

West Virginia Technical Assistance Guide for Appalachian Regional Commission (ARC) Projects

FY 2023

**Area Development
Distressed Counties
Programs**

**The deadline for submitting a West Virginia ARC FY 2023 grant application is
January 31, 2023, postmarked.**

Overview

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 through the Appalachian Regional Development Act (ARDA) 40 U.S. Code § 14101–14704, ARC is composed of the governors of the 13 Appalachian states and a federal co-chair, who is appointed by the president of the United States. Local participation is also provided through multi-county local development districts (LDDs). ARC serves a 205,000-square-mile region of 25 million people that includes all of West Virginia and parts of twelve other states: Alabama, Georgia, Kentucky, Maryland, Mississippi, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, and Virginia. Each ARC state receives an annual allocation of funds to

Please note that ARC is a regional economic development agency, and therefore requests for ARC assistance should focus on economic development.

The West Virginia Department of Economic Development (WVDED) manages and administers the ARC program in West Virginia. Eligible applicants apply to the WVDED for ARC area development funding. Review and approval of applications is a two-step process: WVDED staff reviews projects and recommendations are made to the Governor for approval. Recommended projects are then forwarded to ARC for final approval.

ARC funds are grant only (no loans). The West Virginia ARC program does not fund activities outside West Virginia and does not fund multi-state projects. Please contact ARC headquarters in Washington DC if you are planning a multi-state project.

FY2023 ARC Application Process

<p>The deadline for submitting a West Virginia ARC FY 2023 grant application is January 31, 2023, postmarked.</p>
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Submit an original and **one** copy of the application to the following address:

**ARC PROGRAM REPRESENTATIVE
ATTENTION: KRISTA COX
WEST VIRGINIA DEPARTMENT OF ECONOMIC DEVELOPMENT
1900 KANAWHA BOULEVARD EAST
BUILDING 3, SUITE 700
CHARLESTON, WEST VIRGINIA 25305**

Review the FY 2023 West Virginia ARC Technical Assistance Guide before completing the application. Make sure you are aware of the West Virginia ARC program priorities and guidelines contained in the Technical Assistance Guide.

The Technical Assistance Guide and all required application forms can be found online at www.wvcad.org/resources under the Appalachian Regional Commission heading.

Please submit your application in the following order:

Construction Projects

Executive Summary

ARC Construction Project Application Checklist (fill in the page numbers)

SF-424

SF-424C

SF-424D

ARC Memorandum of Understanding

Project Narrative

Budget Information and Supporting Materials

Non-Construction Projects

Executive Summary

ARC Non-Construction Project Application Checklist (fill in the page numbers)

SF-424

SF-424A

SF-424B

ARC Memorandum of Understanding

Project Narrative

Budget Information and Supporting Materials

Please note the following:

- Applicants can find the goals and strategies listed at the back of this technical assistance guide.
- West Virginia does not use ARC Forms 1 or 3. Do not submit them with your application.
- Use the appropriate application checklist as a guide for the application
- Questions the applicant must address are in the application checklists

All forms referenced above can be found at www.wvcad.org/resources under the Appalachian Regional Commission heading.

If you have any questions regarding the ARC program or the application, please contact Krista Cox, ARC Program Specialist, at Krista.K.Cox@wv.gov or call 304-558-2234.

Funding Priorities

The highest priorities for the West Virginia ARC program are the following:

- infrastructure projects (water and wastewater) that lead to job creation or address a critical community need, particularly in ARC-designated distressed counties
- brownfields/abandoned and dilapidated buildings projects, particularly in ARC-designated distressed counties, that include economic development for the reuse of cleared sites
- substance abuse/opioid projects that focus on transitioning from recovery back into the workforce, particularly in ARC-designated distressed counties

Please note that funding for broadband projects (planning or implementation) is included within a separate Request for Proposals (RFP) issued by WVDED. This RFP is for non-broadband ARC projects only.

Applicants are encouraged to review previous year funding of ARC projects in West Virginia as examples of typical funding priorities, funding distribution, and amounts. Information on projects awarded in previous years can be found at www.wvcad.org/resources under the Appalachian Regional Commission heading.

Eligible Applicants

Eligible applicants for ARC funding are the following:

- States, counties, cities, or other political subdivision of a state, including a special purpose unit of a state or local government engaged in economic or infrastructure development activities, or a consortium of political subdivisions
- Institutions of higher education or a consortium of institutions of higher education
- Public or private nonprofit organizations or associations
- Local development districts (LDDs)

Individuals and for-profit entities are not eligible to apply.

Grant Types

Both implementation and planning projects are eligible for funding; however, priority is placed on implementation grants. Construction and non-construction grants are funded. Research projects are not eligible for funding.

There are no minimum or maximum amounts on what an applicant can request, but all applicants should be aware that ARC funds are limited and very competitive.

Matching Requirements

Applicants for an ARC grant must demonstrate a matching share from non-ARC sources that is identified and committed to the project. Matching sources may be non-federal, other federal, or a combination of sources, including in-kind sources. In-kind match must be realistic and documented in the application, including how the value of in-kind resources was derived. Matching funds should be identified by amount and source with evidence of assurance that such funds are available for the project.

The maximum share of ARC assistance is determined by the ARC classification of the county or counties served by the proposed activity. County classifications in West Virginia for FY 2023 and the matching share required are detailed below:

Distressed Counties:

Barbour, Boone, Braxton, Calhoun, Clay, Fayette, Gilmer, Lincoln, Logan, McDowell, Mingo, Nicholas, Roane, Summers, Webster, Wetzel, Wirt, and Wyoming.

ARC participation costs in distressed counties are limited to 80% of the total project cost.

At-Risk Counties:

Cabell, Greenbrier, Hardy, Lewis, Marshall, Mason, Mercer, Monroe, Pocahontas, Raleigh, Randolph, Ritchie, Tyler, Upshur, and Wayne.

ARC participation costs in at-risk counties are limited to 70% of the total project cost.

Transitional Counties:

Berkeley, Brooke, Doddridge, Grant, Hampshire, Hancock, Harrison, Jackson, Kanawha, Marion, Mineral, Monongalia, Morgan, Ohio, Pendleton, Pleasants, Preston, Putnam, Taylor, Tucker, and Wood.

ARC participation costs in transitional counties are limited to 50% of the total project cost.

Competitive Counties:

Jefferson.

ARC participation costs in competitive counties are limited to 30% of the total project cost.

The level of ARC participation may vary in projects that include activities and/or services involving at least one or more distressed and at least one or more non-distressed counties. **Please check with our office as you plan multi-county projects for the exact match requirement.**

Eligible ARC participation rates are based upon county economic status. Each county is classified into one of five categories, based upon an annual assessment performed by ARC. A description of this process, from the ARC website (www.arc.gov) is as follows:

The Appalachian Regional Commission (ARC) uses an index-based county economic classification system to identify and monitor the economic status of Appalachian counties. The system involves the creation of a national index of county economic status through a comparison of each county's averages for three economic indicators—three-year average unemployment rate, per capita market income, and poverty rate—with national averages. The resulting values are summed and averaged to create a composite index value for each county. Each county in the nation is then ranked, based on its composite index value, with higher values indicating higher levels of distress.

County Economic Levels

Each Appalachian County is classified into one of five economic status designations, based on its position in the national ranking.

Distressed: Distressed counties are the most economically depressed counties. They rank in the worst 10 percent of the nation's counties.

At-Risk: At-Risk counties are those at risk of becoming economically distressed. They rank between the worst 10 percent and 25 percent of the nation's counties.

Transitional: Transitional counties are those transitioning between strong and weak economies. They make up the largest economic status designation. Transitional counties rank between the worst 25 percent and the best 25 percent of the nation's counties.

Competitive: Competitive counties are those that are able to compete in the national economy but are not in the highest 10 percent of the nation's counties. Counties ranking between the best 10 percent and 25 percent of the nation's counties are classified competitive.

Attainment: Attainment counties are the economically strongest counties. Counties ranking in the best 10 percent of the nation's counties are classified attainment.

Eligibility Criteria

Eligible funding requests must meet the following criteria:

- Project relates to one or more of the ARC/State of West Virginia development strategies (eligible strategies are at the back of this technical assistance guide).
- Projects are clearly described, including documented need, activities, and achievable outcomes.
- Applicant has the experience and capacity to manage project. Nonprofit organizations must demonstrate adequate capacity, including fulltime staff, current 501(c)3 status, and a demonstrated track record of managing comparable projects.

Eligible Activities and Costs

ARC funds cannot be used for research, upkeep of state or local government buildings, or for the general conduct of state or local government business. ARC does not fund temporary deficits or gaps in local or state government budgets.

Administrative (staff and personnel) costs that are directly tied to project implementation are eligible. Indirect costs are also eligible costs.

Application Process

The West Virginia ARC program is administered by the West Virginia Department of Economic Development (WVDED). Applicants submit their application to the WVDED office, which reviews the application. Recommendations are then sent to the Governor for approval. Projects that are recommended by the Governor are then sent on to ARC headquarters for final review and approval by ARC.

Award Administration

Administration of ARC awards is also subject to the same regulations, restrictions, and requirements as other federal awards. These include but are not limited to the requirements for Federal Awards located at 2 CFR §200, as currently updated; Freedom of Information Act (FOIA); past performance and non-compliance; restrictions on making awards to corporations convicted of felony criminal violations and unpaid federal tax liabilities; environmental and historic preservation; and national policy requirements, including but not limited to those protecting free speech, religious liberty, public welfare, the environment, and prohibiting discrimination, e.g., Equal Employment Opportunity and the Americans with Disabilities Act (ADA).

Recipients of non-construction grants must adhere to ARC reporting requirements as identified in the ARC Grant Administration Manual for Non-Construction Grant Agreements (available at www.arc.gov). However, ARC reserves the right to change the reporting time periods and, depending on the nature of the project, may request additional relevant data. In addition, ARC requires grantees to cooperate with post-award evaluations, which require maintaining records for at least three years after project closeout. All ARC awards are subject to audit.

ARC **construction projects** are also subject to the rules and regulations of the basic agency administering ARC's funds in the project (see next section).

Construction Projects

All construction projects must have a Basic Agency identified to administer the project. Construction projects should also include in the application a copy of a current Preliminary Engineering Report (PER). Infrastructure projects (water and wastewater) must include a copy of their Infrastructure and Jobs Development Council (IJDC) review letter and all technical review committee comments. 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.

All applicants interested in applying for a construction project are strongly encouraged to work with their appropriate West Virginia regional planning and development council, including identifying a basic agency for the project. Information on the regional councils can be found at www.wvregionalcouncils.org.

All federal rules governing construction projects, including environmental review and federal labor standards (Davis-Bacon), apply to all ARC construction projects.

Residential Service Policy (Infrastructure Projects Only)

ARC will provide grants for basic residential infrastructure projects only for communities in ARC-designated distressed counties, except that such assistance may be provided in an at-risk or 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.

Development of the Travel and Tourism Industry

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:

- Planning and research
- Training and technical assistance
- Education and capacity building
- 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.

Project Evaluation Criteria

Review and Selection Process:

In reviewing and recommending projects for funding, the State of West Virginia will consider the status of the county or counties that make up the project area of an application. **Projects that are located exclusively in ARC-designated distressed counties will receive higher priority in the review process.**

Staff from WVDED review all applications for ARC funding. The review criteria are as follows:

Threshold Criteria:

All applications are initially screened to determine if they meet the thresholds for funding consideration. The screening process determines the following:

- a) ARC Eligibility: All projects recommended to the Commission for final approval must demonstrate that they will contribute to the achievement of one of the Commission's strategic goals and that the project relates to one or more of the goals, objectives, and strategies set forth in the state's development plan and strategy statement.
- b) Project Readiness: All projects recommended to the Commission for final approval must provide reasonable assurance of the availability of matching funds for the project scope of work.
- c) Project Approach: All projects recommended to the Commission for final approval must demonstrate a scope of work that is realistic and viable.

- d) Project Effectiveness: All projects recommended to the Commission for final approval must demonstrate the ability of the applicant to manage the project effectively and contain detailed outcome measurements by which grant expenditures may be evaluated.

Applications determined to be eligible, complete, and feasible, and evidence a reasonable assurance that matching funds are or will be secured, proceed to the competitive review.

Competitive Review Criteria:

Projects will be competitively reviewed, and all recommendations will be packaged together and submitted to the Governor for approval. Projects will be evaluated based on the following key strategic criteria:

- a. Degree of Need: Projects in ARC-designated distressed counties and distressed areas will receive higher priority. Multi-county projects that include ARC-designated distressed counties, and clearly demonstrate how those distressed counties will directly benefit from the project activities, will also receive high priority.
- b. Targeted Priority: Projects that address one or more of the funding priorities—infrastructure, substance abuse, and brownfields—will receive higher priority (the funding priorities are outlined on page 4).
- c. Investment Impact: Projects that demonstrate strong economic development impacts, provide long-term capital improvements for economic development, or enhance already existing economic and community development efforts will receive higher priority. Strategic characteristics of a project that increase investment impact include the following:

Infrastructure projects that:

- Facilitate economic development (such as by serving commercial customers, providing needed infrastructure for commercial and industrial sites, or leveraging private sector investment)
- Serve critical community facilities such as schools, community health facilities, community centers, 4-H Camps, etc.
- Target existing population centers and downtown areas (infill strategy)
- Are located along an ARC highway corridor
- Increase the capacity of a water or wastewater system to serve more customers in the future
- Incorporate energy-efficiency features such as installing energy-efficient equipment or projects specifically addressing inflow and infiltration (I & I)
- Provide wastewater facilities that protect environmental resources tied to economic development

Non-infrastructure projects that:

- Focus on enhancing economic development in a community or region
 - Address a compelling and documented need that hinders economic development or community quality of life
 - Provide benefits on a continuing rather than a temporary basis
 - Increase local collaboration or regional partnerships
 - Strengthen the ability of local communities to undertake economic and community development activities through planning, technical assistance, and other activities
- d. Investment Linkage: Projects that demonstrate how they complement existing community and economic development efforts, plans, and strategies in the project area will receive higher priority.

Projects that incorporate more of the competitive review criteria identified above will more likely be recommended for funding, based upon the amount of funds available. Recommendations are then sent to the Governor for approval. Projects that are recommended by the Governor are then sent on to ARC headquarters for final review and approval by ARC.

WVDED reserves the right to modify the scope of work, activities, and expected outcomes for any application for ARC assistance, and to increase or decrease the amount of funds being requested. Any such modifications will be negotiated with the applicant. Publication of this RFP does not obligate WVDED to make any recommendation of funding to ARC or to obligate any or all ARC funds available to the State of West Virginia.

Contact Information

Interested applicants can receive technical assistance at no cost up to the application deadline by contacting Krista Cox, ARC Program Specialist, WVDED, at krista.k.cox@wv.gov or 304-558-2234.

West Virginia ARC FY2023 State Strategies

West Virginia's ARC state strategies are listed below. Each strategy is aligned with the goals and objectives of the ARC Strategic Plan, Appalachia Envisioned: A New Era of Opportunity 2022-2026. All projects requesting assistance from the West Virginia ARC program must match one of the state strategies listed below in order to receive consideration for funding.

ARC Goal 1: Building Appalachian Businesses. Strengthen and diversify the Region's economy through inclusive economic development strategies and investments in entrepreneurship and business development.

ARC Objective 1.1: Provide financing, technical assistance, and other support for entrepreneurship and small business development in the Region.

State Strategy 1.1.1: Support initiatives that provide training, assistance, and other services to entrepreneurs for the creation and expansion of businesses.

State Strategy 1.1.2: Increase access to capital for entrepreneurs and businesses.

State Strategy 1.1.3: Promote downtown redevelopment through support of programs such as Main Street and local business retention and expansion efforts.

State Strategy 1.1.4: Support export strategies to connect start-up and established businesses with external and global markets.

ARC Objective 1.2: Pursue economic and enterprise development strategies that grow existing industries, support economic diversification, and advance economic prosperity at the regional level.

State Strategy 1.2.1: Support planning and implementation activities that identify and capitalize upon emerging economic opportunities and sectors in the state.

ARC Goal 2: Building Appalachia’s Workforce Ecosystem. Expand and strengthen community systems (education, healthcare, housing, childcare, and others) that help Appalachians obtain a job, stay on the job, and advance along a financially sustaining career pathway.

ARC Objective 2.1: Develop and support educational programs and institutions from early childhood through post-secondary that provide the building blocks for skills development and long-term employment success.

State Strategy 2.1.1: Support local and regional initiatives to better prepare students, out-of-school youths, and adults for post-secondary-level training.

State Strategy 2.1.2: Support literacy, lifelong learning, and dropout prevention initiatives.

State Strategy 2.1.3: Provide funding for educational and workforce development strategies that increase science, technology, engineering, and math (STEM) skills in students.

ARC Objective 2.2: Invest in workforce development programs and strategies informed by industry talent needs and designed to allow workers to simultaneously earn, learn, and advance along a career pathway.

State Strategy 2.2.1: Support planning and implementation activities that improve workforce readiness for current and future employment needs.

State Strategy 2.2.2: Assist efforts to increase business competitiveness and retention in the state through workforce training and certification programs.

State Strategy 2.2.3: Encourage youth and student opportunities for work and community service experiences, including internships, mentorships, leadership development, and job shadowing.

ARC Objective 2.3: Develop a network of employment supports to help Appalachians enter and remain in the workforce.

State Strategy 2.3.1: Develop and support training and job-placement programs for individuals recovering from substance use disorders.

State Strategy 2.3.2: Promote efforts that increase access to quality childcare to support workforce recruitment and retention.

State Strategy 2.3.3: Invest in innovative housing initiatives that support economic development or improve local community livability and quality of life.

ARC Objective 2.4: Expand access to high quality healthcare as well as programs and services that support overall mental and physical health, for workers and their families.

State Strategy 2.4.1: Enhance community-based healthy living initiatives that address diabetes, obesity, substance use disorders and other conditions that constitute barriers to workforce participation and community quality of life.

State Strategy 2.4.2: Improve medical facilities and infrastructure to increase access to high-quality health care in underserved areas and improve public health.

ARC Goal 3: Building Appalachia’s Infrastructure. Ensure that the residents and businesses of Appalachia have access to reliable, affordable, resilient, and energy efficient utilities and infrastructure in order to successfully live and work in the Region.

ARC Objective 3.1: Ensure the availability of quality, affordable basic infrastructure to meet the needs of the residents and businesses of Appalachia.

State Strategy 3.1.1: Provide support for the improvement or expansion of basic infrastructure such as water, wastewater, and storm water systems to increase community quality of life and facilitate economic development.

State Strategy 3.1.2: Work with localities and regional organizations to support the planning, assessment, and prioritization of basic infrastructure needs to ensure greater efficiency and coordination of infrastructure investments.

State Strategy 3.1.3: Support technical assistance services and programs that improve the efficiency and long-term operations of local water and wastewater systems.

State Strategy 3.1.4: Provide training, consultation, and implementation support for local leaders and regional organizations to build their capacity to address infrastructure challenges.

ARC Objective 3.2: Ensure that all Appalachians have access to quality and affordable telecommunications and broadband services.

State Strategy 3.2.1: Make strategic investments in high-speed telecommunications infrastructure to increase local and regional connectivity and access.

State Strategy 3.2.2: Encourage and support the innovative use of telecommunications in education, health care, business, government, and infrastructure initiatives.

State Strategy 3.2.3: Assist planning, analysis, and training activities that increase broadband access, adoption, and deployment in the state.

ARC Objective 3.3: Support proactive efforts to adopt alternative energy strategies and bolster energy infrastructure.

State Strategy 3.3.1: Assist local and regional energy efficiency efforts to enhance their economic competitiveness and sustainability.

ARC Objective 3.4: Complete the Appalachian Development Highway System and invest in innovative intermodal transportation systems to connect businesses and residents within the Region with global opportunities

State Strategy 3.4.1: Assist federal and state efforts in solving design problems and moving ADHS sections to the construction phase.

State Strategy 3.4.2: Support local access road projects that result in economic development, provision of essential services, or community revitalization.

State Strategy 3.4.3: Invest in improvements to transportation facilities such as rail, inland ports, and airports that increase economic development and access to markets.

State Strategy 3.4.4: Support the development of transportation corridors (highway, rail, and waterway) that increase access to markets outside the Appalachian region.

State Strategy 3.4.5: Support the planning and development of intermodal transportation facilities.

ARC Objective 3.5: Support construction of business development sites and public facilities and the adaptive reuse of obsolete and/or unsafe properties to stimulate economic and community development.

- State Strategy 3.5.1: Invest in the development and improvement of industrial sites, commercial and industrial parks, and shell buildings that will spur economic development.
- State Strategy 3.5.2: Support planning, assessment, and redevelopment efforts that target vacant and dilapidated buildings.
- State Strategy 3.5.3: Assist with the reclamation and redevelopment of brownfields and mine impacted sites to convert them to productive economic and community uses.

ARC Goal 4: Building Regional Culture and Tourism. Strengthen Appalachia's community and economic development potential by preserving and investing in the Region's local, cultural heritage, and natural assets.

ARC Objective 4.1: Invest in the development of vibrant Appalachian downtowns and provide support for Appalachian placemaking.

State Strategy 4.1.1: Leverage support for downtown redevelopment efforts that will enhance local and regional tourism and outdoor recreation initiatives.

ARC Objective 4.2: Invest in economic and community development initiatives that preserve and promote Appalachian communities' vibrant arts, cultural, and heritage traditions.

State Strategy 4.2.1: Support efforts to identify, assess, and mobilize regional assets, including natural, cultural, and structural assets and resources that can be utilized for economic growth and diversification.

ARC Objective 4.3: Preserve and expand Appalachia's natural resources to increase outdoor recreation opportunities for residents and visitors and support sustainable economic growth.

State Strategy 4.3.1: Promote the development of outdoor recreation trails and facilities that enhance economic development opportunities.

State Strategy 4.3.2: Support planning, assessment, and implementation activities that improve and expand upon the state's natural, historical, and cultural assets for economic development and growth.

ARC Goal 5: Building Community Leaders and Capacity. Invest in the capacity of local leaders, organizations, and communities to address local challenges by providing technical assistance and support to access resources, engage partners, identify strategies and tactics, and conduct effective planning and project execution.

ARC Objective 5.1: Develop, support, and empower community leaders that are representative of local communities, inclusive in their approach, and focused on long-term, innovative strategies and solutions.

State Strategy 5.1.1: Encourage and support the training and development of local and regional community leadership.

ARC Objective 5.2: Build capacity of community organizations and local development districts to effectively access and manage funding, administer programs, and execute projects through implementation.

State Strategy 5.2.1: Provide support to regional planning and development councils in the state that will improve their ability to plan, implement, and complete projects and provide services to local governments and organizations.

State Strategy 5.2.2: Support planning, analysis, and technical assistance activities for local and regional organizations and units of government to capitalize on economic development opportunities and assets, address critical needs, or improve community quality of life.

ARC Objective 5.3: Invest in developing the capacity of communities to build ecosystems where government, non-profits, businesses, and philanthropic partners coalesce around a shared vision for economic and community prosperity and collaborate to implement that vision.

State Strategy 5.3.1: Promote and support regional partnerships and initiatives for economic development.