

MULTIMODAL TRANSPORTATION FUND (MTF) PROGRAM

Program Guidelines | February 2017

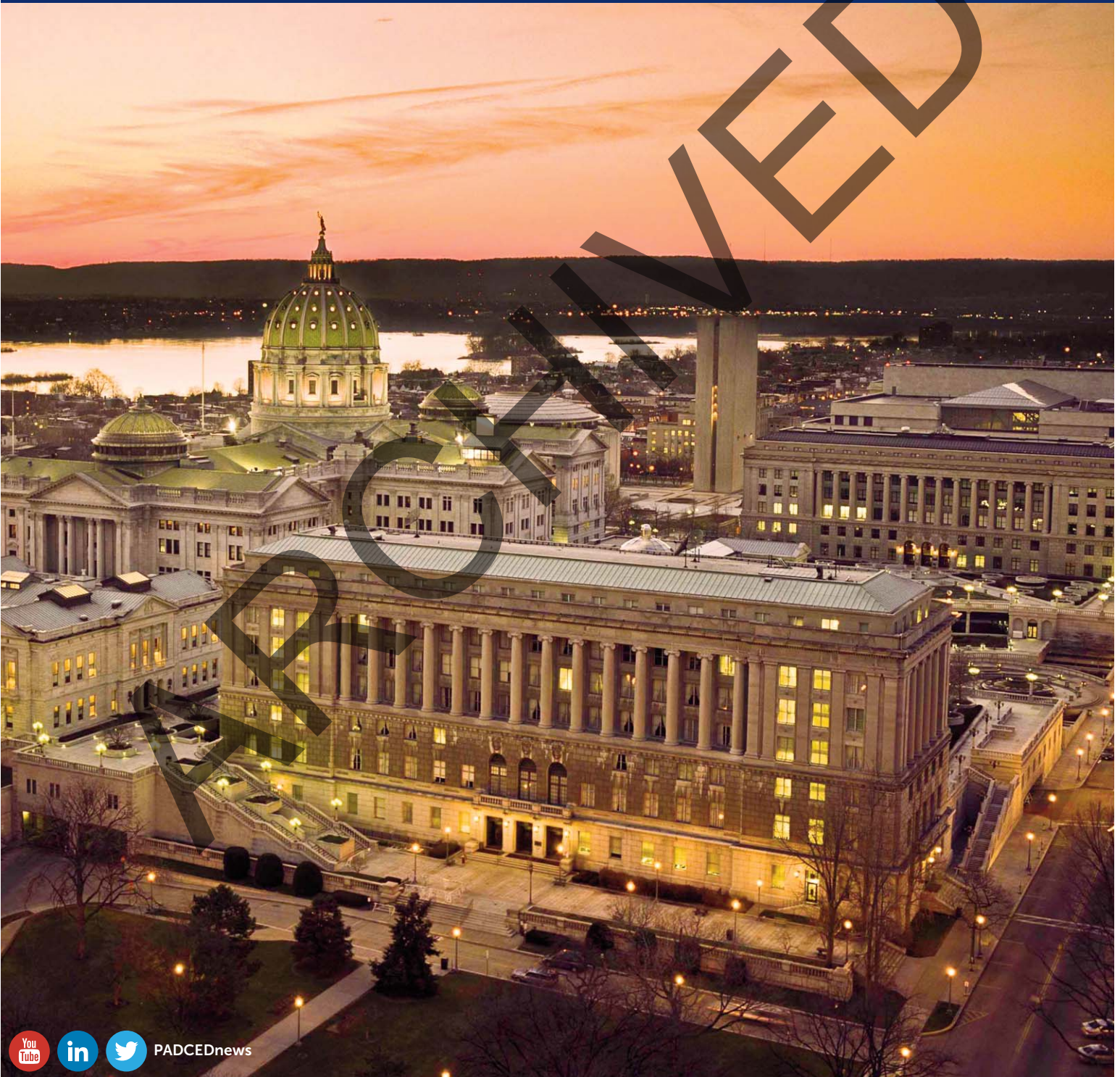


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Section I – Statement of Purpose

The Multimodal Transportation Fund (the “program”) provides grants to encourage economic development and ensure that a safe and reliable system of transportation is available to the residents of this commonwealth.

The program is intended to provide financial assistance to municipalities, councils of governments, businesses, economic development organizations, public transportation agencies and rail and freight ports in order to improve transportation assets that enhance communities, pedestrian safety and transit revitalization. The program will be jointly administered by the Department of Community and Economic Development (“DCED”) and the Department of Transportation (“PennDOT”), under the direction of the Commonwealth Financing Authority (“CFA”).

Section II – Eligibility

A. Eligible Applicants

Eligible Multimodal Transportation Fund projects, which commence construction after the approval date, must be owned and maintained by an eligible applicant, except in the case of a state-owned highway.

1. **Municipality** – Any county, city, borough, school district, incorporated town, township or home rule municipality or an authority of a municipality.
2. **Councils of Governments** – An entity organized by units of local government under an intergovernmental agreement, which provides cooperative planning, coordination and technical assistance to its member governments on issues of mutual concern that cross jurisdictional lines, and which does not act under the direction and control of any single member government.
3. **Business** – A corporation, partnership, sole proprietorship, limited liability company, business trust, privately owned airports (must be open to the public), or other commercial entity approved by the Commonwealth Financing Authority. The term shall also include not-for-profit entities.
4. **An Economic Development Organization** – A nonprofit corporation or association whose purpose is the enhancement of economic conditions in their community.
5. **Public Transportation Agency** – A public transit agency, including but not limited to an airport authority, public airport, port authority, or similar public entity, created through the laws of this commonwealth, charged with the provision of transportation services to the traveling public, that owns and maintains or is authorized to own and maintain a physical plant, including rolling stock, stations, shelters, hangars, runways, maintenance and support facilities.
6. **Ports - Rail / Freight** – Railroad owner, railroad lessee/operator, railroad user and port terminal operators.

B. Eligible Projects

1. A project which coordinates local land use with transportation assets to enhance existing communities, including but not limited to: intercity bus and rail service improvement, bus stops, transportation centers, park and ride facilities, rail freight sidings, land acquisition for eligible airport development, land interests required for air approach and clear zone purpose, sidewalk/crosswalk safety improvements, bicycle lanes/route designation, in-fill development by assisting with traffic impact mitigation, develop local highways, highway noise and sound barriers, and bridges which will benefit state system and local economic development, greenways, etc.
2. A project related to streetscape, lighting, sidewalk enhancement and pedestrian safety, including but not limited to: sidewalk connections, crosswalks, pedestrian and traffic signals, pedestrian signs, and lighting. Streetscape amenities, such as permanently affixed benches, planters or trashcans and trees, shrubs or mulch, may not exceed 10% of the total project cost.
3. A project improving connectivity or utilization of existing transportation assets, including but not limited to: coordinated transit services; bicycle/shared lane markings or bicycle parking at transit stops; improved signage; rail freight sidings; track rehabilitation or upgrades; obstruction removal to protect airport critical airspace; airport perimeter fencing; airport wildlife hazard assessments; development and improvement to airport facilities, such as runways, taxiways, aprons, lighting, public areas of terminal buildings, other building structures for airport operational use, access roads, and airport navigational facilities; development or improvement to an integrated transportation corridor in order to improve the productivity, efficiency and security of goods movement to and from PA ports; improvement to facilities and operations of ports, which may include maintenance dredging berths, last mile access, rail-on dock, pipelines to a port, vessel conversions or repowering from fossil fuels to natural gas; etc.
4. A project related to transportation aspects of transit-oriented development, which consists of development concentrated around and oriented to transit stations in a manner that promotes transit riding or passenger rail use. The term does not refer to a single real estate project, but represents a collection of projects, usually mixed use, at a neighborhood scale that are oriented to a transit node. Projects may include, but are not limited to: relocation of transit routes to serve densely populated areas, transit shelters, pedestrian improvements to/from transit stops, rail station development, etc.

C. Eligible Costs

1. Funds may be used for the eligible types of projects identified in Section B above to include:
 - a. Acquisition of land and buildings, rights of way and easements
 - b. Construction activities
 - c. Fixed equipment
 - d. The clearing and preparation of land
 - e. Demolition of structures directly related to the eligible transportation project
 - f. Environmental site assessment and environmental studies
 - g. No more than 10% of the grant award for engineering, design and inspection costs related to a construction project
 - h. Preliminary engineering design related to an eligible project where construction is subsequent phase.
 - i. Settlement costs and appraisals for acquisition projects

- j. Administrative costs of the applicant necessary to administer the grant. Administrative costs can include advertising and legal costs, as well as documented staff expenses. Administrative costs shall not exceed 2% of the grant award and any amount over 2% cannot be included as match for this program.
- k. Noise or sound barriers.
- l. Project contingencies associated with construction and/or infrastructure costs are limited to 5% of those actual costs. No other contingencies shall be included as eligible project costs.

Ineligible project costs include, but are not limited to: fees for securing other financing, interest on borrowed funds, refinancing of existing debt, lobbying, fines, application preparation fees, security cameras (except for those located in a transit center, such as a bus or train station,) parking lots or garages not associated with the development or expansion of transportation related assets such as rail stations, transit centers or airports, reparations and costs incurred prior to the approval of CFA funding.

Section III – Program Requirements

A. Matching Funds Requirement

Financial assistance under the Multimodal Transportation Fund shall be matched by local funding in an amount not less than 30% of the non-federal share of the project costs. Matching funds from a county or municipality, shall only consist of cash contributions provided by one or more counties or municipalities. Liquid fuels tax, Act 13 impact fees, and other statutorily allocated fees/taxes paid directly to a county or municipality may be used as a local match. Matching funds from a government council, business, economic development organization, or other public transportation agency shall only consist of cash contributions or cash equivalents for the appraised value of the real estate necessary to construct an eligible project. If using the value of real estate as a cash equivalent, an appraisal not older than one year is required and must be provided with the application submission (Appendix I, Exhibit 11.)

B. Other Requirements

1. 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.

2. Nondiscrimination

No assistance is awarded to an applicant under this program unless the applicant certifies to the CFA that the applicant shall not discriminate against any employee or against any person seeking employment because of race, color, religious creed, ancestry, age, sex, national origin, handicap or disability. All contracts for work to be paid with program assistance must contain the commonwealth's official nondiscrimination clause.

3. 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. The CFA 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 CFA, the applicant must furnish all data, reports, contracts, documents, and other information relevant to the project.

4. Pennsylvania Prevailing Wage Act

All or a portion of the construction work associated with the project may be subject to the Pennsylvania Prevailing Wage Act, as determined by the Pennsylvania Department of Labor & Industry. It is the responsibility of the funding recipient to ensure that the Pennsylvania Prevailing Wage Act is followed if applicable.

5. Proof of Notification

The applicant must provide proof that the county and host municipality or municipalities have been notified about the intended project.

6. Certification of Expenses

In lieu of a formal project audit and prior to final closeout of the grant agreement, the applicant shall be required to complete a Multimodal Transportation Fund Grant Closeout Report and submit copies of all canceled checks verifying the expenditure of the Multimodal Transportation Fund proceeds. Bank statements may also be submitted if electronic payment of the expenditure occurred.

7. Bidding Requirements

Applicants must comply with all applicable federal, state, and local laws and regulations dealing with bidding and procurement.

8. Guideline Provisions

The Multimodal Transportation Fund guidelines may be modified or waived by the CFA unless otherwise required by law.

Section IV – Grants

1. Grants are available for projects with a total cost of \$100,000 or more.
2. Grant requests shall not exceed \$3,000,000 for any project. The CFA will consider grant requests over \$3,000,000 for projects that will significantly impact the CFA's goal to leverage private investment and create jobs in the commonwealth.
3. In order to be eligible for a Multimodal Transportation Fund grant, all other funding must be committed for the proposed project by the application deadline (Appendix I, Exhibit 4.)
4. Commencement of work prior to receiving CFA approval will result in the project being ineligible for funding consideration.
5. To be eligible for reimbursement, project costs must be incurred within the time frame established by the grant agreement.

Section V – Application Process

A. Application Procedures

1. To apply for funding, the applicant must submit the on-line Department of Community and Economic Development Electronic Single Application for Assistance located at www.esa.dced.state.pa.us. Required supplemental information outlined in Appendix I of these guidelines must be attached electronically to the application as directed on the Addenda tab. For technical inquiries regarding the submission of the on-line application, contact the Customer Service Center at (800) 379-7448 or (717) 787-3405. Once submitted, please print two (2) copies of the application, including the required supplemental information, and mail to:

PA Department of Community and Economic Development
Center for Business Financing – Grants Division
Multimodal Transportation Fund
Commonwealth Keystone Building
400 North Street, 4th Floor
Harrisburg, PA 17120-0225

Please reference the application ID number on any documents mailed.

2. Applications will be received between March 1st and July 31st of each year. All applications and required supplemental information must be electronically submitted by close of business on July 31st.
3. The CFA charges a \$100 non-refundable application fee for the submission of Multimodal Transportation Fund applications. The application fee is due at the time of application submission and is payable to the *Commonwealth Financing Authority*.

B. Application Evaluation

All applications for financial assistance will be reviewed by the DCED and PennDOT under the direction of the CFA to determine eligibility and competitiveness of the proposed project. Projects will be evaluated using the appropriate criteria from the following list of evaluation criteria for the various types of eligible projects:

1. The economic conditions of the region where the project is located.
2. Consistency with local, regional and statewide planning.
3. Benefits to a transportation system by mitigating a public safety issue.
4. The technical and financial feasibility of the project. Applicants must show that all financial commitments are in place to achieve the project goals and ensure the project will be fully completed with the use of these funds.
5. The level of non-CFA matching investment in the project. Increased consideration will be given to those projects that exceed the matching funds requirement.
6. Increased consideration will be given for the number and quality of the permanent jobs to be created or preserved in Pennsylvania by an identified business as part of the project.
7. Regional nature of the project.
8. The capital efficiency of the project.

9. Project readiness.
10. Financial need of the project.
11. Energy efficiency.
12. Operational sustainability.
13. Multimodal in nature, supporting the connectivity, integration or revitalization of at least two different means of transportation.

Section VI – Procedures for Accessing Funds

Following approval of an application by the CFA, a grant agreement and commitment letter will be issued by the CFA 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.

One fully-executed copy of the grant agreement will be returned to the applicant with a payment request form and instructions for requesting payment. **The applicant shall obtain the services of a professional engineer or architect licensed in Pennsylvania, who will certify to the CFA during construction and upon completion of the project that the expenses were incurred and were in accordance with plans approved by the CFA.** The CFA will release funds to the applicant at not less than 30-day intervals.

Section VII – Program Inquiries

Program inquiries should be directed to:

PA Department of Community and Economic Development
Center for Business Financing – Grants Division
Multimodal Transportation Fund
Commonwealth Keystone Building
400 North Street, 4th Floor
Harrisburg, PA 17120-0225
Telephone (717) 787-6245
Fax (717) 787-9154
e-mail: ra-dcedsitedvpt@pa.gov

Appendix I – Supplemental Information

In addition to completing the Department of Community and Economic Development Single Application for Assistance, please include the following items when applying for a grant under Multimodal Transportation Fund:

- Exhibit 1** Provide a clear and concise description of the project which discusses all of the following: (a) the specific location of the project site and the specific development proposed for the project site; (b) whether the project is consistent with an existing county or local comprehensive plan; (c) whether the project will result in a substantiated positive economic development impact; (d) the historical use of land served by the project; (e) the estimated start and end dates of construction; (f) the names of the municipalities that will participate in and benefit from the project; (g) a description of the facilities in the area to be served by the project.
- Exhibit 2** A thorough and detailed estimate for the total project cost. The estimate must be prepared by an engineer or other qualified professional and should be accompanied where appropriate by copies of the signed bid/quotations, contractor estimates, sales agreements or other documentation that verify project cost estimates.
- Exhibit 3** Preliminary construction drawings showing project details.
- Exhibit 4** Funding commitment letters from all other project funding sources (including equity commitments). Funding commitments for the entire project should include the term, rate, and collateral conditions and must be signed and dated.
- Exhibit 5** A color-coded map detailing the location of the proposed project.
- Exhibit 6** The most recent audited financial statements of the applicant. Financial statement should include balance sheets, income statements, and notes to financials.
- Exhibit 7** If applicable, a letter from the property owner giving applicant consent for the project.
- Exhibit 8** A list of all state, federal, and local planning and permit approvals required for the project.
- Exhibit 9** A letter from the appropriate planning agency certifying that the proposed project is in compliance with the comprehensive land use plans.
- Exhibit 10** For acquisition projects, provide a copy of the sales agreement or easement accompanied by an appraisal prepared by either a Member, Appraisers Institute (MAI) formerly Institute of Real Estate Appraisers or a PA State Certified Appraiser.
- Exhibit 11** For real estate cash equivalents, provide a copy of a recent (not more than one year old) appraisal prepared by either a Member, Appraisers Institute (MAI) formerly Institute of Real Estate Appraisers or a PA State Certified Appraiser.
- Exhibit 12** For all applicants, provide copies of notifications provided to county and municipal governing bodies advising them of the proposed project.
- Exhibit 13** For Public Transportation Agencies who are using grant funds for acquisition, provide copies of written consent from the county and municipality in which the land is situated.
- Exhibit 14** For public sector applicants, 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. (See Appendix II for a Sample Resolution).

Appendix II – Authorized Official Resolution

Be it RESOLVED, that the _____ (Name of Applicant) of _____ (Name of County) hereby request a Multimodal Transportation Fund 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