

# **The Partnerships for Opportunity and Workforce and Economic Revitalization (POWER) Initiative: POWER 2016 Federal Funding Opportunity (FFO) for Technical Assistance**

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## **INTRODUCTION**

The Appalachian Regional Commission (ARC) is announcing this Federal Funding Opportunity (FFO) to provide eligible communities and regions (which may be multi-county or multi-state) with technical assistance support funding for a broad spectrum of economic development planning, assessment, and capacity-building activities in the Appalachian region. This FFO provides \$1.2 million in technical assistance for communities and regions and is designed to lead to the crafting of economic development projects and implementation grant applications under the POWER Initiative. This FFO for technical assistance is being released in conjunction with a joint ARC/U.S. Economic Development Administration (EDA) FFO that provides up to \$64.6 million for POWER Initiative implementation grants.

## **BACKGROUND ON ARC**

ARC is a regional economic development agency that represents a partnership of federal, state, and local government. Established by an act of Congress in 1965 (Appalachian Regional Development Act 40 U.S.C. 14101-14704), ARC is composed of the governors of the 13 Appalachian states and a federal co-chair, who is appointed by the president. 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.<sup>1</sup> Local participation is provided through multi-county local development districts.

## **BACKGROUND ON THE POWER INITIATIVE**

The POWER Initiative is an integrated, multi-agency effort to invest federal economic and workforce development resources in communities and regions negatively impacted by changes in the coal economy, and the entire related supply chain of coal-reliant industries. The coal economy includes, but is not limited to, coal mining, coal-fired power plants, along with related transportation, logistics, and supply chain manufacturing.

The United States is undergoing a rapid energy transformation, particularly in the power sector. Increased natural gas production, declining costs for renewable energy, increases in energy efficiency, and other changes in the market place are changing the way electricity is generated and used across the country. These trends are impacting workers and communities that have relied on the coal economy as a source of jobs and economic prosperity. The POWER Initiative seeks to create a more vibrant economic future for coal economy communities by cultivating economic diversity, enhancing job training and re-employment opportunities, creating jobs in existing or new industries, supporting entrepreneurial development and attracting new sources of investment. To assist coal

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<sup>1</sup> A map of the ARC Region can be found [here](#).

economy communities in successfully diversifying their local and regional economies, the POWER Initiative targets federal resources to projects and activities that:

- Will produce multiple economic and workforce development outcomes promoting regional economic growth and diversification, new job creation, and re-employment opportunities for displaced coal economy workers; and
- Are specifically identified under local and regional economic development plans that were collaboratively produced by diverse local and regional stakeholders.

The POWER Initiative seeks to align and leverage complementary federal economic and workforce development resources, targeting federal assistance through competitively awarded grants to partnerships anchored in local communities. The POWER Initiative's investments in economic and workforce development projects are designed to produce:

- **Economic Diversification:** Diversify the commercial and industrial base of local and regional economies;
- **Job Creation:** Create jobs in new and/or existing industries;
- **Capital Investment:** Attract new sources of job-creating investment (both public and private); and
- **Workforce Development and Reemployment Opportunities:** Provide a range of workforce services and skills training for in-demand jobs.

Launched in federal fiscal year 2015 (FY 2015), the POWER Initiative targeted federal funds to address the impacts that the decline in coal mining, closures of coal-fired power plants and reductions in coal supply-chain industries were having on communities across the nation. FY 2015 POWER Initiative projects were implemented jointly by EDA, ARC, the Department of Labor's Employment and Training Administration, and the Small Business Administration, and involved the coordinated efforts of ten federal agencies. Information on FY 2016 POWER Initiative implementation grant funding priorities and grant criteria is attached below in this FFO. A descriptive list of POWER Initiative projects funded by ARC in FY 2015 can be found [here](#). More information on other POWER Initiative projects funded by ARC and other federal agencies in FY 2015 can be found [here](#).

#### **ARC PLANNING, TECHNICAL ASSISTANCE, AND CAPACITY-BUILDING GRANT RESOURCES AVAILABLE TO SUPPORT THE POWER INITIATIVE**

For federal fiscal year 2016 (FY 2016), Congress significantly expanded the POWER Initiative allocating increased funding for several federal agencies, including \$50 million for ARC. Under the POWER Initiative, ARC is making FY 2016 funding available for communities and regions to engage in planning, acquire technical assistance, and build capacity for the development and implementation of future POWER Initiative and related economic development activities as follows:

- **\$1.2 million** for POWER Initiative planning, technical assistance, and capacity-building grants. ARC funds are made available under this FFO through the authority of the Appalachian Regional Development Act (ARDA) of 1965, as amended (40 U.S.C. § 14101-14704).

- ARC anticipates making a wide range of technical assistance grants for economic development related projects, including planning, coalition building, feasibility studies, and other activities within the Appalachian Region. A more detailed description of the economic development activities eligible for technical assistance grants appears below in this FFO. In addition to these technical assistance grants, ARC will also provide modest amounts of funding to communities and regions for grant application development and writing as part of this FFO.

### **FY 2016 POWER INITIATIVE IMPLEMENTATION GRANTS**

This FFO is closely related to a joint ARC/EDA FFO for POWER Initiative *implementation grants*. Additional details about the ARC/EDA POWER Initiative implementation grants FFO are available at <http://www.arc.gov/POWER>. A summary of POWER Initiative implementation grant funding priorities and grant criteria appears at the end of this FFO. Applicants for this *technical assistance* FFO should consider the objectives and criteria described in the ARC/EDA POWER implementation FFO including:

- ARC is making **\$45 million** available for POWER project implementation grants in FY 2016 under the authority of the Appalachian Regional Development Act of 1965, as amended (40 U.S.C. § 14101-14704).
- ARC expects to make individual implementation grants ranging from **\$500,000 to \$1.5 million** for each project it awards within the ARC-defined Appalachian Region (<http://www.arc.gov/POWER>).
- EDA is making **\$19.6 million** available for FY 2016 POWER Initiative implementation grants. More detailed information appears at: <http://www.grants.gov/web/grants/view-opportunity.html?oppId=279842>
- EDA expects to make individual implementation grant awards averaging between approximately **\$250,000 and \$1.5 million** for each project it selects.

The ARC POWER Technical Assistance Grant application and the ARC POWER 2016 Implementation Grant application processes are separate and independent. Interested communities should first make a threshold determination of whether they are prepared for POWER implementation grant funding or will need some technical assistance funding for additional planning prior to proposing an implementation project. FY 2016 ARC POWER Initiative funding is available for both grant programs.

### **TARGETED COMMUNITIES AND ECONOMIC DEVELOPMENT ACTIVITIES**

The POWER Initiative seeks to engage communities and regions (which may be multi-county or multi-state) that have previously relied on coal mining, coal-fired power plants, and/or coal-related supply chain businesses to help create jobs in new and existing industries. Please note that the term “community” includes not only towns, cities, counties, and other units of local government, but also industry consortia and trade associations that represent the interests of coal-related manufacturing and service sector supply chains.

Table 1 of the ARC/EDA POWER Initiative Implementation Grant FFO provides a list of eligible applicants for ARC funding.<sup>2</sup> Eligible applicants, groups of eligible applicants, and organizations representing groups of eligible applicants may apply for POWER technical assistance funding under this FFO.

Depending on the needs of local economic and community development stakeholders, a potential ARC POWER Initiative applicant for technical assistance may choose to pursue a wide range of economic development activities that may include, but are not limited to:

- Building a coalition of local political, civic, business, religious, and other community leaders and groups;
- Assembling, interpreting, and analyzing economic and other relevant data;
- Evaluating current economic development and workforce development assets, needs, and goals;
- Conducting strategic planning (both new strategic plans and updates to existing plans) focusing on specific projects or business sectors;
- Expanding entrepreneurship development and leadership training;
- Developing a community or regional economic development strategy to achieve those goals, including both short- and long-term outcomes.
- Conducting feasibility studies prior to implementing a particular strategy; and/or
- Developing or writing an application for a POWER Initiative implementation grant.

Interested communities and regions that wish only to pursue funding for grant application development and writing should complete the streamlined *Request for Grant Writing Assistance* section of the ARC POWER Technical Assistance Grant Form described below in this FFO. ARC will provide modest amounts of funding to communities and regions for grant application development and writing.

ARC anticipates that applicant communities and regions will represent a broad spectrum of existing capacities and resources for local economic and community development planning. However, notwithstanding the diversity of eligible applicant communities and regions, the goal of each community or region’s planning efforts will be the development of a proposal eligible for funding under the joint ARC/EDA POWER Initiative implementation FFO. Communities and regions applying for funding under this technical assistance FFO should link their proposed activities to a larger economic development project that may qualify for ARC/EDA POWER FFO implementation funding later in FY 2016 or in FY 2017.

<sup>2</sup> Table 1 from the ARC/EDA POWER Initiative Implementation Grant FFO lists eligible applicants for ARC funding as:

<b>Table 1 - Eligible Applicants: ARC</b>	
1.	Local Development Districts;
2.	Indian Tribe or a consortium of Indian Tribes;
3.	State, county, city, 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;
4.	Institution of higher education or a consortium of institutions of higher education; or
5.	Public or private non-profit organization or association.

## **TECHNICAL ASSISTANCE FUNDING CRITERIA AND GOALS**

POWER Initiative technical assistance is designed to help communities or regions develop and implement action plans and prioritize investments to restructure their local economy. In general, the POWER Initiative seeks to create a more vibrant economic future by cultivating economic diversity, enhancing job training and re-employment opportunities, creating jobs in existing or new industries, and attracting new sources of investment to communities that have previously relied on coal mining, coal-fired power plants, and/or related supply chain industries.

Given that each community or region will have varying needs, assets, and abilities, a POWER Initiative FFO technical assistance grant may cover a broad spectrum of planning, assessment, and capacity-building activities to advance a specific economic development goal. Eligible communities or regions may focus on any topic or subject matter of local interest to investors, employers, small businesses, non-profits or other economic development stakeholders. While not excluding any potential areas of interest, ARC anticipates that many eligible communities and regions are already considering the following areas for potential future economic development:

- Local Asset Based Development and Expansion.
- Tourism, including Cultural and Natural Assets.
- Enhancing Access to, and Use of, Broadband Services.
- Advanced Manufacturing Supply Chains.
- Local and Regional Food Systems.
- Workforce Development and Preparation.
- Strengthening Entrepreneurial Ecosystems.
- Health Promotion and Health Care Services.
- Development of Strategic Plans and Feasibility Studies.

## **TECHNICAL ASSISTANCE GRANT APPLICATIONS: SUBMISSION PROCESS**

Interested communities and regions should respond to this FFO by completing the **ARC POWER Technical Assistance Grant Application Form** online at: <http://www.arc.gov/POWER>. As an alternative, interested communities may download the application form and submit an original hard copy of the ARC POWER 2016 Technical Assistance Grant Application Form (suitable for scanning and duplication) by mail to: ARC POWER 2016 Technical Assistance Grant Application, Appalachian Regional Commission, 1666 Connecticut Avenue, N.W., Suite 700, Washington, DC 20009-1068. Submitting applications online through <http://www.arc.gov/POWER> is preferred but is not required.

The application processes for the ARC POWER 2016 Technical Assistance Grant and the ARC POWER 2016 Implementation Grant application are separate and independent. Interested communities should first make a threshold determination of whether they are prepared for POWER implementation grant funding, or whether they will need technical assistance funding for planning prior to proposing an implementation project. FY 2016 ARC POWER Initiative funding is available for both kinds of grants.

ARC can also provide modest amounts of funding to communities and regions for assistance with POWER Initiative grant application development and writing. The ARC POWER 2016 Technical Assistance Application Grant Form includes a streamlined *Request for Grant Writing Assistance* section.

Questions regarding this ARC POWER 2016 Initiative Technical Assistance FFO may be sent to [POWER@arc.gov](mailto:POWER@arc.gov) with the subject line “ARC POWER 2016 Technical Assistance Question.” Responses may be provided directly to the email submitted and/or posted on the “Frequently Asked Questions” page of the ARC POWER Initiative website at <http://www.arc.gov/POWER>. As responses to this Technical Assistance FFO are reviewed, ARC may ask applicant communities and regions for additional or clarifying information.

### **TIMING AND APPROVALS**

ARC will accept responses to this FFO beginning on April 4, 2016 through the **ARC POWER 2016 Technical Assistance Grant Application Form** at: <http://www.arc.gov/POWER> or by mail. ARC will review responses on a rolling basis as demand warrants, as ARC capacity allows, and as long as funding remains available. ARC anticipates conducting two to four application review cycles during FY 2016, which ends on September 30, 2016.

### **MATCHING REQUIREMENTS**

Applicants for an ARC POWER 2016 technical assistance grant must demonstrate a matching share from other federal or non-federal sources that is available and committed to the project. The maximum share of ARC assistance is determined by the ARC classification of the county or counties served by the proposed activity. Applicants may request up to 80 percent of the total project cost when the county served by a project has been designated as economically “distressed,” in ARC’s FY 2016 county economic classification system. A table summarizing ARC’s economic designations and the maximum ARC share for each Appalachian county (i.e., 80 percent, 70 percent, 50 percent, 30 percent, or 0 percent) can be found online at: <http://www.arc.gov/POWER>. A map of ARC’s index-based county economic classification system to identify and monitor the economic status of Appalachian counties can be found [here](#).

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

- **If there is a distressed county in a project and:**
  - a. at least half of the counties are distressed, the project may be funded at up to 80 percent of project costs;
  - b. at least half of the counties are some combination of distressed and at-risk, ARC assistance can be the higher of 70 percent of project costs or the average percentage applicable to the various counties in the project;
  - c. fewer than half of the counties are distressed, ARC assistance can be the higher of 50 percent 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, a project may be funded at up to 70% of project costs.
- **All other multi-county projects** will 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.

### **ADDITIONAL BACKGROUND ON FY 2016 ARC POWER INITIATIVE INVESTMENT PRIORITIES FOR IMPLEMENTATION AND TECHNICAL ASSISTANCE GRANTS**

As described above, in FY 2016 ARC is making POWER Initiative funding available to eligible communities and regions for: a) implementation grants; and b) technical assistance. ARC POWER Initiative investment priorities for both FFOs are:

- Building a Competitive Workforce;
- Enhancing Access to and use of Broadband Services;
- Fostering Entrepreneurial Activities; and
- Developing Industry Clusters in Communities.

In general, applications for FY 2016 ARC POWER Initiative *technical assistance* funds should include the eventual development of a POWER Initiative *implementation project* as a primary outcome or goal. Implementation projects receiving ARC POWER Initiative implementation investments in FY 2016 will include one or more of the following as their primary outcomes:

- **Jobs Created:** New jobs that did not exist in the locale prior to the activity;
- **Jobs Obtained:** Workers are prepared for and/or assisted in obtaining already existing jobs through the project; this may involve training and other services; and
- **Businesses Created:** New businesses started in the community or region – both new businesses started by local entrepreneurs and new facilities located in the community by an existing business.

### **IMPLEMENTATION GRANT CRITERIA**

In 2016, communities applying for ARC POWER Initiative funding for implementation projects should define specific outcome measures, demonstrate how the project is designed to achieve those outcomes, and commit to capturing and sharing those measures over the life of the investment. In order to maximize the impact of ARC investments on the economic transition in coal impacted communities, ARC will give preference to 2016 POWER Initiative implementation applications that successfully address the following factors:

- **Regional Focus:** Targeted areas should be regional, defined minimally as multi-county, with potential investment amounts scaled upward as the size and complexity of the region increases to include multi-state areas.
- **Large-Scale:** Projects should be large in scope with budgets that, in some cases, are expected to exceed \$500,000 - \$1.5 million.
- **Assessment and Planning:** Communities receiving money for activities should provide a well-articulated analysis of why and how the local and regional economy has been negatively impacted by the downturn in the coal industry.
- **Economic Restructuring Focus:** Communities must have assessed their assets and opportunities and formulated a plan that focuses on restructuring the economy (e.g.,

sector strategies, entrepreneurial development) and identified short-term (1 to 2 years) and long-term (3 years and beyond) anticipated outcomes.

- **Collaboration:** Investments should have multiple stakeholders from the private, public, and nonprofit sectors, and from multiple disciplines engaged in project implementation; there should be evidence of strong input and engagement of the broader community in planning and project design.
- **Leverage:** Investments should demonstrate community and regional commitment to the proposed project by combining ARC resources with other public, private, and philanthropic resources.

### **GENERAL DISCLOSURES**

FY 2016 POWER Initiative awards for technical assistance will be made only to the extent that funds are available. Publication of this FFO 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 a competitive procurement policy in place.

This FFO does not commit ARC to award a contract, or to procure, or to contract for services or supplies. Notwithstanding any other provisions of the FFO, ARC reserves the right to award grants, cooperative agreements or contracts to communities or regions that best meet the requirements of the FFO, and not necessarily to the lowest cost proposers. 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 FFO if it is in the interests of the ARC to do so.

Please note that ARC will not reimburse for any other costs associated with the preparation of a response to this FFO. Any ARC contracts awarded to work directly with consultants or consulting organizations will likely be a FIRM FIXED-PRICE CONTRACT or a cooperative agreement. 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 FFO.