

THE GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS

CHAPTER 110-7-1 REGIONAL ECONOMIC BUSINESS ASSISTANCE GRANT PROGRAM DESCRIPTION

TABLE OF CONTENTS

110-7-1-.01	Purpose
110-7-1-.02	Eligible Applicants
110-7-1-.03	Fund Availability
110-7-1-.04	Eligible Activities
110-7-1-.05	Review of Grant Applications
110-7-1-.06	Awarding of Grant Funds
110-7-1-.07	Statement of Conditions

110-7-1.01 Purpose.

The purpose of the Regional Economic Business Assistance Grant Program is to develop, promote, sustain, and assist eligible applicants in the performance of their duties and responsibilities under law to their citizens, including, among other duties and responsibilities, the provision of infrastructure and other public works and improvements; the development, promotion, and retention of trade, commerce, industry, and employment opportunities; and the provision of transportation systems, by providing flexible and timely financial assistance for community or economic development projects around the state. Secondly, the program may also assist with the formulation and implementation of regional or multi-county plans for community or economic development projects or for projects promoting regional or multi-county community or economic development cooperation.

Authority O.C.G.A. Sec. 50-8 and Appropriations Act. Code Sections 50-8-3(b)(5) and 50-8-8 are the specific statutory basis for this program.

110-7-1-.02 Eligible Applicants.

(1) Eligible applicants and recipients of grant funds awarded under this program shall be general purpose local governments (municipalities and counties), local government authorities, regional development centers, state agencies, and state authorities. All local government units party to an application must be in compliance, where applicable, with the requirements regarding comprehensive planning, solid waste management planning and reporting, report of local government finances, and local government authorities registration.

(2) Eligible applicants must apply for grants under this program in a format and manner prescribed by the Department of Community Affairs (hereafter "department"). Grant applications may be submitted in writing to the department at:

Department of Community Affairs
Regional Economic Business Assistance Program
Community Development & Finance Division
60 Executive Park South, NE
Atlanta, Georgia 30329-2231

(3) The forms provided will include guidelines and information outlining procedures for submission, mailing addresses, phone numbers of contact persons and other necessary information. Authority O.C.G.A. Sec. 50-8-8 and Appropriations Act.

110-7-1-.03 Fund Availability.

(1) Grant funds appropriated or otherwise made available to the department for this program will be divided into two distinct funding categories: (1) Community or Economic Development Assistance Projects, and (2) Regional or Multi-Jurisdiction Community or Economic Development Implementation Projects.

(2) The department will establish and publish funding availability. Applications for both funding categories will be accepted throughout the fiscal year and will be reviewed based upon the criteria provided in Rule 110-7-1-.05.

Authority O.C.G.A. Sec. 50-8-8 and Appropriations Act.

110-7-1-.04 Eligible Activities.

(1) All applicants for Community or Economic Development Assistance Projects must submit an application to the department, in a format prescribed by the department. Applicants must demonstrate that they have a viable community or economic development project and clearly identify the proposed use of the funding. Eligible uses of funds for this category include community or economic development improvements such as, but not limited to, rail access; road improvements; water and sewer improvements; site acquisition and development; drainage improvements; utilities; construction projects; capital outlay projects; infrastructure projects; planning services; technical assistance; agriculture, and agribusiness; purchase or lease of equipment or other assets; or any other community or economic development and business assistance activity or purpose identified in O.C.G.A. §50-8-3(b)(5) or O.C.G.A. §50-8-8. It is important to note that the proposed use of REBA funds will dictate whether the funds can simply be granted to the applicant, or whether they will be granted to the applicant but require a lease agreement between the applicant and the participating businesses or private user.

(2) All applicants for Regional or Multi-Jurisdiction Community or Economic Development Implementation projects must submit an application to the department, in a format prescribed by the department. Applicants must demonstrate that they have a viable regional or multi-jurisdiction community or economic development implementation project and clearly identify the proposed use of the funding. Eligible uses of funds for this category include, but are not limited to, items such as regional industrial parks; regional facilities; studies; plans; specialized training or educational programs for regional specific industries; coordinated and comprehensive planning; marketing and promotional projects to encourage tourism and to develop, promote, and retain trade, commerce, industry and employment opportunities; or any other community or economic development and business assistance multi-jurisdictional activity or purpose identified in O.C.G.A. §50-8-8.

(3) In general, public acquisition or improvements of public facilities such as water and sewer can be paid for by the applicant with REBA funds and do not require a lease agreement with the participating businesses. Where REBA funds are expended for the public acquisition and/or improvements of privately used land, buildings, machinery and equipment, or other private assets, such land, building, machinery and equipment, or other private assets must be owned or leased by the applicant and leased or subleased to the participating business or private user. REBA funds may also be loaned by the applicant to a participating business or private user for the purchase of land, buildings, machinery and equipment, or other private assets, the terms of which loan shall be

determined by the department. Repayment of such a loan would be made to the department and used for other economic development projects and programs.

It is important to note that the department may require the applicant to recapture some or all of the REBA grant if ownership of the project assets are transferred to an entity other than the applicant. The department also reserves the right to require the recapture of grant funds upon transfer of project assets to an entity other than the applicant or upon any event that violates state law, the public purpose of the grant program, or any of the grant conditions. All recaptured funds must be returned to the department.

Authority O.C.G.A. Sec. 50-8-8 and Appropriations Act.

110-7-1.05 Review of Applications

All applications received from applicants will be reviewed to determine the merit of the applications and the proposed use of funds. In determining whether an applicant shall receive a grant award, the following criteria will be considered:

(a) **Community or Economic Development Assistance Projects.** Project applications will be reviewed based upon enhancement of community or economic development opportunities, including but not limited to, numbers and types of jobs retained and/or created; total private capital investment; impact on the state, regional and community tax base; degree of local commitment; consistency with local and regional development goals and objectives; project readiness; geographic distribution; project feasibility; project impact; and reasonableness of cost estimates.

(b) **Regional or Multi-Jurisdiction Community or Economic Development Implementation Projects.** Project applications will be reviewed based upon enhancement of community or economic development opportunities including, but not limited to, likelihood of success in leading to the retention of jobs within the region or enhanced job creation; consistency with the region's community or economic development goals and objectives; improved regional competitiveness; degree of local commitment; degree of revenue and cost sharing between participating local governments; project readiness; project feasibility; project impact; and reasonableness of cost estimates.

(c) Recapture of some or all of REBA grant funds by the applicant may be considered as a competitive factor in the department's review of project applications for both the Community or Economic Development Assistance Projects and the Regional or Multi-Jurisdiction Community or Economic Development Implementation Projects.

(d) All applications for funding from this program must provide written certification from the applicant, addressed to the department, to the effect that the applicant is authorized under the laws of the State to carry out the project and activities that are the subject of the application and that the proposed expenditure of funds is in accordance with all applicable legal requirements.

(e) All Community or Economic Development Assistance Project applications must include a recommendation from a state agency whose statutory powers and duties include community and economic development, that the proposed project will significantly develop, promote and or retain trade, commerce, industry, and employment opportunities within the State of Georgia and promote the general welfare of the State. The recommendation is for the purpose of allowing the department to receive advice, and is not intended to delegate in any way the department's authority to independently determine grant awards.

(f) In its review of applications, the department may, at its discretion, consult with other individuals or agencies as appropriate for the purpose of receiving advice.

(g) The criteria in this rule (110-7-1-.05) are designed to assist the department in making its decision and only constitute minimum standards. Additional factors may be considered depending on the nature of particular projects and their relative merit compared to competing proposals and depending on the availability of funding at the time of application. The decision that the department makes shall be final and conclusive.

110-7-1-.06 Awarding of Funds.

(1) Award limits will be set at no more than \$750,000 per project. These limits can be waived upon recommendation as set forth in **110-7-1-.05(e)** and upon approval of the Commissioner of Community Affairs.

(2) Once selected for funding, grant funds will be made available by the department through a grant award statement incorporating by reference the approved final application and adding any special conditions that may be necessary or appropriate. As part of the grant award conditions, recipients must file a report on the impact and performance of the project, in a format prescribed by the department, for future use by the department.

(3) The department may approve a grant subject to certain general or special conditions that will be incorporated into the grant award document. Such conditions may require that an applicant loan REBA funds to the participating business or private user, with terms as prescribed by the department. Loan repayments would be recaptured by the department to be used for other economic development projects and programs.

(4) As a condition to the award, the department may require the recipient and the participating business or private user to execute a Performance and Accountability Agreement. Such an agreement would establish performance standards (such as job creation and private investment), reporting requirements, and conditions for repayment, among other terms, as conditions of the award.

(5) Because of the limited amount of funds available, the department may also award an amount less than the amount requested in the application. Applicants will have thirty (30) days from the date of award to accept to special conditions and/or the reduced grant amount. The department reserves the right to shorten this period during the last quarter of each fiscal year. If the applicant fails to accept the special conditions or lower grant amount within the required period, the department may unilaterally withdraw the grant award.

(6) The department will provide recipients with specific instructions and forms to be used for drawdown of funds under the grant award.

Authority O.C.G.A. Sec. 50-8-8 and Appropriations Act.

110-7-1-.07 Statement of Conditions.

In addition to the certifications made on the face of the grant award statement, the recipient further certifies that:

(1) No applicable state laws, rules or regulations or applicable local ordinances shall be violated in carrying out this project and expending REBA funds.

(2) Recipient's internally adopted procurement procedures will be adhered to and proper documentation shall be maintained in the program file so as to document such adherence.

(3) Recipient's accounting records shall be maintained in a manner consistent with generally accepted government accounting standards.

(4) If the Recipient is a development authority with powers set forth at Chapter 62 of Title 36 of the Official Code of Georgia Annotated, then the project financed in part by REBA funds shall only be leased or sold as provided by Section 36-62-7 of the Official Code of Georgia Annotated.

(5) Without limitation of any other condition, **no REBA funds** shall be used to pay the cost of **entertainment**. Entertainment costs are defined as: "Costs of amusements, social activities and incidental costs relating thereto, such as meals, beverages, lodgings, rentals, transportation, and gratuities." This definition includes meal/beverage expenses incurred for meetings which could reasonably have been conducted at a place of business and which did not require the provision of a meal.

Please note that expenses for business meetings at which meals/beverages were necessary and reasonable for proper and efficient administration of the project are allowable.

(6) The recipient shall undergo an annual financial audit conducted in accordance with Generally Accepted Government Auditing Standards established by the comptroller general of the United States. A Source and Application of funds schedule and a Project Cost Schedule for all REBA funds must be included in the audit report.

(7) Upon request of the Department, the Recipient shall submit copies of annual financial audits that cover all or part of the award period to the Department. These annual financial audits must be conducted in accordance with government auditing standards established by the comptroller general of the United States.

(8) Upon approval of the department, up to \$10,000.00 may be drawn down as soon as the grant award document has been properly executed and the authorized signature card has been received by DCA. Up to 90% of the total award may be drawdown, on an as needed basis, preferably no more often than once a month. The final 10% will only be paid by DCA after completion of the project and satisfactory submission of all final reports.

(9) No real or apparent conflict of interest shall be engaged in by any person or party (or any person or party with whom they have family or business ties) who is involved in any aspect of the REBA project.

(10) Before engaging in any land disturbing activity and before acquiring real property, the Recipient must comply with the Environmental Policies Act (O.C.G.A. § 12-16-1 *et seq.*)

(11) DCA shall have access to any pertinent records of the REBA recipient and any subrecipient and reserves the right to monitor compliance with all grant conditions and requirements. All records pertinent to the REBA program, whether financial or programmatic, shall be maintained for three years from the date of formal grant close out.

Authority O.C.G.A. Sec. 50-8 and Appropriations Act.