

LOCAL SHARE ACCOUNT PHILADELPHIA

Program Guidelines | November 2019



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Section I – Statement of Purpose

The Department of Community and Economic Development (DCED) has established the Local Share Account (LSA) – Philadelphia program to distribute a portion of slot machine license operation fees from Category 1 or 2 facilities operating within the City of Philadelphia. Funds are available for economic development, neighborhood revitalization, community improvement, and other projects in the public interest within the City of Philadelphia.

Section II – Eligibility

A. Eligible Applicants

All eligible applicants *must be located within the City of Philadelphia*:

- Community Development Corporations (CDC)
- Economic development organizations and redevelopment authorities
- Business Improvement Districts (BID)/Neighborhood Improvement Districts (NID)
- Not-for-profit organizations with a 501(c) designation
- City of Philadelphia
- School District of Philadelphia

B. Eligible Projects

All eligible projects *must be located within the City of Philadelphia*:

Eligible projects must be *owned and maintained* by an eligible applicant.

- **Economic Development Projects**
Projects that promote local economic activity and create and/or retain jobs.
- **Neighborhood Revitalization Projects**
Projects that improve the health, safety, and well-being of residents and/or improve commercial corridors in distressed neighborhoods.
- **Community Improvement Projects**
Projects that improve or create civic, cultural, or recreational facilities
- **Projects in the Public Interest**
Projects that improve the quality of life in the affected community

C. Eligible Uses of Funds

Funds may be used for the eligible types of projects identified in Section B above to include, but are not limited to, the following:

- Acquisition of land and buildings, rights of way, and easements.
- Construction activities.
- Fixed equipment.
- Site preparation to include demolition and environmental assessment and remediation.
- Signage, landscaping, streetscape amenities.
- Related engineering, design, and inspection costs (maximum of 10% of the grant request).
- Administrative costs directly related to administration of the grant (maximum of 5% of the grant request).

Ineligible expenses include, but are not limited to, fees for securing other financing, interest charges on borrowed funds, public relations, outreach, communications, lobbying, litigation, application preparation fees, and costs incurred prior to approval of the grant. Operations costs to include salaries, working capital, programming, etc. are also ineligible.

Section III – Application Procedures

To apply for funding, the applicant must submit DCED's electronic Single Application for Assistance (ESA) – www.esa.dced.state.pa.us. Required supplemental information outlined in Section IV must be attached electronically to the application on the Addenda tab. Applications will be accepted during a two month period, from December 1 to January 31.

DCED charges a \$100 non-refundable application fee for LSA Philadelphia Program 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 IV – Application Supplemental Items

In addition to the basic online application, the applicant must submit the following additional items to address the evaluation criteria:

Exhibit 1: Project Description

Provide a description of the project which discusses all of 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 or targeted investment in a local or regional economic development or neighborhood revitalization plan or strategy;
- d. If applicable, the anticipated positive economic development and/or community impact of the project;
- e. A discussion of the applicant’s diversity and inclusion efforts (see Section VIII.B. for more information) specifically related to the proposed project, and
- f. Estimated start and end dates for project costs.

Exhibit 2: Cost Estimate

Provide 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: Planning Letter(s)

As applicable, evidence of conformity of the project with local or regional economic development or neighborhood revitalization plan or strategy.

Exhibit 4: Matching Funds

As applicable, provide copies of funding commitment letters from all other project funding sources. Applicants providing match from their organizational funds should provide evidence to show these funds are available – financials, loan commitments, etc.

Exhibit 5: Non-Profit Applicants

Copy of the applicant’s 501(c) determination letter from the Internal Revenue Service (IRS).

Exhibit 6: Color-coded Map

As applicable, provide a detailed, color-coded map with a color legend that shows a clear illustration of the project to include street names and project boundaries. *(Note: This is not applicable, for example, when requesting equipment or single-site renovation/rehab/construction.)*

**Note: Upon receipt and review of the application, DCED may identify additional information necessary to complete review of the funding request.*

Section V – Application Evaluation

DCED will determine the competitiveness of the proposed projects based on the following criteria:

- Financial need;
- Project readiness, to include secured financing for project costs beyond the requested amount of funding;
- Strategic importance to include location within designated or targeted areas;
- Remediation and reuse of blighted and/or underutilized sites;
- Community impact;
- Economic impact;
- Secured private sector investment;
- Secured local financial support; and
- Diversity and inclusion efforts.

Section VI – Contracting, Payment, and Closeout Process

A. Contracting with DCED

- Upon approval of an application by DCED, a grant agreement (contract) will be issued electronically to the applicant explaining the terms and conditions of the grant to include the approved scope of work. The contract must be electronically signed and returned to DCED timely or the offer may be withdrawn by DCED.
 - At the time of application, DCED will request the name, title, and email address of two individuals authorized to execute a contract, if awarded. DCED staff will verify the accuracy of information prior to contracting, as necessary.
- A *fully executed* contract between the applicant and DCED is required prior to disbursement of funds. Costs incurred prior to full execution of the contract are incurred at the applicant's own risk.
- Requests to modify the contract scope of work, budget, or contract activity period, must be submitted in writing to the program office. Applicants are responsible for monitoring contract activity, progress, and budget and must make requests for modification a minimum of 3 months prior to the end of the contract activity period to allow ample time for review, approval, and processing of requests.

Note: Request does not guarantee approval. Costs incurred outside of the approved scope of work, budget, or contracted activity period are incurred at the applicant's own risk prior to formal, written approval by DCED.

B. Requests for Payment

- Funds will be disbursed on a reimbursement basis. Applicants must, at a minimum, incur the project costs prior to requesting disbursement of grant funds.
- All payment requests must be submitted using the approved payment request form received with the fully executed contract and must include copies of invoices, bid tabs, construction contracts and/or other approved documentation verifying total costs incurred by the applicant. The payment request must be signed to certify that the expenses were incurred and are in accordance with the scope of work approved by DCED.
- Payment requests require at least 45 days for processing.

C. Contract Closeout

In lieu of a formal project audit and prior to final closeout of the grant agreement, the applicant is 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.

Section VII – Restrictions and Limitations

1. Grant requests and awards are limited as follows:
 - a. Minimum request/award of \$10,000.
 - b. Maximum request/award of \$500,000.
2. The project may not commence, *to include entering into contracts*, prior to the approval of LSA Program assistance. Project costs incurred prior to approval are ineligible for payment from LSA Program funds.
3. An applicant may not make or authorize any substantial change in an approved project without first obtaining consent of DCED in writing.
4. If the full amount of the grant is not required for the project, the unused portion will be liquidated from the grant contract and will be returned for redistribution during the next round of program application consideration.

Section VIII – Miscellaneous Program Requirements

A. Nondiscrimination

No assistance shall be awarded to an applicant under this program unless the applicant and the project user certify to DCED that the applicant and 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. Diversity and Inclusion

An applicant should make a best and good faith effort to promote diversity and inclusion participation in the project by diverse groups through equal access to employment and business opportunities. Efforts may include, but are not limited to, outreach, marketing, recruitment, hiring and retention programs for individuals and business enterprises representing diverse groups related to all aspects of the project, including construction and professional services.

C. Project Records

The applicant must maintain full and accurate records with respect to the project and must ensure adequate control over related parties in the project. DCED requires access to such records, as well as the ability to inspect all work, invoices, materials, and other relevant records at reasonable times and places. Upon request of the program office, the applicant must furnish all data reports, contracts, documents, relevant to the project.

D. 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 the 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.

E. 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, buildout 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. Questions may be directed to (717) 787-0606.

F. Conflict of Interest Provision

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.

Section IX – Program Inquiries

Program inquiries should be directed to:

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

Telephone: (717) 787-6245

Email: ra-dcedcbf@pa.gov