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Local Share Account Luzerne County

Program Guidelines

June 2014

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Section I – Statement of Purpose

The PA Race Horse Development and Gaming Act (Act 2004-71) as amended has established the Pennsylvania Gaming Local Share Account ("Local Share Account") under the Commonwealth Financing Authority (CFA) for the purpose of distributing 2% of gross terminal revenues of certain licensed gaming facilities in an orderly and timely fashion to support and enhance community and economic well-being and mitigate the impact of gaming and related activities.

Section II – Eligibility

A. Eligible Applicants – Luzerne County

1. All Luzerne County municipalities are eligible for funding under this program.
2. Multi-municipality applications are also eligible for funding.

B. Eligible Uses of Funds

Projects in the Public Interest: Projects that improve the quality of life of citizens in the community

Section III – 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 IV of these guidelines must be attached electronically to the application on the Addenda tab. Once submitted, please print one (1) copy of the application, including the required supplemental information, and send via US Mail along with the signature page. Please reference the Application ID number on any documents sent with the signature page.
- B. The CFA will facilitate one or more community meetings to provide technical assistance to applicants eligible for the current round of funding.
- C. The CFA will review applications to ensure that each proposed project meets eligibility requirements. Evaluation criteria are outlined in Section V.
- D. Applications will be received between October 1st and December 31st of each year.
- E. The CFA charges a \$100 non-refundable application fee for the Local Share Account applications. The application fee is due at the time of application submission and is payable to the *Commonwealth Financing Authority*.

Section IV – Application Supplemental Items

In addition to the Single Application, the Applicant shall submit the following list of items:

1. Provide a description of the project which discusses all of the following: the specific location of the project site; whether the proposed project is consistent with an existing county comprehensive plan; the historical and proposed use of the project site; the specific activities proposed for the project site; the experience of the developer (if applicable), including a discussion of previous projects completed; whether the project has been identified as a priority investment in a local or regional economic development plan or strategy; financial, personnel and other resources of the applicant to undertake the proposed project; and the anticipated employment, investment and community impact of the project;
2. A projected schedule and detailed timeline for the project;
3. A budget accompanied by a description of the basis of costs for the project and sources of funding;
4. Copies of signed bids/quotations, contractor estimates, sales agreements, or engineer estimates verifying project costs. Bids should be current and dated;
5. Evidence of conformity of the project with local and regional comprehensive plans and zoning (in the form of a letter from the applicable planning/zoning office);
6. A letter of support for the project from the affected community;
7. Provide a resolution duly adopted by the applicant's governing board formally requesting the grant, designating an official to execute all documents, describing briefly the project scope, and identifying the grant amount;
8. Copies of funding commitment letters from all other project funding sources;
9. Copy of the Applicant's and/or project user's latest audited financials.

Section V – Application Evaluation

The CFA determines the competitiveness of proposed LSA projects by conducting a quantitative analysis based on the following criteria:

- Economic impact.
- Community development impact.
- The economic conditions of the region where the project is located.
- Impact on quality of life.
- The contribution of the project to the reuse of brownfields/underutilized sites.
- The level of local and private financial support.
- Project readiness.
- Strategic importance.
- Financial need.
- Multi-municipal cooperation.

Section VI – Procedures for Accessing Funds

1. Upon approval of an application by the CFA, a grant agreement and commitment letter will be issued to the applicant explaining the terms and conditions of the grant. The grant agreement and commitment letter must be 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.
2. An executed grant agreement between the applicant and the CFA is required in order for the applicant to receive payment of grant funds.
3. Requests for payment must be submitted to the DCED Grants Division by submitting a 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 VII – Restrictions and Limitations

- A. An Applicant may not make or authorize any substantial change in an approved project without first obtaining consent of the CFA in writing.
- B. If the full amount of the grant is not required for the project, the unused portion shall be returned to the CFA.
- C. The project may not commence prior to the approval of LSA assistance. Project costs incurred prior to LSA approval are ineligible for payment from LSA funds.
- D. Funds must be used for new projects and may not be used for refinancing or reducing existing debt or obligation.
- E. Administration costs shall not exceed 3% of the total grant award.
- F. Engineering costs shall not exceed 10% of the total grant award.
- G. Applications are based on a singular project.
 - Only one project may be submitted per application.
 - Multiple phases of a singular project may be included in one application.
 - Applicants may submit multiple applications.

Section VIII – Miscellaneous Program Requirements

- A. **Nondiscrimination** - No assistance will be awarded to a grantee unless it certifies to the CFA that it shall not discriminate against any employee or against any person seeking employment because of race, religion, color, handicap, national origin, age, or sex. All contracts for work to be paid for with Local Share Account 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 grantee 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. **Reporting/Audit** - The grantee must submit a close-out report on the use of the Local Share Account funds consistent with the contract. An audit of the use of the grant proceeds by an independent certified public accountant is required if the grant is \$100,000 or more. A federal single audit is not acceptable.

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:

- Amount of funds received by the municipality or county in the prior calendar year. This applies each year funds are disbursed from the grant.
- 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:

<http://www.newpa.com/find-incentives-apply-for-funding/local-share-assessment-reporting>.

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.

- E. **Bidding** - If the grantee 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.

Section IX – Program Inquiries

Program inquiries should be directed to:

Department of Community and Economic Development
Center for Business Financing - Grants Division
LSA - Luzerne County Program
400 North Street, 4th Floor
Commonwealth Keystone Building
Harrisburg, PA 17120-0225

Telephone: (717) 787-6245
Fax: (717) 787-9154
Email: ra-dcedcbf@pa.gov

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