Based Development efforts throughout the Appalachian Region, leveraging state and local and private sector investment, helping to shift the strategic planning focus at the state and local levels, and sparking a range of new policy initiatives across the Region. It is anticipated that strategic ARC central office investments will stimulate significant follow-on investment on the part of ARC state offices, as evidenced by ARC's work in the area of leadership development, export trade, telecommunications, and entrepreneurship. In addition, the introduction of new development strategies is anticipated to shift the strategic planning focus at the local level as well. Local development organizations will begin to think about new directions and opportunities, crafting new strategies to address old problems. And new state policy initiatives (be they formation of equity funds, development of business incubation systems, or the modification of educational curriculum to support youth entrepreneurship programs -- as resulted within the field of entrepreneurship) can provide lasting change to a state's development landscape. These Regional activities will both support the vision developed by local communities, and help ensure the success of community initiatives by creating a broad, sustainable framework for asset based development efforts.

Links to Entrepreneurship: These Asset Based Development activities will build on the work of the Commission's Entrepreneurship Initiative, which has provided over $31 million in support to more then 368 projects, resulting in the creation of over 5,000 jobs and 1,200 new businesses(through FY2003) (www.arc.gov/entrepreneurship). The Entrepreneurship Initiative assists homegrown businesses add jobs and increase wealth in the region. This Initiative has strengthened the infrastructure necessary to build an entrepreneurial economy by supporting: the development of venture capital and debt funds, the provision of technical assistance (through business incubator facilities and other strategies), and the development of entrepreneurship education and training programs for adults and youth. Asset-based activities will both leverage the success of these new enterprises, and continue to support the Region's infrastructure for starting and growing locally owned businesses.

Advisory Committee

The Commission has convened an Advisory Committee to provide strategic direction for future ARC investments in the area Asset Based development. The committee will also be asked to identify opportunities for leveraging additional partnership efforts. Committee members reflect a diverse background in the field of asset-based development including expertise in natural assets, cultural assets, and community / leadership assets. Committee members include representatives from local non-profit development organizations, local communities, ARC Local Development Districts, ARC state program managers, national development groups, private sector representatives, and federal agencies. ARC will staff the committee, and will reimburse committee members for costs associated with participating in these sessions.

Partnerships

Engaging institutional partners and national best practice organizations will be critical to the success of this Initiative. On its own, ARC could provide funding to assist specific communities,

but long-term sustainable impact might not be achieved. To increase the likelihood of success, the Commission will invite key institutions to assist in conducting research, sponsoring educational conferences, the joint production of publications, the provision of mentorship and scholarship opportunities, the development of on-line resources, and the provision of direct financial support. Potential partners may include institutions, foundations, and national organizations.

Lumpkin County ARC (FY 2016)

Application Forms	Completed	Responsible Party	Comments
SF-424		GMRC	Needs Chairman's Signature
Cover letter for submittal		GMRC	Needs Chairman's Signature
EIN Number		Lumpkin	
DUNS Number		Lumpkin	
Itemized Budget		Lumpkin	
Project Summary		GMRC/Lumpkin	
# of Jobs Created/Retained		Businesses	
ATTACHMENTS			
Certified Preliminary Cost Estimate		Lumpkin	
Maps, Newspaper Articles		GMRC/Lumpkin	
Photographs		GMRC	
Letters of Support (DA, Businesses, State Representatives)		Lumpkin/Local Businesses	Needs Signature
Commitment Letter for Cash Match		Lumpkin	Needs Signature
Letters of Commitment/Intent for Job Creation		Lumpkin/Local Businesses	Needs Signature

Indicates requires signatures

July 27, 2015

Mr. Danny Lewis, Executive Director
GA Mountains Regional Commission
P.O. Box 1720
Gainesville, GA 30503

RE: Request for Assistance

Dear Danny:

Lumpkin County is requesting the assistance of the Georgia Mountains Regional Commission on the preparation of a FY 2016 Appalachian Regional Commission (ARC) Grant Program application.

We look forward to working with you and your staff. If you have questions or need additional information, please feel free to call me at XXXXXX.

Sincerely,

Chris Dockery, Chairman
Lumpkin County Board of Commissioners

APPLICATION FOR FEDERAL ASSISTANCE

Version 7/03

		2. DATE SUBMITTED	Applicant Identifier
1. TYPE OF SUBMISSION:		**3. DATE RECEIVED BY STATE**	State Application Identifier
Application ☑ **Construction** ☐ **Non-Construction**	Pre-application ☑ **Construction** ☐ **Non-Construction**	**4. DATE RECEIVED BY FEDERAL AGENCY**	Federal Identifier

5. APPLICANT INFORMATION

Legal Name:	**Organizational Unit:** Department:
Organizational DUNS:	Division:
Address: Street:	**Name and telephone number of person to be contacted on matters involving this application (give area code)** Prefix: First Name:
City:	Middle Name
County:	Last Name
State: Zip Code	Suffix:
Country:	Email:
6. EMPLOYER IDENTIFICATION NUMBER *(EIN):* ☐☐-☐☐☐☐☐☐☐	Phone Number (give area code) Fax Number (give area code)
8. TYPE OF APPLICATION: ☐ **New** ☐ **Continuation** ☐ **Revision** If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.) ☐ ☐ Other (specify)	**7. TYPE OF APPLICANT:** (See back of form for Application Types) Other (specify) **9. NAME OF FEDERAL AGENCY:**
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: ☐☐-☐☐☐ TITLE (Name of Program):	**11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:**
12. AREAS AFFECTED BY PROJECT *(Cities, Counties, States, etc.):*	
13. PROPOSED PROJECT Start Date: Ending Date:	**14. CONGRESSIONAL DISTRICTS OF:** a. Applicant b. Project

15. ESTIMATED FUNDING:		**16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?**	
a. Federal	$ .00	a. Yes. ☐ THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON DATE:	
b. Applicant	$ .00		
c. State	$ .00		
d. Local	$ .00	b. No. ☐ PROGRAM IS NOT COVERED BY E. O. 12372	
e. Other	$ .00	☐ OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW	
f. Program Income	$ .00	**17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?**	
g. TOTAL	$ 0 .00	☐ Yes If "Yes" attach an explanation. ☐ No	

18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.

a. Authorized Representative

Prefix	First Name	Middle Name
Last Name		Suffix
b. Title		c. Telephone Number (give area code)
d. Signature of Authorized Representative		e. Date Signed

INSTRUCTIONS FOR THE SF-424

Public reporting burden for this collection of information is estimated to average 45 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0043), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

This is a standard form used by applicants as a required face sheet for pre-applications and applications submitted for Federal assistance. It will be used by Federal agencies to obtain applicant certification that States which have established a review and comment procedure in response to Executive Order 12372 and have selected the program to be included in their process, have been given an opportunity to review the applicant's submission.

Item:	Entry:	Item:	Entry:
1.	Select Type of Submission.	11.	Enter a brief descriptive title of the project. If more than one program is involved, you should append an explanation on a separate sheet. If appropriate (e.g., construction or real property projects), attach a map showing project location. For preapplications, use a separate sheet to provide a summary description of this project.
2.	Date application submitted to Federal agency (or State if applicable) and applicant's control number (if applicable).	12.	List only the largest political entities affected (e.g., State, counties, cities).
3.	State use only (if applicable).	13	Enter the proposed start date and end date of the project.
4.	Enter Date Received by Federal Agency Federal identifier number: If this application is a continuation or revision to an existing award, enter the present Federal Identifier number. If for a new project, leave blank.	14.	List the applicant's Congressional District and any District(s) affected by the program or project
5.	Enter legal name of applicant, name of primary organizational unit (including division, if applicable), which will undertake the assistance activity, enter the organization's DUNS number (received from Dun and Bradstreet), enter the complete address of the applicant (including country), and name, telephone number, e-mail and fax of the person to contact on matters related to this application.	15	Amount requested or to be contributed during the first funding/budget period by each contributor. Value of in kind contributions should be included on appropriate lines as applicable. If the action will result in a dollar change to an existing award, indicate only the amount of the change. For decreases, enclose the amounts in parentheses. If both basic and supplemental amounts are included, show breakdown on an attached sheet. For multiple program funding, use totals and show breakdown using same categories as item 15.
6.	Enter Employer Identification Number (EIN) as assigned by the Internal Revenue Service.	16.	Applicants should contact the State Single Point of Contact (SPOC) for Federal Executive Order 12372 to determine whether the application is subject to the State intergovernmental review process.
7.	Select the appropriate letter in the space provided. A. State B. County C. Municipal D. Township E. Interstate F. Intermunicipal G. Special District H. Independent School District I. State Controlled Institution of Higher Learning J. Private University K. Indian Tribe L. Individual M. Profit Organization N. Other (Specify) O. Not for Profit Organization	17.	This question applies to the applicant organization, not the person who signs as the authorized representative. Categories of debt include delinquent audit disallowances, loans and taxes.
8.	Select the type from the following list: • "New" means a new assistance award. • "Continuation" means an extension for an additional funding/budget period for a project with a projected completion date. • "Revision" means any change in the Federal Government's financial obligation or contingent liability from an existing obligation. If a revision enter the appropriate letter: A. Increase Award B. Decrease Award C. Increase Duration D. Decrease Duration	18	To be signed by the authorized representative of the applicant. A copy of the governing body's authorization for you to sign this application as official representative must be on file in the applicant's office. (Certain Federal agencies may require that this authorization be submitted as part of the application.)
9.	Name of Federal agency from which assistance is being requested with this application.		
10.	Use the Catalog of Federal Domestic Assistance number and title of the program under which assistance is requested.		

PROJECT SUMMARY FORMAT
(2 page maximum)

Project Title:

Project Grantee: List applicant's legal name

County(ies) Served: List each county and their designations (e.g. transitional, distressed, etc.)

Basic Agency: For construction projects only, note the administering agency

Goal/Strategy: Identify the primary ARC Goal and State Strategy which project will address

Purpose: 1 sentence statement describing purpose of proposed project

Funding:

	Amount	%	Source
ARC	$200,000	36 %	DC, AD, EI, etc.
Federal	200,000	36 %	RD Grant
State	100,000	18 %	CDBG
Local	50,000	9 %	(RD loan=$40,000; grantee = $10,000)
Private	10,000	1 %	(Foundation grant; business contrib, etc)
Total	**$560,000**	**100 %**	

Description: (Maximum 1-2 paragraphs) Description of major activities to be conducted under grant proposal. The description should address who, what, where, when and how for each major activity.

Rationale: (1 short paragraph max)

- Problems and/or issues that project will alleviate.
- Local, regional and/or state need for project.
- Critical circumstances that compel project to be funded by ARC.

Benefits: (1 short paragraph max)

- Results and accomplishments to be derived from project.
- Other non-quantifiable benefits (e.g. partnerships, improved standard of living, etc.)

Performance Measurement:
Outputs:
Outcomes:
(Detail all quantifiable measures, consistent with ARC guidance, including leveraged private investment resulting from the project)

OMB Approval No. 0348-0041

BUDGET INFORMATION - Construction Programs

NOTE: Certain Federal assistance programs require additional computations to arrive at the Federal share of project costs eligible for participation. If such is the case, you will be notified.

COST CLASSIFICATION	a. Total Cost	b. Costs Not Allowable for Participation	c. Total Allowable Costs (Columns a-b)
1. Administrative and legal expenses	$ .00	$ .00	$ 0 .00
2. Land, structures, rights-of-way, appraisals, etc.	$ .00	$ .00	$ 0 .00
3. Relocation expenses and payments	$ .00	$ .00	$ 0 .00
4. Architectural and engineering fees	$ .00	$ .00	$ 0 .00
5. Other architectural and engineering fees	$ .00	$ .00	$ 0 .00
6. Project inspection fees	$ .00	$ .00	$ 0 .00
7. Site work	$ .00	$ .00	$ 0 .00
8. Demolition and removal	$ .00	$ .00	$ 0 .00
9. Construction	$ .00	$ .00	$ 0 .00
10. Equipment	$ .00	$ .00	$ 0 .00
11. Miscellaneous	$ .00	$ .00	$ 0 .00
12. SUBTOTAL *(sum of lines 1-11)*	$ 0 .00	$ 0.00	$ 0 .00
13. Contingencies	$ .00	$ .00	$ 0 .00
14. SUBTOTAL	$ 0 .00	$ 0.00	$ 0 .00
15. Project (program) income	$ .00	$ .00	$ 0 .00
16. TOTAL PROJECT COSTS *(subtract #15 from #14)*	$ 0 .00	$ 0.00	$ 0 .00

FEDERAL FUNDING		
17. Federal assistance requested, calculate as follows: (Consult Federal agency for Federal percentage share.) Enter the resulting Federal share.	Enter eligible costs from line 16c Multiply X _____%	$ 0.00

INSTRUCTIONS FOR THE SF-424C

Public reporting burden for this collection of information is estimated to average 180 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0041), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

This sheet is to be used for the following types of applications: (1) "New" (means a new [previously unfunded] assistance award); (2) "Continuation" (means funding in a succeeding budget period which stemmed from a prior agreement to fund); and (3) "Revised" (means any changes in the Federal Government's financial obligations or contingent liability from an existing obligation). If there is no change in the award amount, there is no need to complete this form. Certain Federal agencies may require only an explanatory letter to effect minor (no cost) changes. If you have questions, please contact the Federal agency.

Column a. - If this is an application for a "New" project, enter the total estimated cost of each of the items listed on lines 1 through 16 (as applicable) under "COST CLASSIFICATION."

If this application entails a change to an existing award, enter the eligible amounts *approved under the previous award* for the items under "COST CLASSIFICATION."

Column b. - If this is an application for a "New" project, enter that portion of the cost of each item in Column a. which is *not* allowable for Federal assistance. Contact the Federal agency for assistance in determining the allowability of specific costs.

If this application entails a change to an existing award, enter the adjustment [+ or (-)] to the previously approved costs (from column a.) reflected in this application.

Column. - This is the net of lines 1 through 16 in columns "a." and "b."

Line 1 - Enter estimated amounts needed to cover administrative expenses. Do not include costs which are related to the normal functions of government. Allowable legal costs are generally only those associated with the purchases of land which is allowable for Federal participation and certain services in support of construction of the project.

Line 2 - Enter estimated site and right(s)-of-way acquisition costs (this includes purchase, lease, and/or easements).

Line 3 - Enter estimated costs related to relocation advisory assistance, replacement housing, relocation payments to displaced persons and businesses, etc.

Line 4 - Enter estimated basic engineering fees related to construction (this includes start-up services and preparation of project performance work plan).

Line 5 - Enter estimated engineering costs, such as surveys, tests, soil borings, etc.

Line 6 - Enter estimated engineering inspection costs.

Line 7 - Enter estimated costs of site preparation and restoration which are not included in the basic construction contract.

Line 9 - Enter estimated cost of the construction contract.

Line 10 - Enter estimated cost of office, shop, laboratory, safety equipment, etc. to be used at the facility, if such costs are not included in the construction contract.

Line 11 - Enter estimated miscellaneous costs.

Line 12 - Total of items 1 through 11.

Line 13 - Enter estimated contingency costs. (Consult the Federal agency for the percentage of the estimated construction cost to use.)

Line 14 - Enter the total of lines 12 and 13.

Line 15 - Enter estimated program income to be earned during the grant period, e.g., salvaged materials, etc.

Line 16 - Subtract line 15 from line 14.

Line 17 - This block is for the computation of the Federal share. Multiply the total allowable project costs from line 16, column "c." by the Federal percentage share (this may be up to 100 percent; consult Federal agency for Federal percentage share) and enter the product on line 17.

July 22, 2015

Ms. Annaka Woodruff
Program Manager
Appalachian Regional Commission
Georgia Department of Community Affairs
60 Executive Park South, NE
Atlanta, GA 30329

RE: Local Commitment of Funds

Dear Ms. Woodruff:

According to the preliminary engineering report, the total road improvement project to serve Lumpkin County is expected to cost $XXXXX. We have Georgia Department of Transportation funding in the amount of $xxxxxxx. Contingent upon approval of a $xxxxx grant under the Appalachian Regional Commission, Lumpkin County commits to utilize this GDOT funding to pay a total of $xxxxx to be used as matching funds for this project.

Thank you for your assistance. We urge your favorable consideration of this worthwhile project. Should you have questions or need additional information, please feel free to me at xxxxx.

Best regards,

Chris Dockery, Chairman
Lumpkin County Board of Commissioners

July 30, 2015

Ms. Annaka Woodruff
Program Manager
Appalachian Regional Commission
Georgia Department of Community Affairs
60 Executive Park South, NE
Atlanta, Georgia 30329

RE: Commitment to create jobs

Dear Ms. Woodruff:

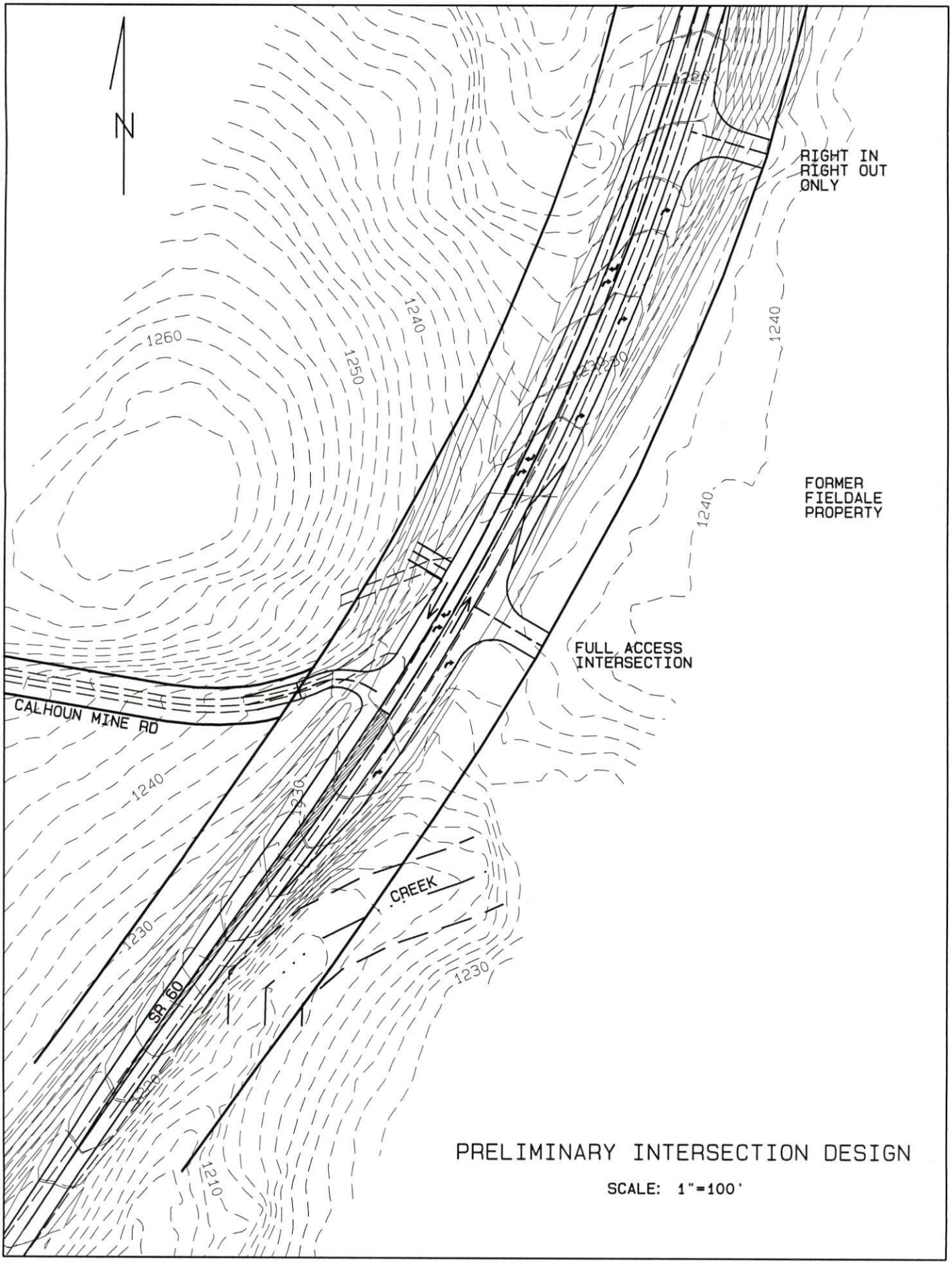
Contingent upon the receipt of a grant award under the Appalachian Regional Commission, _____commits to the Lumpkin County to establish a XXXX business within the county limits of Lumpkin County.

_____further commits to create ____ full-time permanent jobs for area residents. Lumpkin County's proposed road intersection improvements will assist our creation of a xxxxx in Lumpkin County. Our facility's construction is estimated to take _____months for completion.

I am pleased that the Lumpkin County has proposed this commendable project to provide easier access to tourism facilities within the county. This essential initiative will increase the marketability of Lumpkin County to prospective visitors and businesses.

Should you have questions or require additional information, please do not hesitate to call me at _____.

Sincerely,



PRELIMINARY INTERSECTION DESIGN

SCALE: 1"=100'

SR 60/CALHOUN MINE RD INTERSECTION COST ESTIMATE							
GRADING	4000	CYDS	4000	CYDS		$ 4.50	$ 18,000.00
PIPE		LS	1	LS		$ 4,500.00	$ 4,500.00
G.A.B.	2568.889	sqyds	1695.467	TONS	12 inches	$ 20.00	$ 33,909.33
ASPHALT 25 MM	2568.889	sqyds	1130.311	TONS	8 inches	$ 100.00	$ 113,031.11
ASPHALT 19 MM	2568.889	sqyds	565.1556	TONS	4 INCHES	$ 100.00	$ 56,515.56
ASPHALT 9.5 MM	5937.778	sqyds	326.5778	TONS	1 inch	$ 100.00	$ 32,657.78
ASPHALT MARKINGS		LS	1	LS		$ 7,500.00	$ 7,500.00
TRAFFIC CONTROL		LS	1	LS		$ 25,000.00	$ 25,000.00
ENGINEERING		LS	1	LS		$ 15,000.00	$ 15,000.00
CONSTRUCTION OVERSIGHT PROJECT MANAGEMENT		LS	1	LS		$ 32,000.00	$ 32,000.00
MOBILIZATION		LS	1	LS		$ 5,000.00	$ 5,000.00
EROSION CONTROL		LS	1	LS		$ 10,000.00	$ 10,000.00
				TOTAL ESTIMATED PROJECT COST			$ 353,113.78