

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) amends Chapter 123 (relating to community revitalization program) to read as set forth in Annex A. The statement of policy is amended under the authority of section 209 of Act 7A of 2004, known as the General Appropriation Act of 2004 (Appropriation Act).

Background

The Appropriation Act requires the Department to publish Community Revitalization Program (Program) guidelines in the *Pennsylvania Bulletin* prior to the spending of the 2004-2005 moneys designated for the program. This amended statement of policy updates the existing Program guidelines published in 2003.

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.

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 and the proposed award dates.

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

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 Richard Guinan, Director, Operations and Compliance, Department of Community and Economic Development, Commonwealth Keystone Building, 400 North Street, Fourth Floor, Harrisburg, PA 17120-0225, (717) 787-7402.

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, 123.3, 123.5 and 123.6 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*.

DENNIS YABLONSKY,
Secretary

Fiscal Note: 4-81. 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

§ 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 7A of 2004. 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 7A of 2004, 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) 2004 CRP expenditures will be charged to the State fiscal year July 1, 2004, to June 30, 2005.

§ 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 CRP 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 7A of 2004. 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 this Commonwealth.

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

(c) *Guideline Compliance for Fiscal Year 2004-2005.* Projects that receive funding must meet one or more of the criteria in subsection (b).

§ 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.inventpa.com. Applications will be accepted throughout the fiscal year up to the March 31, 2005, submission deadline. Applications will be subject to § 123.7 (relating to limitations and penalties). Applications may be submitted by mail 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) To expedite processing, applications should be submitted on-line by means of the Department's on-line Single Application for Assistance found at "www.esa.dced.state.pa.us".

(b) The CRP grant awards will be made in three funding rounds during the fiscal year. The Department will grant approximately 33% of the program appropriation in each 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 2004-2005 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, 2004, and September 30, 2004.

(2) The second round will include applications received by December 30, 2004, and applications not approved in the first round.

(3) The third round will include applications received by March 31, 2005, and applications not approved in the first and second rounds.

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

- (i) November 2004 for the first round.
- (ii) February 2005 for the second round.
- (iii) May 2005 for the third round.

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

(d) 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 during July 2005 to reapply during the next 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 31, 2005, for the 2004-2005 fiscal year appropriation.

§ 123.6 Procedures.

(a) The 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. The single audit performed for Federal audit purposes will not be accepted for auditing grants funded with State monies.

(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 from grant recipients who did not fulfill their audit requirements under previous contracts will not be considered and will be placed on hold until the audit requirements are met.

(g) Applications not acted on favorably will be considered to have been denied and will not be considered for the 2005-2006 fiscal year.

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