

Appalachian Regional Commission

The Appalachian Regional Commission (ARC) was established by Congress in 1965 as a supplemental grant program to raise the standard of living, improve the quality of life, and to promote economic development in Appalachia. There are 35 Appalachian counties in the northern portion of Alabama.

Under the Alabama ARC Area Development Program, grant funds are available for community development and human resources development. Community development activities include water, sewer, solid waste or other community facilities, industrial site development, industrial access roads, rail spurs, dock facilities, local government assistance demonstrations, destination based tourism projects, and business development activities, such as technology transfer projects and small business technical assistance programs. Local government assistance demonstrations should provide for service consolidations, management assistance or other institutional arrangements directed toward more effective delivery of programs and services, should be multijurisdictional in scope, and include a local cash match. Local infrastructure projects must create or retain jobs in the local work force, demonstrate it is a part of a strategic plan, or be essential to the implementation of an adopted state or areawide strategic plan. Grants are limited to a maximum of \$200,000 per project or 50%, whichever is less.

The human resources program consists of five program areas: education excellence, work force development, youth leadership, child or elder day care, and health. Grants are limited to \$200,000 per project or 80%, whichever is less. Total Federal participation cannot exceed 80%. There must be a minimum of 20% local cash match.

Since ARC is a supplemental grant program, projects must have a basic agency to administer the grant funds. Some basic

agencies are: the Economic Development Administration (EDA), the Farmers Home Administration (FmHA), the Community Development Block Grant Program (CDBG) and the Tennessee Valley Authority (TVA).

Funds for the ARC Distressed Counties Program are designated for projects to improve the quality of life and to provide safe drinking water. In FY-1993 there are ten counties in Alabama designated as Distressed. Designation as a Distressed County is based on:

1. per capita market income no greater than 2/3 of the U.S. average,
2. poverty rate 150% or greater than U.S. average,
3. 3-year unemployment rate 150% or greater than the U.S. average.

The ten Distressed Counties in Alabama are: Bibb, Cherokee, Chilton, Clay, Fayette, Lawrence, Pickens, Randolph, Talladega and Winston.

Under the Distressed Program, there is a maximum ARC participation of 80% or \$200,000, whichever is less. Projects may include basic services or infrastructure; such as water, sewer, and similar activities as well as community development and human resources development projects. There must be a basic agency to administer the grant funds.

In addition, research projects are selected at the Washington Commission level through a request for proposal process. Priorities are given to research projects with a regional significance.

All project applications must be submitted through the State of Alabama. Project pre-applications are usually submitted in September of each year. Each Local Development District will prepare ARC pre-applications and applications at no cost to the applicant.

If you have questions or need additional information, please contact:

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