

City of Plattsburgh Grant Program

General Information

The funds in the Downtown Grant Program (DGP) originated from the one-time Downtown Revitalization Initiative (DRI) infusion, provided on behalf of Homes and Community Renewal (HCR) and the Housing Trust Fund Corporation (HTFC) of New York State.

Purpose

The Downtown Grant Program has been developed to provide resources to stimulate investment and economic development through projects that align with the greater DRI vision.

This flexible funding mechanism enables property and business owners to make major renovations and restorations to existing retail, commercial, and residential properties Downtown. It strives to increase quality, year-round occupied housing stock by creating or converting vacant or underutilized upper story space into new residential units. Ultimately, a population of people living Downtown will help foster the revitalization of Downtown through increased spending that will come from increased foot-traffic and proximity to Downtown businesses.

All assistance provided by the DGP will be in the form of reimbursable grants.

Target Area

All properties eligible for DGP funding must be located within the defined DRI area. The DRI area boundaries include Oak Street on the west, Cornelia Street to City Hall Place on the north, Jay Street on the east, and Hamilton to Broad Street on the south in the City of Plattsburgh (see map below).



This document is derived from the DGP Administrative Template. For complete information, please reference the DGP Administrative Template on the Community Development website.

Administrative Structure

The Downtown Grant Program will be administered and overseen by:

- (a) **Community Development Office** – The lead administrator of the program. The CDO will review all applications for completeness and compliance with all federal, state, and local laws. Responsible for all transmittals to the Housing Trust Fund Corporation, as well as, present project applications to the Grant Review Committee and City Common Council as appropriate. Responsible for mediating any and all disputes. The CDO will refer to other City departments for advice and guidance as necessary. Examples of such referrals include, but are not limited to: Building Inspector’s Office, Engineering Department, and Department of Public Works.
- (b) **Grant Review Committee** – Will be responsible for merit review of all applications to the DGP and make funding recommendations to the City Council.
- (c) **City of Plattsburgh Common Council** – Has the final authority regarding local approval of all grant funding requests following review and suggestions from the Grant Review Committee.
- (d) **Housing Trust Fund Corporation** – Reviews project applications to ensure completeness and eligibility for funding.

Eligibility and Financing Structure

Eligible Applicants

Eligible applicants include owners of commercial buildings and/or businesses within the target area. Examples of such eligible applicants may include:

- (a) Retail businesses;
- (b) Commercial businesses;
- (c) Service businesses;
- (d) Industrial businesses;
- (e) Rental property owners;
- (f) Owner occupied housing—multi-unit residential.

*All applicants must be non-delinquent in City tax or utility payments to qualify for funding. The property to benefit from funding must be in compliance with building code or demonstrate in their application that they will be in compliance with code by the end of the project.

Ineligible Applicants

Ineligible applicants will be defined as owners of commercial buildings and/or businesses that will not be considered for funding by the DGP. Examples of such ineligible applicants include:

- (a) Bars, Taverns, Liquor Stores, or establishments that primarily sell alcohol;
Up to the discretion of the Community Development Office
- (b) Adult entertainment establishments;
- (c) Single family dwellings;
- (d) Franchised food or retail;
- (e) Religious-based organizations;
- (f) Private membership-based organizations;
- (g) Municipalities or other government entities.

Eligible Projects

Program funds may be used for capital projects, technical assistance, and necessary soft-costs. Eligible projects may include but are not limited to:

- (a) Creation of high-quality Downtown residential, rental units in upper stories of mixed-use buildings;
***Units created need to be of superior quality, design, and functionality. The goal of the program is to create safe, high quality units with ample space and accommodations. These units are to be permanent and occupied year-round.*
- (b) Repair, rehabilitation, and conversion of existing vacant or underutilized upper-story units to meet above criteria for residential, rental units which may include but is not limited to:
 - a. Interior work to the upper stories of the structure
 - b. Window replacement or rehabilitation
 - c. Finish work and cabinetry which are permanently affixed to the unit
 - d. Sprinkler systems and fire suppression systems
- (c) Façade improvements to include, but not limited to:
 - a. Lighting
 - b. Signage
 - c. Awnings
- (d) Redevelopment and improvements to current ground-floor retail space;
- (e) Technical Assistance Projects* to:
 - a. Increase an applicant's readiness to apply for Downtown Grant Program or other similar building renovation funding.

**Technical Assistance projects must be well-defined, discrete projects. Applicants will not be able to apply for a technical assistance project and a construction project concurrently.*

- (f) Soft costs such as: planning, build permit, engineering fees, architectural, or design work.

Ineligible Projects

Ineligible projects will be defined as projects that are not eligible for funding by the DGP. Examples of such ineligible projects include:

- (a) Creation of retail space in upper stories;
- (b) Creation or repair of nonresidential/business structures such as garages or storage sheds;
- (c) Demolition or alteration of historic façade, if applicable;
 - a. Removal of, covering of, or obscuring of historic elements or materials
- (d) Appliances which are not permanently affixed to the structure;
- (e) Refinancing existing debt;
- (f) Reimbursing owner for money invested in project prior to approval of funds;
- (g) Gap or bridge loans.

Financing Options

The amount of grant assistance is to be determined on an individual basis however, the DGP will reimburse 90% of total project cost not to exceed \$100,000. The remaining portion of the project will be financed (matched) by the applicant through private funds, public funds, or a combination of the two. In-kind labor will not qualify as a match or for reimbursement.

Use of the City's EDRLF is encouraged as a source of matching funds or for gap-financing; however, it is important to note that use of EDRLF monies requires abiding by income caps, job creation, and other Housing and Urban Development grant program specific requirements.

Grant Approval Criteria

The Grant Review Committee and City of Plattsburgh Common Council will consider and evaluate all applications on a case-by-case basis to determine the overall effect of the project on the desired target area. The DGP will operate until funds are extinguished; therefore, the DGP is a first-come, first-served funding mechanism. Projects that strive to increase overall economic vitality and achieve the desired goal of the program fund and larger DRI initiative will be more likely to be approved for funding. At project completion, any residential units should

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be 100% ready to accept new tenants and will have received their certificate of occupancy. Examples of projects which will be more likely to be approved for funding include:

- (a) Those which partake in major, restorative renovations of existing buildings;
- (b) Those which create market-rate residential, rental units in vacant or underutilized upper-level properties;
 - a. No portion of residential units renovated will remain vacant, underutilized, or in disrepair
- (c) Those which encourage permanent, year-round residency Downtown in upper-level properties;
 - a. Measured by high-quality* units available for residents following project completion.
**Designs/design finish will be subject to approval.*
- (d) Those which have or will be renovating the building façade and exterior of the building;
 - a. Priority given to façade work that faces the public right away and is clearly visible
- (e) Those which utilize an energy efficient design;
- (f) Those which improve interior conditions of existing rental units.

Regulatory Requirements and Repayment Provisions

Property and business owners are required to maintain property assisted with DGP for the required regulatory period of five (5) years from the date of project completion. Project completion will be defined as the date of the final inspection and must be documented with a final inspection report. During this period, the property shall be maintained in good operating order and condition with all necessary repairs, replacements, additions, and improvements being made promptly. Furthermore, during this period the owner shall not sell, move, or demolish the property.

The City of Plattsburgh will monitor projects funded by the DGP for the duration of the five-year enforcement period. The City will periodically inspect assisted property, and will conduct any inspections directed by the HTFC. In cases of non-compliance and corrective action is not satisfactory, the recipient of DGP funds will be required to repay all funds.

If conditions within this agreement are broken, the grant award required repayment schedule will be calculated in accordance with the following schedule:

Months 0-12:	100% repayment due.
Months 13-24:	80% repayment due.

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Months 25-36 :	60% repayment due.
Months 37-48:	40% repayment due.
Months 49-60:	20% repayment due.
Months 60 and beyond:	0 % repayment due.

The program participants will be made aware of the maintenance responsibilities and repayment schedule for non-compliance early in the application process and will be required to complete a DGP Property Maintenance Declaration Form, which will be filed publicly with the Clinton County Clerk's Office.

Payment Process

The DGP program operates fully as a reimbursement program and payment will be made only upon satisfactory project completion and pending adherence to all DGP terms and conditions set herein. All interim financing will be provided by the property owner. If approved, the grant funds will reimburse the awarded applicant at the conclusion of the project after all costs of the project are paid and proper documentation is provided. Invoices will be submitted to the City which reflect the name of the contractor, work completed, and amount invoiced.

The City of Plattsburgh will not authorize any prepayments for construction work. Any costs incurred by the owner prior to the approval of grant funding are not eligible for reimbursement and cannot be counted as a match.

Because the DGP is a reimbursement program, there will be no requirement for retainage.

The number of draws on a particular project will be kept to a minimum. Generally, it is expected that there will only be one request for reimbursement, after the work is completed.

Change Orders

Any unforeseen additional work required to complete the project will require written permission by the Community Development Office. The contractor, property owner, and Community Development Office staff will determine and agree if the additional work is necessary.

If substantive changes to the Scope of Work are deemed necessary, resubmission to the City Council for approval will be required. Substantive changes to the Scope of Work will be defined as changes that (i) vary from the proposed final design/layout or functionality of the project outlined in the Grant Application; (ii) amount to a revision in or near exceeding ten percent (10%) or \$5,000, whichever is lowest; (iii) or at the discretion of the Community Development Office. Work shall not begin on the revised services until approval is granted by City Council.

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Final Payment

The final payment will be issued when 100% of the substantial work has been completed and the final inspection is documented.

Project Review & Selection Process

The DGP is a four step process which includes an application, local review, Housing Trust Fund Corporation (HTFC) review, and approval.

Applications for DGP capital projects will be available for Round One funding during a period to be determined and specified by the CDO. Applications must be submitted and deemed complete by the CDO prior to the determined close date to be eligible for funding. Subsequent rounds will be opened if DGP funds remain available.

Technical Assistance funding is available to assist projects that will directly improve a property owner's capacity or readiness to apply for future DGP or other funding opportunities. Awards will be made on a rolling basis and applications will be accepted until all available funding is committed.

Grant Approval Process

The entire application, review, and approval process from start to finish entails:

- (a) Eligible applicant will clearly outline and articulate their request for funding.
- (b) The eligible applicant prepares a complete grant application with all necessary supporting documentation.
- (c) The Office of Community Development reviews the application and supporting documentation. Once the application is deemed complete, the application will be submitted to the Grant Review Committee.
- (d) The Grant Review Committee will interview the applicant or request additional information if deemed necessary. A recommendation for approval or disapproval will then be rendered and sent to the applicant and Common Council.
 - a. If the Grant Review Committee does not recommend the application for funding, the applicant may still choose to place the application before the Common Council for a vote. To do so, within two (2) weeks of receiving the Grant Review Committee denial letter, the applicant must submit a written request to the CDO. The

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CDO will then request that the Common Council place it on the weekly agenda for consideration, inclusive of the Grant Review Committee's rationale for denial and all other supporting documentation.

- (e) Projects will be required to undergo an Environmental Review. Environmental Review will include, but is not limited to, SEQR/SHPO review. If applicable, projects involving construction will be subject to Planning Board and Zoning Appeal Board review before proceeding.
- (f) The Common Council will vote to approve the application. If assistance is approved, the project information will be transmitted to HTFC for completeness review and project eligibility for funding.
- (g) HTFC will review the project for eligibility and may request additional information or clarification. If HTFC deems the project is eligible for funding, the project information will be added to their database and approval will be emailed back to the DRI community.
- (h) Once approval is received from HTFC, the applicant will receive grant documents and contracts to be signed. Once the grant is closed, the monies will be made available for reimbursement.
- (i) Until the project is completed, the applicant will be required to report information and allow inspections to assure compliance with the terms of the grant. Inspection requirements are laid out further in this document.

Application Requirements

The documents required to be submitted for the grant application to be considered include:

- (a) Grant application
- (b) Personal financial statements for the principals. Principals are persons with a 20% or greater share of profits and losses in the business.
- (c) For existing, expanding businesses, the previous three (3) years: tax returns, profit and loss statements, and a balance sheet.
- (d) For new and expanding businesses: a description of the business plan, a statement showing the source and use of funds, cash flow projections for three (3) years, profit and loss projections for three (3) years, and pro forma year-end balance sheets for three (3) years.

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- (e) Current rental rates of each unit to be repaired, rehabilitated, or renovated with grant funds.
- (f) Monthly rental projections for each future unit to be created or repaired, rehabilitated, or renovated with grant funds.
- (g) Current and future number of rental units available in building to benefit from grant funds.
- (h) Current occupancy rate (total # and %) of building to benefit from grant funds. Projected future occupancy rate (total # and % of units) after completion of desired project.
- (i) Plan to ensure permanent, year-round occupancy of units.
- (j) Proof of building/property ownership
- (k) Personal guarantees, jointly and severally, for all principals
- (l) The lease for the rental properties, if available, or the lease for the property where the business is located.
- (m) Organizational documents for the business or rental property owner, i.e. a filed DBA certificate, Articles of Incorporation, By-Laws, Operating Agreement and resolutions for LLC's and LLP's.
- (n) Additional documents may be required if the project involves funds to renovate real property.
- (o) Additional information may be required. Proof of worker's compensation, NYS disability insurance, and casualty insurance on collateral naming the secured party (City of Plattsburgh) will be required.

Commitment Fee

Following the approval/award of grant funds, each applicant must provide a commitment fee—not to exceed \$750—with his or her signed commitment letter. The commitment fee will be determined by the Community Development Office and will be used by the City to pay for required work such as environmental site contamination testing. The amount of each commitment fee will vary depending upon the scope and size of the project, including the price of environmental site contamination testing. The paid commitment fee will be nonrefundable and will not be counted toward the match requirement.

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Project Development

Environmental and Historical Review

To ensure the impact on eligible or surrounding historic properties are considered and avoided or mitigated, all projects must undergo SHPO review.

All applicants are encouraged to consider energy efficiency programs.

Work Write-Up/Scope of Work

Once a project application has been formally approved for funding at the local and state level, the property/business owner will be responsible for developing a formal project scope of work and obtaining cost-estimates with guidance from the CDO. The CDO will review all scopes of work and cost-estimates when completed, as well as, explaining program requirements related to design, environmental concerns, and energy efficiency. The CDO is responsible for coordinating review of work write-ups with the City of Plattsburgh Building Inspectors Office, the State Historic Preservation Office, and other regulators. If needed, additional experts and City Departments will be consulted.

All work that must be done for the project should be described on a work item basis, with cost estimates of the actual prevailing cost for comparable projects in the area. It is important that the work write-up be sufficiently detailed to facilitate reasonably uniform proposals and cost estimates from contractors. The work write-up should detail quantities and make note of special comments regarding construction methods or performance standards, quality of materials, and standards of workmanship where applicable. It should also make note of all instances where conformance with prevailing construction or zoning codes is required and where permits must be obtained.

In addition to the above, the formal written scope of work must address:

- (a) Immediate health and safety concerns (Ex. Lead Paint);
- (b) Correction of existing code violations;
- (c) Environmental hazards;
- (d) Installation of energy conservation measures;
- (e) Accessibility for persons with disabilities (i.e. ADA compliance);
- (f) Consistency with other local program designs;
- (g) Preservation of historical elements of the building.

Both the City of Plattsburgh and the property owner must sign-off on the formal scope of work when completed.

Contractor Selection

All capital projects approved for funding by the DGP will follow and adhere to the competitive bidding criteria outlined in Section 6 of the Downtown Grant Program Administration Template and within the adopted City of Plattsburgh Procurement Policy. All DGP projects involving contracting work, contractor estimates, and proposals shall be solicited through a bidding process that abides by Section 103, of Municipal Law.

Contracting Procedures

The City of Plattsburgh will enter into a grant agreement (consistent with State regulations) with the Property Owner to provide the agreed financial assistance, subject to the Property owner entering into a contract for performance of the agreed to scope of work. This grant agreement will be used to specify: reimbursement payment schedule, verification that matching requirements have been met, and the right of the City to inspect work at any time and cancel the agreement should the work being done be inconsistent with the goals of the DGP. The agreement will be used to outline roles and responsibilities for all parties involved. The agreement will include but is not limited to:

- (a) Agreed upon scope of work
- (b) Projected amount of financial assistance
- (c) Date of commencement and substantial completion (Project Timeline)
- (d) Payment Schedule
- (e) Inspection of Work
- (f) Termination of award and contract cancellation
- (g) Maintenance requirements
- (h) Regulatory term and repayment provisions
- (i) Photo release form
- (j) Requirement to engage a contractor and begin activities within 30 days of formal approval of funding

The contract for work-to-be-completed will be signed by the Property Owner and the selected contractor. At the time of final inspection, all substantial work must be completed before final payment can be processed. The contractor and property owner sign a final inspection form requiring the contractor to make all repairs to work specification for one (1) year after the project is complete, and that all work and materials are free of any and all liens. This is an established procedure and currently in use for other City funding mechanisms.

Pre-construction Conference

Pre-construction conferences will be held with the property owner, contractor, and Community Development Office, prior to entering into construction contracts. These meetings will be scheduled at the request of all parties involved with the project.

Construction Management & Quality Control**Construction Monitoring**

The City of Plattsburgh retains the right to inspect or audit work in progress at any point. The City will perform periodic inspections—during regular business hours—of renovation activities to monitor adherence with program rules, environmental hazard compliance, and general project progress. These visits will be documented in the Community Development Office project files.

Final Inspection

A final inspection or review of project activities will be conducted at the completion of each project. A final report or reconciliation will be submitted to HTFC as a formal document completion of project activities.