

# CITY OF LEMOORE MICROENTERPRISE FAÇADE IMPROVEMENT PROGRAM GUIDELINES

## Introduction

### **1.0 Microenterprise Program Overview**

In August of 2009, the City of Lemoore, hereinafter referred to as the "City", entered into a contractual relationship with the California Department of Housing and Community Development (the "Department") to establish a Microenterprise Façade Improvement Program, hereinafter referred to as the "Program", designed to provide assistance to eligible business owners of commercially zoned areas located within the City of Lemoore. It is the intent of the City to improve blighted commercial areas and enhance the visual appearance of Lemoore's target income businesses, thereby meeting a national objective for the Department of Housing and Urban Development, hereinafter "HUD". The Redevelopment Project Manager will oversee the Program and will hereinafter be referred to as "Administrator". These Program guidelines have been formally adopted by the City and approved by the Department.

### **1.1 Outreach and Marketing**

All outreach efforts will be done in accordance with the state and federal regulations to ensure nondiscriminatory treatment, outreach and access to the Program. No person shall, on the grounds of age, ancestry, color, creed, physical or mental disability or handicap, marital or familial status, medical condition, national origin, race, religion, gender or sexual orientation be excluded, denied benefits or subjected to discrimination under the Program. Section 504 of the Rehabilitation Act of 1973 prohibits the exclusion of an otherwise qualified individual, solely because of disability, from participation under any program receiving Federal funds. The Administrator will ensure that all persons, including those qualified individuals with disabilities and handicaps have access to the Program.

The Administrator will work closely with the Lemoore Chamber of Commerce, Downtown Merchants Advisory Committee, property owners and business owners to explain the Program requirements. Flyers in English and Spanish will be distributed in the Program area to businesses. Mailers will be sent to business owners and building owners alike. Program information will be included with Business License Renewal notices as well.

### **1.2 Applicant Contribution**

This is a grant assistance program with no match funding or required contribution by the business owner or the property owner. Properties in need of exterior

improvements will be encouraged to apply. However, any costs in excess of the grant award amount will be the responsibility of the property owner.

## **Eligibility Requirements**

### **2.0 Eligible Commercial Property**

Eligible properties must be located in eligible Neighborhood Commercial, Regional Commercial, Mixed Use and/or Professional Office Land Use Designations within the City Limits of Lemoore, further defined by the map in **Attachment A**. The property must contain an existing legal commercial structure in need of rehabilitation and be occupied by an eligible microenterprise business. No vacant buildings can participate. At the time of application, buildings must comply with state and local codes and ordinances, be structurally sound, and have no health and/or safety violations. Buildings located within the 100-year flood zone will be required to provide proof of flood insurance in order to participate in the Program. Any application not in compliance with the above requirements will be ineligible for the Program until such time all issues are resolved and only if funding is still available.

### **2.1 Eligible Applicants**

Eligible applicants are microenterprise business owners whose businesses are located within commercially zoned areas of the City of Lemoore. The CDBG definition of "microenterprise" is a business having five or fewer employees, including the owner(s) **AND** the owner(s) must meet the HUD definition of an income qualified low income household, further defined in **Attachment B**. To meet the five and fewer requirement, **all** employees, part-time and full time, on the payroll at the time of façade grant application will be counted. The term "employee" includes all owners of the business on the payroll, even if the owner's "salary draws" are not done on a regular basis. The City will require the business to provide third party records documenting the current number of employees on the payroll, including owners of the business (e.g. copy of EDD quarterly report or current payroll records). Microenterprise business applicants include private for profit business concerns, corporations, and partnerships, sole proprietorships that are legal, properly licensed and operating. Non profits are not microenterprises.

Business owners must meet the HUD definition of low income household in order to meet the CDBG national objective assisting low- to moderate income individuals. The business owner must be documented as low income, also called Targeted Income Group (TIG). Furthermore, the Department requires that CDBG economic development funds for microenterprise only be used for businesses that qualify by size as a microenterprise as described above **AND** when the business owners meet HUD criteria as an income qualified low income household. Microenterprise income eligibility must be documented prior to any

approval of financial assistance. The owners of the business being reviewed for funding must have a household income at or below current published HUD income limits for the county, adjusted for household size. Initially, the applicant (business owner) will complete the Program's application and self certification form in **Attachment B**. Applicant's coming from a local business development agency microenterprise technical assistance program funded by CDBG will already be income qualified.

The Administrator will use the proper HUD determination of "household income," which is calculated in accordance with the regulations at 24 CFR 5.611 for CDBG program to confirm the income certification from the household is correct. Each applicant must provide proper third party documentation that confirms the family's current size and income level (e.g. IRS 1040 Long Form). This is compared to the current HUD published rate for eighty percent (80%) of median income adjusted for family size, to determine if the person meets HUD's definition of low income. See **Attachment B** for current HUD published limits for the County. The chart will be updated annually with new HUD published limits obtained from [www.hcd.ca.gov/hpd/hrc/rep/state/incNote](http://www.hcd.ca.gov/hpd/hrc/rep/state/incNote) .

The Administrator will collect proper income tax return documentation from applicants and use the HUD income calculator on HUD's website <http://www.hud.gov/offices/cpd/affordablehousing/training/web/calculator/definitions/part5.cfm> to determine the gross annual income for the household. The Department term "Targeted Income Group (TIG)" is used interchangeably with the HUD term "low /moderate income".

The income limits published at the time of application approval will apply when determining income eligibility. All persons in the residence are considered household members for purposes of income eligibility. Income eligibility for microenterprise businesses is good for three (3) years from day of certification completion.

Business tenants applying for funds must obtain the property owner's information and signature on the application. A copy of the tenant's lease with at least one year occupancy remaining must be submitted with the application. Business applicants will be required to possess all proper licenses and insurance to operate legally in the community. Property owners must be in compliance with City ordinances and current on all fees and taxes.

## **2.2 No Conflict of Interest Allowed**

In accordance with Title 24, Section 570.611 of the code of Federal Regulations, no member of the governing body and no official, employee or agent of the local government, nor any other person who exercises policy or decision-making responsibilities in connection with the planning and implementation of the CDBG program shall directly or indirectly be eligible for this program. Exceptions to this

policy can be made only after public disclosure and formal approval by the Lemoore City Council.

### **2.3 Exceptions/Special Circumstances**

Exceptions and/or special circumstances, which are defined as, “any action that would depart from policy and procedures stated in the Guidelines”, may be considered on a case-by-case basis. For example, in the case of a project where the building is owned by multiple persons and one or more disagree to the resale restrictions, the project may still be able to be approved if it is determined that the project is in the best interest of the community. In that case, if only one property owner agrees to take on the burden of the Restriction, but the Administrator believes that the benefit to the community outweighs the risk and decides to initiate consideration of an exceptional/special circumstance. At that point, a report on the situation shall be prepared and contain a narrative, including the staff’s recommended course of action and any written or verbal information supplied by the applicant and/or the property owner(s). It would then be presented to City Council to make a determination of the exceptional/special circumstances.

### **2.4 Typical Use of Funds**

Funds under this Program are typically provided as a grant to commercial property owners with an eligible microenterprise business as a tenant. Program funds are for eligible façade improvement costs. Program grants are up to \$50,000. Grants under this Program are not expected to be repaid except on default of the property restriction.

### **2.5 Property Restriction Required**

A Resale Restriction and Use Agreement Containing Covenants Affecting Real Property (“Agreement”) will be recorded against the property in which the façade improvements are to occur. The Agreement restricts the property owner(s) from selling the property and requires the façade improvements to be maintained for five (5) years. See **Attachment C** for copy of Agreement to be used in this Program.

### **2.6 Eligible Use of Funds**

Funds under this program are restricted to “eligible façade improvements”. Expenses related to the paperwork for processing of the façade application including, but not limited to engineering, architectural, local permit and other related government fees (i.e., electrical, plumbing, encroachment/building permit fees, sign applications, architectural design fees) are also eligible costs. Staff will review the scope of work proposed by the business and the use of CDBG funds to verify that they are necessary and reasonable for success of the project.

**“Façade” is defined as follows:** The entire exterior front surface of the building, which abuts the street from grade to eave or fascia line. A façade does not include improvements above the façade level, such as roof repairs or roof replacement. A façade may include sides and back of building if the building abuts two streets, an arcade, a walkway or an alley, an empty lot, a parking area, or open space, if the Administrator determines that such improvements are visible from a public right-of-way, part of a comprehensive façade improvement project and the best use of Program funds.

**Eligible Improvements are as follows and if determined to be necessary improvements:**

- \* Storefront Remodeling
- \* Improved Signage
- \* Doors
- \* Windows (if part of a comprehensive façade improvement project)
- \* Improved Lighting
- \* Awnings/Canopies
- \* Paint

Applications must follow the City’s planning and building approval process, in addition to Administrator’s review. Improvements must conform to all applicable local, state and federal laws, ordinances and regulations, including the City of Lemoore’s 2030 General Plan and Zoning Ordinance, current Uniform Building Codes, and the American’s with Disabilities Act.

## **2.7 Ineligible Use of Funds**

Funds under this Program will not pay for reimbursement of expenses incurred prior to application approval. Program funds may not be used for normal maintenance or structural repairs associated with the building. Interior improvements, landscaping, sidewalks and walkways are also ineligible costs.

## **Application and Procurement Process**

### **3.0 Application Process**

The application process will be done in two steps. First, the Administrator will market and take applications to qualify interested microenterprise businesses. Once a business has been qualified as eligible for the program, the building owner will be contacted as part of the second step. Both the eligible microenterprise business and building owner must provide application information for the process to proceed. The building owner must agree to follow the façade improvement process as outlined in these guidelines and acknowledge the five year restriction on their property after completion of the work.

The microenterprise business and building owner applicant team is required to complete all appropriate application forms, which asks for sufficient information concerning eligibility for Program participation. A Program checklist showing required documentation will be provided to the business so proper financial information is made available. Applications are only deemed complete if all information is included; the application is then signed and dated. The Administrator will conduct a site visit to the existing business in operation, interview the business owner(s) and building owner(s) and review the application for funding along with the Program Guidelines.

Applications will be reviewed on a first come, first served basis. The Administrator will accept applications and review them for initial eligibility. Applications that do not meet basic requirements of the Program will be returned with an explanation of requirements needing to be met. Incomplete applications will be returned to the applicant and will not be accepted until complete.

Qualified applicants who accept the terms and conditions of the City's CDBG funds will be processed further by the Administrator. The applicant is required to obtain the services of a licensed architect to provide a preliminary design of the façade improvements. The City will provide a list of eligible architects to work with on the design. The Administrator will work with the applicant and the architect to develop a reasonable scope of work per the limitations in these Guidelines. The applicant will be responsible for obtaining a final scope of services and bid price from the architect. See **Attachment D** for a copy of City's most recent Architectural Design Guidelines (Title 9, Chapter 15, Article D of the Lemoore Municipal Code).

The preliminary design and scope of façade work will be used to consult with the State Historic Preservation Office (SHPO) and to obtain their approval. The Administrator will begin conducting the CDBG NEPA and CEQA Environmental Review Records for the project and specifically review the scope of proposed façade improvements. No CDBG funds may be approved or costs incurred on any façade improvements until SHPO approval is obtained and the NEPA and CEQA review are complete. Preliminary architectural design costs will be paid out of Redevelopment matching funds. Architectural design costs incurred after the preliminary design payment will be eligible Program costs following review and approval of the final design scope of work and all other environmental approvals complete. In any event, a maximum of \$5,000 is available for architectural services for each approved application.

Upon confirmation of (1) eligibility of the business, business owner, property owner and building eligibility for the Program, (2) design and approval of the façade scope of work and (3) completion of environmental review for project, the Administrator will create a formal written recommendation to the Department. Once approved by the Department it will then be formally submitted back to the Administrator for review and final decision. The Administrator will act as the

approving body for the City and Redevelopment Agency and will determine the applicant's approval or denial, and will instruct staff to provide written notification to the applicant accordingly. In the event of a denial, the applicant will receive written notification of the reason.

Upon approval of all applications recommended for this Program, the Administrator will assist the building owner with bidding out the construction of the project. The business owner and property owner must attend a briefing regarding procurement and construction process of their project under the Program.

### **3.1 Procurement Process**

The services of required professionals will be enlisted to assist in the design process. The Administrator will oversee the procurement of the construction contractor by the property owner. This will require preparation of a construction bid package with all State and Federal prevailing wage compliance requirements in it for the contractor. The bid process will include advertisement in the local newspaper and direct solicitation to as many bidders as possible. A minimum of two bids must be received.

The Administrator will attend both the pre-bid meeting and pre-construction conference to inform potential bidders of the labor standards and equal opportunity obligations. The Administrator will recommend the lowest qualified bid be accepted by the property owner. **The construction contract will be between the property owner and the construction contractor, not the City.**

Contractors are required to be licensed with the State of California and the City of Lemoore. They must also be in good standing with the Contractors License Board and not be listed on the Federal Debarred Contractors List.

### **3.2 Construction Phase**

Once the bid is accepted, the contractor agrees to obtain appropriate permits required by the City prior to proceeding with work. The contractor will provide weekly certified payrolls to the Administrator for review and documentation of State and Federal labor standards compliance. Contractor change orders may not be made without the written approval of the Administrator. If a change order is initiated without approval of the Administrator, the property owner will be financially responsible for any change in the approved bid price. Payment will be made to the selected contractor according to the agreed payment schedule.

## **Maintenance**

### **4.0 Building Maintenance**

By accepting façade improvement funds, the applicant and property owner agree to properly maintain all improvements and to keep storefronts, as well as sides and back of buildings clean and free of graffiti at the applicant's expense. The City will require the property owner to sign an Agreement that requires the building to be maintained in good condition for a period of no less than five years. Under the Agreement, the façade improvements made with this Program may not be changed without prior Administrator approval and any damage to the façade is to be repaired immediately by the applicant so that the building remains in good condition and positively contributes to the business area. The grant amount is forgiven at the end of the five year period if the applicant and property owner adhere to the terms of the agreement.

## **Program Funding**

### **5.0 Source of Program Funds**

The Program is capitalized with CDBG funds by HUD contributed to the State of California's Department of Housing and Community Development. CDBG funds are federal funds and as such a number of federal requirements must be met, as described below. These CDBG funds come to the City from two sources: 1) from State Grant awards that are administered under a State Grant contract; and 2) from loan repayments made by existing CDBG loans (called program income funds). Program income funds are administered locally by the City under an adopted program income reuse plan approved by the Department.

#### **5.1 State and Federal Funding Requirements**

There are a number of other federal laws and State requirements that are triggered by use of CDBG funding. The City will ensure compliance with these regulations. Any impacts of these federal regulations on a proposed project being funded will be explained at the time of application screening, so the applicant knows and understands how the project will be impacted by these regulations.

Prior to award or approval of funds, federal environmental reviews are required by HUD for each business funded with CDBG monies (24 CFR 58). The environmental review must comply with HUD's regulations regarding the National Environmental Policy Act (NEPA). The City is required to complete and certify the proper NEPA review along with any State environmental review under California's Environmental Quality Act (CEQA). The level of environmental review is based on the type of project proposed and activities to be completed. The applicant will be informed of any additional time required for application

processing due to the NEPA review. No costs will be charged to the applicant for this process.

Compliance with Davis Bacon and related Acts is required when CDBG funding is used to pay for construction costs. This will add additional costs to projects that require CDBG funds to pay for construction. In addition, state prevailing wage may be triggered when CDBG funding is used. The Administrator will work with businesses to ensure that funded business projects are in compliance with the state and federal prevailing wage laws. Applicants will be informed of any additional time or costs or administrative work required due to the prevailing wage regulations. Any additional costs, such as wage monitoring, resulting from this regulation will be incorporated into the cost of the Program. Applicants are required to sign the Prevailing Wage Disclosure statement in **Attachment E**.

Federal and State relocation laws apply whenever there may be displacement of a person or business because of the use of CDBG funding. The City does not anticipate any displacement or relocation as a result of approved façade improvement projects.

The City is required to use CDBG Program Income (PI) first when it is operating a loan program activity under an open grant that is the same as an existing PI Revolving Loan Account (RLA) activity. The City must always use the local PI on hand in the RLA first, prior to drawing down funds from a State open grant.

All businesses who wish to receive funds under this Program will be required to obtain a number DUNS number. The Administrator will help the business obtain a DUN's number during the application process; it is free and can be obtained online. A copy of the website page with the DUN's number on it will be placed in the applicant's file and used in reports to the Department.

The City will check the federal debarred status of each business owner **and** each property owner prior to approving an application. A copy of the website search will be placed in the application file to confirm the business is not on the Federal Debarred Contractors List.

HUD also requires that the Department and the City collect certain income and demographic data from the business and any new hires resulting from the investment of CDBG funds.

Department staff must review each business assistance application for procedural compliance with federal regulations and these adopted program guidelines. The proper Department Assistance Approval Checklist must be used when sending an assistance package in for final approval. The Administrator will consult with State CDBG staff on activities where questions arise regarding compliance with Federal regulations. The Administrator will compile a file with all the micro income eligibility information. The request and recommended action

can be approved only after all Program guidelines are met. Upon review and approval of a grant package submitted by the Administrator, a formal written approval letter will be issued by the Department.

## **Confidentiality Procedures**

### **6.0 Loan Application Confidentiality**

City staff will not disclose any of the applicant's personal, confidential information as part of the grant approval process. All confidential information of businesses will only be disclosed to persons required to view the information as part of the grant review and approval process. All personal and business confidential information of Program applicants will be kept in a locked secured storage facility and not be available to persons outside of the Program. If the City or Department get a request for public records for a grant applicant then only non-confidential information, as verified by legal council, will be provided.

## **Dispute Resolution and Appeals**

### **7.0 Procedure**

Any person applying for Program assistance through CDBG has the right to appeal if their application is denied. Complaints concerning the Program should be made to the Administrator administering the Program first. If unresolved in this manner, the complaint or appeal shall be made in writing and filed with the City. The City will then schedule a meeting with the Administrator. If the applicant is not satisfied with the Administrator's decision, a request for an appeal may be filed with the local governing body. Final appeal may be filed in writing with the Department within one year after denial or the filing of the Project Notice Completion.

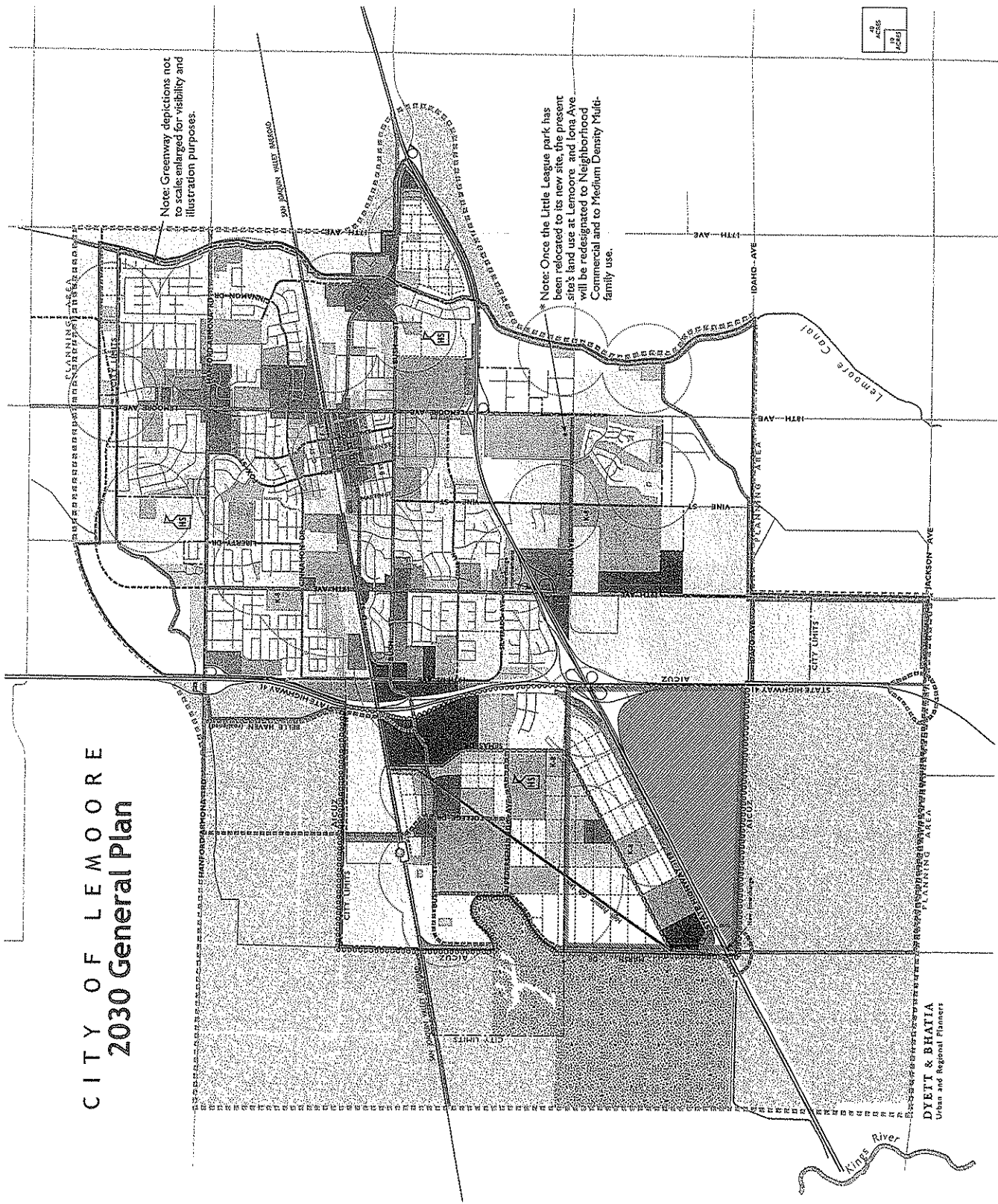
**ATTACHMENT A**

City of Lemoore 2030 General Plan Land Use Designation

# CITY OF LEMOORE 2030 General Plan

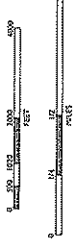
Figure 2-2  
General Plan  
Land Use Diagram

- Agriculture
- Agriculture/Rural Residential
- Very Low Density Residential
- Low Density Single Family
- Low-Medium Density Residential
- Medium Density Multi-family
- High Density Residential
- Neighborhood Commercial
- Regional Commercial
- Mixed Use
- Professional Office
- Community Facilities
- Parks & Recreation
- Greenway (including storm drainage detention basins)
- Wetlands
- Heavy Industrial
- Light Industrial
- Employment Reserve Area
- Navy's Air Respiration Compatible Use Zone (AICUZ)
- Deferred Annexation/Postponement Area
- High School Alternative Sites
- Train Station
- Parkway
- New Interchange
- Planning Area
- Urban Growth Boundary
- City Limits



Note: Greenway depictions not to scale, enlarged for visibility and illustration purposes.

Note: Once the Little League park has been relocated to its new site, the present site's land use at Lemoore and Iona Ave. will be redesignated to Neighborhood Commercial and to Medium Density Multi-family use.



Adopted May 6, 2008

DYETT & BHATIA  
Urban and Regional Planners

## ATTACHMENT B

### Income Eligibility for Microenterprise Program

The Administrator will use the following HUD approved method to determine and document income eligibility.

#### HUD Income Calculation:

The Administrator will collect copies of signed 1040 federal income tax statements from the micro business owner. The 1040 form must have been filed within the last 12 months. The adjusted gross income from the 1040 form will be used for qualification purposes. This income information will be put into the HUD income calculator on HUD's web site along with the family size <http://www.hud.gov/offices/cpd/affordablehousing/training/web/calculator/definitions/part5.cfm> to determine the gross annual income for the household. This income calculation will then be compared to the above current income limits and based on family size, income eligibility will be certified. The Department term "Targeted Income Group (TIG)" is used interchangeably with the HUD term "low/moderate income".

If 1040 Tax statements are not available then Administrator will use third party income documentation to determine household income that will be put into the HUD calculator as referenced above to certify income eligibility.

### **INCOME ELIGIBILITY LIMITS BASED ON HOUSEHOLD SIZE**

County of Kings HUD Income Limits 2009								
Household Size	1	2	3	4	5	6	7	8
Maximum Annual Income	\$31,250	\$35,700	\$40,200	\$44,650	\$48,200	\$51,800	\$55,350	\$58,950

Income eligibility must be established prior to receiving any micro business assistance. Chart will be updated annually with new HUD published limits. Income limits as of income certification date will apply. Income eligibility status is good for three years from certification date. All income documentation (1040 forms) must be in participant's file and kept confidential.

**ATTACHMENT C**

Resale Restriction and Use Agreement Containing Covenants  
Affecting Real Property

Recorded at the request of  
And when recorded, return to:

City of Lemoore  
Attn: Redevelopment Division  
119 Fox Street  
Lemoore, CA 93245

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Free Recording Government Code Section 6103

**RESALE RESTRICTION AND USE AGREEMENT  
CONTAINING COVENANTS AFFECTING REAL PROPERTY**

(Microenterprise Façade Improvement Program)

THIS AGREEMENT is made and entered into this (INSERT DATE) by and between the CITY OF LEMOORE, a public body, corporate, and politic (hereinafter "CITY"), and (INSERT PARTICIPANT) (hereinafter "PARTICIPANT"), with respect to the following:

**RECITALS**

- 1) The CITY, acting under Community Development Block Grant Standard Agreement Number 09-EDEF-5881 with the Department of Housing and Community Development, for the State of California has established a program to provide commercial building façade improvement financing assistance to microenterprise businesses (hereinafter "PROGRAM") in eligible commercial areas within the City Limits of the City of Lemoore.
- 2) PROGRAM is available to owners of eligible commercial property, as specified by the CITY, within Neighborhood Commercial, Regional Commercial, Mixed Use and/or Professional Office Land Use Designations.
- 3) PROGRAM was approved by the City Council of the City of Lemoore on November 3, 2009 to carry out the goals of the Microenterprise Façade Improvement Program and the Redevelopment Agency's Five-Year Implementation Plan (hereinafter "RDA Implementation Plan") for eligible commercial areas within the City of Lemoore.
- 4) PARTICIPANT is the owner of the real property (the "SITE") located within an eligible commercial area within the City of Lemoore whose address is (INSERT ADDRESS), LEMOORE, CA 93245.
- 5) PROPERTY has an eligible building that is currently occupied by a microenterprise business with at least one (1) year remaining on the lease.

- 6) CITY desires that the SITE and improvements thereon be maintained in a neat, clean and safe condition consistent with the goals of the PROGRAM and the RDA Implementation Plan.
  - 7) PARTICIPANT has been informed that the use of public funds in excess of \$1,000 requires that contractors pay their worker(s) "prevailing wages" as determined by the California Department of Industrial Relations.
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### AGREEMENT

NOW THEREFORE, THE PARTIES HERETO, ON BEHALF OF THEMSELVES AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, AGREE AS FOLLOWS:

- 1) CITY acknowledges that façade improvements consistent with the PROGRAM guidelines shall be satisfactorily installed on the SITE, and PARTICIPANT acknowledges the CITY'S maximum contribution in the amount of **(Insert Amount)** in loan funds (the "LOAN"). The parties hereto agree that upon completion of five years from the date of recordation of this Agreement, unless a default occurs, as defined in Paragraph 4 below, the LOAN shall be completely forgiven.
- 2) For a period of five (5) years from the date of the recordation of this Agreement, PARTICIPANT, on behalf of itself, its successors and assigns, and each successor in interest to the SITE or any part thereof, in consideration for Microenterprise Façade Improvement Program financial assistance received from the CITY, hereby covenants and agrees:
  - a) To use, devote and maintain the SITE for the uses permitted by the CITY.
  - b) To maintain the façade improvements on the SITE, including awnings or signage and other protrusions on the SITE in a clean, neat and safe condition consistent with the PROGRAM and all ordinances, resolutions and regulations of the CITY, and to keep the SITE free from graffiti and an accumulation of debris and waste materials. No changes shall be made to the façade improvements without prior approval from the CITY.
  - c) To only allow the SITE to be occupied by eligible microenterprise businesses.
  - d) To not increase the lease rate in effect at the time of application without prior approval of the CITY by more than 5% per year. No increases will be permitted within the existing lease term. Thereafter, all requests for increases more than 5% per year must be submitted to the CITY at least ninety (90) days prior to the requested effective date of such increase, along with verification of the increases of costs associated with ownership and/or maintenance of the SITE.

- e) To maintain standard fire insurance with extended coverage endorsement covering the SITE and all improvements located therein, including, without limitation, the building located thereon in an amount representing not less than the full replacement cost of all improvements located on the SITE, including, without limitation, the buildings located thereon as determined by PARTICIPANT'S insurance carrier. In addition, if the SITE is located in the FEMA-designated flood hazard zone, PARTICIPANT shall obtain and maintain flood insurance in an amount equal to the full replacement cost of all improvements located on the property, including, without limitation, any buildings located thereon as determined by PARTICIPANT'S insurance carrier. The CITY must be listed as an additional loss payee on all policies. Proof of insurance must be mailed to the following address:

City of Lemoore  
Attn: Redevelopment Division  
119 Fox Street  
Lemoore, CA 93245

- e) That there shall be no discrimination or segregation against any person, or group of persons, on the grounds of race, color, national origin, religion, sex, age or disability nor shall PARTICIPANT permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use of occupancy of tenants, lessees, subtenants, sublease, or vendees of the SITE.
- 3) PARTICIPANT consents to the recordation of this Agreement at CITY'S request.
  - 4) DEFAULT
    - a) In the event that the PARTICIPANT breaches the covenants set forth in Paragraph 2 (b) of this Agreement to keep the SITE free of graffiti or an accumulation of waste material and such default continues for a period of ten (10) days after written notice from the CITY, or in the event PARTICIPANT breaches any of the other covenants set forth in Paragraph 2 of this Agreement and such default continues for a period of thirty (30) days after written notice from the CITY, then CITY, in addition to whatever other rights or remedies the CITY may have at law or in equity, shall have the right to demand reimbursement from PARTICIPANT of the full amount of the LOAN, which demands shall be made, if at all, in writing by CITY to PARTICIPANT if PARTICIPANT has failed to cure the default specified in the 30-day notice, or 10-day notice, as applicable, of default reference above.
    - b) In the event PARTICIPANT has failed to repay CITY the full amount of the CITY Loan within thirty (30) days after PARTICIPANT had received the CITY'S written demand for payment, CITY shall have the right to pursue all available remedies at law or in equity to obtain PARTICIPANT'S payment for the amount due.

- c) Nothing herein shall prevent or preclude PARTICIPANT from appealing any determination by CITY staff to the City Council, provided that PARTICIPANT make such request for an appeal to the City Council in writing to the Clerk of the CITY no later than ten (10) days following receipt of written notice from the CITY staff. In the event of an appeal, all required deadlines will be suspended until further determination from the City Council.
- d) THE PARTIES HERETO AGREE THAT THE FULL CITY LOAN AMOUNT AS SET FORTH IN PARAGRAPH 1 CONSTITUTES ACTUAL DAMAGES THAT CITY WOULD SUFFER IN THE EVENT PARTICIPANT IS IN BREACH OF ANY OF THE COVENANTS SET FORTH IN PARAGRAPH 2 OF THIS AGREEMENT.

PARTICIPANT'S INITIALS:

CITY'S INITIALS:

\_\_\_\_\_

\_\_\_\_\_

- 5) All covenants contained in this Agreement shall be covenants running with the land, and shall, in any event, and without regard to technical classification or designation, legal or otherwise be, to the fullest extent permitted by law and equity binding for the benefit of, and in favor of, and enforceable by CITY, its successors and assigns, against PARTICIPANT, its successors and assigns to SITE, and any party in possession or occupancy of SITE, or any portion thereof, for the duration of such covenants. The covenants against discrimination shall remain in effect in perpetuity. All other covenants contained in this Agreement shall remain in effect for a five (5) year period commencing on the date of recordation of this Agreement.

In amplification and not in restriction of the provisions set forth hereinabove, it is intended and agreed that CITY shall be deemed the beneficiary of the terms and provisions, hereof, and of the covenants running with the land, for itself and for the purposes of protecting the interest of the community in whose favor and for whose benefit this Agreement and the covenants running with the land have been provided. This Agreement and the covenants shall run in favor of the CITY, without regard to whether the CITY has been, remains or is an owner of any land or interest in the SITE. The CITY shall have the right, if this Agreement or covenants are breached, to exercise all rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it or any other beneficiaries of the Agreement and covenants may be entitled.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

PARTICIPANT'S signatures must be notarized in order to complete this Agreement.

PARTICIPANT

By: \_\_\_\_\_  
Typed Name \_\_\_\_\_

CITY OF LEMOORE

By: \_\_\_\_\_  
Jeff Britz, City Manager

ACKNOWLEDGEMENT CERTIFICATE

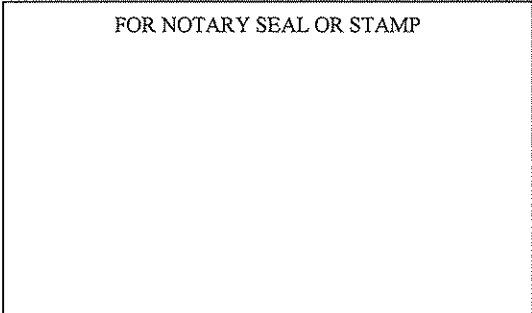
STATE OF CALIFORNIA  
COUNTY OF KINGS

On \_\_\_\_\_ before me, \_\_\_\_\_,  
Date Name and Title of Notary  
personally appeared \_\_\_\_\_  
Name (s) of Signer (s)

Who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity (ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



\_\_\_\_\_  
Signature of Notary Public

PUBLIC CITY ACKNOWLEDGEMENT

STATE OF CALIFORNIA    )  
COUNTY OF KINGS        ) ss.  
CITY OF LEMOORE         )

On \_\_\_\_\_ before me, Nanci C. O. Lima, City Clerk, personally appeared Jeff Britz, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the person or the entity upon behalf of which the person acted, executed the instrument.

I certify under the PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
Nanci C. O. Lima, City Clerk

**ATTACHMENT D**

City of Lemoore Architectural Design Guidelines

## ARTICLE D. ARCHITECTURAL DESIGN REVIEW

### 9-15D-1: PURPOSE AND APPLICATION:

The purpose of the architectural design review process is to implement architectural design guidelines within the Lemoore downtown area to avoid the ugly, inharmonious and monotonous appearance of structures and signs through the review of the design, materials, textures, colors and such other elements of construction which affect the exterior appearance of structures; to encourage originality in building design and construction in a manner which will enhance the physical appearance and attractiveness of the community; to preserve the investments in properties which exhibit tasteful consideration of the external physical appearance of the site and structures thereon; and to encourage and enhance the desirability of private investment within the surrounding area.

Architectural design review provisions of this article shall apply to any permitted use or conditional use listed within the PO, CC and CS districts in the Lemoore downtown area bounded by Lemoore Avenue to the east, B Street to the south, Hill Street to the west and the railroad tracks to the north. (Ord. 2000-09, 6-20-2000)

### 9-15D-2: ARCHITECTURAL DESIGN REVIEW COMMITTEE:

- A. **Committee Membership; Term:** The city council shall create an architectural design review committee which shall review plans and drawings as prescribed in this article. The architectural design review committee shall consist of five (5) members appointed by the mayor with concurring vote of at least two (2) other members of the city council. The architectural review committee may invite a person to serve in the capacity as technical advisor to the committee who is qualified to serve in such capacity by reason of training or experience in architecture, landscape architecture, city planning, urban design, real estate, land development, engineering or other relevant business or profession, and by reason of sound judgment, to judge the effects of a proposed development. Members of the committee appointed by the city council shall normally serve for a term of two (2) years and shall be subject to reappointment by the city council; provided that as of the effective date of the changes made to this subsection by ordinance 2009-01, the terms of such committee members shall be adjusted by the city council so that the terms of only two (2) members end each year, with the terms of the other three (3) members ending the following year. Should a member resign or be removed prior to his or her term ending, a new person shall be appointed as soon as possible to fulfill the remainder of the term. (Ord. 2009-08, 7-21-2009)
- B. **Meetings:** The architectural design review committee shall meet as needed at a time to be designated by the chairperson of the committee.
1. If any committee member appointed by the city council should be absent for two (2) meetings of the committee in any calendar year, the committee chairperson will notify the council and the member, in writing, and advise that the member be replaced.

C. Officers Election: A chairperson and vice chairperson shall be elected annually from among the committee membership at the first meeting held in each calendar year to serve at the pleasure of the committee.

D. Responsibilities And Powers Of Officers:

1. The chairperson will preside at all meetings of the committee and will have such other duties, responsibilities and powers as the city council may direct from time to time.
2. The vice chairperson, during the absence, disability or disqualification of the chairperson, shall exercise or perform all the duties and be subject to all the responsibilities of the chairperson.

E. Public Meetings: All meetings shall be held in full compliance with the applicable provisions of state law, this code and ordinances of the city.

F. Agendas: An agenda for each meeting of the committee shall be prepared by the planning department staff and posted in compliance with the Ralph M. Brown act (California Government Code sections 54950 et seq.).

G. Voting Requirements:

1. A quorum of the committee shall consist of three (3) members.
2. The affirmative vote of a majority of the committee members present at a duly called and convened meeting is necessary for the committee to take action.
3. The chairperson shall vote last. (Ord. 2009-01, 1-20-2009)

**9-15D-3: REQUIRED ARCHITECTURAL DESIGN REVIEW:**

Architectural design review is required for building and site improvements, alterations, and other work within the downtown area, as described in subsection 9-14-4-4N of this title, as follows:

- A. Any new buildings or new exterior site improvements, provided that facade or site work shall be governed by subsection B of this section.
- B. Any existing use of the site or building for which exterior remodeling proposes to alter more than fifty percent (50%) of the building facade (including exterior surface improvements

such as sandblasting, veneer and stucco surfacing) or the site.

- C. Painting/altering of artwork, mural, or building facade in a color which is not in conformance with the historical color palette adopted by the architectural design review committee.
- D. Any maintenance is not subject to review (such as repainting the existing building with like color, reroofing, resurfacing parking lot, etc.).

New signage in conformity with the historical color palette adopted by the architectural design review committee is not subject to architectural design review, but is subject to the criteria outlined in the design guidelines. A sign application shall be submitted and administratively reviewed and approved by the planning department.

Repainting of buildings within the approved color palette shall not be subject to approval or review. The color palette is available at the planning department. (Ord. 2009-01, 1-20-2009)

#### **9-15D-4: DESIGN REVIEW PROCEDURE:**

- A. **Submission Of Drawings:** In addition to the drawings required under subsection 9-15C-3B of this chapter, the following drawings shall be submitted to the community development department at the time of or prior to the submission of drawings required for site plan review; provided, however, that architectural design review drawings need not be submitted prior to the approval of a conditional use permit or amendment to this title:
  - 1. Architectural drawings or sketches, drawn to scale, showing all elevations of the proposed structures as they will appear upon completion of construction. All exterior surfacing materials and colors shall be specified.
  - 2. Scale drawings of all signs that are subject to architectural review showing size, location, material, colors and illumination, if any.

The architectural design review committee may require additional information if necessary to carry out the purposes of this article, or may authorize the omission of any or all of the drawings required by this subsection if they are not necessary.

- B. **Review And Recommendation By Community Development Department:** The department shall check all drawings submitted for architectural design review for compliance with applicable provisions of this title and shall submit the drawings to the architectural design review committee.
- C. **Committee Action:** The architectural design review committee shall meet, review and act on

architectural design review applications within twenty (20) days from the date the application is determined as complete by the department. The committee may approve, require modifications to or deny the application if found not in compliance with the architectural design guidelines.

D. Appeal: If the applicant is not satisfied with the committee's decision, he or she may file within fifteen (15) days of the committee's decision, a written appeal with the city clerk stating reasons for appeal.

E. Council Action On Appeal: The council shall consider and act on the appeal at a regular meeting at least ten (10) days after the filing of the written appeal with the city clerk.

F. Conduct Of Architectural Design Review: Architectural design review shall be conducted in accordance with guidelines set forth in the report entitled "Lemoore Downtown: Architectural Guidelines" adopted by the city, dated May 22, 1996, or as such guidelines may hereafter be amended by the city, and in accordance with other applicable provisions of this article. (Ord. 2000-09, 6-20-2000)

## ATTACHMENT E

### Prevailing Wage Disclosure

Compliance with Davis Bacon and related Acts is required when CDBG funding is used to pay for construction costs. State prevailing wage rates may be triggered when CDBG funding is used. In addition, California Redevelopment Law requires that contractors pay their workers "prevailing wages" when a project is paid for in whole or in part out of public funds. Prevailing wages refer to the wage rates published by California's Department of Industrial Relations, which set the minimum wage rates payable by craft and classification of work to construction workers. The purpose of prevailing wages is to ensure that the workers are paid the generally prevailing rate of wages for their work in the locale where the work is performed. In addition, setting minimum wage rates for all contractors keeps local contractors competitive in the bidding process.

I have read the "Prevailing Wage Disclosure" and agree to the payment of prevailing wages to workers during the construction of the façade improvement project.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

For more information regarding Prevailing Wage, go to:  
[www.dir.ca.gov/dlsr/PWD/index.htm](http://www.dir.ca.gov/dlsr/PWD/index.htm)