

# STATE FACILITY CLOSURE TRANSITION PROGRAM

Program Guidelines | March 2021



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## Section I – Statement of Purpose

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The General Appropriation Act of 2020 (1A of 2020) and the Supplement to the General Appropriation Act of 2020 (Act 17A of 2020) together appropriated a combined total of \$5,000,000 to the Department of Community and Economic Development (DCED) to establish the **State Facility Closure Transition Program (SFCTP)**. The State Facility Closure Transition Program is intended to ensure adequate community support following the closure of commonwealth facilities in directly impacted and contiguous counties.

Grants will be awarded to those eligible counties that comply with the provisions of these program guidelines and meet all requirements of DCED's Electronic Single Application for Assistance (ESA). Applications received under this program may also be considered for funding from other programs administered by DCED, if applicable.

Grants under SFCTP are processed under the authority of Section 3 of the Act of May 10, 1939 (P.L. 111, No. 51), known as the Commerce Law, which authorizes the Department of Community and Economic Development to undertake ways and means of promoting and encouraging the prosperous development of Pennsylvania business, industry and commerce, of expanding markets and promoting and developing new markets for Pennsylvania products, to encourage the location and development of new business, industry and commerce within the Commonwealth, to aid in restoring employment in communities affected by unemployment, and to assist persons, firms, associations, political subdivisions, corporations, cooperative associations and other organizations in the execution of its duties and functions under the Act.

## Section II – Eligibility

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### A. Eligible Applicants

Eligible applicants for the SFCTP are restricted to county governments that have been or will be impacted by the closure of the following state-operated or state-owned facilities:

- SCI Retreat (Luzerne)
- White Haven Center (Luzerne)
- Polk State Center (Venango)

This includes counties where staff impacted by the referenced closures reside. Eligible counties under this program include: Butler, Carbon, Clarion, Columbia, Crawford, Lackawanna, Lawrence, Luzerne, Mercer, Monroe, Northumberland, Schuylkill, and Venango.

### B. Eligible Use of Funds

Grant funds provided under the SFCTP must be used to support counties impacted or that will be impacted by state facility closures. Eligible counties are encouraged to comprehensively evaluate their countywide needs and distribute the grant funds as equitably as possible, giving priority to municipalities where the facilities to be closed are located. All expenditures must be incurred by the end of the contract period. Eligible use of funds for the SFCTP may include, but are not limited to:

1. Environmental assessments, remediation of hazardous substances to reclaim brownfields, demolition, and/or rehabilitation of blighted properties and other site preparations work necessary to prepare land for future use.

2. Construction, upgrade or rehabilitation of infrastructure necessary to help improve services to the community, attract businesses or increase tourism to the area including main street improvements.
3. The development of a comprehensive regional plan to address blight, attract businesses and/or increase tourism to the region.
4. Offsetting cost of direct county response, planning, and outreach efforts related to the closure of the facility(s).
5. Retraining, apprenticeship, or other workforce development programs for commonwealth residents.
6. Behavioral Health & Substance use disorder treatment services.
7. Grant programs administered by Community Development Financial Institutions (CDFIs) or Community Economic Development Organizations (CEDOs) to assist small businesses directly affected by closure of the facility(s).
8. Broadband internet deployment with priority given to unserved or underserved areas.
9. Administrative costs, permit fees, legal costs, and expenses for other professional services (maximum 2%).

### **C. Ineligible Use of Funds**

Ineligible use of grant funds for the SFCTP include:

1. Financing a project located outside the geographic boundaries of this Commonwealth or the boundaries of an eligible county.
2. Fees for securing other financing, interest charges on borrowed funds, tap-in-fees, and unpaid taxes or municipal liens.
3. Procurement of lobbying services or payment of fines, costs, awards or judgments resulting from lawsuits, citations, or regulatory actions.

## **Section III – Funding and Formula for Block Grant**

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### **A. Minimum Distribution**

No eligible county, which has applied and received approval, shall receive a distribution of less than \$21,306.82.

### **B. Proration**

The distribution to an eligible county shall be adjusted on a pro rata basis to the extent necessary to meet the minimum distribution requirements (at least six staff members residing in the county) and to not exceed the total amount of funds appropriated.

### **C. Exclusion**

A county that is not the reported residence of the requisite staff members impacted by the referenced closed facilities is not eligible to receive funds.

## **Section IV – The Application Process**

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### **A. General**

1. Applications are due no later than 03/31/2021. All applications for the SFCTP must be completed and submitted online using DCED's Single Application, which can be accessed at [www.esa.dced.state.pa.us](http://www.esa.dced.state.pa.us). Paper applications will not be accepted.
2. Applicants should carefully follow instructions outlines in the Single Application and provide all requested information. Help can be obtained by contacting DCED Customer Service.

### **B. Application Evaluation**

1. Counties with staff impacted by one or more referenced closed facility shall receive a distribution based on the staff member's reported county of residence.
2. The allocation of funding distributed to each contiguous county is based on the total number of staff in residence within each county. Counties will be eligible for \$3,551.14 for each impacted staff member.
3. The ability of an applicant to incorporate sound land use principles.

### **C. Procedures for Accessing Funds**

1. Following approval of the application, a grant agreement will be sent to the applicant for execution. Upon execution by the county, the agreement must be returned to DCED. All grant funds must be expended by the end of the contract period.
2. Funding will be in the form of advanced payment. Funding will be directly deposited in grantee's bank account via an Automatic Clearing House transfer of funds in accordance with the grant contract.

### **D. Reporting**

1. The applicant must maintain full and accurate records with respect to the project. DCED must have complete access to such records (including invoices for goods, services, and other relevant data and records), as well as the right to inspect all project work. The applicant will promptly furnish all data, reports, contracts, documents, and other information requested by DCED.
2. Applicants are required to submit monthly reports on use of these funds, as well as a final closeout report that provides an overview of the completed activities and the measurable outcomes.
3. The final report shall include the estimated number of Pennsylvania residents or businesses positively impacted by funded projects such as jobs created, job trainings, businesses assisted, and population impacted by infrastructure.

## Section V – Limitations and Penalties

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- A. An applicant may not make or authorize any substantial change to an approved use of funds without first obtaining DCED’s consent in writing.
- B. If the full amount of the award is not required for the project, the unused portion shall be returned to DCED.
- C. Failure to comply with these Guidelines may result in penalties, including, but not limited to, repayment of grant funds with interest.

## Section VI – Program Requirements

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### A. Nondiscrimination

No assistance shall be awarded to an applicant under this program unless the applicant certifies that it will 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 local, state, or federal laws. All contracts for work to be paid with grant funds must contain the Commonwealth’s official nondiscrimination clause.

### B. Conflicts of Interests

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 neither vote on action of the applicant concerning the project nor participate in the deliberations of the applicant concerning the project. Family members including relatives of the grantee/borrower (including spouses, parents, grandparents, siblings, in-laws, aunts, uncles, and cousins), may not be recipients of contracts for services under this grant.

### C. Program Records

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

### D. Financial Audit

Contract closeout procedures are published at [dced.pa.gov/compliance](https://dced.pa.gov/compliance). Grantees are required to complete the closeout documents upon the expiration of the contract. Contracts of \$100,000 or more require a project audit. DCED may withhold payment and funding on this and other DCED contracts for failure to submit proper closeout documents in a timely manner.

## **Section VII – Contact Information**

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All application inquiries should be directed to:

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

1-800-379-7448

E-mail: [ra-dcedcs@pa.gov](mailto:ra-dcedcs@pa.gov)

**Note:** If you receive a funding notice from DCED, please direct any inquiries to DCED Customer Service. Also, please have the assigned application number available.

## Attachment A – Distribution of Funds by County

The Chart below shows the final distribution of the \$5M to counties prorated by the number of staff residing in each county with *a minimum of 6 staff for distribution.*

### Staff Residence by County (\$5M)

County	SCI Retreat	White Haven Center	Polk Center	TOTAL	Allocation to Counties by # of Facilities' Staff
Luzerne	314	279		<b>593</b>	\$2,105,823.86
Venango			488	<b>488</b>	\$1,732,954.55
Mercer			103	<b>103</b>	\$365,767.05
Columbia	32	8		<b>40</b>	\$142,045.45
Carbon	2	37		<b>39</b>	\$138,494.32
Crawford			39	<b>39</b>	\$138,494.32
Lackawanna	24	8		<b>32</b>	\$113,636.36
Schuylkill	4	12		<b>16</b>	\$56,818.18
Butler			14	<b>14</b>	\$49,715.91
Monroe	2	11		<b>13</b>	\$46,164.77
Lawrence			13	<b>13</b>	\$46,164.77
Clarion			12	<b>12</b>	\$42,613.64
Northumberland	6			<b>6</b>	\$21,306.82
<b>TOTAL</b>	<b>394</b>	<b>360</b>	<b>674</b>	<b>1,427</b>	<b>\$5,000,000.00</b>