



POWER Initiative 2021 RFP Overview

This request for proposal (RFP) gives an overview of the Appalachian Regional Commission's Partnerships for Opportunity and Workforce and Economic Revitalization (POWER) Initiative, and the requirements needed to complete a POWER grant application for Fiscal Year (FY) 2021.

RFP release date:	January 14, 2021
Application portal opens:	February 16, 2021
Letter of intent due:	March 5, 2021 (5 PM ET)
Proposal due date:	April 16, 2021 (5 PM ET)

More information about the POWER Initiative, a complete list of projects that have been funded under this effort, and further guidance on submission is available at www.arc.gov/POWER. Questions can be emailed to POWER@arc.gov.

Appalachian Regional Commission Overview

The Appalachian Regional Commission (ARC or the Commission) 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.

ARC Strategic Investment Goals

As described in ARC's strategic plan¹, *Investing in Appalachia's Future*, the Commission has identified five investment goals to advance its vision and mission and to guide its work through FY21. These goals reflect consensus among local, state, and federal partners on the most critical investment opportunities in the Appalachian Region (the Region). While the investment goals are distinct, they are also interdependent, with progress on one goal often requiring investment in another. All POWER Initiative applications must address one or more of these goals:

1. **Economic Opportunities:** Invest in entrepreneurial and business development strategies that strengthen Appalachia's economy.
2. **Ready Workforce:** Improve the education, knowledge, skills, and health of residents to work and succeed in Appalachia.
3. **Critical Infrastructure:** Invest in critical infrastructure, especially broadband; transportation, including the Appalachian Development Highway System; and water/wastewater systems.
4. **Natural and Cultural Assets:** Strengthen Appalachia's community and economic development potential by leveraging the Region's natural and cultural heritage assets.
5. **Leadership and Community Capacity:** Build the capacity and skills of current and next-generation leaders and organizations to innovate, collaborate, and advance community and economic development.

¹ ARC's five-year strategic plan ending in 2020 was extended through 2021 due to the COVID-19 pandemic.

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POWER Initiative

The Partnerships for Opportunity and Workforce and Economic Revitalization (POWER) Initiative makes available federal resources to help communities and regions affected by job losses in coal mining, coal power plant operations, and coal-related supply chain or logistics industries due to the changing economics of America's energy production and the coal economy. POWER supports efforts to create a more vibrant economic future for coal-impacted communities by cultivating economic diversity, enhancing job training and reemployment opportunities, creating jobs in existing or new industries, and attracting new sources of investment. For coal-impacted communities to diversify their local and regional economies successfully, POWER prioritizes targeting federal resources to projects and activities with the following characteristics:

- Will produce diverse economic development outcomes, such as the following:
 - Diversify the commercial and industrial bases of local and regional economies
 - Create high-quality, well-paying jobs in new and/or existing industries
 - Attract new sources of public and private investment
 - Provide a range of workforce services and skills training, including paid work-based learning opportunities, resulting in industry-recognized credentials for high-quality, in-demand jobs
- Are specifically identified under state, local, and/or regional economic development plans
- Have been collaboratively designed by a diverse blend of state, local, and regional stakeholders

The POWER Initiative seeks to align and leverage complementary federal, state, and other economic development resources that provide assistance through competitively awarded grants to partnerships anchored in coal-impacted communities. By aligning and leveraging multiple resources (federal, state, local, non-profit, and private sector), POWER solicits and prioritizes the selection of projects that integrate multiple economic development systems and resources in support of implementing existing economic development strategic plans.

Coal Impact: Documentation of Economic Impact

Eligible POWER projects must be located within and targeted to communities or regions that have been recently impacted, or can reasonably demonstrate that they will be impacted in the near future, by coal- mining or coal-power plant employment loss, or employment loss in the supply-chain or logistics industries of either. Ongoing transitions in the United States energy sector generate outcomes that may impact, or have already impacted, different communities at different points in time.

Complete applications for a POWER FY21 grant must provide appropriate third-party economic and demographic statistics for the applicable community or region in order to document the extent to which contractions in the coal economy have negatively impacted the community or region. Applicants may use data that are available online at www.arc.gov/POWER and from other sources to demonstrate community and regional impacts of coal economy transitions.

In some instances, the inclusion of a region in a particular dataset may be adequate documentation of coal impact. If a particular region is not included in these referenced datasets, the applicant will need to cite the reputable data sources that demonstrate impact. Economic indicators, labor market analyses, official announcements made by local and regional industries and firms, demographic data, and industry data are strong sources of data to demonstrate these impacts. Applicants are encouraged to provide data (median income, coal mine closures, etc.) from other federal sources, which can be found at www.arc.gov/POWER.

POWER Investment Priorities

As adopted by the Commission, the POWER investment priorities build upon ARC's strategic investment goals. The focus of ARC's POWER Initiative for FY21 will remain on investments that are regional, strategic, and focused on the economic revitalization of coal-impacted communities and regions.

Project proposals that do not fit the following list of POWER investment priorities may be considered for funding, but all applications will be reviewed on their ability to address at least one of these priority areas.

1. Building a Competitive Workforce

- Projects investing in workforce training should stress the potential for **upward mobility** for the participants. This can be accomplished through upskilling, retooling, and establishing clear, defined career pathways in training programs that accommodate continued growth.
- Workforce projects should aim to **increase labor participation rates** by not only targeting underemployed workers, but recruiting and training people who have dropped out of the workforce.
- Proposals for training programs should be supported with evidence that indicates a demand for that particular skillset in the area to be served. Evidence can include letters from local businesses and business groups expressing a need or analyses of local and regional labor markets.

2. Fostering Entrepreneurial Activities

- **Access to capital.** ARC seeks to increase private investment capital available to small and medium-sized businesses across the Region through the POWER program. ARC supports the formation, operation, and capitalization of a range of development finance activities. ARC encourages investment made with the intent of generating measurable social or environmental returns and a financial return (also known as impact investing).
 - All access-to-capital projects must supply additional information as outlined in Appendix A.
- **Creation, support, and growth of entrepreneurial ecosystems.** ARC research has identified several key components of strong entrepreneurial ecosystems: market access, capital, talent, business assistance, infrastructure, and culture/community leadership. Projects should target and strengthen multiple components in a region. ARC's research can be found at www.arc.gov/ecosystems.

- **Development and deployment of entrepreneurship education programs** that seek to lay the groundwork for a shift in a region’s entrepreneurial culture, especially those that work in concert with science, technology, engineering, and math (STEM) initiatives.
- **Invest in a region’s natural and cultural assets** and creative enterprises through activities that increase entrepreneurship. Project activities in this area should be integral to a region’s overall economic development strategy and result in realistic, measurable economic benefits.

3. Developing Industry Clusters in Communities

- **Supporting small manufacturing companies for product and market diversification and expansion.** Project activities in this area should be designed to help communities cultivate an environment where new and existing manufacturers create well-paying jobs through increased private investment and acceleration of the resurgence of manufacturing. Examples include but are not limited to supply chain improvements, bringing connectivity and interoperability to the manufacturing facility, export assistance, energy efficiency improvements, and improved access to capital for the Region’s small and mid-sized manufacturers.
- Bolstering entrepreneurial, technical, academic, and scientific talent that **support the creation of strategic industry clusters**, such as food systems or high-tech manufacturing, which yield high-quality businesses and jobs.

4. Strengthening Substance Abuse Response

- Projects that address the substance abuse crisis should focus on creating a **recovery ecosystem** that will lead to **workforce re-entry**. Projects are encouraged to support the **post-treatment to employment continuum**, which could include investments in healthcare networks that support substance abuse recovery professionals, recovery-focused job training programs, as well as initiatives designed to coordinate, or link, recovery services and training that support the recovery ecosystem.
 - The **recovery ecosystem**, within the context of building and strengthening economically resilient communities in Appalachia, is a complex linkage of multiple sectors (including but not limited to recovery communities, peer support, health, human services, faith communities, criminal justice, public safety, housing, transportation, education, and employers) designed to help individuals in recovery access the support services and training they need to maintain recovery and successfully obtain sustainable employment.
- Initiate or expand programs designed to eliminate or reduce the harm to the workforce and economic growth of the Region that results from such abuse; attract and retain relevant health care services, businesses, and workers.

5. Broadband

- Up to one-third of funds provided for the POWER FY21 program will be available to fund broadband deployment projects that enhance access to broadband service. Broadband is a critical infrastructure component needed by all segments of the community: for business development; job creation; health care services, including telemedicine; and to help rural areas compete with more densely populated areas.
- Understanding that broadband deployment projects can be capital intensive, grant requests for deployment projects can be up to \$2.5 million, with priority given to projects with evidence of leveraged funding for the overall project. **To qualify for**

broadband deployment funding, at least 65% of the project's budget must be directed to the actual deployment of broadband infrastructure. Projects whose budgets direct more than 35% of their funds toward activities not directly associated with deployment of broadband infrastructure will follow the same guidelines as implementation projects and will not qualify for broadband deployment funding.

- Broadband applicants must provide additional information as outlined in the application and within the RFP (Appendix B).

Prior to submission of the application, every applicant is required to contact the state program managers of the states impacted by the project proposal. The state officials will ensure that the proposals are also in alignment with their [state Appalachian economic development plans and strategy statements](#).

Grant Types

Implementation Grants

Implementation grants awarded under the POWER FY21 RFP are for the support of programmatic delivery. Applicants may also request funding to support construction incidental to their project.

The Commission will make individual implementation grants in amounts between \$400,000 and \$1,500,000 for each project it awards within the congressionally-defined Appalachian Region, with exceptions for broadband deployment projects, which have a range of \$400,000 to \$2,500,000. Specific award guidelines may vary by type of project.

Applicants can determine the required time period necessary to meet the objectives of their projects. This period of performance for implementation projects awarded under this RFP may be a minimum 12 months and a maximum of 36 months.

Special guidance on capital finance and broadband deployment projects can be found in Appendix A and B, respectively.

Planning Grants

In addition to implementation grants, ARC will also award smaller planning grants—in amounts up to \$50,000—to assist coal-impacted communities and regions in the Appalachian Region in the development of plans, strategies, and feasibility studies targeted to the diversification and growth of their economies. Planning awards should result in grantees better understanding their resources, identifying strengths and needs, and helping focus their future efforts through cost/benefit analyses.

The goal of these planning projects is to assist entities with the development of an implementation project following their completion; therefore, no activities in the scope of work can include the delivery of a program or services. Planning grantees are encouraged to follow up with a POWER implementation application, but there is no guarantee of funding. Planning grantees should, within the context of their work, identify other possible avenues for programmatic funding.

For POWER planning awards, applicants can determine the period of performance necessary to meet the objective of their project, which may be up to 12 months (depending on the scope of work).

Please see Appendix C for the review criteria and more guidance on planning grants.

Eligibility

Organization Type

Eligible applicants for ARC's POWER Initiative are the following:

- Local development districts (LDDs)
- Indian tribes or a consortium of Indian tribes
- 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

Fiscal Agents

Though fiscal sponsors/agents may be used to submit a POWER proposal, only local development districts (LDDs) are able to serve as the lead applicant on more than one POWER project at a time. Similarly, only LDDs can submit more than one POWER application in an application period. For all other entities, we will only consider the most recently received application that met the deadline. If the most recent application is disqualified for any reason, we will not replace it with an earlier application.

Previous POWER Grantees

Please note that current POWER implementation grantees are eligible to apply for POWER FY21 funds only if they are due to close out their current POWER projects by October 1, 2021. Current or previous POWER grantees must provide a thorough status update on their existing projects within the application. Applications should include an expansion of geography, increased scope of work with an existing concept, or a proposal with a new concept. POWER FY21 funds will not be released until current POWER projects are successfully closed out.

Workforce Opportunities for Rural Communities (WORC) Grantees

Please note that current WORC grantees are eligible to apply for POWER FY21 funds only if the applicant's scope of work is new and does not overlap with an open WORC grant. WORC grantees must provide a thorough status update on their existing projects within the application. Applications should include an expansion of geography, increased scope of work with an existing concept, or a proposal with a new concept.

Investments Supporting Partnerships in Recovery Ecosystems (INSPIRE) Grantees

Please note that current INSPIRE grantees are eligible to apply for POWER FY21 funds only if the applicant's scope of work is new and does not overlap with an open INSPIRE grant. INSPIRE grantees must provide a thorough status update on their existing projects within

the application. Applications should include an expansion of geography, increased scope of work with an existing concept, or a proposal with a new concept.

Project Geography

In addition, projects must serve and benefit a portion of the Appalachian Region as defined by the ARDA of 1965, as amended. The Appalachian Region includes certain counties in Alabama, Georgia, Kentucky, Maryland, Mississippi, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Virginia, and all of West Virginia. If projects extend beyond the ARC Region, only that portion that is within the Region is eligible for ARC funding. A map of the Appalachian Region is available online at www.arc.gov/POWER.

Coal Impact

Eligible POWER projects must be located within and targeted to communities or regions that have been recently impacted, or can reasonably demonstrate that they will be impacted in the near future, by coal- mining or coal-power plant employment loss, or employment loss in the coal-related supply-chain or logistics industries of either. More details on demonstrating coal impact can be found in the section titled Coal Impact: Documentation of Economic Impact.

Application Review Criteria for Implementation Grants

Applications must meet the minimum criteria in the table below and will receive a score up to 100.

Further guidance immediately follows. Applications for access to capital and broadband will require additional narrative. Please see Appendix A and B respectively for guidance. See Appendix C for review criteria for planning grants.

	POINTS AVAILABLE
Project Description	15 points
Project plan summary	8
Timeline	2
Geographic scale	5
Coal Impact	15 points
Coal impact data	10
Coal impact narrative	5
Rationale	36 points
Alignment with ARC investment goals and priorities	6
State and regional priorities	6
Direct impact to coal-related job losses	3
Planning and supporting assessments	4
Market analysis	4
Addresses needs of the project area	4
Evidence of local demand	5
Sustainability	4
Project Team	12 points
Partnerships	5
Organizational capacity	5
Readiness	2
Projected Outputs and Outcomes	10 points
Relevant, realistic outputs and outcomes; return on investment	5
Methodology	5
Match and Budget Evaluation	12 points
Match	4
Budget	4
Budget narrative	4
TOTAL	Up to 100
BONUS – Opportunity Zones	2 points
	2
FINAL TOTAL	

Project Description (up to 15 points)

- **Project plan summary:** Clearly and fully describe the proposed project's scope of work.
- **Timeline:** Include a full timeline of the project's proposed activities and milestones. Please note that the grant period will likely start on October 1, 2021.
- **Geographic scale:** Identify the proposed project area, highlighting geographic areas of focus.

Coal Impact (up to 15 points)

- **Coal impact data:** Use ARC and other third-party data to support your coal impact narrative.
- **Coal impact narrative:** Provide a written narrative of how the proposed project area has been impacted by the decline of the coal economy.

Rationale (up to 36 points)

- **Alignment with ARC investment goals and priorities:** Explain how the proposed scope of work and the project's goals align with one or more of the **ARC Strategic Investment Goals**, as well as one or more of the POWER Investment Priorities.
- **State and regional priorities:** Demonstrate how your proposal aligns with or ties into the appropriate [state ARC strategy statements or state economic development plans](#).
- **Direct impact to coal-related job losses:** Indicate how your proposal addresses the direct impacts of coal-related job losses in the project area and is best suited to do so.
- **Planning and support assessments:** Provide documentation in the form of feasibility studies, business planning, or other research and analysis that speaks directly to the proposed project's design and how that aligns with existing regional economic development priorities.
- **Market analysis:** Describe how the proposal is a complement to existing initiatives (if applicable), and is not duplicative of any ongoing efforts in the project area, including previous POWER grants. Any survey data should directly show end-user participation needs.
- **Addresses needs of the project area:** Describe how the proposed project is the best suited to address outstanding needs and represents progress toward addressing a regional goal, including, if relevant, how it responds to COVID-19 impacts.
- **Evidence of local demand:** Show beneficiaries and key community stakeholders' demand for the project. Letters from stakeholders should validate demand and demonstrate strong input and engagement of the broader community in planning and project design.
- **Sustainability:** Speak directly to the commitment of the proposed project stakeholders to sustain the project's activities beyond ARC's investment through robust planning, and indicate whether your project encompasses other factors that would make it sustainable, e.g., the project will generate income.

Project Team (up to 12 points)

- **Partnerships:** Identify key project partners and describe each partner's role in the proposed project. Project proposals should have multiple stakeholders engaged in project implementation from multiple sectors and from multiple disciplines.
- Overall project team membership can be comprised of, but is not limited to, the following types of organizations:
 - State, regional, and local economic development organizations
 - Local governments
 - Planning organizations and development districts
 - Labor unions and labor-management apprenticeship programs
 - State and local workforce agencies
 - Institutions of higher education, including (but not limited to) community colleges and other job training and adult education providers
 - Not-for-profit and community-based organizations
 - Chambers of commerce, industry and trade associations, local and regional business owners, and other representatives from the private sector
- **Organizational capacity:** Demonstrate the ability for the project team to undertake/accomplish the proposed scope of work including, but not limited to, the project teams' qualifications and experience managing sizeable grants and federal awards; familiarity with federal grant regulations; and organizational policies, procedures, and systems.
 - Additionally, describe any changes your organization made to operational or financial hurdles relating to COVID-19. Have you developed and/or implemented contingency plans for your activities in case COVID-19 mitigation remains necessary? Please provide a brief statement on those plans.
- **Readiness:** Describe the readiness of the project team to begin work once grant is awarded (estimated start date of October 1, 2021). Highlight whether or not significant hiring is required, and what additional expertise is needed, for implementation of the proposed scope of work. Proposals that do not go to contract by December 1, 2021 are subject to disqualification.

Projected Outputs and Outcomes (up to 10 points)

- Identify the **proposed project outputs and outcomes** that are aligned with the scope of work; reviewers will assess whether they appear relevant, realistic, and achievable. Reviewers will also gauge the potential return on investment based on the correlation between the amount of funding requested, the overall scope of work, and the stated outputs and outcomes.
- **Methodology:** Explain the methodology and reasoning used to estimate outputs and outcomes.
- Please review [ARC's Performance Measurement](#) document.

Match and Budget Evaluation (up to 12 points)

- **Match:** Identify resources to be leveraged as match and the status of that match (confirmed, pending, etc.) Resources listed as match should be confirmed or accessible within 60 days of the contract date. Applicants should demonstrate community and regional commitment to the proposed project by combining ARC

resources with a diverse array of match types (cash, in-kind, loans, etc.) and sources (public, private, philanthropic, etc.).

- Submit complete and detailed **budget** and **budget narratives**:
 - All items included in the budget and budget narrative must align with each other.
 - All items included in the budget and budget narrative—including personnel, fringe benefits, travel, equipment, supplies, contractual, minor construction, other and indirect charges—must align with the project as described.
 - All items in the budget narrative are detailed and reflected in the budget.
- Complete appropriate 424 forms.

BONUS: Opportunity Zones (up to 2 points)

Describe, if applicable, how leveraging qualified Opportunity Zones (OZs) are central to the outlined work plan. Explicitly identify the relevant OZs by number. You can find a map and database at <https://opportunityzones.hud.gov/resources/map>.

Review Process

POWER applications will first be reviewed by the states in which the project's activities and impacts are located. This initial review will ensure that the project's scope of work is strategic and compatible with the state's existing economic development priorities.

ARC federal program staff, state ARC officials, and outside subject matter experts will jointly review and score applications based on the criteria set out in this document.

Following this, applicants will be notified of their application's status. Those recommended to move forward in the process will be assigned an ARC project coordinator who will work with the applicants to review and finalize their proposal.

During the review stages, ARC reserves the right to negotiate the budget costs with applicants that have been selected to receive awards, which may include requesting that the applicant remove or adjust certain proposed costs.

Additionally, ARC may request that the applicant modify objectives or work plans and provide supplemental information pertaining to any aspect of the application. ARC also reserves the right to reject an application where information is uncovered that raises a reasonable doubt as to the applicant's ability to successfully fulfill the objectives and requirements of the grant award.

ARC, in its complete and sole discretion, may select for award some, all, or none of the applications received under this competitive solicitation. The final approval of selected applications and issuance of awards will be by the ARC federal co-chair and the respective state ARC official(s). The award decision of the ARC federal co-chair and the respective state ARC official(s) is final.

Post-award modifications to POWER grants are considered on an individual basis. Modifications due to unforeseen circumstances beyond the control of the applicant, such as severe weather or a health emergency, will be considered. As these applications were competitively scored, modifications that would have likely affected that score will not be considered. ARC recommends that all potential applicants have strong confidence in their

ability to complete their proposed scope of work and achieve projected impacts with the project budget as submitted.

Cost Sharing and Match

Under POWER FY21, applicants for an ARC grant must demonstrate a matching share from non-ARC sources that is identified and forthcoming to the project. Matching sources may be non-federal, other federal, or a combination of sources, including in-kind sources. The maximum share of ARC assistance is determined by the ARC classification of the county (or all counties) served by the proposed activity. Applicants may request up to 80% of the total project cost when the county served by a project has been designated as economically “distressed” according to ARC’s FY21 classification. A table summarizing ARC’s economic designations and the maximum ARC share for each Appalachian county can be found online at www.arc.gov/POWER.

To determine the match rate for an ARC multi-county POWER project, special matching rules apply:

- If there is a distressed county in the project and:
 - At least half of the counties are distressed, the project may be funded at up to 80% of project costs;
 - At least half of the counties are 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;
 - 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.
- 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.
- All other multi-county projects shall be funded at the average percentage applicable to the various counties in the project (i.e., 80%, 70%, 50%, 30%, or 0%); except that the portion of a project that is attributable to an attainment county in a project that does not include a distressed county shall be considered ineligible for ARC assistance and may not be considered for matching purposes.
- Please see Appendix A and B for additional guidance on cost sharing and match for capital finance and broadband projects.

Application and Submission Information

Important Dates

RFP release date:	January 14, 2021
Application portal opens:	February 16, 2021
Letter of intent due:	March 5, 2021 (5 PM ET)
Proposal due date:	April 16, 2021 (5 PM ET)

State Program Manager Outreach

Prior to submission of the application, every applicant is required to contact the state program managers of the states impacted by the project proposal. The state officials will ensure that the proposals are in alignment with their state Appalachian economic development plans and strategy statements. If this action is not completed, then the application will not be moved forward in the review process. A list of all ARC program managers is available at www.arc.gov/POWER.

Letter of Intent (LOI)

Applicants are required to submit a one-page letter of intent (LOI) using the provided template in PDF format to POWER@arc.gov by **MARCH 5, 2021 at 5 PM ET**. An LOI is required for both implementation applications and planning grant applications. The LOI template will be available at www.arc.gov/POWER on **JANUARY 14, 2021**.

Briefly identify contact information, and describe the scope of the proposed project, key partners, geographic scope, and funding request amount. Once receipt of the LOI is confirmed, it will be forwarded to the ARC state program managers of each state impacted by the proposal for notification of your intent to apply. Confirmation will include a password and detailed instructions for the applicant to formally submit their application at power.arc.gov.

Submitted applications for POWER FY21 funding that substantially differ from the information included on the received LOI will be disqualified during the review process.

NOTE: Submission of the LOI does not replace or satisfy the requirement that applicants must contact the appropriate state program managers. Additionally, ARC federal staff will not provide programmatic feedback on LOIs prior to submission.

Full Application

When the submitted LOI is accepted, ARC staff will create the application based on the information provided. The contact listed on the LOI will receive an email notification that their application has been created and access to the full POWER application via the application portal (power.arc.gov) will be granted. Additional members of the project team can access the application when the Primary Contact updates the Contact Info page in the application portal.

Answer every question in full and upload all relevant attachments as PDFs on the File Upload page. Applications will be considered fully submitted when the Authorized Representative digitally certifies and signs the Signature and Submission page. ARC will not accept applications in any other format or medium.

Implementation applications are limited to 100 pages and planning applications are limited to 40 pages; this total includes both the narrative and the uploaded attachments. Applicants must provide a comprehensive narrative that addresses all of the criteria and priorities noted in this RFP, including the Review Criteria section. Only applications that meet the following criteria will be scored:

- Applicants must meet eligibility requirements.
- Applicants can only submit one application per eligible applicant.
- Applications must meet the ARC cost-share matching requirement for the proposed service area.
- Applicant has contacted ARC State Program Manager(s).
- A letter of intent (LOI) must be submitted to ARC. Submission instructions for the LOI:
 - Submit as PDF to POWER@arc.gov **MARCH 5, 2021** at 5 PM (ET).
 - Once receipt of LOI confirmed, it will be forwarded to the respective state program managers. **AGAIN: This step does not satisfy the requirement that applicants must contact state program managers.**
 - Submitted applications for funding that substantially differ from the information included on the received LOI will be disqualified during the review process.
- Applications must be uploaded and submitted no later than 5 PM (ET) on **APRIL 16, 2021**.
- Further guidance on submission can be found at www.arc.gov/POWER.

Unique Entity Identifier and System for Award Management (SAM)

As required by the Federal Funding Accountability and Transparency Act of 2006 and 2 CFR §200, Appendix I, applicants are required to meet the following criteria:

- Be registered in the System for Award Management (SAM) before submitting their application (SAM now encompasses the Central Contractor Registration (CCR));
- Provide a valid unique entity identifier in their application; and
- Continue to maintain an active SAM registration with current information at all times during which they have an active federal award or an application or plan under consideration by a federal awarding agency.

Funding Restrictions

POWER FY21 grant awards funded in part or in whole with ARC program funds are subject to the same program funding restrictions of other ARC grants. Additional program information is available at www.arc.gov/POWER.

Indirect Costs

Applicants must use one of the following indirect cost rates:

- If you have a Negotiated Indirect Cost Rate Agreement (NICRA), provide an explanation of how the indirect costs are calculated in the Match and Budget Evaluation section of the application narrative. This explanation should include which

portion of each line item, along with the associated costs, are included in your cost allocation base. Also, provide a current version of the NICRA.

- Pursuant to revised grants regulations that became effective on November 12, 2020, any organization that does not currently have a federally negotiated indirect cost rate, except for those entities described in Appendix VII to 2 CFR §200, may elect to charge a de minimis rate of 10% based on modified total direct costs, as defined in 2 CFR §200. No documentation is required to justify the 10% de minimis indirect cost rate, which may be used indefinitely. However, costs must be consistently charged as either indirect or direct costs, and may not be double charged or inconsistently charged as both. If you choose this option, this methodology must be used consistently for all federal awards until such time as you choose to negotiate for an indirect cost rate, for which you may apply at any time. (See 2 CFR §200.414[f] for more information on use of the de minimis rate.)

Award Administration

General management and administration requirements for non-construction projects are contained in the [ARC Grant Administration Manual for Non-Construction Grant Agreements](#). 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 [Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards 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](#). 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 Contact Information

Prior to submission of the application, every applicant is required to contact the state program managers of the states impacted by the project proposal. The state officials will ensure that the proposals are in alignment with their state Appalachian economic development priorities. State program managers also serve as a resource regarding any questions that applicants have about the POWER Initiative in general or about the use of agency funds to support projects in their communities and regions.

Applicants with additional questions may submit them to POWER@arc.gov.

General Legal Disclosures

POWER FY21 Initiative awards will be made only to the extent that funds are available. Publication of this RFP does not obligate ARC to award any specific grant or cooperative agreement or to obligate all or any part of available funds. Applicants intending to contract with a specific individual, consulting group, or organization with ARC funding must have and

use a competitive procurement policy that conforms to procurement standards at 2 CFR §200.317–327.

This RFP does not commit ARC to make any specific award. Notwithstanding any other provisions of the RFP, ARC reserves the right to award grants, cooperative agreements, or contracts to communities or regions that best meet the requirements of the RFP. ARC solely reserves the right to accept or reject any or all responses received as a result of this request; to negotiate with all qualified sources; or to cancel in part or in its entirety this RFP if it is in the interests of ARC to do so.

Please note that ARC will not reimburse any other costs associated with the preparation of a response to this RFP. Consultants and consultant teams that are legally barred from receiving federal contracts or contract payments will not be considered for work with communities or regions under this RFP.

APPENDIX A: Additional Application Requirements for Access-to-Capital Projects

ARC has historically provided grants to support the formation, operation and/or capitalization of a range of development finance activities, including revolving loan funds (RLFs), Community Development Finance Institutions (CDFI) funds, angel investment funds, venture capital investment funds, and New Markets Tax Credit Community Development Entities (CDEs) funds. Under the POWER initiative, ARC seeks mission-driven investments or impact investments.

In addition to the criteria outlined in this FY21 POWER Initiative RFP, ARC has the following **additional requirements** for POWER access-to-capital projects:

Project Description

- Outline the proposed financial products and/or services.
- Describe one or two sample projects and how the deals might be structured.
- Detail technical assistance to be provided to borrowers.

Rationale

- Describe the gaps in currently available capital for the targeted communities. Summarize local and regional demand, including the number of projects, types of projects, and total dollars needed.
- If applicable, provide the applicant's deployment rate for currently available assets, and outline restricted and unrestricted asset allocation.
- Describe traditional sources of financing or financial services available to the target communities and how the proposed product/services are superior or complementary.

Project Team

- Describe any partnerships or collaborations with other local community, state, regional, and federal partners, particularly outlining key organizations within the Region's entrepreneurial ecosystem and how they will support effective service delivery.
- Briefly describe the qualifications of key individuals who will manage and operate the project, including staff and the members of the investment committee. Attach position descriptions (if not hired) or brief résumés of these individuals.

Projected Outputs and Outcomes

Access-to-capital projects will have some or all of the following measures:

- **Businesses served:** Includes businesses receiving technical assistance or participating in training, entrepreneurship, export, or other business development and improvement programs. A borrower may be counted as a business served.
- **Businesses improved:** Businesses with a measurable improvement, which may include jobs created, revenue generated, new customers, new markets, and other measures. For each project, this number is always a subset of, or the same as, the "businesses served" output measure.
- **Businesses created:** Businesses created during the grant performance period and up to three years after the end of the performance period.

- **Leveraged private investment (LPI):** Private-sector financial investments measured during the project period and up to three years after the project end date. This measure is required.
- **Jobs Created:** Jobs created a result of the project, measured during the project period and up to three years after the project end date.
- **Jobs Retained:** Jobs retained as a result of the project. Grant applicants should estimate the number of existing jobs that would be at risk due to relocation or loss of competitiveness without the ARC-funded project.

Match/Budget

- All POWER program capital asks require a 3:1 private capital raise.
- The capital raised for this portion of the grant may not be used to cover the match of the technical assistance or operational expenses. ARC's match requirements must be applied for non-capital portions of the budget.
- Additionally, the 3:1 capital raise will not count toward the leveraged private investment performance measurement.

Separating Business Technical Assistance/Operations from Capital

- If a grantee requests funds for both business technical assistance/operating and capital, then the activities will be delineated in two grant agreements with two separate budgets once an award is made. This approach allows ARC and the grantee to close the technical assistance grant by the agreed upon end date stated in the agreement. ARC will continue the investment grant indefinitely in accordance with federal regulations.

Required Additional Documentation

- A one-page document outlining a pipeline of investment opportunities, including the type of business (e.g., retail, restaurant, manufacturing, etc.), amount requested (if available), and brief description of intended use of financing.
- A five-year pro forma balance sheet that reflects the use of the loan proceeds or grant award, indicating the necessary start-up capital, operating capital, and short-term credit; the balance sheet must also include projected cash flow and income statements for five years supported by a list of assumptions showing the basis for the projections.
- Existing financial organizations must provide historical financial statements prepared in accordance with Generally Accepted Accounting Practices (GAAP) for the past three years—including income statements, balance sheets, and a current balance sheet and income statement in accordance with GAAP—and dated within 90 days of the application.
- A letter stating that the capital has been secured. If all of the capital is not raised by time of approval, the applicant must provide a letter showing progress on current capital raise. The letter must also contain a commitment to complete the raise with an expected date. The raise could also be provided on a loan-by-loan basis.
- Procedurally, the applicant will show the capital request in the "Other" line item in the application's budget form (SF 424a) and in the budget narrative as part of the application.

APPENDIX B: Broadband Project Requirements

Up to one-third of the funds provided for the FY21 POWER Initiative will be available to fund broadband deployment projects that enhance access to broadband services. Broadband is a critical infrastructure component needed by all segments of the community: for business development; job creation; health care services, including telemedicine; and to help rural areas compete with more densely populated areas.

Understanding that broadband deployment projects can be capital intensive, grant requests for deployment projects can be up to \$2.5 million, with priority given to projects with evidence of leveraged funding for the overall project. **To qualify for broadband deployment funding, at least 65% of the project's budget must be directed to the actual deployment of broadband infrastructure. Projects whose budgets direct more than 35% of their funds toward activities not directly associated with deployment of broadband infrastructure will follow the same guidelines as implementation projects.**

Below are specific requirements and guidance for broadband deployment grant applications:

Fiber Deployment Projects

- Priority will be given to the following:
 - Projects with a completed feasibility study that provides preliminary project design and cost estimates (see section titled “Broadband Feasibility Studies, below)
 - Broadband fiber deployment in central-business-district designated areas and industrial parks
 - Networks and projects that will be operational upon the completion of construction
 - ARC will not support sole fiber-to-the-home projects.
- To determine adequate broadband availability, applicants must provide evidence of the need for high-capacity broadband service in the proposed service area. For areas where internet service already exists, the applicant must demonstrate that the available service is insufficient to support robust economic development activities. Types of evidence include, but are not limited to, electric pole attachment maps, state broadband maps, and speed tests from broadband demand crowdsourcing surveys.
- ARC will not support deployment in areas that already have adequate broadband availability. For the purposes of achieving robust economic development, ARC's minimum threshold for adequate service is 100/100 symmetrical service for businesses and 50/10 service for households. If existing service providers fail to meet either threshold, then ARC is willing to consider broadband grant applications for that service area.
- Applicants must determine if the proposed coverage area already has a state or federally subsidized grant award for broadband deployment. While ARC will judge each application on its individual merits, it is not our intent to subsidize an area that will also receive a government subsidy from a different source. ARC funds should not be used to overlay existing areas that have adequate service or provide unfair competition. Some of the federal funding sources for broadband include the FCC's

Connect America Fund (CAF) and Rural Digital Opportunities Fund (RDOF) and USDA's ReConnect Initiative and Community Connect Program.

- **NOTE: Applicants must 1) notify existing service providers of their intent to use federal assistance to deploy broadband in the intended service area in advance of the grant application and 2) upload documentation verifying their correspondence in their application.** Correspondence should be in writing (letter or email), dated, and addressed to the appropriate individual (regional manager, government affairs director, etc.). Applications that do not provide documentation of correspondence with incumbent ISPs and/or evidence that the project area is unserved will not be considered for funding.
- Applicants are also encouraged to explore partnership opportunities with existing providers. This could include, but is not limited to, an electric utility contracting with an existing provider to manage its last-mile broadband services. It could also include a middle-mile fiber provider contracting with multiple providers to deliver last-mile broadband services.

Wireless Deployment Projects

- Priority will be given to the following:
 - Projects with a completed feasibility study that provide preliminary project design and cost estimates (see the section titled, "Broadband Feasibility Studies," below)
 - Projects for business and mixed-use deployment
 - Projects that use a variety of wireless technologies (e.g., fixed wireless/white space/LTE)
 - Networks and projects that will be operational upon the completion of construction
- ARC will not support deployment in areas that already have adequate broadband availability. Applicants must provide evidence of the need for broadband service in the proposed service area. ARC will not consider wireless deployment projects in areas where 25/3 or better service is already available.
- Applicants must determine if the proposed coverage area already has a state or federally subsidized grant award for broadband deployment. While ARC will judge each application on its individual merits, it is not our intent to subsidize an area that will also receive a government subsidy from a different source. ARC funds should not be used to overlay existing areas that have adequate service or provide unfair competition. Some of the federal funding sources for broadband include the FCC's Connect America Fund (CAF) and Rural Digital Opportunities Fund (RDOF) and USDA's ReConnect Initiative and Community Connect Program.
- **NOTE: Applicants must 1) notify existing service providers of their intent to use federal assistance to deploy broadband in the intended service area in advance of the grant application and 2) upload documentation verifying their correspondence in their application.** Correspondence should be in writing (letter or email), dated, and addressed to the appropriate individual (regional manager, government affairs director, etc.). Applications that do not provide documentation of correspondence with incumbent ISPs and/or evidence that the project area is unserved will not be considered for funding.

Broadband Feasibility Studies

POWER Initiative FY21 will also accept applications—through POWER planning grants up to \$50,000—for projects designed to demonstrate the feasibility of broadband deployment in

coal-impacted communities. Potential broadband technical assistance (TA) grants could fund projects that accomplish the following:

- Provide an inventory of broadband assets already in place.
- Assess community broadband requirements for bandwidth needs.
- Determine best technologies to meet the coal-impacted community needs.
- Provide cost estimates for different deployment strategies.
- Provide a study/analysis of alternative deployment routes.
 - This should include an analysis of existing providers who may already have ownership interests in proposed routes and, if relevant, an assessment of pole attachment costs for those routes.
 - If the area already has service, the study must also include an analysis of what speeds are currently available from existing providers. The study should also address any partnerships that the applicant plans to form to deliver broadband services.

Other Broadband Project Considerations

POWER applications for projects that seek to utilize existing broadband service or increase its adoption through community outreach efforts or innovative economic development initiatives will follow the same funding guidelines as other implementation projects, with grant amounts up to \$1.5 million that are not drawn from the available broadband deployment funds. Examples of these include the following:

- Business technical assistance on how to best utilize broadband services
- Community outreach efforts to increase broadband use and adoption
- Unique distance-learning and other telecom-oriented health practice enhancements

APPENDIX C: Planning Grants

	POINTS AVAILABLE
Project Description	18 points
Project plan summary	10
Timeline	3
Geographic scale	5
Coal Impact	15 points
Coal impact data	10
Coal impact narrative	5
Rationale	31 points
Alignment with ARC investment goals and priorities	6
State and regional priorities	6
Addresses needs of the project area	10
Evidence of local demand	9
Project Team	11 points
Partnerships	4
Organizational capacity	5
Readiness	2
Projected Outputs and Outcomes	13 points
Transition to implementation	10
Visualizes long-term impacts to community/region	3
Match and Budget Evaluation	12 points
Match	4
Budget	4
Budget narrative	4
TOTAL	Up to 100
BONUS – Opportunity Zones	2 points
	2
FINAL TOTAL	

Project Description (up to 18 points)

- Clearly and fully describe the proposed project's scope of work.
- Include a full timeline of the project's proposed activities and milestones. Please note that the grant period will likely start on October 1, 2021.
- Identify the proposed project area, highlighting geographic areas of focus.

Coal Impact (up to 15 points)

- Use ARC and other third-party data to support your coal impact narrative.
- Provide a written narrative of how the proposed project area has been impacted by the decline of the coal economy.

Rationale (up to 31 points)

- Explain how the proposed scope of work and the project's goals align with one or more of the **ARC Strategic Investment Goals**, as well as one or more of the POWER Investment Priorities.
- Demonstrate how your proposal aligns with or ties into the appropriate state [ARC strategy statements or state economic development plans](#).

- Describe how the proposed project is the best suited to explore outstanding needs in the project area and represents progress toward addressing a regional goal.
- Show beneficiaries and key community stakeholders' demand for the project. Letters from stakeholders should validate demand and demonstrate strong input and engagement of the broader community in planning and project design.

Project Team (up to 11 points)

- Identify key project partners and describe each partner's role in the proposed project and project design.
- Overall project team membership can comprise, but is not limited to, the following types of organizations:
 - State, regional, and local economic development organizations
 - Local governments
 - Planning organizations and development districts
 - Labor unions and labor-management apprenticeship programs
 - State and local workforce agencies
 - Institutions of higher education, including (but not limited to) community colleges and other job training and adult education providers
 - Not-for-profit and community-based organizations
 - Chambers of commerce, industry and trade associations, local and regional business owners, and other representatives from the private sector
- Demonstrate the ability for the project team to undertake/accomplish the proposed scope of work including, but not limited to, the project teams' qualifications (upload résumés, sample request for qualifications, etc.) and experience managing federal awards.
- Describe the readiness of the project team to begin work once grant is awarded (estimated start date of October 1, 2021). Highlight whether or not significant hiring is required for implementation of the proposed scope of work.

Project Outputs and Outcomes (up to 13 points)

- Demonstrate how pursuing the outlined scope of work will help facilitate the formulation of a potential implementation project. Include discussion of where and how the potential funding could be found beyond the ARC POWER Initiative.
- Include a description of how project stakeholders envision the proposed project transforming and furthering the long-term community and economic development of the project region.

Match and Budget Evaluation (up to 12 points)

- Identify resources to be leveraged as match and the status of that match (confirmed, pending, etc.) Resources listed as match should be confirmed or accessible within 60 days of the contract date. Applicants should demonstrate community and regional commitment to the proposed project by combining ARC resources with a diverse array of match types (cash, in-kind, loans, etc.) and sources (public, private, philanthropic, etc.).
- Submit complete and detailed budget and budget narratives:
 - All items included in the budget and budget narrative must align with each other.
 - All items included in the budget and budget narrative (including personnel, fringe benefits, travel, equipment, supplies, contractual, minor construction, other and indirect charges) must align with the project as described.

- All items in the budget narrative are detailed and reflected in the budget.
- Complete appropriate 424 forms.

BONUS: Opportunity Zones (up to 2 points)

Describe, if applicable, how leveraging qualified Opportunity Zones (OZs) are central to the outlined work plan. Explicitly identify the relevant OZs by number. You can find a map and database at <https://opportunityzones.hud.gov/resources/map>.