LOCAL SHARE ACCOUNT
CATEGORY 4 FACILITIES PROGRAM
BERKS, WESTMORELAND, AND YORK COUNTIES
Program Guidelines | April 2022
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Section I – Statement of Purpose

The PA Race Horse Development and Gaming Act (Act 2004-71), as amended, provides for the distribution of gaming revenues from Category 4 licensed facilities through the Commonwealth Financing Authority (CFA) to support projects in the public interest within the host counties.

Section II – Eligibility

Eligible applicants and projects shall be located within a county hosting a Category 4 licensed gaming facility. Current eligible counties include: Berks, Westmoreland, and York Counties.

A. Eligible Applicants
   1. Municipalities
   2. Counties
   3. Redevelopment Authorities
   4. Economic Development Agencies

B. Eligible Projects
   Eligible projects must be owned and maintained by an eligible applicant or a nonprofit organization.
   1. Projects in the Public Interest – Projects that improve the quality of life of citizens in the community.

C. Eligible Uses of Funds
   1. Acquisition
   2. Construction
   3. Demolition
   4. Infrastructure
   5. Purchase of vehicles, machinery and/or equipment
   6. Planning, consulting and design costs related to planning projects.
   7. Engineering, design and inspection, to include permitting fees, for construction projects not to exceed 10% of the total grant award.
   8. Administrative costs of the grantee for the purposes of administering the grant. Administrative costs may not exceed 2% of the total grant request.
   9. Contingencies costs not to exceed 5% of documented construction and infrastructure costs.
D. Ineligible Project Costs

1. Operations and salary costs with the exception of administrative costs of the grantee directly related to grant administration.
2. Training costs.
3. Consulting fees with the exception of costs for an eligible planning project.
4. Warranty fees.
5. Public relations and marketing costs.
6. Fees for securing other financing, interest on borrowed funds, and/or refinancing of existing debt.
7. Lobbying, reparations, fines, application preparation/consultant fees.
8. Costs incurred prior to the approval of CFA funding.

Section III – Grant Requirements and Limitations

A. Project Activity Period

1. Projects may not commence work prior to receiving CFA approval. Projects that begin prior to approval, including any proposed match, will result in the project being ineligible for funding consideration.
2. To be eligible for reimbursement, project costs must be incurred within the time frame established by the grant agreement.

Section IV – Program Requirements

A. Nondiscrimination – No assistance shall be awarded to an applicant under this program unless the applicant and the project user certifies to the CFA that the project user shall not discriminate against any employee or against any person seeking employment by reason of race, gender, creed, color, sexual orientation, gender identity or expression, or in violation of the Pennsylvania Human Relations Act, which prohibits discrimination on the basis of race, color, religious creed, ancestry, age, sex, national origin, handicap or disability, or in violation of any applicable federal laws. All contracts for work to be paid with grant funds must contain the commonwealth’s official nondiscrimination clause.

B. Project Account – For record maintenance and audit purposes, all Local Share Account funds must be deposited in a separate project account.

C. Project Records – The applicant must maintain full and accurate records with respect to the project. The CFA requires access to such records as well as the ability to inspect all project work, invoices, and other relevant records at reasonable times and places.
D. **Certification of Expenses** – The applicant shall sign a payment request form certifying that the expenses were incurred and were in accordance with the scope of work approved by the CFA. In lieu of a formal project audit and prior to final closeout of the grant agreement, the applicant shall be required to submit copies of all canceled checks verifying the expenditure of the LSA Program proceeds. Bank statements may also be submitted if electronic payment of the expenditure occurred.

E. **Bidding** – If the applicant is a political subdivision or other entity for which open and competitive bidding procedures have been established by law, it shall comply with those statutory bidding procedures. If not, the grantee shall comply with open and competitive bidding procedures in awarding any contracts in excess of $10,000 for construction, reconstruction, demolition, alteration and/or repair, for acquisition of machinery and equipment, or for engagement of the services of a professional consultant, when such contracts are funded at least 50% with funds made available under this Contract. In order to comply with open and competitive bidding procedures the grantee must obtain a minimum of three arms-length bids from contractors who are capable of performing the services requested.

F. **Prevailing Wage** – The Pennsylvania Prevailing Wage Act (43 P.S. § 165-1 et seq.; 34 Pa. Code § 9.101 et seq.) may be applicable to a project funded under this program. Prevailing Wage requirements are generally applicable to grants for construction, demolition, reconstruction, alteration, repair work, renovations, build-out and installation of machinery and equipment in excess of $25,000. If applicable, the grantee is responsible for including prevailing wage rates in all bid documents, specifications, and construction contracts pertaining to the Project. The Department of Labor and Industry (L&I) has final authority to make prevailing wage applicability determinations.

G. **Conflict of Interest** – An officer, director, or employee of an applicant who is a party to or has a private interest in a project shall disclose the nature and extent of the interest to the governing body of the applicant, and may not vote on action of the applicant concerning the project, nor participate in the deliberations of the applicant concerning the project.

H. **Reporting** – Pennsylvania counties and municipalities are required by Act 1 of 2010 to report to the Department of Community and Economic Development all distributions of local share assessments, such as funds received under the LSA Program, on an annual basis. The report must include:

1. Amount of funds received by the municipality or county in the prior calendar year. This applies each year funds are disbursed from the grant.
2. A description of how the funds were used; either deposited in a general fund or committed to a specific use or project. If specific use or project, a narrative is required.

To access the online reporting form and additional instructions, please visit: [dced.pa.gov/lsr](http://dced.pa.gov/lsr).

Only one report will be submitted per municipality or county. All governmental authorities of a particular municipality or county (e.g., Redevelopment Authority, Industrial Development Authority, Water Authority, etc.) are required to coordinate and submit a singular report.
Section V – Application Procedures

A. To apply for funding, the applicant must submit the electronic on-line Department of Community & Economic Development (DCED) Single Application for Assistance located at www.esa.dced.state.pa.us. Required supplemental information outlined in Section VI of these guidelines must be attached electronically to the application on the Addenda tab.

B. The CFA will review applications to ensure that each proposed project meets eligibility requirements. Evaluation criteria are outlined in Section VII.

C. Applications will be received between July 1 and September 30, annually.

D. The CFA charges a $100 non-refundable application fee for the Local Share Account applications. The application fee must be paid electronically by credit or debit card through our secure, third-party vendor. Payment of the application fee must be completed prior to the certification and submission of the Electronic Single Application. Detailed payment instructions will be provided on the Certification Tab of the Electronic Single Application once all required fields have been completed.

- NOTE: Upon completion of the payment transaction, you will be redirected to the Electronic Single Application to complete the submission process resulting in confirmation of submission and generation of a 12-digit Application ID number. Failure to complete this process will make your application ineligible for consideration.

Section VI – Application Supplemental Items

In addition to the basic online application, the Applicant shall submit the following list of items:

Exhibit 1: Project Description
Provide a description of the project which discusses all the following:

a. A clear, concise and focused description of the proposed project to include specific project activities and expected results;

b. The specific location of the project site;

c. As applicable, identification of the project as a priority investment in a local or regional economic development plan or strategy;

d. If applicable, the anticipated positive economic development and/or community impact of the project; and

e. Estimated start and end dates for the project costs.

Exhibit 2: Cost Estimate(s)
Provide a detailed estimate of project costs. The estimate must be dated and current (within 1 year of application submission). Engineering and construction estimates must be provided by a PA licensed engineer or qualified professional. Estimates of costs for specified products, materials, equipment, etc. must be in writing from a qualified vendor.
Exhibit 3:  **Ownership Notice**  
Confirmation the project will be owned and maintained by an eligible applicant or nonprofit organization.

*Note: A separate document including this language is unnecessary due to the inclusion of a formal electronic acknowledgement when completing the Single Application for Assistance.

Exhibit 4:  **Resolution**  
Public sector applicants, provide a resolution duly adopted by the applicant’s governing board formally requesting the grant, designating two officials to execute all documents, describing briefly the project scope, and identifying the grant amount (See Appendix I for a Sample Resolution).

Exhibit 5:  **Matching Funds**  
Match is not required for this program. If your project budget, as outlined in this application, includes other funding sources, provide copies of funding commitment letters and/or evidence of organizational fund capacity – financials, loan commitments, etc.

### Section VII – Application Evaluation

The CFA will review and evaluate applications based on cost, strategic importance, and impact.

### Section VIII – Procedures for Accessing Funds

A. Upon approval of an application by the CFA, a grant agreement and commitment letter will be electronically issued to the applicant explaining the terms and conditions of the grant. The grant agreement must be electronically signed and returned to the CFA within 45 days of the date of the commitment letter or the offer may be withdrawn by the CFA.

   - At the time of application, the CFA will request the name, title, and email address of two individuals authorized to execute a contract, if awarded. For public sector applicants, this information should match the officials designated within the resolution. Staff will verify the accuracy of information prior to contracting, as necessary.

B. A fully executed contract between the applicant and the CFA is required prior to the disbursement of grant funds.

C. Requests for payment must be submitted to the DCED Center for Community Enhancement by submitting the required payment request form accompanied by invoices, bid tabs, construction contracts or other approved documentation verifying costs incurred by the applicant. Applicants should take note that payment requests require 2-4 weeks for processing.
Section IX – Program Inquiries

Program inquiries should be directed to:

   Department of Community and Economic Development
   Center for Community Enhancement
   400 North Street, 4th Floor
   Commonwealth Keystone Building
   Harrisburg, PA 17120-0225

   Telephone: (717) 787-6245
   Email: ra-dcedeb@pa.gov
Appendix I – Authorized Official Resolution

Be it RESOLVED, that the ___________________________ (Name of Applicant) of ___________________________ (Name of County) hereby request a Statewide Local Share Assessment grant of $_______________ from the Commonwealth Financing Authority to be used for ______________________.

Be it FURTHER RESOLVED, that the Applicant does hereby designate ______________________ (Name and Title) and __________________________ (Name and Title) as the official(s) to execute all documents and agreements between the _____________________ (Name of Applicant) and the Commonwealth Financing Authority to facilitate and assist in obtaining the requested grant.

I, ______________, duly qualified Secretary of the ___________________________ (Name of Applicant), ___________________________ (Name of County) ________________________, PA, hereby certify that the forgoing is a true and correct copy of a Resolution duly adopted by a majority vote of the ___________________________ (Governing Body) at a regular meeting held ______________ (Date) and said Resolution has been recorded in the Minutes of the ___________________________ (Applicant) and remains in effect as of this date.

IN WITNESS THEREOF, I affix my hand and attach the seal of the ______________ (Applicant), this ____ day of ____, 20__. 

____________________________________________
Name of Applicant

____________________________________________
County

____________________________________________
Secretary