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

Request for Proposals

**New York Main Street Program
2009**

January 28, 2009

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. Additional materials and information is available, such as: NYMS Program Application Instructions; CD On-Line (CDOL) Instructions and; NYMS Reference Materials at www.nysdhcr.gov 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 the Division of Housing and Community Renewal (DHCR) to administer the Corporation's activities and manage its affairs. NYMS provides funds to stimulate reinvestment in properties located within mixed-use commercial districts located in urban, small town, and rural areas of New York State, consistent with Articles 16A and 17B of the Private Housing Finance Law (PHFL). Since its inception in 2004, NYMS has awarded over \$50 million dollars in more than 144 communities across the New York State.

1.3 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-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 location;
- 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.

Section 2: Program Information and General Application Requirements

2.1 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 \$200,000.

Eligible, applicants must be 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.

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 for properties eligible for the historic register.

2.2 Administrative Funds

In accordance with Articles 16A and 17B of the Private Housing Finance Law (PHFL), administrative costs are **not** an eligible use of these funds.

2.3 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 \$40,000/building for first and/or second floor civic/commercial use, plus an additional \$20,000 for each residential unit, not to exceed 75% of Total Project Cost or \$100,000/building, whichever is less. Building renovation grants may be for facade renovations or interior work. All work must comply with the standards of the State of Office of Parks, Recreation and Historic Preservation, for properties eligible for the historic register, and with local design guidelines. If the facade does not meet design standards as noted above, a facade renovation will be required.
- **Downtown Anchors:** LPAs may provide grants of up to \$150,000 per building, but not exceeding 33% of Total Project Cost, to building owners to help establish or expand cultural or business anchors that are key to local revitalization efforts. Anchor grant projects may include residential units on the upper floors. A business plan for the proposed Downtown Anchor that includes a market analysis is required for all applications that propose funding anchor grants.
- **Streetscape Enhancement:** Grants of up to \$25,000 for programs to plant trees and other landscaping, install street furniture and trash cans, provide appropriate signs in accordance with a local signage plan, and to perform other appurtenant activities can be provided to communities to enhance the NYMS target area. Applicants should demonstrate how improvements will improve residential and commercial conditions in the target area. Distinctive street lighting may be eligible for funding where applicants can demonstrate that it is not an ordinary expense of the existing unit of government. A Streetscape Enhancement Grant will only be awarded if it is ancillary to building renovation or downtown anchor activities.

2.4 Program Target Area

The proposed activities must be carried out in a target area of generally 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. To be considered eligible, the proposed Main Street Target area:

- Must be located within a service area where more than 50% of the residents earn less than 80% of the area median income for the surrounding community. Relevant, current, and verifiable data, including but not limited to the most recent Census data pertaining to the target area, www.census.gov; or
- Included in an area that has been identified by a state or federal agency as designated for community or economic development program purposes; or
- Eligible as a Neighborhood or Rural Preservation Company service area.

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.

2.5 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 3: Evaluation and Selection Criteria

3.1 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)

3.2 Past Performance and Timeliness

If the applicant is a current awardee and LPA of an open, on-going NYMS contract and substantial expenditure or funding commitments have not been achieved it would negatively impact the rating and ranking of its application. 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.

3.3 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. 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 30 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 15 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 15 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 private investment in proposed target area will receive the highest scores.

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 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 fund-raising 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 marketing campaigns, retail promotional activity, advertising, special events, and residential marketing efforts.
- (5) **Design (up to 5 points)** – 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 the preservation of historic buildings and developing sensitive design management systems, will receive the highest scores. 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 leveraged by NYMS resources.
- D) **Capacity (up to 20 points)** - Measures the extent to which the applicant has organized the proposed project and has assembled sufficient resources to complete the project in a timely and effective manner and on-budget to achieve the goal and objectives of the program.

- (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 5 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 five points.

Section 4: Application Deadline and Submission Requirements

4.1 Application Submission Deadline

Applications must be submitted on or before 5:00 PM, EST – Friday, April 24, 2009. Applications received after the stated deadline will be considered to be late submissions and will be returned to the applicant.

4.2 Instructions for Submission

Applications will be available electronically using the Community Development Web Application System, CDOL, and should be submitted as such at www.nysdhcr.gov.

In order to use CDOL, applicants must be registered in DHCR's Statewide Housing Activity Reporting System (SHARS), and have designated a Security Manager for their organization. The Security Manager will serve as the individual who authorizes and monitors access to CDOL for the applicant's organization.

If you are a registered SHARS applicant, but have not previously registered to use CDOL, you may submit a **Security Manager Registration Form** (see CDOL under Community Development 2008 Unified Funding Materials) to DHCR, which allows access to the CDOL. Complete and return the Security Manager Registration Form with an original authorized signature to the address specified on the Form and you will be e-mailed a user ID and temporary password with which to access CDOL.

If your organization has not previously applied to DHCR for funding, you must complete and submit an **Applicant Registration Form** so that you may be registered as a SHARS Applicant. The form contains a section to designate a Security Manager for your organization. DHCR staff will register your organization and Security Manager and e-mailed a user ID and password to access CDOL.

Applicants who previously used CDOL to apply to HTFC for funding will still be registered, and may use CDOL with the user ID and password previously assigned to them. If you have forgotten your password, you may go to CDOL and enter your user ID and e-mail address and you will be e-mailed a password. If you have changed your e-mail address since you first registered as a CDOL user, and you cannot remember your password, or if you have forgotten your user ID, please either call the MSR Unit at (518) 486-5000, or e-mail: msr@nysdhcr.gov for assistance.

All application exhibits and attachments submitted through CDOL must be electronically certified by an authorized representative of the applicant's organization. The person who will certify the application must be set up in CDOL as a user for your organization. The Security Manager may add the certifier by logging into CDOL, clicking on User Maintenance, selecting your organization, adding or accessing the name of the person who will certify, and clicking the box that says "Authorized to Sign Certification." When the application exhibits are complete, validated and ready to be submitted, the certifier must log in to CDOL, complete the certification, and submit the application exhibits. Required application attachments must also be certified prior to submission. Applicants should refer to the Application Instructions to determine the specific Exhibits and Attachments required.

Section 5: Program Award Process

5.1 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.

5.2 Application Status and Notification

Applicants for this round of NYMS will be notified approximately 60 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 have the opportunity to review application evaluations. Applicants should schedule an appointment with the Office of Community Renewal to review their application its evaluation. Additionally, technical assistance is available throughout the program year for unsuccessful and potential applicants through OCR.

5.3 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 a two (2) year term. Projects and programs are expected to be completed and outcomes achieved within the contract term.

5.4 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.

5.5 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 discussed, and applicants will be given instructions and guidance on further processing requirements.

5.6 Processing Time Frames

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

5.7 Questions

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

Office of Community Renewal
Hampton Plaza
38-40 State Street, 9th floor
Albany, NY 12207-2804

(518) 474-2057
MainStreet@nysdhcr.gov

5.8 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, binders, curricula, media or other content will be returned to the applicant.

5.9 Other Conditions

HTFC reserves the right to:

- 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.

6.0 New York Main Street Program Contacts

Capital District & New York City Region

Karl Gustafson, Senior Community Developer
Crystal Loffler, Community Developer
Hampton Plaza
38-40 State Street, 9th Floor
Albany, New York 12207
(518) 474-2057

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 x202

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