

POLICY # **RDA-FND-05** **POLICY NAME:** Funding Request, RDA Regional Challenge Fund

APPROVAL DATE: 11/20/2012
EFFECTIVE DATE: 11/20/2012
REVISION DATE: _____



SIGNATURE

REFERENCE TO OTHER POLICIES AND PROCEDURES

Funding Request, Contract Execution
Funding Request, Project Legacy and Funding Sustainability
Monitoring, Financial Performance Monitoring
Monitoring, Project Progress Monitoring
Monitoring, Project Costs Exceeding Original Request
Monitoring, MBE/WBE, Minority Compliance
Monitoring, Grant Close-Out
Monitoring, Contract Administration (Change Orders and other Amendments)

PURPOSE

To provide strategic direction for the RDA in exercising its power to qualify projects in the RDA's Regional Challenge Fund program.

POLICY

The RDA will allocate up to \$1 million annually for a Regional Challenge Fund to assist units of local government in Lake and Porter County in leveraging funding from the private sector and/or public entities for public initiatives or projects of regional significance. Access to these funds will be competitive, and awards will be made by the RDA Board based on the following minimum criteria:

1. Projected impact on the economy and quality life of the region.
2. Evidence that the applicant has put as much of its own "skin in the game" as practical.
3. Degree of leverage generated based on provision of funds.
4. Soundness of planning on which the initiative or project is based.
5. Evidence of regional collaboration and support for the initiative or project.
6. Documentation that all other sources of funding have been tapped and "but for" the RDA support the initiative or project could not be implemented.
7. Development of a cohesive plan for funding ongoing operation and/or maintenance on the initiative or project (if applicable).

PROCEDURE

1. The RDA will authorize an allocation not to exceed \$1.0 million in one year with each applicant having a maximum of a \$200,000 grant. The Fund shall be implemented in accordance with the RDA's Conflict of Interest

Policy, any identified or potential conflicts of interests by RDA Board Members relating to the governance or management of this Fund will be disclosed immediately.

2. RDA Board approves an annual allocation for this use and authorizes RDA President and CEO to manage the Fund under the specific RDA eligibility criteria in consultation with the RDA Fiscal Task Force. The RDA President and CEO will receive project proposals during the open application process (two times annually) from local units of government with priority areas set during each grant cycle. The second round of grant funding is contingent upon the awards made during the first round of funding and is subject to the availability of funds.
3. The RDA President and CEO authorizes funding in accordance with this policy on a project by project basis and with consent of the RDA Fiscal Task Force. The decision to commit funds and the authorization of the distribution of funds is subject to ratification by the RDA Board of Directors.
4. If a project has been granted funding approval by the RDA Board, RDA Staff will work with grantee on the following:
 - a. Grant Agreement (an approved agreement must be in place prior to extending grant funds)
 - b. Funding distribution schedule
 - c. Reporting Requirements
5. The Grantee shall provide status updates every six months to the RDA with the first update dating six months from the date the grant agreement is executed.
6. Upon project completion the grantee will provide periodic updates to the RDA on project sustainability issues in accordance with reporting requirements stipulated in the grant agreement (if applicable).
7. Other requirements may apply as noted in the RDA's Grant Management policies and procedures.

Please reference APPENDIX A – Additional Guidelines for additional funding requirements

APPENDIX A – Additional Guidelines

Eligible Applicants

Lake and Porter County governmental units

Letters of intent and draft proposals

Program staff recommends that prospective applicants submit a letter of intent through the RDA's online application system at www.in.gov/rda to apply six to eight weeks before the application deadline and a draft proposal four to six weeks before the deadline. Many prospective applicants will find that RDA staff advice can significantly improve the strength of an application.

Deadlines for Submitting Full Applications

The RDA will accept applications anytime throughout the year but the following schedule is strongly recommended in order for RDA staff to thoroughly review each applications:

Spring

Friday, March 29, 2013

Award Notification: April 30, 2013

Fall

Thursday, October 31, 2013

Award Notification: November 29, 2013

Deadline announcements will be made for all subsequent years contingent upon renewal of funds.

Matching Requirements

A matching formula of 80/20 is required. The RDA will fund up to 80% of the project cost (\$160,000 or \$200,000; see "Grant Amounts" section) with the applicant sharing the cost of a minimum of 20% (\$40,000). Only hard dollars can be used for the matching 20% (no in-kind services). Matching costs beyond the minimum required will make the applicant's application more competitive.

Grant amounts

Each applicant may apply for Regional Challenge Funds for a maximum of \$200,000 within one calendar year for the same project. The overall cost of the proposed project weighs heavily on the RDA's funding decision regarding the amount of eligible funds available. As a general rule, the following guidelines will be adhered to:

Overall Project Costs equaling \$200,000 or less:

If the overall project cost is \$200,000 or below, the applicant is required to seek additional sources of funds of at least 20%. For example, if the overall project cost equals \$200,000, the RDA will fund eligible projects up to \$160,000. The applicant must match at least \$40,000 or higher.

Overall Project Costs Exceeding \$200,000

If the overall project cost is beyond \$200,000, which is the maximum the RDA will fund, applicants will again need to secure at least 20% of \$200,000, or \$40,000 towards the overall project cost. The maximum award for these types of projects is \$200,000.

In rare circumstances, the RDA will consider awarding the maximum amount if applicant demonstrates unsuccessful attempts to secure additional funding. However, priority will be given to those applicants who are able to match the award with 20% or higher. Applicants are encouraged to generate as much local match as possible beyond the 20% minimum, although not required.

Applicants will be required to submit a detailed budget and project timeline when submitting an application/letter of intent to the RDA.

Criteria for Selection (Please reference “Policy” section for minimum criteria)

Criteria for selection will include but not be limited to:

- Innovative; demonstrating regional significance
- Potential for greatest regional impact
- Demonstrated feasibility of successful implementation
- Speed of project timeline for completion
- Operations and maintenance plan
- Matching funds percentage

The following types of projects will receive greater consideration:

- Demonstrated economic impact for the region
- Feasibility of project completion
- Capital improvement projects aimed at compelling subsequent private investment
- Additional sources of funds used towards project
- Feasible operations and maintenance plan

Measures of Success

Applicants will be required to engage with the RDA grant program manager to develop performance measurement criteria upon funding award.