

## Infrastructure Grant & Non-Profit Loan Fund Program Operating Plan & Guidelines Updated November 18, 2016

### **1. Purpose**

The purpose of the operating plan is to establish an application and approval policy for the administration of the Infrastructure Grant Fund and Non-Profit Loan Fund (NPLF). The NPLF is meant to respond to the need for a supplemental source of financing to support municipalities, units of local governments, non-profit corporations, hospitals, school districts and public agencies within the County of Clearfield. This program can be used in conjunction with traditional sources of public and private financing.

The Clearfield County Industrial Development Authority (CCIDA) strives to serve the needs of the local communities while promoting community and economic development within the County of Clearfield.

### **2. Authority and Responsibility**

A. CCIDA Board of Directors determination is final.

1. Meets bimonthly or on an as needed basis.
2. Evaluates all completed grant and loan applications.
3. Review and recommends changes to the Operating Plan, as required.
4. Ensures that the CCIDA NPLF activities conform to the policies and procedures of this operating plan documents.
5. Reviews NPLF activities and determine the amount of available funding.
6. Establishes the funding cycle and solicits NPLF and infrastructure grant applications on an annual basis.

### **3. Application**

- A. Every Request must be formatted on a CCIDA Infrastructure Grant and Non-profit Loan Application.
- B. Application from eligible entities only will be considered for funding.

- C. Applicants must provide written quotes or bids as justification of the requested Infrastructure Grant and/or NPLF amount.
- D. Applicants must provide evidence of financial stability, need, and documentation of all funding sources.

#### **4. Eligible Activities**

Proceeds from the Infrastructure Grant & NPLF Program may be used for the following:

- A. Acquisition of land and buildings
- B. New Construction
- C. Rehabilitation of existing buildings to include leasehold improvements
- D. Machinery and Equipment
- E. Access roads and public systems
- F. Community Improvements with or without the elimination of blight.
- G. Street lighting and curb cuts for accessibility
- H. Airport Improvements

Ineligible activities shall include but not be limited to re-financing existing private or public debt, facade improvements, debt consolidation, equity positions or venture capital activities.

#### **5. NPLF Review Procedure (Request For Proposals & Funding Cycle)**

The CCIDA will accept applications and arrange interviews as necessary with interested organizations or municipalities. The purpose of the interview will be to assemble a complete Infrastructure Grant and/or NPLF package, which contains all articles of documentation, needed for final review.

Applications will be processed in a prompt and timely manner, provided all pertinent information is made available to the CCIDA Board of Directors or designated staff.

The applicant will be notified in writing of action taken by the CCIDA relative to the grant and/or loan request. An Infrastructure Grant and/or NPLF agreement will be issued to successful applicants. The agreement will identify the terms and conditions of the grant and/or loan. Applicants will be given a thirty-day period to accept the Infrastructure Grant and NPLF agreement. A closing will be scheduled upon acceptance by the applicant.

All applications will be reviewed on an annual basis at a date and time established by the CCIDA within the issuance of a REQUEST FOR PROPOSAL (RFP). The schedule for the submission of the RFP and the acceptance of applications will be set by the CCIDA in accordance with the annual establishment of the amount of NPLF available.

**A. Application Submittal Deadline: TBD**

**B. \* Official Approval & Notification: TBD**

**C. Grants & Non-Profit Loan Applications must be received at the following address:**

**CCIDA  
Attention: Infrastructure Grant & NPLF RFP  
511 Spruce Street,  
Suite 5  
Clearfield, PA 16830**

\* Official approval and notification will be determined and publicly announced annually during the regularly scheduled CCIDA meeting.

## **6. Grant & Non-Profit- Loan Amount**

**Grant** requests may not exceed the amount established as the limit of funds available or **\$25,000**, whichever is less. Eligible project costs are those that involve a new capital outlay in support of the project. Any form of private or public financing is encouraged and may be used in conjunction with the proceeds from the NPLF.

**Loan** requests may not exceed the amount established as the limit of funds available or **\$100,000**, whichever is less. Eligible project costs are those that involve a new capital outlay in support of the project. Any form of private or public financing is encouraged and may be used in conjunction with the proceeds from the NPLF.

## **7. Pricing/Interest Rates**

Grant requests which exceed the grant limit may be approved as a no or low interest loan to be determined by the CCIDA Board of Directors. The interest rates on loans made under the CCIDA NPLF shall be determined based upon the loan purposes, term collateral and associated credit risk. These interest rates will directly correlate to the related rates being charged by various federal, state and local economic and industrial development agencies.

## **8. Grant Security**

A. For the projects involving the financing of property acquisition and improvements, security will be required in the form of a grant agreement. The NPLF may require the filing of a lien with the county recorders' office and with the Pennsylvania Department of State which will only be subordinate to the position of other participating mortgage lenders of greater amount.

B. For projects involving the financing of machinery and equipment, a UCC Financing Statement and grant agreement will be required.

**10. Disbursement of Loan & Grant Funds**

Funds for real estate will be disbursed to the ultimate recipient at closing upon the submission of an executed sales agreement. Funds for machinery and equipment will be disbursed upon submission of invoices. If invoices are not presented at closing, then loan and grant proceeds will be drawn down upon submission of invoices and properly executed documents.

Funds for construction and renovation will be disbursed based upon a mutually acceptable draw schedule. Invoices will be presented and inspections will take place before funds are dispersed.

**11. Application/Administration Fees**

The borrower will be responsible for all legal fees and any other costs that may be associated with the closing of the grant or loan.

**12. Other Terms and Conditions:**

Each grant recipient will be required to submit an annual report of its progress in meeting the projects stated purpose, construction, acquisition or renovation. Each recipient will be required to submit a copy of a financial statement from the most recent fiscal period.

**13. Code of Ethics**

The CCIDA Board of Directors and its designated administrative entity and staff shall abide by an established Code of Ethics included herein and adopted by resolution.