

CITY OF MCKINNEY FAÇADE IMPROVEMENT GRANT PROGRAM INFORMATION SHEET AND GUIDELINES PY 14-15

CONTENTS

<u>SECTION</u>	<u>PAGE</u>
Purpose and Objectives	1
Program Overview	1
Eligibility Criteria	1
Application Process	4
Design Guidelines	5
Participant Requirements	5

FAÇADE IMPROVEMENT PROGRAM POLICY

Purpose and Objectives

The Façade Improvement Grant is an eligible activity through the Community Development Block Grant (CDBG). This economic incentive will provide existing businesses with the means to ensure an area-wide positive business setting, quality building standards, and an appeal to investors, business owners, and consumers. Focus areas will be predominantly in census tracts 307, 308, and 309.

Introduction / Program Year 2014/15:

Funds are made available to approved business owners as a 100% forgivable grant for commercial, office or mixed-use purposes over a five year period.

Program Year 2015/16 and Thereafter:

Funds will be made available to approved business owners as a reimbursable grant for commercial, office, or mixed-use purposes over a five year period. Projects may be funded through Community Development Block Grants (CDBG) and/or eligible other funds.

Program Overview

Façade improvement and rehabilitation funds are generally available for exterior work of building fronts which must be located within the city limits of McKinney. The City of McKinney may award grants at its complete discretion to business or property owners who submit complete applications in a timely manner that are determined to meet the goals of the Façade Improvement Grant Program, subject to availability of funds.

Proposed improvement projects must meet one of the following Community Development Block Grant objectives:

- serve predominantly low- to moderate-income residents (CFR 570.483(b)(1))
- create full-time jobs for low- to moderate-income residents (570.483(b)(4))
- eliminate slum or blight (570.483(c)(1)/(2))

Eligibility Guidelines: Participants and Properties

Participants

Non-residential property owners and business lessees, (with exception specifically described below under ineligible properties), are eligible to apply for business façade improvement assistance. Participants may be individuals, sole proprietors, partnerships, for-profit or non-profit corporations, or any other legally identified form of business owner or lessee.

Properties

Properties must meet these minimum requirements to be considered:

- Property is for commercial or office use.
- Mixed use buildings with retail/ commercial storefront uses on the ground floor that are facing the street will be eligible.
- Property is taxable and its owner and/or current occupant business is current on all City of McKinney taxes and fees.
- Property owners with multiple business tenants must apply the compatible façade improvements across the entire property concurrently and as **one project**.
- Property meets all City of McKinney Codes and Ordinances.

Ineligible properties include:

- Tax delinquent properties
- Religious facilities
- Property whose owner has other tax delinquent properties
- Properties with open code violations
- Properties in litigation, condemnation, or receivership
- Stand-alone retail chains
- Financial alternatives
- Non-bank financial institutions
- Pawn shops, tobacco shops or tattoo shops
- Liquor stores or bars that do not serve food or have an inventory of more than 25% alcohol.
- Lessees who do not have written authorization from the property owner.
- Governmental agencies or owners of properties used for the general conduct of government.

Façade Improvement Grant fund may be awarded to complete the following improvements:

- Complete façade rehabilitation
- Façade detail or trim repair or replacement
- Correction of general visible disrepair, including masonry repair and tuckpointing, and cornice replacement and repair
- Replacement of windows or storefront glass
- Repair or replacement of awnings or canopies
- Installation of new awnings or canopies
- Repair or replacement of doors
- Repair or replacement of deteriorating signage and/or lighting of signage
- Installation of new signage
- Removal of obsolete fixtures such as deteriorated signs or awnings
- Exterior painting including murals
- Siding repair or installation
- Creating permanent outdoor dining and seating facilities
- Exterior masonry or stucco cleaning
- Exterior masonry or stucco repair
- Repair, replacement, or installation of new exterior lighting
- Repair of sidewalk, porch, or entry stairs
- Exterior walls
- Fencing (chain-link fencing excluded)
- Permanent landscape improvements

- Repair or restoration of original architectural detail
- Accessibility improvements integral to the project
- Removal of siding materials to reveal original building facades
- Permit fees

Ineligible improvements include:

- Advertisement, such as billboards
- Chain-link fencing
- Mechanical or electronic security systems, including security bars
- Religious symbols
- Temporary decoration or signage
- Additions which increases usable existing square footage
- Purchases/fixtures not a part of real estate
- Improvements in progress or completed prior to program application and approval
- Interior work or improvements
- Improvements to areas of the structure that are not street facing, unless integral to the approved overall design

Note: Roof repair may be a part of the scope of work in conjunction with other façade improvements, but will not be considered as a stand-alone project. The cost of roof repair cannot exceed 40 percent of the total project cost. The scope of work must address and correct any existing or pending code violation or other ordinance violation.

Grant Application Process

Before submitting an application, applicants must contact Housing and Community Development to discuss project eligibility and procedures.

Applicants will be directed to submit a Letter of Intent to Apply (LOI) outlining the proposed project and providing a cost estimate. The Letter of Intent to Apply (LOI) will be reviewed by Housing and Community staff to determine project eligibility. Upon approval of the project's eligibility, applicants will be invited to submit an official project application.

Completion of the application will require both a rendered project design and professional cost estimate. The applicant may utilize City of McKinney staff to render a project design or may elect to utilize a private professional. All project design must conform to pre-approved designs, colors, and structures. The applicant will solicit at least three written bids from licensed contractors per scope of work. All bids shall contain the contractor or project architect's name, address, telephone number, and itemized expenses.

Completed applications will be submitted to the City of McKinney Department of Housing and Community Development, located at **314 South Chestnut St. Suite 101, McKinney, TX 75059.**

Applications must include:

- A completed Façade Improvement Program Application
- Color photographs demonstrating property's areas of need.
- Detailed drawings/renderings of proposed improvements, including color samples of paint to be used.
- Itemized work estimates of all improvement work from contractors and/or project architects. These should be no older than 90 days at the time of submission of the application.
- A detailed draft schedule of completion (Staff will review with participant).

Applications lacking any of the above materials will not be considered for grant funding. All proposed improvements will be considered and approved/rejected based on project and applicant eligibility, aesthetic impact, and appropriateness of the proposed improvements. All decisions will be made at the discretion of the City of McKinney and will be subject to the availability of funds. Each submission will be brought before Council for approval.

If a submitted proposal is rejected, the property owner will receive notice within 10 days, including the reason for rejection. Rejected proposals may be amended and resubmitted, but each property will be considered only once per funding cycle.

Participant Requirements

Applicants shall begin construction within thirty (30) days following the receipt of the Notice to Proceed, and construction on approved improvements shall be completed within six (6) months. Requests for an extension for the commencement or completion deadlines may be submitted before either deadline has passed. Requests for extensions may be rejected. If the improved property is a leased commercial or industrial space, recipients must agree to refrain from increasing rent, service fees, utilities or other tenant costs for a period of five (5) years from the date of grant approval.

Grant recipients will be required to submit photographs of all completed improvements upon completion of the project with a written statement detailing all work completed. The City will require an inspection of property to verify all proposed and approved improvements have been made and the property continues to meet all City of McKinney Code requirements. A property lien will then be placed on the improved property for the total amount award in grant funds. The lien will be forgiven on a prorated basis over a five (5) year period. This lien will be released upon completion of all grant obligations and the passing of five (5) years.