

## SCHEDULE B NEW YORK MAIN STREET ADMINISTRATIVE PLAN

The term Local Program Administrator or LPA shall refer to the <Organization Name>, the recipient of the NYS Housing Trust Fund Corporation funds.

### 1. PROGRAM DEVELOPMENT

#### 1. a. Marketing the Program

The Local Program Administrator (LPA) shall conduct outreach in the awarded target area to make all property owners aware of the availability of financial assistance through the New York Main Street (NYMS) Program.

- The LPA will develop and distribute informational materials to market program availability and explain program requirements. These will be distributed to businesses and property owners in the target area and made available for distribution to local governments, libraries, chambers of commerce, business associations, and other local partners.
- Instructions on how to apply for assistance and required forms will be available at the offices of the LPA and other local partners.
- Public informational meetings will be held at one or more locations within the community to present information and answer questions.
- The LPA must retain distribution lists, public notices and other documentation of marketing and outreach efforts in program files.

#### 1. b. Project Selection

- The LPA must develop and formalize project selection criteria and a clear project selection process. This process must be used consistently throughout the term of the NYMS contract.
- The LPA must identify a Project Selection Committee to implement the project selection process and generate funding decisions.
- Project selection criteria must afford priority to:
  - Projects that are visually prominent on Main Street.
  - Projects that include renovation of upper story residential units.
  - Projects with historic value or historic properties in danger of being lost in part or in total to disrepair or damage.
  - Projects that with the assistance of grant funds, will reduce blight, contribute to the economic recovery of the target area, or realize a stabilization or expansion of a Main Street business.
- The LPA should develop local project selection criteria to supplement the priority project selection criteria identified by the NYMS Program.
- The LPA will advise applicants on the disposition of an application within 30 business days of the submission of a complete application.

- The LPA must retain clear documentation of each project selection committee decision in the program files. This must include a determination for each application reviewed, and each project selected. This documentation should include project selection memos, project selection committee meeting minutes or other related correspondence.
- It may be permitted for a not-for profit LPA to allocate funds for a property owned by a member of its board. The allocation must be consistent with the selection procedures described above, as well as in the written supplemental procedures. The allocation must also be consistent with the LPA's adopted bylaws or other policies. If the identified Project Selection committee selects a property owned by a board member, the material facts of the potential conflict of interest must be disclosed to the not-for profit board. The board must authorize this project selection and contract by a vote sufficient for such purpose, without counting the vote of the interested board member. The board member whose property may receive assistance may not vote on or participate in discussions concerning that matter. This vote must be clearly documented in the board's meeting minutes.
- Municipal LPAs must adhere to Article 18, "Conflicts of Interest of Municipal Officers and Employees," of the NYS General Municipal Law.

## **2. PROJECT DEVELOPMENT**

### **2. a. Work Write-up / Scope of Work**

If the LPA determines an initial application to be eligible for assistance, and the identified Project Selection Committee chooses to commit grant funds for the project, the LPA will meet with the property owner to develop a scope of work and an initial estimate of costs. This meeting may occur at the building site or after a visit to the site. The LPA will discuss requirements related to lead-based paint hazards, energy efficiency, historic design standards, or any other work scope issues with the property owner.

A written scope of work is a NYMS program requirement. The scope of work must address:

- Immediate health and safety concerns;
- The correction of code violations;
- Lead-based paint hazards that may exist in buildings that contain residential units;
- Radon hazards in buildings that contain residential units;
- Installation of energy conservation measures;
- Consistency with any other local program design guidelines; and
- Preservation of historical elements of the building.

The LPA is responsible for coordinating work write-ups with local code officials, the State Historic Preservation Office, and other regulators. If needed, additional experts must be consulted. Both the LPA and the property owner must sign-off on the formal scope of work before the owner is authorized to seek bids for the work. The LPA may assist owners in obtaining interim financing.

The property owner will be responsible for paying for all agreed upon repairs, and the LPA will not reimburse more than the costs identified as available per building for the funding year.

## 2. b. Contractor Selection

When possible, the LPA will establish a list of contractors who are able to perform work in compliance with applicable standards and to provide required insurance. This list should be developed through a formal Request for Qualifications (RFQ) process to ensure that contractors are provided an equal opportunity for consideration. The contractors must supply references and proof of proper insurance. The LPA should make this list available to participating property owners. If the property owner would like to use a contractor *not* on the list, references and proof of proper insurance must be supplied to the LPA.

Under Article 15A of the New York State Executive Law, all award recipients and their contractors are required to comply with the Equal Employment Opportunity provisions of Section 312 of that Article. Also, all contractors and awardees are required to make affirmative efforts to ensure that New York State Certified Minority and Women-Owned Business Enterprises are afforded opportunities for meaningful participation in projects through inclusion on the list of contractors funded by HTFC pursuant to Section 313 of the Article. Please visit NYS Empire State Development's Division of Minority & Women Business Development website for a directory of certified Minority and Women-Owned Businesses: <http://www.esd.ny.gov/MWBE.html>

Property owners are required to obtain at least two bids for each separate construction project or professional service to establish the reasonableness of project costs.

Certain principles must be upheld in seeking bids or quotes. There must be a clear, written, scope of work for the project for which bids or quotes are sought, as outlined in Work Write-up / Scope of Work above. All bidders must have equal access to relevant information, including information on the property itself. The process should be free of collusion or intimidation, and the LPA should exercise appropriate oversight over the entire process to ensure that it is fair and efficient and avoid actual and perceived conflicts of interest.

Although the property owner may select the contractors to supply quotes, the quotes should be received by the LPA. The LPA will advise the property owner of acceptability of bids/proposed cost. If the property owner chooses other than the lowest bidder, re-imburement will be based on the amount of the lowest bid.

## 2. c. Contracting Procedures

The LPA will enter into a contract with the property owner to provide the agreed financial assistance, subject to the property owner entering into a contract based on the agreed scope of work and the work beginning within 30 days of LPA approval.

The contract between the LPA and the property owner will specify that payments will be made after all work is complete. In addition, it will provide that the LPA has the right to inspect work at any time and cancel the contract should the work being done be inconsistent with the standards mentioned in the preceding sections, or if problems with the workmanship arise, or if insurance is not maintained by the contractor.

The LPA will develop a contract to outline the roles and responsibilities for both the LPA and the participating property owner. At a minimum, the contract must specify:

- The agreed upon scope of work;
- The amount of financial assistance awarded;
- The project timeline;

- That payments will be made only after work is complete;
- The LPA has the right to inspect work at any time and to cancel the contract should the work be inconsistent with the standards outlined or if insurance is not maintained by the contractor;
- NYMS ongoing maintenance requirements;
- The requirement to sign and file the NYMS Property Maintenance Declaration form;
- The requirement to sign the NYMS Property Release form permitting the Housing Trust Fund Corporation to use photographs of the assisted properties.

The contract should also specify that the contract is subject to the property owner engaging a contractor and beginning construction within 30 days of LPA approval.

The property owner will be responsible for paying for all agreed upon repairs, but the LPA will not reimburse more than the costs identified as available per building for the funding year. Payment will only be made upon satisfactory completion of all work. Satisfactory completion will be determined by the LPA.

### **3. Construction Management/Quality Control**

#### **3. a. Design Standards**

All work will be completed in accordance with design standards that are developed to meet the priorities listed in section 2a Work Write-up / Scope of Work. These standards will be consistent with the requirements of the State Historic Preservation Office, the Housing Trust Fund Corporation (HTFC), and the LPA. The LPA will enforce the standards throughout the development process.

#### **3. b. Inspections**

The LPA retains the right to inspect work in progress at any point. Before a final payment can be made, a final inspection will be required. The LPA, the local code enforcement officer, and the property owner will all verify that the work was completed properly and is consistent with the contracted scope of work. The LPA must clearly document each site visit and inspection in the project files. Inspection reports will be reviewed during the NYMS Program monitoring visit.

### **4. Financial Management**

#### **4. a. Staff**

The LPA's chief financial officer will be responsible for all financial transactions under this contract. The LPA should have a written policy on internal controls, and use this policy to determine the process for review and approval of requests for disbursement of NYMS funds. The Authorized Signature Form must be completed to designate the representative(s) authorized to sign disbursement requests and must reflect the LPA's written policy on internal controls.

#### **4. b. Interim / Construction Financing**

NYMS is a reimbursement program. The property owner will be responsible for paying for all agreed upon repairs, but the LPA will not reimburse more than the costs identified as available per building for the funding year. Payment will only be made upon satisfactory completion of all work. Local property owners will be responsible for obtaining construction or interim financing for their

project. The LPA may assist owners in obtaining financing where requested, but property owners are free to make their own arrangements.

## **5. ONGOING MAINTENANCE**

### **5. a. Obligations**

Property owners will be required to maintain property assisted with NYMS funds for a period of five years from the date of the final disbursement for the building. This requires that any assisted residential units, when they become available, be marketed and affordable to low income households for the enforcement period, and that any commercial or civic units be maintained in a manner that is consistent with the goals of the NYMS program for the enforcement period.

The LPA will require each property owner receiving NYMS funds to file a Property Maintenance Declaration, in a form approved by HTFC, with the clerk of the county in which the project is located. In the Declaration the property owner will declare that he/she has received assistance from NYMS and will maintain the property in a manner consistent with the program objectives for a minimum of five years. In the event of non-compliance or resale, the amount of grant funds will be subject to repayment in accordance with a simple annual declining balance, based on the five-year enforcement period.

### **5. b. Responsible Parties**

The LPA will monitor projects assisted under NYMS during the five-year enforcement period. The LPA will ensure maintenance of Main Street investments. The LPA must develop a formal plan for monitoring the assisted properties and ensuring compliance for the full maintenance term. The plan must address staff assignment of this responsibility and address continuity of operations. As part of this plan, the LPA will periodically inspect assisted properties and conduct any inspections directed by HTFC.