

STATEMENTS OF POLICY

Title 12—COMMERCE, TRADE AND LOCAL GOVERNMENT

DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT

[12 PA. CODE CH. 123]

Community Revitalization Program

The Department of Community and Economic Development (Department) hereby amends Chapter 123 (relating to Community Revitalization Program—statement of policy) to read as set forth in Annex A. The statement of policy is amended under the authority of Part II, section 209 of Act 6A of 2001 (Appropriation Act).

Background

The Appropriation Act requires the Department to publish Community Revitalization Program (CRP) guidelines in the *Pennsylvania Bulletin* prior to the spending of the 2001-2002 moneys designated for the CRP. This amended statement of policy updates the existing CRP guidelines published in 2000.

Amendments

Section 123.1 (relating to introduction) is amended to update the reference to the Appropriation Act and to the current fiscal year.

Section 123.3 (relating to eligibility) is amended to update the reference to the Appropriation Act and to the current fiscal year. It is also amended to add a provision rendering projects for the sole benefit of a for-profit entity ineligible to receive funding.

Section 123.4 (relating to program requirements and instructions) is amended to add a reference to the Department's regional offices as a source from whom applications may be obtained; to add a provision giving the Department the right to reject incomplete applications when additional information requested by the Department is not received within 30 days of the Department's request; and to add a provision requiring more specific information on the application.

Section 123.5 (relating to application submission and approval procedure) is amended to update the reference to the current fiscal year, the grant award cycles, the proposed award dates and the Department's current address. It also is amended to permit the on-line submission of applications.

Section 123.6 (relating to procedures) is amended to update the reference to the current fiscal year.

Section 123.8 (relating to contact information) is amended to update the reference to the Department's current address.

Fiscal Impact

The amended statement of policy has no fiscal impact on the Commonwealth, political subdivisions or the public.

Paperwork Requirements

Additional paperwork requirements are not imposed as a result of the amended statement of policy.

Contact Person

For further information regarding the amended statement of policy, contact Darlene Ferrier, Customer Service Center, Department of Community and Economic Development, Commonwealth Keystone Building, 400 North Street, Fourth Floor, Harrisburg, PA 17120-0225, (717) 787-3405.

Findings

The Department finds that delay in implementing the statement of policy will have a serious adverse impact on the public interest.

Order

The Department, acting under the authorizing statute, orders that:

(a) The statement of policy of the Department, 12 Pa. Code Chapter 123, is amended by amending §§ 123.1 and 123.3—123.8 to read as set forth in Annex A.

(b) The Secretary of the Department shall submit this order and Annex A to the Office of General Counsel for approval as to form and legality as required by law.

(c) The Secretary of the Department shall certify this order and Annex A and deposit them with the Legislative Reference Bureau as required by law.

(d) This order shall take effect upon publication in the *Pennsylvania Bulletin*.

SAMUEL A. MCCULLOUGH,

Secretary

Fiscal Note: 4-73. No fiscal impact; (8) recommends adoption.

Annex A

TITLE 12. COMMERCE, TRADE AND LOCAL GOVERNMENT

PART V. COMMUNITY AFFAIRS AND DEVELOPMENT

Subpart A. STRATEGIC PLANNING AND OPERATION

CHAPTER 123. COMMUNITY REVITALIZATION PROGRAM—STATEMENT OF POLICY

§ 123.1. Introduction.

(a) The CRP provides grants for community revitalization and improvement projects throughout this Commonwealth. CRP funds may be used for projects that are in accordance with Act 6A of 2001. Eligible projects are defined in § 123.3(b) (relating to eligibility).

(b) Assistance from the CRP is in the form of grants from the Commonwealth to eligible applicants for projects which, in the judgment of the Department, comply with the provisions of Act 6A of 2001, are in accordance with the program guidelines in this chapter and meet all Department Single Application for Assistance criteria found in the application.

(c) Applicants should be aware that applications for other Department programs may also be considered under the CRP. This creates a large pool of applications for a limited appropriation from the General Assembly. As such, not every application can or will be funded.

(d) 2001 CRP expenditures will be charged to the State fiscal year July 1, 2001 to June 30, 2002.

§ 123.3. Eligibility.

(a) *Eligible applicants.* The following applicants are eligible:

(1) General purpose units of local government, including counties, cities, boroughs, townships and home rule municipalities.

(2) Municipal and redevelopment authorities and agencies.

(3) Industrial development authorities and agencies.

(4) Nonprofit corporations incorporated under the laws of the Commonwealth.

(5) Community organizations engaged in activities consistent with the program guidelines as determined by the Department.

(b) *Eligible projects.*

(1) CRP funds may be used for community revitalization and improvement projects that are consistent with Act 6A of 2001. Eligible projects include projects which meet one or more of the following criteria:

(i) Improve the stability of the community.

(ii) Promote economic development.

(iii) Improve existing or develop new, or both, civic, cultural, recreational, industrial and other facilities.

(iv) Assist in business retention, expansion, creation or attraction.

(v) Promote the creation of jobs and employment opportunities.

(vi) Enhance the health, welfare and quality of life of Pennsylvania citizens.

(2) Projects for the sole benefit of a for-profit entity are not eligible for program funding.

(c) *Guideline Compliance for Fiscal Year 2001-2002.* Projects that receive funding must meet one or more of the criteria listed in subsection (b).

§ 123.4. Program requirements and instructions.

The following requirements apply to CRP:

(1) Project applications shall be submitted using the Department's Single Application for Assistance. Applications are available from the Department's Customer Service Center, the Department's regional offices or the Department's website. Addresses and phone numbers are listed in § 123.5(a) (relating to application submission and approval procedure).

(2) The Department reserves the right to:

(i) Request additional information regarding proposed use of funds.

(ii) Verify non-Department funding sources.

(iii) Require explanation or revision of the project's budget.

(iv) Require clarification of the project's narrative.

(v) Consider an application ineligible in a specific funding round if the additional information requested is not received by the Department within 30 days of its request. The application may be considered in a subsequent round of the fiscal year, if the requested information is received by the Department by the established application deadlines.

(3) Incomplete applications may be rejected. An applicant shall follow the detailed instructions for completing

the Department's Single Application for Assistance when applying for CRP, especially, with regards to the completion of the project narrative section. The following excerpt from the Department's Single Application for Assistance provides the level of detail that the Department is seeking on a project.

A typewritten (or computer generated) Project Narrative must accompany the Single Application for Assistance. The narrative should provide a detailed and comprehensive description of the project. Applicants shall explain who they are and what they are going to do with the grant funds. The narrative must specifically address each of the cost items identified in the Project Budget section of the application. In general, the narrative should include:

- Specific Problems to be Addressed or Improvement to be financed. Identify the problem that needs to be resolved. Please include brief background information, including general purpose or mission of the organization.

- Project Description. What do you plan to accomplish with this project and how do you plan to accomplish it?

- Expected Outcomes. Examples of measurable outcomes include jobs created or retained, people trained, land or buildings acquired, park constructed, feet of road repaired, etc.

- Projected Schedule and Key Milestones and Dates. A detailed project schedule must accompany the application, including key milestones and dates.

- Documentation to support Projected Budget Costs. This documentation may consist of an itemized line-by-line listing of how you arrived at the specific budget items for the project, bids or cost quotations, contractor estimates, appraisals, engineer estimates. A specific explanation is needed for any amounts in an "Other" or "Indirect Costs" budget category.

- Documentation of matching dollars such as commitment letters, receipts, etc.

- Religious disclaimer. If an applicant has a religious affiliation, the applicant should provide a disclaimer assuring that Department funds will not be used for religious purposes.

§ 123.5. Application submission and approval procedure.

(a) The application is available by calling the Customer Service Center, the Department's Regional Offices or at the Department's website www.invent.pa.com. Applications will be accepted anytime throughout the fiscal year, subject to § 123.7 (relating to limitations and penalties).

(1) Applications should be submitted to the following address:

Department of Community and Economic Development
Customer Service Center
Commonwealth Keystone Building
400 North Street, Fourth Floor
Harrisburg, PA 17120-0225
1-800-379-7448

(2) Applications may also be submitted online via the Department's website: www.invent.pa.com or www.esa.dced.state.pa.us.

(b) CRP grant awards will be made in four funding rounds during the fiscal year. The Department will grant approximately 20% to 25% of the program appropriation in each round, and the balance in the final round. These percentages are targets. The Department will make every

effort to allocate program funds in accordance with these targets, but is not bound to them. Applicants should not apply in each round, and should apply only once during the 2001-2002 Fiscal Year. Grant applications not funded in a round will be rolled into the next round for consideration.

(1) The first round consideration will include all applications received between July 1, 2001, and September 28, 2001.

(2) The second round will include applications received by November 30, 2001, and applications not approved in the first round.

(3) The third round will include applications received by January 31, 2002, and applications not approved in the first and second rounds.

(4) The fourth round will include applications received by March 29, 2002, and applications not approved in the first, second and third rounds.

(5) Targeted grant announcement dates, subject to change without notice at the discretion of the Department, are as follows:

- (i) November 2001, for the first round.
- (ii) January 2002, for the second round.
- (iii) March 2002, for the third round.
- (iv) May 2002, for the fourth round.

(c) Any CRP funds remaining after the fourth round may be awarded by the Department up to the end of the fiscal year.

(d) Unlike prior years, letters will not be sent to applicants after each funding round advising applicants that they have not been funded.

(e) Applicants that do not receive funding during any of the rounds will be notified at the end of the fiscal year.

(f) Follow up information as to the status of submitted grant applications may be obtained by contacting the DCED Customer Service Center. However, calls are not encouraged. The account manager letter is confirmation of receipt of the application. The demand for this program is very high, and staff may not be familiar with each individual application. Applicant care in preparation of the application will assist the Department in processing the application.

(g) Applicants should not submit more than one application per fiscal year. Additional applications do not enhance opportunity for funding. The Department reserves the right to reject additional applications from the same applicant, without notice to the applicant.

(h) The Department reserves the right to reject, without notification, applications received after March 29, 2002, for the 2001-2002 Fiscal Year appropriation.

§ 123.6. Procedures.

(a) CRP grant award notifications will be made by letter. After the award letter has been mailed, the applicant will receive a contract document that shall be signed by the grantee and returned to the Department for

execution on behalf of the Commonwealth. Grants will not be awarded without a fully executed contract.

(b) The applicant shall maintain full and accurate records with respect to the project. The Department will have free access to these records including invoices of material and other relative data and records, as well as the right to inspect all project work. The applicant shall furnish upon request of the Department all data, reports, contracts, documents and other information relevant to the project.

(c) Approved grants in the amount of \$100,000 or more require the grantee to provide an audit of the grant by a certified public accountant, prepared at the expense of the grantee, in compliance with State law.

(d) Approved grants under \$100,000 require the grantee to submit a detailed financial statement and a close out report of the use of State funds consistent with the contract. An audit is recommended, although not required.

(e) Funds will be disbursed according to the provisions in the contract between the applicant and the Department.

(f) Applications not acted on favorably will be considered to have been denied and will not be considered for the 2002-2003 Fiscal Year.

§ 123.7. Limitations and penalties.

(a) This section identifies program limitations or penalties, or both, that may result from the misuse of the grant funds.

(b) An applicant may not make or authorize any substantial change in an approved project without first obtaining consent of the Department in writing.

(c) If the full amount of the grant is not required for the project, the unused portion of the grant shall be returned to the Department.

(d) Failure to comply with procedures may result in penalties, including repayment of funds with interest.

§ 123.8. Contact information.

(a) Applicants and inquires should be directed to:

Pennsylvania Department of Community and Economic
Development
Customer Service Center
Commonwealth Keystone Building
400 North Street, Fourth Floor
Harrisburg, Pennsylvania 17120-0225
1 (800) 379-7448
e-mail: ra-dced@state.pa.us

(b) Inquiries regarding applications that have been received by the Department and have been assigned an account manager, should be directed to the account manager. Please reference the assigned application number.

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