



# RURAL SERVICES

## APPLICATION PACKET Fiscal Year 2020

Rural Services Block Grant Program  
**Deadline: August 8, 2019**

Arkansas Economic Development Commission, Division of Rural Services  
Arkansas Rural Development Commission

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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.

### Who is Eligible to Apply for Funds from the Rural Services Block Grant Program?

In accordance with the State of Arkansas Five Year Plan for Arkansas Housing, Community and Economic Development Programs the following entities are eligible for funding under the Rural Services Block Grant Program:

- Incorporated and unincorporated cities and towns in Rural Arkansas with less than 3,000 people (verifiable by current US census information)
- Population must be at least 51% low to moderate income (LMI). A complete list of Arkansas community LMI percentages is available on the DRS website at [ruralservices.arkansas.gov](http://ruralservices.arkansas.gov)
- 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 or town's neighboring urbanized areas.

For forms and instructions about determining LMI Eligibility for your area, see the Income Limits Section at [arkansasedc.com/grants](http://arkansasedc.com/grants).

### Are There Other Eligibility Restrictions?

The Rural Services Block Grant Program is funded through the U.S. Department of Housing and Urban Development (HUD) Small Cities Community Development Block Grant Program and administered for the State and our agency by the Arkansas Economic Development Commission Grants Division. Cities not currently a party to one categorical grant and counties that are not currently a party to two categorical grants are eligible to apply under the program. Categorical grants include the Arkansas

Community and Economic Development Program (ACEDP) and the Rural Services Block Grant Program administered by the Arkansas Economic Development Commission. Active grants in other Division of Rural Services and Arkansas Economic Development Commission programs, including economic development grants funded through ACEDP, are not considered in determining eligibility.

Full ACEDP application guidelines are available at [ArkansasEDC.com](http://ArkansasEDC.com). All projects funded are subject to ACEDP administrative procedures, also available online.

## What Types of Projects Are Eligible?

In keeping with the Arkansas Economic Development Commission's 5-Year Consolidated Plan, applications for Rural Services Block Grant Program grant funds will be accepted for the following type projects (please contact the Rural Services Block Grant Coordinator to ensure that your project is eligible):

- New construction or renovation of community centers or multi-purpose use buildings for the betterment of the community
- New construction or renovation of fire stations
- Purchase of fire trucks, specialized life-saving equipment such as "jaws of life" and protective clothing worn by fire fighters

**Note - If the proposed project involves the renovation or rehabilitation of an existing building, you will be required to do the following three things:**

- Have an accredited asbestos inspector/management planner conduct a thorough inspection of the building according to the Asbestos Hazard Emergency Response Act (AHERA) guidelines, including sampling and laboratory analysis. Testing costs will depend on the size and design of the building and are the applicant's responsibility. For inspection information please contact: The Arkansas Department of Environmental Quality.
- Sign a waiver releasing and holding harmless the Division of Rural Services, the Arkansas Economic Development Commission and all employees of the two agencies of any liability, claims, judgments or action whatsoever as a result of allowing grant funds to be used in the renovation of a building containing asbestos.
- Establish adequate justification that the cost and time associated with renovating a building containing asbestos is more cost effective than renovating a building that does not contain asbestos or new construction. This justification must be provided as part of the application.

## Ineligible Projects:

- Municipal buildings (courthouses, city halls, police stations, sheriff's offices, and city or county jails), any general operation of city government;
- Chatting or paving of driveways and parking lots;
- Costs associated with normal day-to-day operations, maintenance, or salaries;
- Debt financing of any kind (new or existing);
- County health units, schools, water projects, emergency shelters, libraries;
- Private, non-profit associations.

## Funding Availability

Rural Services is expecting around \$955,000.00 in FY19 for distribution under the Rural Services Block Grant Program. Applicants with an eligible project may apply for up to \$75,000 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.

The Rural Services Block Grant Program is a 90/10 matching program. This requires that the applicant must be able to provide ten percent (10%) of its grant award with 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 10% 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.

### 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 \$24.69 for each individual hour donated. Simply put, if four people donate one hour each to the project, \$98.76 ( $\$24.69 \times 4 = \$98.76$ ) 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.

### Administrative Costs

Each community that receives the Rural Services Block Grant is responsible for the administration of the grant. The recipient should work with their local Planning and Development District or hire an outside consultant to complete the application and administer the grant. The fee that the consultant charges can be included in the community's request (this may be done as long as the total request does not exceed the amount for which a community is allowed to apply). The community may use other available funds to pay the administrative fee charged by the consultant. The fee will be a minimum of

\$2,000 with a maximum of 10% of the grant. The administrative consultant must be trained and approved by the Arkansas Economic Development Commission.

## Application Process

The Rural Services Block Grant application process requires that communities hold a public hearing and submit an application to be considered for grant funds. The process is as follows:

### **Public Hearing Requirement**

Prior to application submission, applicants will need to hold a public hearing to document the need for the project. All public hearings should be publicized in the appropriate local media at least 7 calendar days before they are to be held, and the hearing should be conducted no later than 2 weeks prior to the application deadline. If the community does not have a local newspaper, the community should post the "RSGBP-1: Notice of Public Hearing" flyer in at least 5 locations around town, 7 days prior to the public hearing.

### **Application Submission**

Applicants must submit an original application and 1 complete copy of the application to the Division of Rural Services by the application deadline. Applications will be reviewed by the Division of Rural Services for completeness and the Rural Services Block Grant Review Committee will review eligibility and all complete and eligible applications. The grant review committee will formulate funding recommendations, which will be reviewed and approved by the full ARDC and the grants division of the Arkansas Economic Development Commission.

### **Selected Applications**

Applications recommended for funding by the Division of Rural Services will be notified in writing and will work with the Arkansas Economic Development Commission throughout the remainder of the project. It is imperative that selected communities wait for instructions from AEDC before beginning any part of their project.

This funding source is subject to many State and Federal rules and regulations, which, if not complied with, could jeopardize your funding. These include, but are not limited to, the National Environmental Policy Act (environmental review requirements) and Davis-Bacon and Related Acts (federal prevailing wage requirements).

Successful applicants must first sign a grant agreement before any work is started or any purchases are made. Selected communities run the risk of forfeiting their grant award for work done or purchases made toward their project before a grant agreement is executed. Please call 1-888-RURALAR if you have any questions.

### **Unsuccessful Applications**

Applications not recommended for funding by the Division of Rural Services will be notified in writing and will be encouraged to schedule a conference with the Rural Services Block Grant Coordinator to discuss deficiencies and areas requiring or needing improvement if it is the applicants desire to apply the following year.

## Division of Rural Services Block Grant Application Proposal Guidelines

### **General**

Formal proposals must be developed and organized in compliance with the outline and guidelines set forth in this document to be considered complete and eligible for consideration. Proposals not following all guidelines and in the outline order requested will be considered non-compliant and therefore ineligible for funding consideration. All questions regarding the Proposal Application Outline content and process should be made in writing to the Rural Services Block Grant Manager at the address below.

### **Submission Information**

One original and one copy of the proposal must be submitted to the address below by the proposal deadline. Failure to submit the appropriate number of copies will result in the proposal being non-compliant and therefore ineligible for funding consideration.

#### **Mail proposals to:**

Arkansas Economic Development Commission, Division of Rural Services  
Attn: Megan Earnhart, Grants Manager  
900 West Capitol, Suite 400 | Little Rock, Arkansas 72201  
MEarnhart@ArkansasEDC.com  
Phone: 1-888-787-2527 (RURAL-AR) | Fax: 501-682-7499

# Division of Rural Services

## Block Grant Application Proposal Guidelines

### Application Proposal Outline

#### **I. Application Coversheet**

All applicants must fill out the top part of the form, completing all blanks to be considered eligible for funding. Fire departments applying for funding must also complete the lower portion of the form to be considered eligible for funding.

#### **II. Rural Services Block Grant Applicant Contact Information**

#### **III. Project Summary-Brief Description of Project-1 page max.**

The Project Summary should briefly describe the project. (Detail information should be included in the Project Narrative Section)

#### **IV. Documentation of Public Support-1-10 pages**

Documentation of public support may be a combination of any of the following not to exceed ten (10) pages:

- Letter of support from the community's state senator and representative
- Letter of support from one of the community's congressional representative
- Letters from members of the public to be served by the project
- Petitions of support from citizens to be served by the project.

#### **V. Project Narrative-1-5 pages**

The project narrative should cover in detail the following items:

- Describe the project in detail
- Describe in detail the demographics of the population to be served
- Provide detailed information regarding the organizations and individuals involved in the project, their qualifications and past experience.
- Specify the community's long and short term goals for the project

#### **VI. Needs Assessment-1-5 pages**

The needs assessment is the most important section of the proposal and should contain the following:

- Provide a detailed history and description of the steps the community has taken to document the need for the project.
- Identify and describe any problems related to community health and safety, which the project would address.
- Describe any unmet needs currently being experienced by the community that would be alleviated through the fruition of this project.
- Describe any emergency situation, which you believe is relevant.
- (Fire Departments only) Describe and document impact of project on ISO rating.
- Identify existing community centers, multi-purpose facilities or fire stations for this area.

#### **VII. Floor Plan of Proposed Project**

- Provide a preliminary floor plan and site map of the proposed project including front and side elevations.

#### **VIII. Maps of County/Service Area**

- Provide an 8 ½" X11" map of the county indicating location and service area



## **IX. Required Forms and Documentation**

### **Public Hearing Documentation**

- Public hearings must be publicized at least 7 calendar days before they are held and conducted no later than 2 weeks prior to the application deadline.

### **Form RSBGP-1 Notice of Public Hearing and Proof/Certification of Posting:**

- There is an example posting in the application that you are welcome to fill out and use as your Notice of Public Hearing.
- The Notice of Public Hearing must indicate that the purpose of the hearing is to allow public participation to determine the needs of the community, to consider applying to the Arkansas Division of Rural Services for funds which are targeted to benefit LMI families or to aid in the prevention of slum and blight or to eliminate and imminent health threat.
- Examples of publicity include publishing notices in newspapers, posting flyers in at least five visible locations or airing announcements on local radio or television stations.
- Regardless of the method, hearings must be advertised throughout the jurisdiction and must indicate that technical assistance for developing proposals will be provided to groups representing LMI persons.
- Proof of Posting must include a copy of the notice with either a written confirmation by the mayor or judge about where and when the notices were posted or a signed receipt/proof of publication.

### **Form RSBGP-2 Public Hearing Attendance Roster**

#### **Minutes from Public Meeting:**

- Discuss the community's needs
- Identify and prioritize needs which are most crucial to the community.
- Discuss goals and objectives for meeting the community's needs, including time frames and potential financing resources.
- Inform the attendees about the Rural Services Block Grant including requirements and funding objections, types of projects eligible for funding, amount of funds available to the community, and realistic opportunities for the community's participation in the program.

#### **It must be noted that the purposes of the Rural Services Block Grant are as follows:**

- To benefit low and moderate income families; or
- To aid in the prevention or elimination of slums and blight; or
- To meet other community development needs having a particular urgency because existing conditions pose a serious threat to the health or welfare of the community and where other financial resources are not available to meet such needs.
- Persons addressing the meeting should be identified and comments recorded in the minutes.

#### **Documentation of Eligibility and Application Approval Documents**

- Form RSBGP-3 Statement of Assurances and Certifications
- Form RSBGP-4 Resolution

#### **Proposed Project Budget**

- Form RSBGP-5 Proposed RSBGP Project Budget

#### **Additional Miscellaneous Forms**

- Form RSBGP-6 Citizen Participation Plan

- Form RSBGP-7 Project Milestone Schedule
- Form RSBGP-8 Excessive Force Resolution
- Form RSBGP-9 Anti-Displacement Plan Resolution
- Form RSBGP-10 Proposed Beneficiaries Form
- Form RSBGP-11 FFATA Reporting Form/Certification
- Form RSBGP-12 Four Factor Analysis and Language Assistance Plan
- (Fire Departments Only) ISO rating documentation
- Deed or Proof of Public Ownership
- Asbestos Study Documentation and Hold Harmless Waiver (**if renovation project**)

## **X. Required Appendices**

### **Appendix A**

Appendix A must contain in order all cost estimate documentation as it appears in the budget. Estimates must be confirmed by a professional. Page one of the documentation should contain the reference A-1 and so forth.

### **Appendix B**

Appendix B must contain in order the official documentation of the cash match availability, other funding sources and/or appraisal of the match property. Page one of the documentation should contain the reference B-1 and so forth.

Appendix A and B funding documentation should prove exactly how much your project will cost and that your community has the required matching funds to complete the project with Rural Services Block Grant funds.

## **XI. SAM.gov Registration**

All Applicants must register with the System for Award Management (SAM) website at [www.sam.gov](http://www.sam.gov). This registration is free and is required for all grant awardees. (See attachment for instructions)

## **XII. Income Survey Documentation (if an income survey was conducted to document eligibility)**