

Better Buffalo Fund FAQs – Round 2

General Questions

Where can I find information on Round 1 Better Buffalo Fund recipients?

Information on the 21 Round 1 recipients can be found at

<https://www.governor.ny.gov/news/governor-cuomo-announces-recipients-better-buffalo-fund-incentives>.

If an organization has been awarded funding through the BBF, would they be eligible to reapply in a later round?

Nothing prohibits an organization from applying in subsequent rounds if they received an award previously; however, progress on implementing their prior award will be heavily weighed into future applications.

Are there plans to extend the geography for the Better Buffalo Fund?

At this time there are no plans to include additional districts in future rounds.

Is the application deadline flexible?

The Better Buffalo Fund application deadline is Monday, March 28, 2016 at 4:00 P.M. We will not accept applications received after the deadline.

Can funding be used toward project costs that were incurred before the grant/loan was awarded?

Project funding may only be used for expenses incurred after the date that notice of the funding award is given.

Can in-kind donations be included as part of the matching fund?

No. In-kind donations cannot be used toward your match and should not be included in your project budget. Evidence of in-kind donations such as staff time can be outlined in the application narrative to support the applicant's administrative capacity and demonstrate local support for the project.

If a project is receiving state funds through another program, would it preclude the project from seeking funding through the BBF?

No. There are no restrictions on projects receiving other state funds, and other state funds can be used to meet the matching requirements; however, projects will be evaluated on how much private funding the project will leverage. In addition, BBF funds are intended to fill gaps in project budget, and not replace private or public funds already committed.

When will awards be announced?

We anticipate making award announcements in summer 2016.

How will the BBF be distributed between TOD and Buffalo Main Streets Initiative projects?

There is no set allocation for each program. The pool of applicants will drive the amount designated for each program.

Will the grant and or loan value requested be awarded on an all or nothing basis?

ESD sometimes awards less than is requested. This is a competitive application process and one review criterion is the amount the applicant has requested as part of the total project cost

(the more private sector leverage, the better), so applicants should only request what is really needed to complete the project.

Will there be future rounds of funding?

Future rounds will be determined after conclusion of the second round of funding.

Our project is in a preliminary phase. Should we proceed with an application or wait for future rounds of funding?

All applications will be assessed for “project readiness.” Future rounds will be determined after conclusion of the second round of applications. Applying to the BBF this year will not preclude you from applying in future rounds, nor will it affect the outcome of your application in future rounds.

How do I access the Better Buffalo Fund application?

Applications can be accessed and completed online through New York State’s Consolidated Funding Application portal <https://apps.cio.ny.gov/apps/cfa/index.cfm>. Note that this is a change from last round.

Are the application questions available for review?

Application questions are available for reference, here:
<https://apps.cio.ny.gov/apps/cfa/help.cfm?section=programquestions>

Will awardees be subject to prevailing wage rate?

The Better Buffalo Fund does not use federal funds and prevailing wage and Davis Bacon generally will not apply. Projects involving work on public property may be impacted by NYS labor laws, and it will be the local program administrator’s responsibility to comply with all state labor laws.

What do you mean by “local support” for a project?

We are looking for information that would show your project is consistent with local development plans, zoning and other projects in the area.

Is environmental review from the City of Buffalo required of projects funded through the Better Buffalo Fund?

No; however all required state approvals must be in place prior to the start of construction including State Environmental Quality Review (SEQR) and consultation with the State Historic Preservation Office, if applicable.

If a project is eligible for both tracks, can an applicant apply to both tracks?

No. The applicant must choose one track only.

Could an organization submit two different applications for two different projects– one for TOD and one for the Buffalo Main Streets Initiative?

Yes, an applicant could submit two separate applications for two different projects, but should not apply to both TOD and BMSI for the same project.

Transit Oriented Development

How are M/WBE goals assigned?

Once ESD decides to support a project, staff from the ESD Office of Contractor and Supplier Diversity (OCSD) will review project documentation to assess whether the project is appropriate for MWBE goal setting. For ESD supported projects that are determined to be appropriate for MWBE goal setting, ESD will seek to identify MWBE goals at the time that an Incentive Proposal (IP) is issued. OCSD assigns goals based on criteria that include the regional availability of certified MWBE contractors to perform the work specified in the overall project scope (not necessarily only for the portion of the project that is supported by ESD). Specifically, OCSD will determine availability by asking: (1) whether subcontracting the work specified in the IP is possible or appropriate and (2) whether there are MWBEs that can perform the work specified in the IP as either a prime contractor or subcontractor.

What happens if M/WBE goals aren't met?

If an ESD supported project does not meet the MWBE participation goals, the contracting party may submit a Waiver Request to OCSD with appropriate information documenting its "good faith efforts" to meet its MWBE goal. In the event that a waiver is not granted or approved OCSD may assess liquidated damages or seek settlement in accordance with the MWBE Regulations and the provisions of the MWBE contract language.

Did all of the Round 1 recipients meet their M/WBE goals?

M/WBE goals are assessed at completion of the project. To date, none of the Round 1 projects are complete.

Can you explain how the non-reimbursable commitment fee works?

For TOD, upon award, ESD will issue an Incentive Proposal outlining ESD award, terms and conditions. When that is accepted by awardee, awardee will provide a \$250 Application Fee, due when the Incentive Proposal is returned/with the completed ESD Universal Application. The recipient will provide a 1% commitment fee due after ESD Directors' approval at the time a Grant Disbursement Agreement is executed (after project is completed). For example, if you are awarded \$100,000, you are responsible for paying \$1,000 that cannot be reimbursed with BBF funds.

As a nonprofit, would we qualify to have the application fee waived?

We will consider waiver requests from nonprofits once awards have been announced.

Are loans for permanent financing only? What are the terms?

Yes, loans are for permanent financing only. The terms are up to 10 years for machinery and equipment; and up to 20 years for real estate.

Minimum awards are \$250,000 for loans and \$100,000 for grants not to exceed 20% of the overall project. Is the program geared to \$1,000,000+ projects?

For the TOD track, we are generally looking for projects that are at least \$500,000 total project cost on a grant, or \$1,000,000 on a loan. For the Main Street track, projects can be smaller—awards range from \$50,000 - \$500,000 not to exceed 50%-75% of the total project cost (depending on the project activities).

Can a project that is beyond a 1/4 mile radius from a transit station on the designated streets be eligible to apply to the TOD track?

For the TOD track, funding is available for projects which promote dense development (housing, employment, and retail) within ¼ mile walking distance of transit stops on the designated streets, although projects that fall within ½ mile walking distance of transit stops will be considered if they build upon existing infrastructure and assets; and encourage the use of multi-modal transportation, and stimulate pedestrian activity through retail and neighborhood-oriented businesses and services, quality public spaces, and accessible walkways. Projects which are beyond ½ mile from a designated transit stop will not be considered for funding.

Under the Buffalo Main Streets Initiative, there is a minimum of two bids for contractors and professional services. Does this pertain to TOD also?

No. That is not a requirement for TOD.

If 20% of the project can be from the BBF and there must be at least 10% equity, can the remaining 70% of the project be loan funds?

Yes.

Can a building that has previously been purchased be used as equity?

If the building has already been purchased, it cannot be used as equity.

Would geothermal and solar panels be eligible expenses for a renovation project?

Yes.

Our property is within ½ mile of a transit stop on one of the TOD corridors but it is located outside of the City of Buffalo. Is this property eligible for funding under the TOD track?

No. Only properties located in the City of Buffalo are eligible for funding under the Better Buffalo Fund.

Are resolutions or support letters required as part of the TOD application attachments?

No. Supports letters are optional for the Buffalo Main Streets Initiative only.

I understand that for TOD, site control of a property is required. Will an MOU for the purchase of a property contingent upon a BBF award be accepted?

If acquisition of a building is part of the project budget, applicants can submit a purchase agreement contingent on receiving of a BBF award. Projects will be assessed, however, based on commitment of the balance of the project's financing.

Where does Utica Street TOD end?

The Utica Street TOD line should extend to Richmond Avenue (since transit stops end at that point). Projects are eligible that fall within ¼ mile walking distance of transit stops on designated streets, although projects that fall within ½ mile walking distance of transit stops will be considered if they build upon existing infrastructure and assets.

What does “building on existing infrastructure and assets mean”?

TOD projects that fall within ½ mile walking distance of transit stops will be considered if they build upon existing infrastructure and assets; and encourage the use of multi-modal transportation, and stimulate pedestrian activity through retail and neighborhood-oriented businesses and services, quality public spaces, and accessible walkways. Existing infrastructure and assets refer to areas that have seen investment in dense, mixed use redevelopment and have seen TOD enhancements such as improvements to public transit, and/or bike and pedestrian infrastructure. The proposed project should build upon these assets.

Is there a preference for a grant or a loan? How should an applicant decide which to apply for?

Loan applicants will receive priority. An applicant should choose a grant or loan based on the project's solvency as demonstrated in their operating pro-forma.

Do you need SHPO determination and SEQR determination prior to applying for TOD funding?

SHPO and SEQR determinations are included in the application attachments but aren't required. Including these documents help the applicant demonstrate the project's readiness.

Can small developers be competitive?

Yes. The size and scale of the project should reflect the ability of the developer to successfully implement the project. In addition, TOD proposals are reviewed based on six criteria. What a small developer may lack in experience, he or she can make up for in other areas.

Can low-income tax credits be used as equity?

While ESD generally does not accept low-income tax credits as equity, ESD will take it into consideration for the Better Buffalo Fund.

Can a historic tax credit be used as equity?

Equity is defined as cash injected into the project by the Recipient or by investors and should be auditable through Recipient financial statements or Recipient accounts. Equity cannot be borrowed money secured by the assets in the project or grants from a government source. ESD will determine on **a case by case basis** if project equity may also include tax credit income used for project related costs.

Are the loans cash flow loans?

No. Loans are permanent financing only.

Buffalo Main Streets Initiative

General

Are projects located outside of the designated Buffalo Main Streets commercial districts eligible?

Projects that are not directly on one of the identified Main Street corridors are ineligible for funds through the BMSI.

We are interested in a Main Street grant but our district isn't eligible through the BBF. What should we do?

Districts that aren't identified on the BBF map could be eligible to apply to HCR's New York Main Street Program. Funding becomes available for this program in May 2016 through the State's Consolidated Funding Application (CFA). Visit <http://www.nyshcr.org/programs/nymainstreet/> for more information on the NYMS program, and visit www.regionalcouncils.ny.gov for more information about the CFA process.

For the Buffalo Main Streets Initiative, can a non-profit apply to renovate one building?

An application may be submitted under the Downtown Anchor activity if the request is between \$100,000 and \$500,000 and the applicant can submit the required business plan, market analysis and funding commitments. Projects should be renovation and construction only. Site work and landscaping are not eligible expenses.

If the request amount is lower, the application could be submitted as a Target Area Building Renovation program. In that case, the application should indicate whether additional buildings will also be included and assisted as part of the grant program. Even if the Target Area Building Renovation program funds will be allocated to a property owned by the grant administrator, we require the grant administrator to document all administrative procedures described in the Main Street Administrative Plan including the project selection process. This is to help document the need for public investment, and ensure that the grant administrator has evaluated the best use of the resources. The Main Street Grant Agreement will include a required Administrative Plan. It will be similar to the New York Main Street program Administrative Plan available online, here: <http://www.nyshcr.org/Forms/NYMainStreet/AdminPlanTemplate.pdf>.

What is considered “Allentown” for BMSI?

For a property to be eligible for funds in the Allentown area, it must be on Allen Street from Main Street to Days Park or on Elmwood Avenue from Virginia Street to 367 Elmwood Avenue as identified on the map.

Do you need to have previously received a grant from New York State Homes and Community Renewal to apply to BMSI?

No. Applicants are encouraged to provide examples of relevant renovation grant experience to demonstrate capacity to administer the requested grant funds.

Our merchants association would like apply for a BMSI grant. Is this organization eligible?

Applicants for the Buffalo Main Streets Initiative must be formally incorporated under NYS Not-for-profit Corporation law. Applicants are required to provide a formal Certificate of Incorporation as an application attachment.

We are a new not-for-profit and have NYS certification but not 501c3 status, are we eligible to apply?

To be an eligible applicant, an organization must be formally incorporated under the NYS Not-for-Profit Corporation Law and providing relevant service in the community for at least one year prior to application. Applicants must provide a copy of the organization’s Certificate of Incorporation and Filing Receipt (typically from the NYS Department of State) to demonstrate eligibility at the time of application. IRS 501c3 status is not a program requirement, but ESD and HTFC are unable to advise on potential tax consequences for a not-for-profit without tax exempt status.

Is a church eligible for funds?

Improvements to structures owned by religious organizations are ineligible uses of funds.

What is required for SEQR and SHPO on BMSI projects?

Prior to the commitment or expenditure of BMSI program funds, the environmental effects of each activity must be assessed in accordance with the State Environmental Quality Review Act (SEQR). Review by the State Historic Preservation Office (SHPO) is part of this review. An

Environmental Handbook with detailed instructions is available online, here:
<http://www.nyshcr.org/Forms/EnvironmentalComplianceHandbook.pdf>

If a building is on the National or New York State Registers of Historic Places, what is required?

All participating buildings must be reviewed by the State Historic Preservation Office (SHPO) as part of a site-specific environmental review. If a building is on the National Register, SHPO will require detailed documentation of the proposed project scope of work, including product specifications.

When are administrative funds disbursed?

Applicants may request up to 7.5% of the grant award for administrative expenses. If awarded, the program administrator may request 40% of the allocated administrative funds once the contract is executed and environmental review is complete. Administrative funds beyond the initial 40% will be available based on completion of building renovation activities.

Our project is located on Main Street in downtown Buffalo, are we eligible to apply to the BBF under the Main Street program track?

Properties on Main Street in downtown Buffalo are eligible for the TOD track but not the Main Street program track. However, there are other resources available to support Main Street redevelopment including NYS HCR's regular Main Street program through the annual CFA process (application opening in the spring) <https://apps.cio.ny.gov/apps/cfa/>.

Can we use funds to add an addition to a building?

Target Area Building Renovation and Downtown Anchor funds cannot be used for new construction. New construction is considered an extension of the footprint of a building. The Infill Construction activity does allow for new construction projects.

If my application is funded, how do I access the awarded Main Street money?

Before Main Street funds can be drawn down, awardees must execute the New York Main Street grant agreement and designate a bank account to receive Main Street funds in the form of a direct deposit. Main Street is a reimbursement program, therefore, individual projects must be complete and paid for before funds will be disbursed. Main Street funds may be requested on a per building/project basis.

Can a for-profit business or property owner apply directly to the Better Buffalo Fund for the Buffalo Main Streets Initiative track?

Eligible applicants under the Main Street track are only organizations incorporated under the NYS Not-for-Profit Corporation Law. Not-for-profit recipients then provide grants to local building owners. We will not contract directly with property owners.

Are restrictions placed on buildings that receive Main Street funds?

Property owners participating in the Main Street Program must sign a Property Maintenance Declaration. The Property Maintenance Declaration states that the property owner will maintain all Main Street assisted improvements in good condition for a five year term. This Declaration document must be filed with the County to secure the investment.

Can funds be used to improve a building's parking lot?

No. Buffalo Main Street Initiative funds cannot be used for site work such as parking lots, driveways, sidewalks or general landscaping.

Does the non-profit applicant need to own or have site control of the building (s)?

For Target Area Building Renovation activities, not-for-profit organizations generally request funds to provide matching grants to a group of private property owners. If awarded a Main Street grant, the organization may award matching grants to district building owners of up to \$50,000/building, plus an additional \$25,000 toward each residential unit renovated, not to exceed 75% of Total Project Cost or \$150,000/building, whichever is less.

For Infill Construction and Downtown Anchors an applicant may apply for funds (up to \$500,000 per building, not to exceed 50% of the total project cost) to assist a property owned by the not-for-profit organization, or apply on behalf of the property owner.

We are a not-for-profit applicant partnering with another not-for-profit on the project. Are we both required to produce 3 years of financial records, or just the applicant?

Only the applicant is required to submit 3 years of financial statements.

What could asbestos found during the environmental survey mean for a project?

An initial survey for asbestos containing materials is a standard part of a renovation project and compliance with DOL regulations is one component of a Main Street environmental review process. It is possible that asbestos containing materials could be identified and require changes to a project scope of work. Renovation projects completed by contractors must comply with NYS Department of Labor regulations related to asbestos—regardless of the use of NYS grant funds.

Is the not-for-profit applicant required to be located in the same geographic area as the project?

The not-for-profit is not required to be located in the same geographic area as the project, but the applicant must demonstrate sufficient capacity and experience to work in a different district. The not-for-profit should confirm that it is allowable within the organization's bylaws.

Do any of the forms on the New York State Homes & Community Renewal website need to be used when completing the Better Buffalo Fund application?

The forms are not required for the application, but the following could be referenced to understand the environmental review and grant administration processes for awarded projects. <http://www.nyshcr.org/Forms/bmsi/>

If a building could potentially be sold within the next year, how could that affect a project's eligibility?

All participating property owners must execute a Property Maintenance Declaration at project completion. The Declaration is a regulatory agreement that must be filed with the county when the project is completed. The document states that assisted improvements will be maintained in good condition for a five year term. If an assisted property is sold, moved, demolished or materially altered during the five-year term the property owner must repay the grant funds. The repayment amount is decreased by one-fifth for each year the property was in compliance.

The property could technically change hands prior to completion of the project—as long as the new property owner agrees to sign the document and comply with the rules for the regulatory term. However, if the ownership of the property is questionable, it is recommended to wait until the next funding round. The grant funds should not be pursued as a way to market a property for sale.

The guidelines state that grant funding is typically disbursed upon project completion. Is it possible for funding to be awarded upfront?

No. We cannot provide Main Street funds up-front. We need to see construction complete and bills paid. We can allow progress payments if that will assist a project – but that arrangement must be approved prior to the start of construction with a clear schedule outlined. Sometimes not-for-profits will use grant award letters to secure a line of credit for construction financing.

Will Better Buffalo Fund applicants to the Buffalo Main Streets Initiative track need to comply with the New York Main Street (NYMS) rent limits for residential units?

No, the affordability requirements from NYMS will not apply. However, projects that have an affordable housing component are preferred.

Our project seems to meet all of the criteria, but it would be under the minimum grant of \$50,000. Are we eligible to apply?

Single building requests under the identified minimum request amount of \$50,000 will not be accepted. The applicant could consider a program approach instead to assist a group of buildings in a target area.

Target Building Renovation

Can you explain the matching requirements for Target Area Building Renovations?

Matching funds are required for building renovation projects on a per building basis. Grant funds per building cannot exceed 75% of project cost/building or \$150,000/building, whichever is less. Streetscape projects and administrative costs do not require matching funds. Applications are more competitive, however, when they demonstrate higher levels of matching and leveraged funds.

Do commercial properties have to be identified at time of application or should the business association notify commercial property owners within the target area of the matching grant opportunity after receiving the grant?

Applicants for funds under the Infill Construction and Downtown Anchor activities must identify the property and other sources of financing at the time of application. Applicants for the Target Area Building Renovation activity may apply with a designated target area – but without commercial properties identified. We do recommend, however, that an applicant complete a marketing effort to confirm that area property owners are interested in a matching, reimbursement grant program. Letters of interest from potential participants will strengthen an application. Applications with properties identified demonstrate readiness to complete projects in a shorter term and typically receive priority consideration.

Can we submit an application for a Target Building Renovation project for just one building?

An application for a single building under the target building renovation activities is eligible if the amount requested is at least \$50,000 and there is only one building ready to proceed if awarded a grant. However, because the program encourages projects that can demonstrate significant impact for the target district, applicants should consider gauging interest from other building owners and expanding the number of buildings if feasible.

Is there a preference for exterior renovation? Many of our building owners have deferred maintenance issues or have interior renovations that are priorities for them.

While concentrated visual improvements and visual impact is important to the program, we also understand that every commercial corridor's goals are different and deferred maintenance could help them sustain a business or interior improvements could help make a property more desirable to attract a tenant. The applicant needs to make a case in the application for why the types of improvements proposed are important based on the unique needs of the community.

Are architectural drawings required for an application?

Architectural drawings help the applicant demonstrate project readiness, but they are not formally required.

Are streetscape improvements limited to the space in front of the buildings that utilized BBF grant funding for renovations?

No. Streetscape improvements can be used throughout the awarded target area.

Does the state have a preferred list of contractors who could assist building owners with their projects?

No, we do not maintain lists of contractors. As part of the administrative plan, LPAs are instructed to develop a list of vetted contractors that will be included in the bid solicitation process. The list should remain open to new contractors, but provide a starting point for obtaining bids.

I understand that projects cannot begin prior to an award, but what happens if a business owner has a phased project?

One part of a phased project may be allowed. Applicants should clearly identify the distinct phases of the entire project in their application and identify the phase(s) for which they are seeking funding.

Can the non-profit applicant use the grant funds for a building that they own?

Yes, but the organization must document how the project meets the identified project selection priorities.

Can funding through the Better Buffalo Fund be used for a micro loans program?

At this time, funding awarded through the Better Buffalo Fund cannot be used for a microloan or construction loan program. Applicants may request between \$50,000 and \$300,000 for matching grants to district building owners of up to \$50,000/building, plus an additional \$25,000 toward each residential unit renovated, not to exceed 75% of total project cost or \$150,000/building, whichever is less.

Property owners in our community are not currently interested in completing building renovation projects, but we would like to install benches, garbage cans and bike racks. Can we apply for Streetscape funds to purchase and install these fixtures?

Streetscape funds may not be requested as a standalone activity. Streetscape funds must be ancillary to a Target Area Building Renovation program.

If two different organizations want to apply for Target Area Building Renovation funding for the same corridor, would they be eligible to do so?

Yes; however the Better Buffalo Fund seeks to promote cooperation and coordination in the implementation of economic development programs to maximize efficiencies and leverage high

impact results. In addition, planning and marketing to confirm that property owners in each target area are interested in the grant program is strongly recommended.

We are a citywide organization and wish to apply for multiple Main Street corridors. Should we submit multiple applications or just one?

An application must have a single applicant organization that will enter into a grant agreement for the project. An applicant may apply for more than one target area in a single application, but the maximum request amount remains at \$300,000. It is important to present sufficient capacity to administer the program, and especially important if an applicant plans to work in more than one target area. Be sure to do planning and marketing to confirm that property owners in each target area are interested in the grant program. It is recommended that you prioritize the street/target area that is ready to begin construction.

For Target Area Building Renovation grants, how does reimbursement work?

Organizations awarded Main Street Target Area Building grants enter into a grant agreement with Housing Trust Fund Corporation, followed by an environmental review process. Once the project is approved to proceed, the organization will follow rules outlined in the grant agreement and administrative plan to award Main Street grants to individual property owners. Funds can be disbursed at the completion of *each* building renovation project. For example, if an organization applies for \$300,000 to assist ten buildings, HTFC will issue up to ten reimbursement payments.

Our business district covers two eligible locations, should we submit a single application for both, or two separate applications?

Either scenario would be acceptable. A single application for two districts would simplify the administration of the program, but it would be capped at \$300,000. Two separate applications would each be eligible for \$300,000.

The decision should be based on the marketing and documentation of property owner interest in both areas. We recommend submitting a request for what can be reasonably expended within a 24-month term. We strongly recommend a lower request amount if it is not clear that sufficient property owner interest exists for the \$300,000.

Downtown Anchor/Infill Construction

Is acquisition an eligible expense for Downtown Anchor projects?

Acquisition is not an eligible expense for reimbursement for Downtown Anchor projects. In addition, a BMSI Downtown Anchor grant request can be no more than 50% of eligible renovation and project delivery (soft cost) expenses.

For a Downtown Anchor/Infill Construction project, what happens if the project costs are less than anticipated and the award ends up being greater than 50% of the total project cost?

BMSI funds are disbursed on a reimbursement basis. If the project costs are less than anticipated, the grantee will request reimbursement for up to 50% of the eligible renovation costs demonstrated by paid invoices. Therefore, the awardee may not be entitled to request reimbursement for the full amount initially awarded. There are no funds to return, excess funds are simply not released.

For the Buffalo Main Streets Initiative, is an empty lot eligible for assistance?

New construction on an empty lot is eligible for assistance under the Infill Construction activity. An applicant may request up to \$500,000 per building, not to exceed 50% of the total project

costs. New construction is not eligible under the Target Area Building Renovation or Downtown Anchor activity.

What qualifies as a business plan and market analysis?

The Downtown Anchor and Infill Construction activities allow for an investment in a single building that is much larger than our typical target area building renovation projects. To provide these larger grants (\$100,000 to \$500,000 for a building), we must confirm that the investment is secure and will be maintained. The business plan and market analysis are intended to provide a clear demonstration of need for the commercial, residential or civic use in the project area. Additionally, the business plan provides evidence that the organization is sustainable.

Please note, the Target Area Building Renovation activity does not require these documents. If you intend to apply under the Downtown Anchor activity and do not have a business plan and market analysis, we recommend writing a document to address the issues identified above, and providing evidence of financial stability that would be expected in a business plan. The following is what we usually look for:

a. **General Requirements**

A Business Plan should demonstrate the following:

- that the proposed enterprise will meet an identified need in the general area and can be readily absorbed;
- that there is market support for the anchor;
- that projected income and revenue are attainable;
- that estimated project income is sufficient to pay the estimated operating expenses (including any debt service contained in the financing plan);
- that the operating and development budgets are reasonable;
- If the anchor involves the provision of a public service, the applicant should also discuss the need for the service in the area, and the likelihood of any additional public operating or capital revenue;
- identify the sources of statistics used in the analyses and, when statistics are not from public sources, include means for verification (e.g., list of contacts with telephone numbers or attachment of source documents);
- fully explain the reasoning behind any assumptions used in the analyses;
- conclude that the enterprise will likely be self-sustaining; and,
- demonstrate that requested funding will bring the project to a complete and operational state.

b. **Market Analysis**

- The Market Analysis should demonstrate sufficient market support for the business or organization.

c. **Operating Budget**

- The Program Operating Budget should reflect as accurately as possible the expected income (revenue) and operating costs of the program.

d. **Financing Plan**

- Details of how the project is financed