

# Appendix E

Village of Owego Downtown Business Incubator  
Small Grant Guidelines

# The Village of Owego Tioga County, New York



**178 Main Street  
Owego, New York 13827**

**July, 2002**

# Town of Owego Downtown Business Incubator (DBI) Program Guidelines

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## 1.0 INTRODUCTION

The *Downtown Business Incubator (DBI) Small Grant Program* shall consist of two components: 1) \$200,000 shall be allocated to small matching grants of up to \$5,000 for interior building improvements and, 2) an additional \$75,000 shall be distributed in grants of \$25,000 for the creation of a major Downtown Anchor aka "CORNERSTONE" in Downtown Owego. As this is a reimbursement program, DBI matching grants shall not be awarded until the physical improvements to the building or Cornerstone are complete.

The purpose of the *Downtown Business Incubator Small Grants Program (DBI)* is to provide the necessary financial capital to encourage new business growth and reinvestment within historic Downtown Owego. It is also meant to foster investment in vacant retail building space in order to make it ADA and Building Code compliant. Technical support through a Downtown Coordinator is also available to assist entrepreneurs through the start-up phase of their business.

## 2.0 DOWNTOWN BUSINESS INCUBATOR SMALL GRANTS PROGRAM (\$200,000)

Up to \$5,000 is available for each business under the DBI Small Grants Program (DBISGP). However, requests for smaller amounts are encouraged. Small grant assistance toward the cost of projects/programs shall not exceed 50% of the approved project/program cost. DBI grants require that the recipient match the DBI amount dollar for dollar. Matching requirements for the DBISGP can include a match of private funds, state and federal funds, low-interest loans available through other available programs or several matching sources as noted above.

### 2.1 Availability of Funds

The DBI Small Grant Program (DBISGP) is a *reimbursement* program. Funds in advance of construction shall not be provided. To receive funds, an applicant (a business owner) must submit a formal application to the Village of Owego Grants Coordinator, Patty Porter with offices at 90 Temple Street, Owego, New York 13827 [c/o the Owego Revitalization & Betterment Corporation]. A completed application along with two (2) formal cost estimates for the project and supporting documentation shall be required. *The DBISGP shall only reimburse those costs deemed to be reasonable and appropriate to complete the proposed project. Personal labor of the applicant is not considered a legitimate project cost nor a match for DBI funding.*

Within thirty (30) days, the applicant shall be given notice from the Village Grant Coordinator as to whether their application has been approved. Successful applicants must document DBI fund expenditures and the required match funds to receive reimbursement.

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Upon receipt of the appropriate documentation, payment will be received within a reasonable period of time.

PROJECTS UNDERTAKEN PRIOR TO RECEIVING APPROVAL SHALL NOT BE ELIGIBLE FOR RETROACTIVE GRANTS!!!!

## 2.2 Eligibility Criteria

- a) Applicant may be sole proprietors, partnerships or Corporations.
- b) Applicant must submit a *business plan* that demonstrates the need and projected benefit of proposed *interior* building improvements and/or equipment. The following topics shall be covered in the business plan:
  - i. That there is a favorable market for the project,
  - ii. Ownership, daily operation and/or management of the business will be carried out by persons experienced and competent in the nature of the business proposed, and
  - iii. A three (3) year financial projection demonstrates the ability of the business to succeed with any added expense the project may cause.
- c) If the applicant is not the building owner, the applicant shall have written authorization of building owner to proceed with proposed improvements.
- d) Approval by the Owego Historic Preservation Commission (OHPC) and Owego Revitalization and Betterment Corporation (ORBC) of existing or proposed renovation of building facade is required. Facade renovations must be completed prior to being eligible for an Downtown Business Incubator Small Grant.

## 2.3 Eligible Projects

Grants must be utilized for any (or a combination) of the following types of projects:

- a) *Capital* construction improvements including rehabilitation or renovation of an existing building for the purpose of improving or creating a business.
- b) Equipment, machinery and installations are eligible. However, all items in this category must be appurtenant to the physical place of business and may not be portable as to be removable from the premises. The ORBC shall hold a

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first position lien on these assets.

- c) Improvements to the building to address code enforcement violations and/or enhance access to persons with disabilities.
- d) Addition to building for the purpose of expanding business operation.
- e) Other improvements to building deemed appropriate by the Village Grant Coordinator and the ORBC.

## 2.4 Ineligible Projects (This is not an exhaustive list)

- a) Residential projects,
- b) Purchases of furniture, tables, chairs, desks, etc., or
- c) Installation of non-permanent flooring such as linoleum, vinyl etc.
- d) Purchase of computers, software, etc. (Please note that low-interest loans are available for the purchase of computers through the IDA Commercial Loan Program).
- e) Purchases/improvements outside of the scope of the proposed business.

## 3.0 DOWNTOWN BUSINESS INCUBATOR "CORNERSTONES" (\$75,000)

**CORNERSTONE** grants can be made up to \$25,000 and shall only be available on a competitive basis. However, requests for smaller amounts are encouraged. Three (3) "Cornerstone" projects will be funded in order to create major Downtown Anchors in the Village of Owego [whether retail or cultural]. **Cornerstone** assistance toward the cost of projects/programs shall not exceed 50% of the approved project/program cost. Cornerstone grants require that the recipient match the grant amount dollar for dollar. Matching requirements for the Cornerstone Grant Program (CGP) can include a match of private funds, state and federal funds, low-interest loans that may be available or several matching sources.

### 3.1 Availability of Funds

The **Cornerstones** grant program is a reimbursement program. Funds in advance of construction shall not be provided. To receive funds, an applicant (a business owner) must submit a formal application to the Village of Owego Grants Coordinator, Patty

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Porter with offices at 90 Temple Street, Owego, New York 13827 [c/o the Owego Revitalization & Betterment Corporation]. A completed application along with two (2) formal cost estimates for the project and supporting documentation shall be required. *Only those costs deemed to be reasonable and appropriate to complete the proposed project shall be reimbursed. Personal labor of the applicant is not considered a legitimate project cost nor a match for funding.*

Within thirty (30) days of receipt of all required application materials, the applicant shall be given notice from the Village Grant Coordinator as to whether their application has been approved. Successful applicants must document fund expenditures and the required match funds to receive reimbursement. Typically, upon receipt of the appropriate documentation, payment will be received within a reasonable period of time.

PROJECTS UNDERTAKEN PRIOR TO RECEIVING APPROVAL SHALL NOT BE ELIGIBLE FOR RETROACTIVE GRANTS!!!!

### 3.2 Eligibility Criteria

- a) Applicant may be sole proprietors, partnerships, or Corporations.
- b) Applicant must submit business plan that demonstrates the ability to operate the proposed Cornerstone project. *The following topics shall be covered in the business plan:*
  - i. That there is a favorable market for the project,
  - ii. That ownership, daily operation and/or management of the Cornerstone will be carried out by persons with entrepreneurial experience, and
  - iii. Building plans are prepared by an engineer, architect or other qualified professional that show proposed design and layout of the Cornerstone,
- c) The Cornerstone project is likely to serve a market area that will draw visitors from the surrounding region to shop in Downtown Owego.
- d) The incubator building must face on one of the main streets in historic Downtown Owego and not be on a side street.

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- e) A *facade and sign plan* approved by the Village Grant Coordinator and ORBC shall be required.

### 3.3 Eligible Projects

*Cornerstone Grants* must be utilized for any (or a combination) of the following types of projects:

- a) *Capital* construction improvements including rehabilitation or renovation of an existing building for the purpose of creating a Downtown Anchor including a retail/office businesses or cultural anchor.
- b) Improvements to the building to address code enforcement violations and/or enhance access to persons with disabilities.
- c) Equipment, machinery and installations. However, all items in this category must be appurtenant to the physical place of business and may not be portable as to be removable from the premises. The ORBC shall hold a first position lien on these assets.

### 3.4 Ineligible Projects (This is not an exhaustive list.)

- a) Residential projects.
- b) Purchases of computers, furniture, tables, chairs, desks, etc..
- c) Installation of non-permanent flooring such as linoleum, vinyl, etc.
- d) Projects that result in fewer than three (3) incubator spaces.
- e) Projects not on in the historic Downtown Owego target area as defined by the Village of Owego.<sup>1</sup>

## 4.0 REVIEW CRITERIA

The Village Grant Coordinator and ORBC reserves the right to approve or disapprove each application. ALL IMPROVEMENTS WILL BE IN CONFORMANCE WITH ALL APPLICABLE STATE AND LOCAL LAWS AND CODES. The following criteria will be used to rate

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<sup>1</sup> The ORBC is developing a map showing the district boundary of the historic Downtown Owego target area.

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applications:

<i>DBI and Cornerstones Principals</i>	<u>Points</u>
1. The project will result in the creation of a new business.	0-20
2. Project creates employment of low-moderate income persons.	0-10
3. Project results in a business expansion.	0-10
4. Applicant demonstrated ability to provide matching funds.	0-10
5. Expectation is reasonable for the business success.	0-10
6. Number of jobs retained or created as result of improvement	0-10
7. Private dollars leverage per DBI \$ invested	0-10
 <i>Additional Cornerstones Principals:</i>	
8. Size and Importance of proposed Cornerstone Project	0-10
9. Cornerstone involves mixed use of retail/residential/office, etc..	0-10
10. Location of Cornerstone Building and Aesthetic Impact on Downtown	0-10

## 5.0 PRIORITY LIST/RANKING ORDER OF APPLICANTS

Generally, projects that provide additional or enhanced employment opportunities and that clearly enhance the ability of the start-up or emergent businesses to operate, will be given priority. Priority will also be given to the following:

1. Projects where renovation, purchase and installation of equipment will result in building improvements and creation of opportunities for job expansion.
2. Projects that involve the renovation of a vacant Downtown building and that will result in a new business opening Downtown.
3. Projects that address code enforcement violations.
4. Projects that address accessibility issues for persons with disabilities and result in compliance with the American's with Disabilities Act.
5. Historic Downtown properties in danger of being lost, in part or in total, to disrepair. This may include properties listed on the State and/or National Register of Historic Places, or properties with historical, architectural, or cultural significance.

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## *Additional Criteria for Cornerstone Projects:*

6. Projects lead by person or not-for-profit organization with entrepreneurial experience.
7. Creation of Heritage, Historical, or Cultural Anchor for Downtown

## **6.0 COMPLIANCE WITH APPLICABLE LAWS**

### **Affirmative Action/Equal Employment Opportunity**

The DBI Small Grant Program is committed to programs of Affirmative Action in compliance with federal and state regulations and Article 15A of the Executive Law pertaining to Minority and Women-owned Business Enterprises (MWBE) Equal Employment Opportunity (EEO).

### **Environmental Review**

Before the DBI Small Grant Program takes any action to award a grant, the requirements of the State Environmental Quality Review Act shall be met, where applicable.

### **Historic Review**

Any project that involves a building that is listed on the State/National Register must conform to the Secretary of the Interior's Standards and Guidelines for Archeology and Historic Preservation. Approval of the scope of proposed work by the New York State Historic Preservation Office shall be required for all structures on the State/National Register.

### **Building Code Requirements**

All projects will need to comply with the Uniform Fire Prevention and Building Code and the American with Disabilities Act. A letter from the Village Building Inspector or Code Enforcement Officer stating that such conditions have been met shall accompany the application.

### **Timeframe**

Once the DBI has concluded that the proposed project meets its program guidelines, a letter of agreement (including project budget, performance time line and scope of work) will be written between the applicant and the DBI. **For construction projects**, final construction

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documents will require DBI review before work can begin.

## **Davis Bacon**

All projects involving over \$2,000 in labor toward construction shall be subject to federal Davis Bacon Wage Rates where federal funding has been procured to undertake the proposed project.

## **7.0 GRANT APPLICATION INSTRUCTIONS AND REVIEW PROCESS**

You should contact the Village Grant Coordinator and ORBC to verify that your project meets eligibility criteria. Village staff can help you determine if you are eligible to apply. However, the Village Grant Coordinator and ORBC the makes the final decision on grant awards. Please review the following page to insure that your grant application is submitted correctly. Following the guidelines below will help us process your application and, if approved, project reimbursement.

Your completed application must include the following. (Please use this checklist to be certain that you have included all elements).

### **7.1 Application Forms**

- 7.1.1 A completed application form including a description of your project. This description should be as detailed as possible. Include any capital construction work, equipment purchases and installations, upgrades and employment opportunities.
- 7.1.2 A completed and fully executed DBI Small Grant Program Letter of Agreement signed and dated by the applicant and a witness.

### **7.2 Cost Estimates**

- 7.2.1 Applicants are required to present a detailed budget for the project including sources and uses of funds. The budget shall also contain any cost estimates obtained by vendors or contractors. Two cost estimates must be obtained for each improvement/purchase proposed and must appear on the contractors' or vendors' letterhead.

### **7.3 Additional Materials**

- 7.3.1 Include photographs of any real estate and/ or buildings included in the

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project if you are applying for funding to remodel, renovate, or expand a facility. If your project requires, submit any architectural plans, design sketches, site plans and/or surveys.

7.3.2 Include specifications and cut sheets for any equipment and mechanical systems to be purchased and/or installed as a part of the project.

## 7.4 Cornerstone Materials

Architectural drawings that show proposed facade renovation, interior building renovations, shared common areas and other pertinent detail shall be provided.

## 8.0 APPLICATION SUBMISSION, REVIEW, AND GRANT AWARD

The DBI Small Grant Program application is reviewed by Village Grant Coordinator with input from the ORBC Board. Cornerstone projects shall be reviewed by an DBI Application Review Committee which shall be comprised of members of the ORBC and Village of Owego Historic Preservation Commission.

1. Submit a formal application to the Village of Owego Grants Coordinator, Patty Porter with offices at 90 Temple Street, Owego, New York 13827 [c/o the Owego Revitalization & Betterment Corporation]. Be sure to include all of the materials mentioned in the GRANT APPLICATION INSTRUCTIONS section.
2. The Village Grant Coordinator and/or ORBC will review the application to insure consistency with DBI Small Grant Guidelines.
3. The applicant is then notified of the Village Grant Coordinator's and or DBI Application Review Committee's decision within thirty (30) days of receipt of all required application materials.
4. The grant amount is determined by taking 50% of your lowest cost estimates. This amount will be the **maximum amount** which you will be awarded under the program. If 50% of the final project cost comes out to be less than your maximum amount, your grant amount will be reduced to 50% of the final project cost.
5. Once the project begins, a 120-day deadline is placed on completion.
6. Any changes to the project **must** be reviewed and approved by the Village Grant Coordinator or the applicant risks losing grant monies.

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7. Once a project is completed, proof of payment must be submitted to the Village Grant Coordinator. This should be in the form of an invoice or receipt which includes the final cost of the project, the work which was done or products purchased, and signed by the contractor or vendor acknowledging that the project was paid for in full. Photographs of the completed project must be submitted as well.
8. The Village Grant Coordinator and ORBC will perform a site visit and review the completed project for completeness and quality of work.
9. The applicant will then be sent a voucher which they must sign and return to the Village of Owego Grant Coordinator.
10. Once the voucher is returned to the Village Grant Coordinator, the voucher and supporting materials are submitted for reimbursement to the applicant.
11. The Applicant should allow four (4) to six (6) weeks from the time proof of payment is received until they receive project reimbursement.

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## 9.0 DOWNTOWN BUSINESS INCUBATOR-SMALL GRANTS PROGRAM APPLICATION FORM

Application Type:  DBI Small Grant  DBI "Cornerstone" DATE: \_\_\_\_\_

### Applicant Information:

NAME: \_\_\_\_\_

RELATIONSHIP TO PROJECT: \_\_\_\_\_

HOME ADDRESS: \_\_\_\_\_

HOME PHONE #: \_\_\_\_\_

HOW LONG IN PRESENT BUSINESS?: Months \_\_\_\_\_ Years \_\_\_\_\_

LENGTH OF YOUR BUSINESS EXPERIENCE: Months \_\_\_\_\_ Years \_\_\_\_\_

### Project Site Information:

BUSINESS NAME: \_\_\_\_\_ SECTION-BLOCK-LOT: \_\_\_\_\_

BUILDING OWNER: (if other than applicant, consent required) \_\_\_\_\_

STREET ADDRESS: \_\_\_\_\_

VILLAGE/TOWN: \_\_\_\_\_

PHONE #: \_\_\_\_\_ FAX #: \_\_\_\_\_

### Type of Project: *(Check appropriate category.)*

<input type="checkbox"/> Interior Renovations	<input type="checkbox"/> ADA Improvements	<input type="checkbox"/> Storefront lighting
<input type="checkbox"/> Creation of New Business	<input type="checkbox"/> New Flooring (Tile)	<input type="checkbox"/> Walls/Ceilings
<input type="checkbox"/> Purchase of Equipment	<input type="checkbox"/> Installation Sprinklers	<input type="checkbox"/> HVAC or Electrical
<input type="checkbox"/> Exterior Renovations (specify) _____	<input type="checkbox"/> Interior Painting	<input type="checkbox"/> Other Areas (specify) _____
_____		_____
_____		_____

Description of project (attach additional pages if necessary): \_\_\_\_\_

**Include any architectural plans, sketches, site plans or photographs.**

Estimated cost of project: \_\_\_\_\_

Do you have **two formal** quotations/estimates for the project:  Yes  No

If you do please attach copies to this application. If you do not when will they be available? \_\_\_\_\_

When do you intend to start the project? \_\_\_\_\_

When do you intend to complete the project? \_\_\_\_\_

Have you submitted to the Owego Historic Preservation Commission?  Yes  NO

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## 10.00 DBI SMALL GRANT PROGRAM INCENTIVE PROGRAM LETTER OF AGREEMENT

I understand and by signing agree:

1. that the Village Grant Coordinator will review my application and if approved, may commit up to \$5,000 (or up to \$25,000 if Cornerstone Project) of DBI assistance toward the cost of my program or project not exceeding 50% of the project cost.
2. that my personal labor is not considered as a legitimate improvement cost for the purposes of this program.
3. that I am solely responsible for obtaining the proper permits or variances for my project and that the costs associated with the same are not eligible costs.
4. that I must pay for the project in full and provide proof of payment before I will receive my grant check, and that the Village Grant Coordinator and ORBC will review my completed project to determine that the actual work performed was the work approved.
5. that the DBI Small Grant Program, through the Village Grant Coordinator, must review and approve any changes or alterations proposed to my project, after the initial approval is given.
6. that the Village of Owego and ORBC will not be responsible for unsatisfactory work completed or claims of property damage and personal injury.
7. that I must complete my project within one-hundred and twenty (120) days after my application is approved. Extensions may be considered.
8. that any construction associated with this project that I undertake shall comply with all applicable building codes, land use, and local design reviews. If the project is to be done on a building that I do not own, I shall obtain written permission to execute such work in the building from the building owner prior to work commencing. I must submit a copy of this letter to the Village Grant Coordinator before I receive reimbursement.
9. that the Village Grant Coordinator, ORBC and DBI Application Review Committee reserves the right to approve or disapprove each application and ALL IMPROVEMENTS WILL BE IN CONFORMANCE WITH THE EXISTING LOCAL AND STATE BUILDING CODES.

Signature: \_\_\_\_\_ Witness: \_\_\_\_\_  
Name: \_\_\_\_\_ Date: \_\_\_\_\_