

CITY OF PEEKSKILL

DOWNTOWN REVITALIZATION FUND

PROGRAM GUIDELINE

1. INTRODUCTION

The City of Peekskill's Downtown Revitalization Fund (DRF) provides grant funds of up to 90% of eligible project costs that enhance and strengthen the Downtown Revitalization Initiative (DRI) area. Property owners and business owners (including not-for-profit organizations) that are within the DRI area (See map in Section 12 herein) and are current on property tax payments and City fees are eligible to apply. Religious, government, and private membership organizations are not eligible for funding. Eligible projects include capital improvements to buildings that contain commercial uses, and the purchase of permanent machinery and equipment (fixtures) for businesses. Note that improvements that exclusively benefit residential units are not eligible. The property owner must retain ownership of the building and the business must remain active on the premises for at least five (5) years or the business or property owner will be responsible for repaying a portion of the grant funding received (See Section 10 herein). Projects must meet the goals of the Downtown Revitalization Initiative (See Section 13 herein) and advance the community's vision for downtown revitalization. The City of Peekskill is the administrator of the DRF with the Director of Planning being responsible for the overall program administration, and the DRF Program Administrator (a City consultant) responsible for day-to-day operations. Funding is provided by the Housing Trust Fund Corporation (HTFC) through the NYS Office of Community Renewal (OCR).

Visit www.cityofpeekskill.com/planning-and-development/pages/dri-projects to find the DRF application form and relevant documents. Any addenda or clarifications to the Program Guidelines and application form will be posted to the website any time prior to the application deadline.

This is a competitive grant program, and the purpose of the application is to collect the information necessary to determine whether a proposed project meets the eligibility requirements and addresses the Project Evaluation Criteria. It is the responsibility of the applicant to provide accurate and complete information.

Funding through DRF is available for projects in the following categories:

1. Interior and exterior building renovations and/or additions (this may include signage and solar installations)
2. Purchase and installation of permanent equipment and machinery (fixtures) for business activities
3. Renovations and purchase of fixtures that address public health/COVID-related issues
4. Architecture, engineering, and environmental testing for project implementation.

2. APPLICANT ELIGIBILITY

2a. ELIGIBLE APPLICANTS

- Business owners and property owners (including not-for-profit organizations), hereinafter called "business/property owners"
- Tenants must obtain property owner consent to apply and to make capital improvements to the property. Capital improvements will remain with the property and will be owned by the property owner.
- All property owners must be current on property tax payments and City fees, and the property must be within the DRI area (See Section 12 herein).

- Recipients of previous New York Main Street or Microenterprise grant funds are eligible to apply for the DRF, and a business/property owner may be awarded funding for more than one business/property.
- Final determination of applicant eligibility and awards are at the discretion of the City's Project Review Committee (PRC) and OCR/HTFC.

2b. INELIGIBLE APPLICANTS

- Religious, government, and private membership organizations, and buildings they operate.
- A property or business owned by the following persons are not eligible for grant funding:
 - City of Peekskill staff member, municipal officer or family member. *
 - Project Review Committee member or family member. *

*A family member includes a spouse, child, stepchild, parent, stepparent, sibling, grandparent, grandchild, mother-in-law, father-in-law, son-in-law, or daughter-in-law.

3. PROJECT ELIGIBILITY

3a. ELIGIBLE PROJECTS

In general, eligible expenses/projects include the following:

- Projects must advance the goals of Downtown Revitalization Initiative (See Section 13 herein)
- Capital improvements, commercial interior and exterior building improvements and expansions including building additions
- Facade Improvements including window and door replacements for commercial and residential units, storefront renovations, signage, etc.
- Purchase and installation of permanent machinery or equipment (fixtures) that increase business capacity and efficiency
- Solar installations on roofs of existing buildings or additions
- Building renovations and purchase of fixtures that address public health/COVID issues, including:
 - Medium- to long-term renovations that reduce density, increase social distancing, and/or support public health improvements, e.g., ventilation systems, etc.
 - Interior and exterior improvements to support adjusted business practices, e.g., pick-up windows, outdoor seating areas, etc.
- Soft costs associated with project improvements, such as engineering and architectural design work and environmental testing (refer to section 5c)

3b. INELIGIBLE PROJECTS

Ineligible expenses include, but are not limited to, the following:

- Building and property acquisition costs
- Entire building demolition and entire new building construction
- Projects specifically benefitting residential units
- Non-permanent furnishings, appliances, electronics, tools, disposable supplies, business equipment, and non-permanent fixtures
- Planning activities, operation and maintenance, pre-award costs, program expenses, staff costs

- Site work or ancillary activities on a property that do not address public health including but not limited to septic systems/laterals, grading, parking lots, sidewalks, patios, decks, garages, sheds, landscaping, fences, free-standing signs, general maintenance.
- Ineligible public health/COVID activities include inventory, rent or lease expenses, working capital or other undefined expenses, payroll, general or disposable supplies (including PPE), and other expenses that do not sustain business operations.
- Application expenses
- Salaries, wages, and benefits
- Work that is inconsistent with or detracts from the character of the DRI area (See Section 12 herein) and does not meet the goals of the DRI (See Section 13 herein).

4. AVAILABLE FUNDING

ACTIVITY	TOTAL AMOUNT NOT TO EXCEED
Building renovations and additions, including signage and solar installations	\$447,000
Small Business Activities – permanent machinery and equipment	\$40,000
Public Health/ COVID 19 Response Activities	\$100,000
Architecture, Engineering & Environmental Testing for project implementation*	\$43,000

*Up to approximately 8% of the total funding that is requested for improvements.

5. BUDGET & FINANCING

5a. MATCHING FUNDS

- Applicants will be required to provide, at a minimum, evidence of matching funds at 10% of the total project cost, including soft costs
- Proof of matching funds is required at the time of application; additional private funding as leverage is strongly encouraged
- In-kind work or materials are not eligible for the DRF or for the match contribution.
- Costs incurred prior to the effective date of the recipient's grant contract with the City are not eligible for reimbursement and not eligible as a match

5b. PROOF OF AVAILABLE FINANCING

- The program operates as a reimbursement grant program
- Business or property owners must be prepared to make all payments throughout the project (amount of grant award and match), with grant reimbursement at the conclusion of the project (except as provided in Section 7 below if approved by OCR for progress payments)
- Proof of available financing through cash in bank, secured loan commitments, and/or project lines of credit is required
- Property must have liability and hazard insurance. Hazard insurance must be sufficient to cover any outstanding loans on the property and the total amount of grant funds provided.

- Proof of at least a 10% match is required

5c. SOFT COSTS

- Eligible soft costs include Architecture, Engineering, and Environmental Testing expenses
- Soft costs incurred for work on projects that eventually prove infeasible and that do not receive funding through the DRF will not be reimbursed
- Soft costs reimbursement may not be requested as part of a partial payment prior to project completion

5d. COVID AND PUBLIC HEALTH-RELATED IMPROVEMENTS

To receive funding for COVID and public health-related improvements, the following must be provided in the application:

- The impact that COVID has had on the applicant's business and/or on the property
- The need for funding for these improvements
- An explanation of how the project improves the sustainability and resiliency of the business or property by addressing public health issues.

6. PROJECT REVIEW & SELECTION PROCESS

The City will conduct outreach in the entire DRI area (See Section 12 herein) and hold a public information meeting to make all property owners, business owners and non-profit organizations aware of the availability of the application for financial assistance.

6a. PROJECT APPLICATION

Application forms for funding will be available during a period to be determined and specified by the City. Applications must be submitted with all requested information prior to the determined close date to be eligible for funding. The application requests the basic information necessary to review the project for eligibility including scope of work, budget, readiness, benefits, match, financing, and feasibility. The applicant must prepare a preliminary scope of work and obtain at least two cost estimates for each project component. The City will advise applicants via email on the City's disposition of an application within 45 business days of deeming an application complete. The City reserves the right to ask applicants for additional information or clarification before deeming the application complete.

6b. PROJECT REVIEW COMMITTEE (PRC)

The PRC will review applications and make project recommendations to the Housing Trust Fund Corporation (HTFC). The anticipated members of the PRC include the following (or designated representatives):

- Director of Planning
- Comptroller
- Building Inspector
- Program Administrator
- Loan Officer

6c. PROJECT EVALUATION CRITERIA

Projects will be selected based on the impact they will have on the DRI area. Projects will be scored based on the following criteria:

CRITERIA*	MAX POINTS
Projects that are visually prominent, improve aesthetics, have a catalytic effect, and are transformative for the DRI area	20
Projects that provide proof of overall feasibility and readiness: documentation that 100% of the financing and matching funds for the project are readily available; City approvals are attainable; and applicant is ready to begin purchasing fixtures or to begin design and construction	10
Projects that leverage grant funds with private investment above the required 10% match and have spinoff/co-benefits	10
Projects that add or retain jobs	10
Projects that allow for business creation or expansion	10
Projects that include energy efficiency, accessibility improvements, and/or public health improvements	10
Projects that include substantial upgrades to buildings and/or businesses	10
Projects that activate vacant or underutilized spaces	10
Projects located at the South Street entrance to the DRI area that result in physical and visual improvements to this corridor	10

*All criteria that apply to the proposed project must be addressed in the application.

6d. PROJECT SELECTION

- The PRC will make a recommendation to OCR regarding which projects to fund and at what amounts. The OCR/HTFC will confirm the final funding awards
- Selected applicants will be required to sign an award acceptance letter and enter a funding contract with the City.

The following is information that the applicant must be aware of, but it only applies to projects that are awarded funding from the DRF:

7. REIMBURSEMENT/PAYMENT PROCESS

- The grant will reimburse business or property owners at the conclusion of the project only upon satisfactory completion of and payment for the items in the approved scope of work
- A request for limited progress payments can be made to OCR on a project-by-project basis, but is not guaranteed
- No reimbursement shall be paid to the owner until inspection of the work has been completed by the City and the Program Administrator
- All completed work shall comply with all applicable building codes and approved plans

- To substantiate work costs, property/business owners **who are awarded a grant** must provide the following:
 - written contracts with design professionals and contractors;
 - bank documents;
 - copies of invoices for materials and labor;
 - cancelled checks;
 - lien releases;
 - any other documents deemed reasonably necessary by the City or required by OCR to maintain effective internal controls.
- Cash payments/cash receipts and in-kind labor or materials are not permitted and will not be reimbursed

8. PROJECT DEVELOPMENT

8a. DESIGN STANDARDS

For design standards, the City of Peekskill will use the Downtown Peekskill [Historic District Design Guidelines](#) and the [Waterfront Design Guidelines](#) when reviewing exterior renovations. Awarded projects may require approval from Peekskill's Historic and Landmarks Preservation Board and/or the Peekskill Planning Commission in order to proceed with construction and receive reimbursement.

8b. ENVIRONMENTAL REVIEW

Upon notice of funding award, but prior to signing the funding contract with the City, the recipient will meet with the Program Administrator to discuss program requirements. The first step is for the business or property owner to hire a professional (architect/engineer) to determine the environmental effects of the project in accordance with the State Environmental Quality Review Act (SEQRA) and submit all required environmental review paperwork and certifications in accordance with the HTFC Environmental Compliance Handbook. The professional will also prepare the scope of work, plans to be submitted with the building permit application, and a project cost estimate (see 8c below). If the project cannot comply with HTFC environmental requirements, or if the project does not receive City approvals and a building permit, then funds expended by the business/property owner for professional services will not be reimbursed.

8c. WORK WRITE-UP / SCOPE OF WORK

Concurrent with 8b, the design professional will prepare full bid documents including construction plans, the project manual for public bidding, and technical specifications for construction projects. For the purchase of equipment and machinery (fixtures), the applicant will prepare a list of purchases with at least two cost estimates for each item. The professional will prepare a detailed scope of work that describes and itemizes the use of funds with cost estimates, and the business/property owner will address the following, if relevant:

- Immediate health and safety concerns for the building or business;
- The correction of existing code violations;
- Corrections of environmental hazards;
- Use of energy conservation measures;
- Accessibility for persons with disabilities;
- Consistency with local design guidelines; and

- Preservation of historical elements of the building

The City and business/property owner are responsible for coordinating the scope of work and project plans with local code officials, local review boards, the State Historic Preservation Office, and other regulators. If needed, additional experts may be consulted. A building permit application and fee must be submitted by the business/building owner to the City's Building Department, and project plans/fees submitted to the Planning Department, as required. All required approvals and permits must be granted for the project to proceed.

The cost estimate to hire the professional to complete Tasks 8b and 8c and to apply for permits should be included in the application/request for funds in the soft cost category. If it is determined that the project cannot proceed, then the owner is responsible for any costs incurred to prepare the environmental review and scope of work/project plans and will not be reimbursed by the grant. If the project does proceed, then these expenditures will be reimbursed at the conclusion of the project.

8d & 8e. PROCUREMENT & BIDDING AND CONTRACTOR SELECTION

The City will complete a procurement process for all construction and purchases that will be reimbursed with DRI funds. The City will reach out directly to Minority and Women-Owned Business Enterprises (M/WBE) to show good faith efforts to achieve the project goals of expending 22% of the funds on MBEs and 10% on WBEs. Proposals will be obtained for purchases, and the City will follow its standard bidding process for construction that is open to all contractors. A minimum of two bids or proposals will be obtained and reviewed for all project costs. This process is required to establish the reasonableness of project costs. The procurement process will be free of collusion or intimidation, and the City 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 written scope of work for the project and bid documents for construction projects, as outlined in Work Write-up/ Scope of Work section, must be the basis for the bids or proposals. All bidders/proposers 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 by the contractor/supplier. The City will advise the property/business owner of acceptability of bids/proposal costs. The City shall select the lowest responsible bid or proposal.

A contractor cannot receive DRI funds for work done on property that he or she owns or that is owned by an immediate family member, including a spouse, child, stepchild, parent, stepparent, sibling, grandparent, grandchild, mother-in-law, father-in-law, son-in-law, or daughter-in-law.

All contractors must supply references and proof of proper insurance including general liability coverage in a minimum amount of one million dollars and workers' compensation coverage. The City, State of New York and the Housing Trust Fund Corporation must be listed as additional insured.

Within 30 days of selection, the property/business owner will enter into a work contract with the lowest responsible bidder/proposer. If the property/business owner chooses other than the lowest bid or proposal, reimbursement will be based on the amount of the lowest bid/proposal.

8f. CONTRACTING PROCEDURES

The City will enter a DRF funding contract with the property or business owner after the bid opening and before the owner enters into a work contract with the contractor/supplier. The funding contract will outline the roles and responsibilities for both the City and the participating property or business owner. The property/business owner is responsible for preparing and entering into the contract with the contractor/supplier.

At a minimum, the funding contract will specify:

- Agreed upon scope of work;
- Projected amount of financial assistance awarded
- Required match amount;

- Commitment for source of match
- Estimated project timeline;
- Regulatory term or repayment provisions;
- Requirement to sign a photo release form permitting the City and HTFC to use photographs of the assisted business or property;
- Requirement for the property/business owner to engage a contractor and begin activities within 30 days of the City's selection of the lowest responsible bid or proposal.
- Payment structure, timing;
- That the City has the right to inspect work at any time;
- That the City may terminate the award and cancel the contract should the work or purchases be inconsistent with the program rules outlines, agreed upon scope of work or project design, stated timeline or if insurance is not maintained by the participating contractor.

9. CONSTRUCTION MANAGEMENT/QUALITY CONTROL

9a. CONSTRUCTION MONITORING

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

9b. FINAL INSPECTION

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

10. ONGOING MAINTENANCE & REGULATORY TERM

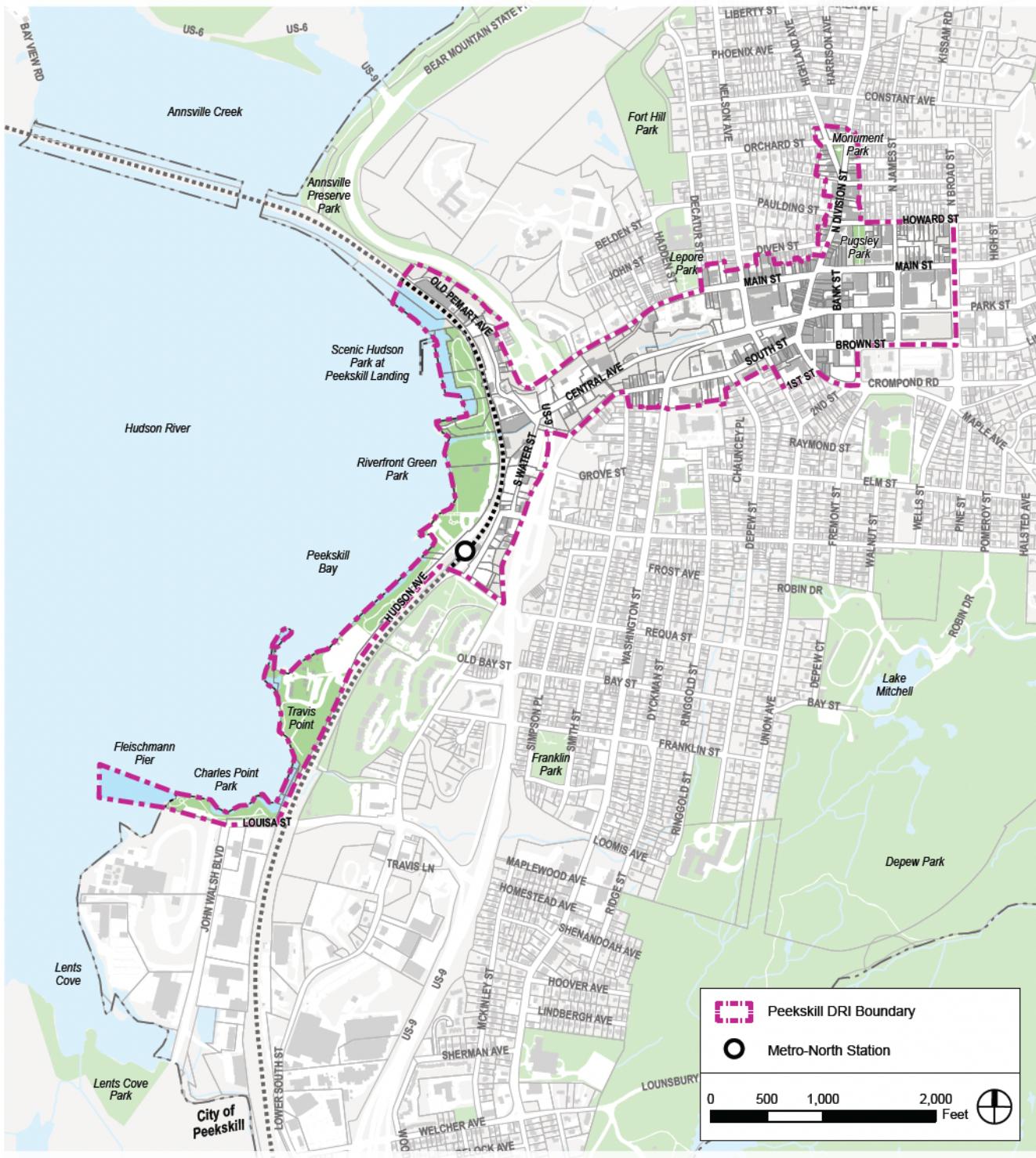
All assistance is in the form of a reimbursable grant with a five (5)-year compliance period. Property and business owners will be required to execute a Declaration document committing to this compliance period. Should the property owner sell the property, or the business owner vacate the property within the five (5) year timeframe, the business or property owner 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

11. PROGRAM INFORMATION

Additional information about this program, including the program application form, reference materials, and contact information is available at <https://www.cityofpeekskill.com/planning-and-development/pages/dri-projects>

12. DRI AREA MAP



13. DRI STRATEGIC GOALS

DOWNTOWN VISION AND DRI AREA GOALS AND STRATEGIES

From the Peekskill Downtown Revitalization Initiative Strategic Investment Plan November 2020

Downtown Vision

Downtown Peekskill is a friendly, intergenerational, and diverse community that leverages its lively arts, entertainment, and dining scene. It has excellent access to regional recreation opportunities, an entrepreneurial spirit, and historic charm to welcome people of all ages, incomes, and backgrounds to live, visit, learn, work, and raise a family.

DRI Area Goals and Strategies

- 1 Attract and support job opportunities for all skill and wage levels, helping both current and future residents establish and grow their careers and the City to expand its tax base, including through investments in critical infrastructure and the youth of the community.**
 - Build on current local growth sectors (arts, entertainment, dining)
 - Support entrepreneurial opportunities that target the local workforce
 - Encourage small business expansion
 - Provide public infrastructure that supports existing businesses and attracts new entrepreneurs to Peekskill
- 2 Strengthen linkages from the central business district to the transit-oriented waterfront area and to adjacent residential neighborhoods, creating inviting and walkable connections for downtown visitors.**
 - Improve multi-modal connectivity with emphasis on biking and walkability enhancements
 - Strengthen connections to increase tourism and regional visitors
 - Encourage alternative transportation options that reduce reliance on automobiles and serve users of all ages and abilities
- 3 Establish Peekskill as a regional arts, cultural, and dining destination, with a diverse range of offerings that support tourism as well as local jobs.**
 - Support existing arts organizations and encourage emerging groups
 - Make Peekskill's thriving arts community more visible to support local artists, including integrating art into streetscapes, signage, and public space
 - Create an identity for Peekskill's arts, culture, and business communities
 - Provide resources to arts and cultural organizations to ensure that they can provide programming and generate revenue to expand and sustain themselves

4 Enhance the attractiveness of the downtown environment for residents and visitors alike, through improvements to streetscapes, public spaces, wayfinding and parking signage, and overall aesthetics.

- Improve wayfinding and develop clearly identified walking and cycling paths
- Provide civic spaces that can be programmed for multiple public uses throughout the year
- Improve the downtown environment by supporting upgrades to downtown buildings and businesses
- Create a sense of place through the integration of landscaping, green infrastructure, street furniture, public art, and wayfinding elements

5 Promote a healthy balance of downtown uses, including retail, restaurants, small businesses, cultural and community institutions, and housing, to support a 24/7 community.

- Stimulate economic development by activating vacant or underutilized downtown properties
- Provide public realm improvements that attract and support new private development
- Provide resources to assist existing property owners and businesses
- Increase resources for community organizations that provide services for Peekskill's youth and underserved populations
- Support mixed-use development that provides a range of housing types and retail/commercial options that support local priorities