

Schedule B
New York Forward Administrative Plan
Columbia Economic Development Corporation
Small Projects

*The term LPA is used as a placeholder throughout this document to refer to the recipient and administrator of the New York Forward (NYF) funds. All referenced forms and documents can be found here:
<https://hcr.ny.gov/downtown-revitalization-initiative-dri-new-york-forward-nyf-forms>*

1. Program Development

1. a. Administrative Structure

A maximum of 10% of the Small Project Fund (Program) will be used for administration grant.

- LPA –The *Columbia Economic Development Corporation* is the lead administrator for the Program and is responsible for overall program administration and consultant and financial management.

- Consultant Services – The LPA will procure the services of a consultant to assist in project management and grant administration tasks. A minimum of two bids or proposals will be received and reviewed to determine reasonableness of costs. A formal contract that outlines roles and responsibilities will be executed. Responsibilities include develop marketing materials, review projects for eligibility, work with property owners and architects to develop scopes of work, solicit contractor bids, review proposed project designs for compliance with design guidelines, prepare project commitment and environmental compliance paperwork, conduct inspections, ensure compliance with program requirements, submit payment reimbursement requests, etc.

1. b. Marketing Plan

The LPA will conduct outreach in the eligible service area to make all property owners and business owners aware of the availability of financial assistance.

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

1. c. Financing Structure

The LPA will offer funding assistance to eligible projects that enhance and strengthen the New York Forward area.

1.c.1 Applicant Eligibility - Applicants who are eligible for Program assistance include property owners that are:

- Individuals
- For-profit entities
- Not-for-profit entities

* LPAs can add additional provisions – e.g. current on taxes, etc.

1.c.2 Eligible Activities

- Interior and exterior building renovations for commercial and mixed-use spaces, e.g. façade/storefront renovations, permanently affixed signage and awnings, commercial interior fit-out, HVAC, MEP, and other permanent building improvements
- Upper-story residential improvements
- Permanent commercial machinery and equipment, that is integral to the business and not a replacement of existing equipment unless it allows for more/new products to be offered and has a useful life of more than one year, and an acquisition cost of \$2,000 or more per unit
- Soft Costs – architectural, engineering, environmental
- Public art

1.c.3 Ineligible Activities

- Ineligible uses of funds include: acquisition costs; improvements to structures owned by religious or private membership-based organizations; improvements to municipally owned and municipally operated buildings; furnishings, appliances, electronics, tools, disposable supplies, incidental business equipment, non-permanent fixtures, temporary artwork.
- Funds may not be used for site work or ancillary activities on a property including but not limited to: septic systems/laterals, grading, parking lots, sidewalks, patios, decks, garages, sheds, landscaping, fences, free standing signs, general maintenance or repairs.
- Ineligible business activities include: inventory, rent or lease expenses, working capital or other undefined expenses that do not sustain business operations.
- Funds cannot be used for participant, participant's family or participant's staff labor. In-kind labor and the reimbursement for materials only is also not eligible.

1.c.4 Available Funding

- Building Renovation
 - The LPA may award between \$25,000 - \$100,000 in Program funds, per building, not to exceed 75% of the total eligible project cost. Building renovation funds may be used to renovate facades, storefronts and commercial interiors, with an additional \$25,000 per residential unit up to a per building maximum of \$150,000, not to exceed 75% of the total project cost.
- Minor Exterior Projects
 - The LPA may award between \$10,000 - \$25,000 in Program funds, per project, not to exceed 75% of the total eligible project cost and not to exceed \$100,000 in Program funds. Activities may include signage, awning, and painting.
- Small Business Assistance
 - The LPA may award between \$10,000 - \$50,000 in Program funds, per project, not to exceed 75% of the total eligible project cost. Small Business Assistance funds may be used for permanent machinery and equipment.
- The minimum match requirement is 25% of the total project cost.
- Match requirements must be realized on a building-by-building basis and are calculated using the total project cost.
- In-kind match is not eligible.
- Costs incurred prior to the effective date of the grant agreement are not eligible for reimbursement and not eligible as a match.
- Soft Costs
 - Eligible soft costs include Architecture, Engineering, and Environmental Testing expenses.

- Soft costs must be included within per building activity funding limits identified above and may not exceed 18% of the awarded funds.
- Soft costs require matching funds, and in-kind match is not eligible.
- Soft costs incurred for work on buildings that eventually prove infeasible and do not receive other investments will not be reimbursed with Program funds. Therefore, reimbursements for soft costs may not be requested as part of a partial payment prior to project completion.

1.c.5 Proof of Available Financing – Property owners are responsible for the total cost of the project. Grants will reimburse property owners at the conclusion of the project after all costs are paid. Proof of available financing through cash in bank, secured loan commitments, and/or project lines of credit is required.

1.c.6 Payment Process - The program operates fully as a reimbursement grant program and the owner is responsible for paying for all agreed upon improvements and payment of grant funds will be made only upon satisfactory completion of the items in the approved scope of work and payment of expenses.

- No reimbursement shall be requested until periodic inspections of the work has been completed by the LPA or its representative. All completed work shall comply with all applicable building codes and standards.
- To substantiate work costs, Owners must provide the following:
 - written contracts;
 - bank documents;
 - copies of invoices;
 - cancelled checks;
 - lien releases;
 - and any other documents deemed reasonably necessary by the LPA or required by HTFC to maintain effective internal controls.
- Cash payments/cash receipts are not permitted and will not be reimbursed

1. d. Project Review & Selection Process

The LPA will use the following project selection criteria and project review and selection process. This process will be used consistently throughout the term of the Program.

1.d.1 Project Application

- Applications for funding will be available during a period to be determined and specified by LPA. Applications must be submitted and deemed complete by the LPA prior to the determined close date to be eligible for funding. The LPA has prepared an application with instructions. The application materials outline the program requirements and selection priorities. The application requests all information necessary to fully review the project for eligibility.
- The LPA will advise applicants on the disposition of an application within 30 business days

1.d.2 Project Review Committee

- The Project Review Committee will implement the project selection process and generate funding decisions.
- The Committee will include a diverse group with relevant experience.
- The planned members will not include elected officials or those that cannot meet the conflict of interest policy.

1.d.3 Project Selection and Review Criteria - Project selection criteria will afford priority to:

- Projects that are visually prominent Downtown;
- 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 downtown, or realize a stabilization or expansion of a Downtown business;
- Projects where assistance will create jobs;
- Projects where assistance will allow business to expand service offerings.
- Projects that have not received additional NYF awards.

1.d.4 Project Scoring - Projects will be selected based on the impact it will have within the service area. Projects will be scored based on the following criteria:

- Readiness- projects that provide proof of overall feasibility and readiness such as proof of ownership, documentation that 100% of the financing for the project is in place, reasonable construction timeline.
- Physical Impact- projects that are visually prominent downtown, have historic value, are in danger of being lost, bring existing properties into compliance with design guidelines, that are transformative beyond normal maintenance.
- Economic Impact- projects leveraging grant funds with private investment that with the assistance of grant funds, will reduce blight and vacancies, contribute to the economic recovery of the target area, or realize a stabilization or expansion of downtown tax base, businesses and/or jobs.
- Goals Achieved - projects that advance the goals and priorities of the community's Strategic Investment Plan.

1.d.5 Conflicts of Interest

Under certain circumstances, an applicant for funding may have a "conflict of interest". For example, a conflict of interest may be present if the applicant is related to an employee, officer, Board Member, Project Review Committee member, or elected official of the Community. There are other cases where a conflict of interest may also be present. Applicants will be required to complete a Conflict of Interest Disclosure Form to determine if a conflict of interest exists. If a conflict of interest does exist, the LPA will make a formal determination and provide it to HTFC staff to document the decision.

Municipal agencies must adhere to Article 18, "Conflicts of Interest of Municipal Officers and Employees," of the NYS General Municipal Law. For this reason, LPA municipal officers and employees cannot participate in the program as a grant recipient or contractor.

1.d.6 Project Selection Documentation

- The LPA will retain clear documentation of each project selection committee decision in its program files. This documentation will include an eligibility determination for each application reviewed, and a justification for each project selection decision. This documentation will include all relevant project review or scoring memos, Project Selection Committee meeting minutes, board approval of projects or other related correspondence.

1. e. Design Standards

The LPA will develop design guidelines for exterior renovations if the LPA does not already require participating renovation projects to undergo an architectural or design review process. These guidelines will be consistent with the requirements of the State Historic Preservation Office, Housing Trust Fund

Corporation (HTFC), and the Community. The LPA will enforce the standards throughout the development process.

1. f. Housing Trust Fund Corporation Approval

Projects approved locally will be submitted to Housing Trust Fund Corporation (HTFC) for review and approval prior to notifying property or business owner of formal funding approval. The submission to HTFC will include:

- Property location information
- Business information
- Project scope of work
- Award amount
- Total project cost
- Proposed payment structure
- Projected outcomes, e.g. units assisted, jobs created/retained

1. g. Award Letter

The LPA will provide a formal award letter to the property or business owner and should outline the basic requirements of participating in the program.

At a minimum, the letter will specify:

- Projected amount of financial assistance awarded (“Up to” Award Amount)
- Match requirements
- Approved scope of work or eligible activities
- Ineligible activities
- Environmental Review requirements
- Procurement requirements
- Local requirements
- Timeline to accept award and begin project

2. Project Development

2. a. Environmental Review

Prior to the commitment or expenditure of program funds, the environmental effects of each activity will be assessed in accordance with the State Environmental Quality Review Act (SEQR). The LPA will submit all required environmental review paperwork according to the requirements outlined in the HTFC Environmental Compliance Handbook.

2. b. Work Write-up / Scope of Work

Once a project application has been formally selected for Program assistance, the LPA will meet with the property owner to develop the formal project scope of work and explain program requirements related to design, environmental hazards, energy efficiency.

A formal written scope of work or description of the use of funds is required. The scope of work for a participating renovation project must address:

- Immediate health and safety concerns;
- The correction of existing code violations;
- Environmental hazards;
- Installation of energy conservation measures;
- Accessibility for persons with disabilities;

- Consistency with any other local program design guidelines; and
- Preservation of historical elements of the building.

The LPA is responsible for coordinating renovation 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.

2. c. Contractor Selection

The LPA may establish a list of contractors able to perform work in compliance with applicable standards. The LPA may choose to develop this list through a formal Request for Qualifications (RFQ) process to provide contractors and professional service providers an equal opportunity for consideration. All participating contractors must supply references and proof of proper insurance. Proof of insurance must include general liability coverage in a minimum amount of one million dollars and workers' compensation coverage. The LPA, State of New York and the Housing Trust Fund Corporation must be listed as additional insured. The LPA will use this list to solicit bids or quotes for the project activities. Additional contractors can be added to the list at any time, however, references and proof of proper insurance must be supplied to the LPA and approved.

EEO & MWBE Requirements

The LPA is required to comply with Articles 15-A of the New York State Executive Law and Article 3 of the New York State Veterans Law. These requirements include equal employment opportunities for minority group members and women ("EEO"), and contracting opportunities for certified minority and women-owned business enterprises ("MWBEs") and Service-Disabled Veteran-Owned Businesses ("SDVOBs"). LPA's demonstration of "good faith efforts" pursuant to 5 NYCRR §142.8 shall be a part of these requirements. Please visit NYS Empire State Development's Division of Minority & Women Business Development website for a directory of certified Minority and Women-Owned Businesses: <https://ny.newnycontracts.com/>.

The LPA will submit a Contractor Bid Solicitation Plan with the grant agreement. This Plan will identify a minimum of four certified MWBE firms that will be included in the bid solicitation process. Once the contractor/vendor selection process is complete, the LPA must report to HTFC on the use of certified MWBE firms.

Procurement & Bidding

The LPA will complete a procurement process for all activities to be reimbursed with Program funds. A minimum of two bids or proposals will be obtained and reviewed for all project costs, including but not limited to purchases, services and renovation, administration or professional service activities. This process is required to establish the reasonableness of project costs. The procurement process will be free of collusion or intimidation, and the LPA will exercise appropriate oversight over the entire process to ensure that it is fair, efficient and free of actual and perceived conflicts of interest. A clear, written, scope of work for the project, as outlined in Work Write-up / Scope of Work section, must be the basis for the bids or proposals. All bidders must have equal access to relevant information, including information on the property itself. **The bids or proposals for all activities must be submitted directly to the LPA by the contractor.** The LPA will advise the property owner of acceptability of bids/proposed cost. The LPA shall select the lowest responsible bidder. If the property owner chooses other than the lowest bidder, re-imbursement will be based on the amount of the lowest responsible bid. The LPA will document the bid solicitation, review and selection process, and save such documentation in its project files.

Conflicts of Interest

Perceived or actual conflicts of interest may arise when certain individuals have access to inside information regarding the award of a contract or property assistance. A contractor cannot receive Program funds for work done on property that he or she owns, or a property that is owned by an immediate family member. An

immediate family member includes a spouse, son, daughter, stepson, stepdaughter, father, mother, stepfather, stepmother, brother, sister, grandfather, grandmother, grandson, granddaughter, father-in-law, mother-in-law, son-in-law or daughter-in-law. Prior to commencing a project where there is a possible conflict of interest, the LPA must review the eligible work items with HTFC staff. OCR may allow a property owner to act as a general contractor with prior approval. If the property owner has the expertise to act as the general contractor, the LPA must formally request an exception. The request should include a policy statement that addresses the concerns listed above. The policy must include third party inspection, verification of costs, and overall project certification by an architect or project estimator. Documentation of appropriate licenses, environmental certifications, and required insurance must also be included in the request. In these instances, only subcontractor expenses that have met required procurement procedures are eligible for reimbursement. The LPA must obtain written consent prior to entering into contract with the business owner/ contractor. Projects that do not comply with these rules will not be eligible for reimbursement.

2. d. Contracting Procedures

The LPA will enter into a contract with the property or business owner to provide the program financial assistance. The contract will outline the roles and responsibilities for both the LPA and the participating property or business owner.

At a minimum, the contract will specify:

- Agreed upon scope of work;
- Projected amount of financial assistance awarded;
- Estimated project timeline;
- Requirement to insure the premises for the full (100%) replacement value, obtain fire insurance and other appropriate insurance depending on makeup of building, and to obtain flood insurance coverage if the premises is in a special flood hazard area.
- Regulatory term or repayment provisions;
- Requirement to sign a photo release form permitting the LPA and HTFC to use photographs of the assisted business or property;
- Requirement to engage a contractor and begin activities within 30 days of formal LPA approval;
- Payment structure, timing;
- LPA has the right to inspect work at any time;
- Disbursement documentation requirements
- LPA may terminate the award and cancel the contract should the work or purchases be inconsistent with the program rules outlined, agreed upon scope of work or project design, stated timeline or if insurance is not maintained by the participating contractor.

3. **Construction Management/Quality Control**

3. a. Construction Monitoring

The LPA retains the right to inspect or audit work in progress at any point. The LPA must perform periodic inspections of renovation activities to monitor adherence with program rules, environmental hazard compliance, and general project progress. These visits must be documented in LPA project files.

3. b. Final Inspection

A final inspection or review of project activities by the LPA is required for each participating project. A final report or reconciliation must be submitted to HTFC to formally document completion of project activities.

4. **Financial Management**

4. a. Internal Controls

The LPA's chief financial officer will be responsible for all financial transactions under this contract. The LPA must have a written policy on internal controls, and use this policy to determine the process for review and approval of requests for disbursement of funds from HTFC. An 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. Commitment and Disbursement/Accessing Funds

Commitment Procedures

The LPA must submit a Project Set Up form to formally commit funds, and receive approval from OCR prior to the start of project activities. The Project Set Up process first requires a commitment at the local level to the project. A project specific environmental compliance checklist and supporting documentation must also be submitted at this time. The LPA should refer to the Commitment & Disbursement Procedures for detailed instructions on the Project Set up process.

Disbursement Procedures

- The program operates fully as a reimbursement program and payment will be made only upon satisfactory completion of projects
- Requests must be submitted electronically to Disbursements@hcr.ny.gov with forms and supporting documentation in a single PDF. Subject line must read: *NYF – SHARS ID – LPA Name*
- The LPA Commitment & Disbursement Instructions provide detailed instructions for preparing a disbursement request. The document is available online, here: <https://hcr.ny.gov/commitment-and-disbursement-procedures>

5. **Ongoing Maintenance / Regulatory Term**

All assistance is in the form of a reimbursable grant with a five (5)-year compliance period. Property owners will be required to execute a Declaration document committing to this compliance period. Should the property owner sell the property within the five (5)-year timeframe, they will be responsible for repaying a portion of the grant funding received. A Declaration Form will be filed with the County Clerk to secure this obligation and the following repayment schedule will apply:

<i>Months 0-12:</i>	<i>100% repayment due</i>
<i>Months 13-24:</i>	<i>80% repayment due</i>
<i>Months 25-36:</i>	<i>60% repayment due</i>
<i>Months 37-48:</i>	<i>40% repayment due</i>
<i>Months 49-60:</i>	<i>20% repayment due</i>
<i>Months 60 and beyond:</i>	<i>0% repayment due</i>

The LPA must outline any ongoing maintenance or regulatory responsibilities for business assistance projects. This may include inventory, control system and maintenance provisions within a specified term. Example -

Commercial Business Machinery and Equipment

Procedures for managing equipment whether acquired in whole or in part with grant funds, will, at a minimum, meet the following requirements:

- o A physical inventory of the equipment must be taken, and the results reconciled with the final inspection report at least once a year for a period of no more than 5 years.
- o A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of equipment. Any loss, damage, or theft shall be investigated.
- o Adequate maintenance procedures must be developed to keep the equipment in good condition.

- In the event the Owner is required to sell the equipment during the maintenance period, they will be responsible for repaying the grant funding received. Repaid funds will be used by the LPA to fund other eligible commercial and business type projects located in the NYF Target Area.

6. Contract Monitoring & Closeout

Once all contract activities are complete, the LPA will notify HTFC staff. If a monitoring review identifies findings or concerns, the LPA must provide documentation within the stated time period that issues have been corrected. Contract Closeout documents must be returned promptly, and any remaining funds will be deobligated.

7. Program Compliance

7. a. Conditions

Housing Trust Fund Corporation reserves the right to change or disallow aspects of the application and may make such changes conditions of its commitment to provide funding to a project or program. The LPA will address any additional requirements or conditions of approval.

7. b. Covenants of the Recipient

The LPA will comply with all applicable statues, guidelines, regulations, policies and procedures of the program. Any defect or departure from the approved Administrative Plan must be requested and approved in writing. The LPA must refer to the Grant Agreement and associated schedule(s) for a summary of the awarded program activities, budget and projected accomplishments.