

GUIDELINES FOR LOCAL SHARE ACCOUNT (LSA) APPLICATIONS

Introduction

The City of Scranton (hereinafter referred to as “City”) is an eligible applicant for the Local Share Account-Monroe County funds made available by the PA Race Horse Development and Gaming Act for the purpose of distributing the 2% of gross terminal revenues from Mount Airy Casino Resort. The City has designated **Tiffany Cross-Luciani, Director of Economic Development** to be the point of contact for this program on their behalf. These guidelines were established to provide information and guidance to project managers interested in applying for funding.

Eligible Projects/Uses of Funds

There are four categories of projects that are eligible:

1. Economic Development
2. Community Improvement
3. Public Interest

Funds can be used for acquisition, construction, renovation, equipment and related costs such as engineering (not to exceed 10% of the total grant award) or professional services. Funds cannot be used for working capital, staff costs, or to refinance or reduce existing debt. Questions about allowable uses of funds should be directed to **Tiffany Cross-Luciani** at tluciani@scrantonpa.gov.

Application Procedures

To apply, the City will complete the Single Application for Assistance on behalf of the Applicant online along with all the following required supporting documents submitted by the applicants:

1. Project Narrative including – a) clear description of the project, specific project activities and the expected results; b) specific location of the project (the physical address and municipality), c) if the project is a priority in a local or regional economic development plan d) the anticipated economic impact of the project (i.e. the number of full time jobs to be created, the overall investment, the tax impact of the project etc.)
2. Project schedule and detailed timeline
3. If other sources of funding are secured for the project, a copy of the commitment letter from the source.
4. Bids, estimates, sales agreements, quotes to support ALL project costs. Must be current, no more than 6 months old and prepared by a qualified professional. If associated engineering or design work is being requested, an estimate from the professional is required.
5. Request in writing to Scranton City Planner with a summary of the project outlined. A letter will then be executed stating that the project is compliance with the comprehensive plan and any and all zoning codes.
6. Letters of support from elected officials are also encouraged although not required.
7. Copy of most recent year’s audited financial statement

Based on the LSA Guidelines by DCED. Legislation will be created for City Council and Mayoral review and approval.

The City’s **deadline** for applications will be **Nov 4th, 2020**. No consideration will be accepted after the deadline.

Application Fees

The Application Fee due to the City of Scranton on the day the application is submitted will be **\$100.00**, made payable to the **City of Scranton Treasurer**. The Application Fee will be directly passed through to the Commonwealth Financing Authority. The City of Scranton will include Administration costs in the grant application at 5% and should the project be funded, any further administration costs will be included in the grant.

Application Evaluation

Applications will be evaluated based on: economic impact, economic conditions of the area, level of private sector investment being leveraged, the contribution of the project to the reuse of brownfields or underutilized sites, other local financial support, project readiness, strategic importance and financial need. The more your project meets the above criteria, the more competitive the application.

Application Approval Process

Once the application is drafted and all supporting documents are submitted to **Tiffany Cross-Luciani** at tluciani@scrantonpa.gov, a Resolution will be put forth to City Council and the Mayor for review and approval. After legislation is passed, the City will submit the full application using the online Single Application for Assistance, at which time it is reviewed by a DCED Economic Development Analyst. If they have questions or requests for additional documentation, they will notify the City and the City will in turn contact the project manager for the information. Applications are then submitted to the Commonwealth Financing Authority (CFA) for final approval.

Important note: No project expenses applied for can be paid or incurred prior to the date of CFA approval.

Approved Project

When projects are approved by the CFA, the City of Scranton will notify project managers. The CFA will send the City a Commitment Letter explaining the terms and conditions of the grant in the weeks following the approval. The Commitment Letter must be signed by the City and returned to the CFA. The City will forward a copy of the Commitment Letter to the project manager.

The City will draft a Cooperation Agreement between the City and the project manager allowing for the grant funds to be passed through. The Cooperation Agreement will also detail the project manager's and the City's responsibilities for fulfilling the grant requirements.

The City will receive from the CFA an Executed Grant Agreement and a copy will be provided to the project manager as an Exhibit to the Cooperation Agreement.

Contracting Requirements

The LSA Grant Agreement will contain the entire contracting requirement and we recommend project managers review it closely. Some of the items of importance are:

1. Construction/renovation projects must be publicly bid for projects in excess of **\$21,400**.
2. A **minimum of three bids** must be obtained from contractors who are capable of performing the services requested.
3. Construction/renovation projects in **excess of \$25,000 must be bid at PA Prevailing Wage** rates as determined by the PA Department of Labor & Industry.
4. All contractors must sign the Commonwealth's Non-Discrimination/Sexual Harassment Clause (The City will provide) and a certificate of liability insurance naming The City and the Commonwealth Financing Authority as additional insureds. Performance and Payment Bonds are also required.
5. Machinery and equipment projects do not have to be publicly bid but it is recommended that three price quotes be obtained.
6. Professional services do not have to be bid but an explanation of why they were engaged is required.

Payment Requests

The City will submit payment requests to the DCED analyst on behalf of the project when all required documents are received and the Cooperation Agreement is executed. Payment Requests can be submitted every **60 days**, no sooner. When the City receives the grant funds, The City will issue a check to the **Sub-Grantee** for the amount due.

Project Closeout

For all payments made, copies of the front and back of the cancelled checks are required to be provided to the City. If front and back cannot be obtained, then a copy of the front with a copy of the bank statement showing the check was cleared will be accepted. The City is required to provide this documentation to DCED to close out the project.

Contact for Questions:

Questions should be directed to Tiffany Cross-Luciani, Director of Economic Development at tluciani@scrantonpa.gov.