State of Maine
Municipal Investment Trust Fund

Information and Application Package

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MUNICIPAL INVESTMENT TRUST FUND

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MITF PROGRAM OVERVIEW

A. Introduction

The Municipal Investment Trust Fund (MITF) Grant/Loan Program provides communities with funds to help meet their identified public infrastructure or downtown improvement needs. This package sets forth eligible activities, the method for prioritizing projects and an application for program funds.

The Municipal Investment Trust Fund is intended to act as an incentive for local governments to implement programs which:

- Are part of a long range community strategy;
- Minimize development sprawl consistent with the State of Maine Growth Management Act
- Support the revitalization of downtowns;
- Foster partnerships and encourage social and financial investments between groups of municipalities, state and federal entities, public and private development organizations to address common community and economic development needs, and;
- Improve deteriorated business districts and local economic conditions.

Definition of terms used in the MITF Program.

- Bank: "Bank" shall mean the Maine Municipal Bond Bank.
- Capital improvement Program: "A Capital Improvement Program" is a plan adopted by the municipality that has the following elements:
    - An assessment of all public facilities and services, such as, but not limited to, roads and other transportation facilities, sewers, schools, parks and open space, fire and police;
    - An annually reviewed 5-year plan for the replacement and expansion of existing public facilities or the construction of such new facilities as are required to meet expected growth and economic development. The plan must include projections of when and where those facilities will be required; and
    - An assessment of the anticipated costs for replacement, expansion or construction of public facilities, an identification of revenue sources available to meet these costs and recommendations for meeting costs required to implement the plan.
- Comprehensive Plan: "Comprehensive Plan" shall mean a plan that is determined by the Executive Department, State Planning Office to be consistent with 30-A MRSA § 4326, subsections 1 to 4 and that has been adopted by the municipality.
- Department: "Department" shall mean the Department of Economic and Community Development (DECD).

- Designated Growth Area: “Designated Growth Area” shall mean a locally designated growth area as defined by 30-A MRSA §4349-A sub 1.

- Downtown: "Downtown" shall mean the central business district of a community that serves as the center for socioeconomic interaction in the community and is characterized by a cohesive core of commercial and mixed-use buildings, often interspersed with civic, religious and residential buildings and public spaces, typically arranged along a main street and intersecting side streets, walkable and served by public infrastructure; or an area identified as a downtown in a comprehensive plan adopted pursuant to chapter 187, subchapter II.

- Downtown Improvement Program: “Downtown Improvement Program” is a program where the municipality has:

    - Shown broad-based support for downtown revitalization;

    - Established a comprehensive downtown revitalization work plan, including a definition and a map of the affected area;

    - Developed measurable goals and objectives;

    - Demonstrated an historic preservation ethic;

    - Established an ongoing board of directors, with associated committees;

    - Provided an adequate operating budget;

    - Developed the capacity to report on the progress of the downtown program; and

    - Established the ability and willingness to support integrated marketing efforts for retailers, services, activities and events.

- Downtown Improvement Project: “Downtown Improvement Project” shall be a project in a municipality with a Downtown Improvement Program that must be used to acquire, design, plan, construct, enlarge, repair or protect downtown improvements.

- Financial Assistance Grant: “Financial Assistance Grant” shall mean a grant from the Executive Department, State Planning Office for the purposes provided in 30-A MRSA § 4346.

- Fund: “Fund” shall mean the Municipal Investment Trust Fund as defined in 30-A MRSA Chapter 125.

- Local Growth Management Program: “Local Growth Management Program” shall mean a growth management program adopted by the community and certified by the Executive Department, State Planning Office, under 30-A MRSA §4347-A that includes a Capital Improvement Program.

- Project: The "Project" is the scope of work for which a loan/grant is sought by a municipality from the Fund.

- Project Priority List: A "Priority List" is a list of municipal Projects established by the Department pursuant to 30-A MRSA §6006-D for which assistance has been approved by the Department.

- Regional Economic Impact: “Regional Economic Impact” shall mean a project that stimulates job growth or retention, expands the regional economic base through infrastructure improvement or development including tourism, recreational opportunities, or expansion of housing opportunities.

- Service Center: “Service Center” shall mean a community as defined by Rule in Chapter 07-105-220

B. Eligible Activities

The following are eligible activities: Acquisition, design planning, construction, expansion and rehabilitation for the protection or improvement of public infrastructure. Typical uses might include downtown improvements, streetscapes, sidewalks, parking, sewer and/or water system improvements, transportation enhancements, parks, housing and community facilities. Water and sewer extensions are only eligible if extending to a designated growth area as identified in a local growth management plan, comprehensive plan or in a service center’s designated growth area. Except for certain downtown improvement activities, all program funding must involve infrastructure/facilities owned by the municipality.

All applicants must comply with the following in order to receive funding:

- Must submit a completed project application,
- Be approved by the Department and placed on the Project Priority List,
- Comply with all program requirements,
- Demonstrate a dollar for dollar match for the amount of MITF funds requested
- Submit and receive approval from the Department for project plans,
- Where applicants will be receiving a program loan, they must complete and submit a financial application, in the format required, to the Bank,
- Each loan applicant shall execute loan documents in the form and substance satisfactory to the Bank. The Bank shall have final approval of all loans. If the Bank rejects the loan application, the Department will remove the project from the Project Priority List and the applicant will not receive program funding,
- Payments shall be requested for “work completed” and made as construction proceeds. Requests for program funds shall be submitted to the Department for approval prior to being submitted to the Bank for payment.

C. Applicant Eligibility Criteria

1. A municipality is eligible to receive a grant or a loan, or a combination of both, if that municipality has adopted a growth management program certified under section 4347-A that includes a capital improvement program.

2. A municipality is eligible to receive a loan if that municipality:

    a) Has adopted a comprehensive plan that is determined by the Executive Department, State Planning Office to be consistent with section 4326, subsections 1 to 4.

3. A municipality is eligible to receive a grant or loan if that municipality is a service center community.

Multi-Jurisdictional Applications: Subject to all other program requirements, two or more municipalities that each meet the requirements of 1., 2. or 3. above, may jointly apply for assistance under this program.

Downtown Improvement Projects: A municipality is eligible for a downtown improvement grant or loan if that community, to the satisfaction of the Department, has:

a) Shown broad-based support for downtown revitalization;
b) Established a comprehensive downtown revitalization work plan, including a definition and a map of the affected area;
c) Developed measurable goals and objectives;
d) Demonstrated an historic preservation ethic;
e) Developed the capacity to report on the progress of the downtown program; and
f) Established the ability and willingness to support integrated marketing efforts for retailers, services, activities and events.

D. Applicant and Project Priority

The Department will make program awards to municipalities in the following priority order:

1. Service Center Communities that have adopted a Local Growth Management Program or a Comprehensive Plan or have a Designated Growth Area; **OR** projects undertaken jointly by two or more municipalities where the municipalities have adopted a Local Growth Management Program or a Comprehensive Plan.
2. Non-Service Center municipalities that have adopted a Local Growth Management Program.
3. Non-Service Center Municipalities that have adopted a Comprehensive Plan.

The Department will make program awards to municipalities for projects in the priority categories listed below. Additional consideration will be given within each category for demonstration of readiness (including but not limited to completion of planning activities and funding commitments) and an enhancement to economic development activities:

1. Downtown Improvement projects
2. Infrastructure projects with a demonstrated regional economic impact
3. Infrastructure projects substantially leveraging other funding
4. Infrastructure projects benefiting only one community such as a town office or fire station.

E. Applicant Prohibitions

Units of general local government and unorganized territories may not benefit from, or apply for, more than one MITF Program award per calendar year. Multi-jurisdictional applications from two or more communities must designate a lead community. Counties may apply on behalf of unorganized territories. The maximum program award is $500,000.

Non-Service Center municipalities are not eligible for funds if they do not have either a local growth management plan or an adopted and consistent comprehensive plan.

Program funds may not be used to refinance existing debt on facilities or to refinance facilities currently being constructed.

Program funds may not be used to supplant funds from any other state, federal or local source already approved for the project.

F. Grant to Loan Ratio and Repayment Terms

The Maine Municipal Bond Bank (Bank) will have the authority of final approval or rejection of all MITF loan applications. The Bank, based upon a review of local financial capacity and information provided in the application, will determine final loan terms and rates of interest as determined to be in the best interest of the Bank, the DECD and the MITF program.

G. Public Hearing Requirements

Each applicant must hold a duly advertised public hearing during the Application process if required to do so by local ordinance/charter in order to apply for these funds or to commit to the required match. The hearing must be advertised and/or posted according to local requirements. **Applicants required to hold a public hearing must attach a copy of the published hearing notice, attested copy of the minutes and attendance list to the Application.**

H. Application Process:

The selection process for the MITF Program consists of an application phase and a project review and development phase.

1. Competitive Application

The Application asks communities to provide a description of their most important public infrastructure problem, the identified solution to that problem, the local participation that determined that this need and solution should be addressed through this program, and **the commitment of local and/or other resources in implementing the proposed project on the basis of a 1:1 match for the amount of MITF funds requested**. The applicant must complete the Application form and may only attach additional information if specifically requested. Please remember to answer briefly and as completely as possible within the allotted space. The focus of the review is to assess the readiness, feasibility, community, economic and regional impact, health and safety issues and need for funding from the basic facts of the situation and proposed solution.

Review of Applications will begin following receipt by the OCD. Each Application will be rated on its own merit and in relation to all other program applications. After the review is

completed, successful communities will be invited into the Development Phase. Review criteria for the Application process are described below.

2. Project Development An invitation into the project development phase will tentatively reserve funds for the project. Final funding is contingent upon the successful completion of all development phase criteria, review, approval and establishment of a final funding level by the Maine Municipal Bond Bank and the Department. All aspects of the development phase must be completed prior to the execution of a contract with OCD and include but are not limited to:

1) environmental review;
2) cost analysis and justification;
3) commitment of non-MITF project funds;
4) loan closing documents;
4) management plan development; and
5) specific state and federal requirements.

The emphasis during the development phase is on establishing the best project to meet the community's needs through a local/regional/state partnership. A Department staff person will be assigned to work with each community to assist in the development and finalization of their project. Applicants have six months to complete the development phase. **Projects not under contract within the six-month period <u>may</u> be removed from the Project Priority List.**

3. Project Implementation
Following contract execution, the community will be awarded Program funds and will begin to implement their project. The Development Program Manager will remain involved with the community throughout implementation to provide technical assistance and to monitor compliance with program regulations.

MUNICIPAL INVESTMENT TRUST FUND PROGRAM

Application Timetable & Requirements

Applications Due – **The MITF program will have an open application process. Applications will be evaluated in the order of the date received at DECD beginning November 3, 2003 so long as funds are available.**

Please check with the Department prior to submission of applications to verify funding availability.

Award Invitations Announced – Within 30 days of receiving applications.

Applications must be received at the:

OFFICE OF COMMUNITY DEVELOPMENT
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT
59 STATE HOUSE STATION
111 SEWALL STREET
AUGUSTA, MAINE 04333-0059
FOR FURTHER INFORMATION: (207) 624-7484 TTY: (207) 287-2656

SUBMISSION REQUIREMENTS

ONE ORIGINAL containing the Application and Required Responses, Signed Cover Sheet with Certifications, Activity Designation Sheet, Demonstration of an Eligibility, Matching Funds Table with attached Letters of Commitment and Public Hearing Record.

FIVE COPIES containing only the Application and Required Responses, Matching Funds Table with attached Letters of Commitment and Public Hearing Record.

MARGIN AND TYPE SIZE all Applicants must provide required responses in the allotted space provided in the application form using a minimum size 12 Arial font unless otherwise specifically stated differently.

MAXIMUM LENGTH OF REQUIRED RESPONSE SECTION OF APPLICATION
Applicants are limited to the space provided in the Required Response sections of each Application, use of attachments is prohibited unless specifically asked to do so.

NON-CONFORMING APPLICATIONS WILL NOT BE SCORED

This Application Package is available electronically at:
www.meocd.org

MUNICIPAL INVESTMENT TRUST FUND

A STEP-BY-STEP GUIDE FOR SUCCESSFUL APPLICATION SUBMISSION

1. **Read the entire Application Package carefully!** **Be sure to follow instructions on Page 9 as to due date, number of copies submitted, font size, maximum length allowed for your Required Responses and additional information specifically requested.**
2. **Complete the Application Cover Sheet on Pages 12-13. The Cover Sheet contains places for signatures and lists state and local regulations that applicants certify they will follow if awarded MITF program funds. Make sure all required signatures are obtained. At a minimum, each applicant will need the signature of their Chief Executive Officer (CEO). In addition, signatures are required from each CEO for regional Applications. Projects in support of utility districts will also require the signatures of the utility executive officers.**
3. **Complete the Activity Designation Sheet on Page 14. This sheet will list project activities, identify if the project is regional and determine if proposed projects are in compliance with MITF statute requirements.**
4. **Complete the Application and Required Response section. Be sure to include required information for the applicant as well as utility districts. (Use only the space allotted in the Required Responses and provide attachments only if they are specifically asked for.)**
5. **Complete the Matching Funds Table on Page 19 and attach letters of firm commitment for each funding source claimed on the table.**
6. **Attach documentation of local public hearing to the Application (if applicable). This must be in compliance with the requirements set forth on Page 11.**
7. **Submit your application package, be sure to submit 1 original and 5 copies that meet the requirements contained on Page 9. DO NOT include elaborate or expensive covers, as they will be discarded prior to application review.**
8. **Use the Application Checklist on Page 11 as a tool to make sure your Application will be complete and ready for OCD review.**

9. **Remember! The MITF program will have an open application process. Applications will be evaluated in the order of the date received at DECD beginning November 3, 2003 <u>so long as funds are available.</u>**

Contact us or download an electronic version of this Application or other

www.meocd.org
or call (207) 624-7484.

MUNICIPAL INVESTMENT TRUST FUND
Application Checklist

Use this to make sure your Application contains all required submissions!

A complete application consists of:

- ❑ **a signed cover sheet,**
- ❑ **activity designation sheet,**
- ❑ **a public hearing record consisting of the published public hearing notice, attested hearing minutes and attendance list (when applicable, see package for details),**
- ❑ **a matching funds table with attached letters of commitment, and**
- ❑ **responses to all sections of the Application.**

Incomplete packages will not be reviewed.

MITF GRANT/LOAN APPLICATION COVER SHEET

A. Applicant Identification

Applicant _____

Street/P.O. Box _____

Town/City _____

Zip Code _____ Tel: _____ e-mail : _____

B. The Applicant Certifies That:

1. State Certifications

a. To the best of my knowledge and belief, the information in this Application is true and correct:

b. The governing body of the applicant has duly endorsed the document;

c. A local cash match that directly relates to the proposed activity and is the equivalent of at least 100 percent of the project grant award will be provided if the applicant is invited to proceed. In-kind material or services to be expended during completion of the proposed project or which has been expended for activities directly related to and necessary for the completion of the proposed project no more than six months prior to the submission of this Application may not count as current cash match,

d. The proposed project has been reviewed and it complies with the Community's growth management plan, comprehensive plan and/or applicable state and local land use requirements;

e. It will work with the Department and the Bank to develop a detailed project if it receives a conditional award; and

f. It will comply with all applicable State and Federal laws and regulations.

Signature of Single Applicant or Lead Applicant of a Regional Application

_____

Signature and Title of Chief Executive Officer Unit of General Local Government Date

Signature of Each Participating Applicant in a Regional Application

Signature and Title of Chief Executive Officer	Unit of General Local Government	Date
Signature and Title of Chief Executive Officer	Unit of General Local Government	Date
Signature and Title of Chief Executive Officer	Unit of General Local Government	Date
Signature and Title of Chief Executive Officer	Unit of General Local Government	Date

Activity Designation Sheet

1. **Activity Declaration**

a. Type of project: Downtown Improvements _____
Regional _____
Infrastructure w/leverage _____
Single municipality _____

b. List the activities you will be doing in your proposed project: _____

_____

_____

_____

_____

_____

_____

2. Regional Declaration

a. Is this a regional project? __ Yes __ No
b. If yes, what community will be designated as the lead community? _____
c. If yes, list the participating communities: _____

_____

_____

_____

Remember, all participating or benefiting local governments must sign the Cover Sheet Certification Form.

3. Municipal priority declaration

a. Service Center Community __ Yes __ No
b. Adopted Local Growth Management Program __ Yes __ No
c. Adopted Comprehensive Plan __ Yes __ No
d. Have a Designated Growth Area __ Yes __ No
e. Regional where all applicants have adopted a Local Growth Management Program or a Comprehensive Plan __ Yes __ No
f. Non-Service Center community w/adopted Local Growth Management Program __ Yes __ No
g. Non-Service Center community w/Adopted Comprehensive Plan __ Yes __ No

Applicants must submit a letter from the State Planning Office with the application confirming their status as stated above.

STATE OF MAINE
MUNICIPAL INVESTMENT TRUST FUND PROGRAM

APPLICATION

1. Applicant:

   Name: _____

   Street/PO Box: _____

   Town/City: _____

   Zip Code: _____

   Chief Executive Officer: _____

   Phone #/e-mail Address: _____

   Contact Person: _____

   Phone #/e-mail Address: _____

2. Utility Company (if applicable)

   Name: _____

   Street/PO Box: _____

   Town/City: _____

   Zip Code: _____

   Chief Executive Officer: _____

   Phone #/e-mail Address: _____

   Contact Person: _____

   Phone #/e-mail Address: _____

Amount of MITF Program Request: $_____

Total project cost: $_____

Applicants are limited to the space provided in the Required Responses section of each application and may use attachments only if specifically asked to do so.

REQUIRED RESPONSES

(Use only the space provided)

Conditions warranting project including health and safety concerns and regional impact (examples: bacteria presence, boil order, lead, copper, camera surveys, sewer system leaks, storm drainage separation, road conditions, etc.): **(You may attach a two page engineering report.**)

Description of project activities, target area, and specific use of program funds:

Describe how this project was identified and prioritized to be addressed; included should be involvement of municipal officials, residents, and actions taken at public hearings, or town meetings and how and if the proposed project has received media attention:

_____
_____
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Describe the effect of the project on users/region: _____

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_____

Projected timeframe and feasibility for completion of projected activities:

MUNICIPAL INVESTMENT TRUST FUND Program

Leveraged Funds Table

Potential funding sources sought: Please enter the sources of funds that you intend to apply to this project (federal and state funding, bank loans, bonds, etc.). For all sources, please indicate the status of the commitment to the project at the time of this application. The three choices are: 1.) no contact has yet been made with the potential funding source 2.) contact has been made with the funding source but a commitment has not yet been received 3.) funds are currently committed for the project. Also, for borrowed funds or funds from bond sales, please state the term, interest rate, and any applicable revenue coverage or debt service reserve amount which is likely to be required by the lender or bond underwriters.

Source	Grant/Loan	Amount	(Please check the number below that relates to each funding source status as described above)			Terms of borrowing or bond sale
			1	2	3	

Letters of Commitment for all Matching Funds listed must be attached to this table.

THIS MATERIAL IS AVAILABLE IN ALTERNATIVE FORMAT UPON REQUEST

CONTACT

ORMAN WHITCOMB, DIRECTOR
OFFICE OF COMMUNITY DEVELOPMENT
111 SEWALL STREET
59 STATE HOUSE STATION
AUGUSTA, MAINE, 04333-0059
TELEPHONE (207) 624-7484
TTY (207) 287-2656

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