

City of Libby

POLICY FOR USE OF COMMUNITY DEVELOPMENT FUNDS

BACKGROUND

In 2001 the City of Libby received \$8 million from a federal earmark to assist in economic stimulation following the demise of the timber industry and the discovery of asbestos in the community. The Libby Area Development Company (LADC) was formed and distributed money in the form of grants and loans without many guidelines. Several large and important distributions were made such as to help create the Libby Memorial Events Center and development of an additional nine holes at Cabinet View Golf Course. LADC dissolved in 2015 though the City took control over the funds in 2005 and desires to have a clearly defined purpose for expending those funds and metrics by which to evaluate their use and any necessary repayments.

PURPOSE

The City believes that other organizations are better equipped with staff and knowledge to loan money to businesses and organizations as gap financing for the purpose of job creation; expansion or capital investment; and that the city should pursue activities that help create the environment for businesses to succeed through community development and investment. To that end, the Fund will hereby be used to leverage other monies related to City projects that can be demonstrated to be in support of community development activities. No loans to area businesses will be provided. The city wishes to partner with local organizations (and businesses) for local projects that fit within the outlined objectives and uses.

1. POLICY OBJECTIVES

The objective of this policy is to guide and assist in fostering community development initiatives to become an attractive, viable and sustainable place for Libby's citizens, new and existing businesses and visitors.

To complement the policy, the City of Libby will vigorously maintain relationships with local agencies and private industry so that public/private partnerships are cultivated for the deployment of the Funds on eligible projects. It is expected that a description of any anticipated return on investment (i.e., value received) will be prepared with each proposed use of funds.

2. USE OF FUNDS

Funds may be used for projects that:

- (a) Enhance the City's recreational and tourist opportunities.
- (b) Enhance the City's appearance and functionality.
- (c) Acquiring land, building or real estate with the express goal of re-investment for purposes stated above.

The Fund may **not** be used for the following purposes...:

- Equipment Purchases
- General Fund Operating Expenses
- Infrastructure

3. PROJECT ELIGIBILITY AND REVIEW

Organizations requesting funds are required to complete the Libby Community Development Fund application which includes a description of the project and projected project costs.

The City Council will be the decision-making body for all requests to use the Community Development Fund and will evaluate each expenditure based on benefit provided to the community taking into consideration the following criteria:

- Is the proposed use for matching funds? What percentage? Are there multiple matching sources, and/or partners?
- Is the project a single-phase or multi-phase project? If multi-phase, will more community development funds be requested at future phases?
- Is there an opportunity for the funds to be replenished?

The policies stated herein are adopted and are, at the Council's discretion, revised from time-to-time as needed. Said policies affect decisions made by the City of Libby regarding use of the Community Development Funds made on or after the effective date. No loans existing prior to the effective date will be affected except where collection or liquidation processes are necessary to be enacted.

City of Libby Community Development Fund Application and Guidelines for Submission

Thank you for considering the City of Libby's Community Development Fund for your project. The following provides additional guidance of the purpose of the fund; and acts as an aid to strengthen your application and make sure it is in alignment with the requirements of the policy.

Our goal is to foster community and economic development initiatives for the City of Libby by using this fund to provide gap financing and successful leveraging of additional funds and investment into this community. These funds are not intended to be standalone monies for projects.

These are scarce funds and the City is committed to deploying monies on projects that can prove community wide impacts and strategies for project completion within 2 – 3 years to ensure timely community benefit.

The first step is to complete the attached application. The City is requiring documentation to ensure the Council can establish due diligence and make an informed decision. Requests for additional documents will vary according to the project and phase. We ask that you always start with a telephone call to then guide you on the documents required. The following are some baseline requirements.

1. Narrative on the completed project, details of the specific request, how it fits in to the completed project costs.
2. Total Project Cost and detail of the budget.
3. Narrative on the funding matrix to provide some reasonable certainty of project completion. Please include a description of the funding sources and the level of commitment or work to date with these funding sources.
4. Proposed timeline of the complete project.
5. Description of the project owner's capacity to complete the project and experience with the final project management.
6. List of Community wide benefits. Quantifying these benefits when relevant will strength the application.

City of Libby Community Development Fund Application	Application Date: _____ Received by the City: _____
APPLICANT INFORMATION	

Project Owner:

Is this a business? ☐ Sole Prop. ☐ Corporation ☐ LLC ☐ LLP ☐ Partnership

☐ Other _____

If business:

Legal Business Name _____ Year Business Started _____

Mailing Address: _____

Physical Address: _____

Tax ID _____ Phone No.: _____

Are you current on all Payroll, Income and Property Taxes? ☐ Yes ☐ No

Is your business registered with the Secretary of State? ☐ Yes ☐ No

Is your business qualified to do business in Montana? ☐ Yes ☐ No

Is the business or any members a defendant in a suit or legal action? ☐ Yes ☐ No

Has the business or any members gone through bankruptcy or has a judgment against them? ☐ Yes ☐ No

GRANT REQUEST

Short Description of the Project:
Total Project Cost:
Amount Requested from Community Fund:
Use of Grant Request:

Everything that I/we have stated in this application is correct to the best of my/our knowledge. I/We understand that you will retain this application whether or not my/our request is approved.

Applicant Signature _____

Date _____

Applicant Signature _____

Date _____