



# Office of Community Renewal

NYS HOUSING TRUST FUND CORPORATION



## New York Main Street 2010 Program Guide

### TABLE OF CONTENTS

I.	INTRODUCTION.....	2
II.	PROGRAM DESCRIPTION.....	2
III.	APPLICATION PROCESS .....	3
IV.	ELIGIBLE APPLICANTS.....	4
V.	ELIGIBLE AREAS.....	4
VI.	ELIGIBLE ACTIVITIES & ACTIVITY FUNDING LIMITS .....	5
VII.	MATCH / LEVERAGE OF FUNDS.....	10
VIII.	ROLES AND RESPONSIBILITIES .....	11
IX.	OTHER PROGRAM REQUIREMENTS AND GUIDELINES .....	14
X.	2004 – 2010 PROGRAM ACTIVITY SUMMARY .....	16
XI.	INDEX .....	17

## **I. Introduction**

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. 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.

## **II. Program Description**

The NYMS program provides resources for the purpose of assisting New York communities with their Main Street and downtown revitalization efforts. NYMS provides funds 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 downtowns or neighborhood business districts;
- 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.

### **A. Main Street Program Approach**

NYMS is a comprehensive grant program that provides funding for local revitalization efforts and technical assistance to help communities build the capacity required to grow their downtown or neighborhood retail district.

Successful applicants will involve local residents, governments, businesses, and property owners in making decisions about program implementation; address design

issues in a contextually-appropriate manner; follow a coordinated outreach and communication strategy to publicize district activities; implement an effective business strategy to recruit appropriate businesses and measure and evaluate progress in meeting district goals.

Housing is a key component in any successful main street revitalization. Affordable, marketable housing in upper-floor spaces and on adjacent streets helps to strengthen the social and economic vitality of the business district.

HTFC believes that a holistic approach to Main Street revitalization that involves aesthetics, business creation/retention, and housing will lead to healthy and economically vibrant communities. A combination of capacity and capital is needed to revitalize Main Streets across the state. The NYMS program is designed to help address these needs.

### **III. Application Process**

The NYS Housing Trust Fund Corporation invites eligible applicants to apply for assistance under the New York Main Street Program on an annual basis. Potential applicants are encouraged to review program details to ensure that this funding source appropriately addresses your community development challenges. 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. 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.

#### **A. General Requirements**

- The minimum amount of NYMS funding for which an applicant can apply is \$50,000. The maximum amount is \$500,000.
- Applicants that have a history of serving their community and experience in administering similar programs will receive the maximum points in the capacity section.
- Applicant will be expected to provide documentation of adequate insurance.
- The highest-scoring, feasible applications will be funded and HTFC will strive to achieve an equitable geographic distribution of funds when making awards.
- Except for Downtown Anchor grants, specific buildings need not be identified upon submitting an application for renovation funding. However, buildings that do eventually receive assistance must be in the Main Street target area that is cited in the initial application.

#### **B. Municipal Resolution**

Applicants are required to obtain a Resolution of Support prior to submission of a NYMS application.

- The Resolution should come from each municipality in which the target area is located. For programs in New York City, the resolution should come from the

relevant Community Board (or Boards) that has jurisdiction over the proposed site. A local government may supply Resolutions of Support for any number of local Main Street programs.

- The Resolution should demonstrate that the local government is aware of and supportive of the proposed Main Street project. The local government does not have to pledge money, land, or any other asset, nor does it need to waive any local rule or regulation.
- Applicants are encouraged to obtain any other evidence of support from, and in coordination with, the municipality in which the Main Street target area is located.
- Applications that do not adequately demonstrate support from the local municipality will not be funded. Applicants will not receive notices on this or any other deficiency in the application.

### **C. Market analysis and Business Plan for Downtown Anchors**

- Downtown Anchor grant applicants must have a business plan for the project. The business plan should cover the operation of the business / preservation of the assets at least through the minimum enforcement period of five years.
- The business plan must include a market analysis. The market analysis is required for a Downtown Anchor grant even if there are conditional leases in place or in negotiation. The market analysis and business plan will be used to assess risk and to provide assurance that the anchor business will prosper.

## **IV. Eligible Applicants**

To be 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.

## **V. Eligible Areas**

### **A. 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:

- 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. The HTFC will accept that designation in lieu of a determination based on the income of residents in the area; or
- 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](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](http://www.census.gov);

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.

## VI. Eligible Activities & Activity Funding Limits

### A. 2010 NYMS Funding Round

- **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 for facade renovations or interior work. All work must comply with the standards of the State 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 may be required.
- **Downtown Anchors:** LPAs may provide gap financing 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. 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. Incorporating residential units on the upper floors is strongly encouraged and those projects will receive priority consideration.
- **Streetscape Enhancement:** Grants of up to \$60,000 for streetscape enhancement activities such as: planting trees; installing of street furniture and trash receptacles;

providing appropriate signs in accordance with a local signage plan; and performing other appurtenant activities to enhance the NYMS target area. Applicants must demonstrate how the improvements will enhance 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 local government. A streetscape enhancement grant will only be awarded if it is ancillary to building renovation or downtown anchor activities.

- **Administrative Funds:** Must be identified at the time of application, and shall not exceed 7.5% of the NYMS award.

## **B. General Activity and Funding Guidelines**

### 1. Interior / Exterior Building Renovations

- NYMS funds will be disbursed only for completed projects. Projects including NYMS funds must produce a finished commercial or residential space, ready for occupancy.
- To use NYMS funds for projects to rehabilitate a building's facade only, LPAs must ensure that there are no outstanding code violations or health and safety issues; and the building will be used for a purpose consistent with the proposed revitalization of the Main Street target area.
- Whenever there are contiguous buildings or storefronts, they must have uniform facade treatments.
- The New York State Historic Preservation Office (SHPO) must be provided an opportunity to review and suggest appropriate work items.
- Funding for a project to erect a false façade where there is no building would be viewed as a Streetscape enhancement. It would be subject to a \$60,000 limitation on such improvements and would have to be ancillary to building renovation or downtown anchor grants.

### 2. Streetscape Enhancements

Streetscape enhancement grants are to be part of a community's comprehensive efforts to improve the aesthetics and economic vitality of its downtown area and must be ancillary to a NYMS building renovation or downtown anchor activity.

- Streetscape improvements may be on privately-owned property or on a public right-of-way. An easement assuring public access to such improvements will be required.
- Public improvements that are ordinarily operation and maintenance responsibilities of local government, such as street paving, parking facilities, or new sidewalks are not eligible for funding.
- The State Historic Preservation Office (SHPO) must be provided an opportunity to review and suggest appropriate work items for Streetscape projects.

- At the time of Project Set Up request an Eligibility Determination for the Streetscape component of your NYMS Program to be sure that it is an allowable use of NYMS Program funds.

### 3. Residential / Upper Floor Housing

- Any residential unit assisted with NYMS funds that is vacant at the time of the application or becomes vacant during the regulatory term must be marketed to, and affordable to, households with incomes at or below 90% of the median family income, as adjusted for family size.
- HTFC recognizes that incorporating market-rate rental units may strengthen many Main Street districts. While NYMS funds cannot be used to assist market-rate units, investment in renovation of market-rate units may be considered as an eligible match for NYMS investments in commercial or civic spaces or affordable rental units.
- NYMS funds can be used to subsidize rehabilitation costs of cooperatives and condominiums that will be sold to low-income households.
- Assisted buildings are not required to include both residential and civic or commercial space. However, applications should propose a comprehensive approach to strengthen both the commercial and residential sectors.
- The proposed service area should include a mix of uses, such as residential, commercial, and civic buildings.
- If NYMS funds are used to renovate the commercial space and other funds are used to renovate the residential space, affordable housing restrictions do not apply to the commercial space. Only units receiving direct investment of NYMS funds will be regulated under NYMS.
- Appropriate use of upper floor space may include office or other commercial use:
- If an applicant is proposing a non-residential use on the upper floors of a building, housing needs elsewhere in the mixed-use district must be addressed.
- Applicants should also demonstrate why the non-residential use is more appropriate for the second floor in the particular building, such as: when the hours of operation of the first floor tenant conflict with living above (i.e. a residence over a busy restaurant); or when a non-residential use on the upper floors results in a better distribution of peak parking demand in the immediate area (i.e. offices with peak parking demand from 9:00 am to 5:00 pm over a restaurant with peak parking demand from 6:00 pm to 11:00 pm).
- Some exterior renovations may require the LPA to follow HUD's "Guidelines for the Evaluation and control of Lead Based Paint Hazards in Housing". For example, window repair or replacement on residential facades will most likely require lead-safe work practices to be followed. The LPA is responsible for making this determination.

#### 4. Municipal and Civic Buildings

NYMS funds cannot be used on municipal buildings, for municipal purposes. However, if a building is owned by a local government and has a formal agreement, structure, or lease with a not-for-profit organization to operate a cultural or civic anchor within the building, the not-for-profit can apply to the LPA for NYMS funds. An agreement between the municipality and the not-for-profit that makes the property available to the not-for-profit for at least five years will be required.

NYMS funds can be used to assist civic buildings, such as museums, cultural centers, performing arts centers, libraries and alike, if the property is owned or operated by a not-for-profit corporation.

#### 5. Projects in Progress

NYMS funds may be requested for reimbursement for eligible program costs incurred pursuant to the NYMS contract agreement. However, before commitment or expenditure of funds, the environmental effects of each activity carried out with NYMS funds must be assessed in accordance with the State Environmental Quality Review Act (SEQR) and the New York State Historic Preservation Office (SHPO).

Projects in progress are eligible for NYMS funding if the work has already been cleared under SEQR and SHPO. However, NYMS funds cannot be used to substitute for other committed funding and the applicant must show that without NYMS funding the proposed project could not be completed.

Work can be completed on part of a building, leaving another part unfinished as a holdover for future use, provided that the project can be completed in compliance with all applicable codes and ordinances, and the unfinished space does not present a hazard to occupants or users of the building, nor does it have a negative visual impact on the Main Street façade. This can only be done when the investment of NYMS funds will result in occupied commercial and residential space in addition to the unfinished space.

#### 6. Site Control and Commitments

While an LPA generally will not have site control of properties to be assisted at time of application they must ensure that the grant recipient will have site control before providing a grant to a building owner. The program expectation is that the proposed owner will acquire the property and complete the renovations within the two-year contract period.

An LPA may apply to assist a property that it plans to own and manage. If the building is privately owned at the time of application, then the LPA must have firm financial commitments in place for the purchase and a contract of sale with the owner.

#### 7. Other Eligible Uses of Funds

- NYMS funds may be used for handicap accessibility improvements. Applicants must comply with the provision of the Americans with Disabilities Act (1990), the Fair Housing Act (1968), and the Rehabilitation Act (1973). The cost of

installing an elevator or other similar measures to make second floor space or rear spaces accessible for residential use is an eligible expense.

- LPAs are required to control lead-based paint hazards in residential units and related common areas by following HUD's *Guidelines for the Evaluation and Control of Lead Based Paint Hazards in Housing*. Exterior painting is eligible when done in conjunction with required façade improvements or to control lead paint hazards.
- Because downtown / Main Street areas tend to be older parts of communities, improving energy efficiency in residential and/or commercial units is encouraged, and may be an appropriate component of a NYMS project. Renovations to address energy efficiency and green-building measures are eligible uses of NYMS funds.
- Projects that include a proposed change in the use of a building are an eligible use of NYMS funds as long as all local approvals are obtained.
- Signage is an eligible expense, provided it is context-sensitive to the overall facade renovation and must not mask the architectural elements of the building. Signage should be installed as part of an overall facade renovation. NYMS funds cannot be used for interior-lit plastic/vinyl signs. Signs should be exterior-lit and made of appropriate materials.
- Only permanent fixtures may be purchased as part of a building renovation grant. Non-permanent fixtures, furnishings, and business equipment are not eligible uses of NYMS funding.
- Project Delivery costs may be eligible expenses for NYMS funds provided that they are necessary and appropriate to the work being done. Please refer to the 2010 Commitment & Disbursement Procedures for Local Program Administrators.
- Project Delivery expenses must be included within activity funding limits.
- Project Costs incurred for work on buildings that eventually prove infeasible and do not receive other investments will not be reimbursed with NYMS funds.
- NYMS funds may be allocated as a loan. However, approval will not be granted unless it is required to access other funding, such as tax credits. The loan should be for a sufficiently long term, and all repayments must be returned to HTFC. Owner equity generated by the sale of credits may also count as a match. The LPA must seek written approval to operate a loan program.

## 8. Ineligible or Restricted Project Activities

- Ineligible uses of funds include: acquisition costs; new construction (including in-fill buildings); capitalizing a revolving loan fund; structure demolition; feasibility studies; and improvements to churches, synagogues, and other religious structures.
- NYMS funds cannot be used for demolition of an entire structure. Necessary interior demolition may be permitted.
- NYMS funds cannot be used for construction of an additional story on an existing building. Costs to construct an architecturally-consistent addition to provide residential space above existing commercial space may be considered an eligible match of funds.
- NYMS funds cannot generally be used for vinyl or aluminum siding. Wooden window treatments should not be replaced with vinyl or aluminum treatments. Where it is determined that window replacement is necessary, the new windows should match the original window design. Approval of replacement windows by SHPO will also be required.

## VII. Match / Leverage of Funds

Investments of NYMS funds in eligible building activities must be matched by other funds. Any funds provided to administer the program or to support program activities beyond the required match amount are considered leveraged funds. The availability of funds to an LPA may increase the likelihood that an application will be funded.

- Match requirements must be realized on a building-by-building basis in order to expedite payment for work completed. HTFC will consider waivers of this requirement in certain unusual circumstances; however, such accommodations are rare and may complicate and delay payments.
- Applicants must demonstrate that they will be able to secure sufficient resources to administer the proposed Main Street program.
- LPAs are not required to provide a cash match. A match can come from a variety of public and private sources.

### A. Sources of Eligible Match or Leveraged Funds

- Federal or state community development or economic development programs, such as: CDBG, HOME, ESDC, and LIHC. Coordinating applications with other programs is strongly encouraged. These sources may be considered as leveraged funds for scoring purposes.
- The required match may come from the building owner and/or other public funds. Building owners may take out a loan to finance the match. Interim/construction financing cannot be counted as match or leverage.
- Applicants are encouraged to consider energy efficiency programs through NYSERDA or DHCR's Weatherization Assistance Program if affordable residential

units will be part of a NYMS project. Energy efficiency programs, such as NYSERDA or DHCR's Weatherization Assistance may be eligible matching funds.

- Professional service costs incurred, including project delivery, or "soft costs," such as architectural services are recognized matches, provided they are reasonable, sufficiently documented, and related to a specific project. The owner should get two cost estimates for the same scope of work in any case.
- Tax credit programs such as, Low Income Housing Tax Credits, New Market Tax Credits, and Historic Preservation Credits. Equity investments in a tax credit project are considered public financing. Developers' fees that are re-invested in a project are considered private funding.
- The equity of a property that is free and clear of a mortgage obligation can be considered as a cash match, only if funds are borrowed against the equity from a financial institution and used in the renovation.
- Revenue from a BID's special assessment used as part of the NYMS program can be recognized as a match.
- Only funds expended for costs incurred after execution of the NYMS grant agreement may be recognized as match. The award or contract date of the matching funds does not impact the eligibility as long as the matching funds are expended following contract execution.
- Real Estate acquisition costs cannot be counted as match.

## **VIII. Roles and Responsibilities**

**Local Program Administrators** (LPAs) assume 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 encourages collaborative efforts between municipalities and local not-for-profits to achieve the goals and objectives of this program. LPAs may subcontract with a municipality to provide services for the administration of the NYMS Program.

### **A. Program Administration**

Each Main Street program will be implemented and managed in accordance with the NYMS Grant Agreement, the NYMS Program Guide, and program guidance material located on the NYMS Program website. The main guidance for the LPA in administering the NYMS award is the NYMS Administrative Plan. The NYMS Administrative Plan (Schedule B in the NYMS Grant Agreement) addresses matters such as: project selection and development; construction management; ongoing maintenance; and operation support and administration. Following awards, successful applicants will implement the NYMS Administrative Plan in accordance with all local, state and federal law. The NYMS Administrative Plan also should serve as a guide for the LPA in conducting a program in an open, fair, and efficient manner that is responsive to the needs of the local community.

## **B. Environmental and Historic 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 (SEQR) and the State Historic Preservation Office (SHPO).

- **SEQR**

LPA's must submit the New York Main Street Program Environmental Compliance Checklist and Program Description Form to receive Environmental Compliance clearance and to develop appropriate program specific environmental review procedures. Both forms, as well as a step-by-step guide, the Environmental Compliance Checklist Handbook, are available on the New York Main Street Program website.

After the review process is complete the LPA will receive a letter stating that the Program has environmental clearance from the Housing Trust Fund Corporation (HTFC). The LPA will then be responsible for performing and documenting the program's specific environmental review procedures for each project activity undertaken. The regional representative from HTFC will review compliance with these procedures at the time of the program monitoring visit.

- **SHPO**

Section 14.09 of the New York State Parks, Recreation and Historic Preservation Law of 1980 requires publicly-funded projects to be reviewed for their potential impact/effect on historic properties. Local Program Administrators must submit building information to the New York State Office of Parks, Recreation and Historic Preservation (OPRHP or SHPO).

A SHPO Project Submission Guide and required submission forms are available on the New York Main Street Program website.

The Office of Community Renewal will not commit NYMS Program funds without a copy of a building specific SHPO clearance letter. LPA's must also obtain a SHPO clearance letter for Streetscape projects.

## **C. Disbursement Process**

- HTFC will make payments to LPA's through an automated deposit system, which is usually completed within 2-3 weeks from the time of the request. Factors such as multiple funding sources or small progress payments can complicate the process somewhat and may slow payments.
- In order to substantiate work costs, LPA's must obtain copies of work write-ups, invoices for materials and labor, cancelled checks, lien releases, and any other documents necessary to maintain effective internal controls.
- LPA's should refer to the NYMS LPA Commitment & Disbursement Instructions located on the NYMS website.

#### **D. Declaration Form**

For projects receiving NYMS Program Funds, the property owner must execute a Declaration, included as Schedule C in the NYMS Grant Agreement. The Declaration must be signed, notarized and filed in the County Clerk's Office in the county in which the assisted property is located, or by the Office of the City Register for New York City projects.

- The property owner must ensure the improvements are maintained for a minimum of five years. If the property is transferred during that period the new owner must agree to assume the responsibility of maintaining the asset or all grant funds are subject to recapture by HTFC.
- The Declaration also applies to residential units assisted with NYMS funds requiring the building owner to make them available and maintain the affordability for low-income households for a minimum of five years.
- Streetscape projects also require the Declaration. For Streetscape projects completed on private property, the property owner is responsible for completing and filing the Declaration. For Streetscape projects completed in the public right of way, the Local Program Administrator is responsible for the Declaration. Streetscapes completed in the public right of way may not be eligible for filing. In these cases, the Local Program Administrator must complete the Declaration and provide a copy to the Office of Community Renewal affirming the maintenance responsibility.

#### **E. Bid Process**

- While formal public bidding is not required by NYMS, LPAs will be required to obtain two bids for each separate construction project or professional service in order to establish the reasonableness of project costs.
- NYMS does not prescribe an exact format for the bid process; however, certain principles should be upheld in seeking bids or quotes. There should be a clear scope of work for the project for which bids or quotes are sought. All bidders must have equal access to relevant information, including information on the property itself. The process should be free of collusion or intimidation, and the LPA should exercise appropriate oversight over the entire process to ensure that it is fair and efficient.

#### **F. Potential Conflict**

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, or have undue influence on the process by which a contract or property assistance is awarded.

- To avoid such situations, LPAs should have a written policy statement that specifies which parties are covered and what measures will be taken to allow eligible individuals access to program benefits while avoiding actual and perceived conflicts of interest.
- Typically, a contractor cannot receive NYMS funds for work done on property that s/he owns. An apparent conflict of interest exists due to the unique information and influence that the building owner has in areas such as: developing work scopes;

choosing which contractors to solicit; evaluating bids; use of material and determining satisfactory performance of the contract. The HTFC may allow exceptions to this rule if the LPA can provide a policy statement that addresses the concerns listed above. The policy should require some form of third party inspection, verification of costs and overall project certification. In this instance, NYMS will only reimburse material costs. The LPA must obtain written consent prior to entering into contract with the business owner/ contractor.

- NYMS staff is available to provide guidance to LPAs in developing such a statement of policy.

### **G. Not-for-Profit LPA Boards and Activities**

The board of directors of the not-for-profit LPA should be representative of the residents and other public and private interests of the area being served.

Elected officials serving at or above the state level may not serve on the board of the LPA, unless that participation is otherwise mandated by federal or state statute. No member of a political party's executive committee, at any level, shall serve on the board of the LPA. In urban areas, chief executive officials and members of local legislative bodies are prohibited from serving on LPA boards. In all cases, elected officials should constitute less than half of the board of the LPA.

Under certain circumstances, it may be permitted for an LPA to allocate funds for a property owned by a member of its board. The allocation must be consistent with the selection procedures described in the approved Main Street Administrative Plan that the LPA is following. There must be a public disclosure in the pertinent community that the LPA is doing this. The board member whose property may receive assistance may not vote on or participate in discussions concerning that matter.

An LPA may allocate funds to improve a property that it owns under certain circumstances. It must be consistent with the Main Street Administrative Plan, it must be necessary to carry out the Main Street program or project proposed, and there must also be a public disclosure of this activity.

## **IX. Other Program Requirements and Guidelines**

### **A. Design Standards**

LPAs will need to conduct a design review. Architectural drawings are not required with the application, however, they may be required where the reconstruction of structural elements of the façade is involved. The standards established by the State Historic Preservation Office (SHPO) should be observed.

The LPA must submit all projects, including both interior and exterior renovations and Streetscape activities, for review by SHPO prior to commencing construction. SHPO will require a photo of the building or project area, description of proposed scope of work, and sketch of proposed renovation.

The goal is to respect the original building design while maintaining consistency with the overall design of the Main Street area. Architectural renderings and old photographs or

postcards can be useful in developing a design for renovation. Reliance on any single source is not adequate.

When NYMS funds are used in the rehabilitation or construction of residential units, DHCR/HTFC design standards are recommended.

## **B. Use of Space**

If a space is rehabilitated for residential or commercial purposes, the LPA must ensure, with the use of an HTFC-provided declaration, included as Schedule C in the grant agreement, that assisted units will be maintained for their intended purpose (either residential or commercial) for a minimum of five years.

In order to receive and use NYMS funds to renovate a building, a building must be habitable and not in violation of local or state codes. If the building is vacant, it must be ready to be occupied. Once building improvements are made, LPAs will require the owner to maintain the building for a period of at least five years.

## **C. EEO/MWBE and Affirmative Action Policy**

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.

## **D. Lead Based Paint**

Lead-based paint is a serious health threat. LPA's must follow HUD's "Guidelines for the Evaluation and control of Lead Based Paint Hazards in Housing" to control lead hazards in residential units and related common areas assisted with NYMS funding.

**For more information on the New York Main Street Program, contact:**

**Office of Community Renewal  
Hampton Plaza  
38-40 State Street, 9<sup>th</sup> Floor  
Albany, New York 12207**

**Phone: 518-474-2057 Fax: 518-474-5247**

**E-mail: [MainStreet@nysdher.gov](mailto:MainStreet@nysdher.gov)**

**X. 2004 – 2010 Program Activity Summary**

Program Year	Funding Limits	Admin.	Façade	Building Renovation			Match	Anchor	Streetscape
				Commercial	Residential	Maximum			
<b>2004</b>	\$50k-200k	0	\$10,000	N/A	N/A	\$50,000	50% TPC/ 25%Owner	\$100,000 or 25% TPC	\$25,000
<b>2005</b>	\$50k-200k	0	\$10,000	N/A	N/A	\$50,000	50% TPC/ 25%Owner	\$100,000 or 25% TPC	\$25,000
<b>2006</b>	\$50k-200k	0	\$10,000	N/A	N/A	\$50,000	50% TPC/ 25%Owner	\$100,000 or 25% TPC	\$25,000
<b>2007</b>	\$50k-200k	0	\$10,000	N/A	N/A	\$50,000	50% TPC/ 25%Owner	\$100,000 or 25% TPC	\$25,000
<b>2008</b>	\$50k-200k	0	\$10,000	N/A	N/A	\$50,000	50% TPC/ 25%Owner	\$100,000 or 25% TPC	\$25,000
<b>Fall 2008</b>	\$50k-500k	7.50%	N/A	\$30,000	\$30,000/ unit	\$120,000	25% TPC/ 0%Owner	\$500,000 or 33% TPC	\$25,000
<b>2009</b>	\$50k-200k	0	N/A	\$40,000	\$20,000/ unit	\$100,000	25% TPC/ 0%Owner	\$150,000 or 33% TPC	\$25,000
<b>2010</b>	<b>\$50k-500k</b>	<b>7.50%</b>	<b>N/A</b>	<b>\$50,000</b>	<b>\$25,000/ unit</b>	<b>\$150,000</b>	<b>25% TPC / 0%Owner</b>	<b>\$250,000 or 40% TPC</b>	<b>\$60,000</b>

## XI. INDEX

Accessibility		Lead Based Paint	7, 15
Handicap Accessibility	8	Local Program Administrator	11
Acquisition Costs	10, 11	Maintenance Period	13
Activities - 2009 Funding Round	5	Match - 2009 Funding Round	5
Administrative Funds	6	Match Requirement Summary	16
Administrative Plan	11	Minority- and Women-Owned Business Enterprises	
Affordable Housing	7	MWBE	15
Bid Process	13	Municipal and Civic Buildings	8
Business Plan	4	Neighborhood Preservation Company (NPC)	5
Conflict of Interest	13	New Construction	10
Declaration	13	Owner Acting as Contractor	13
Demolition	10	Payment Process	12
Design	14	Program Activity Summary	16
Disbursement Process	12	Project Delivery	9, 11
Eligible Applicant	4	Projects in Progress	8
Eligible Area	4	Residential Units	7
Eligible Match	10	Resolution	3
Energy Efficiency	9	Rural Preservation Company (RPC)	5
Environmental Review	12	SEQR	12
False Facade	6	SHPO	12
Funding Limits - 2009 Funding Round	5	Signs	9
Funding Round Summary	16	Site Control	8
Green Building	9	Soft Costs	11
Historic Review	12	Streetscape	5, 6
Ineligible Activities	10	Target Area	4
Ineligible Expenses	10	Vinyl	10