

**SHERBURN EDA
COMMERCIAL FAÇADE REHABILITATION/IMPROVEMENT PROGRAM
PROCEDURAL GUIDE**

The Sherburn Economic Development Authority Façade Rehabilitation Improvement Program will provide assistance to Sherburn Businesses for the rehabilitation of their place of business. The Sherburn EDA has the direct administrative oversight of the Commercial Rehab Program. Assistance from this program will be provided to eligible applicants for the rehabilitation/improvement of commercial facades. The methods of program distribution and eligibility criteria are incorporated in this procedural guide.

I. ELIGIBLE PROPERTIES

Commercial Façade Rehab Funds (CFRF) will be used to improve properties that meet the following criteria. Work that does not comply with the eligibility requirements is subject to reduction or retraction of award.

- A. Commercial property to be improved must be located within Sherburn City limits.
- B. The property must be a permanent structure.
- C. Must be feasible for rehabilitation (see definitions)
- D. Improvements of the commercial and mixed-use structures must be approved by the Sherburn EDA. Buildings in the historical district will have an emphasis on preserving original building character.

II. INELIGIBLE PROPERTIES

The following types of property are not eligible for the Commercial Façade Rehabilitation Program:

- A. Tax Delinquent property
- B. Property in litigation
- C. Property in condemnation or receivership
- D. No property that meets the definition of dilapidated (see definitions)
- E. Tax-exempt Buildings
- F. Uninsured buildings
- G. Non Commercial Property
- H. National Franchises or Retail Chain Stores

III. DEFINITIONS

The property to be rehabilitated must be considered suitable for rehab under the local definition. The local definitions are as follows:

- A. Standard. All major systems and building components function adequately.
- B. Substandard. 2 or more major building systems or components not functioning adequately.
- C. Dilapidated. Several major building components functioning inadequately.

- D. Suitable for Rehab. All major systems and components will be functioning adequately upon completion of the improvements. Upon completion of rehab, unit will be determined as standard.

IV. ELIGIBLE IMPROVEMENTS

Improvements made with Commercial Rehab Funds shall satisfy the following requirements:

- A. Commercial Façade Rehab funds may only be used to fund facade improvements
- B. All work must be done on a street facing side of an existing building or on the side of primary entrance.
- C. All work must be done on the exterior of the building and result in a publicly visible improvement.
- D. Only work/improvements begun **after** approval by the Façade Grant Committee will be eligible for a grant.
- E. All work must comply with EDA Façade Grant Program's design guidelines.

V. INELIGIBLE COSTS

The following lists of items are examples of what cannot be funded with Commercial Façade Rehab funds as part of the Rehab Program. Ineligible improvements include, but are not limited to:

- A. Commercial Façade Rehab funds shall not be used in whole or in part to finance or to satisfy any existing debt.
- B. Assessments for public improvements
- C. Interior improvements
- D. Improvements begun prior to the date of the program application
- E. Work on the rear or roof of the building
- F. Routine maintenance such as painting, masonry, fencing, and lighting has to be part of a larger renovation project

VI. DESIGN GUIDELINES

1. Exterior improvements and building preservation.

- A. **Exterior emphasis.** Exterior facade improvement includes masonry cleaning or painting, window repair or replacement, entryway remodeling, signage, removal of non-original materials such as aluminum sheeting, and restoration of the building's original appearance.
- B. **Preserving original building character.** Maintain the original form, integrity, historic character and distinguished materials of a building or site, avoid alterations that have no historical basis and seek to recreate an earlier era, or that promote a stylistic cliché, such as rustic, "western," "colonial," etc. Also avoid visual impact on facades by air conditioner vents, etc.

When repointing mortar joints, duplicate existing mortar in composition, color, texture, joint size, tooling pattern and joint profile as much as possible.

Repair rather than replace deteriorated architectural features when ever possible. If replacement is necessary, match the new material in composition, design, color, texture, etc., to the original material. Base repair or replacement of missing architectural features on historically accurate duplications.

C. **Building color.** Must be approved by the Sherburn EDA.

- I. Body color for exterior wall surfaces.
- II. A second color to highlight the structural of the storefront, and the same or similar color for frames and trim outlining openings and panels.
- III. Accent colors for special details such as stamped and relieve rosettes, cornice or eaves details, medallions and perhaps the front.

2. Doors, windows and display areas.

- A. **Entrance.** Restore original proportions and design to entryway and door. Use appropriately sized and designed solid hardwood doors or insulated steel doors rather than aluminum. Whenever possible, provide for handicapped access with a sloped walk to the entrance rather than steps and a door that is easy to open.
- B. **Windows and window display areas.** When possible, design window display areas to allow daylight to penetrate into the shop and to allow a view to the interior from the street.

3. Signs and awnings.

- A. Situate signboards in a specifically designated spot between the storefront and the upper story.
- B. For awnings, use canvas that is either retractable or stationary. Awning color should coordinate with building color, avoiding glossy or loud patterns. Use suggested color scheme.

4. Fencing.

Privacy fencing for the things you can't escape having behind or beside the business building but would look better behind a privacy fence. e.g. Appliances, barrels, trash receptacles.

VII. REQUIRED MATERIALS FOR APPLICATION

Application packages must include enough documentation to illustrate the visual impact of the project and its costs. Failure to provide required information will delay the review process. The items submitted should include:

- A. A completed application form
- B. Written consent from property owner giving permission to conduct façade improvements
- C. Color photographs of existing conditions
- D. Written description or examples of materials and colors to be used
- E. Any other documentation necessary to illustrate the visual impact of the proposed project completion schedule
- F. Owners or merchants who are in contracting business and intend to perform work on their own property must furnish at least one proposal other than their own to be done
- G. Owners may perform work on their own buildings; however, they will not be reimbursed for their time while acting as contractor and/or installing material. Material costs and labor of employees are reimbursable; however, documentation must be produced for the number of hours worked on the project by the employees.

VIII. APPLICATION REVIEW

Staff will determine if the application package that is submitted is sufficiently complete to review, and will draft a recommendation to the Façade Grant Committee.

The EDA meets once a month. The application package is expected at least one week prior to a meeting.

The application package will be reviewed by the Sherburn EDA to determine whether the project should receive a grant and determine the amount of the award. In making the determination, the committee will consider the following factors and may give priority to projects that meet the following criteria:

- A. Applications will be received on a first-come, first served basis starting from the date at which the first interested party contacts the EDA Director
- B. Applicants will be selected upon the selected upon the eligibility guidelines as previously defined in this procedural guide.
- C. Is the project in a historic district or is it in an individually eligible historic district?
- D. Will the project positively contribute to the city's assisted redevelopment effort?
- E. Will the project improve a blighting influence?
- F. Will the project substantially leverage more investments than the required matching amount of the grant?
- G. Will the grant result in an improvement that would not be made otherwise?
- H. Does the project comply with the EDA's Façade Rehabilitation Program's guidelines?

IX. ELIGIBLE RECIPIENTS

- A. The recipients must individually or in the aggregate have at least (1) a life estate or (2) a one-third interest in the fee title or (3) a one-third interest as purchaser in a contract for deed with respect to the structure to be improved.
- B. All individuals having an ownership interest in such structure must join in the application including contract holders. In the event of a life estate, at least one-third of the said parties must join in the application.

X. PROJECT FUNDING

The following types of assistance will be available to eligible property owners:

- A. Maximum Commercial Façade Rehab Funding - The maximum amount of Commercial Façade Rehab funds that may be used on a commercial structure is \$500.00. Based on the program guidelines, the Program Administrator may recommend for EDA approval a larger sum on corner lots and on buildings covering more than the equivalent of two city lots.
- B. The project financing formula for eligible property owners with eligible properties is as follows:

Grant 50% match (maximum \$ 500.00)	50%
Non CFRP Financing	<u>50%</u>
TOTAL	100%

- C. No Commercial Façade Rehabilitation funds will be invested in a structure that is determined by the Building Inspector to be in a dilapidated condition.
- D. Where the cost of legitimate and necessary rehabilitation work exceeds the \$500.00 CFRP funding limit, the property owner will be responsible for securing the private financing needed in addition to Commercial Facade Rehab funds and other program funds available.
- E. Invoices must be submitted upon completion of the façade projects prior to receiving the grant funds for the project.
- F. Staff will inspect work to ensure that it complies with the approved plans. Any changes to the approved plan will require a written request from the applicant and approval by the Sherburn EDA in order to retain the grant.

XI. AWARD REIMBURSEMENT

The Sherburn EDA reserves the right to refuse reimbursements in whole or in part for work that:

- A. Does not conform to the program design guidelines
- B. Does not conform to the proposals submitted with your application and authorized by the Sherburn EDA
- C. Are not commensurate with the workmanship and cost customary to the industry
- D. If the project has not begun within ninety (90) days of application approval. Requests for extensions will be considered only if made in writing and progress on the project has been demonstrated. Extension requests will be considered on a case by case basis.
- E. If the project has not been completed within one (1) year of approval. Since the EDA cannot reserve funds indefinitely, your grant may be subject to cancellation if not completed or significant progress has not been made by the completion date.

XII. REQUIRED MATERIALS TO BE REIMBURSED

Reimbursement can be expected in approximately three (3) to six (6) weeks after all of the following documentation has been submitted:

- A. Copies of all paid invoices, canceled checks, and/or bank statements for all façade work covered by grant. These must equal at least the required matching amount. All project expenditures must be paid by check. The invoices must be marked paid, signed, and dated by the contractors. Cash payments are not accepted.
- B. Lien waivers cannot be substituted for canceled checks or bank statements
- C. Color photographs of completed project

XIII. REPAYMENT OF GRANT

That if Commercial Façade Rehab funds are used for purposes other than an eligible improvement upon an eligible property, or if the application is found to contain a material misstatement of fact, than the recipient of the Façade Rehabilitation Grant shall be liable for 100 percent immediate repayment of the Façade Rehab grant.

XIV. APPLICATION AND SELECTION

- A. Applications will be received on a first-come, first-served basis starting from the date at which the first interested party contacts the program administrator.
- B. Applicants will be selected upon the eligibility guidelines as previously defined in this procedural guide.
- C. Applicants must submit a detailed design plan of façade improvement including the color scheme.

XV. AMENDMENTS

These procedural guidelines may be amended in whole or in part or supplemented by the EDA as deemed appropriate and/or needed and will be effective on the date of issue.

Adopted by the Sherburn Economic Development Authority the 3rd day of February 2015.

**City of Sherburn, Minnesota
Commercial Façade Rehab/Improvement Application**

Business Name: _____

Business Address: _____

City: _____ State: _____ Zip: _____

Daytime Phone: _____ Evening Phone: _____

Project Costs: \$ _____

Amount of assistance requested: \$ _____
(50% of Total Project Costs- maximum \$ 500.00)

Projected start date: _____ Projected completion date: _____

PROJECT INFORMATION

*Please attach a detailed description of the proposed project including color scheme.
Be specific.*

Estimated Costs (please itemize)	Financing Sources (please itemize)
_____ \$ _____	_____ \$ _____
_____ \$ _____	_____ \$ _____
_____ \$ _____	_____ \$ _____
_____ \$ _____	_____ \$ _____
_____ \$ _____	_____ \$ _____
_____ \$ _____	_____ \$ _____
Total Costs \$ _____	Total Funds \$ _____

OFFICE STAFF ONLY

Application Date:	Approval Date:
Amount:	Signature:

Any person(s) who makes a false statement or misrepresentation in connection with the application for or use of the EDA Commercial Façade Rehab Improvement Funds shall be subject to a fine and may be required to return all or part of the grant funds to the Sherburn Economic Development Authority.

I, the undersigned, certify subject to penalty under the law that all the above information is true and correct to the best of my knowledge and belief, and that the provisions stated above are accepted and agreed to. I understand that I will make the final selection of the improvements to be made with the grant proceeds based on the design submitted to the EDA, and that the contract for the improvements will be solely between the contractor and me; and that the Sherburn EDA will not be liable for any inadequate performance of the improvements by my contractor. I have read the façade grant program, the design guidelines. I understand that if the proposal is approved, I will make the above improvements to the property within the time allowed.

Signature

Date