

# Guide for Construction Proposals

*Project applications should be submitted to the state ARC office. Applications should be arranged in the following sequence and should include the following information.*

Applicant	State ARC	<b>SECTION 1 APPLICATION FORMS</b>
N/A		1) Transmittal Letter from State ARC to ARC HQ (Indicate source of ARC funding, and identify specific ARC goal and state strategy)
		2) Federal Standard Form 424 (SF 424) (including ARC and all matching funds)
		3) Federal Standard Form 424C: Budget Information
		4) Federal Standard Form 424D: Construction Assurances
		5) ARC Memorandum of Understanding
		6) ARC Form 1 or ARC Form 2 (if required by state)
		<b>SECTION 2 PROPOSAL SUMMARY</b> <i>(1 to 2 pages – see recommended format)</i>
		<b>SECTION 3 PROPOSAL NARRATIVE</b> <i>(suggested length 5-8 pages, please number pages)</i>
		1) <b>Goals &amp; Strategies</b> – (refer to state’s Strategy Statement for the current year). a) Identify the <u>primary</u> ARC goal and objective the project will address. b) Identify and quote the <u>primary</u> ARC State Strategy the project will address.
		2) <b>Purpose, Description &amp; Rationale</b> – a) Provide a <u>one-sentence</u> statement describing the primary purpose of the project, in terms of the activity and its ultimate outcome, e.g., “To create jobs and encourage future development by extending sewer service to homes and businesses.” b) Describe specific problems or issues the project will address and how these issues impact the community. c) Provide a Preliminary Engineering Report, architect’s report, or other detailed description of all major construction components. Include details such as linear feet to be constructed, square footage built, acreage served, timelines for starting and completing each component, and alternative approaches that were considered. d) Identify who will own improvements and provide maintenance for the completed project. e) Provide evidence of local demand for the project such as letters from key stakeholders, customer data, etc f) For residential service projects in non-distressed counties, address how the project meets the “Policy for Residential Infrastructure Projects” in ARC’s Project Guidelines. Include letters or other documentation from state health/environmental agencies if relevant. g) For industrial sites or community facilities, describe approaches to marketing the project to potential users and beneficiaries, including strategic sectors to be pursued and an explanation of who will be responsible for marketing activities. h) Consistent with ARC’s Project Guidelines, discuss any efforts that may have been made to improve the energy efficiency of the project when compared to similar projects, and any inclusion of green building practices. i) Describe how the project will ensure access to advanced telecommunications services by incorporating telecom features or allowing for future telecom infrastructure.
		3) <b>Relation to Other Local/Regional Activities</b> – Describe the extent of collaboration with other local community, state, regional, and federal partners in the development of the proposal. In what way does the proposed activity represent progress toward fulfillment of a regional strategy (e.g. Comprehensive Economic Development Strategy (CEDS), local visioning process, etc.)?
		4) <b>Geographic Area</b> – a) Identify all counties and census tracts where the project will be physically located. b) Identify the counties (or census tracts if less than county-wide) included in the project’s service area. c) Attach area map(s) with the project’s service area clearly marked, and detailed maps or schematics that d) Show the route of utility systems, diagrams of building sites, and floorplans of buildings to be constructed.

		5) <b>Benefits and Performance Measures –</b> a) State outputs and outcomes in absolute numerical terms per ARC’s performance measurement guidance. b) Describe other benefits likely to result from the project’s construction, such as reduced operating costs due to greater energy efficiency, expanded system capacity, resolution of compliance problems, impact on long-term economic development potential, or anticipated spin-off results. c) Attach letters documenting private sector commitments of jobs created, jobs retained, and leveraged private investment (LPI) when applicable. (see definitions below)
		6) <b>Grantee Capacity and Project Sustainability –</b> Describe the applicant’s strategy for ensuring the project’s long-term sustainability (once ARC funds are no longer available) and the grantee’s capacity to manage the facility’s long-term operations.
		<b>SECTION 4 BUDGET INFORMATION and SUPPORTING MATERIALS</b>
		1) <b>Engineer’s budget</b> , detailing line-item project costs. Project total from engineer’s budget should match total on SF 424. *Note that for construction projects only, ARC does not require a breakdown of expenditures by funding source.
		2) <b>Funding Need and Match Commitment</b> a) Identify each funding source for the project and the status of each funding commitment. b) Identify each funding source as either: 1) Federal, 2) State, 3) Local or 4) Private. c) Identify each funding source as either 1) grant funds or 2) loan funds. d) Include letters of commitment from each funding source, citing the specific amount of funds committed e) Provide descriptions of specific in-kind resources committed, including the methods used to determine their value. f) Justify why ARC funding is needed at this time, as opposed to other funding sources.
		3) <b>Calculations of match –</b> For multi-county projects with more than one ARC designation (i.e., distressed, transitional, at-risk, competitive, attainment), show calculations to confirm the project meets ARC’s match requirements.
		4) <b>Basic agency commitment to administer ARC funds, addressed to ARC.</b> Note that specific certification forms are required for projects to be administered by CDBG or HUD-Entitlement agencies.
		5) <b>Clearinghouse documentation</b> (if required by state)
		6) <b>Additional Documentation:</b> Other pertinent supporting materials that will lead to a better understanding of the proposed project. Please do not include form letters, financial audits or utility rate structure information.

**Performance Measures Guidance**

**Jobs Created:** Number of direct hires made as a result of the project’s operation (excluding construction jobs), including private-sector jobs created within three years after ARC-funded project is complete. Part-time and seasonal jobs are converted to full-time equivalents (FTEs) and rounded up to whole numbers. Businesses must provide letters that explicitly state their intention to create a specific number of new jobs if the ARC investment is made.

**Jobs Retained:** Number of jobs lost or relocated without the ARC-funded project. Businesses must provide letters that explicitly state the number of jobs at risk due to loss of competitiveness or relocation without ARC-funded project. Existing jobs within businesses benefitting from an infrastructure upgrade or other ARC-funded project should not be counted as “Jobs Retained.”

**Leveraged Private Investment:** Dollar amount of private sector financial commitments, outside of project costs, that result from an ARC investment. Businesses must provide letters that explicitly state their intention to make a specific level of additional investments or improvements if the ARC investment is made.