



NEW YORK STATE
Homes &
Community
Renewal

OFFICE OF COMMUNITY RENEWAL

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NEW YORK STATE
HOUSING TRUST FUND
CORPORATION

OFFICE OF COMMUNITY RENEWAL

2011
NY MAIN STREET PROGRAM

*Annual Competitive
Application*

ANDREW M. CUOMO, Governor
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Governor



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Commissioner / CEO

**New York State Housing Trust Fund Corporation
New York State Homes and Community Renewal
Office of Community Renewal**

Request for Proposals

**New York Main Street Program
2011**

January 10, 2011

Section 1: Introduction, Background, and Purpose

1.1 Introduction

The NYS Housing Trust Fund Corporation invites eligible applicants to apply for assistance under the New York Main Street Program. Potential applicants are encouraged to review program details to ensure that this funding source appropriately addresses your community development challenges. This RFP describes the program to which you may apply and explains the process, including the method used to accept, evaluate and rate applications for funding. Supplemental NYMS Program Application Instructions and NYMS Program Grant Administration Materials are available on the HCR funding page accessed through www.nyshcr.org, or by contacting the Office of Community Renewal at (518) 474-2057.

1.2 Background

The New York Main Street Program (NYMS) is administered by the Office of Community Renewal (OCR) under the direction of the New York State Housing Trust Fund Corporation (HTFC). HTFC contracts with New York State Homes and Community Renewal (HCR) to administer the Corporation's activities and manage its affairs. NYMS provides funds to stimulate reinvestment in properties located within mixed-use commercial districts in urban, small town, and rural areas of New York State, consistent with Article 26 of the Private Housing Finance Law (PHFL). Since its inception in 2004, NYMS has awarded over \$69 million dollars in more than 250 communities across the New York State.

Section 2: Important Announcements

2.1 HCR Investment Strategy

HCR oversees a wealth of resources including financial, human, and physical capital that support housing and community development efforts throughout the state. To effectively deploy these resources, we have developed our investment strategy which establishes a common framework and language to direct our resources to those opportunities that produce the best outcomes.

Goals and Objectives - HCR seeks to provide its funding as resources that will act as the building blocks for the preservation and creation of safe, vibrant and thriving communities across New York State. In addition to the selection criteria set forth for each HCR funding opportunity, HCR will evaluate all investment proposals, using the following three criteria that comprise HCR's Investment Strategy: Fundamentals, Leverage and Outcomes. The framework will remain consistent even though the specifics within each of these categories may vary between programs, regions and activities.

Fundamentals

- Is the investment feasible but for HCR's investment?
- Are all necessary components identified and committed?
- Does the proposer have the proven experience and team members to successfully complete the investment?

Leverage

- Does the investment leverage significant outside resources such as third party funds, local funds or support?

Outcomes

- Does the investment produce a transformative or priority outcome?

HCR will use the investment strategy to make all decisions; it aligns our actions with our stated desired outcomes. Investments that achieve higher outcomes may receive a higher level of investment, including more resources, time and/or streamlined reviews.

HCR strongly encourages applicants to apply this investment strategy to the selection of projects and its proposal for funding.

2.2 Co-funding Initiative

Applicants that require multiple sources of funding to address a comprehensive revitalization initiative are encouraged to apply for more than one OCR program to co-fund such initiatives.

Applicants may use the resources of more than one OCR program to meet the match requirements for NYMS and AHC Programs and to fund comprehensive revitalization initiatives within an identified neighborhood, commercial district or a similar target area. A comprehensive revitalization initiative is a strategy that encompasses multiple community development activities that can be addressed through the use and coordination of OCR funding resources. HCR supports concentrated investments where a greater impact may be realized. For example, applicants may apply for AHC funds for the rehabilitation of housing stock within a target area; at the same time they can apply for CDBG funds for infrastructure improvements within the same target area to benefit the overall project.

Applicants seeking such funding must demonstrate the need for multiple funding sources and the administrative capacity to complete the program within the specified timeframe. Applicants participating in the Co-funding Initiative must submit a complete application for each OCR program according to each of the program's requirements by the stated application deadline. Applicants electing to submit a proposal for HOME and AHC Home Improvement funds must submit a joint application via CDOL.

2.3 Smart Growth

The New York State Housing Trust Fund Corporation is subject to the State Smart Growth Public Infrastructure Act (Chapter 433 of the Laws of 2010) and must, to the extent applicable, make funding decisions consistent with the provisions of the Act.

Section 3: Program Information and General Application Requirements

3.1 Statement of Purpose and Goals

HTFC is seeking proposals from eligible applicants for funding from NYMS for the purpose of assisting New York communities with their Main Street and downtown revitalization efforts. NYMS provides grants to stimulate reinvestment in mixed-use (commercial, civic and residential) "main street" buildings or neighborhoods in order to:

- Stimulate the economic revitalization of mixed-use business centers in urban, small town, and rural areas by providing financial incentives for the rehabilitation of traditional commercial building stock;
- Foster small business development, thereby providing economic opportunities and promoting economic activity in traditional downtown or neighborhood business locations;
- Expand affordable housing opportunities in mixed-use districts, including accessible upper floor units and new homeownership opportunities;

- Increase the capacity of local government and community-based not-for-profit organizations to undertake community renewal programs at the local level and market the district to prospective businesses and residents;
- Facilitate an effective planning process that ensures that capital investments of public funds will enhance the aesthetics and economics of the commercial district through appropriate design that respects the historic architecture of the target area;
- Preserve significant or historic buildings and provide an environment that attracts new investment to enable the adaptive reuse of these buildings for new Main Street enterprises;
- Address issues of code enforcement, energy efficiency, Americans with Disabilities Act (ADA), and fair housing to bring vacant commercial space into code compliance, so that it can be utilized by new businesses.

3.2 Funding Availability and Eligible Applicants

- HTFC expects to make up to \$5 million in funds available to eligible applicants under this RFP. Eligible applicants are invited to submit proposals for funding requests ranging from a minimum of \$50,000 to a maximum of \$500,000.
- Eligible applicants must be a unit of local government or an organization incorporated under the NYS Not-for-Profit Corporation Law, which includes community-based organizations, business improvement districts, and other similar entities that have been providing relevant service to the community for at least one year prior to application. Funded applicants will act as a Local Program Administrator (LPA). An LPA assumes responsibility for ensuring successful completion of all assisted projects; evaluating and selecting activities to be supported; entering into contracts with participating property owners; and assuring compliance with all local, state and federal laws and regulations.
- HTFC strongly encourages collaborative efforts between local not-for-profits and the local governments in which they serve in order to achieve the goals and objectives of this program. **Each municipality in which the proposed program will function must approve and document a formal resolution supporting the application for the proposed program.**
- HTFC reserves the right to award all, a portion of, or none of the program funds based upon funding availability, competitiveness of applications received and the feasibility of achieving program goals and objectives and completing proposed activities. HTFC also reserves the right to change or disallow aspects of the applications and may make such changes conditions of its commitment to provide funding to a project or program.
- Activities funded by the New York Main Street Program are subject to review under the State Environmental Quality Review Act and for compliance with the NYS Office of Parks, Recreation and Historic Preservation.
- NYMS operates as a reimbursement program, and NYMS funds will be disbursed only upon project completion. Projects including NYMS funds must produce a finished commercial or residential space, ready for occupancy.

3.3 Administrative Funds

Administrative funds must be identified at the time of application and shall not exceed 7.5% of the NYMS award.

3.4 Program and Activity Description

Eligible applicants are invited to submit applications for funding for one or more of the following activities:

- **Building Renovation:** Local Program Administrators (LPAs) may provide participating owners with matching renovation grants of up to \$50,000/building for first and/or second floor civic/commercial use, plus an additional \$25,000 for each residential unit, not to exceed 75% of Total Project Cost or \$150,000/building, whichever is less. Building renovation grants may be used for facade renovations or interior work. All work must comply with the standards of the State of Office of Parks, Recreation and Historic Preservation, and with local design guidelines. If the facade does not meet design standards as noted above, a facade renovation may be required.
- **Downtown Anchors:** LPAs may provide grants of up to \$250,000 per building, but not exceeding 40% of Total Project Cost, to building owners to help establish or expand cultural or business anchors that are key to local revitalization efforts. A business plan for the proposed Downtown Anchor that includes a market analysis is required for all applications that propose funding anchor grants. Anchor grant projects may include residential units on the upper floors. Incorporating residential units on the upper floors is strongly encouraged and those projects will receive priority consideration.
- **Streetscape Enhancement:** A streetscape enhancement grant may be requested only as an ancillary activity to building renovation or downtown anchor activities. Applicants may request up to \$60,000 for streetscape enhancement activities such as: planting trees; installing of street furniture and trash receptacles; installing signs in accordance with a local signage plan; and other installations to enhance the NYMS target area. The streetscape enhancement activity does not require matching funds.

3.5 Program Target Area

The NYMS program is a statewide community development program. Applicants are encouraged to identify well-defined Main Street areas in order to maximize the impact that the local program will have on the community. There is a preference for funding proposals where contiguous buildings will be assisted, maximizing the impact of the investment. The proposed activities must be carried out in a program target area of generally no more than three contiguous blocks which has experienced sustained physical deterioration, decay, neglect, or disinvestment, and has a number of substandard buildings or vacant residential or commercial units. The target area should be an established mixed-use (commercial, civic and residential) district that is pedestrian-oriented and comprised of traditional mixed-use buildings. Buildings within the district or the district itself may be eligible for listing on the National Register of Historic Places or for local or state historic designation.

The target area eligibility requirements can either be based on the specific target area that will be assisted by the NYMS program or the demographics of a larger service area in which the target area is contained.

1. Eligible target areas include:
 - A district that has been designated by a state or federal agency as eligible for the purposes of a community development or economic development program. This may include CDBG target areas, Empire Zones or other federal or state designations. HTFC will accept that designation in lieu of a determination based on the income of residents in the area; or

- A traditional main street or downtown retail district in an area served by a Neighborhood Preservation Company (NPC) or Rural Preservation Company (RPC) (http://nysdhcr.gov/Apps/profiles/profile_csbcnty.asp); or
 - A community or identifiable district in which more than 50% of the residents earn less than 90% of the area median income for the surrounding community. Eligibility may be presented using relevant, current, and verifiable data, including but not limited to the most recent Census data pertaining to the target area, www.census.gov. Please provide the data source.
2. HTFC will consider proposals that will assist two or more non-contiguous program districts. However, the LPA must demonstrate that they have the capacity to administer such projects and that the service area they have defined is not so broad that it diminishes program impact.

3.6 Design Guidelines

Successful applicants are expected to develop design guidelines for building facade renovations, if the municipality does not already require projects to undergo an architectural or design review process. Design guidelines will help to ensure that facade renovations are done in a manner that respects the architecture of the buildings being renovated and to ensure that renovations are consistent with the NYS Office of Parks, Recreation, and Historic Preservation standards, www.nysparks.state.ny.us/shpo/.

Section 4: Evaluation and Selection Criteria

4.1 General Review Criteria

Proposals will be examined for completeness and eligibility. Incomplete proposals and those that do not meet eligibility requirements will be rejected.

All awards will be selected through a competitive process. HTFC will take into consideration the following community development goals, including but not limited to: preservation of affordable housing; community and neighborhood revitalization; expansion of economic opportunities; and collaboration with other local, state or federal agencies and the local development community.

Applications requesting funds for the rehabilitation of partially or fully occupied properties must demonstrate that the proposed work will have the effect of correcting substandard conditions that preclude lawful occupancy of the units in their current condition, i.e., code violations.

4.2 Past Performance and Timeliness

Applications submitted by current awardees with open, on-going contracts may be negatively impacted if substantial expenditures or funding commitments have not been achieved. An applicant's past and current performance in other state programs and contracts will be considered in rating and ranking its application. HTFC reserves the right to not issue an award to any applicant if it has been determined that the applicant is not in compliance with existing state contracts and has not taken satisfactory steps to remedy such non-compliance.

4.3 Rating, Ranking and Scoring

Each application is scored competitively on criteria derived from statutory, regulatory and policy considerations. Ratings are based on general review criteria, performance and timeliness, and application response and materials received as a result of this RFP and the supplemental application instructions. Each NYMS application that is determined to be complete and eligible will be scored on a one hundred (100) point scale, based on the following:

- A) **Need (up to 20 points)** - Measures the severity of need for the proposed Main Street activities, based on the analysis of existing commercial and residential conditions in the target area. The needs described must correspond to the proposed activities and the extent to which the activity resolves or addresses the identified need, as this will form the basis for the impact score in the following section. Each application will be rated in comparison with all other applications received.
- (1) **Residential need (up to 10 points)** - Evaluates the severity of need for affordable housing or rehabilitation of the existing housing stock and vacant buildings in the proposed target area. This evaluation will be measured by the ability of low- and moderate-income households to rent or purchase housing in the target area. Included in this analysis should be housing availability for median-income residents and the extent of substandard housing in the target area, based on measures such as age, extent of known deficiencies, and health, safety, and code violations.
 - (2) **Commercial need (up to 10 points)** - Evaluates the extent of need for commercial investment in the proposed target area that the private sector alone has been unable to provide. This evaluation will be based on objective measures of need, such as commercial vacancy rates, degree and history of disinvestment, unemployment, and other socio-economic and labor market data provided by the applicant. Applicants that empirically demonstrate substantial need for public investment in the proposed target area will receive maximum points.
- B) **Impact (up to 40 points)** - Measures the extent to which the activities described in the application will have a positive public benefit and sustainable positive impact on the target area and surrounding community and neighborhoods. In part, this rating is based on the proposed strategy of using NYMS resources to stimulate private investment to revitalize the targeted commercial area and nearby residential neighborhoods. The following components are evaluated:
- (1) **Residential (up to 10 points)** - Evaluates the likelihood that investment of NYMS funds will preserve or improve housing units in the Main Street district. Projects or programs that propose meeting affordable housing needs in the target area through the creation of residential units on upper floors of mixed use buildings are strongly encouraged. Applications determined to have the greatest impact on increasing the availability of quality, affordable housing, when compared with all other applications, will receive the highest scores.
 - (2) **Commercial (up to 10 points)** - Evaluates the likelihood that investment of NYMS funds will improve the aesthetics of the Main Street commercial corridor, spur investment of private resources, and mobilize additional resources to sustain Main Street physical and commercial assets. Applications determined to have the greatest impact on business conditions, when compared with all other applications, will receive the highest scores.
- Applications proposing to use funds for downtown anchor projects will also be rated on the operating viability detailed in the business plan and market analysis.
- (3) **Local Initiative (up to 5 points)** - Rates the degree to which the proposal relies on building consensus and cooperation among groups and individuals who have a role in the revitalization process. The existence of active community-based downtown revitalization efforts will enhance an applicant's score in this area. Also evaluated is the likelihood that the activities will have positive community development impacts beyond residential and commercial development. Consideration will be given to the presence of fundraising programs, volunteer involvement, staff and board recruitment, community planning

activities, and overall management capacity. Also considered are linkages to other state and federal initiatives, and to local planning and development efforts, and general public support.

- (4) **Communication, Outreach and Marketing (up to 5 points)** – Applications that demonstrate a viable strategy for marketing the NYMS program and promoting the district’s assets to attract new customers, potential investors and residents will receive the highest scores. Emphasis is placed on existing marketing campaigns, retail promotional activity, advertising, special events, and residential marketing efforts.
 - (5) **Design (up to 5 points)** – Applicants must outline a process for project design review in the NYMS Program application. The highest scores will be awarded to proposals in communities that have existing design standards and have identified the necessary resources to work with building owners to enhance the physical appearance of the commercial area by preserving historic buildings and developing sensitive design management systems. Consideration is also given to district-wide visual enhancement efforts, such as: programs for window displays; uniform signage; and improvements to public spaces, such as streets, sidewalks, parking areas, and gateways.
 - (6) **Business Strategy (up to 5 points)** - Applications must demonstrate a viable strategy for retaining and assisting existing businesses, attracting new customers, potential investors and residents, and finding new commercial uses for traditional buildings in the district. Applicants that demonstrate the capacity to grow the district’s existing economic base to find new opportunities, while meeting the challenges of commercial sprawl, will receive the highest scores. Consideration is also given to applicants who demonstrate a strong understanding of current economic conditions in the district, identify opportunities for market growth, and provide plans for monitoring the economic performance of the district.
- C) **Leveraging (up to 10 points)** - Measures the extent to which the NYMS resources will result in additional investments committed to the local Main Street program and projects.
- (1) **Private/Public Investment (up to 10 points)** - Applicants may be eligible for up to 10 points based on the amount of other funds, beyond required matching funds, to be leveraged by NYMS resources.
- D) **Capacity (up to 30 points)** - Measures the extent to which the applicant has organized the proposed project and has assembled sufficient resources to complete the project, and achieve the goals and objectives of the program in a manner that is timely, effective and on-budget.
- (1) **Program Experience and Implementation Capacity (up to 15 points)** - Up to 15 points for performance history are available to applicants who are administering an open NYMS contract where substantial expenditure or funding commitments have been achieved and sufficient progress has been made. These points are also available to applicants who have successfully and effectively completed previous NYMS contract obligations.

Applicants who have not previously participated in the NYMS program but who have a successful record of achievement within the community where the proposed Main Street target area is located, and have assembled a team with experience in community development, housing rehabilitation, or commercial revitalization in mixed-use districts on a scale comparable to the proposed program or projects will be eligible for up to fifteen points as well.
 - (2) **Readiness (up to 15 points)** – Proposals that have identified specific projects, obtained local approvals, and have necessary organizational structures and procedures in place to implement the proposed projects or programs, without delay, will be eligible for up to fifteen points.

Section 5: Application Deadline and Submission Requirements

5.1 Application Submission Deadline

Applications must be submitted on or before 4:00 PM, EST – Friday April 29, 2011. Applications and supplemental materials will not be accepted after the stated deadline.

5.2 Instructions for Submission

Applications will be available electronically using the Community Development Online Application System (CDOL). CDOL can be accessed through Forms & Applications tab of the DHCR webpage then by clicking the ‘Login to CD Online’ link. <http://nysdhcr.gov/Apps/CDOnline/>

Please refer to the 2011 NYMS Application Instructions for detailed instructions for registering and using the CDOL system.

Section 6: Program Award Process

6.1 Award Recommendations and HTFC Board Approval

Recommendations for awards are made from available funds for feasible projects and programs competitively based on the ranking that results from rating scores of complete and eligible applications in consideration of the purposes and goals outlined in Section 1.3, and the evaluation and selection criteria detailed in Section 3 of this RFP. Recommendations advanced to the HTFC Board of Directors for consideration at a public meeting and the NYMS awards must be approved by the HTFC Board of Directors prior to the execution of a grant agreement.

6.2 Application Status and Notification

Applicants for this round of NYMS will be notified approximately 90 calendar days after the application submission deadline. Upon action by the HTFC, applicants will receive one of the following letters:

- a. Award Letter: for applications selected for funding. These applications are complete, eligible, competitive and feasible, for which funds are set aside, and are recommended to and approved by the HTFC Board of Directors for funding.
- b. Non-Award Letter: for applications that are incomplete, non-competitive, not viable and/or funded with other proposed funding sources.
- c. Ineligible Letter: for submitted applications which are ineligible for funding under this program.

Applicants not selected for funding may request an exit conference with OCR staff to review the unsuccessful application. Additionally, technical assistance is available throughout the program year for unsuccessful and potential applicants through OCR.

6.3 New York Main Street Program Agreements and Contracts

Applicants selected for funding may be asked to revise parts of their proposal prior to issuance of a program agreement. After any required revisions are submitted and approved, an agreement will be issued. HTFC will not process disbursement requests until all required environmental reviews are completed. Funds awarded under the NYMS program are disbursed on a reimbursement basis upon completion of work. NYMS program agreements/contracts are based on a two (2) year term. Projects and programs are expected to be completed and outcomes achieved within the contract term.

6.4 Equal Employment Opportunity/Minority and Women Owned Business and Affirmative Action Policy Statement

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 funded by HTFC pursuant to Section 313 of the Article.

Affirmative Action Policy Statement: It is the policy of the HTFC to provide equal opportunity to all people without regard to race, color, sex, religion, age, national origin, disability, or sexual orientation.

6.5 Implementation Meeting

Applicants selected for funding may be required to participate in a program implementation meeting. The program implementation meeting may be conducted individually, or in a group setting with other successful applicants. Any program issues may be discussed, and applicants will be given instructions and guidance on further processing requirements.

6.6 Processing Time Frame

HTFC expects to enter into program agreement within 30 business days of the applicant's compliance with all submission requirements.

6.7 Questions

Any questions regarding this RFP or the application process should be directed to:

Office of Community Renewal (518) 474-2057
Hampton Plaza MainStreet@nyshcr.org
38-40 State Street, 9th floor
Albany, NY 12207-2804

6.8 Proposal Costs

HTFC will not be held liable for any cost incurred by the applicant for work performed in the preparation, production, or submission of a proposal. All proposal materials and information that is submitted as part of the application becomes the sole property of HTFC and no materials, curricula, media or other content will be returned to the applicant.

6.9 Other Conditions

HTFC reserves the right to:

- Award applicants less than their full funding requests.
- Reject any and all proposals received.
- Waive or modify minor irregularities in proposals upon notification to the applicant.
- Adjust or correct any arithmetical errors in the proposal.
- Receive clarification from the applicant for the purpose of assuring a full understanding of responsiveness to the RFP solicitation.
- Utilize any and all ideas submitted in the proposal received unless such ideas are covered by legal copyright, patent or property rights, and HTFC is notified in the proposal submission.
- Adopt or utilize all or any part of the proposal.
- Negotiate with the applicant to serve the best interest of HTFC.

- All proposals, upon submission to HTFC, shall become HTFC property for use as deemed appropriate.

Section 7: New York Main Street Program Contacts

Capital District & New York City Region

Christian Leo, Program Director
Karl Gustafson, Senior Community Developer
Crystal Loffler, Community Developer
Erin Kinne, Planning & Technical Assistance Coordinator
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Counties Served: Albany, Bronx, Clinton, Columbia, Delaware, Dutchess, Essex, Fulton, Greene, Hamilton, Kings, Montgomery, Nassau, New York, Orange, Otsego, Putnam, Queens, Rensselaer, Richmond, Rockland, Saratoga, Schenectady, Schoharie, Suffolk, Sullivan, Ulster, Warren, Washington, and Westchester.

Buffalo Region

Maureen Palumbo, Community Developer
535 Washington Street, Suite 105
Buffalo, New York 14203
(716) 847-3394

Counties Served: Allegany, Cattaraugus, Chautauqua, Chemung, Erie, Genesee, Livingston, Monroe, Niagara, Ontario, Orleans, Schuyler, Seneca, Steuben, Wayne, Wyoming and Yates.

Syracuse Region

Patricia Walsh, Community Developer
620 Erie Blvd. West, Suite 312
Syracuse, New York 13204
(315) 478-7179

Counties Served: Broome, Cayuga, Chenango, Cortland, Franklin, Herkimer, Jefferson, Lewis, Madison, Oneida, Onondaga, Oswego, St. Lawrence, Tioga and Tompkins.