NAP Guidelines 2021-2022 What’s New?

Special Note
The COVID-19 Pandemic continues to have an immense, unprecedented impact on the people and economy of Pennsylvania. Businesses have closed, people have lost their jobs, and life in general has been severely disrupted. Within the most vulnerable communities of Pennsylvania the impact of this pandemic has been exacerbated by the ongoing conditions of social injustice, poverty, and neglect. Due to the effects of this situation on the people and economy of Pennsylvania there will again this program year, be a special emphasis on, and priority given to projects that seek to address critical issues related to the pandemic and recovery for program year 2021-2022. Within these guidelines there are activities highlighted as being priorities for COVID-19 Pandemic and Social Justice Issues. While some of these priorities are based on individual services many of them are more community focused as it will take the efforts of entire communities to fully recover from this historical event.

Applicants who are planning to submit applications that address these critical needs are encouraged to do so when the NAP application is opened. The Department reserves the right to determine whether a project qualifies as a priority under these special circumstances. Those projects deemed not to be a priority will be considered after all other priority projects have been awarded if there are any tax credits remaining.

General
All dates referred to in these guidelines correspond to the program year beginning on July 1, 2021 and ending on June 30, 2022 unless otherwise specified.

Timeframe
The application for 2021/2022 will open on March 29, 2021. All NAP applications must be received by close of business (5:00 PM) on May 28, 2021. Any applicant who submits a solicitation plan in lieu of firm commitments must have their contributors confirmed by close of business (5:00 PM) on August 31, 2021. This means all contributors must have supplied DCED with a letter of commitment and must have filed the Electronic Tax Clearance Form for Tax Credits on or before August 31, 2021.

Section I
Pg. 3 Part A has been retitled and the third bullet point of Part A has enhanced language for activities related to COVID-19 Pandemic Recovery.

Section III
Pg. 7 Introduction has updated information concerning contact information required in ESA when an applicant applies for NAP. Also updated information concerning what can happen if contact information is not kept current.
Pg. 8 Part A, Number 2 has updated language about when application will be opened annually.
Pg. 8 Part B, Number 3 has been updated to combine old bullet points 3 and 4 into a more cohesive and easier to understand bullet point concerning information needed on Community Impact Measures Report.
Pg. 8 Part B, Number 7 has updated information pertaining to requirements for IRS documentation showing 501(c)(3) non-profit status.
Pg. 10  Added new Part F which explains how extensions work and how to apply for them. Also, explains how extensions work for NPPs.

Pg. 10  Added new Part G which concerns Compliance and monitoring.

Section IV

Pg. 13  Part F has updated language concerning required information for contributor commitment letters.

Pg. 14  Part G has updated language concerning the roles of DCED and the Department of Revenue in the tax credit process. Also has information on how to access general tax credit information through the Department of Revenue.

Section V

Pg. 16  Part D has been updated to clarify what is required to be entered on the budget in ESA.

Pg. 17  Part F updated 7th bullet point to adhere to information now in Section IV, Part F. Also updated 10th bullet point to adhere to information now in Section III, Part B, #7.

Section VI

Pg. 20  Part D has been updated to clarify what is required to be entered on the budget in ESA.

Pg. 21  Part F updated 8th bullet point to adhere to information now in Section IV, Part F. Also, updated 11th bullet point to adhere to information now in Section III, Part B, #7.

Section VII

Pg. 22  Part A has updated language concerning restrictions on applicants applying for multiple NPPs.

Pg. 22-24 Part C has updated language for considerations to be made by applicants when applying for an NPP. #4 has been updated to adhere to information now in Section IV, Part F. #9 has been updated to adhere to information now in Section III, Part B, #7.

Pg. 25  Part E has been updated to clarify what is required to be entered on the budget in ESA.

Pg. 26  Part G updated 10th bullet point to adhere to information now in Section IV, Part F. Also, updated 12th bullet point to adhere to information in Section III, Part B, #7.

Section VIII

Pg. 28-29 Part D has been updated to clarify what is required to be entered on the budget in ESA.

Pg. 29-30 Part G updated 7th bullet point to adhere to information now in Section IV, Part F. Also updated 11th bullet point to adhere to information now in Section III, Part B, #7.

Exhibit E – Application to Sell or Assign Tax Credits Under the Neighborhood Assistance Act

Removed requirement to submit forms in triplicate from “Important” box at the top left of the form. Also removed this requirement from Part C under “General Instructions” on the back of the form.

Exhibit F – Commitment Letter Example

Added new information to adhere to Section IV, Part F.

Exhibit G – Sample Budget Justification

Added language at top of exhibit stating information in budget justification must match information entered on budget in ESA.
# Table of Contents

**Section I – Introduction** ......................................................... 1  
B. The Programs .......................................................................... 4  

**Section II – Requirements for All Programs** .................................. 4  
A. Activity and Contribution Period ............................................... 4  
B. Beneficiaries ............................................................................ 5  
C. Distressed Areas ...................................................................... 5  
D. Eligible Activities .................................................................... 5  
E. Requirements ........................................................................... 6  

**Section III – The Single Application Process** .................................. 7  
A. Submission of Application ....................................................... 8  
B. Review of Proposals ................................................................... 8  
C. Approval Process ...................................................................... 9  
D. Amendment ............................................................................... 9  
E. Modifications ........................................................................... 10  
F. Extensions ................................................................................. 10  
G. Compliance and Monitoring ..................................................... 10  
H. Reporting Process .................................................................... 10  
I. Audit ......................................................................................... 11  

**Section IV – Contributor Information** .......................................... 11  
A. Introduction ............................................................................... 11  
B. Programs .................................................................................. 12  
C. Eligible Contributors ................................................................ 12  
D. Caps on Contributors ................................................................ 13  
E. Contribution Period ................................................................... 13  
F. Commitment Letter .................................................................... 13  
G. How to Obtain Tax Credit Certificate and Utilize the Tax Credits ....... 14  
H. Acknowledgements and Disclosures ........................................... 15  

**Section V – Neighborhood Assistance Program (NAP)** .................. 15  
A. Introduction ............................................................................... 15  
B. Program Requirements ................................................................ 15  
C. Required Narrative Details ....................................................... 16  
D. Budget ....................................................................................... 16  
E. Budget Justification ................................................................... 17  
F. Checklist for Application ........................................................... 17
Section VI – Special Program Priorities (SPP) ................................................. 18
  A. Introduction ......................................................................................... 18
  B. Program Requirements ......................................................................... 18
  C. Required Narrative Details .................................................................. 20
  D. Budget ..................................................................................................... 20
  E. Budget Justification .............................................................................. 20
  F. Checklist for Application ..................................................................... 21

Section VII – Neighborhood Partnership Program (NPP) ................................. 22
  A. Introduction ........................................................................................... 22
  B. Program Requirements .......................................................................... 22
  C. Original Application ............................................................................... 22
  D. Subsequent/Ongoing Application .......................................................... 24
  E. Budget ..................................................................................................... 25
  F. Budget Justification .............................................................................. 25
  G. Checklist for Application ..................................................................... 26

Section VIII – Charitable Food Program (CFP) ..................................................... 27
  A. Introduction ........................................................................................... 27
  B. Program Requirements .......................................................................... 27
  C. Narrative .................................................................................................. 28
  D. Budget ..................................................................................................... 28
  E. Budget Justification—Sample ................................................................. 29
  F. Special Requirement for Food Related Contributions .......................... 29
  G. Checklist for Application ..................................................................... 29

Section IX  Contact Information ........................................................................ 30

Exhibits
  B. Business Incentive Tax Charts
  C. Tax Credit Application for Businesses – DCED-CCE-019 (03/2021)
  D. Tax Credit Certificate Form – DCED-CCS-041 (03/2021)
  E. Tax Credit Application to Sell or Assign – DCED-CCE-019B (03/2021)
  F. Commitment Letter Example
  G. Sample Budget Justification
  H. Sample MOU
  I. Charitable Food Program – In-Kind Food Donations Worksheet
Section I – Introduction

The Pennsylvania Department of Community and Economic Development (the “Department” or “DCED”) is authorized to administer the Neighborhood Assistance Program (NAP) under Article XIX-A of the Tax Reform Code of 1971, known as the Neighborhood Assistance Act ( Act 48-1994) (72 P.S. §8901-A, et seq.), as amended. In 2007, Act 55 made several changes to the program, supporting the efforts of the original Act. There are five components to this Act: The Neighborhood Assistance Program Tax Credit (NAP), the Special Program Priorities (SPP), the Neighborhood Partnership Program (NPP), the Charitable Food Program (CFP) and the Enterprise Zone Program Tax Credit (EZP).

The intention of these guidelines is to define the eligibility and application process for NAP, SPP, NPP and CFP. The NAP, SPP, NPP and CFP programs, for the purpose of these guidelines, will be referred to as the “Programs”, unless individually designated in each section. The EZP Guidelines are under a separate cover.

The Department of Community and Economic Development’s mission is to encourage the shared prosperity of all Pennsylvanians by supporting good stewardship and sustainable development initiatives across our commonwealth. With a keen eye toward diversity and inclusiveness, we act as advisors and advocates, providing strategic technical assistance, training, and financial resources to help our communities and industries flourish. The Department’s 2021-2022 priority is to revive Pennsylvania’s economy by providing tax credits and targeted assistance to: distressed areas and low-income populations with a strategic focus on community participation and collaborations among residents, nonprofits, and businesses.

Driven by the need for enhanced community revitalization, Pennsylvania’s NAP provides substantial support for every neighborhood and community in the commonwealth. The goals of NAP are to provide resources to assist neighborhoods and communities with fiscal difficulties, encourage positive health outcomes, and address the safety and welfare of their residents. As a result, NAP puts communities and targeted areas on the right track to fiscal well-being and self-sufficiency.

These Programs are intended to benefit low-income populations. Applicant’s proposed projects must not result in the displacement or forced relocation of low-income individuals or households.

The goals of the Programs are to promote community participation and collaborations among the residents, nonprofits and businesses while producing outcomes by assisting a distressed area or the low-income population in a neighborhood. Eligible neighborhood nonprofits (“Applicants”) apply for tax credits based on pending contributions from for-profit companies (“Contributors”).

Eligible projects include:

- Affordable Housing,
- Community Economic Development,
- Community Services,
- Education,
- Neighborhood Assistance,
- Neighborhood Conservation,
- Crime Prevention,
- Job Training, or
- Charitable Food Assistance.

Neighborhood organizations that hold a ruling from the Internal Revenue Service as nonprofit, 501(c)(3) organizations are eligible to apply for all programs in these guidelines. Each program has specific qualifications for eligibility. Documentation of the 501(c)(3) status is required in all applications. Individuals are not eligible to apply for NAP, NPP, SPP or CFP tax credits for their personal use.
The applicant must document they have capacity to complete the project, confirm collaborations, demonstrate the need for the project, and provide all required documentation to the Department upon application.

Section V will detail the requirements for each program. Regardless of the type of tax credits requested, the narrative portion of the application must cover the following as a part of the required submission:

1. **PLACE: Where is the proposed project?**
   Describe the neighborhood, community or specified target area where this project will take place. Provide physical boundaries as precisely as possible. Include specific data about the area. The target population should relate to the target area, keeping the area as contained and as geographically defined as possible. Describe how the project complements the overall community and how it supports current and planned activities. The characterization of the place should clearly relate both the need and purpose of the proposed project in relation to the problem and the proposed outcomes.

2. **PROBLEM: What is the need?**
   Describe how the problem impacts the community, neighborhood, or targeted area. The problem should clearly articulate an assessment or analysis of the needs of the neighborhood and how the project will address any gaps. NAP activities must be specific to a problem the organization seeks to address. These activities must be supported by verifiable statistics, as applicable, such as population demographics, unemployment rate, percentage of residents receiving public assistance, information about adequacy of housing, vacant buildings, crime and delinquency statistics, and school dropout rate. Cite the source of the data. For example, if the organization provides after-school tutoring, the problem identified might be low educational attainment or a high dropout rate. If the organization is developing or renovating housing, the problem might be inadequate housing and a high rate of abandoned and dilapidated buildings. Describe how the problem impacts the community, neighborhood or targeted area.

3. **PROJECT: What will be done?**
   Provide a description of the NAP project that is proposed to address the problem identified. Describe the organization’s detailed approach, outlining what specific problems will be addressed and how the project will provide solutions to the identified problems. Further, describe how the project complements the overall community and supports current or planned activities within the defined area. The narrative must outline the approach, plan, and activities to accomplish the goals, objectives, and outcomes. Include a detailed project schedule of activities that includes the key milestones and target dates in the development and implementation of the project. This section should also identify project partners and other collaborators or subcontractors. This section should also include a narrative description of any other funds invested in the project that demonstrate strategic alignment or partnership with other projects, activities, or efforts in the area. This section should also outline the project’s plans for ongoing sustainability. It is important to note NAP is not an entitlement program and is not intended as a supplement to fill gaps in funding or as a mechanism to solely meet a neighborhood organization’s financial needs to continue operations.

4. **PROPOSED OUTCOMES (Community Impact Measures Report Exhibit A):**
   The Proposed Outcomes identified by the Applicant should describe specific, measurable, and achievable results that demonstrate the positive impact of the project on the place and problems identified. The application narrative must explain this impact and change, as well as describe how outcome measures relate to the NAP project. Outcome measures must be identified in the NAP Community Impact Measures Report (Exhibit A) addendum to the Department’s Electronic Single Application (ESA). These activities and impact measures must be provided along with other measures proposed or anticipated by the Applicant. In providing both the required and Applicant-specific measures, the following format must be used:

   - **Inception Data:** Provide data pertaining to the observed problem prior to receiving NAP tax credit assistance.
   - **Projected Outcomes:** Provide outcome measure data the Applicant expects to achieve at the completion of the NAP project.
A. COVID-19 Pandemic Recovery and Social Justice Issues

The recent COVID-19 pandemic and subsequent social justice issues have greatly affected the people and economy of Pennsylvania. Due to the unprecedented level of disruption these historical events have caused to the commonwealth there will be a special emphasis on and priority given to projects that seek to address critical issues related to the pandemic, its aftermath and recovery, social justice and support for policy changing movements, and improving opportunities for marginalized populations during program year 2021-2022. Below is a list of potential recovery related projects that would be considered by the Department. This is not meant to be an exhaustive list. There may be other facets of recovery and support that become apparent as time goes on. It is applicants’ responsibility to justify within their narrative how their project fits the criteria of COVID-19 pandemic recovery and social justice support issues. The Department will make the final determination whether a project qualifies as a priority under these special circumstances. Those projects deemed not to be a priority will be considered after all other priority projects have been awarded if there are any tax credits remaining.

- Projects that strive to increase awareness of or improve social justice issues within the marginalized communities of Pennsylvania.
- Modifications to applicants’ facilities to protect against the spread of COVID-19 and other diseases.
- Public health needs and medical expenses for applicants’ staff and clients including costs associated with COVID-19 diagnostic testing, antibody testing, masking/social distancing, and vaccinations.
- Employment services focused on returning people to work who have lost their jobs due to the pandemic. This may include job search services, training or re-training services, job preparation services, etc.
- Services that assist applicants’ clients with homelessness prevention through utility and rental assistance as well as mortgage foreclosure prevention services.
- Expansion and provision of coordinated food distribution services.
- Services aimed at assisting senior citizens, particularly those with existing conditions that would make them vulnerable to COVID-19 and other diseases.
- Community and safety needs (masking/social distancing) that would help to mitigate further spread or recurring outbreaks of COVID-19.
- Collaborative efforts to address other needs identified by applicants’ clients and community residents as a result of the pandemic, its recovery, and recent social justice issues.
- Other activities applicants feel are necessary to help their communities mitigate and recover from the current pandemic and social justice issues. Including but not limiting to:
  - Opening or improving homeless shelters to help the homeless shelter in place.
  - Sanitizing and modifying public community resources, such as parks and playgrounds.
  - Procuring personal protective equipment for distribution to first responders working in neighborhoods or targeted areas.
  - Any other project activities that would mitigate the spread of COVID-19, assist in recovery, or work towards improving diversity and inclusiveness in their communities.

Applicants unsure of whether their proposed project would fit the criteria above should contact their respective Regional Office staff.
B. The Programs

The Programs included in these guidelines are:

1. **Neighborhood Assistance Program (NAP) 55%**
   An opportunity for business firms to contribute to neighborhood organizations to improve distressed communities, in turn those business firms would receive up to a 55 percent tax credit.

2. **Special Program Priorities (SPP) 75%**
   This program targets specific problems and projects which the state has designated as priorities (see SPP section for a list of the priorities) in a distressed area. A business firm contributing to an approved SPP application will receive up to a 75 percent tax credit.

3. **Neighborhood Partnership Program (NPP) 75-80%**
   Based on the Community/Strategic Plan, a neighborhood organization working holistically on multiple projects, forms collaborations for success. Business firms commit to the project for five years (up to 75 percent tax credit) or six years (up to 80 percent tax credit), with a minimum contribution of $50,000 per year. The minimum application is $100,000 per year for each year of the five or six-year project.

4. **Charitable Food Program (CFP) 55%**
   Eligible projects for CFP include nonprofit regional food banks that maintain an established operation involving the provision of food to nonprofit food pantries, soup kitchens, shelters, or feeding centers that provide food packages or meals to people in need of food assistance. CFP projects may also include nonprofit emergency food providers that operate food pantries, soup kitchens, food banks, or other programs to relieve hunger, food insecurity, and food shortages among needy individuals and families, homeless people, and victims of domestic violence. Additionally, innovative food resource projects may be considered. Contributors to an eligible CFP receive up to a 55 percent tax credit.

Note: As Applicants solicit Contributors for donations, the Tax Benefits for Business Firms *(Exhibit B)* can be a useful guide. However, Applicants and Contributors must consult their respective accountants or tax advisors for specific tax-related questions. The Department does not provide tax advice.

Section II – Requirements for All Programs

A. Activity and Contribution Period

1. **Program Year**
   The program year corresponds to the State Fiscal Year and is 12 months, starting July 1, 2021 through June 30, 2022. In most cases the NAP application will be submitted before the program year begins.

2. **Activity Period**
   The activity period for the Programs is 15 months, beginning on July 1 of the program year and ending on September 30 of the following year. The timeline provides three months beyond the contribution period, to September 30, for the nonprofit to expend all contributions received. The activity period and project timeframe are the same.

3. **Contribution Period**
   The contribution period also coincides with the State Fiscal Year and is only 12 months, starting July 1 of the program year and ending on June 30 of the following year. All contributions must be received by the nonprofit organization by June 30. The Department will monitor contributions and may request updates or additional information about the status of contributions throughout the Project. However, agencies are advised not to formally accept contributions until the Department’s official award letter is received.
B. Beneficiaries

Low-income households located in a distressed or impoverished area within Pennsylvania.

*A low-income household* is defined as a person and his or her immediate family for which, during the twelve months immediately preceding the date of application for services:

- Total income does not exceed 150 percent of the federal poverty level as established annually by the federal Office of Management and Budget; or
- Total income does not exceed 80 percent of the median income of the targeted area; or
- Total income meets the income requirements of another applicable government program.

A distressed area must demonstrate, in comparison to county and statewide averages, a high incidence of one or more of the demographic factors set forth below:

- Persistent unemployment or underemployment
- Dependence upon public assistance
- Overcrowded, unsanitary or inadequate housing
- Crime and delinquency
- School dropouts
- Other evidence of low educational attainment
- Vacant and dilapidated properties, blight
- Other generally accepted indicators of widespread social problems

C. Distressed Areas

The following are deemed as distressed areas:

- Enterprise Zones
- Keystone Opportunity Zones
- Keystone Opportunity Expansion Zones
- Keystone Opportunity Improvement Zones
- Keystone Communities
- Keystone Main Streets
- Keystone Elm Streets
- Keystone Communities Enterprise Zones
- Act 47 Municipalities
- Cities of the First Class, Cities of the Second Class, Cities of the Second-Class A or Cities of the Third Class

D. Eligible Activities

The following list defines the eligible activities and uses of contributions:

1. **Affordable Housing Programs:** The renovation, repair, rehabilitation, construction, or preservation of housing for low-income households, including expenses for pre-development, land acquisition, site control and clearing title, market studies, environmental costs, energy conservation and green building services, design services, and legal or other technical assistance services.
2. **Community Economic Development**: Activities that revitalize or stabilize distressed areas, through one or more of the following: (1) The construction or rehabilitation of commercial or industrial buildings, (2) the removal or elimination of physical blight (3) increased access to job training, employment opportunities, education, community services, and/or (4) crime prevention within a designated area.

3. **Community Services**: Any type of counseling and advice, emergency assistance, food assistance, or medical care furnished to individuals or groups in a distressed area that has a primary or secondary benefit to the stabilization or revitalization of the area.

4. **Crime Prevention**: Activities to reduce or prevent crime in a distressed community.

5. **Education**: Scholastic instruction or scholarship assistance for an individual residing in a distressed area that enables the individual to prepare for better life opportunities.

6. **Job Training**: Instruction for an individual residing in a distressed area that enables that individual to acquire vocational skills to become employable or be able to seek a higher grade of employment.

7. **Neighborhood Assistance**: Financial assistance, labor, material, or technical advice furnished to aid in the physical improvement of part or all of a distressed area.

8. **Neighborhood Conservation**: Project or service that addresses the decline of a neighborhood or the needs of a vulnerable population and has a primary or secondary benefit to the stabilization of a distressed area.


**E. Requirements**

- Contributions made or received outside of the contribution period (July 1 of the program year through June 30) are not eligible for tax credits. Agencies are advised not to accept contributions until an official award letter is received from the Department.

- Applicants are required to inform their contributors to file the Electronic Clearance Form for Tax Credits for each business firm that contributes to their Projects by clicking on the “Clearance Form for Tax Credits” box on the Department of Revenue website: [www.revenue.pa.gov/taxcredits](http://www.revenue.pa.gov/taxcredits). All corporate contributors to NAP projects must complete the form online. The clearance worksheet previously submitted via paper submission to the Department will no longer be accepted. The Electronic Clearance Form for Tax Credits should be filed as soon as the contributor commits to donate to the applicant if the contributor has not done so already. In situations where applicants are submitting solicitation plans in lieu of commitments all Electronic Clearance Forms for Tax Credits from contributors must be filed on the Department of Revenue’s website by close of business on August 31. Corporate contributors to NAP projects only need to submit the form once, even if they are contributing to multiple projects. However, the Electronic Clearance Form for Tax Credits for NAP does not cover other tax credit programs operated by the Department. A letter of commitment identifying the amounts and terms of any contributions must still be provided to the Applicant. If applicants have any issues with the Electronic Clearance Form for Tax Credits, they should contact the Department of Revenue via the website.

- When a project application is approved, the Department will offer an agreement letter to the Applicant. This agreement may be referred to as a contract and is legally binding. In some instances, projects and activities change due to unforeseen circumstances. If the project scope changes or if actual expenses do not align with projected costs, the agreement must be modified or amended. In either instance, the Department must be notified in writing before proceeding with implementation of the changes. *See Section III D & E for details on Amendments and Modifications.*
• Tax credits will not be approved or awarded to a bank, bank and trust company, insurance company, trust company, national bank, savings association, mutual savings bank, or building and loan association for activities that are a part of its normal course of business.

Please Note: The Davis Bacon Act and Pennsylvania Prevailing Wage Act do not apply to the NAP portion of a project as NAP is a tax credit program and there are no actual funds provided by the state or federal governments under these programs.

• Nondiscrimination – No assistance shall be awarded to a Qualified Taxpayer under this program unless the Qualified Taxpayer certifies that the Qualified Taxpayer 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.

• 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.

• 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 program office 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, and other information relevant to the project.

Section III – The Single Application Process

Every Applicant is required to complete the Electronic Single Application (ESA), also known as the DCED Single Application, when applying for NAP. To assist the success of the application, complete all required elements of the program for which the agency is applying. Please refer to the program-specific sections of these guidelines for specific details. Complete an accurate narrative that details the Place, Problem, Project, and Proposed Outcomes. Review the corresponding section in the NAP guidelines that relates to the program for which the Applicant is applying. Before submitting the application, review the checklist provided for each program section. Every Applicant should make sure the contact information they enter in ESA is correct at the time of application. Applicants are required to notify DCED of any changes to contact information that occur during the contract activity period within 30 days of the change.

Every Applicant must be sure the contact information they enter in ESA is correct at the time of application. This includes all contact phone numbers and email addresses. All contact information must be for a specific person within the Applicant’s organization who is responsible for receiving phone calls and documents relating to the application such as award letters. Applicants are required to notify DCED of any changes to contact information that occur during the contract activity period within 30 days of the change. Failure to comply with this requirement may result in a project being denied or having tax credits rescinded.

Information or assistance about ESA is available at esa.dced.state.pa.us using the Help link on the Login page. If you need additional assistance, contact the DCED Customer Service Center at 1-800-379-7448 or 717-787-3405.
A. Submission of Application

1. The Applicant must apply via the Department’s Electronic Single Application (ESA) located at esa.dced.state.pa.us. The Department also requires the Applicant to submit any application addenda listed in the ESA as a part of the application process.

2. The Department will open ESA for NAP applications annually at dced.pa.gov when authorized to do so. The application due dates and any other details regarding the programs will be updated within the guidelines as appropriate. All applications must be submitted via ESA by 5:00 PM Eastern Standard Time on the closing date of the application.

3. Do not submit any hardcopy information to DCED in support of the NAP application. All documents should be submitted electronically through ESA as stated above. If DCED requires additional documentation after the application has been submitted, the applicant will be contacted by DCED staff to provide it at that time.

B. Review of Proposals

Applications will be reviewed and ranked by the Department based upon the following factors:

1. The application must address one of the eligible activities listed in the appropriate Program section.

2. Projects must be focused on a specific target area. Data to support the project and population should clearly define geographic area, the target population, and the viability of the project. Explain how this project will enhance the quality of life within the specific targeted area.

3. The application must be complete and concise with measurable goals, outcomes, and quantified impacts as required entered on the completed Community Impact Measures Report (Exhibit A) and must be in the original Microsoft Excel format. Fields requesting numerical values must only include numerical values. Text must only be entered where it is requested.

4. The neighborhood organization must explain their capacity to administer the project. The project must not duplicate other projects or services existing in the same community at the time of application.

5. The Applicant must provide commitment letters or present a strong solicitation plan. Consideration will be given to Applicants that submit written evidence of contribution commitment and detail collaboration with other organizations or initiatives in the area.

6. Each of the Applicant’s contributors must file the Electronic Clearance Form for Tax Credits on the Department of Revenue website: www.revenue.pa.gov/taxcredits. If an Applicant submits a solicitation plan in lieu of firm commitments, the applicant must secure firm commitments from the solicited contributors by August 31 of the project year. Also, those contributors must have filed for clearance with the Department of Revenue by the same date. Please refer to Section II, Part E for information regarding the Electronic Clearance Form for Tax Credits.

7. The Applicant must provide a letter showing they have a 501(c)(3) non-profit status with the Internal Revenue Service. This letter must be dated within the last 10 years.

8. The Applicant must complete all required fields in ESA.

9. Approval will depend on the availability of tax credits, proposed activities, reasonableness of the overall project, and completeness of the application.

10. The Department, at its discretion after applications are reviewed and if tax credits are still available, may provide an opportunity for Applicants with incomplete applications meriting additional consideration to provide supplemental information for review and approval. However, the Department is under no obligation to seek further information or clarification to complete its review of the application.
11. Applications not approved for funding will receive letters notifying Applicants of the Department’s decision.

12. NAP should not be considered by Applicants or awardees as an ongoing entitlement program. All applications are reviewed and scored on a yearly basis. Prior-year approvals or awards under this program do not guarantee automatic approval of any application or project regardless of its type of tax credit.

*Please Note:* Once an application is submitted to the Department, we will not accept major changes to the scope, breadth, budget, or location of the project prior to considering the project for approval. Minor changes may be considered on a case by case basis. It is the Department’s discretion to determine what constitutes a major or minor change to a project.

C. Approval Process

1. The Secretary of the Department will recommend for approval projects for NAP tax credits and will determine the amount of tax credits granted to the Applicant. Preference will be given to projects in targeted areas currently supported by multi-faceted community development funding sources. Also, projects that seek to address the COVID-19 pandemic, its recovery, or social justice issues will be given preference.

2. The Department will offer a tax credit project approval to the Applicants whose contributors have been determined by the Department of Revenue to be tax compliant. The approval letter is the offer of a binding agreement that outlines the terms and conditions of the award. To become effective, the approval letter must be signed by the Applicant and returned to the Department within 60 days of the offer. The approval letter becomes a binding agreement between the Department and the Applicant when it is signed and remitted to the Department.

3. Upon receipt of the signed agreement from the Applicant the Department will:
   a. Notify the business Contributor(s) the tax credit project is approved, and
   b. Provide a copy of the signed approval letter constituting the agreement between the Department and the Applicant to the business Contributor and provide a blank Application for Tax Credit under the Neighborhood Assistance Act (Exhibit D) form to the business Contributor(s) for completion and return to the Department with documentation that the contribution is complete. This form may also be found on the website under the Neighborhood Assistance Program information.

*Note:* Only business Contributors that submitted a commitment letter on their business letterhead will receive a notification letter from the Department.

D. Amendment

An amendment is required when a major change occurs after a project has been approved. Major changes include but are not limited to dropping or adding an activity, changing the project location, changing the termination date of the project, or by increasing/decreasing a budget line item by 10 percent or more. A written request from the Applicant to amend the existing agreement must be submitted to the Department before the existing agreement end date. The request must describe any proposed changes. If the change affects the budget, a revised budget and justification must be submitted with the amendment request along with any other supporting documents such as a description of the change in sub-contractor, scope of work, etc. All amendment requests should be sent to the Department’s resource account at RA-DCEDNAPMAIL@pa.gov.
E. Modifications

A modification is a minor change to the objectives, timelines, or goals of an approved project. Requests for modifications must be made by the Applicant in writing before the agreement end date. The request must describe the details related to the modification. The request must contain the original and the revised objectives, timeline, goals, and other changes. If the change affects the budget, a revised budget and justification must be submitted. All modification requests should be sent to the Department’s resource account at RA-DCEDNAPMAIL@pa.gov.

F. Extensions

NAP, SPP, and CFP applications are approved for one (1) year. If the Applicant discovers they need more time to complete the NAP, SPP, or CFP project they must request an extension within the program year. Extensions are granted on a case by case basis for a maximum of one year from the end of the program year for a maximum of two years for any NAP, SPP, or CFP project. Extensions past this second year will be considered on a case by case basis.

NPP applications are approved for one (1) year at a time. However, NPPs are long term programs that are intended to last 5, 6, or more years. Extensions will not be granted for NPP projects not in their last year. If an Applicant is not in their last year of an NPP project and discovers they cannot complete part of that year’s project they should move the unfinished portion of the that year’s project into the subsequent year and explain why they are doing so in their final Community Impact Measures Report. If the Applicant discovers in the last year of an NPP project they need more time to complete it, they must request an extension at that time.

To request an extension the Applicant must send a signed letter on agency letterhead to DCED detailing why the extension is needed and stating the end date being requested. This documentation should be submitted to the NAP resource account at RA-DCEDNAPMAIL@pa.gov.

G. Compliance and Monitoring

The Department reserves the right to monitor the project and project costs resulting from the award of NAP, SPP, NPP, and CFP tax credits.

H. Reporting Process

For all NAP projects, an initial Community Impact Measures Report (Exhibit A) is due at the time of application. The Community Impact Measures Report must be submitted via ESA and must be in the original Microsoft Excel format. Fields requesting numerical values must only include numerical values. Text must only be entered where it is requested.

An annual report, which consists of the final Community Impact Measures Report, including Section VI of the report entitled Annual Project Report on Success (Exhibit A), must be submitted to the Department on or before December 31. This final Community Impact Measures Report must also be in the original Microsoft Excel format. These reports are used by the Department for statewide data collection and analysis. The NAP Annual Report requires a brief narrative to describe project accomplishments and how it met the goals and objectives identified in the original application. Finally, the agency should include any success stories related to the project. These stories should illustrate how this project had a positive impact in the community and may include a recommendation to the Department for a site visit by one of the following: Center for Community Services Director, Regional DCED staff, Deputy or Executive Deputy Secretary, Secretary, and/or member within the Governor’s executive administration.

The NAP Annual Report and Community Impact Measures Report must be submitted to the DCED resource account for NAP, RA-DCEDNAPMAIL@pa.gov.
Note: The reporting format has been updated to more effectively collate and synthesize data for reporting to the Pennsylvania Legislature and taxpayers. Outcome measures have been revised, and these elements are required. Every field that applies to your project must be completed with the appropriate data. NO ADDITIONAL DATA IDENTIFIERS SHOULD BE ENTERED.

I. Audit

NAP, SPP, NPP, and CFP projects do not require an audit.

Section IV – Contributor Information

A. Introduction

NAP offers ways for Contributors to assist nonprofits meet the challenges of funding. The generous contributions of businesses have helped to develop and sustain many local projects that benefit communities, especially low-income populations. Applicants, typically non-profit neighborhood organizations, apply for NAP tax credits that, if approved by the Department, are available for use by the contributing businesses. The Contributors receive Pennsylvania state tax credits for their contribution to the project. Examples of how these credits may work for your business are included in Tax Benefits for Business Firms (Exhibit B). Specific tax-related scenarios and questions should be directed to your business accountant or tax advisor. DCED does not provide tax advice.

Business contributions include:

- Cash contribution,
- Equipment and/or supplies contribution,
- Job training,
- Real estate contribution, or
- Technical assistance.

Tax credits may be used the year of the contribution and for the five subsequent years after the contribution, for a total of up to six consecutive years.

Contributions may be made anywhere within the Commonwealth of Pennsylvania, relating to the low-income population.

The process is uncomplicated for Contributors. If the Contributor is prepared to support the Applicant and project, the Contributor should provide a letter of commitment to the Applicant on the Contributor’s corporate letterhead. The Contributor must also file the Electronic Clearance Form for Tax Credits (on the Department of Revenue website: [www.revenue.pa.gov/taxcredits](http://www.revenue.pa.gov/taxcredits).) Please refer to Section II, Part E for instructions related to the Electronic Clearance Form for Tax Credits. Upon the Department's official written approval of the project, the contribution must be made to the Applicant within the state fiscal year, between July 1 of the program year and June 30. Lastly, the Contributor must complete the Application for Tax Credit (Exhibit D) and submit it to the Department with proof of the contribution. Proof of contribution may be, but is not limited to, photocopies of a cancelled check front and back, documentation of wire transfer of funds, electronic funds transfer records, etc.
B. Programs

There are four programs or components under the NAP that apply to nonprofit community organizations:

1. **Neighborhood Assistance (NAP)**
   One (1) year commitment to a project, up to 55 percent tax credit.

2. **Charitable Food Program (CFP)**
   Supports local food bank distribution centers and other types of food related projects that serve to alleviate the issue of hunger for low-income populations. One (1) year project that offers up to a 55 percent tax credit.

3. **Special Program Priorities**
   One (1) year, one project meeting one of the special program requirements, up to 75 percent tax credit.

4. **Neighborhood Partnership Program (NPP)**
   This is a multi-year commitment to a nonprofit working on a strategic plan that will improve the quality of life for the residents of a specified target area. An annually renewed contribution of at least $50,000 per year for a period of five (5) years will be eligible for up to a 75 percent tax credit. A six (6) year or longer commitment of at least $50,000 per year will be eligible for up to an 80 percent tax credit. Participation in this type of project is strongly recommended and is contingent upon availability of total NAP tax credit awards.

C. Eligible Contributors

Eligible Contributors are business firms authorized to conduct business in Pennsylvania and subject to the following taxes imposed by the Tax Reform Code of 1971, 72 P.S.:

- Article III:  Personal Income Tax
- Article IV:  Corporate Net Income Tax
- Article VI:  Capital Stock-foreign Franchise Tax
- Article VII:  Bank Shares Tax
- Article VIII: Title Insurance & Trust Company Shares Tax
- Article IX:  Insurance Premiums Tax (excluding surplus lines, unauthorized, domestic/foreign marine)
- Article XV:  Mutual Thrift Institutions Tax

Such business firms may include pass-through entities, as a partnership as defined in section 301(n.0), a single-member limited liability company treated as a disregarded entity for federal income tax purposes, or a Pennsylvania S corporation as defined in section 301 (n.1).

The Pennsylvania Department of Revenue evaluates all contributors for State Tax Compliance prior to project approval.

- Contributors seeking the credit must obtain state tax compliance with the laws and regulations of the Commonwealth of Pennsylvania, to the satisfaction of the Department of Revenue.
- Notification of Non-Compliance: Contributors identified by the Department of Revenue as non-compliant will be ineligible for the credit, unless the contributor resolves the non-compliant issues in a determination period set by the Department of Revenue.
- All contributors are required to file the Electronic Clearance Form for Tax Credits on the Department of Revenue website: [www.revenue.pa.gov/taxcredits](http://www.revenue.pa.gov/taxcredits). The clearance worksheet previously submitted via a paper submission to DCED will no longer be accepted. Please refer to Section II, Part E for instructions related to the Electronic Clearance Form for Tax Credits.
Applications from eligible contributors cleared for state tax compliance during the clearance verification period will move forward in the tax credit approval process.

Business Contributors participating in NAP projects are not eligible to submit NAP project applications but are eligible to make contributions to nonprofit neighborhood organizations. If the neighborhood organization’s application is approved by the Department, the business will be eligible to receive tax credits upon submission of the Application for Tax Credit (Exhibit D) to the Department after the contribution has been made and is sufficiently documented.

D. Caps on Contributors

Businesses may contribute to an unlimited number of NAP projects. However, there are limits on the total amount of tax credits that may be awarded.

1. Contributions to Three or Fewer Projects:
The maximum aggregate tax credit amount a Contributor may receive annually for contributions for three or fewer projects is $500,000. This maximum applies to the total of all NAP tax credits awarded under all programs.

2. Contributions to Four or More Projects:
The maximum aggregate tax credit amount a Contributor may receive annually for contributions to four or more projects is $1,250,000. This maximum applies to the total of all NAP tax credits awarded under all programs.

E. Contribution Period

The contribution period coincides with the state fiscal year (SFY), starting July 1 of the program year and ending on June 30 of the following year. All contributions must be received by the Applicant by June 30.

The Contributor has until December 31, a total of up to 18 months after the start of the SFY - to submit the Application for Tax Credit (Exhibit D) with proof of contribution to DCED. Directions are included with the form. Time is of the essence, and the Department must receive the completed form and supporting documentation before the December 31 deadline.

F. Commitment Letter

A commitment letter (Exhibit G) is part of the application process for the nonprofit. The commitment letter is an agreement with the Applicant to make the contribution if the NAP application and associated tax credits are approved by the Department.

For one-year projects, a simple letter is recommended. The letter must be on the contributor’s letterhead and must be signed. It must also state the amount being committed and the NAP project type (NAP, SPP, NPP, or CFP). Finally, the letter must have contact information for the contributor, including an email address for a specific contact person, and it must include the contributor’s Federal Employer Identification Number (FEIN).

For long-term commitments in NPP, a letter is required every year of the project along with a Memorandum of Understanding (MOU) (Exhibit I). The MOU is drafted by the Applicant and is the agreement with the Contributor for the long-term commitment. It is not necessary to rewrite or revise the MOU yearly unless there is a change in the arrangement. However, it is necessary to submit both a new commitment letter and the existing MOU yearly. It is also necessary for each Contributor to file the Electronic Clearance Form for Tax Credits on the Department of Revenue’s website each year at www.revenue.pa.gov/taxcredits. Please refer to Section II, Part E for instructions related to the Electronic Clearance Form for Tax Credits.

A new application via ESA must be submitted each year by the Applicant. Approval for the first year does not guarantee the approval of subsequent years. NAP applications may be denied for a variety of reasons, including unavailability of tax credits, insufficient progress of the project, ineligibility of the Applicant, or an incomplete application.
G. How to Obtain Tax Credit Certificate and Utilize the Tax Credits

All NAPs are a partnership with DCED and DOR. DCED approves the NAP application via ESA and provides the tax credit certificate to the applicant. However, DOR is the issuing department for the tax credit award. Please refer to DOR at revenue.pa.gov and select Online Services to access the DOR Customer Service Center for laws, policies, and tax bulletins that may contain additional information concerning tax credit approvals.

To obtain a tax credit certificate, all contributors must:

1. Complete and submit the Application for Tax Credit under the Neighborhood Assistance Act (Exhibit D) with proof of contribution to DCED. Examples of proof of contribution include copies of the front and back of a cancelled check, invoices for equipment/supplies, invoice for the cost of job training, proof of donation of real estate, or invoices for technical assistance. Copies of records such as wire transfers or electronic transfers may be submitted. Donors making in-kind food contributions to CFP programs must submit the completed Food Donations Worksheet (Exhibit J).

2. The completed Application for Tax Credit and Food Donations Worksheet, if applicable, must be submitted to DCED by December 31, 180 days or six months after the contribution period ends. Completed forms must be submitted via the postal mail or electronically to the NAP email resource account at RA-DCEDNAPMAIL@pa.gov.

3. DCED will review the submitted forms and, if approved, issue a Tax Credit Certificate Form (Exhibit E) to the contributor.

4. Notification for the tax record will be provided to DOR.

The Contributor awarded NAP tax credits may exercise four options for use of the credits: Retain and use, Carry-Forward, Sell or assign, or Pass through to another eligible entity.

Tax Credits claimed will be first applied against the unpaid tax liability for the period in which the credit is approved.

1. To claim the tax credit, the taxpayer must return the Tax Credit Claim Form, which is on the reverse side of the Tax Credit Certificate Form (Exhibit E), to the Department of Revenue.

2. The tax credit provided by this article may be carried forward for a maximum of five years.

3. A taxpayer may not carry back or obtain a refund of any portion of an unused tax credit.

4. To pass through this credit to the shareholders, members, or partners, please return the Tax Credit Claim Form, which is on the reverse side of the Tax Credit Certificate form (Exhibit E), to the Department of Revenue. Do not include the claim form with any tax report.

5. A taxpayer, upon application to and approval by DCED may sell or assign, in whole or in part, unused credits after the taxpayer has held the approved NAP tax credits for one (1) year.

The taxpayer must submit the following two forms to DCED:

a. Application for Tax Credit (Exhibit D); and

b. Application to Sell or Assign Tax Credits (Exhibit F).

- Before an application to sell or assign tax credits will be approved, the Department of Revenue must find the applicant has satisfied all outstanding tax related issues.

- If a business selling tax credits is selling credits to more than one buyer, a separate application must be submitted to DCED for approval for each separate buyer of tax credits.
• Tax credits may only be sold or assigned once. Once a sale or assignment is approved, it is final. Buyers cannot resell or reassign tax credits.

• The assignee or purchaser of a tax credit must claim the credit in the taxable year in which the purchase or assignment is made. The purchaser or assignee may not carry forward, carry back, or obtain a refund of or sell or assign the tax credit.

H. Acknowledgements and Disclosures

The Department may publicly acknowledge Applicants and Contributors that participate in NAP projects. These acknowledgements may take the form of announcements, speeches, or marketing efforts to the general public as well as the media. Please be aware there are certain situations where the Department would be required to disclose Contributor participation in NAP, SPP, NPP, and CFP programs.

Section V – Neighborhood Assistance Program (NAP)

A. Introduction

The Neighborhood Assistance Program (NAP) is a way for non-profit community organizations to form collaborations with businesses in a community. Along with the requirements of the previous sections, this section describes the specific requirements for NAP.

NAP offers up to a 55 percent tax credit to Contributors for an approved project. This is a one (1) year, one (1) project application. In addition to the information contained in Sections I through IV, the following requirements apply to projects proposed and approved for NAP.

Applicants who are considering submission of a NAP application should refer to Section I, Part A of these guidelines for important information pertaining to NAP and COVID-19 Pandemic Recovery and Social Justice Issues.

B. Program Requirements

The following list defines the eligible activities and uses of contributions:

1. Affordable Housing Programs: The renovation, repair, rehabilitation, construction, or preservation of housing for low-income households. This includes expenses for pre-development, land acquisition, site control, title clearance, market studies, environmental costs, energy conservation and “green” building services, design services, legal, and other technical assistance services.

2. Community Economic Development: Activities that revitalize or stabilize distressed areas, through one or more of the following: (1) The construction or rehabilitation of commercial or industrial buildings, (2) The removal or elimination of physical blight, (3) Increased access to job training, employment opportunities, education, and community services opportunities, (4) Crime and violence prevention within the designated area, or (5) Assist Relative/Neighbor Caregivers to become registered and licensed Family Child Care Homes. This is a COVID-19 Pandemic Recovery and Social Justice priority.

3. Community Services: Services such as counseling, case management services, and advisory services, emergency assistance, food assistance, or medical care furnished to individuals or groups in a distressed area intended to stabilize or revitalize the area. This is a COVID-19 Pandemic Recovery and Social Justice priority.
4. **Crime Prevention**: Activities such as block watch programs or community awareness training that help to reduce crime in a distressed community. This is a COVID-19 Pandemic Recovery and Social Justice priority.

5. **Education**: Scholastic instruction or scholarship assistance for individuals residing in a distressed area that enables individuals to prepare for better life opportunities. This is a COVID-19 Pandemic Recovery and Social Justice priority.

6. **Job Training**: Vocational instruction for individuals residing in a distressed area that enables individuals to acquire job-specific or pre-vocational skills to become employable or enable advancement opportunities for employment. This is a COVID-19 Pandemic Recovery and Social Justice priority.

7. **Neighborhood Assistance**: Financial assistance, labor, material, or technical advice furnished to aid in the physical improvement of part or all of a distressed area.

8. **Neighborhood Conservation**: Projects or services that address the decline of a neighborhood or the needs of a vulnerable population and have primary or secondary benefits to the stabilization of a distressed area. This is a COVID-19 Pandemic Recovery and Social Justice priority.

If a NAP applicant is submitting a solicitation plan, they must secure final commitments from the solicited contributors by August 31 of the project year. Also, all solicited contributors must file the Electronic Clearance Form for Tax Credits by the same date. Please refer to Section II, Part E for instructions related to the Electronic Clearance Form for Tax Credits. NAP applicants may not change or acquire new contributors after August 31 of the project year. Any tax credit applications received from contributors who were not approved by the Department of Revenue prior to project start will not be accepted.

**C. Required Narrative Details**

The specific NAP program requirements must be clearly documented. Provide precise details for the project and how the application fits NAP requirements. Include all data, maps, charts, agreements, and partnership arrangements that support the application. The narrative must explain the essence of the project. By describing the Place, Problem, Project, and Proposed Outcomes, the story of the project should be told. The narrative requirements are explained in Section I of these guidelines. Applicants submitting projects under COVID-19 Pandemic Recovery and Social Justice issues must explain how their project will specifically address pandemic recovery or social justice priorities in their targeted area. Please refer to Section I, Part A for further information.

**D. Budget**

In completing the budget section in ESA, the budget must include the NAP Request located in the first column, and any other sources of funds needed to undertake the project located in the remaining columns. These columns are named and designated by the applicant as the budget is entered in ESA. All amounts entered in the budget in ESA should be rounded to the nearest whole dollar. No cent amounts should be entered in the budget in ESA. The NAP Budget column must reflect the total contribution amount and must match the budget justification exactly. **Do not include the anticipated tax credit amount. Failure to adhere to these budget requirements may result in the application being denied.**

The tax credit amount will be determined based upon 55% of the total contribution amount. For example, if the Applicant receives a commitment from a business in the amount of $75,000, the total amount of the contribution indicated in the NAP Budget column must be $75,000. The tax credit award will be calculated from that column at up to 55 percent for NAP projects. If the Applicant has obtained more than one commitment, sum the commitments and indicate the total in the NAP Budget column. In this example, the $75,000 from a Contributor will result in an available tax credit of $41,250. Applicants are responsible for ensuring the full amount of the contribution is accounted for.
The portion of contributions used for administrative costs and overhead should be limited. Administrative costs generally include salaries and benefits for agency administration, finance/accounting, procurement, building maintenance, etc. as well as travel and office supplies/equipment.

Administrative costs do not include the staff and time related to direct service provision and activities that directly benefit people, support physical improvements, or direct program costs.

E. Budget Justification

Complete a Budget Justification similar to the sample provided (Exhibit H). Please list all budget expenses for the application separating the contribution cost in the DCED column from the other costs needed to fund the entire project only. Review the costs identified and check to ensure they correspond with the proposed project activities by comparing to the open line items in the budget for accuracy.

Remember to submit any documentation required to support the budget. This may include job descriptions for positions being paid under the NAP application, subcontract agreements, leases, or construction documentation.

F. Checklist for Application

Use the following checklist to ensure relevance and completeness of the NAP application:

• Does the application meet the requirements of NAP?
• Completed project narrative in ESA. “Please see attached” or other statements of a similar nature are not acceptable.
• Narrative: explain the Place, Problem, Project and Proposed Outcomes.
• Does the narrative contain justification for addressing COVID-19 Pandemic Recovery and Social Justice priorities if applicable?
• Is the Community Impact Measures Report completed, including the list of contributors, and submitted in the original Microsoft Excel format?
• Is data supplied, including references where data was extracted such as census track, city code, etc., to support a low-income population, distressed area, and the relative need?
• Are commitment letters attached? Do all commitment letters contain the necessary information per Section IV, Part F?
• Have all contributors filed the Electronic Clearance Form for Tax Credits on the Department of Revenue website: www.revenue.pa.gov/taxcredits? The clearance worksheet previously submitted via paper submission to DCED will no longer be accepted. Please refer to Section II, Part E for instructions related to the Electronic Clearance Form for Tax Credits.
• If full commitment has not been obtained is a detailed solicitation plan attached? If so, commitments must be firm, and commitment letters submitted to DCED by August 31st. Contributors must file their Electronic Clearance Form for Tax Credits by the same date.
• Is a copy of the IRS 501(c)(3) award letter attached? Does the letter fit the parameters laid out in Section III, Part B, #7 of these guidelines?
• Are any job descriptions paid by the NAP attached?
• Are any agreements, subcontracts, ownership, lease or sale agreements, bids, quotes, or cost estimates attached?
• Have any zoning or any special requirements been identified to complete the project?
• Is the projected budget correct, and does it match the Budget Justification?
• Have any supporting documents that apply to data collection, such as maps or charts, been uploaded?
• Are letters of support for the project included?
• Are all photos, drawings, or project descriptions included in the narrative or otherwise identified and included?
• Has the completed application been uploaded via ESA?

Section VI – Special Program Priorities (SPP)

A. Introduction

The Special Program Priorities (SPP) component of NAP focuses on specific needs in distressed communities. These projects are based on detailed criteria that support collaborations, partnerships, and goals. SPP offers up to a 75 percent tax credit for approved one (1) year projects.

Applicants who are considering submission of a SPP application should refer to Section I, Part A of these guidelines for important information pertaining to NAP and COVID-19 Pandemic Recovery and Social Justice Issues.

B. Program Requirements

To meet the requirements for a SPP application, all requirements in Sections I through IV must be met as well as one or more of the following:

1. Disaster or Economic Recovery: Needs related to disaster recovery efforts for federally declared disasters such as floods, or any other form of natural disaster. Projects are limited to areas within counties and locations that received a disaster declaration by the President, or any future declared disaster.

   Economic recovery relates to the sudden impact to a community based on an unanticipated economic hardship. This could include a plant closing, mass lay-offs, or other forms of impact that cause a community to suddenly become economically distressed. The projects may include dislocated worker programs, social service needs, case management, or any such services that assist the affected population in its recovery. This is a COVID-19 Pandemic Recovery and Social Justice priority.

2. Integrating Weatherization and Housing Rehab: Housing improvements that integrate weatherization and energy conservation efforts with housing rehabilitation and repair programs. The coordination of these funding streams must include DCED’s Weatherization Assistance Program (WAP) and funding from either Community Development Block Grants (CDBG) or the HOME Investment Partnerships Program (HOME). The neighborhood or locale must be limited to where the actual projects are located. This may be a block or several streets. The housing improvements can be undertaken for either rental or owner-occupied homes.
3. **Diversity Initiatives:** These initiatives should promote the integration of diverse populations to strengthen the quality of life for all residents of the commonwealth. Applicants are responsible for providing information and documentation about how the targeted population meets the concept of diversity. This documentation must include any research, data, or statistics that substantiate the necessity of assistance for a unique population. This initiative also includes refugee, immigrant, and other vulnerable populations. This is a COVID-19 Pandemic Recovery and Social Justice priority.

4. **Mortgage Foreclosure Prevention:** Projects and activities aimed at preventing mortgage foreclosures. This can include, but is not limited to, resource hotlines, counseling, legal assistance, fraud prevention, education, diversion programs, and lending/restructuring initiatives provided to a specific targeted area in need. This is a COVID-19 Pandemic Recovery and Social Justice priority.

5. **Blight Elimination:** Projects in an area that successfully form partnerships within the community to remediate or prevent the area from falling into disrepair and decrepitude. The partnership must include a neighborhood-based agency such as the Applicant, a private sector business that does not solely include the Contributor, and the local government. Together, the partnership must collaborate to reduce blight in a specific geographically defined distressed area. Blight elimination for the purpose of this priority is defined as demolition or rehabilitation of a distressed property.

6. **Veteran Initiatives:** Projects or programs that support veterans and their families. The Applicant must demonstrate the need for a veteran-specific program using data, research, or any other means of documentation. All eligible services under the general NAP are eligible for this designation.

7. **Rural Initiatives:** The purpose of this category is to encourage nonprofit organizations to develop projects that have a positive community and economic impact in rural areas where low income residents are often isolated and disenfranchised. These initiatives could include community events or projects that foster creative entrepreneurship, community partnership, creative sector development, rural transportation, or blight elimination through property renovation, repair, and rehabilitation for use by creative sector businesses and organizations who provide community engagement opportunities.

8. **Affordable Housing and Supportive Services for At-Risk Populations:** Renovation, repair, rehabilitation, construction, or preservation of housing and related supportive services for at-risk populations where there is a lack of affordable housing. At-risk populations are low-income households who require assistance to obtain housing, adequate food, health and medical care, job training, or services that facilitate living outside of an institutional setting such as a shelter, nursing home, or on the street. At-risk populations include households in which one or more adults are homeless, have physical or mental disabilities, chronic illnesses, or are elderly or frail.

9. **At-Risk & Vulnerable Populations Initiatives:** Low income individuals are often vulnerable to conditions that exacerbate the effects of poverty and make it difficult for them to make changes in their lives to improve their situation. Certain trends, such as the opioid crisis, the rise in domestic violence, or persistent systemic social injustice are particularly troubling and require intense, innovative strategies to rectify. Projects or programs that strive to alleviate these conditions and others would fit within this program priority. Applicants are responsible for providing information and documentation that identifies the at-risk or vulnerable population they are proposing to help and what specific issue they are trying to alleviate. This is a COVID-19 Recovery and Social Justice priority.

10. **Integrated Health and Housing Initiatives:** Quality affordable housing is essential to health and well-being. Collaborations between healthcare and housing organizations designed to address the specific challenges faced by medically vulnerable individuals and families, including those experiencing chronic homelessness, would be eligible for this designation. Projects should be designed to more effectively coordinate client-centered, integrated healthcare in an effort to improve outcomes, including helping people access housing, move to increasing levels of independence, remain in their homes, or improve health outcomes through home repairs.
If a SPP applicant is submitting a solicitation plan they must secure final commitments from the solicited contributors by August 31 of the project year. Also, all solicited contributors must file the Electronic Clearance Form for Tax Credits by the same date. Please refer to Section II, Part E for instructions related to the Electronic Clearance Form for Tax Credits. SPP applicants may not change or acquire new contributors after August 31 of the project year. Any tax credit applications received from contributors who were not approved by the Department of Revenue prior to project start will not be accepted.

C. Required Narrative Details

The specific SPP program requirement must be clearly documented. Indicate the program requirement being applied for. Provide precise details for the project and how the application fits SPP requirements. Include all data, maps, charts, agreements, partnership arrangements, or resources that support the application. The narrative must explain the essence of the project. By describing the Place, Problem, Project and Proposed Outcomes, a story of the project should be told. The narrative requirements are explained in Section I of these guidelines. Applicants submitting projects under COVID-19 Pandemic Recovery and Social Justice issues must explain how their project will specifically address pandemic recovery or social justice priorities in their targeted area. Please refer to Section I, Part A for further information.

D. Budget

When completing the budget section in ESA, the budget must include the SPP Request located in the first column, and any other sources of funds needed to undertake the project located in the remaining columns. These columns are named and designated by the applicant as the budget is entered in ESA. All amounts entered in the budget in ESA should be rounded to the nearest whole dollar. No cents should be entered in the budget in ESA. The SPP Budget column must reflect the total contribution amount and must match the budget justification exactly. **Do not include the tax credit amount. Failure to adhere to these budget requirements may result in the application being denied.**

The tax credit amount will be determined based upon 75% of the total contribution amount. For example, if the Applicant received a commitment from a Contributor in the amount of $75,000, the total amount of the contribution indicated in the SPP Budget column must reflect $75,000. The tax credit award will be calculated from that column at up to 75 percent, for SPP projects. If the Applicant has obtained more than one commitment, sum the commitments and indicate the total in the NAP Budget column. In this example, the $75,000 from a Contributor will result in an available tax credit of $56,250. Applicants are responsible for ensuring the full amount of the commitment is accounted for.

The portion of contributions used for administrative costs and overhead should be limited. Administrative costs generally include salaries and benefits for agency administration, finance/accounting, procurement, building maintenance, etc. as well as travel and office supplies/equipment.

Administrative costs do not include the staff and time related to direct service provision and activities that directly benefit people, support physical improvements, or direct program costs.

E. Budget Justification

Complete a Budget Justification similar to the sample provided (*Exhibit H*). Please list all budget expenses for the application separating the contribution cost in the DCED column from the other costs needed to fund the entire project only. Review the costs identified and check to ensure they correspond with the proposed project activities by comparing to the open line items in the budget for accuracy.

Remember to submit any documentation required to support the budget. This may include job descriptions for positions being paid under the SPP application, subcontract agreements, leases, or construction documentation.
F. Checklist for Application

Use the following checklist to ensure relevance and completeness of the SPP application:

- Does the application meet the requirements of SPP?
- Completed project narrative in ESA. “Please see attached” or other statements of a similar nature are not acceptable.
- Does the narrative: explain the Place, Problem, Project and Proposed Outcomes?
- Does the narrative contain justification for addressing COVID-19 Pandemic Recovery and Social Justice priorities if applicable?
- Is the Community Impact Measures Report completed, including the list of Contributors, and submitted in the original Microsoft Excel format?
- Is sufficient documentation submitted to support the SPP project, including evidence of the need, partnerships, funding sources, collaborations, etc.?
- Is data supplied, including references where data was extracted such as census track, city code, etc., to support a low-income population, distressed area, and the relative need?
- Are commitment letters attached? Do all commitment letters contain the necessary information per Section IV, Part F?
- Have all contributors filed the Electronic Clearance Form for Tax Credits on the Department of Revenue website: www.revenue.pa.gov/taxcredits? The clearance worksheet previously submitted via paper submission to DCED will no longer be accepted. Please refer to Section II, Part E for instructions related to the Electronic Clearance Form for Tax Credits.
- If full commitment has not been obtained is a detailed solicitation plan attached? If so, commitments must be firm, and commitment letters submitted to DCED by August 31st. Contributors must file their Electronic Clearance Form for Tax Credits by the same date.
- Is a copy of the IRS 501(c)(3) award letter attached? Does the letter fit the parameters laid out in Section III, Part B, #7 of these guidelines?
- Are any job descriptions paid by the SPP attached?
- Are any agreements, subcontracts, ownership, lease or sale agreements, bids, quotes, or cost estimates attached?
- Have any zoning or any special requirements been identified to complete the project?
- Is the projected budget correct, and does it match the Budget Justification?
- Have any supporting documents that apply to data collection, such as maps or charts, been uploaded?
- Are any letters of support for the project included?
- Are all photos, drawings, or project descriptions included in the narrative or otherwise identified and included?
- Has the completed application been uploaded via ESA?
Section VII – Neighborhood Partnership Program (NPP)

A. Introduction
The Neighborhood Partnership Program (NPP) component of NAP is rooted in a community strategic plan, collaborations with partners, and long-term business relationships. The neighborhood organization, a nonprofit agency, must be the Applicant for NPP. The NPP is expected to create energy in the community by completing projects based on specific development needs in a targeted area that produce measurable outcomes. NPP is a long-term program that secures business commitments for five (5) years, six (6) years or longer. The tax credit for a five (5) year NPP commitment is up to 75 percent, and up to 80 percent for a six (6) year or longer commitment. Minimum contributions are $50,000 per business, and the minimum NPP application is $100,000. Applicants must have commitment letters from all Contributors at the time of submission. Due to the nature of NPP solicitation plans cannot be considered. If approved by the Department, the Applicant may engage in more than one NPP as determined by need and scope of projects as long as the NPPs are in different neighborhoods or targeted areas and do not duplicate the efforts of other NAP projects already in place.

Applicants who are considering submission of a NPP application should refer to Section I, Part A of these guidelines for important information pertaining to NAP and COVID-19 Pandemic Recovery and Social Justice Issues.

B. Program Requirements
All requirements in Section I through IV must be met when applying for NPP tax credits. The narrative must explain the essence of the project by fully describing the Place, Problem, Project, and Proposed Outcomes. Narrative requirements are explained in Section I of these guidelines. Applicants submitting projects under COVID-19 Pandemic and Social Justice Issues must explain how their project will specifically address pandemic recovery or social justice priorities in their targeted area. Please refer to Section I, Part A for further information.

A Community or Strategic plan must be in place locally before initiation of an NPP application. This plan incorporates the needs of the community, projects and priorities, and the vision for the specified area. Input for this process should include a collaboration of residents, the NPP advisory committee, and any other entity involved in or impacted by the plan. The plan must extend over the five (5) or six (6) year life of the NPP. The plan must focus on multiple NPP requirements and include any other funding or leveraging that will be used for the NPP. The plan must include a timeline that identifies the projects over the life of the award.

Additionally, as an integral component of a proposed or approved NPP project, a Neighborhood Partnership Advisory Committee must be formed. The committee must assist with the initial and subsequent planning of the NPP and provide ongoing input to the neighborhood organization applying for and carrying out the NPP project. The committee can be an existing entity but it must include representatives from the business contributors and should also include NPP area stakeholders such as members of the agency, subcontractors, government representatives, other organizations related to the NPP, residents, and anyone in the community that has an active part in the NPP project. This NPP advisory committee must meet at least quarterly to discuss the progress of the project, any issues that arise, and to relay and update information about the community. The NPP Advisory Committee meetings must be open to the public, except when confidential personnel or program client services information is discussed.

C. Original Application
The NPP application is a detailed document that provides an accurate description of the community or targeted area, the need, the projects and collaborations, and partnerships developed. The application must provide a snapshot of what is happening in the specific area and how, with the help of NPP, the community or targeted area will improve.
Many things must be considered for an NPP. For example, can the neighborhood organization consistently support the activities of the NPP? Will collaborations and partnerships be formed with the NPP? Is the neighborhood organization sustainable for at least the duration of the proposed NPP? Is there community involvement and buy-in? Is there a five (5) or six (6) year commitment by all involved? Is there another NAP project in the area already undertaking the proposed activities?

NPP Applicants are responsible for ensuring their Contributors are committed to the full five (5), six (6), or more years of the project. Applicants should make their Contributors aware tax credits can be rescinded by the Department of Revenue for failure to contribute to the full five (5) or six (6) year term of the project. Once an NPP project has been approved and initiated, it is not possible to add additional tax credit incentivized Contributors in subsequent years. It is also not possible for Contributors to increase their contribution amount in subsequent years.

NPP Applicants may operate only one (1) NPP project in a specific neighborhood or targeted area. More than one NPP in a specific targeted area is a violation of the non-duplication stipulation set forth above. If, during an NPP, an Applicant believes services should be changed or expanded, the Applicant must revise applications in subsequent years that encompass any changes for consideration.

In addition to the application requirements, other basic requirements for an NPP application include:

1. An executive summary and a full copy of the Community or Strategic Plan. Explain what has happened in the previous year, if submitting an ongoing application, and what will happen in the following year(s).

2. A complete Community Impact Measures report including the last page and list of Contributors, in the original Microsoft Excel format. Sections I, II, and III of the report must be completed for an NPP application.

3. A list naming all the Neighborhood Partnership Advisory Committee Members.

4. Commitment letters from all contributors adhering to the requirements set forth in Section IV, Part F. A new commitment letter must be submitted each year of the NPP project. Each commitment letter must state what year the project is in out of the total project timeframe (Example: Year 4 of 6) and must state how much is being contributed for that year. If only one contributor is identified the commitment must be for $100,000 each year. If multiple contributors are identified each of their commitments must be for a minimum of $50,000 each year. Contributors and commitment amounts cannot be added or changed once the original application is approved. Solicitation plans will not be accepted for NPPs.

5. All contributors are required to file the Electronic Clearance Form for Tax Credits on the Department of Revenue website: www.revenue.pa.gov/taxcredits. The clearance worksheet previously submitted via paper submission to DCED will no longer be accepted. Please refer to Section II, Part E for instructions related to the Electronic Clearance Form for Tax Credits.

6. A memorandum of understanding (MOU) between the Applicant and the Contributor(s) for the life of the NPP commitment (Exhibit I). If this is a continuing plan, and no change has occurred since the plan was last submitted, the original MOU may be resubmitted. If changes have occurred, a new or amended MOU must be submitted. The MOU is a written agreement between the neighborhood organization and all of the participating Contributors that outlines the nature and extent of financial and other commitments each entity is making to carry out the NPP project and the mutual expectations and obligations of both parties. The MOU at a minimum should include the following:

   a. If multiple contributors are identified: A pledge of not less than $50,000 in yearly cash contributions for a minimum of five (5) years.

   b. If a single contributor is identified: A pledge of not less than $100,000 in yearly cash contributions for a minimum of five (5) years.

   c. The duration of the pledge and project (five (5) years, six (6) years, or longer).
d. A schedule for the distribution of funds to the NPP Applicant agency.

e. A timetable for the completion of key project activities and expected outcomes of those activities.

f. A delineation of the type of participation and in-kind support the business firm will provide.

g. The circumstances under which the terms of the agreement may be changed or terminated.

h. Recognition of the Contributor’s support by the Applicant agency in project related publications, press releases, and signage.

i. Consultation between the Applicant and Contributors concerning progress and changes to the project.

j. Other mutual understandings concerning the relationship between the Contributor and the Applicant.

7. A complete job description for any position that will be funded either fully or in part with the requested NPP tax credits. The job description must include the salary assigned to the position, immediate supervisor, and title of the position.

8. A complete Budget Justification containing a model budget justification and required description of the allowable line items for each project.

9. A copy of the organization’s IRS Determination Letter that fits the parameters laid out in Section III, Part B, #7 of these guidelines.

10. A letter from the appropriate planning agency certifying the proposed project is in compliance with the comprehensive land use plans and zoning or subdivision codes, if applicable.

11. Cost Estimates (if applicable) - A statement estimating the cost of the project. The estimate must be prepared by an engineer or other qualified professional and should be accompanied, where appropriate, by copies of the signed bids/quotations, contractor estimates, or sales agreements that verify project cost estimates.

12. Evidence of property ownership, deed, or lease for properties to be renovated, etc. as part of the proposed NPP.

13. A copy of any proposed contractual agreements for services, if applicable, including subcontracts.

D. Subsequent/Ongoing Application

NPP applications must be submitted annually to the Department via ESA for each year of the NPP project. Each subsequent submission should describe, year by year, the progress being made based on the timeline submitted in the initial application including specific actions that will be taken in the upcoming year. If there has been a change in the initially submitted timeline or any type of delay, the occurrences must be addressed in the re-submission.

Initial approval of an NPP project is not an automatic guarantee of continued support from the Department.

Applicants must prepare a new application each year. It is necessary to identify the year for which the application is submitted in relation to the overall project at the beginning of the narrative as well as in the project name listed in ESA. If, for example, the application is submitted for the third year of a five-year NPP, the Applicant must clearly state this. It is not acceptable to submit the same application for multiple years. Failure to adhere to these stipulations may result in loss of NPP funding for subsequent years.

The subsequent NPP application must include all the basic requirements listed for the original application. New, updated commitment letters must be secured from each Contributor each year. MOUs do not have to be updated each year if there has been no major change in the agreement between the Applicant and the Contributor. However, MOUs must be submitted with the application each year.
As the COVID-19 Pandemic Recovery progresses it may be possible for NPP projects that were originally focused on recovery to pivot to less recovery-oriented needs in subsequent years. This will be handled on a case by case basis at the discretion of the Department. NPP applicants who submit projects focused on COVID-19 Pandemic Recovery should be prepared to address recovery needs for the five- or six-year period they initially apply for as there is no guarantee how long the pandemic recovery will last.

Current, ongoing NPP projects should consider adjusting their applications for the 2021/2022 program year to meet the needs of COVID-19 Pandemic Recovery and Social Justice issues if at all possible. These applicants should refer to Section I, Part A for information regarding COVID-19 Pandemic Recovery and Social Justice Issues needs and make the necessary changes to their project narratives prior to submission. If an applicant is unsure if their project is addressing these needs or if they are having trouble modifying their projects, they should contact their respective Regional Office staff for assistance.

E. Budget

In completing the budget section in ESA, the budget must include the NPP request located in the first column. Any other sources of funds that will be used to undertake the project should be identified in the remaining columns. These columns are named and designated by the applicant as the budget is entered in ESA. All amounts entered in the budget in ESA should be rounded to the nearest whole dollar. No cents should be entered in the budget in ESA. The NPP Budget column must reflect the total contribution amount and must match the budget justification exactly. **Do not include the tax credit amount. Failure to adhere to these budget requirements may result in the application being denied.**

The tax credit amount will be determined based upon 75% or 80% of the total contribution amount. For example, if the Applicant receives a commitment from a business in the amount of $100,000, the total amount of the contribution indicated in the NPP request column should reflect $100,000. The tax credit award will be calculated from that column at 75 percent ($75,000) for a five (5) year commitment, or at 80 percent ($80,000) for a six (6) year or longer commitment. If the Applicant has obtained more than one commitment, sum the commitments and indicate the total in the NPP Budget column. Applicants are responsible for ensuring the full amount of the contribution is accounted for.

The portion of contributions used for administrative costs and overhead should be limited. Administrative costs generally include salaries and benefits for agency administration, finance/accounting, procurement, building maintenance, etc. as well as travel and office supplies/equipment.

Administrative costs do not include the staff and time related to direct service provision and activities that directly benefit people, support physical improvements, or direct program costs.

F. Budget Justification

Complete a Budget Justification similar to the sample (Exhibit H). Please list all budget expenses for the application separating the contribution cost in the DCED column from the other costs needed to fund the entire project only. Review the costs identified and check to ensure they correspond with the proposed project activities by comparing to the open line items in the budget for accuracy.

Remember to submit any documentation required to support the budget. This may include job descriptions for positions being paid under the NAP application, subcontract agreements, leases, or construction documentation.
G. Checklist for Application

Use the following checklist to ensure relevance and completeness of the NPP application:

- Does the application meet the requirements of NPP?
- Completed project narrative in ESA. “Please see attached” or other statements of a similar nature are not acceptable.
- Narrative: explain the Place, Problem, Project and Proposed Outcomes.
- Does the narrative contain justification for addressing COVID-19 Pandemic Recovery and Social Justice priorities if applicable?
- Is the Community Impact Measures Report completed, including the list of Contributors, in the original Microsoft Excel Format?
- Is the neighborhood or strategic plan attached?
- Has a project timeline been identified and provided?
- Is sufficient documentation submitted to support the NPP project, including evidence of the need, partnerships, funding sources, collaborations, etc.?
- Is data supplied, including references where data was extracted such as census track, city code, etc., to support a low-income population, distressed area, and the relative need?
- Are commitment letters from all Contributors attached? Do all commitment letters contain the necessary information per Section IV, Part F?
- Have all contributors filed the Electronic Clearance Form for Tax Credits on the Department of Revenue website: www.revenue.pa.gov/taxcredits? The clearance worksheet previously submitted via paper submission to DCED will no longer be accepted. Please refer to Section II, Part E for instructions related to the Electronic Clearance Form for Tax Credits.
- Is a copy of the IRS 501(c)(3) award letter attached? Does the letter fit the parameters laid out in Section III, Part B, #7 of these guidelines?
- Are any job descriptions paid by the NPP attached?
- Are any agreements, subcontracts, ownership, lease or sale agreements, bids, quotes, or cost estimates attached?
- Are all MOUs signed and dated by all parties, and included? If MOUs have been revised after the first year, are the new or amended MOUs attached?
- Have any zoning or any special requirements been identified to complete the project?
- Is the projected budget correct, and does it match the Budget Justification?
- Have any supporting documents that apply to data collection, such as maps or charts, been uploaded?
- Are any letters of support for the project included?
- Are all photos, drawings, or project descriptions included in the narrative or otherwise identified and included?
- Is historical information included that demonstrates the progress of the project if the NPP application is being submitted beyond the first year?
- Are success stories, concerns, or changes included if the NPP application is being submitted beyond the first year?
- Has proof of other funding sources or collaborations been identified and documented?
- Has the completed application been uploaded via ESA?
Section VIII – Charitable Food Program (CFP)

A. Introduction

Pennsylvania has created a Blueprint for a Hunger-Free PA (the Blueprint) which has established as its goal to provide all Pennsylvanians with access to healthy, nutritious food, which will improve their well-being, health, and independence. DCED, as a participant in this Blueprint, will leverage the strength of our community and business partners as well as innovations in the charitable food network to set the table for a hunger-free Pennsylvania.

Pennsylvania is a world-leader in agricultural production, yet more than 1.5 million Pennsylvanians struggle to secure enough food to eat. Pennsylvania has the human capital, resources, infrastructure, and natural advantages needed to achieve full nutrition security.

The issue of food security and eliminating hunger demands a comprehensive approach and a wide-range of stakeholders, including: farmers, processors, allied agriculture associations, retailers, academia, food banks and local community-based emergency food providers, food assistance policy and advocacy groups, food alliances, and government entities. Each partner plays a critical role in creating and sustaining local and regional food security systems.

The Charitable Food Program (CFP) component of NAP is focused on improving food security in Pennsylvania. CFP assists charitable programs that provide food to low income populations in distressed areas. These programs include both larger-scale, county and regional food banks as well as local, community-based direct-service providers. CFP also provides support for new or innovative food related projects that can increase the availability of nutritious food. This could include projects such as community-based agricultural production programs, controlled environment agriculture (e.g., aeroponics, aquaponics, hydroponics, etc.), gleaning programs, food rescue operations, initiatives to process surplus agricultural products into consumable foods (including dairy and produce), and organizations that redistribute unused game, among others. The CFP offers a 55 percent tax credit to Contributors on an approved application.

Applicants who are considering submission of a CFP application should refer to Section I, Part A of these guidelines for important information pertaining to NAP and COVID-19 Pandemic Recovery and Social Justice Issues.

B. Program Requirements

All requirements in Sections I through IV and requirements in this section are part of the application process for CFP.

The applicant must describe their capability to administer this project by providing the overall mission or purpose of the organization and the primary services delivered by the organization. Further, the applicant must detail how their project fits into CFP by describing how it will reduce food insecurity within the targeted area where it is operating. While larger food banks may be distributing food directly to individuals or client agencies other applicants may be putting together a gleaning project to benefit a local population of food insecure people. Applicants are encouraged to be innovative with their ideas for overcoming this critical problem.

The CFP is accessible for organizations serving low-income households that demonstrate, in comparison to county and statewide averages, a high incidence of food insecurity as defined by the U.S. Department of Agriculture (USDA), Food and Nutrition Service (FNS):

- **Low food security** - reports of reduced quality, variety, or desirability of diet. Little or no indication of reduced food intake.
• **Very low food security** - Reports of multiple indications of disrupted eating patterns and reduced food intake.

Acceptable food contributions for CFP tax credits are any food with nutritional value. Items such as candy, soda, snack foods, etc. do not qualify for CFP tax credits. The Department reserves the right to make final determination about what constitutes a legitimate food contribution for CFP.

Applications may include funds needed to support the program. Supports such as truck usage, case managers, or purchasing non-food items or household items are permitted, within reason. Detailed explanations for items other than food are required in the narrative, budget, and budget justification.

Applicants submitting projects under COVID-19 Pandemic Recovery and Social Justice Issues must explain how their project will specifically address pandemic recovery or social justice priorities in their targeted area. Please refer to Section I, Part A for further information. If a CFP applicant is submitting a solicitation plan they must secure final commitments from the solicited contributors by August 31 of the project year. Also, all solicited contributors must file the Electronic Clearance Form for Tax Credits by the same date. Please refer to Section II, Part E for instructions related to the Electronic Clearance Form for Tax Credits. CFP applicants may not change or acquire new contributors after August 31 of the project year. Any tax credit applications received from contributors who were not approved by the Department of Revenue prior to project start will not be accepted.

C. **Narrative**

The CFP narrative must include a complete description of the proposed project and must incorporate the four required elements of: Place, Problem, Project, and Proposed Outcomes. Outcome measures required for CFP include the following projected and actual outcomes:

• Number of neighborhood, community, or targeted area residents who are served or impacted by project
• Number of pounds of food distributed if applicable
• Number of meals provided if applicable
• Number of neighborhoods or communities served
• Number and type of neighborhood or community organizations served
• Economic value of the food provided
• Food Insecurity Rates

These specific CFP requirements appear in Section III of the Community Impact Measures Report *(Exhibit A).* Specific narrative requirements are explained in Section I of these guidelines.

D. **Budget**

In completing the budget section in ESA, the budget must include the CFP Request located in the first column, and any other sources of funds needed to undertake the project located in the remaining columns. These columns are named and designated by the applicant as the budget is entered in ESA. All amounts entered in the budget in ESA should be rounded to the nearest whole dollar. No cents should be entered in the budget in ESA. The CFP Request column must reflect the total contribution amount and must match the budget justification exactly. **Do not include the tax credit amount. Failure to adhere to these budget requirements may result in the application being denied.**

The tax credit amount will be determined based on 55% of the total contribution amount. For example, if the Applicant receives a commitment from a business in the amount of $75,000, the total amount of the contribution indicated in the CFP Request column must be $75,000. The tax credit award will be calculated
from that column at 55 percent for CFP projects. If there is more than one commitment, sum the
commitments and indicate the total in the CFP Request column. In this example, the $75,000 from a
Contributor will result in an available tax credit of $41,250 for the CFP project. Applicants are responsible
for ensuring the full amount of the contribution is accounted for.

The portion of contributions used for administrative costs and overhead should be limited. Administrative
costs generally include salaries and benefits for agency administration, finance/accounting, procurement,
building maintenance, etc. as well as travel and office supplies/equipment.

Administrative costs do not include the staff and time related to direct service provision and activities that
directly benefit people, support physical improvements, or direct program costs.

E. Budget Justification—Sample

The sample budget justification format (Exhibit H) may be used as a guide in preparing your budget
justification that details budget costs in ESA. This sample format for the justification can be used with CFP
project budgets. The budget justification should include only budget categories and line items that are
applicable to your particular type of project as identified in this CFP section.

F. Special Requirement for Food Related Contributions

If contributions of food are being made to a project, they must be recorded on the NAP In-Kind Food
Donations form (Exhibit J). This form must be included when the application for tax credits is submitted by the
Contributor. The value of all food donations must adhere to the cost per pound valuations listed on the form.
Tax credits will be calculated based only on the information provided on this form. Further, all contributions of
food must be as specific as possible to describe what is contributed to the Applicant. The Department reserves
the right to deny eligibility of any contribution that does not meet this requirement. It is the responsibility of the
Applicant to ensure all Contributors are aware of the CFP guidelines and adhere to them.

G. Checklist for Application

Use the following checklist to ensure relevance and completeness of the CFP application:

• Does the application meet the requirements of CFP?
• Completed project narrative in ESA. “Please see attached” or other statements of a similar nature are
  not acceptable.
• Narrative: explain the Place, Problem, Project, and Proposed Outcomes.
• Does the narrative contain justification for addressing COVID-19 Pandemic Recovery and Social
  Justice priorities if applicable?
• Is the Community Impact Measures Report completed, including the list of contributors, in the original
  Microsoft Excel format?
• Is data supplied including references where data was extracted such as census track, city code, etc., to
  support the food insecurities?
• Are commitment letters attached? Do all commitment letters contain the necessary information per
  Section IV, Part F?
• Have all contributors filed the Electronic Clearance Form for Tax Credits on the Department of
  Revenue website: www.revenue.pa.gov/taxcredits? The clearance worksheet previously submitted via
  paper submission to DCED will no longer be accepted. Please refer to Section II, Part E for instructions
  related to the Electronic Clearance Form for Tax Credits.
• If full commitment has not been obtained is a detailed solicitation plan attached? If so, commitments must be firm, and commitment letters submitted to DCED by August 31st. Contributors must file their Electronic Clearance Form for Tax Credits by the same date.
• Is sufficient documentation that will explain any line items other than food included?
• Is a copy of the IRS §501(c)(3) IRS Determination Letter attached? Does the letter fit the parameters laid out in Section III, Part B, #7 of these guidelines?
• Are any job descriptions for position(s) being paid by the CFP attached?
• Is the projected budget correct, and does it match the Budget Justification?
• Have any supporting documents that apply to data collection, such as maps or charts, been uploaded?
• Are all photos, drawings, or project descriptions that are not included in the narrative or otherwise identified and included?
• Has the completed application been uploaded via ESA?
Regional Offices

Pennsylvania Department of Community and Economic Development
dced.pa.gov

Central
Adams, Bedford, Centre, Clearfield, Clinton, Cumberland, Dauphin, Franklin, Fulton, Huntingdon, Juniata, Lycoming, Mifflin, Perry, and York counties

Department of Community and Economic Development
Marita Kelley, Director
400 North Street, 4th Floor
Commonwealth Keystone Building
Harrisburg, PA 17120-0225
(717) 720-7301
Fax (717) 783-4663
markelley@pa.gov

Southwest
Allegheny, Armstrong, Beaver, Blair, Butler, Cambria, Fayette, Greene, Indiana, Somerset, Washington, and Westmoreland counties

Department of Community and Economic Development
Johanna Pro, Director
301 Fifth Avenue, Suite 250
Pittsburgh, PA 15222
(412) 565-5098
Fax: (412) 565-2635
jopro@pa.gov

Northwest
Cameron, Clarion, Crawford, Elk, Erie, Forest, Jefferson, Lawrence, McKean, Mercer, Potter, Venango, and Warren counties

Department of Community and Economic Development
Kim Thomas, Director
100 State Street, Suite 205
Erie, PA 16507
(814) 871-4245
Fax: (814) 454-7494
kimbethoma@pa.gov

Southeast
Bucks, Chester, Delaware, Lancaster, Montgomery and Philadelphia counties

Department of Community and Economic Development
Aliyah Stanger, Director
110 North 8th Street, Suite 505
Philadelphia, PA 19107-2471
(215) 560-5830
Fax: (215) 560-5832
astanger@pa.gov

Northeast
Bradford, Carbon, Columbia, Lackawanna, Luzerne, Montour, Pike, Schuylkill, Sullivan, Susquehanna, Tioga, Wayne and Wyoming counties

Department of Community and Economic Development
Paul Mackosky
2 North Main Street
Pittston, PA 18640
(570) 963-4122
Fax: (570) 654-6315
pmackosky@pa.gov

Lehigh Valley
Berks, Lehigh, Monroe, Lebanon, Northampton, Northumberland, Snyder, and Union counties

Department of Community and Economic Development
Fadia Halma, Director
400 North Street, 4th Floor
Commonwealth Keystone Building
Harrisburg, PA 17120-0225
(717) 877-8481
fhalma@pa.gov
### GENERAL INFORMATION

<table>
<thead>
<tr>
<th>Applicant:</th>
<th>Project Name:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Application Number:</td>
<td>Fiscal Year:</td>
</tr>
</tbody>
</table>

Applicants must submit this report with projected outcomes and contributor information with each application. All subsequently approved applicants must then update the report to include actual outcomes, contributor information, and the Annual Project Report on Success section upon conclusion of the project or before December 31st, whichever occurs first. The completed report including actual outcomes must be submitted to DCED via email to ra-dcednapmail@pa.gov.

### SECTION I: PROJECT PURPOSE

Please select the type of Neighborhood Assistance Project:  
MUST Select NAP Type

### SECTION II: PROJECT SUCCESS MEASURES

Please complete the project activities that apply to your Neighborhood Assistance Program (NAP) project. Identify and report all project activities that are related to your specific project. Projected outcomes must be identified and submitted at the time of application. Actual outcomes must be updated and submitted upon conclusion of the project or before December 31st, whichever occurs first.

<table>
<thead>
<tr>
<th>Project Measures</th>
<th>Projected</th>
<th>Actual</th>
<th>Project Measures</th>
<th>Projected</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td># of neighborhood residents served/impacted by project</td>
<td># of those listed served who are long term recipients of food subsidies (greater than 6 months)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td># served who would have been required to make a choice between food or medical expenses (assisted by this project) and other expenses, such as medical care, utility payments, etc.</td>
<td># served who are receiving food subsidies as part of/participating in a self-sufficiency program such as financial/budget counseling, employment and training, and/or family savings account, first time homebuyer, etc.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td># of low-income individuals served who are also participating in income, infrastructure, &amp; asset building towards their long-term goals</td>
<td># of low-income individuals assisting in neighborhood cleanup &amp; beautification</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td># of low-income individuals assisting with project planning &amp; implementation</td>
<td># of combined &quot;Total&quot; of ALL low-income individuals assisting with any portion of this project (include all low-income individuals who planned/implemented and/or assisted with cleanup, plus any other low-income individuals who contributed in another way towards this project)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td># of low-income individuals learning &amp; maintaining budgeting skills</td>
<td># meals provided to low-income individuals/families</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td># of day cares created by project</td>
<td># of senior care sites created by project</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td># of youth participating in weekend and/or after-school programs</td>
<td># of first-time homebuyers served by project</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td># of foreclosures prevented due to intervention</td>
<td># of housing units maintained (mitigated all home issues)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td># of housing units rehabbed by project</td>
<td># of housing units constructed by project</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td># of residents who completed job training</td>
<td># of residents who completed ABE/GED curricula</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td># of residents who obtained FT employment as a result of job training</td>
<td># of residents who obtained PT employment as a result of job training</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### SECTION II: PROJECT SUCCESS MEASURES (Continued)

<table>
<thead>
<tr>
<th>Project Measures</th>
<th>Projected</th>
<th>Actual</th>
<th>Project Measures</th>
<th>Projected</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td># of direct jobs created by project paying more than state minimum wage</td>
<td></td>
<td></td>
<td># of jobs retained by project</td>
<td></td>
<td></td>
</tr>
<tr>
<td># of new business start-ups</td>
<td></td>
<td></td>
<td># of commercial/industrial buildings constructed</td>
<td></td>
<td></td>
</tr>
<tr>
<td># of commercial/industrial buildings rehabbed</td>
<td></td>
<td></td>
<td># of blighted properties cleared by project</td>
<td></td>
<td></td>
</tr>
<tr>
<td># of blighted buildings removed</td>
<td></td>
<td></td>
<td># of new facia added to revive community appearance</td>
<td></td>
<td></td>
</tr>
<tr>
<td># of sites that were cleaned and repurposed (land recycling through environmental cleanup) so that land may serve a new purpose</td>
<td></td>
<td></td>
<td># of sites which increased the low-income community’s monetary network in order to satisfy a need (examples: Bank or Grocery Store)</td>
<td></td>
<td></td>
</tr>
<tr>
<td># of blocks with adequate lighting installed by this project</td>
<td></td>
<td></td>
<td># of blocks receiving better street signs, flags, flowers, and/or other improvements/beautification</td>
<td></td>
<td></td>
</tr>
<tr>
<td># of parks or rest sites created</td>
<td></td>
<td></td>
<td># of life-saving surgeries</td>
<td></td>
<td></td>
</tr>
<tr>
<td># rides given for work or medical</td>
<td></td>
<td></td>
<td># of low-income individuals who received NARCAN and/or CPR training</td>
<td></td>
<td></td>
</tr>
<tr>
<td># of patients served by various other health services (medical services, opioid addiction services, dental services, etc.)</td>
<td></td>
<td></td>
<td># of Community Gathering places created to serve a need for Seniors</td>
<td></td>
<td></td>
</tr>
<tr>
<td># of Community Health Centers created for low-income individuals</td>
<td></td>
<td></td>
<td># of buildings cleaned for Disaster Recovery</td>
<td></td>
<td></td>
</tr>
<tr>
<td># of Community Gathering places created to serve a need for Youth</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### SECTION III: COMMUNITY IMPACT MEASURES

Community Impact Measures are required for ALL PROJECTS. Identify the Community Impact Measures that best describe how your project will impact your community. The Project Success Measures in Section II should guide your identification of Community Impact Measures that quantify the actual changes and demonstrate the effectiveness of your project’s use of NAP tax credit investments.

Complete the Inception and Projected columns for all measures that apply to your project. Use the Inception column to identify conditions that exist at the time of application. Use the Projected column to identify outcomes you expect to attain as a result of the project.

Approved projects must complete the Actual column at the end of the project or before December 31, whichever occurs first.

<table>
<thead>
<tr>
<th>Impact Measures</th>
<th>Inception</th>
<th>Projected</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homeownership Rate</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Median Property Value</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Residential Vacancy Rate</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business Property Vacancy Rate</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Poverty Rate</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Crime Rate</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>School Drop Out Rate</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>High School Graduation Rate</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unemployment Rate</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Food Insecurity Rate</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Impact Measures (Job Impact)</th>
<th>Inception</th>
<th>Projected</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Quality Jobs* Created</td>
<td>N/A</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of Quality Jobs* Retained</td>
<td>N/A</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Estimated Tax Credits per Total Jobs (created &amp; retained)</td>
<td>N/A</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### SECTION IV: COMMUNITY IMPACT MEASURES (Continued)

<table>
<thead>
<tr>
<th>Impact Measures (Tax Impact)</th>
<th>Inception</th>
<th>Projected</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>State/Local Taxes*</td>
<td>N/A</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Abated Taxes**</td>
<td>N/A</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

For site-specific construction or rehabilitation/redevelopment projects include all state and local taxes collected resulting from business and/or residential activity for that site. The state taxes should include:
- Earned income from workers;
- Corporate/business taxes including Corporate Net Income Tax, Insurance Premiums Tax (see next measure regarding any abated taxes); and
- State taxes
The local taxes should include taxes collected at the county municipal, and school district levels;
- Property taxes (see next measure regarding any abated taxes);
- Earned income from workers;
- Business taxes including Net Profits Tax, Business Gross Receipts, Business Occupancy, Business Privilege and Mercantile Taxes (see next measure regarding any abated taxes); and
- Sales taxes.

Exclude any property taxes from any properties that are in tax foreclosure or that have tax arrearages dating back more than one year. These amounts should be excluded from the inception column.

** In completing answers for state/local tax measures above, do not include any abated taxes. Include all state and local taxes abated in the “Abated Taxes” measure. The amount due in the “Inception” column should be the most recent year total prior to project start. Exclude any property taxes from properties that are in tax foreclosure or that have tax arrearages dating back more than one year. These amounts should be excluded from the “Inception” column.

<table>
<thead>
<tr>
<th>Impact Measures (Financial Related Impact)</th>
<th>Inception</th>
<th>Projected</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Money Made Available for Project via Businesses Receiving Tax Credits</td>
<td>N/A</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Individual Cash Contributions Towards Project</td>
<td>N/A</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Community Dollars Available (local government and individual resources made available to the project as a result of NAP)</td>
<td>N/A</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Resources Available for Project as a Result of Tax Credits</td>
<td>N/A</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Impact Measures (Project Impacts Not Otherwise Counted Above)</th>
<th>Inception</th>
<th>Projected</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Community Impact Measures to Support Project Proposed by Applicant: (complete for each selected measure)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>#1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>#2</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### SECTION V: FUNDS LEVERAGED - PRIVATE

Please identify all other resources and funding that will be leveraged to complete the NAP project including public, private, and individual contributions, funding sources, volunteer resources, and any other types of contributions that support the project. Include any non-profit organizations that will contribute funding or resources, along with any federal, state, or local tax incentives or other business contributions. At application, identify the anticipated sources and amounts of funds and resources. Upon conclusion of the project or before December 31st, whichever occurs first, provide the actual sources and amounts of fund and resources.

<table>
<thead>
<tr>
<th>Contributor Name</th>
<th>Date of Contribution</th>
<th>Monetary Contribution $$ Value</th>
<th># of Volunteer Hours Contributed</th>
<th>Other Contribution - List Services Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Various Private Individuals</td>
<td>Dates will Vary</td>
<td>$0</td>
<td>0</td>
<td>Total Volunteer Hours</td>
</tr>
</tbody>
</table>

Total of Additional Funds Leveraged $0 | 0 | Total Volunteer Hours |


### SECTION VI: FUNDS LEVERAGED from BUSINESS CONTRIBUTORS

At application, simply list the business contributors that will support the project. Upon conclusion of the project or before December 31st, whichever occurs first, provide complete information for each contributor.

<table>
<thead>
<tr>
<th>Contributor Name &amp; Address</th>
<th>Date of Contribution</th>
<th>Amount of Contribution</th>
<th>Applied to DCED for Tax Credits</th>
<th>Amount of Contribution Expended by Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Address</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>City, State, Zip</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Name</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Address</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>City, State, Zip</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Name</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Address</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>City, State, Zip</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Name</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Address</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>City, State, Zip</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Name</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Address</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>City, State, Zip</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Name</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Address</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>City, State, Zip</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Name</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Address</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>City, State, Zip</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Name</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Address</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>City, State, Zip</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Name</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Address</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>City, State, Zip</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Total Contribution Amount** $0  
**Total Expended** $0
**SECTION VII: ANNUAL PROJECT REPORT ON SUCCESS**

The Annual Report on Project Success is required for ALL PROJECTS. Upon conclusion of the project or before December 31st, complete this section to narrate the details of the success of your project.

Describe how the project goals (measurements), as submitted with your application, were met? If any of them were not met, describe the lessons learned and how you are working towards achieving these goals/measurements…

| Have all businesses met their initial commitment and applied for tax credits? Have all these commitments been expended by the agency? If the answer is not affirmative, please explain… |
| |

Provide additional comments/information below that will aid the DCED in evaluating the progress and outcomes of your project. Also provide lessons learned which would assist DCED or other projects in future planning.

| Provide information on lessons learned which will assist you or others in planning future projects. |
| |

ARCHIVED
Driven by the need for enhanced community revitalization, Pennsylvania’s Neighborhood Assistance Program (NAP) provides substantial support for fiscally distressed neighborhoods and communities across Pennsylvania, encourages positive health outcomes, and addresses residents’ safety and welfare. By enabling businesses to help nonprofits meet funding challenges, NAP helps put communities on the right track to self-sufficiency. Program applicants apply for NAP tax credits that are available for use by the contributing businesses, who in turn receive Pennsylvania state tax credits for their project contribution. These contributions have helped to develop and sustain many local projects that benefit communities, especially low-income populations.

## CORPORATE NET INCOME TAX BENEFIT

The examples provided below are based on the Federal Corporate Tax Rate of 21% and State Corporate Net Income Tax Rate of 9.99%. **Always consult a tax advisor** to ensure the percentages are accurate and have not been changed. They are for demonstration purposes only.

<table>
<thead>
<tr>
<th>Description</th>
<th>55%</th>
<th>75%</th>
<th>80%</th>
<th>Corporate Foundation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contribution</td>
<td>$200,000</td>
<td>$200,000</td>
<td>$200,000</td>
<td>$200,000</td>
</tr>
<tr>
<td>NAP Tax Credit</td>
<td>$110,000</td>
<td>$150,000</td>
<td>$160,000</td>
<td>—</td>
</tr>
<tr>
<td>Net Cash Outlay before Tax Cost Benefit</td>
<td>$90,000</td>
<td>$50,000</td>
<td>$40,000</td>
<td>$200,000</td>
</tr>
<tr>
<td>Federal Tax Benefit of Contribution (21%)</td>
<td>$42,000</td>
<td>$42,000</td>
<td>$42,000</td>
<td>$42,000</td>
</tr>
<tr>
<td>— Reduction of State Tax Costs</td>
<td>$23,100</td>
<td>$31,500</td>
<td>$33,600</td>
<td>—</td>
</tr>
<tr>
<td>Net Federal Tax Benefit</td>
<td>$18,900</td>
<td>$10,500</td>
<td>$8,400</td>
<td>$42,000</td>
</tr>
<tr>
<td>State Tax Benefit of Contribution (9.99%)</td>
<td>$19,980</td>
<td>$19,980</td>
<td>$19,980</td>
<td>$19,980</td>
</tr>
<tr>
<td>— Reduction of Federal Tax Costs (21%)</td>
<td>$4,196</td>
<td>$4,196</td>
<td>$4,196</td>
<td>$4,196</td>
</tr>
<tr>
<td>Net State Tax Benefit</td>
<td>$15,784</td>
<td>$15,784</td>
<td>$15,784</td>
<td>$15,784</td>
</tr>
<tr>
<td>Net Cash Outlay after Tax Benefit</td>
<td>$55,316</td>
<td>$23,716</td>
<td>$15,816</td>
<td>$142,216</td>
</tr>
<tr>
<td>Cost Per $100</td>
<td>$27.66</td>
<td>$11.86</td>
<td>$7.91</td>
<td>$71.11</td>
</tr>
<tr>
<td>NAP Tax Credit Additional Tax Benefit</td>
<td>$86,900.00</td>
<td>$118,500.00</td>
<td>$126,400.00</td>
<td></td>
</tr>
</tbody>
</table>
### "S" Corporation, Partnership & LLC Pass-Through Entities, 
**Personal Individual Income Tax Benefit**

The examples provided below are based on the lowest Federal Individual Income tax rate of 10% and State Personal Income Tax Rate of 3.07%. Be sure that you are using the tax rates that apply to your filing status and income level and **always consult with your tax advisor** to ensure the percentages are accurate and have not been changed. **They are for demonstration purposes only.**

<table>
<thead>
<tr>
<th></th>
<th>55%</th>
<th>75%</th>
<th>80%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contribution</td>
<td>$200,000.00</td>
<td>$200,000.00</td>
<td>$200,000.00</td>
</tr>
<tr>
<td>NAP Tax Credit</td>
<td>$110,000.00</td>
<td>$150,000.00</td>
<td>$160,000.00</td>
</tr>
<tr>
<td>Net Cash Outlay before Tax Costs/(Benefits)</td>
<td>$90,000.00</td>
<td>$50,000.00</td>
<td>$40,000.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>55%</th>
<th>75%</th>
<th>80%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Tax Benefit of Contribution (10%)</td>
<td>$20,000.00</td>
<td>$20,000.00</td>
<td>$20,000.00</td>
</tr>
<tr>
<td>Reduction of State Tax Costs (10%)</td>
<td>$11,000.00</td>
<td>$15,000.00</td>
<td>$16,000.00</td>
</tr>
<tr>
<td>Net Federal Tax Benefit of Contribution</td>
<td>$9,000.00</td>
<td>$5,000.00</td>
<td>$4,000.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>55%</th>
<th>75%</th>
<th>80%</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Tax Benefit of Contribution (3.07%)</td>
<td>$6,140.00</td>
<td>$6,140.00</td>
<td>$6,140.00</td>
</tr>
<tr>
<td>Reduction of Federal Tax Costs (10%)</td>
<td>$614.00</td>
<td>$614.00</td>
<td>$614.00</td>
</tr>
<tr>
<td>Net State Tax Benefit of Contribution</td>
<td>$5,526.00</td>
<td>$5,526.00</td>
<td>$5,526.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>55%</th>
<th>75%</th>
<th>80%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Cash Outlay after Tax Benefits</td>
<td>$75,474.00</td>
<td>$39,474.00</td>
<td>$30,474.00</td>
</tr>
<tr>
<td>Cost Per $100</td>
<td>$37.74</td>
<td>$19.74</td>
<td>$15.24</td>
</tr>
</tbody>
</table>

### Title Insurance, Bank and Trust Company Shares Tax Benefit

The examples provided below are based on the Federal Corporate Tax Rate of 21%. **Always consult a tax advisor** to ensure the percentages are accurate and have not been changed. **They are for demonstration purposes only.**

<table>
<thead>
<tr>
<th></th>
<th>55%</th>
<th>75%</th>
<th>80%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contribution</td>
<td>$200,000.00</td>
<td>$200,000.00</td>
<td>$200,000.00</td>
</tr>
<tr>
<td>NAP Tax Credit</td>
<td>$110,000.00</td>
<td>$150,000.00</td>
<td>$160,000.00</td>
</tr>
<tr>
<td>Net Cash Outlay</td>
<td>$90,000.00</td>
<td>$50,000.00</td>
<td>$40,000.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>55%</th>
<th>75%</th>
<th>80%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Tax Benefit of Contribution (21%)</td>
<td>$42,000.00</td>
<td>$42,000.00</td>
<td>$42,000.00</td>
</tr>
<tr>
<td>Reduction of State Tax Costs (21%)</td>
<td>$23,100.00</td>
<td>$31,500.00</td>
<td>$33,600.00</td>
</tr>
<tr>
<td>Net Federal Tax Benefit of Contribution</td>
<td>$18,900.00</td>
<td>$10,500.00</td>
<td>$8,400.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>55%</th>
<th>75%</th>
<th>80%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Cash Outlay after Tax Benefits</td>
<td>$71,100.00</td>
<td>$39,500.00</td>
<td>$31,600.00</td>
</tr>
<tr>
<td>Cost Per $100</td>
<td>$35.55</td>
<td>$19.75</td>
<td>$15.80</td>
</tr>
</tbody>
</table>

**Tax Rate:** 1.25%

**Tax Base:** Capital Stock Value (6-Year Average)

Entities subject to Bank and Trust Company Shares Tax:
- ✔ Domestic Title Insurance Companies
- ✔ Banks and Trust Companies
## Gross Premiums Tax Benefit

The examples provided below are based on the Federal Corporate Tax Rate of 21%. **Always consult a tax advisor** to ensure the percentages are accurate and have not been changed. They are for demonstration purposes only.

<table>
<thead>
<tr>
<th></th>
<th>55%</th>
<th>75%</th>
<th>80%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contribution</td>
<td>$200,000.00</td>
<td>$200,000.00</td>
<td>$200,000.00</td>
</tr>
<tr>
<td>NAP Tax Credit</td>
<td>$110,000.00</td>
<td>$150,000.00</td>
<td>$160,000.00</td>
</tr>
<tr>
<td>Net Cash Outlay</td>
<td>$90,000.00</td>
<td>$50,000.00</td>
<td>$40,000.00</td>
</tr>
<tr>
<td>Federal Tax Benefit of Contribution (21%)</td>
<td>$42,000.00</td>
<td>$42,000.00</td>
<td>$42,000.00</td>
</tr>
<tr>
<td>Reduction of State Tax Costs (21%)</td>
<td>$23,100.00</td>
<td>$31,500.00</td>
<td>$33,600.00</td>
</tr>
<tr>
<td>Net Federal Tax Benefit of Contribution</td>
<td>$18,900.00</td>
<td>$10,500.00</td>
<td>$8,400.00</td>
</tr>
<tr>
<td>Net Cash Outlay after Tax Benefits</td>
<td>$71,100.00</td>
<td>$39,500.00</td>
<td>$31,600.00</td>
</tr>
<tr>
<td>Cost Per $100</td>
<td>$35.55</td>
<td>$19.75</td>
<td>$15.80</td>
</tr>
</tbody>
</table>

**Tax Rate:** 2.00%
**Tax Base:** Gross Insurance Premiums**

Entities subject to Gross Premiums Tax:
- **✓** Insurance Companies
- Exempt: Title Insurance Companies subject to Title Insurance Shares Tax

**Includes Fire, Casualty, Title, Life, Accident, & Health Insurance Premiums**

## Mutual Thrift Institutions Tax Benefit

The examples provided below are based on the Federal Corporate Tax Rate of 21%. **Always consult a tax advisor** to ensure the percentages are accurate and have not been changed. They are for demonstration purposes only.

<table>
<thead>
<tr>
<th></th>
<th>55%</th>
<th>75%</th>
<th>80%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contribution</td>
<td>$200,000.00</td>
<td>$200,000.00</td>
<td>$200,000.00</td>
</tr>
<tr>
<td>NAP Tax Credit</td>
<td>$110,000.00</td>
<td>$150,000.00</td>
<td>$160,000.00</td>
</tr>
<tr>
<td>Net Cash Outlay</td>
<td>$90,000.00</td>
<td>$50,000.00</td>
<td>$40,000.00</td>
</tr>
<tr>
<td>Federal Tax Benefit of Contribution (21%)</td>
<td>$42,000.00</td>
<td>$42,000.00</td>
<td>$42,000.00</td>
</tr>
<tr>
<td>Reduction of State Tax Costs (21%)</td>
<td>$23,100.00</td>
<td>$31,500.00</td>
<td>$33,600.00</td>
</tr>
<tr>
<td>Net Federal Tax Benefit of Contribution</td>
<td>$18,900.00</td>
<td>$10,500.00</td>
<td>$8,400.00</td>
</tr>
<tr>
<td>Net Cash Outlay after Tax Benefits</td>
<td>$71,100.00</td>
<td>$39,500.00</td>
<td>$31,600.00</td>
</tr>
<tr>
<td>Cost Per $100</td>
<td>$35.55</td>
<td>$19.75</td>
<td>$15.80</td>
</tr>
</tbody>
</table>

**Tax Rate:** 11.50%
**Tax Base:** Net Earnings

Entities subject to Mutual Thrift Institutions Tax:
- **✓** Savings Institutions
- **✓** Savings Banks
- **✓** Savings and Loan Associations
- **✓** Building and Loan Associations
**APPLICATION FOR TAX CREDIT**  
UNDER THE NEIGHBORHOOD ASSISTANCE ACT

### IMPORTANT

Attach proof of contribution (See Number 10)

Obtain copy of Project Approval Letter

Check amounts and dates

### FOR DEPARTMENTAL USE ONLY

<table>
<thead>
<tr>
<th>APPLICATION NUMBER:</th>
<th>APPLICATION NUMBER:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>APPROVED MAXIMUM CREDIT:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>APPROVING AUTHORITY:</th>
<th>DATE:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### GENERAL INFORMATION

1. **APPLICANT’S NAME:**

2. **ADDRESS:**

3. **CONTACT PERSON:**

4. **TELEPHONE NUMBER:**

4A. **E-MAIL ADDRESS:**

5. **QUALIFIED EXPENDITURES (CONTRIBUTION):**

   $ __________

6. **TYPE OF TAX:**

7. **TAX CREDIT REQUEST:**

   $ __________

8. **TAXPAYER IDENTIFICATION NUMBER:**

9. **NAME OF NAP APPROVED PROJECT:**

10. **ESA APPLICATION NUMBER:**

11. **DATE OF CONTRIBUTION:**

12. **DCED AGREEMENT NUMBER:**

### 10. PROOF OF CONTRIBUTION:

- [ ] Check - A copy of a CANCELLED CHECK
- [ ] Equipment and/or Supplies
- [ ] Job Training
- [ ] Real Estate
- [ ] Technical Assistance

I, ____________________________________________________________________________

Name of Firm

hereby affirm under penalties prescribed by

law that this application has been examined by me and to the best of my knowledge and belief, the information is true, correct and complete.

______________________________  ______________________________

Date of Affirmation  Signature

PA Revenue Tax Box Number or other Tax Identification Number is MANDATORY for application to be processed.
GENERAL INSTRUCTIONS

A. WHO MUST FILE: In order to obtain the tax credit authorized under the Neighborhood Assistance Program, business firms must submit this Application for approval.

B. WHEN TO FILE: Application must be filed with the Department of Community and Economic Development within six months after the contribution period of the approved project. Contributors will still have five years in which to use the tax credit.

C. SIGNATURE AND MAILING: The application must be signed by an authorized officer of the applicant. The original must be mailed to the Department of Community and Economic Development, 400 North Street, Commonwealth Keystone Building, 4th Floor, Harrisburg, PA 17120-0225.

D. SEPARATE APPLICATIONS: A separate application must be submitted for each project and program year.

E. CLAIMING TAX CREDIT: You will receive a copy of the approved tax credit application and a Form of Tax Credit Certificate; attach Form of Tax Credit Certificate when filing your tax return with the Pennsylvania Department of Revenue.

SPECIFIC INSTRUCTIONS

Item 1: Indicate exact name of business firm.

Item 2: Indicate address to which correspondence concerning this application is to be directed.

Item 3: Person to be contacted if additional information is needed.

Item 4: Telephone number of contact person; 4a. E-mail address of contact person.

Item 5: Indicate contribution made to this project.

Item 6: Indicate the type of tax. Applicable Taxes: Corporations - CNI or Capital Stock/Franchise; Banks - Shares; Insurance Companies - Gross Premiums; Savings and Loans - Mutual Thrift.

Item 7: Indicate the tax credit requested for this contribution.

Item 8: Indicate PA Revenue Tax Identification Number or Federal Employer Identification Number.

Item 9: Indicate name of NAP approved project, ESA application number and the date of contribution.

Item 10: Proof of contribution: provide and attach one of the following:

   a. Cash Contributions:
      If a contribution was made to a specific program that was approved under this project, sponsored by an organization that conducts many varied programs, checks must be made payable to the organization and noted specifically for the NAP project. Photocopy of front and back of cancelled check made payable to the approved project must be attached to tax credit application.

   b. Equipment and/or Supplies Contributions:
      Copy of invoice signed by NAP project official. Invoice must reflect the retail cost and net outlay of the contributor. Tax credits will be granted on the net cost only.

   c. Job Training:
      Include name and wages paid to each trainee and any approved costs incurred.

   d. Real Estate Contribution:
      Copy of Deed. Two (2) independent appraisals.

   e. Technical Assistance:
      Signed statement itemizing time/rate spent on the project, signed by employee and employer.
FORM OF TAX CREDIT CERTIFICATE

GENERAL INFORMATION

<table>
<thead>
<tr>
<th>1. NAME OF COMPANY:</th>
<th>2. NAP CREDIT APPLICATION ID:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3. FEIN:</th>
<th>4. REVENUE ID:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>5. EFFECTIVE DAE OF CREDIT:</th>
<th>6. EXPIRATION DATE OF CREDIT:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

[Date of Certificate]

TO THE PENNSYLVANIA DEPARTMENT OF REVENUE:

Pursuant to Article XIX-A of the Tax Reform Code of 1971 (72 P.S. §§ 8701-H et seq.), as amended (the “Act”), the Commonwealth of Pennsylvania, acting by and through the Department of Community and Economic Development (the “Department”) and the ____________________________ [Company Name], the Department hereby certifies that it has awarded, Neighborhood Assistance Program Tax Credits (the "Tax Credits"), in the amount of $__________________ [Dollar Amount] for fiscal year 2021-2022.

This Certificate has been issued by the Department of Community and Economic Development by its duly authorized officer, on this _____ day of __________, 20____.

Important: This credit cannot be used to offset tax due for reporting periods that close prior to the Effective date on this certificate. This credit is not available for refund. This credit may be passed through, carried forward for 5 succeeding taxable years, sold or assigned.

A completed tax report must be filed for the period in which the credit was approved before the credit may be passed through, carried forward, sold or assigned. In addition, the sale or assignment of a restricted credit will not be approved if the seller has any unpaid state taxes, non-filed or incomplete state tax reports and returns as of the date the Department of Revenue is asked to review the seller’s records as part of the process to approve the sale of a credit.

- To sell or assign this credit, please submit a Sale/Assignment application through the Department of Community and Economic Development. If you have questions or would like additional information regarding the sale or assignment process, please contact the Center for Community Services at RA-DCEDNAPMAIL@pa.gov.

- To pass through this credit to the shareholders, members or partners, please return this letter and the completed claim form to the Department of Revenue. Do not include the claim form with any tax report. If you have questions regarding the posting of this credit, please call 717-772-3896.

COMPLETE THE REVERSE SIDE BEFORE RETURNING
### NEIGHBORHOOD ASSISTANCE TAX CREDIT CLAIM FORM

1. REVENUE ID (CORPORATION TAX ACCOUNT ID/SSN):

2. FEDERAL EMPLOYER ID (FEIN):

3. AMOUNT OF APPROVED CREDIT FROM FRONT OF FORM:

#### APPLICATION OF APPROVED CREDIT

<table>
<thead>
<tr>
<th>TAX TYPE</th>
<th>ENTITY TYPE</th>
<th>TAX PERIOD ENDING</th>
<th>ACCOUNT ID / SSN</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL TAX CREDITS BEING APPLIED:**

**CLAIM FORM INSTRUCTIONS**

Tax period ending is the last day of the reporting period for the tax type specified. If applying credit against an estimated or tentative liability, provide the last day of the applicable tax year, not the due date of the prepayment.

- Account ID/SSN is the identifying number of the entity. A Social Security number is required for distribution of credit to shareholder personal income tax obligations for qualified PA subchapter S corporations.

- If claiming credit against personal income tax, provide a full list of all individuals including their name, Social Security number and the amount of credit to be applied under each SSN.

- The pro-rata share of credit for each partner, member or shareholder of a pass-through entity will be compared to the Department of Revenue’s records regarding percentage of ownership as provided on the Partner/Member/Shareholder Directory of the pass-through entity’s PA-20S/PA-65. A pass-through entity is any partnership or Pennsylvania subchapter S corporation as defined in section 301 of the Tax Reform Code (72 P.S. § 7301).

- The completed claim must be emailed to RA-RVPACORPRD@pa.gov or mailed to:

  PA DEPARTMENT OF REVENUE  
  BUREAU OF CORPORATION TAXES  
  ATTENTION ACCOUNTING UNIT  
  PO BOX 280701  
  HARRISBURG PA 17128-0701
APPLICATION TO SELL OR ASSIGN TAX CREDITS UNDER THE NEIGHBORHOOD ASSISTANCE ACT

### IMPORTANT

Submit all required signatures  
Taxpayer Identification is mandatory  
Check amounts and dates

### FOR DEPARTMENTAL USE ONLY

<table>
<thead>
<tr>
<th>APPLICATION NUMBER:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>APPROVED TO SELL MAXIMUM CREDIT:</td>
<td></td>
</tr>
<tr>
<td>APPROVING AUTHORITY:</td>
<td>DATE:</td>
</tr>
</tbody>
</table>

### GENERAL INFORMATION

1. SELLER’S NAME: [ ]

2. ADDRESS: [ ]

3. CONTACT PERSON: [ ]  
4. TELEPHONE NUMBER: [ ]  
5. E-MAIL ADDRESS: [ ]

6. AMOUNT TO SELL OR ASSIGN: $ [ ]

7. TYPE OF TAX: [ ]

8. TAXPAYER IDENTIFICATION NUMBER: [ ]

9. AUTHORIZED SIGNATURE OF SELLER: [ ]

I, ________________________________________________________________, ____________________________________________ of ________________________________________________________________, hereby affirm under penalties prescribed by law that this application has been examined by me and to the best of my knowledge and belief, the information is true, correct and complete.

_________________________________ ____________________________
Date of Affirmation Signature of Seller

10. PROSPECTIVE BUYER NAME: [ ]  
TAXPAYER IDENTIFICATION NUMBER: [ ]

11. ADDRESS: [ ]

12. CONTACT PERSON: [ ]  
13. TELEPHONE NUMBER: [ ]  
14. E-MAIL ADDRESS: [ ]

15. SIGNATURE OF AUTHORIZED BUYER: [ ]

I, ________________________________________________________________, ____________________________________________ of ________________________________________________________________, hereby affirm under penalties prescribed by law that this application has been examined by me and to the best of my knowledge and belief, the information is true, correct and complete.

_________________________________ ____________________________
Date of Affirmation Signature of Buyer
GENERAL INSTRUCTIONS

A. WHO MUST FILE: In order to sell the tax credit authorized under the Neighborhood Assistance Program, sellers and buyers must submit this Application for approval.

B. WHEN TO FILE: Application to sell tax credits must be filed with the Department of Community and Economic Development if no claim for the allowance of the credit is filed within one year from the date the credit is granted by the Department of Revenue. The buyer must use the credits in the tax year in which the purchase is made.

C. SIGNATURE AND MAILING: The application must be signed by an authorized officer of the seller and buyer. The original must be mailed to the Department of Community and Economic Development, 400 North Street, Commonwealth Keystone Building, 4th Floor, Harrisburg, PA 17120-0225.

D. SEPARATE APPLICATIONS: A separate application must be submitted for each request.

E. CLAIMING TAX CREDIT: You will receive a copy of the approved tax credit sale application; attach same when filing your tax return with the Pennsylvania Department of Revenue.

SPECIFIC INSTRUCTIONS

Item 1: Indicate exact name of seller. Use the name on record with the PA Department of Revenue unless that on-file information has been changed and is no longer valid.

Item 2: Indicate address to which correspondence concerning this application is to be directed, as related to Item 1.

Item 3: Person to be contacted if additional information is needed.

Item 4: Telephone number of contact person.

Item 5: E-mail address of contact person.

Item 6: Indicate tax credit being sold.

Item 7: Indicate the type of tax. Applicable Taxes: Bank and Trust Company Shares; Capital Stock/Franchise; Corporate Net Income Tax; Gross Premiums; Mutual Thrift; Personal Income Tax; Title Insurance Company Shares.

Item 8: Indicate PA revenue Tax Identification Number or Federal Employer Identification Number.

Item 9: Indicate name, title and firm who is authorizing the sale by signature.

Item 10: Indicate name of buyer. Use the name on record with the PA Department of Revenue unless that on-file information has been changed and is no longer valid. Indicate the buyer’s Tax Identification Number or Federal Employer Identification Number.

Item 11: Indicate address to which correspondence concerning this application is to be directed, as related to Item 1.

Item 12: Person to be contacted if additional information is needed.

Item 13: Telephone number of contact person.

Item 14: E-mail address of contact person.

Item 15: Indicate the name, title and firm (if applicable) who is authorizing the purchase by signature.
Happy Valley Bank
1234 Main Street
Downtown, PA 00000

April 1, 2021

To Whom It May Concern:

On behalf of Happy Valley Bank (FEIN ##-########), I would like to affirm our commitment of $50,000.00 for fiscal year 2021-2022 to the Southside Community Development Corporation of Downtown, Pennsylvania.

We understand that this will be considered under the Neighborhood Assistance Program and would receive 55% in state tax credits on this amount, if the application is approved.

We look forward to our continued support of the neighborhood revitalization program in the Southside community.

Sincerely,

W.E. Coyote
CFO
Happy Valley Bank
wecoyote@happyvalleybank.com
Sample Budget Justification

This sample budget justification format is to be used as a guide in preparing your budget justification, which details Neighborhood Assistance Program (NAP) budget costs in the Single Application for Assistance. This sample format for the justification can be used with all NAP project budgets. The budget justification should include only those budget categories and line items that are applicable to your particular type of project as identified in this addendum. The budget justification must match the budget entered into ESA.

Acquisition – List the cost of land and the buildings to be purchased or contributed in-kind at fair market value.

Example:

<table>
<thead>
<tr>
<th></th>
<th>DCED Cost</th>
<th>Other Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>$40,000</td>
<td>$0</td>
</tr>
<tr>
<td>Total</td>
<td>$40,000</td>
<td>$0</td>
</tr>
</tbody>
</table>

General Construction – List New Construction and Renovation costs. List such items as electrical, heating, plumbing, material, supplies, etc.

Example:

<table>
<thead>
<tr>
<th></th>
<th>DCED Cost</th>
<th>Other Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Construction</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electrical</td>
<td>$5,000</td>
<td>$2,000</td>
</tr>
<tr>
<td>Heating</td>
<td>$7,000</td>
<td>$6,000</td>
</tr>
<tr>
<td>Plumbing</td>
<td>$4,000</td>
<td>$1,500</td>
</tr>
<tr>
<td>Total</td>
<td>$16,000</td>
<td>$9,500</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>DCED Cost</th>
<th>Other Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renovations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Materials</td>
<td>$25,000</td>
<td>$30,000</td>
</tr>
<tr>
<td>Supplies</td>
<td>$10,000</td>
<td>$15,000</td>
</tr>
<tr>
<td>Total</td>
<td>$35,000</td>
<td>$45,000</td>
</tr>
</tbody>
</table>

Infrastructure/Site Preparation – List such items as roads and streets, parking, water/sewer, utilities, demolition, excavation/grading and environmental cleanup.

Example:

<table>
<thead>
<tr>
<th></th>
<th>DCED Cost</th>
<th>Other Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parking</td>
<td>$3,500</td>
<td>$6,500</td>
</tr>
<tr>
<td>Utilities</td>
<td>$4,000</td>
<td>$8,000</td>
</tr>
<tr>
<td>Demolition</td>
<td>$10,000</td>
<td>$4,000</td>
</tr>
<tr>
<td>Total</td>
<td>$17,500</td>
<td>$18,500</td>
</tr>
</tbody>
</table>

Machinery & Equipment – List all equipment, other than office equipment, that will be obtained and used in the proposed project.

Example:

<table>
<thead>
<tr>
<th></th>
<th>DCED Cost</th>
<th>Other Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Trash Compactor</td>
<td>$100</td>
<td>$100</td>
</tr>
<tr>
<td>2 Sets of Walkie Talkies</td>
<td>$100</td>
<td>$100</td>
</tr>
<tr>
<td>3 Shelving Units</td>
<td>$50</td>
<td>$100</td>
</tr>
<tr>
<td>Total</td>
<td>$250</td>
<td>$300</td>
</tr>
</tbody>
</table>

Note: See note under office equipment.
Operating Costs/Working Capital – List salaries and fringes of all full and part-time staff, training and technical assistance costs, consumable supplies, travel costs, office equipment, space costs and audit costs.

**Example:**

<table>
<thead>
<tr>
<th>Number of Persons</th>
<th>Title</th>
<th>Hourly Rate</th>
<th>Hours on Project</th>
<th>Total</th>
<th>DCED Cost</th>
<th>Other Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Project Manager</td>
<td>$16.00</td>
<td>2080</td>
<td>$33,280</td>
<td>$15,000</td>
<td>$18,280</td>
</tr>
<tr>
<td>1</td>
<td>Admin. Assistant</td>
<td>$12.00</td>
<td>1040</td>
<td>12,480</td>
<td>6,000</td>
<td>6,480</td>
</tr>
</tbody>
</table>

*Job descriptions for any positions for which DCED funding is requested must be attached.*

<table>
<thead>
<tr>
<th>DCED Cost</th>
<th>Other Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fringe Benefits @ 32%</td>
<td>$11,406</td>
</tr>
<tr>
<td>Total Salaries and Fringes</td>
<td>$32,406</td>
</tr>
</tbody>
</table>

**TRAINING & TECHNICAL ASSISTANCE**

<table>
<thead>
<tr>
<th>DCED Cost</th>
<th>Other Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conference Registration 2 @ $100 each</td>
<td>$100</td>
</tr>
<tr>
<td>Computer Training 2 @ $150 each</td>
<td>$150</td>
</tr>
<tr>
<td>Total</td>
<td>$250</td>
</tr>
</tbody>
</table>

**CONSUMABLE SUPPLIES**

<table>
<thead>
<tr>
<th>DCED Cost</th>
<th>Other Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office Supplies @ $50/mo. x 12 months</td>
<td>$200</td>
</tr>
<tr>
<td>Total</td>
<td>$200</td>
</tr>
</tbody>
</table>

**TRAVEL**

<table>
<thead>
<tr>
<th>DCED Cost</th>
<th>Other Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Travel 100 miles/month @ .36 mile x 12 months</td>
<td>$200</td>
</tr>
<tr>
<td>Out of Town Travel Subsistence @ $28 x 6 days</td>
<td>$68</td>
</tr>
<tr>
<td>Total</td>
<td>$268</td>
</tr>
</tbody>
</table>
OFFICE EQUIPMENT

<table>
<thead>
<tr>
<th>DCED Cost</th>
<th>Other Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 computers @ $1,500 each</td>
<td>$1,500</td>
</tr>
<tr>
<td>1 desk @ $500</td>
<td>250</td>
</tr>
<tr>
<td>1 chair @ $100</td>
<td>50</td>
</tr>
<tr>
<td>1 file cabinet @ $250</td>
<td>100</td>
</tr>
<tr>
<td>Total</td>
<td>$1,900</td>
</tr>
</tbody>
</table>

If equipment is to be obtained through NAP tax credits, a statement to that effect must be included on the budget justification.

SPACE COSTS

<table>
<thead>
<tr>
<th>DCED Cost</th>
<th>Other Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>200 sq. ft. @ $10/sq. ft.</td>
<td>$2,000</td>
</tr>
<tr>
<td>Maintenance @ $100/month x 12 months</td>
<td>1,000</td>
</tr>
<tr>
<td>Total</td>
<td>$3,000</td>
</tr>
</tbody>
</table>

Note: List all facilities to be charged to this project.

Related Costs – Include paid professional services/consultants not compatible with the hiring of a full time staff person. List items such as engineering, inspections, fees, insurance, environmental assessment, legal costs, closing costs and other. “Other” includes items such as telephone, postage and vehicle maintenance.

Example:

<table>
<thead>
<tr>
<th>DCED Cost</th>
<th>Other Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consultant Services - 50 hours @ $75/hour</td>
<td>$1,750</td>
</tr>
<tr>
<td>Insurance</td>
<td>250</td>
</tr>
<tr>
<td>Subtotal</td>
<td>$2,000</td>
</tr>
<tr>
<td>Other -</td>
<td></td>
</tr>
<tr>
<td>Telephone - $90/month x 12</td>
<td>$580</td>
</tr>
<tr>
<td>Postage - $25/month x 12</td>
<td>150</td>
</tr>
<tr>
<td>Vehicle Maintenance</td>
<td>300</td>
</tr>
<tr>
<td>Subtotal</td>
<td>$1,030</td>
</tr>
<tr>
<td>Total</td>
<td>$3,030</td>
</tr>
</tbody>
</table>

A written contract is required for all contracted services. A copy of the proposed contractual agreement must be included with your application.

<table>
<thead>
<tr>
<th>DCED Cost</th>
<th>Other Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>GRAND TOTAL</td>
<td>$142,298</td>
</tr>
<tr>
<td>-500</td>
<td>-500</td>
</tr>
<tr>
<td>$141,798</td>
<td>$106,042</td>
</tr>
</tbody>
</table>
SAMPLE MOU

Memorandum of Understanding/Business and Community Partnership Agreement

Between

Business Name

And

Non- Profit Organization

INTRODUCTION

This Memorandum of Understanding/Partnership Agreement made this ____ day of ____ 20XX represents a working agreement between:

The Name of the Non-Profit (hereinafter referred to as ________________), a non-profit community-based organization serving the neighborhoods of ____________ and covering an area bounded by ___ Street to the __________________________.

Name of Business (hereinafter referred to as ________________), a full-service financial institution serving Communities in the ______________ region and beyond.

The purpose of this Memorandum of Understanding/Community Partnership Agreement (hereinafter referred to as “Agreement”), is to provide a framework for an effective working relationship and collaboration between the two entities in to support the ongoing revitalization of the many neighborhoods that comprise __________ service area, and to facilitate a range of community development investments needed to sustain such revitalization. In this regard, this MOU serves as a basis upon which:

- general and specific commitments of financial and “in-kind” resources by Name of the Business to the Name of the Non-Profit Organization in the Five or Six Year period from July 1, 20XX to June 30, 20XX can be developed and agreed to; and

- general and specific investments by Name Business to Name Non-Profit can be defined and delivered to assist Name of Non-Profit in meeting the physical, economic, and quality-of-life goals represented in its Years of the Strategic Neighborhood Plan.

I. Guiding Principles

Each entity recognizes that the other is prepared to commit a unique set resources to this working relationship and each also acknowledge that the type and level of resources committed to have a
successful collaboration may change over time as opportunities for development in Name of Non-Profit service are evolves.

A. About Name of Non-Profit

With respect to, its status as a non-profit organization and its history as an established neighborhood-based community development corporation operating in service area enable it to offer and deliver the following resources which are essential to the revitalization of its service area in general and particular project infinitives outlined in their neighborhood strategic plan:

- social capital held by their "stakeholders" – residents, business, and institutions of the neighborhoods comprising the Project Area – in the form of relationships with and knowledge of the community and its many constituencies.

- potential program and project financing available through financial intermediaries, philanthropic organizations and units of local, state and federal government which are committed to supporting Name of Non-Profit charitable and socially-motivated missions.

Name of Non-Profit promotes the strategic revitalization of the ________ community in which Name of Non-Profit carries out social services and housing activities for homeless families.
Founded in ______, Name of Non-Profit provides an array of neighborhood assistance projects, education and job training programs to transform ________ into a ________ community.

B. About Name of Business

With respect to Name of Business, its status as a réputable financial institution, lender and investor enables it to offer and deliver a mix of resources considered essential to the revitalization of urban neighborhoods and to the growth and development of community development corporations charged with such a mission; examples of some these resources include:

- technical expertise to help organizations strengthen their planning, operations, infrastructure, and performance in the area of finance and accounting, personnel management, product development, external affairs, and marketing.

- retail banking and financing services and products in the form of equity, debt, and grants and assistance in identifying similar resources that can augment their own direct investments.
Name of Business is committed and dedicated to serving the needs of its communities through the investment of financial resources and team member participation. Its mission is to meet the credit needs in communities served by the bank while maintaining sound nondiscriminatory standards and, through this mission, build mutually beneficial relationships with customers for the vitality of their communities.

Name of the Business products and services are designed to support first-time homebuyers, affordable rental housing, community and economic development, healthcare and education while creating and supporting jobs and services in low-and moderate-income communities.

In general and through this NPP-supported project Name of Business will work closely with Name of Non-Profit and the many community based organizations, business leaders, and local government officials on community development initiatives that assist low-and moderate-income communities and their families. This commitment to improve quality of life in communities served by Name of Business reflects a commitment and a conviction to “make a difference”.

II. Provisions and Commitments

In support of the Non-Profit and Business collaboration under the Commonwealth’s Neighborhood Partnership Program, the following pledges and commitments are made:

A. Name of Business shall:

Financial

- pledge a minimum of $50,000.00 in annual cash contributions over a five-year period to support Name of Non-Profit administration, operations, and management of its housing, economic, and human/social service programs and existing portfolio.

- remit that pledge in the form of one lump-sum payment at the beginning of each calendar year, subject to Name of Non-Profit satisfaction of related reporting requirements referenced herein and within the NPP guidelines.

- at its discretion, make additional cash contributions to benefit this project.

In-Kind

- provide business development support as an in-kind contribution to Non-Profit in the following areas that are designed to enhance its operations, management and overall growth and development as a business enterprise, including, but not necessarily limited to:

  - professional development mentoring/consultation
  - accounting, bookkeeping and financial management
  - personnel management
Participation & Engagement

- appoint a senior level representative to serve on an advisory committee that represents the interests of residents, businesses, and organizational and institutional stakeholders in Name of Non-Profit project service area; it will be the role of this body to provide general oversight and advice to Name of Non-profit senior management and board on the implementation of Name of Non-profit Neighborhood Strategic Plan going forward.

- publicize the nature and extent of Name of Business support to Name of Non-profit and information about Name of Non-profit mission within the business and through appropriate marketing events and materials demonstrating the unique collaboration between “business and community”.

- meet quarterly with Name of Non-Profit senior management team comprised of Names of Senior Management Team to review the performance of the specific projects, assess the general working relationships and potential new opportunities brought about through this NPP collaboration, and determine the need for any refinements or amendments to the terms of this Agreement based on the first two activities.

B. Non-Profit shall:

Financial

- receive and fully account for the $50,000.00 yearly cash contributions received from Name of Business over the five or six year period.

- issue financial and narrative reports to Name of Business on a quarterly basis confirming the proper appropriation of and benefits such resources with respect to the approved NPP application.

- issue an on-line financial and narrative report to Name of Business on an annual basis confirming the proper appropriation of and benefits of such resources with respect to the approved NPP application.

In-Kind

- facilitate the delivery and use of the business development support service referenced herein by Name of Non-Profit managers and staff to help enhance Name of Business internal operations, management and overall growth and development as a business enterprise.

- publicize and recognize Name of Business support to Name of Non-Profit in project-related materials, press releases, signage at project sites, and other
appropriate media demonstrating the unique collaboration between “business and community”.

Participation & Engagement

- meet quarterly with Name of Business senior manager designated as to work directly on this NPP-sponsored project on the items described above.

- provide Name of Business with a detail timetable for the completion of key project components and activities and their anticipated/expected outcomes or impacts that fall under the NPP supported project.

C. Business and Non-Profit shall:

- review their own and each other’s performance under this agreement to assess the extent to which sufficient process is being made to justify the commitments of financial resources, in-kind resources, and overall effort to achieve the goals under NPP. Any refinements or changes to this agreement in spirit or in deed must be agreed to by both parties.

- in the event the joint or individual review of performance suggests termination of the agreement by mutual consent, a formal termination letter referencing the “lack of performance and recommended action” shall be drafted, fully executed, and delivered to the appropriate representative of Name of Non Profit, Name of Business, and DCED. The termination letter shall reference any services, products, resources owed by one party to the other and acknowledged by both, and a corresponding timetable for remittance of such debt.

III. Concurrence

Name of Non-Profit and Name of Business are in mutual agreement with the principles, terms and spirit of this MOU/Agreement and prepared to proceed with this NPP-supported project as outlined above.

Name of Non-Profit

By: ____________________________ Date _______________

Signature

Title

Name of Business

By: ____________________________ Date _______________

Signature

Title
### SECTION I: GENERAL INFORMATION

1. NAP PROJECT:  
2. CONTRIBUTOR:  
3. DATE(S) OF DONATION:  
4. DONATED VALUE:  
5. TAX CREDIT VALUE:  

Tax credits are equal to 55% of the donated value. We expect these donations will qualify under the Neighborhood Assistance Program. If these figures do not correspond with your records, please call:

Project Contact Person:  
Telephone Number:  

### SECTION II: HOW YOUR DONATION IS VALUED

<table>
<thead>
<tr>
<th>Category of Food (quantity in lbs.)</th>
<th>Cost Per Lb.</th>
<th>Number of Lbs.</th>
<th>Total Allowable Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meat</td>
<td>$2.50</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Poultry</td>
<td>$2.35</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dairy</td>
<td>$2.39</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vegetables</td>
<td>$1.05</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fruit</td>
<td>$0.86</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grains</td>
<td>$1.76</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>$1.23</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL:**

### SECTION III: DECLARED PRODUCTION COST

<table>
<thead>
<tr>
<th>Description</th>
<th>Quantity</th>
<th>Unit</th>
<th>Retail Cost</th>
<th>Unit Production Cost</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL:**

AGENCY AUTHORIZED SIGNATURE:  
DATE:  

ARCHIVED