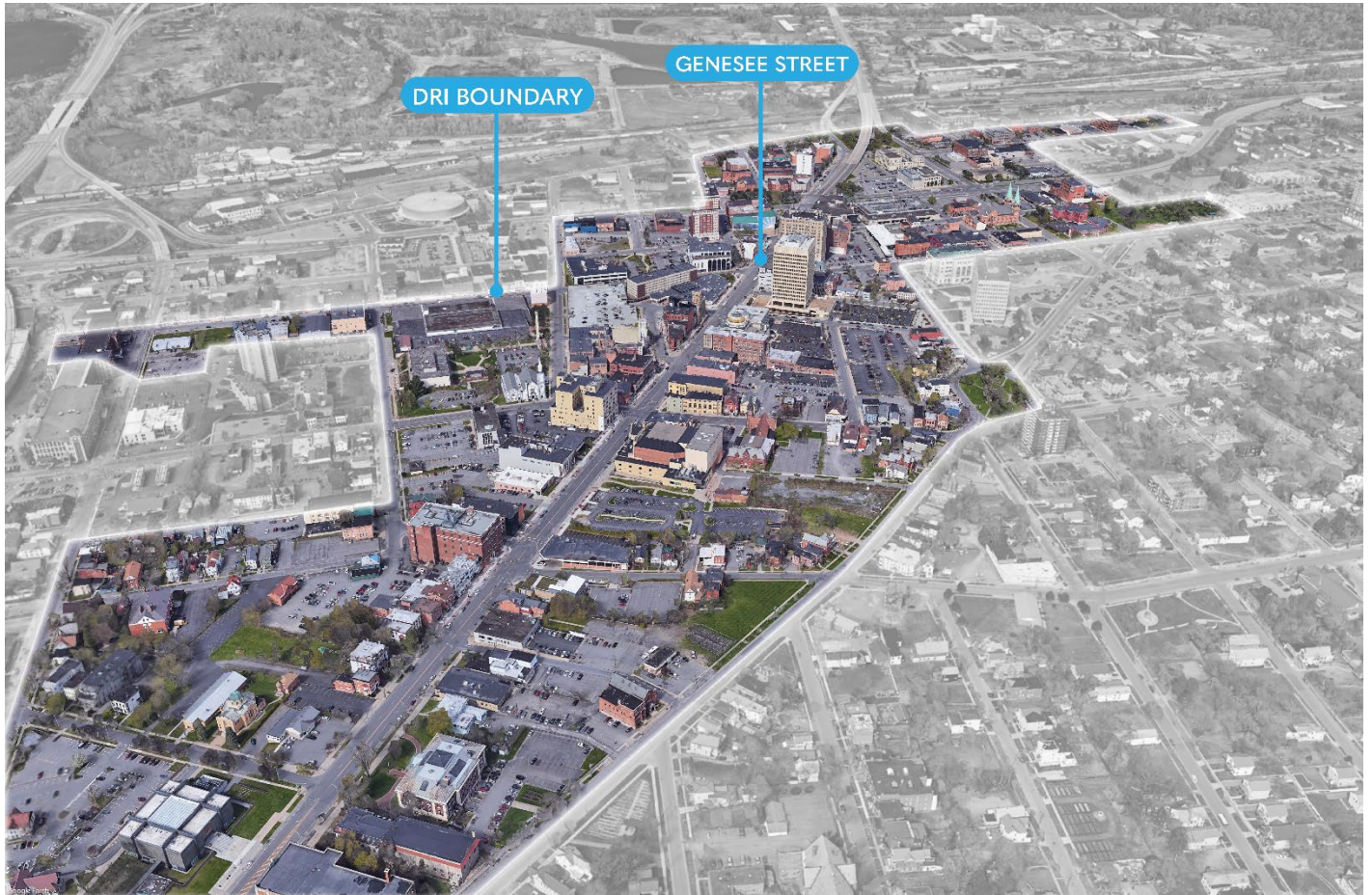




City of Utica Downtown Revitalization Initiative Business Assistance Fund Program Guide



BUSINESS ASSISTANCE FUND QUESTIONS?

Contact baf@cityofutica.com or call (315) 792-0181

Business Assistance Fund Application can be found at www.cityofutica.com



The City of Utica will offer Business Assistance Funds to eligible projects that enhance and strengthen the Downtown Revitalization Initiative area. Immediate goals of this investment in the DRI area include historic preservation projects and increased business and economic activity. Long-range goals include increased property values and property tax revenues, the creation of more job opportunities, the attraction of new businesses and residents to downtown, and ongoing, sustained vibrancy within the downtown neighborhood.

APPLICANT ELIGIBILITY - Applicants who are eligible for DRI assistance include property and business owners that are:

- Individual
- For-profit entity
- Not-for-profit entity
- Current on property taxes owed to City of Utica, City of Utica School District, and County of Oneida
- Free of open building code violations
- Property/business located within the City of Utica’s DRI designated boundary
- Property is designated commercial or mixed-use (commercial & residential units)
- The applicant is able to finance the entire project and await reimbursement upon project completion

ELIGIBLE ACTIVITIES

- Purchase permanent commercial business equipment
- Complete interior and exterior building improvements
- Install new signage

ELIGIBLE COVID-19 PREVENTION AND RECOVERY ACTIVITIES

- Reconfigure existing facilities to encourage reduced density;
- Redesign/install air filtering or ventilation systems;
- Equipment or software required to increase business capacity and efficiency in post-COVID climate, e.g. online sales, POS systems. One-time only purchases, subscriptions or membership fees are not eligible for reimbursement;
- Fixtures and equipment to partition customers, guide social distancing, or provide contact-less sales opportunities;
- Interior and exterior improvements to support adjusted business practices, e.g. pick-up windows, outdoor seating areas;
- Personal Protective Equipment (PPE) *(PPE is considered an incidental expense. Generally, no more than 20% of the request or \$5,000, whichever is lower, can be awarded for PPE expenses).

INELIGIBLE ACTIVITIES

- Ineligible uses of funds include: acquisition costs; new construction (including in-fill buildings); improvements to structures owned by religious or private membership-based organizations; or improvements to municipally-owned and municipally-operated buildings; furnishings, appliances, electronics, tools, disposable supplies, non-permanent fixtures, temporary artwork.
- Funds may not be used for site work or ancillary activities on property including but not limited to: septic systems/laterals, grading, parking lots, roofs, water/gas/electric service, boilers/furnaces, sidewalks, patios, decks, garages, sheds, landscaping, fences, free-standing signs, general maintenance or repairs.



- Ineligible COVID-related activities include: inventory, rent or lease expenses, working capital or other undefined expenses, general or disposable supplies beyond PPE as outlined above, and other expenses that do not sustain business operations.

AVAILABLE FUNDING

- **Activity Limits and Match Requirements**

The City of Utica will award up to \$70,000 in grant funds per property with a \$10,000 match from the applicant. Project funds may be used for all eligible activities as described above, with the opportunity for an additional \$25,000 per residential unit constructed or rehabilitated up to a per building maximum of \$112,500, with a \$7,500 match from the applicant. For COVID-related projects, the minimum request to be considered will be \$5,000 with a maximum of \$15,000 per property. No match is required for COVID-related projects.

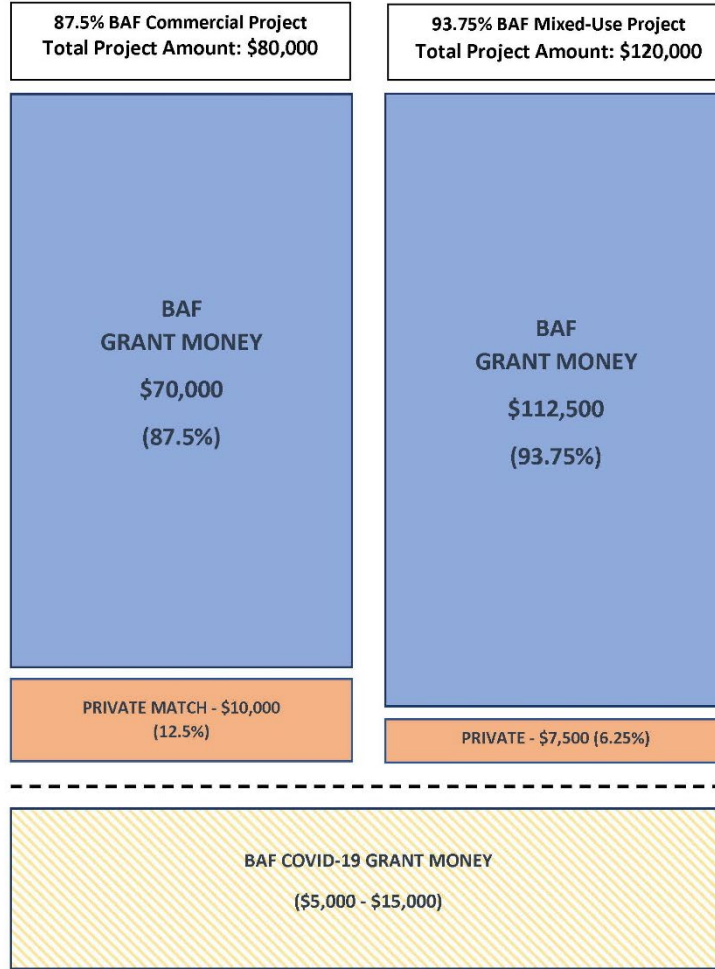
Eligible soft costs include Architecture, Engineering, and Environmental Testing expenses. Soft costs require matching funds, and an in-kind match is not eligible. Soft costs incurred for work on buildings that eventually prove infeasible and do not receive other investments will not be reimbursed with DRI funds. Therefore, reimbursements for soft costs may not be requested as part of a partial payment prior to project completion.

Match requirements must be realized on a project-by-project basis and are calculated using the total project cost. A 12.5% match is the minimum required (or 6.25% match for mixed-use projects including a minimum of two [2] residential units), however, higher matches over will be considered more favorably during the review.

An in-kind match is not eligible. Costs incurred prior to the effective date of the grant agreement between the City of Utica and the Project Sponsor are not eligible for reimbursement and are not eligible as a match.

- **COVID Expenses:** In order to receive funding for COVID-related improvements, the following will be provided:
 - Impact of COVID-19 on the participating business or property owner;
 - Need for funding; and
 - Explanation of how the investment impacts the sustainability and resiliency of the business or property. Small projects are unlikely to demonstrate long-term viability.

Business Assistance Fund Project Match Example



- Proof of Available Financing**

Project Sponsors are responsible for the total cost of the project. Grants will reimburse Project Sponsors at the conclusion of the project after all costs are paid. Proof of available financing through cash in the bank, secured loan commitments, and/or project lines of credit is required.

- Payment Process**

The Business Assistance Fund operates as a reimbursement grant program and the Project Sponsor is responsible for paying for all agreed-upon improvements up front. Payment of grant funds will be made



only upon satisfactory completion of the items in the approved scope of work and receipt of renovation expenses.

No reimbursement shall be paid to the Project Sponsor until periodic inspections of the work have been completed by the City of Utica or its representative. All completed work shall comply with all applicable building codes and standards.

To substantiate work costs, Project Sponsors must provide the following:

- Written contracts;
- Bank documents;
- Copies of invoices for materials and labor;
- Canceled checks;
- Lien releases;
- Signed City of Utica voucher;
- Any other documents deemed reasonably necessary by the City of Utica or required by HTFC to maintain effective internal controls.

Cash payments/cash receipts are not permitted and will not be reimbursed.

PROJECT REVIEW & SELECTION PROCESS

The City of Utica will use the following project criteria to review, score, and select successful projects. This process will be used consistently throughout the term of the DRI Business Assistance Fund program.

- **Project Application**

Applications for funding will be available during a period to be determined and specified by the City of Utica. Applications must be submitted and deemed complete by the City of Utica prior to the determined application deadline to be eligible for funding. The City of Utica will prepare an application (hard copy and online) with instructions. The application materials will outline the program requirements and selection priorities. The application will request all information necessary to fully review the project for eligibility, including any architectural or engineering plans, cost estimates, renderings, etc. that the Project Sponsor may have in hand prior to application submission. The application should also include photographs of the condition(s) that the Project Sponsor is looking to address with the requested funds, when and where appropriate.

For ease of review by the City of Utica's Project Review Committee, all applications will be required to be submitted electronically to the Commissioner of Urban & Economic Development in a single PDF file, including required attachments.

The City of Utica will advise applicants on the disposition of an application within 60 business days. While Department of Urban & Economic Development staff may inform successful applicants by phone or electronic mail, official notice in writing will be delivered by letter on official City of Utica letterhead and signed by the Commissioner of Urban & Economic Development. The notification will state the amount awarded to the project, indicate how long the offer of assistance is valid, and state any conditions on the award (including required match).

- **Project Review Committee**

The City of Utica Project Review Committee will implement the project selection process and generate funding decisions. The planned members include: select staff from the City's Department of Urban & Economic Development including: the Commissioner of Urban & Economic Development, the Economic Development Specialist, the Principal Planner, the Community Development Specialist, and a Senior Administrative Assistant who also serves as staff to the City's Scenic & Historic Preservation Commission.

- **Project Selection and Review Criteria**

The City of Utica's project selection criteria will afford priority to:

- Projects that are visually prominent Downtown;
- Projects that include renovation of upper-story residential units;
- Projects with historic value or historic properties in danger of being lost in part or in total to disrepair or damage;
- Projects that with the assistance of Business Assistance Funds, will reduce blight, contribute to the economic recovery of the target area, or realize a stabilization or expansion of a Downtown business;
- Projects that will create jobs;
- Projects that will allow a business to expand service offerings;
- Projects that are highly likely to induce other private investment in surrounding properties

- **Project Scoring**

The Project Review Committee has developed a checklist to be utilized by Committee members in the review of all applications; said checklist shall be made a part of the project file. The checklist will be utilized to ensure the completeness of the application as well as the lengths to which the application materials address the priority criteria/scoring detailed below.

Following the application deadline, the Commissioner of Urban & Economic Development will share all applications received with the members of the Project Review Committee. Within a specified period of time, all members of the Project Review Committee will review all applications and score/rank each individually. Each Committee member will also review specific portions of the applications from their respective area of expertise. For example, the Department's Economic Development Specialist will review the financial components of each project along with the financial wherewithal of the applicant to undertake and complete the project. The Senior Administrative Assistant who provides staff to the City's Scenic & Historic Preservation Commission will review each application for a property that lies within the local district boundaries with an eye toward the likelihood of approval by the local Commission as well as the State Historic Preservation Office. The individual Committee member scores/rankings will be compiled, then reviewed by the Committee as a whole.

Projects will be selected based on the impact it will have within the target area. Projects will be scored based on the following criteria:

- Readiness** - Projects that provide proof of overall feasibility and readiness such as proof of ownership, documentation that 100% of the financing for the project is in place, and a reasonable construction timeline (up to 35 points).
- Physical Impact** - Projects that are visually prominent downtown, have historic value, are in danger of being lost, bring existing properties into compliance with design guidelines, that are transformative beyond normal maintenance (up to 30 points).



- Economic Impact** - Projects leveraging Business Assistance Funds with private investment that with the assistance of grant funds, will reduce blight and vacancies, contribute to the economic recovery of the target area, or realize a stabilization or expansion of the downtown tax base, businesses and/or jobs (up to 25 points).
- Quality of Life** - Projects including renovation of upper floor residential units, including energy efficiency or accessibility improvements (up to 10 points).

- **Project Selection Documentation**

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

DESIGN STANDARDS

The majority of properties within the City of Utica’s DRI boundaries also lie within the City’s locally designated Scenic & Historic Preservation District (S&H). For those properties, the City has Design Guidelines in place and available on the City website (<https://www.cityofutica.com/Assets/Departments/Urban-and-Economic-Development/PDF-Documents/Utica%20Design%20Guidelines.pdf>).

Any properties within the S&H District that apply for funding and are proposing a project that results in changes to the look, design, color, or material of the exterior will require review and approval of a Certificate of Appropriateness from the S&H Preservation Commission before the City Code Enforcement Office can issue a building permit. As previously noted, all applications approved for funding by the Project Review Committee will also require review by the State Historic Preservation Office as well as the Housing Trust Fund Corporation (HTFC), as discussed below.

For the handful of properties that are located within the City of Utica’s DRI boundaries, but outside of the S&H District boundaries, staff of the City’s Department of Urban & Economic Development will review proposed projects against the aforementioned Design Guidelines utilized for its S&H District. The architect procured to assist the City of Utica in the administration of this grant will assist Department staff in the review of these projects. These guidelines will be consistent with the requirements of the State Historic Preservation Office, Housing Trust Fund Corporation (HTFC), and the City of Utica. Regardless of their location, the City of Utica will enforce these standards throughout the development process.

PROJECT DEVELOPMENT

- **Environmental Review**

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

- **Work Write-up / Scope of Work**

Once a project application has been formally selected for Business Assistance Funds, the City of Utica will meet with the Project Sponsor to develop the formal project scope of work and explain program requirements related to the design, environmental hazards, and energy efficiency. A formal written scope of work or description of the use of funds is required. The scope of work for a participating renovation project must address:

- Immediate health and safety concerns;
- The correction of existing code violations;
- Environmental hazards;
- Installation of energy conservation measures;
- Accessibility for persons with disabilities;
- Consistency with any other local program design guidelines; and
- Preservation of historical elements of the building.

The City of Utica is responsible for coordinating renovation work write-ups with local code officials, the State Historic Preservation Office, and other regulators. If needed, additional experts must be consulted. Both the City of Utica and the Project Sponsor must sign off on the formal scope of work.

- **Contractor Selection**

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

PROCUREMENT & BIDDING

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

- **Conflicts of Interest**

Perceived or actual conflicts of interest may arise when certain individuals have access to inside information regarding the award of a contract or project assistance. A contractor cannot receive DRI funds for work done on property that he or she owns, or a property that is owned by an immediate family member. An immediate family member includes a spouse, son, daughter, stepson, stepdaughter, father, mother, stepfather, stepmother, brother, sister, grandfather, grandmother, grandson, granddaughter, father-in-law, mother-in-law, son-in-law or daughter-in-law. Prior to commencing a project where there is a possible conflict of interest, the City of Utica must review the eligible work items with HTFC staff.

- **Contracting Procedures**

The City of Utica will enter into a contract with the Project Sponsor to provide the program funds. The contract will outline the roles and responsibilities of both the City of Utica and the participating Project Sponsor. At a minimum, the contract will specify:

- Agreed upon scope of work;
- Projected amount of program funds awarded;
- Estimated project timeline;
- Regulatory term or repayment provisions, where necessary;
- Requirement to sign a photo release form permitting the City of Utica and HTFC to use photographs of the assisted business or property;
- Requirement to engage a contractor and begin activities within 30 days of formal City of Utica approval;
- Payments structure, timing;
- As applicable, prevailing wage rates by trade as applicable to the project;
- The right of the City of Utica to inspect work at any time;
- The right of the City of Utica to terminate the award and cancel the contract should the work or purchases be inconsistent with the program rules outlined, agreed upon scope of work or project design, stated timeline, or if insurance is not maintained by the participating contractor.

CONSTRUCTION MANAGEMENT/QUALITY CONTROL

- **Construction Monitoring**

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

- **Final Inspection**

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

FINANCIAL MANAGEMENT



The City of Utica’s Chief Financial Officer will be responsible for all financial transactions under this contract. The City of Utica must have a written policy on internal controls, and use this policy to determine the process for review and approval of requests for disbursement of funds from HTFC. An Authorized Signature Form must be completed to designate the representative(s) authorized to sign disbursement requests and must reflect the City of Utica’s written policy on internal controls.

ONGOING MAINTENANCE / REGULATORY TERM

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

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

CONFLICTS OF INTEREST

Under certain circumstances, an applicant for State or federal funding may have a "conflict of interest". For example, a conflict of interest may be present if the applicant is related to an employee, officer, Project Review Committee member, or elected official of the City of Utica. There are other cases where a conflict of interest may also be present. Applicants will be required to complete a Conflict of Interest Disclosure Form to determine if a conflict of interest exists. If a conflict of interest does exist, the City of Utica will make a formal determination and provide it to HTFC staff to document the decision. The City of Utica has a Conflict of Interest Policy which can be reviewed in its entirety at <https://ecode360.com/14002134>.