Appalachian Regional Commission

ARC Construction Project Application Checklist

All applicants requesting ARC investment funding should use this checklist to develop a complete project application. The framework for the checklist is based on ARC's 2022-2026 Strategic Plan, which emphasizes strategic focus, collaboration, sustainability, and measurable impact. Words in bold identify materials that should be included as supporting materials.

List the page in your application where the required information can be found in the blank space next to each section and subsection. Submit completed applications to your state's ARC program office.

SECTION 1: Transmittal Letter

SECTION 2: REQUIRED APPLICATION FORMS, Page # ___

Include the required application forms:

- ❑ Federal Standard Form 424: Application for Federal Assistance
  - (Include ARC funds and all matching funds)
- ❑ Federal Standard Form 424C: Budget Information
- ❑ Federal Standard Form 424D: Construction Assurances
- ❑ ARC Memorandum of Understanding
- ❑ Forms required by state ARC program offices (ARC Forms 1 or 2 may be required)

SECTION 3: EXECUTIVE SUMMARY, Page # ___

- ❑ Provide a short executive summary of project goals and strategies, purpose, key activities, strategic rationale, collaborative partnerships, project sustainability and capacity, and performance measures. This should be a synopsis of the longer project narrative, provided in Section 4. See the ARC Executive Summary template for format and guidance.

SECTION 4: PROJECT NARRATIVE, Page # ___

Formatting instructions: Use the headings below as headings in the project narrative. The suggested length of the narrative is five to eight pages. Please number the pages.

1. Goals and Strategies, Page # ___

- ❑ List the primary ARC goal and the primary ARC objective the project will address (one goal and one objective only). See ARC's 2022-2026 Strategic Plan for a list of ARC goals and objectives.
- ❑ List the primary ARC state strategy the project will address. Consult your state's most recent Strategy Statement and your state's ARC program manager for additional guidance.

2. Project Description, Page # ___

- ❑ Identify the counties where the proposed project will be based and the counties in the project's entire service area. If the project is not county-wide, identify the census tracts (and economic status, particularly if a Distressed Area) of the project's entire service area. See ARC's County Economic Status tables and map.
- ❑ Provide a detailed work plan that includes a description of all major project activities (what will be done and by whom) and timelines for each activity during the course of the project. Include details, such as linear feet to be constructed, square footage built, acreage served, and timelines for starting and completing each component.
- ❑ For projects where energy-efficiency can be improved (in the scope of the project), discuss efforts that may have been made to improve the energy-efficiency and green-building practices of the project, as outlined in ARC's Project Guidelines.
- ❑ For industrial sites or community facilities, describe approaches to marketing the project to potential users and beneficiaries, including strategic sectors to be pursued and an explanation of who will be responsible for marketing activities. Describe any plans for leasing or transferring ownership of the property, if applicable.

Supporting Documentation, as appropriate:

- ❑ *Attach maps to illustrate the project's service area and detailed maps or schematics that show the route of utility systems, diagrams of building sites, and floorplans of buildings to be constructed. Label the map appropriately so that it clearly shows areas that are served versus areas that are unserved or underserved.*
- ❑ *Provide a preliminary engineering report, an architectural report, or a detailed description of all major construction components.*

3. Strategic Rationale, Page # ___

- ❑ Describe any problems, opportunities, or local/regional demand that the project will address and how these issues impact the community.
- ❑ Provide letters of demand from businesses and other community stakeholders that attest to the impact of the proposed project.
- ❑ Explain why the proposed project is the most practical, cost-effective, and beneficial way to achieve the desired results when compared to alternative approaches.
- ❑ Explain how the proposed project represents progress toward addressing a regional strategy, such as a comprehensive economic development strategy or a local visioning process.
- ❑ Describe other project benefits likely to result from the project (e.g., positive impact on future economic development activity in the area).
- ❑ For residential service projects in non-distressed counties, explain how the project meets the "Policy for Residential Infrastructure Projects" in ARC's Project Guidelines. Include letters or other documentation from state health/environmental agencies if relevant.
- ❑ For construction or property acquisition of tourism-related projects, explain how the project meets the "Policy for Development of the Travel and Tourism Industry" in Appendix A of ARC's Project Guidelines. Include economic impact or feasibility studies as required.

4. Performance Measures, Page # ___

- ❑ List the expected outputs and outcomes of the project. See the Guide to ARC Project Performance Measures for information on identifying outputs and outcomes.
- ❑ Provide a credible and established methodology for estimating each performance measure that results from the project.
- ❑ If project has "jobs created," "jobs retained," or "leveraged private investment" as a performance measure, attach letters documenting job or investment commitments, if available.
- ❑ If the project's performance measures include a paired outcome such as "businesses, communities, households, organizations, participants, patients, students, or workers/trainees improved," provide a definition of what improvement means and an explanation for how the improvement will be tracked and measured.

5. Collaborative Partnerships, Page # ___

- ❑ Describe any partnerships or collaborations with other local community, state, regional, and federal partners in the development of the proposal.
- ❑ Provide letters of engagement from partner organizations that commit to undertake specific activities in support of the project.

6. Project Sustainability and Capacity, Page # ___

- ❑ Identify the organization or agency that will own improvements and provide maintenance for the completed project.
- ❑ Identify the organization or agency that will be responsible for project administration tasks including environmental review, Davis-Bacon Act compliance, procurement management, etc.
- ❑ Provide evidence of the project's long-term operational sustainability, e.g. an asset management plan that addresses the deployment of any asset management technologies.
- ❑ Provide evidence of the financial feasibility of the project, e.g. a pro-forma financial projection that addresses cash flows from new revenues and cost savings.

SECTION 4: BUDGET INFORMATION AND SUPPORTING MATERIALS, Page # ___

1. Basic Agency Letter Committing to Administer ARC Funds, Page # ___

- ❑ Address the letter to the Executive Director of the Appalachian Regional Commission.
- ❑ The letter must state:

- the basic agency's willingness to administer the project if approved by ARC;
- the ARC grant amount; the total matching funds amount; the total project cost;
- and the name and email of the primary basic agency contact person(s) for project management and financial management of the grant.

❑ For projects that will be administered by the U.S. Department of Housing and Urban Development's Community Development Block Grant (CDBG) program or CDBG Entitlement program, the HUD certification form is the basic agency commitment letter.

2. Engineering or Architectural Budget, Page # ___

❑ Provide an engineering or architectural budget detailing line item project costs. The project total from the engineering or architectural budget should match the total on Standard Form 424. (Note that for construction projects only, ARC does not require a breakdown of expenditures by funding source.)
❑ Include a line item for administrative costs in the budget. This amount should cover the costs of providing project administration tasks including environmental review, Davis-Bacon Act compliance, procurement management, etc.
❑ Provide a budget narrative that includes a detailed explanation of expenditures by the line items listed on standard budget forms. Include purpose of travel and supply/equipment lists, and describe expenses in the 'other' line item, if applicable.
❑ If the ARC project is part of a larger, multi-phase project, provide only the detailed budget information that corresponds to the total budget for the ARC and matching funds. Example: a proposed ARC project includes $500,000 of ARC funds and $1.5 million of matching funds. This $2 million project is part of a $10 million multi-phase project. Applicant will provide detailed budget information only for the scope of the $2 million ARC project, and will describe the rest of the larger $10 million project in the Project Narrative section.
❑ If budget includes land or buildings, provide a MAI appraisal or comparable appraisal.

3. Non-ARC Funding Commitments, Page # ___

❑ Identify each non-ARC funding source as federal, state, local, or private. Include a letter of commitment from each funding source that specifies the amount of funds committed and the kind of funds committed (grant, loan, cash, in-kind, etc.).
❑ Provide descriptions of in-kind resources, including the methods used to determine their value.

4. ARC Match Rate Calculation, Page # ___

❑ List each county the project will serve and the economic status of each county. See ARC's County Economic Status tables and map to identify county economic status. For further match-related questions, contact your state's ARC program manager.

5. Additional Documentation, Page # ___

❑ Enclose pertinent supporting materials that will lead to a better understanding of the proposed project.
❑ Do not include form letters.
❑ Include financial audits and utility rate structure information only if they are needed to demonstrate project sustainability. Summarized financial statements or pro forma financial projections are preferred.

Reference Documents:

ARC Strategic Plan https://www.arc.gov/wp-content/uploads/2022/01/Appalachia-Envisioned-ARC-Strategic-Plan-FY-2022-2026.pdf

State ARC Four-Year Development Plans https://www.arc.gov/state-plans-strategies/

ARC Project Guidelines
https://www.arc.gov/resource/arc-project-guidelines/

ARC County Economic Status
https://www.arc.gov/classifying-economic-distress-in-appalachian-counties/
https://www.arc.gov/match-requirements-for-arc-grants/

ARC Grantee Forms and Instructions
https://www.arc.gov/grant-resources/