



Appalachian Regional Commission

Kurt Bauman & Athena Aardweg

2020

A Partnership

- ▶ **ARC is the Federal Partner**
 - ▶ **PA DCED is the State Partner**
 - ▶ **NEPA Alliance is the
Local/Regional Partner known as
a Local Development District
(LDD)**
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ARC's Mission

- ▶ **ARC's mission is to innovate, partner, and invest to build community capacity and strengthen economic growth in Appalachia.**
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About ARC

- ▶ **Partnership of federal, state, & local government**
 - ▶ **Established by an act of Congress in 1965**
 - ▶ **\$70-80 million allocated to the states**
 - ▶ **ARC Five-Year Strategic Plan: Investing in Appalachia's Future (2016-2020)**
 - ▶ **ARC Geography & Population**
 - ▶ 13 States
 - ▶ 74 Local Development Districts
 - ▶ 420 Counties
 - ▶ 25+ Million People
 - ▶ **NEPA is the 6th largest LDD by population**
 - ▶ **NEPA has 30 Distressed Census Tracts**
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ARC Leadership

- ▶ **14 Commission Members** (13 Gov. & Fed. Co-Chair)
 - ▶ **Gov. Mike DeWine - OH**, 2018 ARC States' Co-Chair
 - ▶ **Tim Thomas**, ARC Federal Co-Chair
 - ▶ **Andrew Howard**, Chief of Staff
 - ▶ **Charles Howard**, Interim Executive Director
 - ▶ **Guy Land**, Legislative Liaison
 - ▶ **Sheri Collins**, Executive Director, PADCED Corporate Relations, ARC State Alternate
 - ▶ **Neil Fowler** – Executive Director, PADCED Office of Technology & Innovation & Center for Strategic Partnerships, ARC Program Manager
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ARC Data Snap Shots

- ▶ Appalachia's PA median age = 43.9, PA = 40.7
U.S. = 37.9
 - ▶ Percent of population that is 65+ Appalachia PA (19.1%), PA (17.4%), U.S. (15.2%)
 - ▶ Minorities population - Appalachia PA (12.3%), PA (23.2%), U.S. (38.9%)
 - ▶ Population growth - Appalachia PA (-1.2), PA (0.8%) U.S. (6.3%)
 - ▶ Median household income - Appalachia PA (\$51,583), PA (\$59,445), U.S. (\$60,923)
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ARC Investment Priorities

▶ **Goal 1: Economic Opportunities**

Invest in entrepreneurial and business development strategies that strengthen Appalachia's economy.

▶ **Goal 2: Ready Workforce**

Increase the education, knowledge, skills, and health of residents to work and succeed in Appalachia.

▶ **Goal 3: Critical Infrastructure**

Invest in critical infrastructure—especially broadband; transportation, including the Appalachian Development Highway System; and water/wastewater systems.

▶ **Goal 4: Natural and Cultural Assets**

Strengthen Appalachia's community and economic development potential by leveraging the Region's natural and cultural heritage assets.

▶ **Goal 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.

ARC Eligible Activities

▶ **Business Development and Entrepreneurship**

- ▶ Industrial site development; business incubators; technical assistance and training; expansion of domestic/foreign markets.
- ▶ Capitalizes loan funds that improve access to capital for Appalachian businesses and can support other activities that foster entrepreneurship.

▶ **Education and Training**

- ▶ Teacher/administrator training; material, equipment, and computer purchases; building renovations; and start-up operational costs for new programs. Early childhood/K-12 programs/post-secondary
- ▶ Workforce training that provides job skills or learning new skills in order to retain jobs in the face of increasing global competition, become eligible for better-paying positions, or obtain new jobs.

▶ **Health Care**

- ▶ ARC health care grants can be made for equipment and demonstration projects, and in special cases for renovation and construction of facilities. The ARC health program focuses on the development of rural primary care networks in distressed counties and areas.
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ARC Eligible Activities

▶ **Physical Infrastructure**

- ▶ Basic Infrastructure - ARC provides funds for basic infrastructure services, including water and sewer facilities, that enhance economic development opportunities or address serious health issues for residential customers.
- ▶ Housing - projects that stimulate the construction or rehabilitation of housing for low-moderate income residents.
- ▶ Telecommunications - strategic community planning, equipment, hardware and software for network building.

▶ **Leadership Development and Civic Capacity**

- ▶ Eligible activities include the development and implementation of community-based strategic plans; training for citizen leaders (both adult and youth leaders), local officials, and management staff from nonprofit community organizations
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ARC Funding Programs

▶ **ARC Area Development**

- ▶ Grants range from \$50k-\$250K
- ▶ Based on County Economic Classifications
- ▶ All NEPA Counties are considered transitional
 - ▶ Match 50% ARC to 50% State/Local

▶ **ARC Local Access Road Program**

- ▶ Grants range from \$300k-\$1M
 - ▶ No match necessary, but preferred
 - ▶ Project must meet PennDOT Standards (TIP)
 - ▶ Can only be funded once by ARC
 - ▶ Maintenance only projects are currently ineligible
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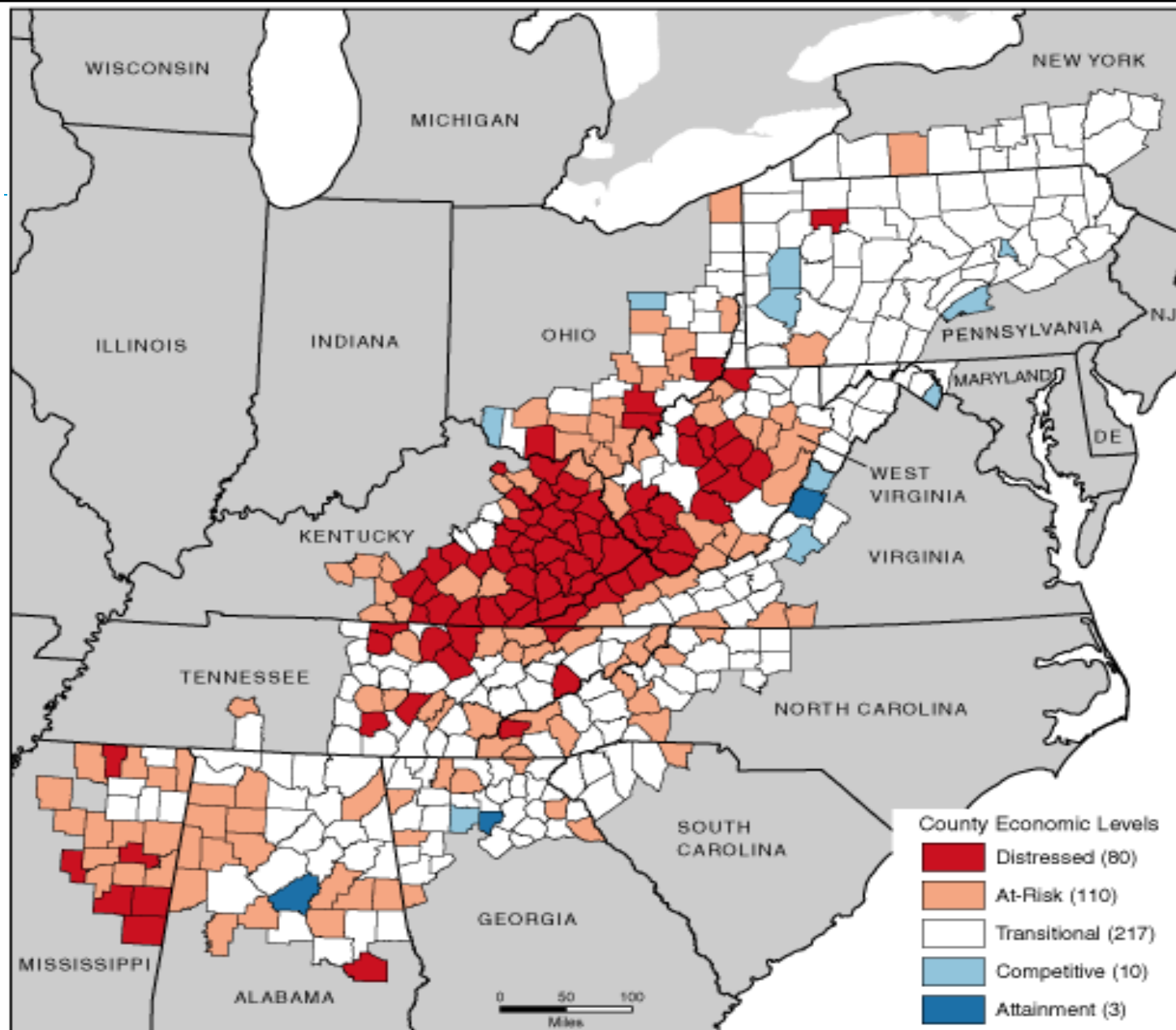
ARC Funding Programs, cont.

- ▶ **ARC POWER (Partnerships for Opportunity and Workforce and Economic Revitalization)**
 - ▶ Congressional funded to assist communities that have been affected by job losses from coal related supply chain and industries
 - ▶ Implementation Grants: \$400k-\$1.5M (Broadband up to \$2.5M)
 - ▶ Match required
 - ▶ 1 to 3 year(s) contract
 - ▶ Technical Assistance Grants: \$50,000
 - ▶ Match required
 - ▶ 1-year contact
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ARC Funding Programs, cont.

▶ **ARC POWER**

- ▶ Building a Competitive Workforce
 - ▶ Upward mobility/Increase Labor Participation Rates
 - ▶ Fostering Entrepreneurial Activities
 - ▶ Impact Investment Funds/Entrepreneurial Ecosystems/
 - ▶ Developing Industry Clusters in Communities
 - ▶ Product and market diversification
 - ▶ Strengthening Substance Abuse Response
 - ▶ Recovery ecosystem/re-entry/post-treatment to receiver continuum
 - ▶ Broadband
 - ▶ Deployment preferred
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Created by the Appalachian Regional Commission, June 2019

Data Sources:

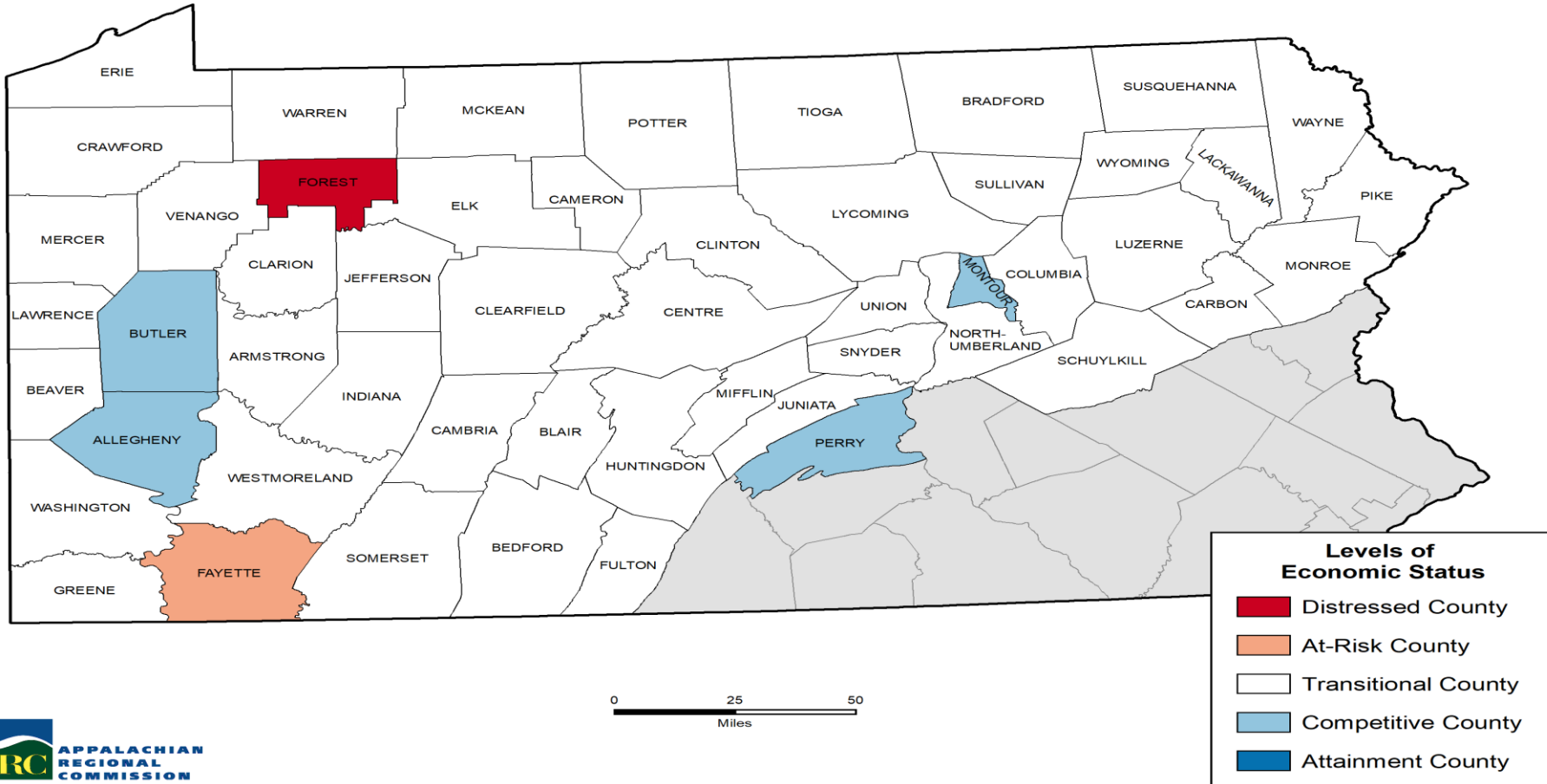
Unemployment data: U.S. Bureau of Labor Statistics, LAUS, 2015–2017

Income data: U.S. Bureau of Economic Analysis, REIS, 2017

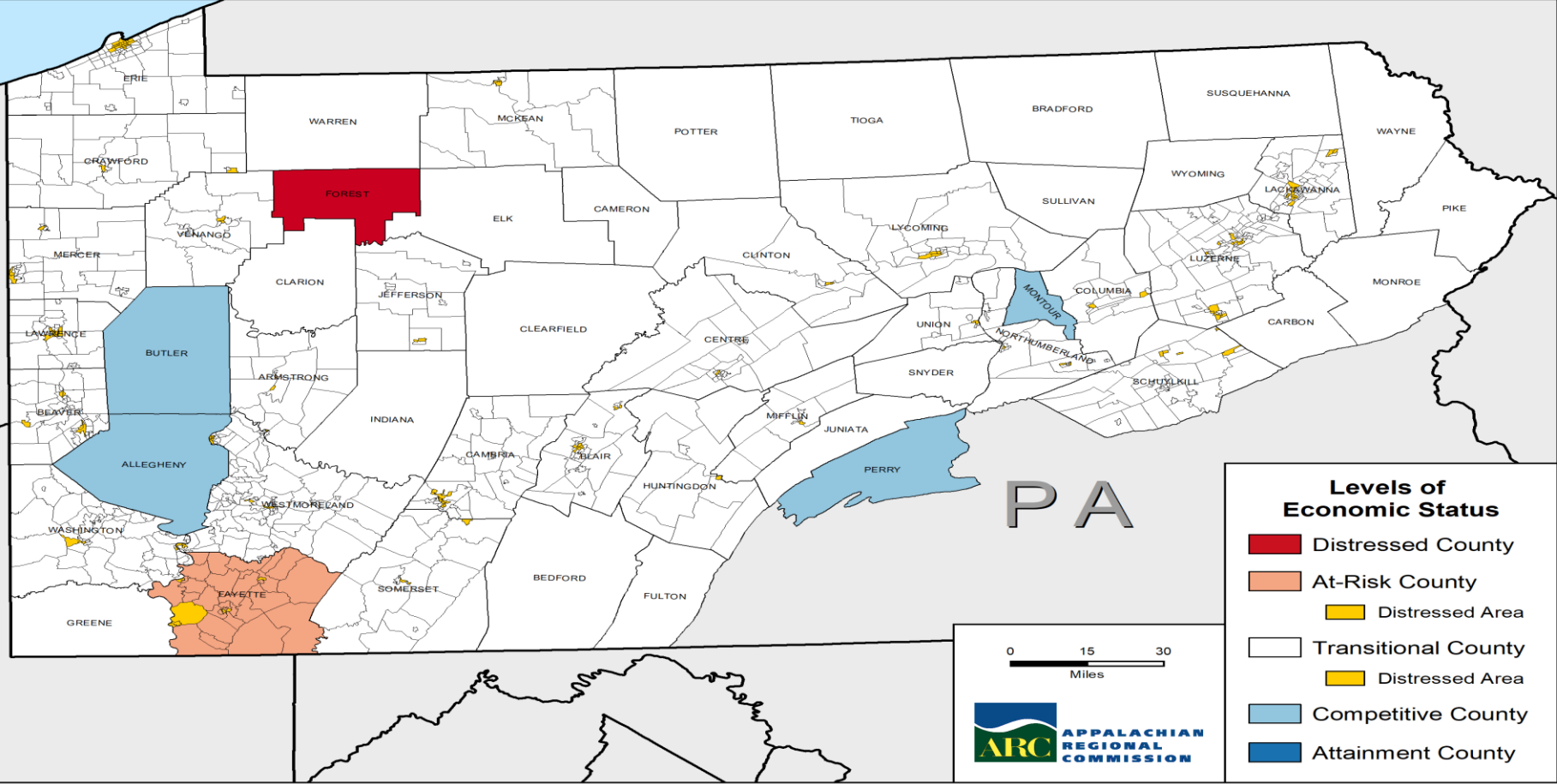
Poverty data: U.S. Census Bureau, American Community Survey, 2013–2017

Effective October 1, 2019
through September 30, 2020

County Economic Status in Appalachian Pennsylvania, Fiscal Year 2020



County Economic Status and Distressed Areas in Appalachian Pennsylvania, Fiscal Year 2020



N.E. PA Distressed Census Tracts

- ▶ Lackawanna 1002
 - ▶ Lackawanna 1003
 - ▶ Lackawanna 1012
 - ▶ Lackawanna 1013
 - ▶ Lackawanna 1014
 - ▶ Lackawanna 1016
 - ▶ Lackawanna 1020
 - ▶ Lackawanna 1021
 - ▶ Lackawanna 1025
 - ▶ Lackawanna 1029
 - ▶ Lackawanna 1107
 - ▶ Lackawanna 1108
- ▶ Monroe – None
 - ▶ Pike – None
 - ▶ Wayne – None
 - ▶ Schuylkill 2
 - ▶ Schuylkill 5
 - ▶ Schuylkill 6.01
 - ▶ Schuylkill 6.02
 - ▶ Schuylkill 26
 - ▶ Luzerne 2004
 - ▶ Luzerne 2006
- ▶ Luzerne 2008
 - ▶ Luzerne 2009
 - ▶ Luzerne 2010
 - ▶ Luzerne 2011
 - ▶ Luzerne 2132
 - ▶ Luzerne 2138
 - ▶ Luzerne 2141
 - ▶ Luzerne 2170.02
 - ▶ Luzerne 2172
 - ▶ Luzerne 2174
 - ▶ Luzerne 2175
 - ▶ Luzerne 2179
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ARC Application Process

- ▶ Vet project eligibility with NEPA staff
 - ▶ Consider synergies with:
 - ▶ ARC Strategic Plan (5 Year Plan)
 - ▶ State Development Plans (5 Year Plan)
 - ▶ State Annual Strategy Statements (Annual)
 - ▶ CEDS (5 Year Plan)
 - ▶ County Comprehensive Plans
 - ▶ Regional Health Needs Assessments
 - ▶ Non-construction projects are managed by ARC
 - ▶ Construction projects require a Basic Federal Agency (BFA) to administer ARC funds
 - ▶ EDA, USDA, Army Corps, PennDOT, CDBG, etc.
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ARC Application Timeline

Spring 2020 - ARC Project Pre-Applications are solicited by NEPA

- NEPA Regional Project Review Committee meets to review and prioritize projects
- NEPA Board of Directors adopts ARC Regional Project Priority List

Summer 2020 - NEPA submits ARC Regional Project Priority List to PA DCED

Fall/Winter 2020/2021 - PA DCED formally requests full applications for priority projects from NEPA

- PA DCED Approves and submits full applications to ARC

Spring/Summer/Fall 2021 - ARC awards contracts to project sponsors/awardees

ARC Investments in PA

- ▶ **About \$7.5 million average each year**
 - ▶ \$2.5 million for Area Development Grants
 - ▶ \$5.0 million for Local Access Road Grant
- ▶ **Cost Share (matching) depends on county status**

Economic Status of County Project will Serve	ARC/Applicant Match Rate
Distressed County	80% / 20%
At-Risk County	70% / 30%
Transitional County	50% / 50%
Competitive County	30% / 70%

NEPA Staff Contact Information

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