

MARK Project Regional Main Street Program

Guidelines and Requirements

- 1) **Program Description:** The New York Main Street Program (NYMS) provides funds to stimulate reinvestment in properties located within mixed-use commercial districts located in small town and rural areas of New York State. New York communities may be helped with their Main Street and downtown revitalization efforts by:
 - Stimulating economic revitalization of mixed-use business centers
 - Fostering small business development
 - Expanding affordable housing opportunities
 - Increasing the capacity of local government and community-based not-for-profit organizations
 - Facilitating effective planning processes
 - Preserving significant or historic buildings
 - Addressing issues of code enforcement, energy efficiency, Americans with Disabilities Act (ADA) and fair housing

- 2) **Introduction:** The MARK Project and its Regional Main Street Selection Panel will review applications for assistance and select commercial and/or multi-use building projects in the target areas that have been determined by the stakeholders in each community. These must be in clusters of 2 or more buildings. Clusters are defined by contiguous properties or properties that connect with previously improved properties that result in a larger group, or properties that are visually connected but separated by a street crossing. Projects selected should have historic value, visual prominence or encourage, stabilize or expand community business opportunities. The following criteria will be used by the Panel to select the buildings/clusters to be included in this program:
 - a) That there is a clearly defined cluster of buildings. MANDATED
 - b) Properties whose interior is up to code, but where façade improvement would reduce blight or contribute to the economic recovery of the cluster. 30 pts
 - c) Properties where immediate action will help alleviate or prevent damages to the health and safety of the building’s inhabitants and the community and help develop commercial space suitable for occupancy or enhance the ability for a commercial enterprise to increase business or curb appeal. 20 pts
 - d) Properties of rentable commercial space where the owner agrees to a “reduced rent step up” program to encourage new business within the cluster. 20 pts
 - e) Proof of project readiness with relationship to owner/occupant match. 15pts
 - f) Historic properties in danger of being lost, in part or in total, to disrepair or damage or properties that include a residential component. 15 pts

- 3) **Program Specifics:** The MARK Project inc. invites eligible communities to apply for assistance under the New York Main Street Program. Communities can submit more than one application for a cluster but applications will be ranked according to the aforementioned rating criteria.
- a) Please review the program guidelines and requirements prior to submitting your application.
 - b) Applicants are expected to provide the following for each building contained within the cluster:
 - (1) Documentation of insurance (Insurance coverage requirements are a minimum \$1,000,000 per occurrence and \$2,000,000 aggregate.),
 - (2) A copy of the deed to the property,
 - (3) Written permission from the property owner for leased properties, and
 - (4) Copies of the most recent year's paid school and property tax bills.
 - c) Minimum amount of funding granted per building in a cluster is \$5,000; maximum is \$50,000 (per building) for 75% of the project costs. Building/Business owner must provide funding for the remaining 25%.
 - d) This is a REIMBURSEMENT PROGRAM based on application approval. NY Main Street funds will be disbursed only for completed projects ready for occupancy. The owner must be prepared to submit paid bills with cancelled checks as proof of payment to be reimbursed for eligible expenses. We **cannot** reimburse for cash payments.
 - e) Interior and exterior building renovations and improvements are eligible activities
 - f) Funding projects to rehab only a building's façade require proof that there are no outstanding code violations or health and safety issues that need to be addressed.
 - g) Buildings will be required to develop their exterior facades according to the Design Guidelines on file at MARK (available on request). Applications that incorporate exterior alterations will be reviewed by the NY State Historic Preservation Office (SHPO). Properties in the hamlet of Roxbury will be reviewed by the Roxbury Historic Preservation Commission prior to SHPO review.
 - h) Any residential unit assisted with NY Main Street funds must be advertised to, and made affordable to, households with incomes at or below 90% of the median family income. (see attached rental guide)
 - i) Appropriate use of upper floor space may include residential, office or other commercial use.
 - j) If an applicant is proposing a non-residential business use on the upper floors of the building, housing needs must be addressed elsewhere in the mixed use district. Applicants must demonstrate why the non-residential use is more appropriate for the second floor, possibly due to conflicting hours of operation, parking, etc.

- k) Funds may be used to assist civic buildings, such as museums, cultural centers, performing arts centers, libraries, etc., if the property is owned or operated by a not-for-profit organization or there is a long-term agreement with the owner for civic use of the building. Churches are not eligible for funding. Municipal buildings used for governance are not eligible, however, building owned by a municipality, not using the building for governmental use are eligible.

4) Other Eligible Uses:

- i) Handicap accessibility improvements
- ii) Addressing lead paint hazards in residential units and common areas
- iii) Exterior painting is eligible, when done in conjunction with required façade improvements
- iv) Improving energy efficiency in residential or commercial units
- v) Projects that include a proposed change in the use of a building
- vi) Signage that is sensitive to the façade renovations and is made of appropriate materials. MARK Project Sign guidelines must be followed when developing and designing signs. Signs may also fall under local zoning or historical review.
- vii) Only permanent fixtures may be purchased as part of a building renovation grants

5) Ineligible Uses of Funds:

- i) Acquisition costs, new construction, capitalizing a revolving loan fund, feasibility studies and improvements to religious structures
- ii) Repairs to sidewalks, driveways or parking lots
- iii) Project costs incurred for work that eventually does not prove feasible will not be reimbursed.
- iv) Some interior demolition is permitted, but demolition of any portion or the entire structure is NOT an eligible use of funds.
- v) Construction of an additional story on an existing building
- vi) Vinyl or aluminum siding or window treatments are ineligible. Where windows need replacement, the windows should match the original design.

6) Matching Funds: Investments of NY Main Street funds in eligible buildings must be matched by other funds.

- i) Match requirements must be realized on a building-by-building basis to expedite payment done for work completed.
- ii) Applicants must demonstrate the ability to secure sufficient resources to meet the 25% matching requirements.
- iii) A match can come from a variety of public and private sources:

- (a) Federal or State community development or economic development programs. (i.e. low interest loans from MARK, CWC, Delaware County Economic Development)
- (b) Out of pocket from the building owner, loans from commercial lending institutions
- (c) MARK can assist selected property owners in accessing additional sources of funds through energy efficient programs through NYSERDA or NYS Weatherization Assistance Program.

7) Design Standards: MARK will conduct a design review of proposed projects. Architectural drawings are not required but may be necessary when the reconstruction of structural elements of the façade is involved. The goal is to respect the original building design while maintaining consistency with the overall design. Architectural renderings and old photographs or postcards may be useful in developing a design.

8) Environmental and Historic Review: Prior to the commitment or expenditure of NYMS Program funds, the environmental effects of each activity must be assessed, including approval of all work by the NY State Historic Preservation Office (SHPO).

9) Eligible Areas and Project Selection:

- a) For the purposes of this NY Main Street Program, MARK is looking to identify clusters in each community, with priority given to places where clusters of buildings will be assisted, thus maximizing the program's impact.
- b) The business stakeholders in each interested community will meet to complete a Main Street Community Application. This application will identify the proposed target area for that community, the businesses within that target area that want to participate in the program, and a narrative describing the improvements intended and the rationale for the selection of that specific area.
- c) MARK will appoint a Regional Selection Panel with representation from all communities involved in the program. This Panel will review and prioritize all the Community Applications, approve specific cluster areas for inclusion in the program, and make recommendations for funding and funding levels for specific projects.
- d) Business owners approved by the Selection Panel must then submit a Business Application with all required documentation to be included in the program.

10) Post-Selection Process :

- a) If a project is selected to receive assistance, the Rehab Specialist from the MARK Project will meet with the property owner to develop a Scope of Work and prepare the bid documents.
- b) MARK will be responsible for coordinating work write-ups with local code officials, the State Historic Preservation Office and other regulators. Then MARK and the property

owner will sign-off on the scope of work before the project goes out to bid. The priorities for the scope of work include:

- Immediate health and safety concerns, including lead based paint
 - Correction of code violations
 - Consistency with local design guidelines
 - Installation of energy conservation measures
 - Preservation of historic elements of the building
- c) The MARK Project will advertise the bid opportunity to its list of approved contractors. Property owners may use other contractors, provided they meet the following criteria:
- Contractor must carry adequate liability insurance
 - Contractor must carry Worker's Compensation insurance (mandatory even for sole proprietors or LLCs — NO EXCEPTIONS)
 - Contractor must submit up-to-date Renovation, Repair and Painting (RPP) Certification for work with lead-based paint.
 - Contractor must submit a Non-Collusive Bidding Statement (included in bid documents).
- d) Sealed bids must be delivered to the MARK Project, and Contractors must provide all required attachments. Quotes will be reviewed by MARK, and the property owner will be advised of acceptability of bid proposal costs. A property owner is not required to use the contractor with the lowest bid, but reimbursement from grant funds will be based on the lowest bid.
- e) The MARK Project's Rehab Specialist will also estimate project costs for bid comparison purposes. Any bid that is 20% over or under the cost estimated by the MARK Rehab Specialist will be thrown out as a non-responsive bid.
- f) Reimbursement payments to the business owner will be made upon satisfactory completion of all work determined by the MARK Rehab Specialist, submission to the MARK office of all necessary documentation and proof of payment(s) to the contractor, and receipt of disbursement requests from the NYS Main Street Program.

11) Contractor Selection:

- a) **Potential Contractor Conflict:** To avoid any situations relating to perceived or actual conflict of interests, MARK has a written policy statement that specifies which parties are covered and what measures will be taken to allow eligible individuals access to program benefits. Typically, a contractor cannot receive NYMS funds for work done on personally owned property, but the Office of Community Renewal may allow exceptions to this rule if MARK provides a statement that addresses the concerns. The policy requires third party inspection, verifications of costs and overall project certification.
- b) **Contractor Procedures:** MARK will sign a contract with the property owner to provide the agreed financial assistance, subject to the property owner entering into a contract based on the scope of work and the work beginning within 30 days of MARK approval. The contract will specify that payments will be made after all work is complete. It also

provides MARK with the right to inspect work at anytime and cancel the contract, should the workmanship be inconsistent with the standards mentioned, problems with workmanship, or lack of insurance.

12) Construction Management and Quality Control

- a) ***Design Standards:*** All work will be completed in accordance with design standards and are consistent with the requirements of the State Historic Preservation Office, the Housing Trust Fund Corporation and MARK. MARK will implement the standards throughout the development and implementation process.
- b) ***Inspections:*** The MARK Project retains the right to inspect work in progress at any point. Before final payment, a final inspection is required by the Code Enforcement Officer and the MARK Rehab Specialist. Upon completion, the property owner must verify that the work was completed properly.

13) Financial Management

- a) ***Interim Construction Financing:*** Grant funding is a reimbursement for 75% of project costs based upon the lowest bid. Reimbursements will be requested from the NYS Main Street Program only upon submission of paid receipts for eligible expenses. Property owners are responsible for obtaining construction or interim financing for their project. MARK may assist owners to obtain financing if needed.

14) Ongoing Maintenance

- a) ***Obligations:*** Property owners are required to maintain their property assisted with the NYMS funds for five years after final payment is made. This requires that any assisted residential units, when available, be marketed and affordable to low income households for five years, and any commercial or civic units be maintained in manner that is consistent with the goals of the NYMS program for the five year period. MARK requires each property owner to sign a Property Declaration Form (sample attached) stating that the owner has received assistance and will maintain the property in a proper manner for five years. This document will be filed with the County Clerk. In the event of non-compliance or resale, the amount of grant funds will be subject to repayment with an annual declining balance, as outlined in the Declaration.
- b) ***Responsible Parties:*** MARK will monitor projects for a five year period to ensure the maintenance of the Main Street investments and will periodically inspect the properties.