

HCR

NYS Community Development Block Grant (CDBG)

- Q1. Can Federal CDBG funds be used as ‘matching funds’ for grants requested from other CFA programs?
- A1. CDBG funds can be used as match funds, provided that the other source of funds permits this. A minimum level of matching funds may still be required under certain programs. Please refer to the program guidelines for each CFA program for specific information on match requirements.
- Q2. If a community has applied and been approved for CDBG funding for a sewer project, can they also apply for housing funds or do they have to wait for the sewer project to be completed before they can apply for another grant?
- A2. Yes, a community can apply for sewer funds and can also apply for housing funds.
- Q3. Is there funding available to connect Downtown areas to surrounding neighborhoods, that are currently not easily accessible because of physical barriers (i.e. parking lots, abandoned industrial areas) impeding walk ability?
- A3. Provided that the application can demonstrate a benefit to predominantly low-and moderate income persons, the community could potentially apply for public facilities funds through NYS CDBG.
- Q4. Does the community have to own the property to apply for community development grants?
- A4. No, the community does not have to own the property at the time of application; however, if ownership could be a potential issue, the application should clearly demonstrate that this could be resolved, if funded. For example, if a Town is applying for CDBG funds to locate a new water tank, the application can provide documentation that a purchase agreement is in place.
- Q5. How can a project be considered “shovel ready” without being ready to dig and start construction?
- A5. A project is considered to be ‘shovel ready’ when all Federal, State, and Local regulatory permits have been obtained, any required environmental requirements have been met such as archeology reports or endangered species analysis, pre-development documentation is in hand and there is permission from land owner(s) to proceed,
- Q6. How does an Applicant complete the Fiscal Impact Worksheets if the town/community/etc. has not completed fiscal reports?

- A6. Use the numbers that you can come up with that you believe to be as accurate as possible, the application can include a narrative description of how this was addressed.
- Q7: If a community has received prior funding through the Microenterprise Program, can they apply for additional Microenterprise funds?
- A7: A community that has received prior Microenterprise funding is eligible to apply for additional Microenterprise funding. The community should be able to demonstrate a need for additional funding and be able to identify a market for Microenterprise eligible businesses.
- Q8: Are Limited Liability Corporations or private businesses eligible to apply for Microenterprise assistance?
- A8: No, the application for microenterprise assistance must first be submitted by an eligible local unit of government. The eligible local unit of government may then offer the microenterprise funds to businesses meeting the Microenterprise eligibility requirements.
- Q9. If a City receives CDBG funds through entitlement, may they also receive non-entitlement CDBG funds?
- A9. There are two components to the CDBG Program, Entitlement and non-Entitlement. The City of Utica, for example, is entitlement, and receives its funding directly from HUD. The City of Port Jervis is non-entitlement and must apply for State administered CDBG funds on a competitive, annual basis. There is a description of entitlement and non-entitlement in the CDBG 2015 Resource Guide and in the 2015 Consolidated Funding Application packet.
- Q10. Can multiple communities partner to submit a CDBG application?
- A10. Yes, this is referred to as a Joint Application and is typically available for Public Infrastructure Projects, where there is a shared and mutual benefit and cost. A primary applicant must be identified as only one applicant can submit the CFA.
- Q11. Can NYS CDBG funds be used to partially fund for Comprehensive plans?
- A11. The State CDBG program has made planning funds available; however, the State does not fund Comprehensive, Strategic or Master Plans. The CDBG program will fund Community Needs Assessment such as a preliminary or full sewer and water engineering reports, market and feasibility studies.
- Q12. What does 51 percent low- to moderate income mean, and is it an absolute requirement for CDBG?
- A12. The primary objective of the CDBG program is to benefit predominantly low-and moderate income persons. What this means, for example, is if a community desires to replace water transmission main that serves a Village, 51% of the residents (persons) must be deemed to be low-and moderate income, which is defined as incomes at or below 80% area median income.

The income limits vary by County and are available in the application kit. Yes, the 51% threshold is an absolute requirement for NYS CDBG projects.

- Q13. If a community would like to replace water pipes which benefit more than 51% low-moderate income persons and refurbish the municipal water tank which services 47% low-moderate income persons, would a community have to separate the applications or could they be combined? We want to do a water pipe replacement and water tower refurbishing, the water tower services 47 percent and the pipe over 51 percent, do I separate the two?
- A13. A community can submit a single application, for example to replace a waterline and construct a new water tank in a single application, for up to the maximum amount of \$600,000. Certain activities under public infrastructure, such as refurbishing of a water tank are typically not eligible, this is considered to be maintenance, and therefore ineligible for CDBG assistance.
- Q14. What is the cap on requests for administrative funds and project delivery funds? Does it vary by activity?
- A14. The cap for administrative funds for public infrastructure and public facilities is 5% of the CDBG requested amount, for example, if the application is being submitted for \$600,000, the maximum amount allowed for administration is \$30,000. Under the economic development program, which includes traditional economic development and small business assistance, the maximum amount that can be requested is \$16,000, which includes administration and program delivery. Under the microenterprise program, up to 25% of the total CDBG request can be allocated for administration, program delivery and training. Applicants are encouraged to review the Office of Community Renewal Grant Administration Manual, Chapter 3, Financial Management for further explanation on these costs. The manual can be found at <http://www.nyshcr.org/Programs/NYS-CDBG/GrantAdministration.htm>.

New York Main Street (NYMS)

- Q15. What is the purpose of the municipal resolution?
- A15. Every NYMS program application requires a formal resolution from the municipality or Community Board in which the proposed program will function. The purpose of the resolution is to confirm formal support of the applicant organization and project from the governing body. A support letter is not a resolution, and draft resolutions will not be accepted. Applications without the resolution are ineligible for NYMS program funding.
- Q16. What needs to be included in the municipal resolution?
- A16. The resolution must be for the current 2015 funding round and the specific NYMS project. The municipal resolution can identify general support to apply to the NY Main Street program or can identify a specific anchor project. The resolution must be on official stationery and should hold

the official seal. Applicants within New York City must obtain the resolution from the Community Board with jurisdiction over the project target area. If the municipality or Community Board provides only a summary letter without the full text of the resolution, a copy of the meeting minutes must be provided to document the vote and formal board resolution.

Q17. Can we apply for more than one anchor project?

A17. Applicants are encouraged to focus their efforts on either a Downtown Anchor Project or a Target Area Building Renovation Program. For this reason, NYMS Downtown Anchor Project funds may not be requested in addition to a NYMS Target Area Building Renovation Program. Similarly, efforts should be focused on a single Anchor project and applicants should not request funds for more than one anchor project in a single funding round.

Q18. Would a project be funded that has started?

A18. Projects in progress could potentially still be eligible for NYMS funding if the work has been broken down into distinct phases and has been cleared under the State Environmental Quality Review Act (SEQR) and the New York State Historic Preservation Office (SHPO). However, NYMS funds may only be requested for reimbursement for eligible program costs incurred pursuant to the NYMS grant agreement. Costs incurred prior to the effective date of the NYMS grant agreement are not eligible for reimbursement and not eligible as a match.

Q19. Who can apply for the New York Main Street program?

A19. Eligible applicants are Units of Local Government or organizations incorporated under the NYS Not-for-Profit Corporation Law that have been providing relevant service to the community for at least one year prior to application.

Q20. Can you apply to more than one activity under the New York Main Street program?

A20. You can request funding for one activity only – Target Area Building Renovations, Single Anchor Project, or Technical Assistance. Downtown Stabilization activities can be paired with Target Area Building Renovations or Single Anchor Projects, but applications pairing both activities still cannot exceed the \$500,000 cap.

Q21. Can two organizations apply for a single NYMS program?

A21. Although local partnerships are encouraged to administer a NYMS program, only a single applicant can be identified in the application. The application can identify partnering organizations and their prospective role in administering the program.

Q22. How close does a project or target area have to be to downtown to qualify for the Main Street Program?

A22. All projects must be located in an eligible target area and should generally be in downtown, mixed-use, pedestrian oriented areas. Target areas can be located in urban or rural business

districts but the area must meet all three components of the statutory definition of an eligible target area (see Resource Guide).

Q23. Can the NYS Main Street Program funds be directed to residential areas outside the Downtown area?

A23. NYMS provides resources to invest in projects that provide economic development and housing opportunities in downtown, mixed-use commercial districts. A NYMS program target area should be an established mixed-use (commercial, civic and residential) “Main Street” or downtown retail district that is pedestrian-oriented and comprised of traditional mixed-use buildings. Single-use districts or residential neighborhoods are likely not ideal candidates for the NYMS program.

Q24. For the NY Main Street grant, would an architectural design study be eligible?

A24. NYMS Technical Assistance funds can be requested to develop design guidelines for the entire target area or to develop individual façade designs for specific buildings.

Q25. Can NYMS Technical Assistance funds be used for the creation of construction documents?

A25. NYMS-TA applications should identify how the proposed project addresses local limitations identified prior to application and should specifically show how the project addresses the unique needs of a community. If preparing construction documents for one or more buildings is identified as a local limitation impeding a future NYMS building renovation project or application, NYMS Technical Assistance funds can be used for the creation of construction documents.

Q26. Does property ownership have to be in place prior to application?

A26. For Anchor projects, if property ownership is not yet solidified at the time of application, a timeline for closing should be clearly outlined. This will impact project feasibility and project readiness and generally make an application less competitive. HCR will not execute a grant agreement until the property closing is finalized.

Q27. Can an applicant apply for streetscape funds in conjunction with an anchor project?

A27. No. Streetscape enhancement grant funds will only be awarded for activity ancillary to a traditional NYMS building renovation project and cannot be applied for on its own, or with a NYMS Downtown Anchor or Downtown Stabilization Project.

Q28. Are formal financial commitments required for Anchor or Target Area Building Renovation Projects?

A28. NYMS Anchor applications should identify all necessary funding sources required to complete the project within the 24 month contract term. For both activities, the more formal financial commitments provided with the application, the more points can be obtained. Applicants will

also receive points for leveraging funds beyond the required matching funds. Applicants documenting high percentages of committed matching funds, specifically private funds, will receive the highest scores.

Q29: Can you apply to NY Main Street year round?

A29: No. The NYMS program is part of the annual REDC CFA process and is not available as an open round application process.