

GUIDELINES

Southern Tier Regional Infrastructure Fund for Shovel Ready Sites

2012

**Southern Tier Region
Economic Development Corporation**

**SOUTHERN TIER REGIONAL INFRASTRUCTURE FUND
FOR SHOVEL READY SITES**

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SECTION 1. PURPOSE AND PROGRAM DESCRIPTION

In 2011 the Southern Tier Regional Economic Development Council was awarded \$2,500,000 by New York State to establish the Southern Tier Regional Infrastructure Fund for Shovel Ready Sites Program. The purpose of the program is to enable the Southern Tier to be more competitive, expeditiously respond to opportunities and enhance the marketability of shovel ready sites.

The Fund will increase the Southern Tier Region's capacity to attract and support business development by lowering the cost of site and business development, and helping to position sites for NYS Shovel Ready Site Certification. It is intended that all funded projects will be developed to support the Build Now-NY initiative and achieve NYS Shovel Ready Site Certification.

The Fund will provide gap financing in the form of loans. Funding will leverage financing from other sources such as federal, state, municipal, local development corporations, economic development agencies and private sector entities.

SECTION 2. APPLICANT AND PROJECT ELIGIBILITY

Applicant Eligibility

Eligible applicants include Municipalities, Municipal Authorities, Economic Development Organizations, Public Development Authorities, Redevelopment Authorities, Industrial Development Agencies, Chambers of Commerce and Local Development Corporations. Private developers are not eligible to receive program funds. Private sector developers and landowners must partner with one of the above entities to apply on their behalf.

Eligible Projects

A proposed shovel ready site can either be a greenfield location, an existing building, an infill site or a former brownfield.

Allowable project activities include:

- Environmental remediation.
- Demolition.
- Site preparation activities and installation of infrastructure, including but not limited to, sewer, water, storm water, utilities and telecommunications, both on site and as needed to bring service to the site.
- Access roads or other necessary on-site and off-site transportation improvements, including rail.
- Other activities necessary to make a specific site ready for reuse.

Project Activities Ineligible for Funding

Ineligible activities for loan funds include land acquisition, feasibility studies, planning for zoning or other local approvals, or environmental assessments. Properties zoned for, or planned for residential or retail development are not eligible for participation.

SECTION 3. FUNDING PRIORITIES AND STRUCTURE

Positioning a Site for Shovel Ready Certification and Promotion through Build Now-NY

Applicants to The Southern Tier Regional Infrastructure Fund for Shovel Ready Sites will be required to demonstrate how the proposed project will:

- Support the Southern Tier Regional Economic Development Council's Strategic Plan and related Performance Measures that are the project evaluation criteria.
- Attract businesses and create jobs in the Southern Tier.
- Demonstrate there are move-in tenants, or clear and substantial demand based on valid market research documentation.
- Leverage federal, state, municipal, agency and private sector financing to provide the Southern Tier Region with a competitive edge.
- Position the site to receive NYS Shovel Ready Certification.
- Support one of the three development types that are being promoted and marketed through **Build Now-NY/Shovel Ready Certification**: High Technology Manufacturing Sites, Distribution/Logistics/E-Commerce Sites, and Multi-Tenant Business and Technology Parks.

Note the requirement that all proposed activities are intended to make a site "shovel ready" in accordance with the Build Now-NY/Shovel Ready Certification program. To eliminate duplication of effort and facilitate the overall process of securing Shovel Ready Certification, all applicants are required to complete both the NYS Shovel Ready Self Evaluation Checklist and Shovel Ready Certification Application form and submit them as attachments to The Southern Tier Regional Infrastructure Fund for Shovel Ready Sites application form.

Follow these links for more information about Build Now NY/Shovel Ready Certification:

- *Build Now NY/Shovel Ready Certification*: www.esd.ny.gov/BusinessPrograms/Data/BuildNow
- *Build Now NY Guide*: <http://www.esd.ny.gov/BusinessPrograms/Data/BuildNow/Guide.htm>
- *Development Profiles*: <http://www.esd.ny.gov/BusinessPrograms/Data/BuildNow/DevelopmentProfiles>

Funding Priorities

Strong emphasis will be placed on project feasibility and readiness. This includes demonstrating the following.

- Project Feasibility through a market feasibility, business plan with detailed pro forma, etc.
- Project Readiness through documentation of conformance with local planning and zoning, federal and state permits secured, etc.
- Environmental Readiness through completion of the SEQR process, SHPO consultation and approval, etc.
- Project financing has been secured, with letters of commitment on financing
- Project is ready to start within 3 months of a program award
- Project follows green development practices

SECTION 4. EVALUATION CRITERIA

Application Evaluation Criteria and Points

The Southern Tier Regional Economic Development Council has established the evaluation criteria based on its performance measures. The criteria will be used to evaluate and score applications for funding. The maximum number of points a proposed project can received is 100 points.

Bonus Points for Green Development Practices

The project sponsor is encouraged to follow green development practices. Although this is not mandatory and is not included in the points awarded in the evaluation process, a project has the potential to earn five (5) bonus points if the application clearly demonstrates how the project sponsor and development team will proactively make the project a green initiative and intend to seek LEED certification if applicable.

Maximum Points	Criteria
25	Project site will be positioned to secure New York's Shovel Ready Certification
25	Number of new businesses to be located in the site and jobs to be created, based on move-in commitments and/or clear and substantiated demand based on current market study
20	Project Readiness
20	Project leverages federal grants, and investments by municipalities, economic development agencies, and private sector
10	Brownfields and un/underutilized properties are reused

SECTION 5. APPLICATION AND APPROVAL PROCESS

Application Review and Approval Process

Applications will be reviewed by the Southern Tier Region Economic Development Corporation (STREDC) for both completeness and credit worthiness. STREDC reserves the right to request additional information as determined necessary to complete an evaluation of the proposed project.

STREDC will forward to the Southern Tier Regional Economic Development Council the complete application together with an assessment of the strengths and weaknesses of the proposed project, including an evaluation of the credit risk. Final approval of a loan must be made by both the Southern Tier Regional Economic Development Council and the Southern Tier Regional Office of Empire State Development Corporation before STREDC can take action to close on the loan. The loan proceeds will become available only when all other fund sources are available. Preferably all loans will be closed simultaneously.

Submission of Applications

Applications and supporting documentation will be accepted on a rolling basis.

Application Fee

A non-refundable check payable to Southern Tier Region Economic Development Corporation in the amount of \$250 must be included with the application, and should be placed in an envelope marked "Application Fee" and placed in the front of the binder labeled "Original."

Application Package

All items on the Application Checklist must be included. ***Incomplete applications will not be considered.*** The Southern Tier Region Economic Development Corporation, at its sole discretion, reserves the right to accept minor amendments and additions to this application.

The application package consists of:

- 7 copies.
- All materials must be on 8.5 x 11 paper.
- Assemble documents in 3-ring binders no thicker than 2 inches and include all forms, enclosures and attachments. The binder with original signature and the Application Fee should be labeled "Original."
- Place the applicant's name on the cover and the spine of the binder.

Submit applications to:

STREDC c/o REDEC
8 Denison Parkway
3rd Floor - Suite 403
Corning, NY 14830

Inquiries and Questions

All inquiries and questions should be directed to the Southern Tier Empire State Development Corporation Regional Office at (607) 721-8605.

SECTION 6. APPLICATION CHECKLIST

Applicants will submit an application and required documentation according to the following checklist.

Form/Map/Documentation	Yes	N/A
1. Completed Application Form and \$250 Application Fee payable to Southern Tier Region Economic Development Corporation.		
2. Certification signed by applicant official		
3. Resolution from governing board of applicant agency authorizing submission of application		
4. Resolution of support from local municipality (if not applicant)		
5. Detailed description of the project		
6. Evidence of property ownership or pending acquisition		
7. Current appraisal of property conducted by a qualified appraisal firm		
8. Documentation of financing from all sources (i.e., commitment letter, contract with government agency, resolution from municipality)		
9. Evidence of cash equity commitments by applicant		
10. Documentation of compliance with zoning and other applicable ordinances, or status of zoning process		
11. Preliminary bids or cost estimates from a qualified architect, engineer and/or contractor for all construction and equipment		
12. Written commitment from prospective business tenants		
13. Market study documenting clear and substantial demand		

14. Project Timeline		
15. Documentation of environmental approvals received, or letters of status (SHPO, NYSDEC, Army Corp etc.)		
16. Narrative description of the project's impact		
17. NYS Shovel Ready Self-Evaluation Checklist form Available on the following website: http://www.esd.ny.gov/BusinessPrograms/Data/BuildNow/Applications.htm		
18. NYS Shovel Ready Certification Application form Available on the following website: http://www.esd.ny.gov/BusinessPrograms/Data/BuildNow/Applications.htm It is understood that the applicant may not be able to complete all of the information requested in the NYS Shovel Ready Certification Application form; however , the applicant is required to complete each section of the form and may respond with information about the current status or proposed activity that will successfully meet the requirements.		
19. Attach all of the following documents that are currently available. Note that these same documents are required for the NYS Shovel Ready Certification Application, so duplication is not necessary. <ul style="list-style-type: none"> • Conceptual site plan • Site Survey • Soils Survey Map • Large scale boundary survey map • NY State road map with site location marked. Indicate 30-, 60- and 90-mile radii circles around site • County highway map with site outlined • USGS Quad Map with site outlined • FEMA Flood Plain Map with boundaries of proposed site shown • Aerial photograph if proposed site boundary, and major highways, interstate, surrounding land usage/business, etc. • Topographic map of site • Site map showing existing roads (by name, access points, and traffic lights) • Site transportation infrastructure map with existing and proposed ingress/egress routes for both truck and passenger vehicle traffic into site • Map showing existing and proposed rail lines serviceable to site • Map showing existing and proposed location of each utility line servicing the site • Traffic impact study • Description and letter indicating degree of commitment of any proposed transportation/access improvements or required right-of-way • Special district approval (Agriculture District, etc.) • List of existing property owners of the site • List of surrounding/adjacent property owners, including section, block and lot information • Executive Summary of Phase I Assessment • Executive Summary of Phase II Assessment • Zoning designation required 		

SECTION 7. TERMS AND CONDITIONS

Property Ownership

The applicant must provide documentation of property ownership, a contract for sale or option on the property at the time of application. Evidence of ownership by the applicant(s) must be presented at the time of application, and no later than at time of a funding award.

Property Appraisal

The value of the property(ies) must be established with a current property appraisal. A list of acceptable appraisers is provided in the application materials.

Zoning

The site must be a previously utilized property or undeveloped property that is planned and zoned for development.

Local Municipal Support

Counties/municipalities must be notified of the applicant's intention, and provide a formal resolution of support. The resolution must accompany the application for funding.

Loan Administration

The Shovel Ready Site loans will be closed and administered by Southern Tier Region Economic Development Corporation (STREDC). A loan commitment fee of 0.5% (maximum of \$5,000) will be paid by the borrower at time of loan closing. In addition, the borrower will be responsible for all loan closing costs.

The loan proceeds will become available only when all other fund sources are available. Preferably all loans will be closed simultaneously.

Interest Rate

The interest rate and terms of all loans will be set by the Southern Tier Region Economic Development Corporation.

Loan Repayment Schedule

The loan repayment schedule will be determined principally according to the following conditions:

- The maximum amount of a loan is 80% of the total project cost.
- A lien will be placed on the land in the amount of the loan.
- The loan recipient will make interest only payments on a loan until such time parcels are sold or leased from the prepared site's inventory.
- If the property is leased at the time of the loan, a low interest rate will be applied to the entire loan balance, and an amortization schedule established so that the loan may be repaid over time through a portion of the rental payments received.
- Upon lease of parcels in the site, the loan will be amortized to reflect the lease revenue and balance of the loan.
- Upon the sale of the property, all or part of the purchase price will be paid as repayment of the loan principal. If the purchase price is not sufficient to repay the full amount of the outstanding loan principal, a low interest rate will be applied to the remainder of the loan balance and a repayment plan negotiated for the balance of the loan. This repayment plan will be flexible as to term and amount, consistent with the ability of the applicant to repay, using resources available to the applicant or to the host municipality (including tax revenues).
- If the property is neither sold nor leased during a ten-year period following completion of site preparation activity, the applicant will begin repayment.

Equity Funds

The applicant's 20% equity can be in the form of:

- Cash from municipality or economic development agency.
- Value of the property.
- Funds from federal, state and local government sources.
- Fund to be invested by private contributions.

Project Implementation

It is expected the project will proceed in the time frame set forth by the applicant. If the implementation of a project fails to proceed as planned and is delayed for a significant period of time and there is, in the exclusive judgment of STREDC, doubt as to its viability, STREDC reserves the right to cancel its funding commitment to such project.

SECTION 8. STATE HISTORIC PRESERVATION OFFICE (SHPO) CONSULTATION INSTRUCTIONS

Under the New York State Historic Preservation Act, Section 14.09 and its associated rules and regulations, State funded (in whole or in part) activities that have the potential to affect historic properties, either directly or indirectly, must be evaluated by the State Historic Preservation Office (SHPO) of the New York State Office of Parks, Recreation and Historic Preservation (OPRHP). Regulations associated with this law define a Historic and/or Cultural Place or Property as "any building, structure, district, area, site or object including underground and underwater sites, that is of significance in the history, architecture, archeology or culture of this state, its community or the nation."

The SHPO process does not need to be completed prior to the submission of the Southern Tier Regional Infrastructure Fund for Shovel Ready Sites application; however, it **MUST** be completed prior to the approval by the ESDC Southern Tier Regional Office and closing on the award by the Southern Tier Region Economic Development Corporation.

In order to expedite the SHPO review process, the applicant must provide the information outlined below for the appropriate project category. It is recommended that the applicant contact NYSHPO's regional staff associated with its area during the application process. Regional staff contact information can be found at <http://nysparks.state.ny.us>. Click on Historic Preservation; next click on Territorial Assignments. Staff members are listed by the counties they service.

Demolition

For demolition projects on a small scale (fewer than 20 individual buildings), provide the following for each building:

- An individual Building/Structure Inventory Form (at <http://nysparks.state.ny.us> under Environmental Review/Forms).
- Color photographs (digital are acceptable). These should depict the building on the exterior (1-3 views), representative interior views if accessible (2-5 views) and at least one image of the building in its streetscape (showing the buildings to either side).
- Map depicting the location of the project.

Rehabilitation Projects

For individual rehabilitation projects, provide the following:

- An individual Building/Structure Inventory Form (at the OPRHP web site under Environmental Review /Forms).
- Color photographs (digital are acceptable). These should depict the building on the exterior (1-3 views), representative interior views if accessible (2-5 views) and at least one image of the building in its streetscape (showing the buildings to either side).
- Map depicting the location of the project.
- Project narrative explaining work to be proposed. For small façade improvement projects, sketch plans and materials descriptions are very helpful. For large scale projects, plans may be requested.

New Construction Projects

For new construction projects, provide the following:

- Color photographs (digital are acceptable). These should depict the lot on which the building is being placed. Additional photographs should depict the setting of the new construction.
- Document what had previously been on the site if demolition project is not part of the proposal.
- Map depicting the location of the project.
- Depiction of proposed construction including a site plan and at least one elevation.

To check for National Register listed properties, historic districts and archaeologically sensitive areas that may include or involve a project, please go to <http://nysparks.state.ny.us>, then select HISTORIC PRESERVATION, then select On Line Resources, then go to the Public GIS Program.

Direct questions to (518) 237-8643. Send SHPO forms directly to the address below.

New York State Historic Preservation Office
Peebles Island Resource Center
Delaware Avenue
Cohoes, NY 12047

SECTION 9. SEQR PROCESS INSTRUCTIONS

New York's **State Environmental Quality Review Act** (SEQR) requires all state and local government agencies to consider environmental impacts equally with social and economic factors during discretionary decision-making. This means these agencies must assess the environmental significance of all actions they have discretion to approve, fund or directly undertake. SEQR requires the agencies to balance the environmental impacts with social and economic factors when deciding to approve or undertake an **"Action"**.

If an action is determined not to have significant adverse environmental impacts, a determination of nonsignificance (Negative Declaration) is prepared. If an action is determined to have potentially significant adverse environmental impacts, an **"Environmental Impact Statement"** is required.

The SEQR process uses the EIS to examine ways to avoid or reduce adverse environmental impacts related to a proposed action. This includes an analysis of all reasonable alternatives to the action. The SEQR **"decision making process"** encourages communication among government agencies, project sponsors and the general public.

The law was implemented by regulations which were fully effective on November 1, 1978 and revised effective June 1, 1987 and January 1, 1996.

SEQR applies to all state or local government agencies including districts and special boards and authorities whenever they must approve or fund a privately or publicly sponsored action. It also applies whenever an agency directly undertakes an action. Applicants who seek project approval or funding may be responsible for preparing an EIS.

When actions consist of several steps or sets of activities, the entire set must be considered the action, even if several separate agencies are involved. Segmentation of an action into components for individual review is contrary to the intent of SEQR. No agency involved in the overall action can make a final decision until the SEQR process is completed.

Actions that NEVER require an EIS are Type II actions. Type II actions listed in the statewide and agency SEQR regulations are determined not to have a significant adverse impact on the environment. Some examples:

- rebuilding or replacement of facilities, in-kind, on the same site
- minor structures, such as garages, barns or home swimming pools, routine permit and license renewals with no substantial change in permitted activities
- construct or expand either primary or accessory nonresidential structures in an appropriate zone with less than 4,000 square feet of gross floor space construct or expand a single, two or three family residence on approved lot
- routine activities of educational institutions, including expansions of existing facilities by less than 10,000 square feet
- nondiscretionary (ministerial) approvals
- maintenance and repair activities
- emergency actions
- actions of the New York State Legislature and the Governor or of any court enforcement actions
- actions subject to environmental review under the Adirondack Park Agency or Public Service Laws.

For an outline of SEQR's basic requirement and additional information on the SEQR process, see [Guiding the Process](http://www.dec.ny.gov) at <http://www.dec.ny.gov>.

SECTION 10. COMPLIANCE WITH OTHER APPLICABLE LAWS

All procurement and project development activity associated with the Southern Tier Regional Infrastructure Fund for Shovel Ready Sites must be in conformance with all applicable Federal, State and local laws, and the specific requirements of Empire State Development Corporation such as Minority and Women's Business Enterprise (M/WBE) guidelines and goals, Equal Employment Opportunity (EEO) guidelines and goals, and the New York State Smart Growth Public Infrastructure Policy Act. Applicants will be informed of the relevant requirements at the time of project award.