FAQS: Government Resources Accelerating Needed Transformation (GRANT) Program of 2024

June 24, 2024

The purpose of this document is to address various questions about the Government Resources Accelerating Needed Transformation (GRANT) Program of 2024 application, approval and funding process. The Kentucky Cabinet for Economic Development (Cabinet) is responsible for administration of the program. The Cabinet is not providing assistance in preparing and/or completing applications for federal grant resources. The following organizations are available to assist applicants in identifying available federal grant opportunities and preparing the federal grant applications:

- Kentucky Council of Area Development Districts
- Local Area Development Districts
- Local Public Institutions in the Postsecondary Education System

Any term not defined in this FAQ document will have the same meaning as in the Fact Sheet (a link to which can be found at the bottom of this document).

ELIGIBILITY QUESTIONS

What entities may apply as an Eligible Applicant for the GRANT Program of 2024 matching funds?

A Kentucky county, city or 501(c)(3) nonprofit charitable organization (as designated by the IRS) engaged in public benefit improvements that is seeking federal funding assistance.

What federal grants are eligible to apply for GRANT Program of 2024 matching funds?

The federal grant funding must be sponsored/administered by one of the following entities:

- United States Department of Housing and Urban Development (HUD);
- Delta Regional Authority (DRA); OR
- Federal grant sponsored by the <u>Interagency Working Group on Coal and Power Plant</u> <u>Communities and Economic Revitalization</u> established by Presidential Executive Order 14008, issued on January 27, 2021 ("Interagency Working Group")

The federal grant must require matching funds to apply for funds through the GRANT Program of 2024.



What agencies are represented on the Interagency Working Group (IWG)?

- o Office of Management and Budget
- U.S. Department of Energy
- U.S. Department of Treasury
- U.S. Department of Interior
- o U.S. Department of Agriculture
- o U.S. Department of Commerce
- o U.S. Department of Labor
- o U.S. Department of Health and Human Services
- o U.S. Department of Transportation
- o U.S. Department of Education
- o U.S. Environmental Protection Agency
- o Appalachian Regional Commission

If a Federal Grant Recipient is a water district, riverport, or an entity other than a city, county or 501(c)(3), are those entities also eligible to apply for the GRANT Program of 2024?

No, based upon the recent legislative changes. However, ineligible applicants are encouraged to collaborate and partner with eligible GRANT Program of 2024 applicants to apply for Federal Grant and GRANT Program of 2024 opportunities.

What is required if an Eligible Applicant does not currently own the land?

A legally binding letter of intent, option or sale agreement to an eligible GRANT recipient. Private property on which a project is located may be considered if the project is clearly in the public interest, with defined public benefits and has a stated public purpose and with those defined benefits of an eligible community may be considered.

What are the eligible uses of the GRANT Program of 2024 funds?

Eligible use may include, but is not limited to, expenditure in any of the following categories or some combination thereof:

- Enhance economic vitality, including revitalization of structures with a public purpose or benefit
- Promote or develop an artistic or philanthropic purpose
- Improve traditional infrastructure, such as water and wastewater treatment facilities, transmission lines, transportation facilities and flood and wastewater management
- Create or enhance telecommunications infrastructure, including cellular towers, fiber optic expansion, and technology infrastructure
- Promote agricultural activities and development
- Enhance development of previously mined areas or areas previously used by the coal industry and other industrial activities into uses that diversify the local economy
- Create or expand recreational facilities, such as walking, hiking, all-terrain vehicle, bike trails, picnic facilities, restrooms, boat docking and fishing piers, and athletic facilities



- Acquire private property that promotes local economic vitality and housing development and enhancements
- Preserve or enhance buildings that are of local historic or economic interest
- Restore or create retail facilities, including related service, parking, and transportation facilities, to revitalize decaying downtown areas
- Construct or expand other facilities that promote or enhance economic development or tourism opportunities, thereby promoting the general welfare of local residents
- Provide facilities and activities for local residents that enhance quality of life, including but not limited to childcare access and public transportation

Are projects bound to Davis-Bacon wages?

No, the GRANT Program of 2024 does not include a minimum wage requirement. However, an applicant is encouraged to assess whether other sources of federal funds for the proposed project may have this requirement, which in that case must be followed.

If a project is approved for GRANT Program of 2024 funding, what time frame is allowed to use funds?

The GRANT Program of 2024 sunsets December 31, 2026. Applications may no longer be accepted after December 31, 2026. Applications approved with funding obligated as of and prior to December 31, 2026 will be eligible for disbursement and completion of the project.

APPLICATION QUESTIONS

Do we have to apply for GRANT Program of 2024 funding before submitting a Federal Grant application?

No. You may submit the Federal Grant application before or after applying for the GRANT Program of 2024.

On the application question "Date project will be completed" - Does this mean from the time the project officially begins?

Yes, the response should be the date the project expects to complete spending funds, including the Federal Award and all additional funding sources.

On the application question "Decision date by the Federal Grants program (date required to be within 12 months)" – For Federal programs that do not have a specific decision deadline and/or longer application windows, can the application still be submitted for consideration?

Yes. The application may be submitted provided the Federal Grant application has been submitted and acknowledgement of the application is in process. Use the expected decision date based on the Federal Grant program.



If an application is incomplete or does not get approval in a given month, will new resolutions, etc. need to be re-submitted with the exact same application?

Not necessarily. If the documentation is completed and in order, but is not approved for other reasons, the application and supporting documentation may be resubmitted with the next month's application date. All other documentation may remain the same unless Cabinet staff has requested an update to correspond with the project scope, need, public benefit or other reason.

When a GRANT application is submitted, is it competing against the other applicants' scores for the funding approval each month?

No. An application may be considered for approval as long as GRANT Program of 2024 funds are available, the minimum of 60 points is achieved and the requirements of the program (e.g. complete application with all supporting documentation, match funds are available, is for an eligible applicant, eligible use, and demonstrates public benefit) are achieved. During the month that all funding is obligated, the score will likely play a factor.

If a county is approved or applied under a single project and wants to also support a regional project, is there a minimum or maximum amount of GRANT Program of 2024 funding for one county, city or nonprofit charitable organization?

No. There is not a maximum or minimum project funding amount. Applicants may submit for a regional project funding for an eligible project or multiple projects provided the match is available for all projects, the project is for an eligible use and demonstrates public benefit.

Can you apply for different federal funding sources for the same project? As an example, applying for U.S. Transportation, U.S. Energy and EDA funds for infrastructure (water, sewer, gas, and electricity) for one project area?

One federal grant request per GRANT Program of 2024 application may be submitted. If there are multiple federal grants for the same project/area, please be sure to account for project costs associated with the respective federal grant and do not double count any project costs across multiple applications. The GRANT Program of 2024 is intended to leverage the federal grant funding for public benefit and separating the project costs associated with each federal funding award will measure the actual leverage on the successful GRANT Program of 2024 funding awards.

MATCH QUESTIONS

What is considered an eligible "Local Match?"

Funding may be provided from local governments, companies, organizations, utilities, non-profits, and in-kind services/materials. If the local match is from the private sector and is not donated to a city, county or non-profit 501(c)(3), the funds must meet the definition of an eligible project on private property as defined in KRS 154.14.

What are the best partnerships for the local match? Do those partnerships need to be in place before the application?

Communities are encouraged to have a letter of commitment for the funds to have a stronger application. Area Development Districts, utilities, rail providers, riverports and local governments are encouraged to be considered for a partnership on the project. The match funding source should be identified as part of the application in the funding sources section and is required to be approved or committed at the time of application.

On the application, within the Local Match Required section, there is a question that refers to the local match. Is documentation required for the matching funds?

Documentation/certification of the matching funds requirement should be ready and available should Cabinet staff request match verification documentation.

The Fact Sheet states that the local match for regional projects must be compiled from all counties. Since this is a program that would be run by third-party administrator, is the third-party allowed to provide the local match?

The Eligible Project is required to have available matching funds for the project based on the county population ranking and pooled for regional projects. Funding may be provided from local governments, companies, organizations, utilities, non-profit, and in-kind services/materials. If the local match is from the private sector and is not donated to a city, county or non-profit 501(c)(3), the funds must meet the definition of an eligible project on private property as defined in KRS 154.14.

If a construction renovation project benefits citizens of multiple counties, do you reflect those counties on the regional county list for match?

Only list those counties that are participating in a regional project that have available matching funds and are supportive of the project scope, need and public benefit. Each of the participating counties will need to write letters of support to include with the application.

Will the GRANT Program of 2024 allow an application for gap funding in excess of the required match percentage from the Federal application? For example, if the total project cost is \$5,000,000 and there is a Federal Grant award received for \$1,000,000 with a required 20% match, would GRANT Program of 2024 only cover the 20% required match (\$200,000) or would an application for the \$4,000,000 funding gap be considered?

No, the GRANT Program of 2024 funds cannot exceed the required amount of match funds required for the federal program. The GRANT Program of 2024 is not intended to serve as gap funding.



SCORING QUESTIONS

On the scoring question "How many prior Federal Grant applications have been awarded to and administered by the applicant (excluding this application)?" Does this refer to how many Federal applications the Applicant has submitted for a specific project, or for any project that Applicant has ever had in general?

This reference is for how many federal applications in total, the applicant has submitted, been awarded and administered successfully in the past. This includes Federal awards that a City, County or 501 (c) (3) may have been awarded, and could include a grant administered by the ADD or third-party administrator.

Will points be scored as a Priority Community if an Eligible Applicant with an eligible project usage requests funds for match on a Federal Grant?

A Priority Community includes an application impacting any of the Interagency Working Group (IWG) designated communities as identified on the Fact Sheet. Any questions on the federal grant programs should be directed to your Area Development District contact.

On the scoring questions "Likelihood of Project Impact" – Who determines the best estimation on what is submitted by the applicant?

The Applicant's answers are subject to the sole opinion and authorization that the information contained in the application is true and correct to the best of the knowledge of the authorized signer. The likelihood of a project impact is Extremely Likely (Extremely Possible), Most Likely (More Possible than not), Likely (Possible), or Not Likely (Not Possible). Cabinet staff may request more information if the responses do not align with the project scope, need or public benefit impacts. It is important to note, applicants should conduct thorough due diligence and be as specific as possible in any federal grant application about impact in the area, and benefits to residents of the area to increase the chance of an award from the federal government. The GRANT Program of 2024 is all about assisting a city, county or qualifying 501(c)(3) nonprofit charitable organization (as designated by the IRS) be in a stronger position for receiving a federal grant award. Please be mindful that all assertions contained in the federal grant application.

On the scoring question "Likelihood of project providing jobs to those impacted by job losses from mine and power plant closures" – Is there any specific timeframe from when job losses occurred?

No, however the answers are subject to the applicant's sole opinion and authorization that the information contained in the application is true and correct to the best of the knowledge of the authorized signer.

The GRANT Program of 2024 is all about assisting a city, county or qualifying 501(c)(3) nonprofit charitable organization (as designated by the IRS) be in a stronger position for receiving a federal grant award. Please be mindful that all assertions contained in the federal grant may be deemed applicable to the GRANT Program of 2024 if an applicant is successful in the federal grant application.

Fact Sheet

See <u>ced.ky.gov/grant</u> for additional resources and the GRANT Program of 2024 Fact Sheet.

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