



pennsylvania
DEPARTMENT OF COMMUNITY
& ECONOMIC DEVELOPMENT

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MAIN STREET MATTERS DESIGNATION

The Department of Community and Economic Development (DCED) offers communities the opportunity to designate areas of a municipality or region for targeted investment and development for a period of five years. Designation includes the identification of specific needs for investment and/or development and the design and/or implementation of a strategy to address those needs.

- ❖ Main Street – focus on downtowns and commercial districts
- ❖ Elm Street – focus on residential areas and neighborhoods adjacent to the community's downtown or commercial district

The benefits to designation may include:

- Funding for operational support, including the salary and benefits of the area manager.
- Priority consideration for a variety of DCED programs,
- Technical assistance and training for the designated area team.
- Eligibility for consideration under the Neighborhood Assistance Program (NAP) and Neighborhood Assistance Program Enterprise Zone Tax Credit (NAP/EZP)



MAIN STREET MATTERS PROGRAM

Purpose: The Main Street Matters program (MSM) is designed to support our downtown cores and surrounding neighborhoods with tools to create healthy, vibrant, and welcoming communities. Funding is available to support revitalization efforts in planning, business support, aesthetic improvements, and the increase of safety

- Main Street Designation and Funding
- Elms Street Designation and Funding

Planning Grants

Façade Grants

Business
Improvement

District
Improvement
Grants

Accessible
Housing Grants

Implementation
Grant

MAIN STREET MATTERS FUNDING

❖ Planning:

Planning grants are available to address a particular need or circumstance within a community, undertake a study relevant to an identified need, or study the results of implementing a specific



Max Award:
\$50,000
Match: 25% of
total eligible cost

❖ Façade:

Façade grants are available to stimulate private investment in properties, foster an attractive environment, and preserve the architectural heritage of properties and communities.



Max Award:
\$100,000 - Each
property may not
exceed \$10,000
Match: 50% dollar
for dollar

❖ Business Improvement:

Business Improvement Grants are available to stimulate private business investment and better enable business attraction, retention, and expansion in the defined target area of a downtown or neighborhood. Grants funds will be awarded to an eligible applicant to support a local program providing microgrants and/or forgivable microloans



Max Award:
\$100,00
Capped at:
Microgrant - \$5,000
Microloan - \$25,000
Match: 50% / dollar
for dollar

❖ District Development:

District Development grants are available for large public and private development projects which improve the buildings, housing units, and infrastructure associated with Main Street and Elm Street districts, as well as for public safety and permanent aesthetic improvements for these districts

- **Max Award:** \$1,000,000 **Match:** minimum 50% of the total eligible project cost

❖ Accessible Housing:

Accessible housing grants are available to undertake accessibility improvements to housing units for people with permanent physical disabilities in order to allow the individuals to reside in their current home rather than an institution or to return to the community from an institution.

- **Max Award:** \$300,000 **Match:** 50% / dollar for dollar

❖ Implementation:

Implementation grants are available to assist designated MSM program communities in implementing critical components of their approved Five-Year Strategy.

- **Max Award:** \$100,000
 - No match** required for the first \$50,000 in requested grant funding
 - Any funds requested in excess of \$50,000 will be matched as follows:
 - Main Street – 50%
 - Elm Street – 10%

LOCAL SHARES ACCOUNT (LSA)

Statewide LSA – tentative 9/1– 11/30

Economic Development Projects	Promote local economic activity <u>and</u> create and/or retain jobs.
Neighborhood Revitalization Projects	Improve the health, safety, and well-being of residents and/or improve commercial corridors in distressed neighborhoods.
Community Improvement Projects	Improve or create civic, cultural, or recreational facilities.
Projects in the Public Interest	Improve the quality of life in the affected community.

NOTE: Projects must be owned and maintained by an eligible applicant.

ELIGIBLE USES OF FUNDS:

❖ Projects may not start prior to approval

❖ **Request/Award Limitations:**

\$25,000 minimum

\$1,000,000 maximum

- Acquisition
- Construction
- Fixed equipment
- Site prep – demo, assessment/ remediation, etc.
- Signage
- Landscaping
- Streetscape amenities
- Related engineering/design

❖ **Budgetary Caps:**

Engineering, design, fees – 10% of the grant request

Administrative costs – 5% of the grant request

Contingencies – 5% of the construction/infrastructure costs

- Fees for securing financing
- Interest on borrowed funds
- Public relations
- Outreach
- Communications
- Lobbying
- Litigation
- Application preparation



TAX CREDIT BASICS - NAP



Pennsylvania
Department of Community
& Economic Development



- ✓ For profit companies make contributions to a non-profit entity. (Must be 501c3)
- ✓ Organizations can receive value of approved credits immediately upon approval.
- ✓ Contributions must be to 501c3 Non-Profit Organizations
- ✓ Contributions may be cash, equipment or supplies, real estate, technical assistance or on-the-job training
- ✓ May have multiple contributors



Business receives a % in credits to be used against future tax liability

Credits can be used over a period of time

Contributions from For-Profit businesses with PA Tax obligation
Commonwealth fiscal year: July 1st to June 30th

GENERAL REQUIREMENTS

Beneficiaries

Low Income Community is defined as a census tract where the median family income does not exceed 80% of the state-wide median family income.

Distressed Area

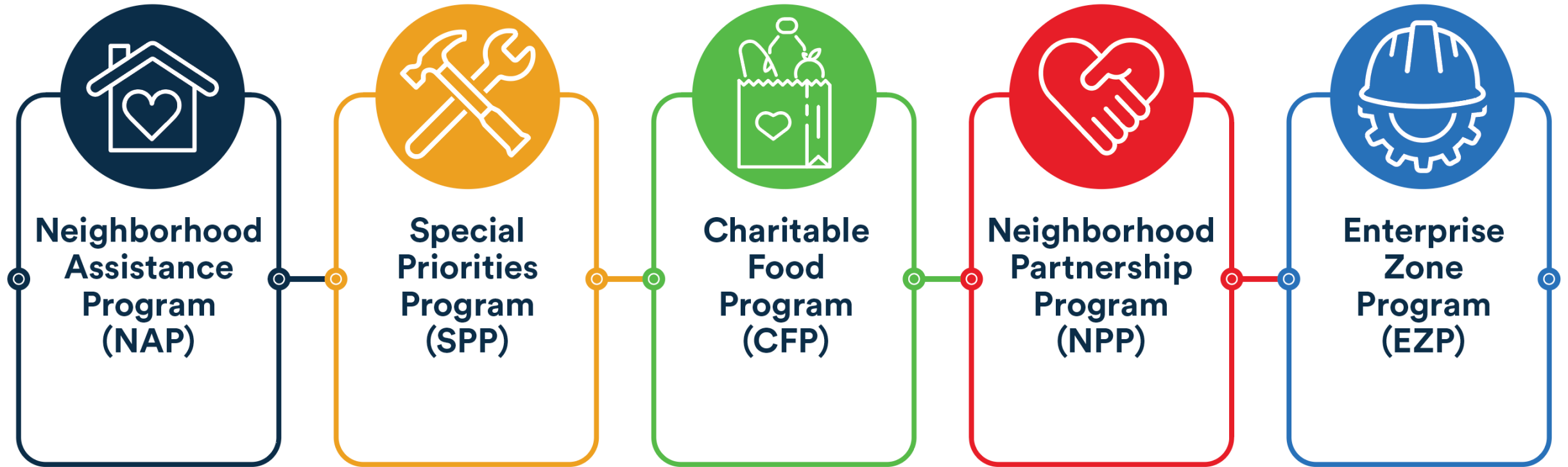
A distressed area must demonstrate a high incidence of one or more of the following demographic factors:

- Persistent unemployment or underemployment,
- Dependence upon public assistance,
- Overcrowded, unsanitary, or inadequate housing,
- Crime and delinquency,
- School dropouts or other evidence of low educational attainment,
- Vacant and dilapidated properties, blight, or
- Other generally accepted indicators of widespread social problems

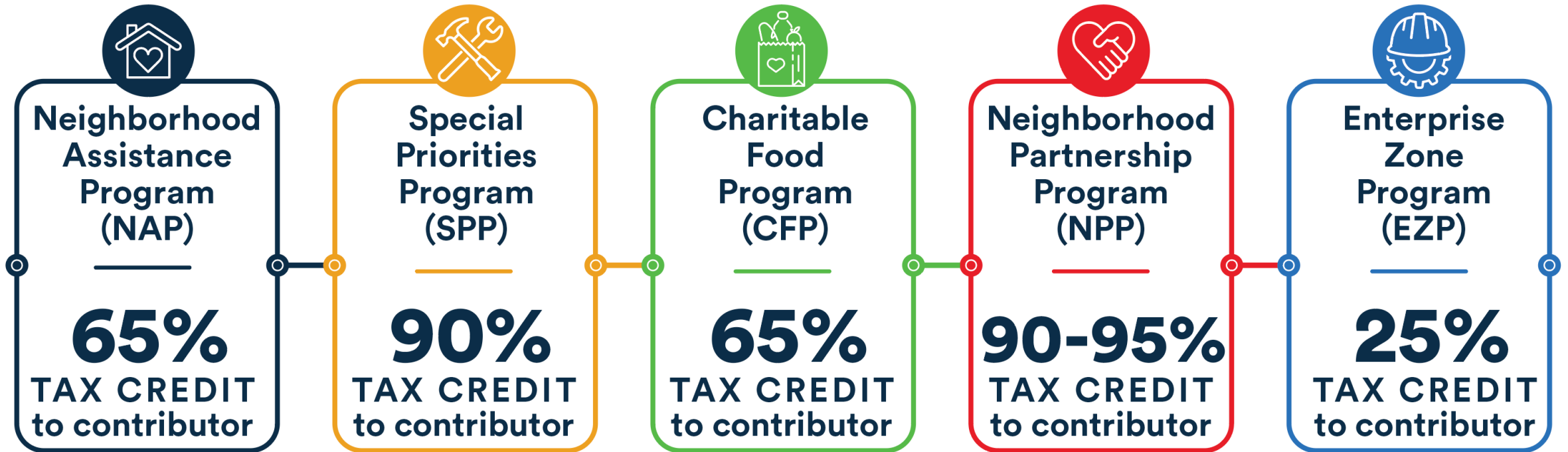
DCED ELIGIBLE DESIGNATIONS:

- Enterprise Zones
- Keystone Opportunity Zones
- Keystone Opportunity Expansion Zones
- Keystone Opportunity Improvement Zones
- Keystone Communities
- Keystone Main Streets
- Keystone Elm Streets
- Keystone Communities Enterprise Zones
- Act 47 Municipalities
- Cities of the First-class, Cities of the Second-class, Cities of the Second-class A or Cities of the Third-class

Neighborhood Assistance Sub-Programs



Tax Credits Per Sub-Program



DCED does not offer actual dollars for funding. Funding is between contributor and awardee.



Neighborhood Assistance Program (NAP)

- Address neighborhood and community problems
- Benefit low-income persons and/or residents of economically distressed neighborhoods
- One year project
- 65% tax credit to contributor

Eligible activities

- Affordable Housing
- Community & Civic Engagement
- Community Economic Development
- Community Services
- Crime Prevention
- Education
- Job Training
- Neighborhood Assistance
- Neighborhood Conservation
- Transportation



Special Priorities Program (SPP)

- Demonstrate a significant impact on needs in a targeted area(s)
- Based on collaboration, partnerships, and goals
- One year project
- 90% tax credit to contributor

Special Priorities

- Affordable Housing Support Services
- Affordable Housing Development
- At-Risk and Vulnerable Populations Initiative
- Blight Elimination
- Disaster or Economic Recovery
- Diversity Initiatives
- Healthcare Equity
- Rural Initiatives
- Veteran Initiatives



Neighborhood Partnership Program (NPP)

- Improve access to job and economic opportunities, quality education, affordable housing, quality-of-life amenities, or another key factor in building healthy communities
- Collaboration between the non-profit & other community orgs
- Must establish a Neighborhood Partnership Advisory Committee and include a Community or Strategic Plan
- Large scale: minimum **five-year** commitment-renew contract every year; 90% tax credit per year
- **Six or more-year** commitment earns an 95% credit per year
- **\$50,000 minimum** individual contribution amount and with a minimum total application amount of \$100,000

Eligible activities

- Affordable Housing
- Community Economic Development
- Community Services
- Crime Prevention
- Education
- Job Training
- Neighborhood Assistance
- Neighborhood Conservation

Non-Profit & Business Responsibilities

Applicant



- Define the project.
- Look for businesses to participate.
- Complete application.
- Follow up reporting, closeout, or audit.

Business



- Agree to contribute.
- Write letter of commitment for project.
- Make contribution if project is approved.
- Submit tax credit application to DCED to apply for credits.*

** Contributor has up to 5 years to use approved tax credits.*

REDEVELOPMENT ASSISTANCE CAPITAL PROGRAM (RACP)

- RACP is a grant program administered by the PA Office of the Budget for the acquisition and construction of economic development, cultural, civic, recreational, and historical improvement projects.
- A project is eligible for RACP funding only if that project fits within one of the categories listed in the PA Capital Budget Project Itemization Act.



The Alvernia CollegeTowne project in the City of Reading received two RACP grants.

BUSINESS/INDUSTRY

Wide variety of industries, but project must have a cultural, civic, historical, or regional impact and generates substantial increases in employment, tax revenues or other measures of economic activity.

ASSISTANCE

Grant

MAXIMUM AMOUNT

No set maximum

MORE INFO

racp.pa.gov