

The State of Georgia Development Plan for the Appalachian Region 2020-2024



State of Georgia Development Plan

2020-2024

For

The Appalachian Regional Commission

November 2019



Table of Contents

Governor Brian Kemp's Introduction5
Appalachian Regional Commission Overview6
Georgia and the Appalachian Development Highway System7
Assessment of Georgia's Appalachian Region8
Looking Forward in Appalachian Georgia13
Aligning Georgia's Goals and the ARC Strategic Plan17
Funding Strategies to Integrate Regional, State and ARC Goals19
ARC Funding Designations20
Georgia's Operating Policies for ARC Funds21

Governor Brian Kemp

Governor Brian Kemp will direct ARC resources to assist communities in meeting their community and economic goals, as well as the goals of the Appalachian Regional Commission. The governor aims to lead Georgia in pursuit of the following strategies:

- Making Georgia number one for small businesses
- Preparing a ready workforce and removing barriers to employment
- Strengthening rural Georgia
- Increasing access to broadband capacity in rural Georgia
- Improving the quality of and access to healthcare options in rural Georgia



This plan will help Georgia's ARC region meet its diverse and evolving needs. Georgia is still a national leader in agricultural output, and in the 21st century is gaining recognition as a manufacturing, technology, and film/entertainment center as well. This plan identifies investment strategies that will support these emerging sectors as well as continue to support the community development needs of the region.

Governor Kemp's Alternate, Commissioner Christopher Nunn, leads the state's Department of Community Affairs, working to coordinate community development activities and funding to pursue its mission to help build strong, vibrant communities. DCA has a broad reach that includes comprehensive planning, safe and affordable housing, downtown development, community infrastructure and economic development finance. DCA manages the ARC program and funds for the State of Georgia; and agency staff will act to implement this State Development Plan.

Appalachian Regional Commission Overview

The Appalachian Regional Commission (ARC) was created by Congress in 1965 to address economic and quality-of-life issues in the thirteen state Appalachian region. The Appalachian Regional Commission includes 420 counties and stretches from southern New York to northern Mississippi. In Georgia, 37 counties make up the Appalachian Region.

State-Federal Partnership

The foundation of this state-federal partnership is a mutually agreed-upon ARC strategic plan along with each state's unique strategies for implementation. This partnership serves to create opportunities for self-sustaining economic development and improved quality of life for the people of Appalachia. While the thirteen states of Appalachia share many similar issues; their strategies to address these ARC goals vary based on regional differences, local needs, state policies and administration priorities. The partnership allows individual states the flexibility to invest Area Development funds to most effectively meet needs identified at the local, regional and state levels.

Governor Brian Kemp serves as the Georgia commission member, and Georgia Department of Community Affairs Commissioner Christopher Nunn serves as the governor's alternate and oversees Georgia's deployment of ARC funds in its region.





Georgia and the Appalachian Development Highway System

In Fiscal Year 2018, the ARC Board approved Georgia's request for a mileage shift from Corridor A between Georgia SR 400 in Forsyth County and I-575 in Cherokee County to a new location using approximately 14.5 eligible miles of Georgia's allotted ADHS mileage to a portion of SR 20, in Cherokee and Bartow Counties, located between I-75 and I-575 connecting the Cities of Canton and Cartersville (Corridor A-2). This portion of SR 20 connects two existing interstate highways and will provide for additional capacity, mobility, and connectivity to north Georgia and indeed all of Appalachia.

The decision to revise the ADHS corridor to SR 20 in Cherokee and Bartow Counties was based on certain obstacles, including neighboring states' ADHS interest not aligning with Georgia's ADHS interest, as well as the challenges surrounding the logical termini requirements. The SR 20 corridor is an ideal candidate for the ADHS program given it provides connectivity to and between interstate highways and/or another ADHS corridor.

Georgia's ADHS corridors have had significant impact on the growth and development of the region. These transportation routes have helped grow Georgia's manufacturing industries, as they have reduced over the road shipping times throughout the region.



An Assessment of Georgia's Appalachian Region

Natural Environment: Georgia's Appalachian region is rich in cultural, natural and historic resources that contribute to the overall economy and well-being of the state and the larger 13-state region. The region is mostly rural, offering natural beauty, a distinct cultural heritage and relative proximity to metropolitan Atlanta, which is the leading economic driver of the state. Ranking tenth in the nation economically with a GDP of \$276 billion, greater Atlanta influences the Appalachian region significantly, particularly in the areas of tourism, second home development, and employment opportunities.

The topography of the region has added to the isolation of north Georgia's rural communities, and in many ways has made regional efforts difficult. The piedmont of the Appalachian Mountains extends in three distinct mountainous areas in the region, creating challenges in transportation, infrastructure development and educational opportunities. Much of the northernmost portion of the region is part of the Chattahoochee National Forest, which provides wonderful outdoor recreation opportunities on which the region is working to capitalize. The region consists of rolling hills with valleys and tall hills, ridges, and mountains running north-south. This geography makes east-west connectivity and regional development somewhat challenging. However, the geography of the area also creates some of the most scenic views in the state.

As the southern terminus of the Appalachian Trail, the region sees an influx of travelers from around the world each spring as the "through-hike" of the trail begins in March. The small towns of Dawsonville, Dahlonega, Hiawassee, Blairsville and Clayton all work to maximize the outdoor experiences and build on their natural assets.

Built Environment: The growth of the metropolitan Atlanta area, combined with the highway improvements and ADHS construction through Georgia's 37 county region has had a profound effect on community growth and development. Much of the commercial, industrial and institutional construction of the late 20th and first part of the 21st centuries has been auto-oriented; and built with proximity to highways in mind, resulting in linear development following highway footprints. In many communities, these patterns have resulted in underused, underdeveloped, or even abandoned former shopping centers and big box stores. Even some of our most rural communities are dealing with the after effects of this low-density construction.

While this type of construction has been quite popular in the past and remains popular today, Georgia is undergoing a shift in its community development policies; and has begun to invest more heavily in communities that have a demonstrated plan to create live-work-play environments that will meet the needs of its citizens. Because transit is non-existent or extremely limited across the region, this type of development can be useful in terms of providing access to work and educational opportunities across a range of income levels. The more robust economies of Calhoun, Cartersville, Dalton, Gainesville and Rome are all attracting private in-town housing and retail development options and are planning to expand their city footprints to extend these development patterns. Our smaller communities will need technical and financial resources to maximize their live-work-play potential. Finally, the housing stock across the region is overwhelmingly single-family. As Georgia continues to grow at a pace faster than the national average, many of our communities are beginning to explore additional housing options to meet the needs of low-to-moderate wage individuals and families, new graduates, single people, and our ever-growing elderly population. We anticipate a need for a wide spectrum of housing options integral to the existing, redeveloping and newly developing communities across the region.

Economy: Traditionally, the region's economic base has depended upon the manufacturing sector (25% of the region's employment in 2011), dominated by floor covering industry. The economic downturn and resulting collapse of the housing industry dramatically reduced demand for floor covering products, causing considerable economic distress in the region as layoffs and plant closures led to thousands of jobs lost. The region, including the floor covering industry, has largely recovered from the recession and resulting economic distress. Many of the jobs that were lost, however, will not return especially in the flooring industry. Manufacturing in Northwest Georgia is changing its production model. Moving from a highly labor intensive, hands-on production system to an automated system, where skilled technicians operate machines using computer programming or perform manual tasks with robotic assistance. In this changing job market, prospective employees must have or be able to learn the required skill-set including engineering, computer technology, and programming. This automation is allowing industries to increase production while at the same time decreasing their workforce.

Agriculture remains a strong sector of the rural Georgia economy, with counties in the northeastern portion of the region positioned as world leaders in poultry production. In the last decade, the demand for pasture-raised beef and locally-produced dairy products has produced strong gains in specialty cattle operations, creating a market in which smaller farm operations have been able to profit. As Georgia's wine production, breweries and distilleries industry continue to grow, the counties across the region have worked to attract these and other types of agribusiness; both for their entrepreneurial nature and their ability to draw visitors to the community.

Population Changes: The majority of the 37 counties in the region are growing in population, with the southernmost counties, bordering the Atlanta MSA, (Barrow, Cherokee, Forsyth, Gwinnett, Jackson and Paulding) experiencing population changes significantly higher than the national average between 2010 and 2018 (see map). In contrast, two counties on the Georgia-Alabama border (Chattooga and Dade) and two on the Georgia-South Carolina border (Elbert and Stephens) are losing population or growing at a rate below the national average. The balance of counties in the region are growing at a steady, slightly faster than average rate. The disparity in issues and opportunities as a result of population changes presents a challenge as the state works to meet the needs of all its citizens, and indicates that we must consider a variety of options and strategies to address specific needs on a community-by-community basis.



Appalachian Regional Commission Census Population Change

2010-2018



Per Capita Income and Per Capita Market Income: Per capita income (PCI) and per capita market income (PCMI) are standard measures of community wealth. Georgia's ARC region lags behind the nation in PCI, and even more significantly in PCMI. As Georgia's population ages, these disparities may become more dramatic, as a high percentage of the population will depend on Social Security benefits as an income source.

Rabun County, on the border of Georgia and North Carolina, provides a stark example of this phenomenon. With a population of around 16,000, 27.6% of citizens are 65 or older. Its PCI is slightly higher than the regional average, but its PCMI is significantly lower. (see maps) Each county in the region has a significantly lower PCMI, which is a cause for attention and concern when considering economic development strategies to improve the economic health of the region and individual communities.



Appalachian Regional Commission

Per Capita Income 2017

Georgia: Department of Affairs



Appalachian Regional Commission

Per Capita Market Income 2017

Georgia Community Affairs

Looking Forward in Appalachian Georgia

As the region and Georgia continue to change and grow, we plan to address the challenges and opportunities on the horizon. The continuing expansion of metropolitan Atlanta, while a catalyst for Appalachian industrial, commercial and residential development, may also threaten the natural amenities that have attracted so many new residents and tourists to the region. The continued changing demographics of the region, ranging from high-growth areas to those that are losing population, must be considered when developing strategies for the region as a whole. Following are brief synopses of trends facing Georgia's Appalachian region:

Opportunities

Agriculture and Agribusiness: <u>The Georgia Grown program</u> is a marketing and economic development program of the Georgia Department of Agriculture whose goal is to aid our agricultural economies by bringing together producers, processors, suppliers, distributors, retailers, agritourism and consumers into one powerful, statewide community. Created to help new agribusinesses grow, and established agribusinesses thrive, the Georgia Grown program has expanded significantly since it started in 2011.

Georgia Grown is a brand with deep roots in sustainability, quality and integrity. The Georgia Grown brand is desired by business and consumers who want to buy and promote Georgia's locally grown products. With designations for restaurants, processed food, produce and meat products, the Georgia Grown label has helped the region's agribusinesses gain recognition in the state and across the southeastern region.

Georgia remains a strong agricultural presence nationwide, with north Georgia leading the nation in poultry production and making strides in commercial vineyards. Supporting our agricultural economy and heritage will remain an important component of our state's economic strategies.

Advanced Manufacturing: Georgia's Appalachian region has achieved successes with locating and expanding manufacturers, specifically near the I75 and I85 interstate corridors. Both the eastern and western portions of the region have garnered announcements from manufacturers – specifically in automotive sectors, flooring/carpeting, and food products/food processing. With the opening of an inland port in northwest Georgia's Murray County in August 2018, it is projected that this trend continues for years to come.

Exceptional engineering programs in the Southeast provide world class resources across manufacturing sectors. <u>The Automotive Research Alliance</u> members include Auburn University, Clemson University, Mississippi State University, the University of Alabama, the University of Alabama-Birmingham, the University of Kentucky and the University of Tennessee, all of which are in the ARC footprint. Alliance schools pool their talents and are committed to developing automotive-related academic programs,

industry expertise and cutting-edge research. As the largest and one of the most-widely acclaimed engineering schools in the country, the Georgia Institute of Technology supplies the region with unparalleled professional engineers in a variety of disciplines. Georgia and other southern ARC states remain committed to attracting and keeping innovation, entrepreneurship and talent in the region through continued support to opportunities that grow the advanced manufacturing sector.

Tourism and Outdoor Recreation Opportunities: The north Georgia mountains have long been known as a retreat from the heat of Georgia summers, and an inviting, close getaway from metro Atlanta. As the film industry has grown, the region's appeal has grown as well with national and international visitors, and the tourism economy is significant for the region. The region's natural resources, ranging from whitewater to mountains, fishing streams to caves to old growth forests and the highest point in the state, provide abundant outdoor opportunities for casual visitors and experienced outdoor enthusiasts alike.

A \$66.2 billion industry for the state, tourism drives significant business growth and increased revenue for companies operating in Georgia. Many of these companies are small, locally owned and operated and make significant investments in their communities. Especially in the rural, mountainous areas of north Georgia, tourism is the biggest economic driver in the community.

Georgia's Film Industry: In 2008, the Georgia General Assembly passed a 30% tax credit for productions shot in Georgia, and since then the film industry has grown exponentially and in 2018 Georgia was the number one location for films and TV series in the United States. Pre-production, stage and on-location sets and post production businesses in Georgia have grown as well, although the majority of these larger businesses are in the metropolitan Atlanta area (and outside of the ARC region.) The natural beauty and small-town charm of the region, however, has attracted the interest of many artists as on-site locations. (Source: Georgia Department of Economic Development Film Division.)

As members of the new world-leader in the film industry, the region's communities have immense opportunity to attract both production and post-production activities. Many communities are working to position themselves as <u>Camera-Ready</u>, certified by the Georgia Department of Economic <u>Development</u>. For many across the region, working to bring post-production businesses and jobs to their communities is the next logical step.

Federal Opportunity Zones: The Federal Qualified Opportunity Zone distinction was created by The Tax Cuts and Jobs Act to spur economic growth in low-income communities by allowing investors to defer federal taxes by taking capital gains from other investments and investing in these designated areas. The U.S. Department of the Treasury and the Internal Revenue Service (IRS) have now designated more than 8,700 Federal Opportunity Zones in 50 States, the District of Columbia, and five U.S. territories, including 260 census tracts in the State of Georgia, 17 of which are in the ARC region.

A Federal Opportunity Zone is an economically-distressed community where new investments, under certain conditions, may be eligible for preferential tax treatment. Localities qualify as Federal

Opportunity Zones if they have been nominated for that designation by the state and that nomination has been certified by the Secretary of the U.S. Treasury via his delegation of authority to the Internal Revenue Service. The zones in the ARC region are a combination of mid-size cities, smaller cities, and some rural areas. Helping these communities capitalize on the opportunity to attract private investment and seek significant revitalization in their most distressed areas is a priority of both DCA and ARC.

Challenges

Broadband Service: Broadband has become essential to business, education, healthcare, agriculture, and overall quality of life. Unfortunately, high-speed internet access remains out of reach for Georgians in many rural communities. Recognizing the importance of broadband availability to all Georgians, in 2018 the General Assembly passed <u>SB402</u>. Led by DCA, this initiative calls for the promotion and deployment of broadband services throughout the state to unserved areas.

Population Changes – An Aging Population: According to the Georgia Department of Human Services, Aging Division, Georgia has the 11th fastest-growing 60+ population in the US between 2010-2030. Due to retirement trends in the last ten years, the 60+ population of Georgia's Appalachian region is growing at a rate faster than the state as a whole. These changes will have significant impact on community services and needs, including healthcare, an adequate workforce supply, and significant changes in housing needs.

Attracting and Retaining Talent to the Region: As the US economy and the traditional workplace continues to shift, communities across Appalachia will need to adapt to remain competitive. As Georgia works to train and educate its citizenry to work in high-technology, advanced manufacturing and film industries, our rural communities may seem less appealing to younger workers and their families. Building strong local economies with live-work-play options will be an important component of competitive, livable communities.

Gaps

Wages lower than national averages: According to the US Bureau of Labor Statistics, Georgia's rural counties continue to lag behind (in many instances, far behind) national averages. ARC communities will need to employ a variety of strategies to provide opportunities for existing residents to increase job skills; as well as work to attract a range of employment options that include higher-paying jobs.

Low educational attainment: Although Georgia has made great strides in improving high school graduation rates, the state still lags behind national averages. In addition, Georgia's percentage of citizens with some level of higher education is below national averages. Since educational attainment is directly linked to income, working to improve these outcomes will remain a high priority in Georgia.

Changing demographics in rural communities: As Baby Boomers continue to retire, many have chosen to move to the northern counties of the region. These rural counties have historically higher poverty rates than the nation and the metropolitan Atlanta area. These changing demographics give the appearance of increased economic prosperity in these communities, while in fact, long-standing residents do not realize any increased income. Georgia policies and investments to address these disparities among communities (and reflected in the data) are necessary to ensure that all region residents have opportunities to prosper.

Limited Housing Options: Rural communities have fewer housing opportunities than more urban ones. Housing options tend to be single family, and in most rural communities, housing is not in close proximity to employment, educational or other community opportunities. In order to help these smaller communities remain viable; attract new residents and business, and succeed in the 21st century, Georgia will work to improve the number and variety of housing opportunities available.

Aligning Georgia's Goals and the ARC Strategic Plan

Regional Priorities

Georgia's ARC Local Development Districts

The ARC Local Development Districts (LDDs) are charged with establishing local priorities and implementing funded projects. In Georgia, these functions are carried out by five Regional Commissions, serving the 37 counties of Georgia's Appalachian Region. These LDDs act as partners with the Georgia Department of Community Affairs, providing technical and project development assistance for local governments and other eligible organizations.

Appalachian Regional Commission



Georgia Counties

Georgia Document of Affairs

These Local Development Districts have identified regional priorities as follows:

- Promoting the deployment of broadband throughout the region to support business and education opportunities
- Providing reasonable access to medical care and services in rural areas
- Ensuring a capable and ready workforce through education, training opportunities and apprenticeship options
- Breaking down barriers to employment across all income sectors, including addressing:
 - Limited access to child and senior care options
 - Limited access to transportation options
 - Increasing access to and stock of safe, decent and affordable housing, especially in rural areas
 - Addressing Substance Use Disorder issues, including treatment opportunities and return-to-work programs
- Supporting the building and expansion of water and sewer systems to promote and support economic development opportunities
- Developing and improving tourism product, including natural and cultural assets unique to Georgia's Appalachian region

State Priorities

Governor Brian Kemp has outlined the following ARC priorities for his administration in order to focus Georgia's resources responsibly. Georgia will use its ARC resources to further the goals of the Appalachian Regional Commission as well as those of our local communities, our regions, and our state.

- Make Georgia #1 for Small Business
- Prepare a ready workforce and remove barriers to employment
- Strengthen Rural Georgia
- Increase Access to Broadband Capacity Across Rural Georgia
- Improve quality of and access to healthcare options in rural Georgia

Appalachian Regional Commission Strategic Plan 2015-2020

In November 2015, the Appalachian Regional Commission approved a strategic plan to guide the Commission's economic and community development efforts in Appalachia through the end of Fiscal Year 2020 (September 30, 2020). The plan outlines fives strategic goals supporting ARC's vision and mission.

Funding Strategies to Integrate Regional, State and ARC Goals

Georgia's funding strategies, outlined below, are organized around ARC's Strategic Plan 2015-2020, which was adopted by the state-federal partners in the fall of 2015.

Goal 1: Economic Opportunity:

- 1.1 Invest in infrastructure to promote and support business expansion to create jobs in rural Appalachia. Expand Georgia's role as a world-renowned hub for global commerce invest in projects that will promote business expansion in rural areas
- 1.2 Invest in small business incubators, entrepreneur support activities, business mentoring, and coaching services
- 1.3 Invest in regional economic development, promoting shared investment, mutual benefits, and inter-governmental agreements

Goal 2: Ready Workforce

- 2.1 Invest in the development of vital workforce skills to meet current and future industry needs across industry spectrums
- 2.2 Invest in healthcare options, including innovative approaches that lower costs, improve quality and increase access in Georgia's Appalachian region. These investments should include foci on preventive care, mental health resources and increasing access to rehabilitation activities to reduce the effects of Substance Use Disorder
- 2.3 Invest in projects that will reduce barriers to employment, including:
 - Supporting access to high-quality, reliable and affordable child and senior care
 - Expanding the range of housing options in the region, especially those options that will promote walkability and access to community resources, amenities and employment opportunities
- 2.4 Invest in activities that enhance access to educational opportunity and workforce skills through apprenticeships, mobile learning, work-study and partnerships among school systems and employers

Goal 3: Critical Infrastructure

- 3.1 Increase rural broadband access for economic growth, educational opportunity and healthcare access
- 3.2 Invest in water and sewer projects to support new or expanding industry and, in distressed areas, to provide access to safe and sanitary water systems

- 3.3 Invest in infrastructure projects (including planning and feasibility studies) that will increase the regionalization and/or consolidation of small systems to increase cost effectiveness
- 3.4 Invest in transportation projects that continue to expand accessibility in and to the Appalachian region

Goal 4: Natural and Cultural Assets

- 4.1 Invest in projects that leverage natural and cultural assets to create vibrant cultural hubs that will attract and maintain business, talent and private investment in the Appalachian region
- 4.2 Invest in projects that will strengthen the region's small towns and communities especially when these projects tie together new or existing attractions and resources. These projects may include emphasis on Georgia's agricultural assets like Georgia Grown or the existing Wine Trail.

Goal 5: Leadership and Community Capacity

- 5.1 Support local and regional networks, partnerships and other models of collaboration that catalyze public, private and nonprofit action for regional impact
- 5.2 Invest in projects that will help governments manage resources effectively and plan for healthy economies.

ARC Funding Designations

The ARC funding designations for its 420 counties in 13 states are a product of comparisons made among each county and the United States as a whole. Each year, ARC adjusts these designations according to the most recently available data to determine the total amount of funding available to each state. Using a composite index based on three year unemployment rates, poverty rates and per capita market income, ARC established the following five county designations:

Distressed Counties are the most economically depressed counties. They rank in the lowest ten percent of the nation's counties. Distressed counties are eligible to receive up to 80% of a total project cost in funding.

At-Risk Counties are those at risk of becoming economically distressed. They rank between the lowest 11 percent and 25 percent of the nation's counties. At-Risk counties are eligible for up to 70% funding of a total project cost.

Transitional Counties are those transitioning between weak and strong economies. They make up the largest economic status designation. Transitional counties rank between the lowest 25 percent and the highest 25 percent of the nation's counties. Transitional counties are eligible to receive 50% of a total project cost.

Competitive Counties are those that are able to compete in the national economy but are not in the highest 10 percent of the nation. Counties ranking between 11 and 25 percent of the nation's counties are considered Competitive and are eligible for up to 30% of a project cost in funding.

Attainment Counties are the economically strongest in the nation, ranking in the top 10 percent. These counties are not eligible for ARC funding.

Georgia's Operating Policies for Appalachian Regional Commission Funds

Georgia's ARC program operates on the following program guidelines:

- Maximum ARC investment is \$600,000. The maximum investment may be waived by the Governor at his discretion.
- Priority is given to projects that are "ready-to-go," meaning that projects are encouraged to secure other necessary funding before submitting an application.
- Eligible applicants include:
 - o Local governments
 - Development Authorities
 - Non-profit organizations (must provide adequate certification of status)
 - Educational institutions
 - Public healthcare institutions
 - Public-private partnerships are eligible, but applicant must be a public entity or nonprofit entity
- Each proposal is scored according to the following criteria:
 - o Consistency with Appalachian Regional Commission goals and strategies
 - Consistency with Georgia Department of Community Affairs' investment requirements and objectives, which include:
 - Project supports community objectives outlined in a comprehensive local or regional plan
 - Local government applicants are current on service delivery strategy requirements to receive funding
 - Local government and development authority applicants are current on all required reporting with the state
 - Economic impact within the community and region
 - o Return on investment via economic or community development standards
 - Projects must include measurable outputs and outcomes consistent with federal performance measure requirements.
 - Projects that are identified as strategies in larger local or regional strategic plans should indicate their ability to meet goals in said plans
 - Innovation some projects may be untested in Georgia, and therefore may not be addressed in a regional or local planning document; the review committee will give proper consideration to innovative applications that address priorities within the ARC Strategic Plan.

Construction Projects

- Construction projects should have preliminary commitment of jobs and a preliminary engineering report prior to request for funding.
- In the case of tourism-related construction projects, credible forecasts for increased commercial activity must be included.

- DCA or the Georgia Environmental Finance Authority will serve as the Registered State Basic Agency for the administration of construction projects. (GEFA will administer water/sewer projects and DCA all others that qualify as construction). DCA may grant an exception to this policy only in the case where another federal agency participating in the project is willing to administer ARC funds.
- Projects must obtain all reviews and approvals pertaining to federal financing PRIOR to project start dates. These include, but are not limited to:
 - Environmental assessments
 - Wage and labor rate approvals
 - Procurement approvals
 - Contractor approvals
- Organizations seeking ARC funding for construction projects will be strongly advised of time constraints associated with federal financing. All activities associated with construction projects must adhere strictly to these requirements.

Non-construction or Operating Projects

- ARC funding is limited to start-up costs and two years of operation costs MAXIMUM.
- No project is guaranteed more than one year of support.
- Projects requesting start-up funds should identify sources of funding to continue the project upon cessation of ARC investment, or indicate a plan for cultivating future funding.
- In most cases, operating proposals should indicate an 18-month initial start-up phase. New projects generally meet unexpected delays, and this 18-month window can help alleviate the need to extend a project to meet its initial objectives.
- Any project seeking continuation funding (second or third year) should contact Georgia's ARC office at least one month prior to the pre-application deadline to discuss additional funding. These projects must provide evidence of satisfactory performance in meeting first-year objectives in order to be considered for any additional funding.
- ARC will serve as the administering agency for all non-construction projects.

Ineligible Activities

Georgia's ARC program does not generally fund the construction of schools, places of worship or government buildings.

General Information

Pre-applications for funding are required and may be submitted at any time. All application materials are available at: <u>www.dca.ga.gov/arc</u>.

• Projects that are approved by the Governor will be sent on to ARC for final review and approval. Georgia will notify those communities/organizations that are approved; although the date for these approvals will vary.

Georgia's ARC program accepts applications on a quarterly basis.