

State of Maine
Community Development
Block Grant Program



2020 Economic Development Program
Letter of Intent to Apply
Due Friday February 21, 2020 by 4:00 p.m.

Letters of Intent may be submitted via email to: ocd.loi@maine.gov
Please enter "EDP LOI" in the subject line.

All communities wishing to apply for assistance under the 2020 Economic Development Program must use this Letter of Intent to document compliance with requirements established by Title I of the Housing and Community Development Act of 1974, as amended and the State of Maine CDBG program. Applicants who submit a completed Letter of Intent deemed to be fully compliant will be notified by OCD that they are eligible to submit a final application. Eligibility to submit a final application does not imply final project approval or funding. **Funds will not be available until after July 1, 2020.**

EDP PROJECT PARTICIPANTS

Legal Applicant (Community):

Applicant:		Phone:	
Address:		Fax:	
City, ZIP+4:		E-Mail:	
Contact:			
DUNS #:	Applicant DUNS (Dunn & Bradstreet) #: (visit http://fedgov.dnb.com/webform if applicant needs to obtain a number)		
OCD Staff Consultation (Name and Date of Consultation Required):			

Business to be assisted:

Business		Phone:	
Address:		Fax:	
City, ZIP:		E-Mail:	
Contact:		Title	
DUNS #:	Applicant Business DUNS (Dunn & Bradstreet) #: (visit http://fedgov.dnb.com/webform if business needs to obtain a number)		

If applicable, is business to be assisted

☐ Retail

☐ Start-up

EDP ELIGIBLE ACTIVITY CATEGORIES

	Grants to Municipalities: for acquisition, relocation, demolition, clearance, construction, reconstruction, installation and rehabilitation <u>associated with public infrastructure</u> projects such as water and sewer improvements, flood and drainage improvements, publicly-owned commercial and industrial buildings, parking, streets, curbs, gutters, sidewalks, etc. <u>All public infrastructure must be owned by the municipality or public or private utility and be in support of an identified business.</u>	\$500,000
	Grants to Municipalities for Direct Business Support: for capital and non-capital equipment, land and site improvements, rehabilitation or construction of commercial or industrial buildings, job training, working capital and capital equipment and be in support of an identified business. Acquisition is not an allowable activity under this group. *Start-up businesses are limited to a maximum grant award of \$250,000	\$500,000*

Applicants may apply in only one specific grant activity group.

ECONOMIC DEVELOPMENT PROGRAM FUNDS CANNOT BE USED TO REFINANCE EXISTING DEBT

PROJECT INFORMATION

Using the space provided please provide a clear, concise description of the proposed development project. Be sure to clearly explain how EDP funds will be utilized, the financing gap that exists to do the project and the timeline in which the CDBG-EDP funds will be expended and information relative to jobs being created and/or retained.

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Occupation/Job Title	# of Jobs	Work Location	Hire Date	Hourly Salary	Job Class #

In determining CDBG National Objective compliance with job creation only **Permanent** jobs may be counted; temporary jobs may not. Full time jobs require a worker to work at least 1750 hours per year. Part time jobs require a worker to work at least 875 hours but less than 1750 hours per year. Part-time jobs **must** be converted to Full Time Equivalents (FTE). An FTE is defined as two part time jobs. **Seasonal** jobs may count only if the seasonal job lasts long enough and provides sufficient income to be considered the employee's principal occupation. (Contact OCD prior to counting seasonal jobs towards LMI benefit.) **All** permanent jobs created by the project must be counted, regardless of funding source(s). Jobs indirectly created by the project (i.e., remote location, “trickle down” jobs) do not count.

**STATE OF MAINE
COMMUNITY DEVELOPMENT BLOCK GRANT
ECONOMIC DEVELOPMENT PROGRAM LETTER OF INTENT**

GRANTEE/BUSINESS ASSURANCES

JOB CREATION

The Business _____ (as identified below), having applied for funding from the Town/City of _____ (as identified below) through the Maine Department of Economic and Community Development, assures that it has discussed CDBG job creation project goals and requirements with the municipality. The Municipality is assured that _____ jobs **will be created**. The Business (as identified below) assures that these jobs will be created and that timely and completed documentation will be provided to the Municipality necessary to verify job creation achievements. Both the Municipality and the Business assure that low and moderate-income persons will take at least 51% of the jobs created.

In determining CDBG National Objective compliance with job creation only **Permanent** jobs may be counted; temporary jobs may not. Full time jobs require a worker to work at least 1750 hours per year. Part time jobs require a worker to work at least 875 hours but less than 1750 hours per year. Part-time jobs **must** be converted to Full Time Equivalents (FTE). An FTE is defined as two, part time jobs. **Seasonal** jobs may count only if the seasonal job lasts long enough and provides sufficient income to be considered the employee's principal occupation. (Contact OCD prior to counting seasonal jobs towards LMI benefit.) **All** permanent jobs created by the project must be counted, regardless of funding source(s). Jobs indirectly created by the project (i.e., remote location, "trickle down" jobs) do not count.

All job creation information reported on this form will be reviewed by OCD.

Municipality

Signature of Municipal CEO

Date

Business

Signature of Business CEO

Date

G. COST ESTIMATES & PROJECT FUNDING

Provide the estimated project cost, amount of CDBG funds to be requested and sources, amounts and dates secured for all anticipated cash matching funds.

Applicants for Economic Development Program funds must certify and provide documentation, at time of application, that there is a 100% cash match of the total EDP award. Matching funds must be directly related to the activities undertaken with EDP funding and must be firm commitments from non-CDBG funds and documented by binding commitment letters submitted with the final application. Matching funds cannot be committed or expended prior to the project receiving Environmental Review Clearance from the Office of Community Development. Prior commitments and in-kind contributions are not considered as match. Project must demonstrate that there is a gap between sources and uses and that CDBG funds are needed to fill that gap.

If the business that is requesting CDBG funds has previously been assisted, you must get permission from the Director of OCD.

All construction estimates should be prepared by the Engineer/Architect. Take into account the inflation rate in relation to the anticipated starting date of the project and applicable DAVIS/BACON wage rates as they apply to construction costs. ***Please note projects with a total cost exceeding \$3,000,000 are not eligible for EDP assistance. The minimum request for EDP assistance is \$100,000*.***

Total Estimated Project Cost:	\$	CDBG Request:	\$
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Funding Source	Amount	Date Secured
TOTAL:	\$	

EDP PROJECTS IN SUPPORT OF RETAIL BUSINESSES

EDP applications in support of a retail business must attach written documentation to this Letter of Intent for each of the following limited conditions:

- 1.** The retail business represents the provisions of new products and services previously unavailable in the community or is a tourism-related business; and
- 2.** The development or expansion of the retail business represents a net economic gain for the community and the region. Applications supporting a retail business or businesses are required to certify that the development represents a new overall gain for the region economy and not a shift from existing established businesses to a new or expanded one; and
- 3.** The retail business is located in either a downtown district meeting the definition of PL 776 enacted by the 119th legislature; or a designated local growth area contained in an adopted and consistent comprehensive plan; and
- 4.** At least 50% of the jobs created by the retail business must be full time jobs.

***Projects seeking less than \$100,000 or over \$500,000 in CDBG EDP funds must request a waiver from the Office of Community Development (OCD) and have received approval of that wavier from OCD prior to the submission of the EDP Letter of Intent.**

Applicant & Business Certifications

As an authorized official of the applicant community and/or business, I certify under the penalties of perjury that:

1. To the best of my knowledge and belief, all information contained in this Letter of Intent and all attached documentation is true and correct and current as of the date signed below;
2. This Letter of Intent complies with all applicable State and federal laws and regulations;
3. All parties signing this Letter of Intent are cognizant of the requirements that should the intended Job Creation/Retention National Objective of the CDBG program not be met all CDBG funds must be repaid to the State of Maine CDBG program; that DECD may elect to secure such requirement/repayment with assets of the Applicant Business for a term of up to five years should this project be approved for funding; and that DECD may deduct from the amount of any Grant the cost of legal fees associated with the review, underwriting and securing of collateral should this project be approved for funding.
4. There are no actions, suits or proceedings pending or, to the knowledge of the borrower, threatened against or affecting the applicant and/or business at law or in equity before any court or administrative officer or agency which might result in any material adverse change in the business or financial condition of the borrower. The borrower is not in default (a) in the payment of any taxes levied or assessed against it or any of its assets or (b) under an applicable statute, rule, order, decree, writ, injunction or regulation of any governmental body (including any court).
5. With the exception of administrative or personnel costs, verify that no person who is an employee, agent, consultant, officer, or elected official or appointed official of state or local government or of any designated public agencies, or subrecipients which are receiving CDBG funding may obtain a financial interest or benefit, have an interest in or benefit from the activity, or have an interest in any contract, subcontract or agreement with respect to CDBG activities, per 24 CFR Part 570.611.
6. Approval of this Letter of Intent by OCD to submit a final application does not imply final project approval or funding.

Signature of Chief Executive Officer:

Printed or Typed Name:

Name of Applicant **Community**:

Date:

Signature of Chief Executive Officer:

Printed or Typed Name:

Name of Applicant **Business**:

Date:

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ECONOMIC DEVELOPMENT PROGRAM LETTER OF INTENT**

GRANTEE/BUSINESS ASSURANCES

JOB RETENTION

The Business _____ (as identified below), having applied for funding from the Town/City of _____ (as identified below) through the Maine assures that it has discussed job retention project goals with the applicant business. The Municipality is assured that _____ jobs **will be retained for a period of no less than two years from the date of the CDBG contract between the municipality and the State of Maine.** The Business (as identified below) assures that these jobs will be retained and that timely and completed documentation will be provided to the Municipality necessary to verify job retention achievements. Both the Municipality and the Business assure that low and moderate-income persons hold at least 51% of the jobs retained.

In determining CDBG National Objective compliance with job retention only **Permanent** jobs may be counted; temporary jobs may not. Full time jobs require a worker to work at least 1750 hours per year. Part time jobs require a worker to work at least 875 hours but less than 1750 hours per year. Part-time jobs **must** be converted to Full Time Equivalents (FTE). An FTE is defined as two part time jobs. **Seasonal** jobs may count only if the seasonal job lasts long enough and provides sufficient income to be considered the employee's principal occupation. (Contact OCD prior to counting seasonal jobs towards LMI benefit.) **All** permanent jobs created by the project must be counted, regardless of funding source(s). Jobs indirectly created by the project (i.e., remote location, "trickle down" jobs) do not count.

All job retention information reported on this form will be reviewed by OCD.

Municipality

Signature of Municipal CEO

Date

Business

Signature of Business CEO

Date

The applicant must attach documentation to this form (such as public announcement of lay-offs, public announcement of imminent closure, financial records) of impending job loss without CDBG Program assistance.

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JOB RETENTION SUMMARY DOCUMENTATION

TO BE DETERMINED BY EMPLOYEE SURVEY AND VERIFIED THROUGH SUPPORTING DOCUMENTATION

JOB TITLE	Job Class*	# JOBS RETAINED Qualified		# LMI JOBS RETAINED		# NON LMI JOBS RETAINED	
		full time	part time	full time	part time	full time	part time

All existing employees must be surveyed prior to making application to determine LMI status and establish an employment baseline for future reference.

All job retention information reported on this form must be submitted for reviewed by OCD.

*** Attach a job description for each job title for which a position will be retained and use the job category definition numbers outlined below to indicate job class.**

The above information has been compiled using the individual surveys of all affected employees of the Business (as identified above).

This survey was based on family income as defined by the HUD Low/Moderate Income Limits, which apply to the Community Development Block Grant (CDBG) Program. To the best of my knowledge, all information represented above is true and factual. Assurances are also given that "Clear and Objective" evidence exists documenting the above jobs would actually be lost without CDBG Program funding, and that this evidence exists in the form of a notice issued by the assisted party to affected employees, a public announcement, relevant financial records or other form acceptable to the Department of Economic and Community Development.

Signature of Human Resources Officer

Date

JOB CATEGORY DEFINITIONS AND CLASS NUMBERS

1. **Officials and Managers** – Occupants requiring administrative personnel who set broad policies, exercise overall responsibility of execution of these policies, and individual departments or special phases of a firm's operations. This includes: Officials, Executives, middle management, plant managers and superintendents, salaried supervisors who are members of management, purchasing agents and buyers, and kindred workers.
2. **Professional** – Occupants requiring either college graduation or experience of such kind and amount as to provide a comparable background includes: accountants and auditors, airplane pilots and navigators, architects, artists, chemists, designers, dietitians, editors, engineers, lawyers, librarians, mathematicians, natural scientists, registered professional nurses, professional and labor relations workers, physical scientists, physicians, social scientists, teachers, and kindred workers.
3. **Technicians** – Occupants requiring a combination of basic scientific knowledge and manual skill which can be obtained through about 2 years of post-high school education such as is offered in many technical institutions and junior colleges, or through equivalent on the job training. This includes: computer programmers and operators, drafters, engineering aides, junior engineers, mathematic aides, licensed practical or vocational nurses, photographers, radio operators, scientific assistants, surveyors, technical illustrators, technicians (medical, dental, electronic, physical science) and kindred workers.
4. **Sales** – Occupants engaging wholly or primarily in direct selling. This includes: advertising agenda and sales workers; insurance agents and brokers; real estate agents and brokers; sales workers, demonstrators and retail sales workers; and sales clerks, grocery clerks and cashiers; and kindred workers.
5. **Office and Clerical** – Includes all clerical-type work regardless of level of difficulty, where the activities are predominantly non-manual though some manual work not directly involved with altering or transporting the products is included. This includes: bookkeepers, cashiers, collectors (bills and accounts), messengers and office helpers, office machine operators, shipping and receiving clerks, stenographers, typists, and secretaries, telegraph and telephone operators, and kindred workers.
6. **Craft Worker (skilled)** – Manual workers of relatively high-level having a thorough and comprehensive knowledge of the processes involved in their work. Exercise considerable independent judgment and usually receive an extensive period of training. This includes: the building trades, hourly paid supervisors and lead operators (who are not members of management), mechanic and repairers, skilled machining occupations, compositors and typesetters, electricians, engravers, job setters (metal), motion picture projectionists, pattern and model makers, stationary engineers, tailors, and kindred workers.

JOB CATEGORY DEFINITIONS AND CLASS NUMBERS (continued)

7. **Operatives (semi-skilled)** – Workers who operate machines or other equipment or perform other factory-type duties of intermediate skill level which can be mastered in a few weeks and require only limited training. This includes: apprentices (auto mechanics, plumbers, electricians, machinists, mechanics, building trades, metal working trades, printing trades, etc.), operatives, attendants (auto service and parking), blasters, chauffeurs, delivery workers, dress makers and sewers (except factory), dryer's furnaces workers, heaters (metal), laundry and dry cleaning operatives, milliners, mine operatives and laborers, motor operators, oilers and greasers (except auto), painters (except construction and maintenance), photographic process workers, boiler tenders, truck and tractor drivers, weavers (textile), welders and flame metals workers, and kindred workers.
8. **Laborers (unskilled)** – Workers in manual occupations which generally require no special training perform elementary duties that may be learned in a few days and require the application of little or no independent judgment. This includes: garage laborers; car washers and greasers; gardeners (except farm) and ground keepers; stevedores; wood choppers; laborers performing lifting, digging, mixing loading, and pulling operations; and kindred workers.
9. **Service workers** – Workers in both protective and non-protective service occupations. This includes attendants (hospital and other institutions, professional and personal service, including nurses' aides and orderlies), barbers, chair workers and cleaners, cooks (except household), counter and fountain workers, elevator operators, firefighters and fire protection guards, door keepers, stewards, janitors, police officers and detectives, porters, waiters and waitresses, and kindred workers.