

**REDEVELOPMENT AUTHORITY OF
ALLEGHENY COUNTY**

**GAMING ECONOMIC DEVELOPMENT
TOURISM FUND
PROGRAM GUIDELINES**

2022



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I. PURPOSE

The Allegheny County Gaming Economic Development Tourism Fund (GEDTF), administered by the Redevelopment Authority of Allegheny County (“RAAC”), is intended to provide financial assistance to entities to facilitate economic development projects in Allegheny County.

II. PROGRAM DESCRIPTION

The Pennsylvania Racehorse Development and Gaming Act (Act 2004-71) as amended established the Pennsylvania Gaming Economic Development and Tourism Fund. Certain funds appropriated from gaming revenues are deposited with the Commonwealth Financing Authority (CFA) for community and economic development projects in Allegheny County. **Annually, RAAC solicits and reviews project proposals from eligible applicants for the CFA’s consideration.**

III. ELIGIBILITY

- A. GEDTF provides grants to allow municipalities, authorities, councils of government (COGs), non-profits and for-profit businesses to carry out important economic development projects.
- B. Eligible applicants include:
 - Municipalities
 - Authorities (Redevelopment, Municipal or Industrial)
 - Councils of Government
 - Non-Profit Organizations, Trusts and For Profit
- C. Following recommendations from RAAC, the Commonwealth Finance Authority (CFA) has final approval on all projects for funding.
- D. **All projects receiving GEDTF funding must be in Allegheny County.**
- E. All projects must have at minimum a \$150,000 project budget. Applicants seeking funds for smaller projects should consider other funding sources.
- F. **Eligible and Ineligible Activities** for which funds may or may not be used are listed in Sections V and VI.

IV. COMMONWEALTH FINANCE AUTHORITY

Following evaluations and subsequent recommendations from RAAC, funding requests will be forwarded to the CFA for final consideration.

V. ELIGIBLE ACTIVITIES

- A. Economic Development Projects: Projects that promote local economic activity and create and/or retain jobs.
- B. Infrastructure Development Projects: Projects that improve or create infrastructure.
- C. Job Training: Workforce development projects.
- D. Community Improvement Projects: Projects that improve or create civic, cultural, or recreational activities or facilities.
- E. Public Safety Projects: Projects that promote the safety of affected communities.

- F. Public Interest Projects: Projects that improve the quality of life in the affected communities.
- G. Projects with a \$150,000.00 project budget or greater.

VI. INELIGIBLE ACTIVITIES

- A. Fees for securing other financing.
- B. Interest charges on borrowed funds.
- C. Operating expenses such as salaries and wages, fringe benefits, rent, utilities, moving expenses, travel reimbursement, advertising, etc.
- D. Costs incurred prior to the approval of grant or the executed grant contract between the Grantee and RAAC.
- E. Distribution or payments to the owners, partners, shareholders or beneficiaries of the applicant, or members of their families as defined by the Ethics Act of the Commonwealth of Pennsylvania.
- F. Refinancing existing debt.
- G. Municipal vehicles and structures.
- H. Projects with less than a \$150,000 project budget.
- I. Commonwealth funds cannot be used for religious purposes or to support religious activities. The Redevelopment Authority of Allegheny County and all sub grantees provide services and programs that are open to all, regardless of race, creed, color or religious preference.

VII. PROCEDURE

A. Evaluation Considerations

Upon receipt of a GEDTF application, it will be reviewed for eligibility (see Sections V and VI). Subsequently, several criteria will be used to evaluate applications. Because there may be insufficient funds to approve all eligible applications, priority is given to those applications showing a significant *public benefit*.

Following evaluations and subsequent recommendations from RAAC, eligible grant requests will be forwarded to the CFA for final consideration.

In general, the following criteria are utilized to assist in this evaluation:

1. Projects with a regional impact to include, but not limited to, brownfield sites, airport area development, and distressed areas.
2. Job creation/retention over a three-year period.
3. Amount of GEDTF funding invested per permanent full-time job.
4. Site control status at project location.
5. Projects that demonstrate a significant percentage of matching funds may be given higher priority consideration for funding.

6. Consistency with the comprehensive plans of the municipality and/or Allegheny County.
7. Overall public benefit.

B. Other Considerations

The following items could preclude eligibility of a GEDTF application:

1. Projects that do not meet the \$150,000 minimum project budget threshold.
2. The applicant's status on delinquencies or defaults on federal, state or local taxes, pending litigation or any other liens on any publicly or privately financed loan.
3. A felony conviction, a serious crime, and/or an ethical violation (including but not limited to professional suspensions, reprimands, or sanctions) on behalf of any director or principal in a corporation, partner in a partnership or member of any other organization.
4. Non-compliance of an applicant with the Conflict of Interest requirements established by the State Ethics Commission.
5. If a grantee is unable to provide the documentation necessary to enter into the grant agreement within 1 year from the signed award acknowledgement letter, the grant may be cancelled at the discretion of the Director.

VIII. GRANTS

- A. The amount of GEDTF funds awarded to any one applicant for a single project or application submission will not exceed \$500,000.
- B. Upon approval of a grant application by RAAC and the CFA, an award letter will be forwarded outlining preliminary terms and conditions. Following receipt of the award letter, the grantee will start the process to enter into a grant contract for execution. Once the grant contract has been fully executed and all preconditions therein are satisfied, the grantee can proceed with the *procurement process* (**SECTION XI**). Upon satisfactory completion of the procurement process, the grantee can submit requests for the **reimbursement of funds spent**, pursuant to the terms of the grant contract.
- C. If a grantee is unable to provide the documentation necessary to enter into the grant agreement within 1 year from the signed award acknowledgement letter date, then the grant will be cancelled.
- D. The GEDTF grant must be repaid if the grantee or the project relocates outside of Allegheny County within 3 years of its execution of the grant agreement.

IX. FEES

- A. Grants
 1. City of Pittsburgh projects may be required to be reviewed by the Pittsburgh Historic Commission. Grant applicants will be responsible to pay associated fees from their own funds.
 2. Renovation projects may require third party architects/engineers to be engaged by RAAC to review designs that are submitted for funding. In such cases, grant applicants will be

responsible for paying associated fees from their own funds.

X. PROCUREMENT OF GOODS AND SERVICES

A. Competitive Bidding

Competitive bidding requirements, including required advertising, are mandated as part of the general conditions for receiving GEDTF grant funds. Procurement procedures assure RAAC and the Commonwealth of Pennsylvania that:

1. “Best Value” is achieved when using Gaming Economic Development and Tourism Funds.
2. The appearance of favoritism or fraud is eliminated.
3. The opportunity to compete for business opportunities are provided to a broad spectrum of firms operating in Allegheny County.

B. Grantees and sub grantees will use the procurement procedures identified in this section except:

1. A grantee requests and receives permission from GEDTF to use its own procurement procedures. The grantee procurement standards must reflect applicable State, Local and Federal laws and regulations and conform to the standards identified in this section.

C. Advertised Bids – See section E, F and XI for Grantee requirements.

Where applicable, the following requirements apply:

1. The advertisement shall run twice and at least three days apart in a newspaper of general circulation. A newspaper of general circulation is defined as follows:

A newspaper issued daily, or not less than once a week, intended for general distribution and circulation, and sold at fixed prices per copy per week, per month, or per annum, to subscribers and readers without regard to business, trade, profession or class.

- The second advertisement cannot be posted less than ten (10) days from bid opening.
 - Should the Sub-Grantee wish to advertise electronically it is permitted only as a supplement to the printed advertisement and must appear in the New Pittsburgh Courier, Post-Gazette or Tribune Review.
2. Purchases and contracts shall not be divided into separate purchases and contracts to avoid the financial thresholds for the competitive purchasing process.
 3. The advertisement must contain all appropriate Local, State and Federal language including the date, time and place of bid opening.
 4. All bids must be publicly opened.
 5. The contract will be awarded to the lowest responsible bidder.

D. Competitive Proposals

1. Procurement of professional services will not require formal advertising except where required by law.
2. Requests for proposals identify all evaluation factors and their relative importance.

3. Proposals will be solicited from an adequate number of qualified sources.
4. Grantees and sub grantees will have a method for conducting technical evaluations of the proposals received and for selecting awardees.
5. Awards will be made to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered.

E. Local Government

Municipalities may follow their individual bidding and procurement guidelines provided said guidelines meet or exceed RAAC guidelines. These guidelines must be provided to RAAC prior to initiation of the bidding process. Additionally, if the municipality has an official newspaper, proof of such designation must be provided to RAAC prior to the initiation of the bidding process. Official newspaper is defined as a newspaper designated by a government unit for the publication of notices and statements required by rule, order, resolution, or ordinance of such unit.

Where a GEDTF grant is made to a local unit of government or an agency representing a local unit of government (COG), the grant recipient shall follow their respective municipal bidding code. Generally, local municipal codes require the following:

1. Projects whose total value is **less than \$10,300** may make a small or negotiated purchase with a local vendor that is most advantageous to the local unit of government with price and other considerations being factors. Although multiple price quotes may not be required it is still recommended to seek three (3) quotes.
2. Projects whose total value is **between \$10,300 and \$19,100** the local unit of government must seek a minimum of three (3) telephone and/or written price quotes. These ~~quotes~~ must be kept on file for at least three years.

When the grant recipient is seeking quotes from local vendors, one of the three (3) vendors shall be a MWDBE or VOSB firm.

3. Projects whose total value is **greater than \$19,100** must be formally advertised and awarded to the lowest responsible bidder. Advertising will include:
 - a. Purchases and contracts shall not be divided into separate purchases and contracts to avoid the financial thresholds for the competitive purchasing process.
 - b. Procurement of professional services will not require formal advertising. The grant recipient should follow the requirements in their respective municipal code.
 - c. Local Governments using COSTARS are exempt from competitive bidding.
 - d. Further guidance can be found in the *Pennsylvania Purchasing Handbook for Local Governments*

F. Non-Profit Agencies/Public Entities (other than Municipalities)

Non-Municipal Sub-Grantees are required to follow RAAC's guideline, which adhere to the Urban Redevelopment Law, which state that only print advertising in a newspaper of general circulation is acceptable

Where a GEDTF grant is made to a non-profit agency or other entity performing the procurement

tasks for the non-profit agency, it shall follow the following dollar thresholds and advertising standards:

1. Projects whose total value is **less than \$10,000** may make a small or negotiated purchase with a local vendor that is most advantageous to the non-profit agency with price and other considerations being factors. Although multiple price quotes are not required, it is still recommended that the non-profit agency seek three (3) quotes.
2. Projects whose total value is between \$10,000 and \$30,000 the non-profit must seek a minimum of three (3) telephone and/or written price quotes. These quotes must be kept on file for at least three years. The award shall be made to the lowest responsible bidder with price and other considerations being factors. **When the non-profit grant recipient is seeking quotes from vendors, one of the three (3) vendors shall be a MWDBE or VOSB firm.**
3. Bids whose total value exceeds \$30,000 must be advertised.
4. Purchases and contracts shall not be divided into separate purchases and contracts to avoid the financial thresholds for competitive purchasing.

The award shall be made to the lowest responsible bidder with price and other consideration being factors.

Procurement of **professional services** will not require formal advertising. When receiving quotes for professional services the non-profit agency should consider performing a competitive pricing evaluation. The following factors should be considered when reviewing professional services proposals: cost(s), experience, expertise, capacity and MWDBE participation. At least three firms should be evaluated. Interviews are helpful, but not required.

XI. For-Profit Businesses

There are no specific requirements for for-profit businesses governing procurement in the Allegheny County Code of Ordinance or generally in municipal codes. However, it is strongly recommended that wherever possible the for-profit recipient bearing the financial risk of the project carry out procurement transactions in a manner that provides full and open competition. For significant procurement transactions, the for-profit recipient should try to *perform a cost price analysis* to determine price is reasonableness. The for-profit recipient should consider one or more of the following analysis methodologies:

1. Compare current proposed prices to prior proposed prices for the same or similar items and/or services. Evaluation factors should include market changes or inflation since the last item or service was purchased.
2. Compare current proposed price to competitive price lists, published catalogs or market prices of products. Discounts, volume sales and/or rebate arrangements should be included in this analysis.
3. Independent professional price estimate and/or analysis.
4. When the for-profit recipient is seeking quotes from local vendors, one of the three (3) vendors shall be a MWDBE firm.

XII. Other Related Procurement Requirements

1. All GEDTF recipients are required to adhere to the **Pennsylvania Prevailing Wage Act** (this applies to for-profit, non-profit and local government) unless superseded by federal, Davis Bacon Wage Rates. PA Prevailing wages are required for construction activities that meet or exceed \$25,000. PA-Prevailing Wage requires prevailing minimum wages for all project workers. PA-Prevailing Wage rates will be provided by RAAC compliance staff. Payroll certifications will be reviewed by RAAC compliance staff and kept on file for periodic monitoring from the Department of Labor & Industry, Division of Labor Law Compliance. **Please Note: Original payrolls for work completed, must be submitted prior to the reimbursement requests. Payrolls must be signed in blue ink, and the first (initial) and (final) payrolls must be notarized.**
2. All recipients, including For-Profit Businesses, are required to follow the *Minority, Women and Disadvantaged Business Enterprise Participation Policy; Adoption & Program Implementation Strategy* requirements that were adopted by RAAC in 2008. Additionally, recipients are required to follow the applicable requirements in *Allegheny County's Minority and Women Enterprise Utilization Affirmative Action Requirements*. These requirements can be met by satisfactorily adhering to all GEDTF procurement requirements.
3. **All grant recipients must notify the five (5) MWDBE referral agencies prior to advertisement for each procurement activity that requires advertising.** The current list will be provided by RAAC staff during the procurement process.
4. Formal procurement for professional services is not required when using GEDTF funds except where required by law.
5. Formal procurement requirements can be waived under emergency conditions, upon approval from RAAC staff. Verification of the emergency condition must be provided to RAAC staff with any waiver requests. With respect to governmental applicants, the governing body of the local unit of government must ratify the emergency condition.
6. Local units of governments must follow their bonding requirements as specified in their municipal codes.
7. Construction projects **will** require a 3rd party architect/engineer to be engaged by the Grantee to prepare the designs pertaining to the project. To be eligible for reimbursement for any construction project cost, a professional must sign off that the work has been completed properly, as per the specifications.
8. When GEDTF Grant funds are used for material purchases only:
State funds used for material purchases only, are subject to the Pennsylvania Prevailing Wage Act if used for the purchase of construction materials or equipment requiring installation by a contractor, if the total project meets or exceeds \$25,000.00 Although the Grant funds are not being used for the installation of the construction materials or equipment:

The Grantee must:

- A. Submit a copy of the PA Prevailing Wage Determination to ACED/RAAC or submit a Wage Determination Request form from the bid packet and ACED/RAAC will pull the wages, to include as part of the bid package documents for the installation.
- B. The Grantee is responsible to collect weekly payrolls from the Contractor and any Sub-Contractors and submit them to the ACED/RAAC Project Manager.

The Contractor must:

- A. The selected Contractor and any Sub-Contractors are required to submit a full set of contractor paperwork from the CITF Procurement Packet.

- B. Pay their employees the proper prevailing wages and fringes for the installation of materials or equipment purchased through the grant.
- C. Submit weekly payrolls to the Grantee.

To confirm that proper PA Prevailing Wages and fringes are paid to all employees, for the installation of the materials or equipment purchased through the Grant, the amount of 10% of the grant will be retained until all required paperwork and payrolls are received by the ACED/RAAC.

It is recommended that the following website be checked for suspended or debarred contractors before any are selected:
<https://www.dgs.internet.state.pa.us/debarmentsearch/debarment/index> or contacting the Department of General Services at 717-783-6472.

XIII. AUDITING REQUIREMENTS

All GEDTF grant projects will require a **close-out audit** to be conducted upon complete draw-down of funds. All grants over \$100,000 will require an independent certified public accountant to perform a program audit 180 days after the final disbursement is issued. All grants \$100,000 or less will be audited by an Allegheny County employee and will require a \$1,000 fee. **Please note: Audit fees are not eligible to be reimbursed from GEDTF funds.**

XIV. WAIVER OF PROVISIONS

RAAC may waive any of these Program Guidelines based upon a determination of the public benefits of the project and criteria established for the evaluation of GEDTF projects.

XV. PROGRAM INQUIRIES

Program inquiries should be directed to: GEDTF@AlleghenyCounty.us,

no phone calls please.

XVI. INSURANCE REQUIREMENTS

Insurance Carriers must be licensed in Pennsylvania. Grantees must provide all appropriate certifications of bonding and insurance on an ACORD form in the amounts set forth below prior to RAAC contract execution. Most information can be verified through Insurance Certificates:

- A. Fidelity Bond/Employee Dishonesty – Must equal GEDTF Contract Amount.
- B. Automobile (company owned vehicles) - Aggregate bodily and property damage. Minimum limit \$500,000.
- C. Comprehensive General Liability - Coverage must include aggregate bodily and property damage, products liability and completed operations, explosions, collapse and underground damage. Minimum limit \$500,000.
- D. Worker’s Compensation - Converge A Statutory. Coverage B Employer’s Liability. Minimum \$500,000.
- E. **“The Redevelopment Authority of Allegheny County and its officers, directors, agents and employees, as well as Allegheny County and its elected officials, officers, appointees and employees” must be named as additional insured on all insurance certificates.**