



RURAL SERVICES APPLICATION PACKET

FISCAL YEAR 2019

COUNTY FAIR BUILDING GRANT PROGRAM

Deadline:

Cycle I - August 9, 2018

Cycle II - March 7, 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.

General Information and Eligibility

The County Fair Building Grant Program is designed to assist rural county fairs with the construction and improvement of buildings through incentive grants on a matching basis. County Fairs located in counties with a population of less than 55,000 are eligible for up \$4,000 per fiscal year on a 50/50 matching basis.

County fair organizations wishing to apply for a grant under the County Fair Building Grant Program are required to apply through their county judge's office. To be considered eligible, all applications must be signed by the county judge and approved by the quorum court.

Grant funds may not be used to reimburse any part of the project already purchased or constructed. No part of the project may begin until after the community has received their grant check.

What Type of Projects are Eligible?

Construction, renovation or general improvements of county fair buildings or purchase of items shown to directly improve the building or the services that the county fair association may provide. Examples include construction or renovation of livestock or exhibit buildings, concession stands and ticket booths, restroom facilities, auditoriums and pavilions. Also eligible may be the purchase of equipment such as doors, windows, siding, roofing, lawn mowers, toilets, showers, bleachers or other seating, major appliances (stoves, ovens, freezers, refrigerators, etc.)

What Type of Projects are Ineligible?

Projects for rodeos, fairs operated by private individuals or corporations, state fairs, operating or utility costs, paving parking lots, reimbursement of any kind, any costs associated with day to day maintenance.

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

Funding Availability

Applicants with an eligible project may apply for up to \$4,000 in state matching funds toward a project each year. As the grant pool is severely limited this fiscal year, it may sometimes be necessary to make awards of less than the amount requested and some projects unfortunately cannot be funded at all.

Matching Requirement

The County Fair Building Grant is a 50/50 matching program. This requires that the applicant must be able to match the grant award with a like amount of cash, in-kind labor, donated materials or land (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 (quorum court);
- Donated by local businesses and citizens;
- Money raised through fund-raisers; or
- 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 kind cannot be used for matching purposes.

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 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>	
Building Material	\$ 4,000	*Donated Labor	\$ 3,000
*Labor to Construct or Renovate	\$ 3,000	Cash on Hand	\$ 1,000
Professional Electrician	<u>\$ 1,000</u>	Requested from Grant	<u>\$ 4,000</u>
	<u>\$ 8,000</u>		<u>\$ 8,000</u>

*The labor should be included on both the cost estimate and funding source breakdown if it is donated. If the applicant has to pay for labor, 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, with match, *does not* have to equal \$8,000. It can be more or less. However, if the total project cost is more than \$8,000 the applicant should provide proof that the entire project can be funded. For example, if the total project cost is \$15,000, the applicant may apply for \$4,000 but should still show how the additional \$11,000 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 x 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

Fiscal Year 2019 applications will be accepted beginning July 1, 2018. The deadline for Cycle I is August 9, 2018 and Cycle II is March 7, 2019.

Applicants must gain the approval of their county judge and the application **must** be signed by the county judge, who will be ultimately responsible for the grant should it be received. This process includes completion of the application form and presentation of it to the quorum court. The county judge must affix his/her signature to the following documents for the application to be considered complete:

- certification letter
- resolution
- application

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 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.

Helpful Hints and Things to Remember

- Use only paper clips, binder clips or staples. Fancy binding is unnecessary and will be removed.
- Put everything on the checklist in order and label all backup documentation clearly.
- Include good documentation of public support.
- Please type the application or print clearly.
- Please remember to include the original and one copy when submitting an application. Also keep a copy for your own records.
- The grants may not be used to reimburse any part of the project already purchased or constructed. No part of the match can be completed until the community is notified that the grant application has been chosen for funding.

Reporting Requirements and Responsibilities

In compliance with Act 1009, project funds will be expended through a fund established on the books of the county clerk. A copy of the original proposal and all project expenditures, with invoices attached, will be approved by the county judge and remain on file in the office of the 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 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.

There are some instances in which an awardee needs more time to complete their project. The items listed in the application may have changed or the original estimate may have changed. To solve these problems a letter can be written to the Director for consent to extend the time frame in which the project would be completed or to purchase other items not listed on the application.

Re-Submission Process

Due to the limited amount of funds in the grant pool, not all projects can be funded. 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 Director.

Checklist for a Complete County Fair Building Grant Application

In addition to the grant application, communities must include the following documents 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 the following to double check that all required information is submitted such as:

A signed Certification Letter (enclosed with application) with the current calendar year and signed by the county judge.

A Resolution passed by the quorum court enclosed with application. The Resolution must have the county judge's signature and the signature/seal of the county clerk. It must also be numbered and have the current calendar year date on it.

Articles of incorporation or other comparable document indicating legal standing of fair association.

A deed, title, or other instrument showing proof of county fair association/public ownership. This may include intent to donate letter from a private individual or a lease that extends for more than 10 years.

Items of public input support. This means that you must have a letter of support from your local governing State Senator and State Representative. These two letters are required but a community could include support letters for the project from members of the community as well.

Backup documentation for ALL items listed in the project cost estimate. Cost estimate items (purchased or donated) must be confirmed by a professional. Only one bid is required for each item. Estimates can be in the form of advertisements or bid sheets from hardware stores or other professionals. Cost estimates without professional estimate documentation will not be accepted.

Backup documentation for ALL items listed in the applicant's funding source breakdown (local match). This includes copies of bank statements for cash, letters indicating pledges of cash, and letters of intent to donate all materials, land 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 one copy of the entire application packet.