

## **DOWNTOWN COMMERCIAL AND RESIDENTIAL BUILDING IMPROVEMENT PROGRAM**

### **Policies, Procedures and Conditions**

#### **A. Purpose**

Building appearance plays an important role in creating the image of downtown. Funding for commercial and residential building improvements (“Grant”) made to properties will encourage reuse of vacant or underutilized properties, improve the appearance of existing buildings, and support the long-term viability of downtown Orlando. Over time, the taxable valuation of the improved properties will increase, thus increasing the amount of funds available to revitalize downtown Orlando.

#### **B. Grant Structure and Criteria for Selection**

The Community Redevelopment Agency (“CRA”) will oversee the Downtown Commercial and Residential Building Improvement Program (“DCRBIP”). Commercial and Residential Buildings will be eligible for façade and/or building stabilization improvements. A building façade improvement is defined as the renovation/restoration of any element of an exterior building face that is visible from the street. A building stabilization improvement is defined as structural alterations or adaptations to buildings, or building system repair or replacement, that are undertaken as part of the process of rehabilitating, preserving, or restoring existing structures for modern usage. Funding is based on budget availability and will be considered on a “first come, first served” basis. Filing of an application does not guarantee funding. Applications must be submitted with a detailed proposal of the improvement work, the cost of which is sought to be reimbursed by this Program. However, no grants will be awarded retroactively, which means that funding will not be awarded for improvement work that commenced prior to the effective date of the Funding Agreement. Applications will be reviewed for completeness and compliance with program criteria. Projects that do not comply with the program criteria and conditions will not be eligible for funding. An authorized corporate officer or partners of the applicant’s business must sign the application, in addition to the property owner(s), if the applicant is the tenant. Tenants who are applying for a Grant must supply proof of a lease for the subject property that identifies at least three (3) years remaining in the lease term.

Prior to consideration for Downtown Commercial and Residential Building Improvement Program funding, the subject property must be free from any liens (except mortgage liens), judgments, or encumbrances (except easements) of any kind, current with all City obligations, and in compliance with all City Code requirements. The CRA reserves the right to contract for a title search and/or ownership and encumbrance report at the CRA’s discretion, the cost for which will be deducted from the Grant funds at the time of disbursement, if Program funding is approved.

All applicants for program funding must submit to a criminal background check, the cost for which will be deducted from the Grant funds at the time of disbursement, if Grant funding is approved. If the applicant is a corporate entity, then the president, director, or manager submitting the application shall submit to a criminal background check. If the entity is a partnership, then all partners must submit to a criminal background check. In order to be eligible for funding, applicants must **not** have any of the following: a felony conviction or nolo contendere within the past five (5) years; a felony conviction or nolo contendere for financial economic crimes within the past ten (10) years; or a felony conviction or nolo contendere for violent or heinous crimes (i.e. murder,

sexual battery, sexual assault, armed robbery or burglary, carjacking, home-invasion, kidnapping, arson, crimes against children, etc.) in their complete history. If the background check reveals any of the above, the applicant will be rendered ineligible for the Grant. Otherwise, results of the background check will be included in the documentation provided to the DCRBIP Grant Review Committee for consideration as part of the application.

The DCRBIP Grant Review Committee is designated by the CRA to review Grant applications. The committee is comprised of the Director of Urban Development of the DDB/CRA, a representative of the City's Planning Division designated by the City's Planning Official, and the City's Historic Preservation Officer.

Any Grant funding awarded will be based on the lowest of at least three (3) qualified bids obtained and submitted by the applicant. The owner and/or applicant may elect to choose a contractor other than the one with lowest qualified bid but shall be responsible for all costs exceeding the lowest qualified bid. In all cases, the selected contractor must be licensed and insured. The CRA will not be responsible in any manner for the selection of a contractor. A property owner and/or tenant should pursue all activities necessary to determine contractor qualifications, quality of workmanship, and reputation. The property or business owner will bear full responsibility for reviewing the competence and abilities of prospective contractors and secure proof of their licensing and insurance coverage.

Program funds will be disbursed in the form of a grant with a limited repayment requirement. Should the façade and/or building stabilization improvements be removed, demolished, or not properly maintained for a minimum of three (3) years for commercial buildings or five (5) years for residential buildings following completion of the project, or changed without approval in writing by the DCRBIP Grant Review Committee, or if the terms of the Funding Agreement have been violated, the funds may be considered a zero interest rate loan, the outstanding balance of which will be due and payable within thirty (30) calendar days. The amount of the outstanding balance will be determined by amortizing the full grant amount in monthly installments over a three-year (36 month) for commercial properties or five-year (60 month) period for residential properties beginning on the date of execution of the Funding Agreement.

In order to ensure that funds are available, improvements to be made under a Grant must be initiated (secured all necessary permits) within 90 days and completed within one (1) year of the effective date of the Funding Agreement. Extensions may be granted by the Executive Director of the DDB/CRA given just cause by the applicant (e.g. contractor delays, acts of God, etc.). All Grant funds shall be issued to the Grantee on a reimbursement basis only.

Applications for Grants shall meet the criteria outlined below:

1. Buildings must be located within the Downtown CRA (see program map). Downtown Commercial and Residential Building Improvement Program grants shall only be awarded for properties that contribute to the CRA through the payment of ad valorem taxes.

2. Commercial Buildings

Buildings located within the *North Quarter, Eola, and Central Business District* Planning Areas of the CRA shall be eligible for funding for façade improvements of up to \$80,000 or 50% of the total façade improvements, whichever is less, or a combination of façade

and stabilization improvements up to \$100,000 or 50% of the total cost of improvements, whichever is less.

Buildings located within the *Parramore Heritage* Planning Area of the CRA shall be eligible for funding for façade improvements of up to \$100,000 or 50% of the total façade improvements, whichever is less, or a combination of façade and stabilization improvements up to \$120,000 or 50% of the total cost of improvements, whichever is less.

Only one (1) Grant per property owner or tenant per fiscal year, and only one (1) Grant per property per three-year program term.

3. Residential Buildings

Single-family, Duplex, Triplex, and Quadruplex Residential Buildings that are owner-occupied and located within the *North Quarter, Eola, and Central Business District* Planning Areas of the CRA shall be eligible for façade improvements up to \$15,000 or 50%, of the total cost of façade improvements, whichever is less.

Buildings that are owner-occupied and located within the *Parramore Heritage Planning Area* of the CRA shall be eligible for funding for façade improvements or a combination of façade and stabilization improvements up to \$30,000 or 50% of the total cost of improvements, whichever is less. Buildings that propose only façade improvements shall be eligible for funding up to \$15,000 or 50% of the cost of façade improvements, whichever is less.

Only one (1) Grant per property owner or tenant per fiscal year, and only one (1) Grant per property per five-year program term.

4. When an entity or individual owns multiple properties that are adjacent, the Grant funding may be shared between these properties for a unified improvement plan. When an entity owns multiple properties that are not adjacent, only one (1) property may receive Program funding in that particular fiscal year.
5. All proposed improvements must meet the requirements of the Appearance Review Board (ARB) or, if a landmark property or located within an historic preservation district, the Historic Preservation Board (HPB), if applicable, as well as all other City Code requirements. Approvals or Certificates issued by the ARB or HPB do not guarantee approval of a Downtown Commercial and Residential Building Improvement Grant.
6. The DCRBIP Grant Review Committee shall evaluate applications based upon factors including:
  - a. Level of deterioration of building materials and finishes
  - b. Improvement to the appearance of the site
  - c. Consistency of proposed building design with the Downtown Design Guidelines
  - d. Contribution to cultural activities or opportunities
  - e. Contribution to historic rehabilitation or restoration
  - f. Will serve as a catalyst for redevelopment
  - g. Consistency with the context and character of the remainder of the block and/or surrounding properties

- h. Incorporation of sustainable materials and/or methods
- i. Business or resident tenure in Downtown Orlando
- j. Assessment of the balance of building façade and stabilization elements in the application
- k. Assessment of the proposed modifications of Single-Family and Duplex properties for consistency with ARB
- l. Amount of additional contribution to the project by Applicant

### **C. Eligible Improvements**

Property owners and/or tenants may apply for Program Funding. Tenants applying for funding shall provide written permission from the property owner in addition to the signed Owner's Affidavit.

The entire building facade of a subject application must be included in the renovation/restoration plans. Eligible costs for Grant participation include, but are not limited to:

1. Façade Rehabilitation
  - a. Removal of non-contributing false facades
  - b. Building cleaning (non-sandblasting)
  - c. Stucco restoration
  - d. Tuck pointing masonry
  - e. Painting
  - f. Replacement or reconstructive woodwork
  - g. New exterior doors and windows on existing structure
  - h. Restoration of historically appropriate doors, windows, or building features as determined by the Historic Preservation Officer
  - i. Signs, awnings, murals, canopies and decorative shutters (must be associated with other façade improvements and no more than 50% of total Grant may be used toward signage or mural. An exception can be made for properties located within special plan areas.)
    - i. Mural design must be approved by the DCRBIP Grant Review Committee
    - ii. Mural design must meet current guidelines of the Artistic Mural Pilot Program
  - j. Exterior lighting\*
  - k. Hardscape improvements that are visible from the right-of-way
2. Building Stabilization
  - a. Roof repair and/or replacement
  - b. Interior structural improvements (e.g. floor joists, ceiling repairs)
  - c. Interior Life Safety Improvements (fire walls, sprinklers, egress, fire alarm, exit signs, and automatic lights)
    - i. Must be associated with a buildings' change of use
    - ii. Must be compliant with City Code and State of Florida Building Code
  - d. Building systems improvements (e.g. plumbing, electric, HVAC)
  - e. Fencing to secure the property
    - i. Must be associated with other improvements
    - ii. Must be compliant with City Code
    - iii. Must be compliant with CPTED Guidelines
  - f. Other approved building stabilization improvements

\*Projects that include up lighting are encouraged, but not required, to utilize the OUConvenient Lighting program. Contact OUC at (407) 423-9018, option 3 for details and information about the program.

It is strongly recommended that applicants retain the services of a registered architect, or similarly qualified design professional, to prepare plans, drawings, and construction specifications for their project. Fees for services provided by a registered architect or similar qualified design professional may be counted towards the applicant's portion of project funding (no more than 10% of total Grant may be used toward these fees).

#### **D. Ineligible Items**

The following items are ineligible for reimbursement:

1. Any City, County, or State permitting or impact fees
2. Any improvements or additions to a building that is five (5) years old or less from the date of the issuance of the Certificate of Occupancy
3. Structural improvements (excluding building stabilization improvements)
4. Interior improvements (excluding building stabilization improvements)
5. Refinancing existing debts
6. Non-fixed improvements, inventory, or equipment
7. Payroll (not including work to be done by owners as part of grant match) and associated overhead costs
8. Improvements or expenditures made prior to execution of the funding agreement
9. General periodic maintenance
10. Improvements that do not fulfill the intent and purpose of the Program (i.e. screened patios or porches, gutters, rear patios,)
11. Improvements not visible from the right-of-way
12. Landscaping
13. Consultant fees (excluding fees for services provided by a registered architect or similar qualified design professional)

#### **E. Procedures**

The procedure for project review is as follows:

##### **1. Pre-Application Meeting**

The applicant is required to meet with the DCRBIP Program Coordinator who will review the applicant's plans per the program requirements to determine eligibility. The Coordinator will provide the applicant with general guidance as to whether the proposed project is likely to qualify for Program Funding and whether the applicant is sufficiently prepared to move forward to submit the application.

If the application appears ready to move forward, the Coordinator will instruct the applicant to either, (1) proceed with review by the Appearance Review Board (ARB) or, if a landmark property or located within an historic preservation overlay district, the Historic Preservation Board (HPB), as required, or (2) submit the application for consideration.

##### **2. Grant Application Submission**

Following approval by the ARB or HPB and issuance of the appropriate review Certificate, as required, the Grant application and all attachments may be submitted to the DCRBIP Program Coordinator for formal consideration of funding.

### **3. Review Grant Application**

Once an eligible application and the supporting documents are received, the DCRBIP Program Coordinator will then conduct the mandatory criminal background check and assess the application with regard to all program requirements. All eligible applications will be forwarded to the DCRBIP Grant Review Committee for review according to the Grant criteria in an interview format with the applicant. The Committee may recommend approval, modification, denial, or deferral of applications. If the Committee recommends approval of an application for a Grant, it shall establish the CRA's maximum grant participation (not to exceed dollar amount) based on the lowest of the three (3) qualified bids submitted by the applicant.

### **4. Final Agreement and Construction**

Once the Committee recommends approval of an application, a Funding Agreement for such application will be presented to the CRA for approval if funding is for more than \$5,000. The Executive Director of the CRA, by virtue of these guidelines, has the authority to approve and sign Funding Agreements on behalf of the CRA for assistance totaling \$5,000 or less. The Executive Director, at his or her discretion, may present any and all Funding Agreements to the CRA for approval. If approved for funding, the applicant (and property owner, if the tenant is the applicant) shall sign the required Funding Agreement. After the Funding Agreement has been executed on behalf of the CRA, the applicant may secure permission from the City to construct by securing appropriate building permits. Substantial modifications to final plans or change orders to construction documents which produce visible differences in the previously approved façade design, will require review and approval of the DCRBIP Grants Review Committee. Evidence of licensure and insurance of the selected contractor(s) shall be submitted to the DCRBIP Program Coordinator prior to commencement of any work associated with the Grant.

The CRA reserves the right to deny a request for reimbursement if the completed improvements substantially deviate from the improvements originally contemplated in the Committee's approval and the Funding Agreement and the applicant failed to obtain approval of such deviations from the Committee.

### **5. Construction Approval**

On completion of construction, grantees shall submit proof of 100% completion and arrange for an on-site inspection by the DCRBIP Program Coordinator to assure that the terms of the Funding Agreement have been honored. Discrepancies will be noted and a time frame for their correction will be established as necessary. Upon final approval by the DCRBIP Program Coordinator, the grantee will submit a request for reimbursement to the CRA, along with receipts for payment, lien releases by the contractor(s) and photographs of the completed work, based on the Funding Agreement. Reimbursements will be made according to City's accounting procedures. All work shall be permitted and inspected by the City, just as it would if not part of the Downtown Commercial and Residential Building Improvement Program.

### **6. Disbursements**

Funds will be disbursed by a check payable to the grantee (1) upon certification of completion, and (2) upon verification by the DCRBIP Program Coordinator that the work was completed as proposed in a satisfactory and professional manner. Funds will not be

disbursed on projects that are not in accordance with the approved plans. The City's Permitting Division will make the final determination as to when the project is complete. Before funds will be disbursed, grantees must provide verification, satisfactory to the CRA, of all project costs, including contractor invoicing, lien releases, and evidence of payment of all expenses, including match. All Grant funds shall be issued to the grantee on a reimbursement basis only.

#### **F. Available Funds**

The CRA may from time to time at its discretion establish annual funding for the program.

Recipients of the CRA's Downtown Commercial and Residential Building Improvement Program (DCRBIP) assistance may also apply for the City's Small Business Façade, Site Improvement and Adaptive Reuse Program (FSARP). Applicants may qualify for the maximum funding allowed under each program. The program coordinators will work closely to ensure that there is no overlap between the proposed improvements. Minority/Women Entrepreneur Business Assistance Program (MEBA) applicants may also apply for DCRBIP assistance.

#### **G. Previous Participation in the Downtown Façade and Building Stabilization Program (DFBSP)**

If the grantee received funding under the previous façade program (DFBSP) between January 2016 and April of 2019, that grantee may submit an application for funding under the revised facade program (Downtown Commercial and Residential Building Improvement Program) for Improvements that have not already received funding. The grantee will be eligible to receive the maximum amount of funding under the revised program minus the amount that was awarded under the previous program.

#### **H. Disclosures**

The CRA expressly reserves the right to reject any and all applications or to request additional information from any and all applicants and grantees. The CRA retains the right to deviate from the program guidelines, or amend the program guidelines, agreements, and application procedures. The CRA also retains the right to display and advertise properties that receive matching funds under this Grant.