

Village of Montour Falls
408 West Main Street
Montour Falls, NY 14865

ARC GRANT POLICIES

September 1, 2024 - May 31, 2027

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Program Summary:

The Primary Scope of the ARC grant is to provide funding for business development projects that directly impact employment and strengthen the economic base as well as strengthen businesses against the impacts of climate change. The proposed projects will support and complement economic development activities that exist or are planned in the Region.

Mini Grants will be administered through the Sustainability Committee and the Village of Montour Falls.

- Eligibility requirements
 - Size of the businesses: All for-profit businesses with a physical location in Montour Falls. Priority is given to micro and small businesses with less than fifty employees.
 - Type of businesses: All for-profit businesses are eligible to apply. Priority will be given to businesses that provide year round services to residents, pay a living wage, and are expanding.
 - Prerequisite for applying: All applicants must meet with a designated representative of the Sustainability Committee and identify a Climate Smart Mitigation, adaptation, or Efficiency action plan to be completed as part of the grant funding.
 - Selection process: Grant applications are reviewed and recommended by an independent review committee made up of a minimum of three members. The applications are voted on by the committee with at list 51% of committee members recommending approval.
 - Monitoring: Grants are either reimbursable or can be directly paid to the project vendor/ contractor. At no time will the awardee receive funds prior to project completion.
 - All awardees agree to maintain the action for a minimum of three years, if the action is not maintained, the awardee will return the funds to the Village of Montour Falls.
 - The grant program will be operational from September 1, 2024 through May 31, 2027. If funds are exhausted prior to the end date, no new grants will be provided

Program Attestation

- The ARC grant program is a small business grant fund created to provide funding to start-up and expanding businesses located in the Village of Montour Falls. Applicants will be required to identify and complete a Climate Smart mitigation, adaptation, or efficiency action.
- ARC grant programs will be administered following the Grant Fund Plan, which was developed and approved by its funding agencies:
- Appalachian Regional Commission (ARC) — the Village of Montour Falls affirms that it understands and does agree to operate its ARC Grant Fund following ARC Grant Funding policies as outlined in the ARC guidelines.

Accepted and Agreed to by:

Village of Montour Falls Mayor

Date

Goals and Objectives

The Village of Montour Falls recognizes that one of the major obstacles to business development in the Southern Tier Region is funding for business development activities that lead to climate change mitigation and adaptation.

The primary goal of the ARC grant is to provide funding for business development projects that directly impact employment and strengthen the economic base as well as strengthen businesses against the impacts of climate change. The proposed projects will support and complement economic development activities that exist or are planned in the Region.

The economic development activities may include, but are not limited to the following:

1. Small business development, including the start-up or expansion of locally owned businesses.
2. Business and job retention.
3. Redevelopment of blighted land and vacant facilities for productive use.
4. Modernization and rehabilitation of existing industrial or manufacturing facilities.
5. Support for the use of new technologies, growth industries, and/or high-tech firms.
6. Development of businesses owned and operated by minorities, women, and members of other economically disadvantaged groups.
7. Carbon reduction and energy efficiency projects.
8. Other economic adjustment activities, as appropriate.

The Village of Montour Falls recognizes that the effectiveness of the grant program also depends on its granting policies, which may include, but are not limited to the following:

1. Advertising the opportunity to all eligible businesses.
2. Setting granting periods throughout the year.
3. Setting the maximum grant amount.
4. Setting a match amount that encourages business buy-in without being prohibitively high for small businesses
5. Assisting the business owner to identify the business activity and climate action eligible for grant funding.
6. Identifying and estimating the benefits to the business for completing the climate action
7. Providing a short turnaround time for processing and approving grant requests.
8. Assisting the business in closing out the project promptly.
9. Providing a short turn-around time for fund reimbursement upon project completion.

Grant Policies

1.0 Eligibility

1.1. Eligible Grantees

1.1.1 The following types of businesses are eligible for ARC grants: for-profit sole proprietorships, partnerships, corporations, limited liability companies, and non-profit childcare centers.

1.1.2 For-profit industrial or commercial firms where opportunities for job creation are greatest, will receive priority for ARC grants.

1.1.3 The site of investment must be located in the Village of Montour Falls.

1.1.4 Private developers, whose projects create benefits within the region.

1.1.5 Businesses are only eligible for one grant every twenty-four months.

1.2. Eligible Projects

1.2.1 All projects must include a climate adaptation or efficiency component.

1.2.2 Small business development, including the start-up or expansion of locally owned businesses.

1.2.3 Business retention.

1.2.4 Redevelopment of blighted land and vacant facilities for productive use.

1.2.5 Modernization and rehabilitation of existing industrial and manufacturing facilities.

1.2.6 Support for the use of new technologies, growth industries, and/or high-tech firms.

1.2.7 Development of businesses owned and operated by minorities, women, and members of other economically disadvantaged groups.

1.2.8 Tourism-related projects.

1.3. Eligible Activities

1.3.1 ARC grants will fund industrial, retail, wholesale, and commercial activities, including assistance for light manufacturing and service industries, where opportunities for private sector jobs are greatest.

1.3.2 Acquisition and/or improvement of land, building, plant, and equipment; including new construction or renovation of existing facilities; demolition and site preparation; purchase of inventory, supplies, furniture, and fixtures; and working capital.

1.3.3 Following federal regulations, real estate development projects are eligible provided the developer provides evidence of signed leases that meet the required grant-to-job ratio.

1.4. Ineligible Activities

1.4.1 Speculative activities, such as land banking and the construction of speculative buildings.

1.4.2 Any activities located outside of the Village of Montour Falls.

1.4.3 Grants to invest in high-interest accounts, certificates of deposit or other investments, or furnishing surety bonds, deposits, or other securities for project activities.

1.4.4 Grants that assist in the relocation of jobs from one labor market to another.

1.4.5 Grants which would create a potential conflict of interest or the appearance of one.

1.4.6 Grants cannot be used to purchase or finance equity in private businesses; subsidized interest payments on existing grants; or provide the match or cost share required to qualify for grants from other programs.

1.4.7 Grants that refinance existing debt solely to reduce the risk to existing lenders.

1.5. Ineligible Borrowers

1.5.1 Former members of the Board, former members of the staff, and former members of the Grant Review Committee are prohibited from applying for a Village of Montour Falls ARC grant for one year from the date of termination of their service. grant activities that directly benefit these individuals or people related to them by blood, marriage, or law are prohibited for one year from the date of termination of service of such related person.

1.5.2 Any non-profit entity is ineligible to apply for ARC financing, except for non-profit childcare centers.

2.0 Standard Grant Conditions

2.1.0 Grant Types

2.1.1 Fixed asset grants for the acquisition and/or improvement of land, buildings, plant, and equipment; including new construction or renovation of existing facilities, demolition, and site preparation.

2.1.2 Working capital grants for the start-up of new businesses or conduct of ongoing businesses.

2.2.0 Grant Limits

2.2.1 There is a \$5,000 maximum per grant.

2.2.2 There is a minimum grant amount of \$2,000.

2.2.3 For any projects requiring over \$5,000 (not to exceed \$10,000), the ARC Grant Committee will review on a case-by-case basis and may approve awards at a higher limit. Any such request must demonstrate that their proposed project will be a significant economic benefit as a result of the project.

2.3.0 Grant Terms

2.3.1 Generally grant terms will not exceed one year for working capital, machinery/equipment, and/ or real estate-related activities. grant terms may be extended up to one year by request.

2.5.0 Cash Match

2.5.1 The Village of Montour Falls requires a minimum of sixty (60%) percent cash match.

2.6.0 Reimbursement or Direct Pay

2.6.1 All grants are reimbursements or direct pay to the vendor/ contractor

2.6.2 If the business will pay for the action directly, the business must spend the funds first and submit proof of payment to the Village of Montour Falls.

2.6.3 The grantee will be reimbursed up to the grant amount or 40% of the project cost, whichever is less.

2.6.4 If the business chooses to complete the action through direct pay, the business must provide a detailed unpaid invoice to the village with the vendor/ contractors business name, business EIN, business address, business owner/ manager's name. Invoices will only be paid once the action is complete and the project closed.

2.7.0 Project Close-out

2.7.1 The Village will annually designate a staff member or sustainability committee member to review the project on site prior to project closeout.

2.7.2 The reviewer will complete a project close-out report prior to final grant payment.

3.0 Grant Application Process

3.1.0 Grant Application

3.1.1 Grant applicants must submit a signed and completed grant application, accompanied by supporting documentation, including a written business plan.

3.1.2 Completed grant applications must be by the due date as advertised by the village.

3.2.0 Grant Application Review Process

3.2.1 The Village will annually designate a staff member or sustainability committee member to review the project and action prior to the review by the Grant Review Committee. The reviewer will complete a grant application summary to be attached to the application.

3.2.2 A completed grant application and written grant summary are provided to the grant Review Committee generally two business days before the grant Review Committee meeting.

3.2.3 The Grant Review Committee reviews the grant application to determine the viability of the project; the climate adaptation or mitigation impact of the project; and the economic impact of the project.

3.2.4 A Grant application must have a majority vote to be approved by the Grant Committee.

3.2.5 Grant Review Meetings and Approvals may be conducted via in person meetings, virtual meetings, and/ or electronic mail.

3.2.6 The Grant Review Committee will be appointed annually by the Village Board of Trustees and have at least three members on it at all times to review and approve all grants. Grant Committee members will have significant experience in commercial lending, economic development, small business management, and/ or climate change mitigation and adaptation. A list of members will be provided to ARC once the Village Board appoints the members.

3.3.0 Confidentiality

3.3.1 All ARC grant committee members and Village employees are prohibited from disclosing to any unauthorized persons confidential information, data, or records about or concerning the affairs of the ARC grant, its customers, or potential customers, except as otherwise provided according to a court order or other legal process. Within the Village of Montour Falls' ARC program, disclosure of such information, data or records is to be limited to a "need to know" basis to those whose duties require and permit them to have access to the information to make accurate and informed decisions. Such persons are responsible for maintaining its confidentiality.

3.4.0 Conflict of Interest

3.4.1 Any Grant Review Committee member having actual conflicts of interest, or where the appearance of conflict is present, must declare the conflict and abstain from voting on the grant request.

3.5.0 Decision

3.5.1 Grant approvals are recorded in the minutes of the Grant Review Committee. The terms and conditions of the approval are outlined in the minutes and the minutes are approved at the next meeting.

3.5.2 Any grant applicant whose grant request is denied is provided with written notification of the denial and reasons for the grant denial.

3.5.3 A grant that has been approved is generally notified by telephone the business day following the grant decision. The grant recipient is then provided with two (2) original written grant award agreements. The grant recipient has thirty (30) days to sign and return one of the grant award agreements. The grant will then be initiated within (14) days once a grant award agreement letter has been returned.

3.5.4 The ARC grant award will remain in effect for one year (365 days) after receipt of the signed award agreement, after which time it will expire unless an extension has been requested and provided. Extensions will be granted on a case-by-case basis with significant justification.

4.0 Compliance

4.1. Federal and State Compliance

4.1.1 All grantees must comply with federal and state regulations including:

- Non-discrimination — Title VI of the Civil Rights Act; Title IX of the Education Amendments of 1972; Section 504 of the Rehabilitation Act of 1973; Age Discrimination Act of 1975; The Americans with Disabilities Act of 1990.
- Flood insurance.
- Environmental Regulations.

4.1.2 Davis Bacon, in all projects where ARC funds are used for construction and/or renovations, all laborers and mechanics employed by contractors or subcontractors shall be paid in accordance with the Davis Bacon Act.

5.0 Grant Funds Servicing

5.1. FDIC

5.1.1 The Village of Montour Falls will maintain all bank accounts in financial institutions, which are FDIC insured. The Village of Montour Falls and its accountants will be responsible for monitoring the accounts monthly to ensure to the best of its ability that accounts do not exceed the FDIC limit.

6.0 Grant Administration

6.1 Reports to Federal Agencies

6.1.1 The Village of Montour Falls will submit financial reports on a timely basis, as required by the federal agencies.

6.1.2 The Village of Montour Falls will submit annual financial statements and any audits prepared by a certified public accountant, to all of its respective federal agencies.

6.2 Local Share

6.2.1 For programs that require a local share contribution, all local share contributions shall be verified, and documentation provided in an acceptable form.

6.3 Records Retention

6.3.1 The Village of Montour Falls' grant files and related documents and records are retained during the active term of the grant and for three years from the date of final disposition of the grant.

6.3.2 The date of final disposition is defined as the full disbursement of grant funds.

6.4 Accounting

6.4.1 The Village of Montour Falls will maintain adequate accounting records and source documentation.

6.4.2 The Village of Montour Falls will maintain a separate bank account for this funding source with ARC; utilizing one main checking account.

6.4.3 The Village of Montour Falls will be responsible for maintaining income and expense statements for the ARC Program, as well as viewing and approving each expense incurred during the prior month.

6.4.4 The Village of Montour Falls will prepare an annual budget. Copies of the annual budget are submitted to each funding agency.

6.4.6 The Village of Montour Falls' accounting records and documentation will be available for inspection, as required.

6.5. Plan Revisions

6.5.1 Any/all changes will initially be reviewed by the Grant Review Committee to determine needed changes.

6.5.2 A change to the plan must have a majority vote to be approved by the Grant Review Committee.

6.5.3 If the original plan changes materially, the Village of Montour Falls (the grantee) will submit the revised plan to ARC.

7.0. Grant Audit Requirements

7.1. Auditing

7.1.1 The following requirements pertain to any grantee, subgrantee, or recipient or subrecipient of federal financial assistance, regardless of which federal agency makes the award, as required by the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 CFR Part 200, Subpart F.

7.1.2 A grantee that expends \$1,000,000 or more in its fiscal year in federal awards or financial assistance, including but not limited to the ARC contribution, shall have a single or program-specific audit conducted for that year. Grantees should notify auditors that the Catalog of Federal Domestic Assistance number for ARC programs is 23.011, Appalachian State Research, Technical Assistance, and Demonstration Projects.

7.1.3 To determine when a federal award is expended, the grantee must examine when the activity related to the federal award occurs. See 2 CFR 200.502(a). Generally, the activity pertains to events that require the non-federal entity to comply with federal statutes, regulations, and the terms and conditions of federal awards, such as:

- expenditure/expense transactions associated with awards (including grants, cost reimbursement contracts under the FAR, compacts with Indian Tribes, cooperative agreements, and direct appropriations);
- the disbursement of funds to sub-recipients;
- the use of grant proceeds under grant and grant guarantee programs;
- the receipt of property or surplus property;
- the receipt or use of program income;
- the distribution or use of food commodities;
- the disbursement of amounts entitling the non-Federal entity to an interest subsidy; and the period when insurance is in force.

7.1.4 The following guidelines must be used to calculate the value of the federal awards expended under grant programs:

- Value of new grants made or received during the audit period; plus
- Beginning of the audit period balance of grants from previous years or which the federal government imposes continuing compliance requirements; plus
- Any interest subsidy, cash, or administrative cost allowance received. 2 CFR 200.502(b).

7.1.5 Grantees that expend less than \$1,000,000 a fiscal year in federal awards, including ARC's contribution, are exempt from the single audit for that year. Records must be available for review or audit by appropriate officials of ARC, including the OIG. No program income or grant funds will be expended for audit in these cases.

7.1.6 Audits must be performed by a public accountant or a federal, state or local government audit organization that meets the general standards specified in Generally Accepted Government Auditing Standards issued by the Comptroller General of the United States (known as the

Yellow Book). Audits must conform to these standards. Auditors are required to follow the provisions of 2 CFR Part 200, subpart F, and the Compliance Supplement in Appendix XI to 2 CFR Part 200.

8.0 Administrative Funding

8.1 Administrative Funding

8.1.1 The Village of Montour Falls will maintain records to document administrative costs.

8.1.2 The Village of Montour Falls will not exceed \$20,000 on the administration of the fund or grant reporting.

9.0 Variances

9.1 Variances

9.1.0 The terms and conditions contained in these policies shall be applied uniformly to all applicants and/or grantees and based on the guidelines of each respective funding agency.