

Empire State Development

Strategic Planning and Feasibility Studies

Funding Available: Up to \$2 million

DESCRIPTION:

ESD's Strategic Planning and Feasibility Studies Program promotes economic development in the State of New York by encouraging economic and employment opportunities and stimulating development of communities and urban areas. Total program funding of up to \$2 million is available for working capital grants of up to \$100,000 each to support 1) strategic development plans for a city, county, or municipality or a significant part thereof and 2) feasibility studies for site(s) or facility(ies) assessment and planning. Projects should focus on economic development purposes, and preference shall be given to projects located in highly distressed communities. Each grant requires a minimum of 50% of total project costs in matching funds, which should include at least 10% of total project costs in the form of cash equity contributed by the Applicant organization.

Funding will be awarded by the New York State Urban Development Corporation (d/b/a Empire State Development) at its discretion.

ELIGIBLE TYPES OF APPLICANTS:

- Cities
- Counties
- Municipalities
- Business Improvement Districts
- Local Development Corporations
- Not-for-profit Economic Development Organizations*

*If awarded funding, prior to ESD Directors' approval and execution of a contract with ESD, a not-for-profit corporation must be registered and up-to-date with filings with the New York State Office of the Attorney General's Charities Bureau and the New York State Office of the State Comptroller's VendRep System and must be prequalified in the New York State Grants Gateway.

ELIGIBLE ACTIVITIES / PROGRAM BENEFIT REQUIREMENTS:

Assistance is available in the following two categories:

- Preparation and development of strategic development plans for a city, county or municipality or a significant part thereof; and
- Studies, surveys or reports, and feasibility studies and preliminary planning studies to assess a particular site or sites or facility or facilities for any economic development purpose other than residential, though mixed-use facilities with a residential component are allowed.

INELIGIBLE ACTIVITIES:

For Site Assessment and Site Planning grants:

- Residential development, although program funds may be used for a study involving a mixed-use project.

PRE-APPLICATION REQUIREMENTS:

Applicants must complete and submit a Consolidated Funding Application (CFA) for review by July 29, 2022 at 4:00pm EST.

SUCCESSFUL APPLICANT REQUIREMENTS:

Because awards are offered as an incentive to undertake a project, the project should not begin, and expenses should not be incurred, before funding awards have been announced. Expenses incurred prior to submission of a CFA should not be included in CFA project budgets, nor should expenses that will be incurred after submission of a CFA but prior to an award announcement.

ESD requires that the Applicant contribute a minimum of ten percent (10%) of the total project cost in the form of equity contributed after the Applicant's acceptance of ESD's incentive proposal. Equity is defined as cash injected into the project by the Applicant or by investors, and should be auditable through the Applicant's financial statements or accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project or grants from a government source.

The Applicant must always disclose whether it is pursuing or intends to pursue multiple ESD funding sources, including grants, loans and tax incentives.

Projects should focus on economic development purposes, such as increasing viability of existing businesses, stimulating new enterprises, and analyzing potential development opportunities or obstacles to development.

Priority will be given to projects located in Highly Distressed Areas

In determining whether a project is in a highly distressed area, ESD considers whether the area is characterized by pervasive poverty, high unemployment, and general economic distress based on characteristics including but not limited to:

- a former Empire Zone (investment zone areas);
- a poverty rate of at least twenty percent, or if the area does not contain a census tract or tracts, a block numbering area, or a city, town, or village, a poverty rate of at least thirteen percent;
- an unemployment rate of at least 1.25 times the statewide unemployment rate;
- significant job loss from one employer or in a particular industry;
- the United States President declares the area a natural disaster area;
- closure or realignment of a defense or military base or facility;
- contraction or discontinuance of a State hospital or mental hygiene facility;
- population and employment decline, increase in unemployment and public assistance recipients, decline in real property values, decline in per capita income, abandoned property and deteriorated industrial, commercial, and residential properties, a decline in business establishments, obsolescence in plant capacity, loss of markets to foreign competition, the unavailability of expansion financing, poor access to markets, and other indicators of chronic and severe economic distress;
- potential to attract private investment that will employ unemployed or economically disadvantaged persons;
- substantial public and private commitments to a long-term economic revitalization program and the capacity to manage the program;
- a plan that states the area's needs, proposals for meeting such needs, the process for routine periodic evaluation of progress in implementing the plan and compilation of essential information for such evaluation;
- applicable land use laws or regulations allow the use of at least twenty-five percent of the area for commercial or industrial activity; and
- Twenty-five percent or more of the area is vacant, abandoned, or otherwise available for industrial or commercial development.

SELECTION CRITERIA:

In addition to the criteria noted below, ESD shall have the discretion to consider additional factors in determining the relative merits of projects.

Vision and Regional Economic Development Strategies:

- The overall economic impact that the project identified in the application will have on a region;
- The project's ability to increase viability of existing businesses, stimulate new enterprises, and analyze potential development opportunities or obstacles to development;
- Whether the project will have a significant regional impact and/or is likely to increase the subject community's economic and social viability and vitality; and
- The degree of economic distress in the area where the applicant will locate the project identified in its application, including downtown revitalization and brownfield areas.
- Public/Stakeholders:
- Whether the project has demonstrated support from local government and private sector leaders in the locality and the region where the project will be located; and
- The project's plans for promoting and sharing information, tools or processes related to and resulting from the planning or feasibility study.

Implementation:

- The clarity of the proposed work plan, including description of tasks undertaken by all involved entities and schedule for completion of each task.
- The degree of project readiness and likelihood of completion; and
- The degree to which the Applicant can provide actionable deliverables.

Leveraged Resources:

- The degree to which the project is leveraged with additional resources and funds, including a minimum of 50% of total project costs in matching funds, including at least 10% cash equity.
- The degree to which future funding sources are in place and the amount expected to be committed to implementing the recommendations from the plan or study.

Performance Measures:

- The Applicant's demonstrated organizational capacity and experience in completing strategic development plans, feasibility studies, site assessments, or similar plans or studies, or ability to acquire the expertise through a consultant or another entity;
- The estimated return on investment that the project identified in the application will provide to New York State;
- The project's consistency with existing local, county and regional plans such as a local or county master or comprehensive plan and the Regional Economic Development Council's Strategic Plan;
- For downtown areas, whether or not the project concerns the preservation of the architectural character of a building or neighborhood;
- Whether, where applicable, there are identified tenants or potential tenants for a prospective development project;
- The degree to which the project supports the principals of smart growth, energy-efficiency (including but not limited to, the reduction of greenhouse gas and emissions and the Leadership in Energy and Environmental Design [LEED] green building rating system for the project identified in its application), and sustainable development; and

- The degree to which the project identified in the application supports New York state minority and women business enterprises.

AWARD CRITERIA DETAILS:

- Notice of a funding award will be given in the form of an incentive proposal outlining the terms of the proposed assistance. The award is subject to approval of the ESD Directors and compliance with applicable laws and regulations. Project funding may only be used for expenses incurred after date that notice of the funding award is given. Applicants are strongly encouraged to review and countersign ESD's incentive proposal prior to starting the project.
- All Applicants will be requested to certify and agree that any decrease in the scope of work described in the Applicant's final CFA submission including, but not limited to, total project costs, jobs retained, and jobs created, may result in ESD's reduction of the award, in ESD's sole discretion, in an amount proportionate to any such decrease.
- All Applicants will be requested to certify and agree that any expansion of the scope of work described in the Applicant's final CFA submission including, but not limited to, total project costs, jobs retained, and jobs created, will not result in the increase of the award by ESD.
- Awarded grants are not transferable and reimbursement payments may only be made to the awardee.
- The essential terms for the assistance are included in the incentive proposal. Although funding is offered prior to project commencement as an inducement to undertake the project, funds are disbursed in arrears, as reimbursement for eligible project expenditures.
- Projects generally are presented to the ESD Directors once all project expenditures have been undertaken and disbursement of ESD assistance is sought.
- 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 ESD, doubt as to its viability, ESD reserves the right to cancel its funding commitment to such project. If awarded, the Incentive Proposal expires two years from the date of acceptance by the Recipient. ESD reserves the right to require Recipient to provide any additional information and/or documentation ESD deems necessary and terminate the project at any point if the applicant fails to provide such documentation in a timely manner.
- All required public approvals must be in place prior to the start of construction (should the project result in construction) and approval by the ESD Directors, including State Environmental Quality Review (SEQR) and consultation with the State Historic Preservation Office, if applicable.
- In 2014, the Service-Disabled Veteran-Owned Business Act was signed into law. The new law created the Division of Service-Disabled Veterans' Business Development in Office of General Services to certify, promote and encourage economic development among disabled veterans throughout the state. Project Applicants are urged to work with Service-Disabled Veteran- Owned Businesses (SDVOBs) and a directory can be found at <https://ogs.ny.gov/Veterans>.
- In accordance with the requirements of Article 15-A of the New York State Executive Law: Participation By Minority Group Members and Women With Respect To State Contracts by providing opportunities for MBE/WBE participation, projects awarded funding shall be

reviewed by ESD's Office of Contractor and Supplier Diversity, which will set business and participation goals for minorities and women. Such goals shall typically be included in the incentive proposal.

- Please note that ESD's agency-wide MWBE utilization goal is 30%. Each project will be assigned an individual contract-specific goal, which may be higher or lower than 30%. Should an Applicant receive a funding award, the Applicant shall be required to use good faith efforts to achieve the prescribed MWBE goals assigned to this project. Applicants must maintain such records and take such actions necessary to demonstrate such compliance.
- Following approval by the ESD Directors, the New York State Comptroller, and the New York State Attorney General, as required, the documents for disbursement of the grant award will be prepared by ESD. Notwithstanding the process outlined above, no project shall be funded if sufficient resources are not received by ESD for such project.
- If applicable, the Applicant will be obligated to pay for out-of-pocket expenses incurred by ESD in connection with the project, which may include, without limitation, expenses related to attorney fees, filing fees, and fees associated with other requirements deemed appropriate by ESD. There are no application fees.

ADDITIONAL RESOURCES:

For more information, eligible Applicants should contact the local Empire State Development Regional Office. A complete list of the ESD Regional Offices can be found at <http://esd.ny.gov/RegionalOverviews.html>