

Lemoore Redevelopment Agency Commercial Facade Improvement Program Guidelines

Statement of Purpose

The Lemoore Redevelopment Agency (“Agency”) Commercial Facade Improvement Forgivable Loan Program (“Program”) is a tool to be used in the revitalization of certain targeted commercial areas within the Redevelopment Project Area. The Agency wishes to improve the visual appearance of the areas, thereby increasing its attractiveness to customers and potential new businesses. This Program is intended to encourage owners and/or tenants (“Participants”) to improve their building’s facades and also to produce a high level of quality design and workmanship.

Goal of Program

- ✓ **Improvement of visual quality of the buildings and streetscape**
- ✓ **Preservation of the uniqueness and historic fabric of the area**
- ✓ **Enhancement and restoration of buildings to create attraction for new businesses**
- ✓ **Restoration of the economic vitality and investment confidence**
- ✓ **Achievement of a high standard of design for individual buildings**
- ✓ **Usage of high quality materials and workmanship on building façades**

Funding Source

Redevelopment Funds are provided within the Redevelopment Project Area, which are used in accordance with California Redevelopment Law.

Loan Description

The Agency will offer matching funds to Participants located within the Redevelopment Project Area for the improvement of the building facade. The Program will be in the form of a five-year, zero-interest, forgivable loan with the Agency contributing a maximum of \$1,000 per lineal foot of storefront up to \$50,000. The Participant must contribute a minimum of 25 percent of the total project cost. Any costs in excess of these amounts will be the sole responsibility of the Participant. Each application will be separately reviewed. The Agency reserves the right to determine which improvements, if any, to disallow.

Definitions

Facade – the entire front surface of a building from grade to the roofline
(especially a decorative one)

Street Frontage – the length of a building parallel to or facing a public street or galleria

Eligible Locations

The Agency has designated commercial buildings located in the Redevelopment Project Area.

Eligible Participants

1. The Participant must be an owner of the building or a tenant on the ground floor of an eligible building. Application must be signed by all legal property and/or business owner(s) or a legal power of attorney document must be submitted with application. If the storefront is vacant, the property owner may be the sole applicant.
2. Priority will be given to properties with the greatest need of exterior improvements. The Agency has sole discretion in determining which properties have the greatest need of exterior improvements.
3. The Participant must be able to provide their portion of project costs either through the use of their own funds or through the use of private loans. To ensure participant financial eligibility, a deposit of \$3,000 is required upon initial approval of building eligibility. These funds will be held until the remainder of the 25% match has been paid by the participant. Should the participant rescind his/her interest in the façade program; the deposit will be refunded less any fees already paid by the Agency (i.e., licensed architect and design review fees).

Eligible Buildings

To be eligible, a building must be

- In compliance with all state and local codes and ordinances.
- Structurally sound with no health or safety violations.

~ Buildings with multiple ground floor storefronts/businesses are eligible for more than one grant, pending funding availability. ~

Eligible Fees/Costs

To further enhance the attractiveness of the program, the Agency is allowing Building Department and Planning Department fees, (i.e., electrical, plumbing, encroachment, building permit fees, sign applications) as eligible costs and may be included in the loan. Out of pocket cost is not required for Downtown Architectural Design Review fees. These fees will be paid 100% by the Agency.

The Agency is also granting an additional \$3,000 to projects utilizing the design services of a licensed architect for each façade project. Any other approved out-of-pocket expenses in excess of the \$3,000 that is paid by the participant for design services would be applied to the 25% match.

Eligible Improvements

All eligible facade improvements must be consistent with the goals of the Program, the land use element of the Redevelopment Agency Five-Year Implementation Plan ("RDA Implementation Plan"), all applicable zoning and building codes, and City architectural design standards. Each project must be reviewed and approved by the Redevelopment Agency.

Eligible improvements include, but are not limited to, improvements that add to the uniqueness or historic fabric of the building and improvements that conform to the RDA Implementation Plan, such as:

- Painting of building façade is required as the first improvement under the Program unless painted within the last year. (*Sides permitted if visible from street, rear permitted if building has a rear customer entrance.*)
- Signage, awnings, or exterior lighting
- Repair/replacement of doors or windows visible from public view
- Tile, edge treatments, and other facade improvements approved by the Agency

Ineligible Improvements

Ineligible improvements include, but are not limited to, improvements that take away from the uniqueness or historic fabric of the building, and improvements that do not conform to the RDA Implementation Plan, such as:

Maintenance (*i.e. roofing, paving, etc.*)
Security systems
Structural upgrades

Program Components

The applicant is responsible for obtaining three written bids for services.

The applicant selects the lowest bidding contractor or a local contractor whose bid is within 10% of the lowest bidding contractor. **A local contractor is defined as any licensed contractor with a physical presence/address in Kings County.**

All work must be conducted by contractors licensed by the State of California and who have a City of Lemoore business license. The applicant is responsible for completing any agreement with the contractor to carryout the work.

Once the bid is accepted, the amount to be paid by the Redevelopment Agency cannot be changed; therefore, change orders will not be accepted. Payment will be made only to the contractor(s) that received the winning bids.

Evidence of owner's 25 percent match expenses, on completed work, must be demonstrated prior to Agency's payment. (i.e. copy of cancelled check and proof of payment from contractor).

Loan proceeds will be disbursed as invoices are submitted, approved by Agency staff and evidence of 25% match has been expended. Participant must stay within the parameters of the original proposal in order to receive payment of Loan monies. All payment requests will be paid directly to the contractor within 45 working days after submittal. Direct reimbursement to the applicant is available only with the submittal of an invoice showing payment and a copy of the cancelled check or credit card statement. Construction shall be completed within 120 days after the Notice to Proceed. If the project extends beyond the scheduled completion date, prior Agency staff approval is required.

Labor costs are subject to review and approval by Agency staff. Projects in excess of \$1,000.00 will impose prevailing wage requirements found in the California Labor Code. Prevailing wage applies to both the Agency and the applicant's share of the project funding. For more information regarding Prevailing Wage, go to: www.dir.ca.gov/dlsr/PWD/index.htm

Process

Participants may obtain an application packet from the Agency. Once application is complete, submit application packet to the Agency along with required documentation. Participants must obtain all necessary Agency/City approvals. Redevelopment staff will assist the Participants in obtaining approvals. *This initial approval process will be completed within 30 days.* After notification, you are given 60 days to submit facade designs. Staff has 10 days to review your design. If changes are required, you have 20 days to submit your revised design. Within 30 days of design approval, you are required to obtain three written proposals from licensed contractors. All paint colors (exact paint numbers are required) and other materials must be approved prior to starting work.

In order to be reimbursed, participants must submit invoices and evidence of 25% matching expenditures on completed work. Thereafter, invoices will be paid by RDA up to 75% of the allowed expenses with a maximum contribution of \$50,000, less 10% retainage. Funds will be disbursed to the Participant and the project contractor(s) upon written authorization of Participant and the Lemoore Redevelopment Agency. Participant is responsible for all other costs. Upon project completion, remaining 10% will be disbursed. *(Please refer to attached "How-To Checklist.")*

Agreement

The Participant must sign a Commercial Facade Improvement Loan Program Agreement and Agreement Containing Covenants Affecting Real Property ("Agreement"). This Agreement will be legally recorded at the Kings County Recorders Office and shall remain in effect for a period of five (5) years. At the end of the five (5) year period, the loan will be completely forgiven and the Agreement released.

In signing this Agreement, the Participant is agreeing that in addition to the other remedies which the Agency or the City of Lemoore ("City") may have to enforce the covenants and agreements contained in Paragraph (2) of the Agreement, the Agency, and the City is granted a right to demand, in writing, **the repayment of the full amount of the Agency Loan plus 5% interest in the event that the Participant ceases or fails to protect, maintain, and preserve the facade improvements for a period of five (5) years** from and after the effective date of the Agreement.

**Lemoore Redevelopment Agency
Commercial Façade Improvement Program
How-To Checklist**

- Step 1 Review the Program Guidelines, complete the Program Application and submit it to the Redevelopment Agency. Please note that if you are a tenant, you must receive permission from the property owner who will also be required to sign the application.
- Step 2 Agency Staff will review applications and buildings to determine initial eligibility. Applicants who meet initial eligibility requirements will meet with Agency staff to review the Program Guidelines, as well as other applicable City requirements (\$3,000 deposit, design review, sign applications, etc.).
- Step 3 At this time, you will be notified how to proceed with the design process. Depending on the complexity of your project, you will either work with staff or use a licensed designer, contractor or architect to sketch a façade design, identify the scope of work, detailed specifications required to complete the design and provide a written cost estimate of the improvements. The specifications should be detailed indicating, the exact model numbers of products to be used, the name of paint colors to be used, etc.
- Step 4 When the façade design and scope of work are completed, they must be submitted to the Lemoore Redevelopment Agency along with the cost estimate for review and approval.
- Step 5 Once your design is approved by the Redevelopment Agency and other applicable departments, you will be notified by mail to proceed. You will be required to obtain written proposals from three contractors licensed by the Contractors State License Board. The proposals must be detailed and include all design specifications and any items needed for the work to be completed according to code. The contractors must contact the Building Department at 924-6730 to see if a permit is required for any of the work. If a permit is required, the cost must be included in the proposal.
- Step 6 The proposals will be reviewed by staff and a contractor will be selected. An Agreement will be recorded against the property and then work may begin. It is your responsibility to oversee all aspects of the improvement process. Once work is completed, applicant must submit all invoices and evidence of payment for 25% of project costs. The remaining expenses up to 75% of the approved project costs (not to exceed \$50,000) will be paid by the Agency. Participant is responsible for all other costs.

If you have any questions regarding this program or need further assistance, please contact
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119 Fox Street
924-6701