New York Main Street (NYMS)

CONSOLIDATED FUNDING APPLICATION
2016 AVAILABLE RESOURCES GUIDE

NEW YORK STATE OF OPPORTUNITY. | Homes and Community Renewal

OFFICE OF COMMUNITY RENEWAL

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New York Main Street Program
(Up to $5 million)

Description:

The New York Main Street (NYMS) Program was created by the Housing Trust Fund Corporation (HTFC) in 2004 to provide resources to assist New York's communities with Main Street and downtown revitalization efforts. Article XXVI was added to NYS Private Housing Finance Law in 2009 to formally establish the New York Main Street Program in statute. The NYMS Program is administered by the Office of Community Renewal (OCR) under the direction of the Housing Trust Fund Corporation.

NYMS provides resources to invest in projects that provide economic development and housing opportunities in downtown, mixed-use commercial districts. A primary goal of the program is to stimulate reinvestment and leverage additional funds to establish and sustain downtown and neighborhood revitalization efforts.

Eligible Types of Applicants:

Eligible applicants for NYMS Program applications are Units of Local Government or organizations incorporated under the NYS Not-for-Profit Corporation Law that have been providing relevant service to the community for at least one year prior to application.

Eligible Target Area:

All NYMS activities must be located in an eligible target area. Applicants must clearly identify how the target area meets each of the three components of the statutory definition of an eligible target area. Applications that do not address each of the three statutory criteria, or do not provide clear source documentation will be deemed ineligible. Please note, based on the statutory criteria there are areas within NYS that are not eligible; therefore vague or unclear responses cannot be interpreted to present an eligible target area.

Article XXVI of the Private Housing Finance Law indicates that an eligible target area shall mean an area:
(i) that has experienced sustained physical deterioration, decay, neglect, or disinvestment;
(ii) has a number of substandard buildings or vacant residential or commercial units;
and (iii) in which more than fifty percent of the residents are persons whose incomes do not exceed ninety percent of the area median income for the county or metropolitan statistical area (MSA) in which the project is located, or which is designated by a state or federal agency to be eligible for a community or economic development program.

Applicants are encouraged to identify well-defined Main Street areas to maximize the impact that the funds will have on the community. 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.

Applicants are required to include a Target Area Map to identify the location of the proposed target area.

Pre-Application Requirements:

Municipal Resolution

Each municipality in which the proposed program or project will function must approve a formal resolution supporting an application for the proposed NYMS program or project. The resolution must be passed prior to the application deadline and attached in the documents section of the application.

- The resolution must be on official stationery and should hold the official seal. Applicants within New York City must obtain the resolution from the Community Board with jurisdiction over the project target area.
- Draft or proposed resolutions are not acceptable.
- Support letters do not meet this requirement.
- The resolution must be for the current 2016 funding round and the specific NYMS project.

- If the municipality or Community Board provides only a summary letter without the full text of the resolution, a copy of the meeting minutes must be provided to document the vote and formal board resolution.

This requirement applies to all NYMS application types. Applications without a Municipal Resolution, as described above, will be deemed ineligible.

Eligible Activities:

1. **Traditional NYMS Target Area Building Renovation Projects**

Applicants may request between $50,000 and $500,000 for Target Area Building Renovation Activities. Requests must not exceed an amount that can be reasonably expended in the identified target area, within a 24-month term. Requests generally should not exceed the amount of documented property owner need in the target area.

- Building Renovation: Matching grants available for renovation of mixed-use buildings. Recipients of NYMS funds may award matching grants of up to $50,000 per building, not to exceed 75% of the total project cost in a designated target area. Renovation projects that provide direct assistance to residential units may be awarded an additional $25,000 per residential unit, up to a per-building maximum of $100,000, not to exceed 75% of the total project cost.

- Streetscape Enhancement: Applicants may request up to $15,000 in grant funds for streetscape enhancement activities, such as: planting trees, installing street furniture and trash cans, or other activities to enhance the NYMS target area.
  - Streetscape enhancement grant funds will only be awarded for activity ancillary to a traditional NYMS building renovation project and cannot be applied for on its own, or with a NYMS Downtown Anchor or Downtown Stabilization Project.
  - Streetscape enhancement activities must be reviewed for eligibility and approved by HTFC prior to commencement of construction or installation.
  - Streetscape activities must be completed within the proposed building renovation target area.

- Administration: Applicants may request up to 7.5% of the grant amount for salaries and other costs associated with the administration of the grant. The administrative funds must be requested at the time of application, and must be included within the maximum request amount.

- Project Delivery: Applicants may request funds to cover architectural and engineering work, required environmental testing and clearances, and filing fees. Project Delivery expenses must be included in the per-building activity funding limits, and may not exceed 18% of the NYMS renovation funds for a specific project. Project costs incurred for work on buildings that eventually prove infeasible and do not receive other investments will not be reimbursed with NYMS funds. Project Delivery funds must be requested at the time of application, and must be included within the maximum request amount.

  Applicants are not required to request NYMS program funds for Administration or Project Delivery. Administration and Project Delivery funds are available on a reimbursement basis, and will therefore be reviewed for eligibility prior to disbursement of funds. Additionally, applicants are encouraged to identify alternate sources of funds for administrative and project delivery expenses. Additional funding commitments for administrative expenses and project delivery strengthen an application.

Example NYMS Target Area Building Renovation Application Request:

$250,000	**2016 NYMS Request Amount**
$210,000	Building Renovation Funds: to renovate five buildings
$15,000	Streetscape Enhancement Funds: install bike racks and benches
$10,000	Project Delivery: to hire environmental firm to complete five site specific reviews
$15,000	Administration: staff time to administer grant

2. NYMS Downtown Anchor Project:

Applicants may request between $100,000 and $500,000 for a standalone, single site, "shovel ready" renovation project. The NYMS Downtown Anchor Project funds may not exceed 75% of the Total Project Cost.

NYMS Downtown Anchor Project funds are intended to help establish or expand cultural, residential or business anchors that are key to local downtown revitalization efforts through substantial interior and/or exterior building renovations.

Applicants for NYMS Downtown Anchor Project funds must:

- Document a compelling need for substantial public investment.
- Document project readiness, as evidenced by funding commitments, developer site control, pre-development planning completed, and local approvals secured;
- Provide cost estimates to substantiate the request amount;
- Identify source(s) of available construction financing and matching funds;
- Demonstrate the importance of the project for the neighborhood, community and region;
- Provide a Business Plan and Market Analysis to demonstrate project viability.

- Administration: Applicants may request up to 5% of the grant amount for salaries and other costs associated with the administration of the Downtown Anchor Project grant. The administrative funds must be requested at the time of application, and must be included within the maximum request amount.

- Project Delivery: Applicants may request funds to cover architectural and engineering work, required environmental testing and clearances, and filing fees. Project Delivery expenses must be included within the funding limits, and may not exceed 18% of the NYMS renovation funds. Project costs incurred for work on buildings that eventually prove infeasible and do not receive other investments will not be reimbursed with NYMS funds. Project Delivery funds must be requested at the time of application, and must be included within the maximum request amount.

  Applicants are not required to request NYMS program funds for Administration or Project Delivery. Administration and Project Delivery funds are available on a reimbursement basis, and will therefore be reviewed for eligibility prior to disbursement of funds. Additionally, applicants are encouraged to identify alternate sources of funds for administrative and project delivery expenses. Additional funding commitments for administrative expenses and project delivery strengthen an application.

Example NYMS Downtown Anchor Project Application Request:

$250,000	**2016 NYMS Downtown Anchor Project Request Amount**
$227,500	Building Renovation Funds: to renovate one project
$10,000	Project Delivery: to hire firm to complete environmental review
$12,500	Administration: staff time to administer grant

3. NYMS Downtown Stabilization Program

Applicants may request $50,000 to $500,000 to implement a Downtown Stabilization Program. Funds are available to assist with environmental remediation and associated construction costs, as well as other innovative approaches to stabilizing and developing downtown, mixed-use buildings. NYMS Downtown Stabilization Program funds may not exceed 75% of the total project cost.

NYMS Building Stabilization Project funds are available for projects that meet the goals identified above, including, but not limited to asbestos management (surveys, abatement design plans, air monitoring, etc.), soil vapor intrusion testing and mitigation, building stabilization construction activities (e.g. roof stabilization in conjunction with asbestos remediation) or other projects that identify or mitigate risks associated with

other hazardous materials or remove obstacles to future redevelopment. Applicants must demonstrate local program interest and commitments, and may propose assistance to a single property, or multiple properties.

Please contact the Office of Community Renewal at HCR_CFA@nyshcr.org to discuss project eligibility prior to submitting an application.

New York Main Street (NYMS) Program Ineligible Activities

Please note: Applicants are encouraged to focus their efforts on one project type. For this reason, NYMS Downtown Anchor Project funds may not be requested in addition to a NYMS Target Area Building Renovation Program. NYMS Downtown Anchor Project funds are intended for standalone, single site, "shovel ready" renovation projects.

Ineligible uses of NYMS funds include, but are not limited to: demolition; new construction; improvements to structures owned by religious or private membership organizations; improvements to municipally-owned buildings used for municipal purposes; the purchase of non-permanent fixtures, such as furnishings, appliances, electronics, and business equipment; general organizational operating expenses; capitalizing a revolving loan fund; site work or ancillary activities on a property, including septic systems and laterals, grading, parking lots, sidewalks, landscaping, fences, free standing signs, and general maintenance. Pre-development planning and associated expenses are ineligible uses of Target Area Building Renovation and Downtown Anchor Projects as these activities must result in a completed, occupied space.

Costs that are not adequately justified or that do not directly support the project are not eligible for reimbursement with NYMS funds. Contact the Office of Community Renewal prior to submitting an application to discuss project eligibility, and review the NYMS Program Guide for more detailed guidance on NYMS program rules: http://www.nyshcr.org/Programs/NYMainStreet/

NYMS Selection Criteria – up to 100 Points

Total Vision and REDC Strategies –20 points

The Regional Council rates the degree with which the proposed project aligns with the Regional Council's Strategic Plan.

Need - 10 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. Applicants that empirically demonstrate substantial need for public investment in the proposed target area will receive maximum points.

- Residential need
  Evaluates the severity of need for affordable housing or rehabilitation of the existing housing stock and vacant buildings in the proposed target area.
- Commercial need
  Evaluates the extent of need for commercial investment in the proposed target area that the private sector alone has been unable to provide.

Impact - 25 Points

Measures the extent to which the project described in the application will have a positive public benefit and sustainable positive impact on the target area and surrounding community and neighborhoods.

- Residential impact - 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.

- Commercial impact - 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.
- Program Support - Evaluates local support and linkages between the proposed project and local planning and development efforts. 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.
- Design - 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.
- Business Strategy - 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. Downtown Anchor Applications must present a viable strategy for establishing or expanding a cultural, residential or business anchor that is key to local revitalization efforts. Priority consideration will be given to applicants that demonstrate a strong understanding of current economic conditions in the district, identify opportunities for market growth, and clearly demonstrate how the proposed project contributes to improving economic conditions. Projects that demonstrate capacity to grow the district's existing economic base, while meeting the challenges of commercial sprawl, will receive the highest scores.

Leveraging - 10 Points

Measures the extent to which the NYMS resources will result in additional investments committed to the local Main Street program and projects. Applicants will receive points for leveraging funds beyond the required matching funds. Applicants documenting high percentages of committed matching funds, specifically private funds, will receive the highest scores.

Implementation Capacity - 35 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. 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.

- Program Experience - 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. 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 points as well.
- Implementation Capacity - Proposals that have identified specific projects, clearly substantiated the request amount, obtained local approvals, have demonstrated a clear understanding of NYMS administrative procedures and have necessary organizational structures in place to implement the proposed projects, without delay, will receive the most points.

Funding Priorities:

- Ready to go or "shovel ready" projects. Project readiness is best demonstrated by clear funding commitments for permanent and construction financing, documented site control, completed pre-development planning work, and local approvals.

- A proposed NYMS service area should include a mix of uses, such as residential, commercial, and civic buildings. Individual assisted buildings are not required to include both residential and civic or commercial spaces; however, applications should propose a comprehensive approach to strengthen both the commercial and residential sectors. Affordable housing in upper-floor spaces and on adjacent streets helps to strengthen the social and economic vitality of the business district. Incorporating residential units on the upper floors is strongly encouraged and those projects will receive priority consideration.

- For NYMS there is a preference for funding proposals where contiguous buildings will be assisted, maximizing the impact of the investment.

- Applicants able to successfully demonstrate broad local support and linkages between the proposed project and local planning and development efforts, and applicants documenting high percentages of committed matching and leveraged funds will receive the highest scores.

Significant Statewide Programs:
Proposed projects that are part of the following initiatives will be looked upon favorably.

- **Downtown Revitalization Initiative**
  Priority consideration will be given to proposals which demonstrate they will advance downtown revitalization through transformative housing, economic development, transportation and community projects that will attract and retain residents, visitors and businesses - creating dynamic neighborhoods where tomorrow's workforce will want to live, work, and raise a family.

- **Opportunity Agenda Related Projects**
  Each REDC may develop region-wide strategies, or may focus its efforts by designating one or more chronically distressed community as an "Opportunity Area." Projects seeking to apply CFA funds for the purpose of eliminating barriers to skilled employment by poor people in your region, as identified by the Opportunity Agenda and Strategic Plan, should provide evidence of such in their application.

- **Global NY Related Projects**
  The Global NY initiative accomplishes two complementary economic growth objectives: attract international investment and jobs to Upstate New York, and provide New York businesses with the tools and assistance they need to export their products to the global marketplace. Applicants should provide any information that links their project proposals to the Global NY strategies identified by the REDCs.
- **Veterans' Related Projects**
  New York State is home to more than 900,000 veterans, 72 percent of whom served in combat. In 2014. the REDCs were asked to create a Veterans Work Group to promote participation by Veterans in the CFA, and develop strategies to encourage other potential CFA applicants to include workforce goals related to Veteran's employment. This is part of a comprehensive approach to improving services to the veterans and military families in New York. Applicants should provide any information that links their project proposals to the Veteran's Initiative strategies identified by the REDCs.

- **NY Rising Related Projects**
  The NY Rising Community Reconstruction Program is a community driven initiative that empowers localities severely damaged by Superstorm Sandy, Hurricane Irene, or Tropical Storm Lee to develop comprehensive and innovative recovery plans. Projects identified in the NY Rising Community Reconstruction Program recovery plans consist of innovative, transformative projects and actions, enhance resilience and economic development. For more information, please visit: http://stormrecovery.ny.gov/community-reconstruction-program

Award Criteria Details:

NYMS Downtown Anchor Projects must be standalone, “shovel ready” projects. NYMS Downtown Anchor Project funds may not be requested in conjunction with a regular NYMS Target Area Building Renovation program.

HTFC reserves the right not to issue an award or contract 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. Projects that commence prior to contract execution and environmental review will not be eligible for reimbursement.

HTFC reserves the right to award all, a portion of, or none of a program’s funds based upon funding availability, feasibility of the applications received, the competitiveness of the applications, an applicant's ability to meet HTFC criteria for funding, the applicant’s ability to advance the State’s housing goals, and HTFC’s assessment of cost reasonableness. HTFC reserves the right to award less than the requested amount, and further reserves the right to review an application requesting project funds as an application for funding under other programs for which the project is eligible, and to change or disallow aspects of the applications received.

Award of NYMS funds does not confirm eligibility of all activities included in an application proposal, and HTFC reserves the right to change or disallow aspects of the applications received and may make such changes an expressed condition of its commitment to provide funding to a project.

Limitations:

The list below identifies several program requirements, and limitations, but applicants are advised to review the NYMS Program Guide for additional detail related to activity eligibility and grant administration:
http://www.nyshcr.org/Programs/NYMainStreet/NYMSProgramGuide.pdf

Contract Term

NYMS awardees enter into a two-year grant agreement; all activities must be completed within this two-year term. NYMS projects must not commence prior to award, and grant agreement execution. Costs incurred prior to award and grant agreement execution will not be eligible for reimbursement.

Environmental Review

Prior to the commitment or expenditure of NYMS program funds, the environmental effects of each activity must be assessed in accordance with the State Environmental Quality Review Act (SEQRA). Environmental Compliance areas evaluated for each project include, but are not limited to Historic and Cultural Resources, Floodplains, Zoning, Site Contamination, Lead Based Paint, Asbestos Containing Materials, Radon and Wetlands. Please review the NYMS Program Environmental Compliance Handbook for additional information:
http://www.nyshcr.org/Forms/EnvironmentalComplianceHandbook.pdf

Funding Commitments

NYMS Downtown Anchor Projects must be ready to commence upon award, grant agreement execution and environmental review. HTFC will not execute a grant agreement with applicants unable to present evidence of site control and funding commitments sufficient to undertake the proposed project following award of NYMS Downtown Anchor funds.

Procurement & Bidding

NYMS renovation activities require a minimum of two bids to establish reasonableness of cost. Related professional services and consultant services will require a documented procurement process.

Matching Funds

Each of the NYMS activities require matching funds, and only funds directly invested in eligible project activities are eligible as the required match. In kind match is not eligible, and costs incurred prior to award and contract execution are not eligible.

Regulatory Term

The owner of a property improved with NYMS funds made available under this article must agree for a minimum of five years to: maintain the property in good operating order and condition; to make available and maintain the affordability of residential housing units to persons of low income by signing and filing a Property Maintenance Declaration with the County in which the building is located.

Project Term Completion Dates:

Recipients of NYMS funding enter into a two-year (24 month) grant agreement in which all funds must be expended and all proposed accomplishments met. Applicants should not submit applications if they do not expect to initiate the project within a reasonable time period after receiving an executed contract or will not be able to complete the project within the two-year term. Funds remaining at the end of the two-year period are subject to de-obligation and reallocation.

Matching Fund Requirements:

- New York Main Street Building Renovation Projects
  The NYMS Program operates as a reimbursement program and the NYMS Program Guidelines require matching funds for each participating building project. NYMS funds may reimburse up to 75% of total, eligible project costs for general building renovations up to a maximum of $50,000 per building, or up to $100,000 for a building renovation project involving direct assistance to residential units.

- New York Main Street Downtown Anchor Projects
  NYMS Downtown Anchor Project funds are available to reimburse up to 75% of a total, eligible project cost not to exceed $500,000 in NYMS Downtown Anchor Project funds. The minimum NYMS Downtown Anchor request amount is $100,000.

- New York Main Street Downtown Stabilization Program
  NYMS Downtown Stabilization funds are available to reimburse up to 75% of a total, eligible project cost not to exceed $500,000. The minimum NYMS Downtown Stabilization Program request is $50,000.

Additional Resources:

For more information, applicants should contact the Office of Community Renewal at New York State Homes and Community Renewal, 38-40 State St, Albany, New York 12207, call (518) 474-2057, email HCR_CFA@nyshcr.org or visit: http://www.nyshcr.org/AboutUs/Offices/CommunityRenewal/