



**Empire State  
Development**

CAPITAL GRANT PROGRAMS

# FREQUENTLY ASKED QUESTIONS

Updated October 2022

New York State  
Empire State Development  
East Side Corridor Economic Development Fund



## Questions for East Side Community-Based Real Estate Development Training Program Fund (CBREDTP Fund) only:

1. Can equity from another property be used to cover the 10% contribution for the Small Project Fund?
  - a. Yes. There is no restriction on the source for the 10% contribution under the Small Project Fund. It can be in the form of a loan, cash advance, or gift.
2. Can multiple Graduates collaborate and use their CBREDTP Fund eligibility on the redevelopment of one property/project?
  - a. Yes, but the total CBREDTP Fund award(s) would be congruent to the specific size and scope of the project.
3. If a Graduate receives CBREDTP Funds for a project and it fails or is determined to not be viable, can CBREDTP Funds be used for a different development on the same property? How about a different property?
  - a. If a project is found not viable and alternative plans continue on the **same** property within two years of initially being awarded funds, it is considered the same project and is eligible to receive remaining available CBREDTP Funds up to \$500,000, subject to availability of funding.
  - b. If a project is found not viable and alternative plans are made for a **different** property, this is considered a new project, Graduates may apply for CBREDTP Funds, but funds are **NOT** guaranteed.
4. Are Graduates eligible to receive Commercial Building Stabilization Funds?

*\*Note, it is advised that CBREDT Graduates work with the UB Regional Institute (UBRI) to determine what Capital programs their project properties are eligible for.*

  - a. Yes, if the project property qualifies for Commercial Building Stabilization Funds and if such Stabilization Funds are awarded first, the Graduate is still eligible to receive up to \$500,000 CBREDTP Funds for the project property, in addition to the Commercial Building Stabilization Funds.

## Questions for East Side Commercial Districts Program, East Side Community-Based Real Estate Development Training Program Fund (CBREDTP Fund), and East Side Commercial Building Stabilization Fund:

5. Can Capital Funds be used to pay for parking lots?
  - a. No, Capital Funds cannot be used for parking lots.
6. Can Capital Funds be layered across the three programs?
  - a. A property owner/project may NOT layer or “combine” funds under a single grant, but may be determined to be eligible to receive funding over time across programs. The applicant

**must qualify for each program individually and apply separately, subject to availability of funds.** For example, CBREDTP Funds are available ONLY to Graduates of the CBREDT Program and as noted in Question 4, such Graduates are only eligible to receive Commercial Building Stabilization Funds in addition to (and in advance of) CBREDTP Funds. At no time can funds under each program be combined into a single grant, and all disbursements must be separate.

7. Is there a specific order that Capital Funds must be layered across programs?
- As noted in Question 6, a property owner/project may not combine funds under a single grant across programs but may be eligible to receive funding over time across programs. In cases where a building is not habitable and in danger of being lost, it is generally assumed that a property owner might apply first to the Commercial Building Stabilization Fund, with the possibility of later applying to the East Side Commercial Districts Program, or being considered for training under the CBREDT Program, both of which could make available additional funds to assist in putting a building fully back into productive use.

Note, receiving funds under any of these programs is **NOT** guaranteed; the property owner/project must qualify individually, and would be subject to availability of funds.

8. Is an applicant eligible for Capital Funds if he/she/they owe back taxes on the project property, but entered into a repayment agreement with the City?
- Yes, applicants are eligible for Capital Funds as long as they can document an approved repayment agreement with the City and proof that payments are current.
9. If a property received Round 1 funding under the Commercial Districts Program and the owner contributed the 15% required owner contribution, and that same property receives Round 2 funding, which requires 10% owner contribution (a decrease from the Round 1 requirement) will the owner need to come up with an additional 5% or 10% contribution?
- \*Note, the Total Owner Contribution Amount is based on Total Project Cost.*
- The absolute may be applied toward the required 10% owner contribution in Round 2 for the same property.

10. Is an applicant eligible for Capital Funds if he/she/they has a recent or pending felony or misdemeanor?
- Any past, recent and/or pending felony or misdemeanor does not immediately preclude someone from applying for funds under any of the programs. Applicants are very strongly advised to fully disclose any such instances and ESD will review and coordinate with applicants on a case-by-case basis. Please note that ESD's discovery of the failure of an applicant to disclose such issues may be grounds for that applicant to be disqualified from participating in these programs.