

**Town of Islip Community Development Agency
Central Islip
Downtown Revitalization Initiative
Improvement Fund**

Dear Business Owner:

The Town of Islip Community Development Agency, (CDA) in a collaborative effort with the Town of Islip, and New York State Housing Trust Fund Corporation, (HTFC) would like to invite you to apply for grant funds that are available for eligible projects that enhance and strengthen the Central Islip Downtown Business District (DRI Target Area) located on Carleton Avenue between Smith Street and Suffolk Avenue. Please review the program guidelines listed below and if you are interested in applying, please complete the attached application no later than September 30th, 2023. If you have any questions regarding the grant program, please call (631)665-1185 @ ext. 22.

Program Guidelines for Applicants

A \$600,000.00 Central Islip Downtown Revitalization Initiative Improvement Fund has been awarded to the CDA to provide grant funding for applicants to implement interior and exterior building improvements in downtown Central Islip for commercial and mixed-use structures. **Currently there is approximately \$250,000 still available to assist property owners.**

The fund will adhere to the guidelines and requirements of the New York State Housing Trust Fund Corporation. Grant funds are available to assist building owners within the Central Islip Downtown (DRI Target Area) boundary if they meet all eligibility requirements.

The CDA may award up to \$75,000 in DRI Downtown Improvement funds, per building, not to exceed 75% of the total building renovation project costs. Building renovation funds may be used to renovate facades, storefronts and commercial interiors, with an additional \$25,000 per residential unit up to a per building maximum of \$100,000, not to exceed 75% of the total project cost. Funding is on a building-by-building basis and “in-kind” matches are not eligible. Costs incurred prior to the effective date of a grant agreement are not eligible for reimbursement, and not eligible as a match.

Applicant Eligibility

For profit and not-for-profit organizations and individuals are eligible to apply after meeting the following conditions:

1. Property must be within the designated Central Islip DRI target area.
2. Properties must be commercial or mixed-use (commercial & residential).
3. The applicant must be current on all municipal taxes including property, water and sewer and any other obligations to the municipalities such as loan payments.
4. The applicant will obtain a Town of Islip building permit prior to construction.
5. The applicant will have the ability to finance the entire project and submit for reimbursement when the project is complete.
6. No costs can be claimed against the DRI Downtown Improvement Fund in advance of official project grant approval from the CDA and Housing Trust Fund Corporation (HTFC).

Program Parameters for Applicants

Eligible Activities

Interior and exterior building renovations- including but not limited to:

1. Facades
2. Window/door repair and replacement
3. Painting
4. Masonry repair
5. Awnings
6. Building signs
7. Exterior lighting
8. Storefront upgrades
9. Roofs
10. Interior upgrades (heating, plumbing, electrical, walls, floors)
11. Conversion of upper floor commercial units to residential.
12. Soft costs including architectural and environmental costs

Project Scoring

A Project Selection Committee will determine the impact that the project will have on the target area and specifically address the following:

1. **Readiness-** proposals should provide proof of readiness such as proof of ownership or lease agreement, documentation that 100% of the financing for the project is in place. P&L statements and lease-up documents can be provided at time of application to strengthen the application (up to 20 points).
2. **Town of Islip Priorities-** projects that advance the priorities of the Town of Islip Planning Department (up to 20 points).
3. **Visual Impact-** projects that are visually prominent in the DRI Target Area, have historic value, are in danger of being lost, in-part or totally to disrepair and damage (up to 20 points).
4. **Encourage Downtown Living-** projects that include renovation of upper floor residential units (up to 20 points).
5. **Economic Impact-** projects leveraging grant funds with private investment that with the assistance of grant funds, will reduce blight, contribute to the economic recovery of the target area, or realize a stabilization or expansion of downtown tax base, businesses and/or jobs (up to 20 points).

Ineligible Activities

Ineligible uses of funds include: acquisition costs; new construction (including in-fill buildings); improvements to structures owned by religious organizations; or improvements to municipally owned and municipally operated buildings; furnishings, appliances, electronics, tools, disposable supplies, business equipment, and non-permanent fixtures.

Funds may not be used for site work or ancillary activities on a property including but not limited to: septic systems laterals, grading, parking lots, garages, sheds, free standing signs, general maintenance or repairs. Other ineligible activities include demolition of buildings, refinancing debt, purchase of security system equipment, and payment of sales tax.

Soft Costs- eligible soft costs include architecture, engineering, and environmental testing expenses and can go up to 18% of the grant funding. Soft costs require matching funds, and 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 by the DRI Downtown Improvement Fund. Therefore, reimbursements for soft costs may not be requested as part of a partial payment prior to project completion.

Proof of Available Financing- proof of available financing through cash in bank (balance sheet), secured loan commitments, and project lines of credit is required.

Regulatory Requirements and Repayment Provisions- All assistance is in the form of a reimbursable grant with a five (5)-year compliance period. Property owners will be required to execute a Declaration document committing to this compliance period to ensure improvements are maintained and affordable rents are maintained. Should the property owner sell the property within the five (5)-year timeframe, they will be responsible for repaying a portion of the grant funding received. Repayments will be retained by the Town of Islip CDA and used for eligible activities as presented in this administrative plan. Required repayment of DRI funds will be calculated in accordance with the following schedule:

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

Payment Process

Project reimbursements are made when the project is complete. The DRI Downtown Improvement Fund operates fully as a reimbursement grant program and the owner is responsible for paying for all agreed upon repairs or improvements. Payment of grant funds will be made only upon satisfactory completion of building projects and payment of renovation expenses.

1. No reimbursement shall be paid to the owner unless periodic inspections of the work has been completed by the CDA or its agent(s).
2. All completed work shall comply with all applicable building codes and standards.
3. To substantiate work costs, Owners must provide the following:
 - a. written contracts
 - b. bank documents
 - c. copies of invoices for materials and labor
 - d. cancelled checks
 - e. lien releases
 - f. and any other documents deemed reasonably necessary by the CDA, its agents or required by HTFC to maintain effective internal controls.
4. Cash payments/cash receipts are not permitted and will not be reimbursed.
5. The payment of any amount(s) due and payable by the HTFC through the CDA to the project owner, as a reimbursement pursuant to this grant agreement.
6. Sales tax should not be included on the invoice as the state is exempt from sales tax.

Project Review & Selection Process and Criteria

The Project Selection Committee will use the following project selection criteria and project review and selection process. This process will be used consistently throughout the term of the DRI Downtown Improvement Fund.

Project Application

The CDA will prepare an application (hard copy and online) with instructions. The application materials outline the program requirements and selection priorities. The application requests all information necessary to fully review the project for eligibility. Requirements include:

1. Completed Application
2. Copy of Deed for the property and Certificate of Occupancy
3. Proof of financing

4. Conflict of Interest Statement

Project Selection Committee

The Project Selection Committee will implement the project selection process and generate funding decisions. The planned members will include a member of the CDA Board of Directors, CDA staff and a member from the Central Islip community.

Project Review/ Selection Process

The application for the DRI Downtown Improvement Fund will include an “initial review date” when the committee will review all of the applications received to date. The CDA will continue to accept applications as long as funds are available.

The CDA will collect applications and facilitate meetings for the Project Selection Committee. The Project Selection Committee will have an opportunity to review the project applications and to meet with the project owner if necessary.

The Project Selection Committee will discuss each project as a whole, and will score each project individually. The results will be tabulated and results will be shared with the Project Selection Committee and the projects will be ranked. The Project Selection Committee will discuss the projects, and make a recommendation selecting which projects will move forward for funding, and the amount of grant funds they will receive. The Project Selection Committee has the authority to approve the projects as presented, modify, disapprove, or approve the project with special conditions.

Notification of Disposition

The CDA will advise applicants on the disposition of an application within 30 business days. Once a project has been formally selected and approved by the CDA, a staff member of CDA will contact the applicant to begin to develop a “formal” scope of work for the project.

Housing Trust Fund Corporation Approval

Projects approved locally will be submitted to Housing Trust Fund Corporation (HTFC) for review and approval prior to notifying property or business owner of formal funding approval. The submission to HTFC will include:

1. Property location information
2. Business information
3. Project scope of work
4. Project cost estimates
5. Award amount
6. Total project cost
7. Proposed payment structure
8. Projected outcomes, e.g. units assisted, jobs created/retained
9. Environmental Compliance Checklist and supporting documentation

Contracting Procedures

The CDA will enter into a contract with the project owner for the approved grant funds. The contract will outline the roles and responsibilities for both the CDA and the participating property or business owner. At a minimum, the contract will specify:

1. Agreed upon scope of work;
2. Projected amount of financial assistance awarded;
3. Estimated project timeline;
4. Regulatory term or repayment provisions;
5. Requirement to sign a photo release form permitting the CDA or its agent(s) and HTFC to use photographs of the assisted business or property;
6. Requirement to engage a contractor and begin activities within 30 days of formal CDA/HTFC or its agent(s) approval;

7. Proposed payment structure
8. CDA or its agent(s) has the right to inspect work at any time;
9. CDA or its agent(s) may 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.

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 owner with the assistance of the CDA, or its agent(s) will submit all required environmental review paperwork according to the requirements outlined in the HTFC Environmental Compliance Handbook. Cost of Environmental Review and reports will be paid for by the property owner and will be considered as part of the 25 percent match if the project is approved by the HTFC.

Work Write-up Scope of Work

Once a project application has been formally selected for DRI Downtown Improvement Fund Program, the CDA, or its agent(s) will meet with the property owner to develop the formal project scope of work and explain program requirements related to design, environmental hazards, 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:

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

The CDA will assist the property owner for coordinating renovation work write-ups with local code officials, the State Historic Preservation Office, and other regulators. If needed, additional experts may be consulted. Both the CDA and the property owner must sign-off on the formal scope of work.

The CDA or its assigns, will meet with the property owner at his/her building to review the scope of work proposed by the owner in their application. The initial scope of work may be amended by mutual agreement and to include work items that resolve any health, safety or code issues. Pictures will be taken of those areas proposed for building improvements. The pictures will be used to document the pre-construction condition of the property and to describe proposed improvements to the State Historic Preservation Office.

Prior to preparing the final scope of work, an environmental review of the proposed improvements will be conducted at the property at the **owner's expense**. If the proposed improvements include residential improvements, then a lead-based paint test and radon test by certified inspectors will be performed, if necessary, based on the scope of work at the **owner's expense**. If lead or radon is found, a mitigation or remediation plan will be included in the scope of work. In addition, New York State Department of Labor procedures to contain any asbestos materials disturbed as part of the proposed project will be incorporated into the scope of work.

As part of the environmental review the scope of work and pictures of the project will be sent to the State Historic Preservation Office for review and approval. Review and approval of the project's consistency with local planning, zoning, design and SEQR regulations will also be required. A final scope of work will be prepared by the CDA or its agent(s), prior to requesting bids from contractors. The applicant will agree to or sign off on the final scope of work.

Contractor Selection

The CDA, or its agent(s) will establish a list of contractors able to perform work in compliance with applicable standards. The CDA or its agent(s) 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. Additional contractors can be added to the list at any time, however, references and proof of proper insurance must be supplied to the CDA and property owner.

Procurement & Bidding

The DRI Downtown Improvement Fund and the HTFC requires that at least two bids are solicited and received for each project. The final scope of work, agreed upon by the project owner and the CDA will be sent out to multiple contractors by the owner with the CDA overseeing, including NYS Certified Minority and Women Owned Business Enterprises. Contractors will be given an adequate time to prepare and submit bids directly to the CDA.

1. The CDA will assist property owners to complete a procurement process, for all activities to be reimbursed with the HTFC grant funds. A minimum of two bids or proposals must 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.
2. The procurement process will be free of collusion or intimidation, and the CDA will exercise appropriate oversight over the entire process to ensure that it is fair, efficient and free of actual and perceived conflicts of interest.
3. A clear, written, scope of work for the project, as outlined in Work Write-up Scope of Work section, will be the basis for the bids or proposals. All bidders must have equal access to relevant information, including information on the property itself.
4. The bids or proposals for all activities must be submitted directly to the CDA once obtained by the property owner. The CDA will work with property owners to determine the acceptability of the bids proposed cost.
5. The CDA will work with the property owner to select the lowest responsible bidder, If the property owner chooses an alternate bidder, other than the lowest bidder, re-imbursement will be based on the amount of the lowest bid.
6. The CDA will document the bid solicitation review and selection process and save such documentation in its project files.

EEO & MWBE Requirements

The CDA is required to comply with Articles 15-A and 17-B of the New York State Executive Law. These requirements include equal employment opportunities for minority group members and women (“EEO”), and contracting opportunities for certified minority and women-owned business enterprises (“MWBEs”) and Service-Disabled Veteran-Owned Businesses (“SDVOBs”). The CDA’s demonstration of “good faith efforts” pursuant to 5 NYCRR §142.8 shall be a part of these requirements. Please visit NYS Empire State Development’s Division of Minority & Women Business Development website for a directory of certified Minority and Women-Owned Businesses: www.esd.ny.govMWBE.html

Construction Management/Quality Control

Construction Monitoring

The CDA, or its agent(s) retain the right to inspect or audit work in progress at any point. The CDA or its agent(s) must perform periodic inspections of renovation activities to monitor adherence with program rules, environmental hazard compliance, and general project progress. These visits must be documented in CDA project files.

Final Inspection

A final inspection or review of project activities by the CDA or its agent(s) is required for each participating project. A final report or reconciliation must be submitted to HTFC for formally document completion of project activities.

Program Compliance

All assistance is in the form of a reimbursable grant with a five (5) year compliance period. Should the property owner sell the building within five the (5) year time-frame, they will be responsible for repaying a portion of the grant funding received. Reimbursement is subject to execution of a declaration form at the conclusion of the project. The declaration form will be filled with the Suffolk County Clerk.

Financial Management

The CDA's Chief Financial Officer will be responsible for all financial transactions under this contract. The CDA 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 CDA's written policy on internal controls.

Conditions

HTFC reserves the right to change or disallow aspects of the application and may make such changes conditions of its commitment to provide funding to a project or program. The CDA will address any additional requirements or conditions of approval.

Covenants of the Recipient

The CDA will comply with all applicable statues, guidelines, regulations, policies and procedures of the program. Any defect or departure from the approved Administrative Plan must be requested and approved in writing. The CDA must refer to the Grant Agreement and associated schedule(s) for a summary of the awarded program activities, budget and projected accomplishments.

Conflict of Interest

Conflict of Interest

1. Perceived or actual conflicts of interest may arise when certain individuals have access to inside information regarding the award of a contract or property assistance. A contractor cannot receive DRI Downtown Improvement Fund grant funds for work done on property that he or she owns, or a property that is owned by an immediate family member.
 - a. 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.
2. A property owned by the following individual may not be eligible for grant funding, but can apply and must disclose the conflict of interest at the time of application and in meetings.
 - a. CDA employee or family member.
 - b. CDA Board member
3. Prior to commencing a project where there is a possible conflict of interest, the CDA must review the project with HTFC staff.

**Town of Islip
Community Development Agency
Central Islip DRI Improvement Fund
APPLICATION**

Deadline for Application: September 30, 2023

A. Property Owner Information

Name of owner: _____

Mailing address: _____

Telephone number: Days: Evenings:

Fax: _____

E-mail: _____

Corporate Structure (attach schematic if Applicant is a subsidiary or otherwise affiliated with another entity)

Form of Entity: C Corp S Corp Partnership LLC
 LLP Sole Proprietorship Not for Profit

B. Business and Property Information

1. **Address of property:** _____

2. Name of business(es): _____

3. Number of Commercial Units _____

4. Number of Residential Units _____

C. Financial Information

1. Is there a mortgage? _____ If yes, are payments current? _____

Who holds the mortgage? Name: _____

Address: _____

2. Are there any liens, other than the above listed mortgage? _____

If yes, describe. _____

3. Taxes/Insurances (If application is approved documentation for the following will be required)

a. Are all property, district, water and sewer taxes paid to date? Yes No

If no, which taxes are not current? Amount? _____

b. Do you have property/fire insurance on the property? Yes. No

If yes, is it paid to date? Yes. No

c. Do you have any outstanding loans with the Town of Islip Community Development Agency? Yes. No

If yes, are payments current? Yes. No

4. Will you need financing to perform these building improvements? Yes. No

5. If YES, do you already have financing in place to begin this work? Yes. No

D. Provide Scope of Work Detail

1. What improvements do you wish to make to your building? List in order of priority beginning with (1). Attach an additional page if necessary.

2. Estimated Costs:

a. Total project cost: _____

b. Construction cost: _____

c. Soft cost: _____

d. Grant amount requested: _____

3. Square footage

a. Square footage of total building: _____

b. Square footage of project: _____

4. Will you perform this work whether or not you receive grant support? Yes. No

5. Attach all supporting documents including renderings, drawings, product specifications and/or contractor quotes if already requested and available.
6. When do you plan to begin _____ and complete _____ the construction?

E. Copy of Deed and Certificate of Occupancy – please provide a copy of the deed and Certificate of Occupancy for the property.

F. Proof of financing – Project reimbursements are made when the project is complete. The Central Islip DRI Improvement Fund Grant Program operates fully as a reimbursement grant program and the owner is responsible for paying for all agreed upon improvements. Payment of grant funds will be made only upon satisfactory completion of building projects and payment of all renovation/construction expenses. Proof of payments will be required.

- | | | |
|--|------------|----------|
| 1. Proof of total project financing provided | _____ Yes. | _____ No |
| a. Secured loan commitment | _____ Yes. | _____ No |
| b. Secured bridge loan commitment | _____ Yes. | _____ No |
| c. Secured Line of credit | _____ Yes. | _____ No |
| d. Financial statements | _____ Yes. | _____ No |

G. Conflict of Interest

1. Are you an official, employee, agent, consultant or member of any board or agency of the Town of Islip Community Development Agency or the Town of Islip?

Yes _____ No _____

If yes, please describe your position: _____

2. Are you related by blood or marriage to any official, employee, agent, consultant or member of any board or agency of the Town of Islip or the Town of Islip Community Development Agency?

Yes _____ No _____

If yes, please identify the official(s), agent(s), consultant(s), employee(s) or member(s) and describe your relationship:

3. Do you have any corporate, partnership, landlord-tenant-or other business relationship with any official, agent, consultant, employee or member of any board or agency of the Town of Islip Community Development Agency or the Town of Islip?

Yes _____ No _____

If yes, identify the official(s), agent(s), consultant(s), employee(s) or member(s) and describe the business relationship:

4. Are you doing business in any of the following ways with any official, agent, consultant, employee, or member of any board or agency of the Town of Islip Community Development Agency or the Town of Islip (check any that are applicable, if other, please describe):

____ Purchaser or Seller of Goods - please describe _____
____ Loan or Grant Recipient- please describe _____
____ Provision of Services - please describe _____
____ Other - please describe _____

Please review the certifications on the following page, which are part of this application, before signing below. Compliance with the certifications and all other Central Islip DRI Grant Program procedures is required. All owners must sign.

Signature

Printed Name

Date

Signature

Printed Name

Date

Certifications

Ownership

Initial _____

I/We hereby certify that I/we own the property to be improved. If any changes in ownership should occur from this date forward, I/we agree to notify the Town of Islip Community Development Agency immediately. Failure to do so may result in denial or termination of the Central Islip DRI Improvement Fund Grant Program participation.

Regulatory Requirements and Repayment Provisions- All assistance is in the form of a reimbursable grant with a five (5)-year compliance period. Property owners will be required to execute a Declaration document committing to this compliance period. Should the property owner sell the property within the five (5)-year timeframe, they will be responsible for repaying a portion of the grant funding received. Repayments will be retained by the Town of Islip Community Development Agency and used for eligible activities as presented in the administrative plan. Required repayment of DRI Grant Funds will be calculated in accordance with the following schedule:

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

Application Information

Initial _____

To the best of my/our knowledge, all of the application information I/we have provided is true and correct. I/We understand that any willful misstatement of material fact will be grounds for disqualification. The Town of Islip Community Development Agency or its agent(s) are hereby granted permission to verify any of the information in the application in any appropriate manner.

Taxes

Initial _____

I/We understand that all taxes must be paid for the property to be improved with the Central Islip DRI Improvement Fund and for all other properties in the Town of Islip owned wholly or in part by me/us. I/We understand that no Central Islip DRI Improvement Fund Grant Program contracts will be signed unless all taxes and service charges are current.

Contracts

Initial _____

I/We understand that any contract for work paid for in part by the Central Islip DRI Improvement Fund Grant Program will be between the contractor and myself/ourselves and I/we should **NOT SIGN ANY CONTRACT FOR WORK UNDER THIS PROGRAM UNTIL AUTHORIZED TO DO SO IN WRITING BY THE TOWN OF ISLIP COMMUNITY DEVELOPMENT AGENCY.** I/We understand that the receipt of DRI fund assistance is subject to satisfactory completion of the approved work. I/We also understand that the Town of Islip Community Development Agency, or its agent(s) are not responsible or liable for any breach of contract, faulty workmanship, accidents, liability or damage that may arise from my/our relationship with the contractor. I/We further understand that the Contractor cannot begin work on my/our property until a **WRITTEN NOTICE TO PROCEED** is issued to me/us and the Contractor by the Town of Islip Community Development Agency or its agent(s). The written Notice to Proceed will be provided when all conditions are met and all necessary approvals received.

Competitive bids will be solicited for all of the Central Islip DRI Improvement Fund projects. I/we understand that if I/we choose a qualified contractor who is not the lowest bidder, the reimbursement will be based on the lowest bid.

EEO & MWBE Requirements

Initial _____

The Town of Islip Community Development Agency and the Building Owner, undertaking the project, is required to comply with Articles 15-A and 17-B of the New York State Executive Law. These requirements include equal employment opportunities for minority group members and women (“EEO”), and contracting opportunities for certified minority and women-owned business enterprises (“MWBEs”) and Service-Disabled Veteran-Owned Businesses (“SDVOBs”). The Town of Islip Community Development Agency will require building owners/ contractors to demonstrate a “good faith efforts” pursuant to 5 NYCRR §142.8 to meet the following goals.

- 22% Minority-Owned Business Enterprise (MBE) participation
- 10% Women-Owned Business Enterprise (WBE) participation

Please visit NYS Empire State Development’s Division of Minority & Women Business Development website for a directory of certified Minority and Women-Owned Businesses: www.esd.ny.gov/MWBE.html