



RURAL SERVICES

APPLICATION PACKET

FISCAL YEAR 2021

ARKANSAS RURAL COMMUNITY GRANT PROGRAM

DEADLINE:

Cycle I - August 6, 2020

Cycle II - March 11, 2021

ARKANSAS ECONOMIC DEVELOPMENT COMMISSION, DIVISION OF RURAL SERVICES
ARKANSAS RURAL DEVELOPMENT COMMISSION

For Questions Contact:
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Arkansas Economic Development Commission, Division of Rural Services and the Arkansas Rural Development Commission

The Arkansas Economic Development Commission (AEDC), Division of Rural Services (DRS), is charged with assisting rural communities with a population of 20,000 and under. Established under Act 302 of 1991, and merged with the Arkansas Economic Development Commission under Act 8 of the 2015 First Extraordinary Session, DRS assists local agencies in rural areas with information and technical assistance. Currently, more than 80% of Arkansans live in rural areas.

The Arkansas Rural Development Commission (ARDC) is a group of citizens from rural Arkansas responsible for overseeing the programs of DRS. Seven of its members are appointed by the Governor, two are appointed by the Senate President Pro-Tem, and two are appointed by the Speaker of the House. Commissioners serve multiple-year terms and meet throughout the year to discuss rural issues that affect Arkansans.

The mission of these two groups is to *"Enhance the quality of life in rural Arkansas."*

One focus of the Division of Rural Services is to be a source of information for rural citizens and provide support services to rural communities. DRS publishes a quarterly newsletter that covers rural policies and topics. The Division also hosts an annual conference and local forums around the state throughout the course of the year.

DRS provides funding for worthwhile projects in rural communities through a variety of grant programs. One such program is the Arkansas Rural Community Grant Program (RCGP). Since this grant's inception, more than \$12 million has been awarded to communities in all 75 counties. When the local community matches are added in, this grant program has generated more than \$25 million dollars toward enhancing rural communities.

General Information and Eligibility

Through the Arkansas Rural Community Grant Program (RCGP), the Arkansas Rural Development Commission and the Division of Rural Services strive to enhance quality of life in the state by providing incentive grants on a matching basis. The Rural Community Grant Program can assist with the improvement of local fire protection, including related emergency services and construction, along with the development and improvement of community facilities.

Incorporated cities and towns and unincorporated communities in rural areas of less than 3,000 in population (verifiable by current U.S. Census information) are eligible to apply for assistance through the Arkansas Rural Community Grant Program. In keeping with our enabling legislation, a rural area is defined, for the purpose of this program, as "all the territory of the State of Arkansas that is not within the outer boundary of any city or town having a population of 20,000 or more according to the latest federal census or within such a city's or town's neighboring urbanized areas."

What Type of Projects are Eligible

Projects eligible for funding consideration under the Rural Community Grant Program include, but are not limited to:

- Renovations, new construction or additions to publicly owned buildings such as civic or community centers, senior or youth centers, libraries, museums, and etc.
- Renovations, new construction, new equipment, or additions to parks and other publicly owned recreational facilities such as baseball or softball fields, landscape or beautification projects, park and picnic areas, jogging/walking trails, and etc.
- Purchase of storm sirens or construction of publicly owned storm shelters accessible to the citizens of the entire community.
- Renovations, new construction, or additions to fire facilities.
- The purchase of fire protection equipment and vehicles.
- The rehabilitation and/or retrofitting of newly acquired equipment and vehicles.

Note: If you are not positive that your project is eligible, please call our Director at 1-888-RURALAR.

What Type of Projects are Ineligible

Projects not eligible for funding consideration under the Rural Community Grant Program include, but again are not limited to:

- Municipal buildings such as courthouses, city halls, police stations, sheriff's offices, and city or county jails.
- Cemetery and other city or county facility fencing and maintenance.
- Chatting and paving of driveways, parking lots or roadways.
- Fairground and rodeo construction owned by incorporated associations. (Please see DRS County Fair Building Grant Program for fairground projects only.)
- Any costs associated with normal day-to-day operations or maintenance.
- Debt financing of any type, new or existing. (Debt financing is defined for the purpose of this program as reimbursement of new or existing loans, loan payments, or reimbursement for equipment, facilities, labor, or property already purchased or constructed.)
- Training, travel, or any other personnel related expenses.
- Any contingency or emergency fees.

Due to the limited amount of funds available for rural communities, the Arkansas Rural Development Commission has elected to make the following entities and projects ineligible for grant funding: county health units, schools/preschools, transfer stations, water projects, elections, and private, non-profit associations.

Note: Applicants are not eligible for a Rural Community Grant if the community/city has an RCGP grant currently open. Once the grant has been closed out, applicants are eligible to apply.

Funding Availability

The Arkansas Legislature appropriated \$600,000 for each year of the 2020-2021 biennium to be expended through the Arkansas Rural Community Grant Program.

Applicants with an eligible project may apply for up to \$15,000 in state matching funds toward a project for community development or fire protection projects. As the grant pool is limited, it may sometimes be necessary to make awards of less than the amount actually requested and some projects unfortunately cannot be funded at all.

Matching Requirement

The Arkansas Rural Community Grant Program is a 50/50 matching program. This requires that the applicant must be able to match its grant award with a like amount of cash and/or property in-kind (fair market value, based on verifiable documentation provided by the applicant).

For purposes of this program, a match is defined as a combination of donated labor, donated land, donated materials, or cash to comprise at least 50% of the cost estimate provided by the community. Materials or labor not listed on the cost estimate of the application cannot be used as match. Local donations are defined as gifts given by local residents or locally based businesses for the purposes of the projects outlined in the applicant's grant proposal.

The match must be derived locally and can be:

- Appropriated in full by the local governing body (city council or quorum court).
- Donated by local businesses and citizens.
- Money raised through fund-raisers.
- A combination of local appropriation, citizen or business donations, or fundraisers.

All matching funds must be pledged at the time of application submission and be immediately available if an award is received. Donated labor cannot count as match if it is executed before the grant is awarded. Debt financing of any nature cannot be used for matching purposes. Act 833 money for fire departments is eligible as match.

It is important to note that the local match does not have to be entirely in cash. In-kind donations of project equipment, labor, land, and materials will be accepted based on fair market value estimates provided by the applicant and verified by DRS staff. For land, buildings, and donated labor to be eligible as match, they must be part of the project and must be included in the cost estimate of the project.

Example of a Proper Match

<u>Cost Estimate:</u>		<u>Funding Source Breakdown:</u>	
Land	\$ 5,000*	Requested from ARCGP	\$ 15,000
30 x 40 Metal Building	\$ 10,000	Donated Land	\$ 5,000*
Labor to Construct Building	\$ 5,000	Donated Labor	\$ 5,000
Reinforced Concrete Slab	<u>\$ 10,000</u>	Cash on Hand	<u>\$ 5,000</u>
	\$ 30,000		\$ 30,000

*The land should be included on both the cost estimate and funding source breakdown if it is donated. If the community has to purchase the land, then it is only part of the cost estimate. Additionally, the applicant has broken down the cost of the building into material cost and labor cost, allowing them to match dollars with donated labor, but still have enough cash to pay for materials.

A total project cost does not have to equal \$30,000. It can be more or less. However, if the total project cost is more than \$30,000 the applicant should provide proof that the entire project can be funded. For example, if the total project cost is \$45,000, the applicant may apply for \$15,000 but should still show how the additional \$30,000 is being funded. Therefore, an applicant should only apply for what can be completed and funded within the project timeline of one year.

Current Allowable Expenses for Donated Labor

If a community chooses to use donated labor or services for all or a portion of the grant match, it must be submitted in one of two ways. First, if the labor donated is unskilled, volunteer labor; DRS will bill at \$20.01 for each individual hour donated. Simply put, if four people donate one hour each to the project, \$80.04 ($\$20.01 \times 4 = \80.04) can be claimed toward the community's portion of the match. Secondly, if the labor donated is skilled, professional labor, DRS will accept the estimate given by the company or individual. For this to be accepted, a donor must be licensed or considered a professional in the field where the donation is being made. This professional labor donation can include, but is not limited to, dozer/dirt work, electrical, plumbing, carpentry, welding, and etc.

Application Process

The program operates on a continuous cycle, with awards twice each state fiscal year. Fiscal year 2021 applications will be accepted beginning July 1, 2020 and ending in March 2021. Applicants must gain the approval of their local governing body and the application must be signed by the county judge or mayor who will be ultimately responsible for the grant should it be received.

If you are incorporated, you must apply through your mayor. Unincorporated areas must apply through the county judge. This process includes completion of the application form and presentation of it to the local council if applying through the city, or quorum court if applying through the county. The local governing official (county judge or mayor) must affix his signature to the following documents for the application to be considered complete:

- Certification letter
- Resolution
- Application (page 11)

Applicants must submit an original application with original signatures.

Application Review and Awards Presentation

Applications are numbered and inspected for completeness and eligibility in the order received by the AEDC Division of Rural Services. Individual proposal consultations can be arranged with staff by appointment. Applicants are encouraged to

submit applications well in advance of the cycle deadline to allow DRS staff to thoroughly review the application and assist applicants in correcting any deficiencies prior to the deadline.

Applications received postmarked after the deadline date will not be eligible for consideration.

After staff review for completeness and eligibility, applications undergo a three step review process. Following final review and approval, the grants are awarded by the Governor at a ceremony scheduled by DRS. This process can take up to 3 months after the deadline date.

Note: A community cannot begin on any part of the project until they have received their grant funds.

Reporting Requirements and Responsibilities

In compliance with Act 1009, project funds will be expended through a fund established on the books of the city or county clerk. A copy of the original proposal and all project expenditures, with invoices attached, will be approved by the mayor or county judge and remain on file in the office of the mayor or county judge for three years or until audited, whichever is later.

All project expenditures must be completed within 12 months after the date of the award. A final report, including cancelled checks and receipts of all funds expended, along with the state's one-half of any unspent funds, must be submitted by the mayor or county judge to DRS and subsequently to the Chief Fiscal Officer of the state. This must be done no more than 60 days following the project's completion or within the one-year period of the grant award, whichever comes first.

Re-Submission Process

Due to the limited amount of funds in the grant pool, not all projects can be funded. Typically, only 1 out of every 5 grants is awarded. Anywhere from \$250,000 to \$1 million dollars is requested each cycle.

Applicants with no changes to their application may re-apply by forwarding a letter signed by the local governing official to the Division of Rural Services. An application can be resubmitted for the next two scheduled funding cycles for a total of three submissions (original plus two additional cycles).

The body of the resubmission letter should read as follows:

“Please resubmit the (community name) Arkansas Rural Community Grant Application for reconsideration in Cycle (1,2,3) of Fiscal year 2021, which ends (deadline date).”

Arkansas Rural Community Grant Program

Community Name

Physical Address

County

Population

Incorporated Area?

Yes

No

**If unincorporated,
closest town/distance**

Grant Requested Amount

Amount Provided by Community

Total Project Cost

Contact Information

Please provide the information below with persons who are knowledgeable about the application.

County Judge or Mayor

Mailing Address

City

Zip

Phone Number

E-mail

Contact Person

(application prepared by)

Title

Mailing Address

City

Zip

Phone Number

E-mail

State Senator

District #

State Representative

District #

Arkansas Rural Community Grant Program

Project Description

What is the project for which you are applying?

(briefly describe)

Who was involved in the development of this proposal?

(list individuals, organizations, community groups, etc.)

Why is this project needed? Please include discussion of any emergencies or urgent needs.

Who will be the beneficiaries of this project and how will they benefit?

What funding and other resources will be used to maintain and operate the project in the future?

Name the closest comparable facility and the distance from this project.

Have you collaborated with any other funding sources to help pay for this project? If so, please list the names and collaboration efforts.

List other equipment, facilities and other resources currently being used that are relevant to your application. Please also list the condition in which they are in.

Fire and/or Emergency Related Services Only:

The following questions are required for a complete and eligible application. Failure to answer will result in an incomplete application.

How will this project directly lower your current ISO rating?

What planning efforts does your fire department have in place to lower the ISO rating? Please discuss any timeliness for projects, goals achieved to date and collaborations with county-wide fire departments.

Please list all department equipment.

(Attach additional sheet if necessary)

What is the closest fire department located to this one?

How far away is the closest mutual-aid department?

How many mutual-aid stations are in your service area?

How many households does the department currently cover?

How much does the department charge for membership?

How many households covered actually pay membership?

How does your department collect dues?

Additional Information needed should this application be chosen for funding:

Local Newspaper	Paper 2
E-mail Address	E-mail 2
City	City 2

With my signature below, I do hereby certify that I have read, understand and support the above application for grant funds through the Arkansas Rural Community Grant Program. I further certify that I have read, understand and agree to abide by the rules and regulations governing the grant program.

**Mayor/Judge
Printed Name**

**Mayor/Judge
Signature**

Additional Documentation

- 1. Complete Attachment A "Certification Letter." This form must be signed by the county judge or mayor with correct date and calendar year.**
- 2. Complete Attachment B "Resolution." This form must be passed by the city council/quorum court, file stamped and signed with correct date and calendar year.**
- 3. Include backup documentation for all items listed on Attachment C "Cost Estimate Breakdown." This includes quotes of all items applied for with grant funding.**

Arkansas Economic Development Commission
Division of Rural Services
Attn: Becca Caldwell, Director, Rural Services
1 Commerce Way, Suite 601
Little Rock, AR 72202
1-888-RURAL-AR | 1-501-682-3292
BCaldwell@ArkansasEDC.com

Arkansas Rural Community Grant Program

Certification Letter

Date: _____

Arkansas Rural Community Grant Program
c/o Arkansas Economic Development Commission, Division of Rural Services
1 Commerce Way, Suite 601, Little Rock, AR 72202

Dear Members of the Arkansas Rural Development Commission:

On behalf of the city/county of _____, I am writing to request your assistance in securing a state grant under the Arkansas Rural Community Grant Program. Proceeds from the \$_____, if awarded will be used for the following project, as outlined in the enclosed application: _____.

The citizens of _____ have furnished proof that they have raised \$_____ through local cash and/or in-kind donations as their matching share on the project and the City Council/Quorum Court of _____ agrees to provide the remainder funds necessary to complete the state matching requirements. Further, we have read the application fully and have determined that the city/community of _____ is eligible to apply for a receive funds under this program.

I designate myself, Mayor/County Judge of _____ as the person ultimately responsible for the administration of the state grant, if awarded. Project funds for all sources will be expended through a fund established on the books of the city/county of _____ and all project expenditures with invoices and canceled checks attached, in addition to copies of all application materials, will remain on file in the Mayor/Judge's office for three years of until audited (whichever is later), to assure that funds were used for the purposes for which they were made available.

If additional information is needed concerning this project, please feel free to contact me or the project's primary contact person (name) _____ at (phone number) _____.

Thank you for your consideration.

Sincerely,

Mayor/Judge: _____

City/County: _____

Phone Number: _____

Arkansas Rural Community Grant Program

Resolution Passed by City Council/Quorum Court

Date: _____

Resolution # _____

Be it resolved by the City Council/Quorum Court of _____, State of Arkansas a resolution entitled: _____.

A Resolution authorizing the Mayor/Judge of _____ to apply for a grant on behalf of _____.

Whereas, the _____ City Council/Quorum Court has determined that _____ community meets eligibility requirements necessary to apply for a grant under the Arkansas Rural Community Grant Programs, and

Whereas, the _____ Community has presented plans to _____
_____ (*description of project*); and whereas, the City Council/Quorum Court of _____ recognizes the need for the project, concurs its importance, and supports the _____ Community in its efforts to proceed with the same, and

Whereas, the _____ Community has furnished proof that they have raised \$_____ through community cash and/or in-kind donations to be applied to the project as a local match;

Therefore, be it resolved that the City Council/Quorum Court of _____ hereby appropriates a sum of \$_____ to complete the local match money requirement for the project described herein;

Be it further resolved, that the Mayor/County Judge of _____ is hereby authorized to submit an application of formal request to the Arkansas Rural Development Commission for purpose of securing state grant funds in the amount of \$_____ to aid and assist the _____ Community in executing the proposed project described herein and that the Mayor/County Judge or Recorder/Treasurer of _____ is further authorized to administer the grant funds for the same project.

THIS RESOLUTION ADOPTED IN REGULAR SESSION _____ (*date*).

Approved: _____
Signature of Mayor or County Judge

Attest: _____
Signature of City or County Clerk

Note: This is a sample copy of a resolution intended to assist grant writers in knowing what to submit.

TOTAL FUNDING SOURCE BREAKDOWN \$\$_____

Checklist for a Complete Rural Community Grant Application

In addition to the grant application, communities must include the following, in order, for the application to be complete. Failure to submit any of the required documents by the cycle deadline will result in an incomplete application and will not be reviewed by the Arkansas Rural Development Commission for grant consideration. Please use this sheet to double check that all required information is submitted such as:

- ☐ A signed Certification Letter enclosed with application from the local governing official (mayor for incorporated areas, county judge for unincorporated areas) complete with the correct date and calendar year.
- ☐ A dated and numbered resolution passed by the city council (for incorporated areas) or the quorum court (for unincorporated areas) signed by the mayor/county judge and the city/county clerk.
- ☐ An 8.5" x 11" map of the area to be served by the proposed project.
- ☐ A deed, title, or other instrument showing proof of public ownership. This may include an intent to donate letter from a private individual or a lease that extends for more than 10 years. Public ownership is defined as owned or leased for more than 10 years with the city, municipality, county, or fire department. This requirement does not apply to equipment purchases.
- ☐ Letters of public support from the community's local governing State Senator and State Representative.
- ☐ Backup documentation for all items listed in the project cost estimate. This includes written professional estimates for all items the applicant is purchasing and letters of intent to donate all materials and any labor being donated. Only one bid is required for each item.
- ☐ Backup documentation for all items listed on the funding source breakdown (local match). This includes copies of bank statements for cash, letter indicating pledges of cash, and letters of intent to donate all materials and labor being donated. Applicants must show they have raised their entire portion of the match in order to be eligible.
- ☐ The original grant is mailed PLUS two copies of the entire application packet.

Pertaining to fire and/or emergency related services only:

- ☐ Copies of the fire department's last THREE Act 833 Annual Expenditure Report Forms
- ☐ Detailed list of all applicable fire equipment owned by the department
- ☐ Documentation of the fire department's ISO Rating
- ☐ If applicable, an explanation letter from the mayor/county judge stating the department is new and hasn't received these documents