

CITY OF POCA TELLO

FACADE IMPROVEMENT PROGRAM

10/16/03

Neighborhood & Community Services Division
Manager is available to help develop projects,
prepare loan packages and discuss available
programs. Call 234-6188 or stop by the office at
911 No. 7th Avenue.

*This program was first made possible through Community Development
Block Grant Program funding and is administered by the City's Planning
& Development Services Department.*

Content consists of:

1. Programs
2. Eligible Areas
3. Eligible Improvements
4. Required Improvements
5. Design Guidelines
6. Bids
7. Approval of Work
8. Disbursement
9. Security
10. Property Taxes, Special Assessments, Existing Debt Payments
11. Permanent Displacement
12. Other Project Requirements
13. Application Process

1. PROGRAMS

Subject to funding availability, three Facade Improvement Programs are available to assist in the rehabilitation of buildings within the Business Improvement District and subject to review and approval of the City's Credit Committee, in the designated warehouse historic district of the City. An applicant may take advantage of the programs independently or combine them into one project. The maximum loan and/or grant amount for an approved project is \$50,000.

- a. Sign/Awning Grant: New signs and awnings are eligible for grant funds under a 50 percent grant/50 percent owner financing program. Maximum grant amount for signs is \$500 and maximum grant amount for awnings is \$50 per lineal foot of awning up to a maximum of \$1,500. All signs and awnings must be reviewed and approved by the Pocatello Historic Preservation Commission, whether or not the property is located in the Historic District. Signs identifying businesses for less than 12 months will require repayment of grant funds. Awnings will become permanent fixtures of buildings for a minimum of five years and may contain signage on a detachable valance only. Awning frames and coverings damaged during the five-year period shall be promptly repaired/replaced at owner's cost. The grant funds may not be used on a building facade from which identified historic signs* have been removed. All intrusive elements (nonconforming signs, false building fronts and coverings, unused utilities, etc.) shall be removed from a facade for which grant funds are used.

*Signs identified in the 1992 Historic Sign Survey.

- b. Intrusive Element Removal Grant: Grant funds are available to cover 50 percent of cost for removal of intrusive elements (nonconforming signs, false building fronts and coverings, unused utilities, etc.). The intrusive element removal project must be part of an overall facade improvement project that must be completed within 12 months.

- c. Facade Improvement Loan: Funds are available in the form of a loan at 1 percent below current commercial market rate as verified by local financial institutions (at the time of loan approval) subject to the following repayment terms:

80% Facade Improvement Loan Program
20% Owner Cash
1-year Payment Deferral of Principal and Interest
5-year Payback Period

Loan amounts for the main or primary façade's first two stories will be based on \$12,000 per thirty (30) feet of building frontage (\$400/linear foot). Smaller/larger frontages will be prorated based on \$400 per linear foot. In addition to the main facade, a building located on a street or alley corner may be allowed facade improvement funds for the side or secondary facade at a rate of 50 percent of main facade (\$200 per secondary frontage linear foot). Each additional story (three and above) of both the primary and secondary frontages may be allowed funds at a rate of 25% of the main façade (\$100 per upper-story frontage lineal foot). Buildings between Main Street and Union Pacific Avenue are eligible for facade improvement loan funds to improve the Union Pacific Avenue building frontages at the same 50% rate as for side or secondary frontages of street corner buildings. Any Union Pacific Avenue frontage facade projects shall include, at a minimum, the removal of all dead utility service lines and equipment and the relocation of working utility service lines when feasible.

2. ELIGIBLE AREAS

Owners of property located within the area known as the Business Improvement District are eligible to make application for assistance (see BID map). This area has been found to be in need of revitalization and strengthening to ensure that it will contribute to the economic and social well-being of the City. Furthermore, due to the age of the commercial buildings and the identification of the area as an Urban Renewal and tax increment financing district, the City Council has authorized additional investment opportunities to further development and improvements for this area. Additionally, subject to review and approval of the City's Credit Committee, projects within the designated Warehouse Historic District may also be considered (see attached map).

3. ELIGIBLE IMPROVEMENTS

Cost eligible items for the Facade Improvement Program will include all costs directly attributable to the improvement of the first or principal facade (other street or alley corner facades may be considered). The loan may also be used to cover labor, materials, architectural and engineering or architectural services. Examples of acceptable hard costs are: masonry cleaning, cornice restoration, removal of secondary siding, exterior painting, canopies and window awnings, repair of gutters and rain spouts, removal of fire escapes and old signs, removal and relocation of exterior utility services and installation of new signs which are compatible with the building and enhance pedestrian orientation to the area.

4. REQUIRED IMPROVEMENTS

Participants in any of the ~~Downtown~~ Facade Improvement Programs must make all exterior building/safety improvements necessary to comply with applicable Building Department requirements and minimum maintenance requirements set forth by the Historic Preservation Commission and the Pocatello Municipal Code, including removal of exterior non-functioning utility services.

- Code Compliance--all items to meet current Building Code safety standards;
- Windows--in place, glazed, trim completed and painted;
- Doors--operable, matching store front;
- Woodwork--sound, primed and painted, no missing pieces;
- Masonry--sound, intact, joints tuck-pointed, stripped, sealed and/or painted with approved materials, broken or missing units replaced;
- Missing items shall be replaced and all components shall be securely and appropriately affixed;
- All surfaces shall be sealed to prevent moisture from entering into building materials.

5. DESIGN GUIDELINES

All project designs must ~~will~~ be reviewed by the Pocatello Historic Preservation Commission (PHPC) following their established design guidelines, and receive a Certificate of Appropriateness. Projects for buildings located in the designated Downtown Historic District or identified as "significant" on any historic survey shall meet the Secretary of Interior's Standards for Rehabilitation (see Section 17)¹. For projects on buildings outside the Historic District, the City will apply the following design standards:

- a. The street level of facades should be "pedestrian friendly", with abundant windows, inviting entrances and canopies or awnings sheltering the sidewalk.
- b. Rehabilitation or remodeling projects should not ignore upper stories of buildings, taking them into account both in maintenance and design. Screening whole facades will not be a cost eligible item.
- c. Design for individual buildings should take into account the surrounding structures, seeking ~~and~~ to preserve elements that link buildings within a block, such as height, cornices, window patterns or materials.

6. BIDS

Once there is a final proposed scope of work that the Historic Preservation Commission Design Review Committee has approved, the applicant can obtain at least two qualified bids. One of the bids may be from the borrower if the borrower is a licensed contractor. Bid forms must be preapproved by the Neighborhood & Community Services Division Manager.

¹ This program is not related in any way to the federal tax credit incentives available through the Tax Reform Act of 1986. Owners interested in the federal tax credit program should contact the State Historic Preservation Office of the Idaho Historical Society, 210 Main Street, Boise, Idaho 83702, phone (208) 334-3847.

7. APPROVAL OF WORK

The City shall have the final authority to determine the eligibility or ineligibility of all proposed work. The City will require that all applicable City, State and Federal codes and requirements be met including securing the appropriate permits for the project work.

Once the loan is approved by the Credit Committee and the interest rate determined, loan documents will be executed including a Deed of Trust and a construction contract will be prepared and executed between the owner and contractor. After the Loan Agreement and construction contracts have been completed, a preconstruction conference will be held at the earliest time possible with the Neighborhood & Community Services Division Manager, construction contractor and borrower. The purpose of the preconstruction conference is to review reporting requirements and to identify and resolve any problems before the project starts.

Work may begin only after the "Notice to Proceed" has been issued. Progress inspections can be required and loan disbursements will be made based on the percentage of project completion. Owner's funds will be used first.

A 10% contingency will be withheld until project completion.

8. DISBURSEMENT

City loan funds will be disbursed after all private matching funds have been expended as shown by original receipts presented to the City and only for work which has been satisfactorily completed as specified in the Contract.

9. SECURITY

All Facade Improvement Loans will be secured by liens on the subject property. Security will be taken in the form of a Deed of Trust. The post-City loan debt to value ratio on the building may not exceed 100% of the county's assessed valuation, unless supported by an appraisal from a City-approved appraiser. In rare instances, the City will secure the lien on another property owned by the borrower within the City limits.

10. PROPERTY TAXES, SPECIAL ASSESSMENTS

No financial assistance will be provided from the Façade Improvement Program if property taxes or special assessments are in arrears.

11. PERMANENT DISPLACEMENT

No financial assistance will be provided if the project involves the permanent and involuntary displacement of tenants unless the applicant agrees to provide financial assistance to the tenants at levels consistent with the Federal Relocation and Real Property Acquisition Act, as amended, and furnishes proof that he is doing so. Such assistance granted will not, however, be counted in the private matching funds requirement. Costs for temporary relocation will be allowable as a project cost.

12. OTHER PROJECT REQUIREMENTS

- a. Lead-Based Paint Prohibition: The use of lead-based paint in facade projects is prohibited.
- b. Historic Preservation Review: Any building over 45 years old that is listed on or eligible for the National Register of Historic Places (NRHP), or is NRHP-listed or eligible, must undergo scrutiny by the City's Historic Preservation Commission and State Historical Society to determine if the proposed work would have an effect on the historic resource. At a minimum, all work on historic buildings, whether in the Downtown Historic District or elsewhere must meet the Secretary of Interior's Standards for Rehabilitation. In addition, exterior work on structures will be subject to review by the Historic Preservation Commission before a building permit can be issued.
- c. Equal Employment Opportunity: The borrower shall comply with all applicable provisions of federal statutes and regulations concerning equal employment opportunities for persons engaged in rehabilitation work undertaken in connection with program assistance.
- d. Permit Requirement: The borrower will be responsible for securing all required construction permits from the City Building Department and must present all Certificate(s) of Appropriateness and an Occupancy Permit prior to full disbursement of program funds for work upon which a permit was required.
- e. Inspection: The borrower shall permit inspection of the property of the City for compliance with all City Codes and ordinances and such other inspections deemed necessary in connection with the property, the rehabilitation work, and all contracts, materials, equipment, machinery, fixtures, payrolls and conditions of employment pertaining to work.
- f. Eligible Contractors: The borrower shall award contracts for work only to contractors who are currently licensed in the construction profession and should be able to demonstrate their ability to complete the necessary work. Contractors must also show evidence of adequate liability and workman's compensation. Lien releases are to be signed by the contractor and filed with the City prior to final disbursement.
- g. Bonus, Commission or Fee: The borrower shall not pay any bonus, commission or fee or other payment for the purpose of obtaining approval of the loan application or any other approval or concurrence required to complete the rehabilitation work.
- h. Title Insurance: For projects over \$5,000 the City shall require the borrower to provide the City of Pocatello with acceptable title insurance coverage.
- i. Loan Contingency: An amount not greater than 10 percent of the budgeted cost of all improvements may be included in the rehabilitation loan budget to cover cost overruns and required construction changes during construction period, but not to exceed the \$25,000 limit. The borrower must authorize the use of this contingency by written change order and the City of Pocatello must approve the disbursement. Should funds remain in the contingency account after project completion; this excess amount will be credited against the loan principal.

- j. Civil Rights: The borrower shall not discriminate upon the basis of race, color, sex, marital status, handicap, religion or national origin in the sale, lease, rental, use or occupancy of the property to be assisted.
- k. Records: The borrower shall keep such records as may be required by the City in connection with the work to be assisted.
- l. Interest of Public Body: The borrower shall allow no member of the governing body of the City of Pocatello and no employee of the City of Pocatello to have any interest, direct or indirect, in the proceeds of any loan or any contract entered into by the borrower for the performance of work financed, in whole or in part, with the proceeds of the loan.

13. APPLICATION PROCESS

When an application is submitted and includes all of the required information as determined by staff, the process for review and approval will be approximately four (4) weeks. The City's Credit Committee will make a determination on approval or disapproval of each application. An appeal of a decision may be made to the City Council within 30 days of receipt of the mailed decision.

- a. For sign/awning grants, applicants only need to submit proof of ownership and a signed statement that the applicants will repay full grant assistance if assisted signs do not correctly identify a business for a minimum of 12 months or if assisted awnings are removed prior to 60 months after installation along with a minimum of two bids from licensed contractors and evidence of a City-approved sign permit application.
- b. For other façade programs, applicants must complete the attached application forms in their entirety.

FACADE IMPROVEMENT LOAN PROGRAM
APPLICATION FOR INTRUSIVE ELEMENT REMOVAL
AND/OR FAÇADE IMPROVEMENTS

OWNER / APPLICANT(s): _____

BUILDING PROJECT ADDRESS: _____

DESCRIPTION OF THE BUILDING AND PROPOSED IMPROVEMENTS: Please describe the improvements you plan to make to the facade of the building. Attach architect/engineering plans in sufficient detail to determine program compliance as well as pictures, sketches and other descriptive information. Try to convey the "before and after" scenario with particular interest of any historical photos.

BUILDING AGE: _____ PRESENT VACANCY %: _____ # OF STORIES: _____

TOTAL SQ. FOOTAGE: _____ PRIMARY FAÇADE'S LINEAR FRONTAGE: _____

SECONDARY FAÇADE'S LINEAR FRONTAGE: _____

THE BUILDING SPACE IS ROUGHLY ALLOCATED BY THE FOLLOWING PERCENTAGES:

RETAIL: _____% COMMERCIAL: _____% OFFICE: _____%

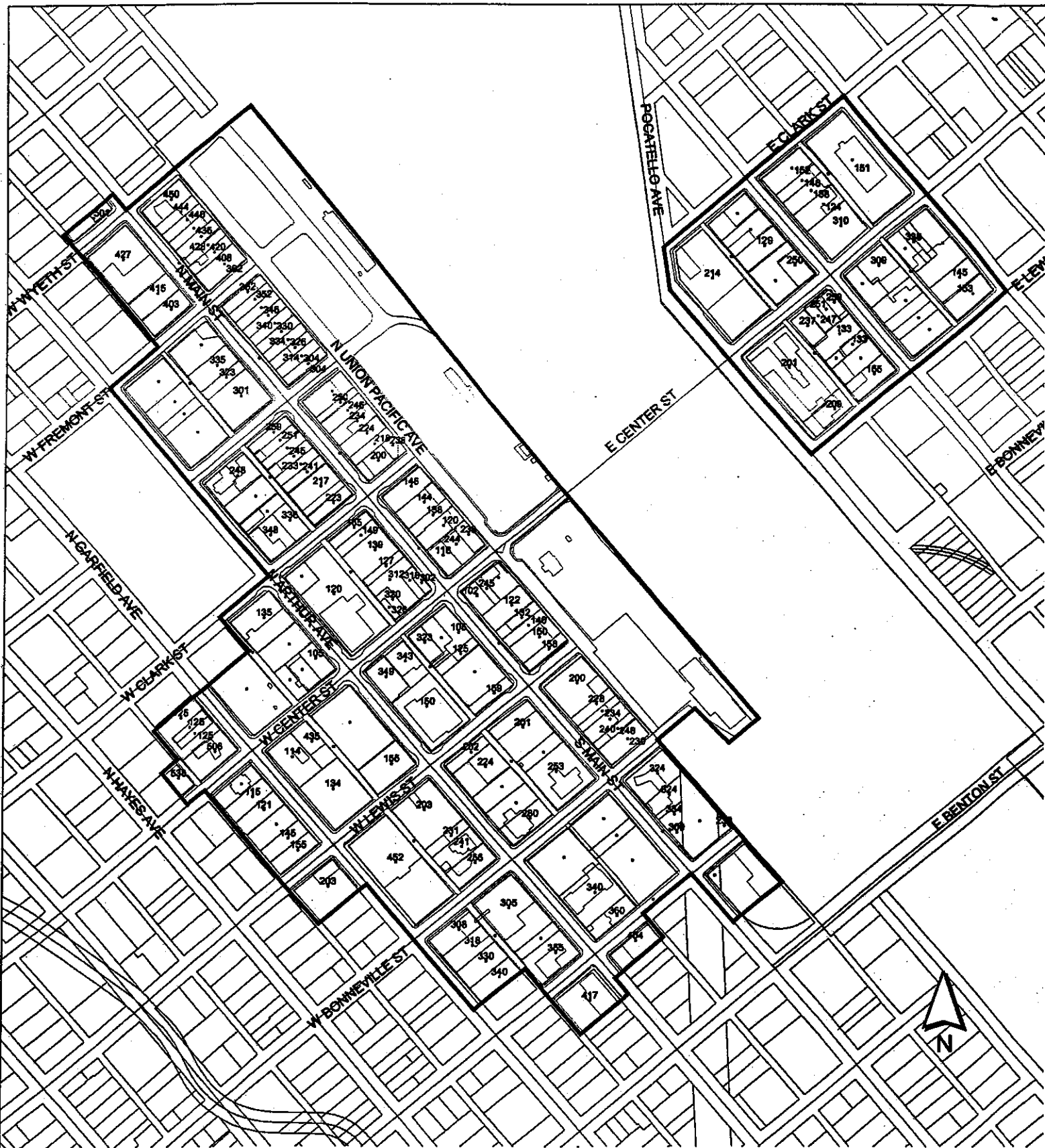
RESIDENTIAL: _____% UNUSABLE: _____% OTHER: _____%

APPROXIMATE MARKET VALUE OF BUILDING: \$ _____
(attach recent appraisal, if available)

PLEASE PROVIDE A ROUGH ESTIMATE OF THE PROPOSED IMPROVEMENT COSTS:

Storefront level:	\$ _____	Other:	\$ _____
Upper Level(s)	\$ _____	Other:	\$ _____
Awnings/canopies	\$ _____	Other:	\$ _____
Signs	\$ _____	Architect Fees:	\$ _____
		Contingency	\$ _____ (10%)

TOTAL \$ _____



Old Town Pocatello Business Improvement District Area

1:4500



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Pocatello Warehouse Historic District Area

1:4500



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