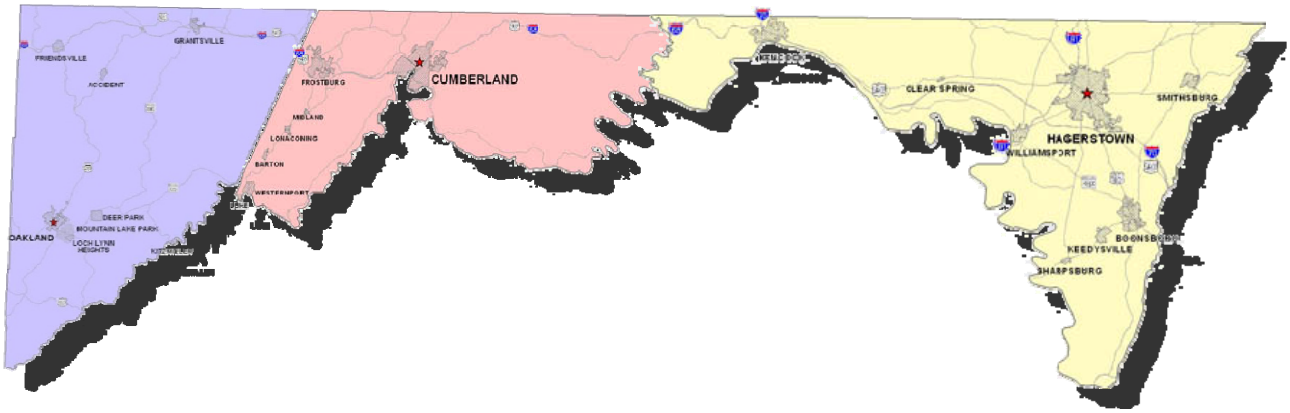
Appalachian Maryland

ARC Strategy Statement



Fiscal Year 2016 **September 2015**

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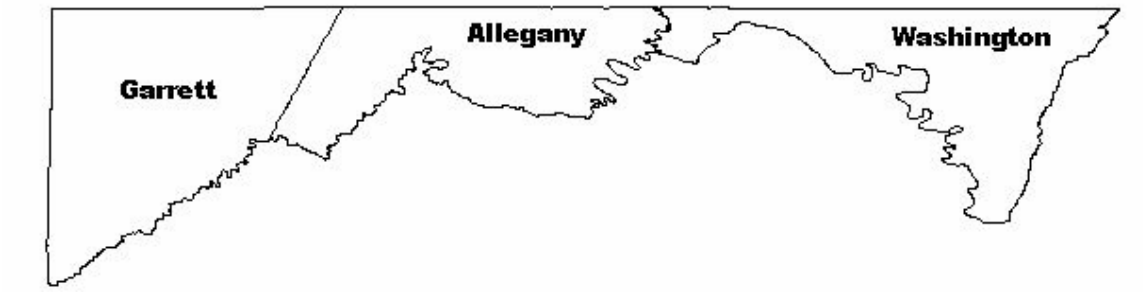
I. Introduction

The Maryland Appalachian region consists of three counties (Allegany, Garrett and Washington) along with their twenty-four municipalities.

The Appalachian Regional Commission (ARC) has designated Allegany, Garrett and Washington Counties as Transitional for FY 2016



Manufacturing is still a major part of the workforce today, but large companies today employ 300-400 people instead of 1,500, and a plant closing does not devastate the region as it once did. Other major industries of the past such as mining and agriculture are being supplemented with new and emerging tourism efforts, information technology related businesses and the sustainable energy industry. Completion of the Appalachian Development Highway System, specifically Route 219 in Maryland and Pennsylvania are a critical part of overall economic development. Broadband development that can carry information, voice and data at a reasonable cost also needs to be a part of the future economic development. Again, Western Maryland is behind in the development of this critical infrastructure to attract and retain businesses

Figure 1 Route 219 Construction

The three counties of Western Maryland now suffer more from underemployment than unemployment and they know that technology related infrastructure and focusing on education is the key to higher paying jobs, population growth and ultimately the building of a sustainable tax base.

Tri-County Council for Western Maryland is the only Local Development District (LDD) in the state and contributes to the input of the strategic plan.

At the heart of the region lies Frostburg State University (FSU), the only State University in Appalachian Maryland. However the University of Maryland System does operate a satellite campus in downtown Hagerstown. Within each of the three counties are community colleges which work directly with Frostburg State as well as the local Boards of Education. The focus at all levels of education is academic excellence and the interest of growing our own workforce by fostering entrepreneurism. Additionally, FSU has a new area of focus, namely exploring alternative energy and community capital in the agricultural sector

Frostburg State University

The Appalachian Maryland State Implementing Strategy Statement and Investment Program Fiscal Year 2016 reflects the needs as addressed by the State of Maryland, Tri-County Council, and the County departments of economic development.

II. Strategic Goals and Objectives

A. Projects need to meet the ARC Goals and State Objectives detailed in the States Appalachian Development Plan. . For more information on ARC and their Goals and Objectives visit their web site at: www.arc.gov
B. Projects need to consider State Policies on Growth and Resource Protection as detailed in the States Appalachian Development Plan.
C. Projects need to consider the policies and priorities identified in the State Appalachian Development Plan, a copy can be found at www.tccmd.org

D. **Project Review and Selection Process**

ARC projects are requested from County Government, Local Governments, non-profits and educational institutions in February. Project descriptions are submitted to the respective county commissioners for review and priority ranking. County project priorities should be submitted to the district by end of May. Tri-County

Council staff and the Maryland Department of Planning's ARC Program Manager review, collate, and rank the projects based upon the six set criteria below. A project package is then developed by Tri-County Council staff and the ARC Program Manager. In June, the ranked project priority list is submitted to the full board of Tri County Council, which may make changes and approve the final priority list for submittal to the state. The Maryland ARC Alternate reviews the project package and submits the final project list to ARC. In late August eligible projects are invited to apply for funding All projects that are in a fundable position should have applications submitted, to the ARC Program Manager, no later than December 31st .

1. Project Readiness

Project ranking is subject to the readiness of the particular project. Projects that have identified matching funds and can have ARC applications submitted within 90 days of notice of funding will be given priority. If a project becomes stalled and unable to be initiated during the projected timetable, the next highest-ranking project that meets the funding criteria will be selected.

2. Degree of Need

Projects must meet some degree of need within guidelines of the ARC Goals and Objectives to be considered for funding. The degree of need is determined by the overall economic impact a project will have on the region. Projects that contribute to meeting multiple ARC and State Goals and Objectives should be given priority when ranking projects.

3. State Targeted Investment Priorities

   a. Technology Development including the continuation of building a broadband network
   b. Education and workforce training
   c. Contribute to or increase the economic impact of tourism in the region
   d. Development of energy
   e. Heath Care services

Projects that can demonstrate that they will contribute to improving or increasing the economic impact of the Targeted Investment Priorities identified will be given priority in rankings for funding.

Figure 2 Sidling Hill Visitor Center

4. Project Evaluation/Prioritization

All projects considered for funding should be one-time cost programs including educational projects. ARC funding should not be used to support administrative programs, staff salaries, or ongoing costs, except for regional, State or ARC special initiatives, the Local Development District Administrative grants, and certain Technical Assistance Projects.

5. Scope and Cost Effectiveness

The evaluation includes a specific focus on the scope of the project and the return on the investment. The scope includes a detailed assessment of the overall project with specific goals addressed and desired results to be returned.

6. Degree of Distress

All three of Maryland's Counties are considered Transitional and are limited to no more than 50% funding from ARC. Projects are evaluated based upon the degree of distress that will be alleviated. Generally the degree of distress is a measure of unemployment or per capita income. Various factors must be considered when evaluating for distress. Things to consider are instances of natural disaster, the closing of major employers, and the broadness of the geographic region the project tends to cover. Projects that impact the entire region (three counties) will have a greater effect on the overall health of the Appalachian Area. It then stands to reason that areas with the greatest level of distress will benefit most from these projects.

7. Degree of Non-ARC Funds

Project costs are limited to include no more than 50% funding from ARC for Transitional counties, which all three western Maryland Counties are designated. Special consideration is given to projects that use ARC funding as a small minority of the total project cost.