



COMMONWEALTH OF PENNSYLVANIA
GOVERNOR'S OFFICE
HARRISBURG

MARY A. SODERBERG
SECRETARY
OFFICE OF THE BUDGET

November 8, 2010

Honorable Michael J. Washo
Chairman
Lackawanna County Board of Commissioners
Lackawanna County Administration Building
200 Adams Avenue, 6th Floor
Scranton, PA 18503

Dear Chairman Washo:

Governor Rendell has authorized the release of \$3,000,000 in Redevelopment Assistance Capital Program (RACP) funding for the renovation of the Lackawanna County Courthouse. This project is eligible to receive funding via legislative authorization in the Capital Budget Project Itemization Act of 2004-40.

This correspondence shall serve as written notification authorizing the preparation and submission to the Office of the Budget of a formal and complete Redevelopment Assistance application for the aforementioned project. The Application Materials Handbook contains the necessary forms and instructions for the preparation of the application. An original hard-copy application and six compact disk copies of the application should be submitted along with a Resolution from the County authorizing the submission of the application for Redevelopment Assistance Capital Grant funding. The Resolution should also state the project name and grant amount being requested.

As you are aware, RACP funding is intended to provide much needed economic stimulus to the Pennsylvania economy and it is intended to assist in the immediate creation of quality, family-sustaining jobs for Pennsylvanians. In completing the application for the RACP grant, please include sufficient information and documentation indicating this project's estimated economic impact and the potential for job creation. This information is to be included in Tab 1 of the application as per the requirements listed on page 12 of the Application Materials Handbook.

As one of the selected recipients of the limited amount of RACP funding available, your organization now has the significant responsibility of ensuring that these funds are utilized for economic development in a timely manner. Therefore, it will be the policy of this Administration to require that all recipients of RACP funding **MUST** submit their application by December 31, 2010. Failure to submit the required RACP application within this timeframe may lead to the termination of any commitment of funding contained herein. It is important to note, however, that according to existing law, applicants must be able to demonstrate that at least 50% of the

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required non-state funds necessary to complete the project are secured at the time of the application. Failure to document the 50% non-state funds will preclude the Office of the Budget from accepting the application and drafting a grant agreement. Once the grant agreement is fully executed for the RACP funding your organization will then have a maximum of six months to meet the terms and conditions of the grant agreement and begin construction of the aforementioned project. Failure to begin construction of the project within six months of the final execution of the grant agreement may lead to the termination of the funding commitment.

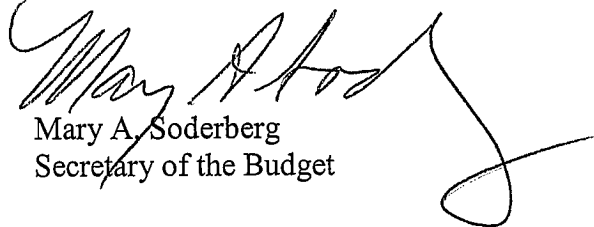
Whereas this project has now been authorized to receive RACP funding, you should know that the grant agreement you will execute requires the payment of prevailing wage rates as a condition of the contract. Questions about these rates and how they may affect your project's construction contracts should be directed to the Bureau of Labor Law Compliance, Department of Labor and Industry at 717-787-4671. Failure to comply with these requirements may result in the loss of this funding and return of any funds already provided to your project by the Commonwealth.

Your assistance in this matter is greatly appreciated and the Commonwealth of Pennsylvania looks forward to working with you for the successful completion of this project. Should you have any questions regarding this commitment or preparation of application materials, please contact Richard Dreher at 717-787-7342. A copy of the Application Materials Handbook and additional information is available via the Office of the Budget's RACP website, <http://www.budget.state.pa.us>.

When application materials are completed, please forward to the following address:

Richard Dreher, Director
Bureau of Revenue, Cash Flow and Debt
Office of the Budget
7th Floor, Verizon Tower
303 Walnut Street
Harrisburg, PA 17101-1808

Sincerely,



Mary A. Soderberg
Secretary of the Budget

cc: Steve Crawford (Chief of Staff)
Cathy McCormack (Governor's Office)
Robert V. O'Brien (Labor & Industry)
Chelsea Guzowski (Office of the Budget)
William Harbeson (Office of the Budget)
Rick Dreher (Office of the Budget)
Jim Legates (Office of the Budget)