

# Memorandum

## Community & Economic Development Department



**To:** Thomas Thomas, City Manager  
**Subject:** 2016 Façade Improvement Program  
**Date:** January 27, 2016

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For over fifteen years, the City of Rock Island has offered assistance to small businesses through the Façade Improvement Program. The intent of the program is to provide rebates for up to 50% of the construction and renovation costs (not to exceed \$15,000) for improvements to the exteriors of businesses. The program is very popular with the businesses who have utilized it in the past and there is far more demand each year than there are funds available.

CED staff presented the 2016 façade program application package to Council at a study session on January 18<sup>th</sup> to seek guidance and clarification regarding the program and to discuss revisions to the application package. Highlights of the discussion included the following:

- Allowing applicants to “roll over” any unused façade funds to the following year, if funds are available, then requiring a three-year waiting period before re-applying to the program.
- Allowing roof repairs, if it is determined by the Building Official that the roof repair affects the façade of the structure.
- Requires program funds only be utilized for occupied tenant spaces, and that if not currently occupied, that there is a signed lease for a specific business tenant.
- Allows multiple applications by different businesses occupying the same structure who are applying as a unified submittal for common façade improvements.
- No longer allows program funding for landscaping and parking lot improvements, but does allow for improvements to make entrances handicapped accessible.
- Includes an easy-to-use owner authorization form a part of the application package.

CED staff has incorporated these and other discussion items into the attached 2016 Façade Improvement Program application package and seeks authorization to post it onto the City’s website and begin taking applications for this year. There have been many inquiries about this year’s program so there is already great demand.

**RECOMMENDATION:** Approval of 2016 Façade Improvement Program application package as presented by staff.

**Submitted by:** Jeffery A. Eder, Assistant City Manager / CED Director

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**Approved by:** Thomas Thomas, City Manager

**2016**

## **FACADE IMPROVEMENT PROGRAM**

### **PROGRAM DETAILS**

The Façade Improvement Program provides a financial incentive to commercial property owners or tenants who are planning to renovate the exterior of their property. The program is designed as a rebate program with funds disbursed **after** all of the authorized work has been completed and proof of contractors and suppliers payment. The intent of the program is to provide assistance to small business owners to improve the exterior appearance of their places of business.

- A rebate of 25% is available to office based, service, or non–retail businesses.
- A rebate of 50% is available if the commercial or industrial building contains a retail business.
- Maximum rebate amount available per occupied unit through the Façade Improvement Program shall not exceed \$15,000.
- Any unused portion of the refund amount may be used in the following year, if funds are available. Afterwards, applicants shall be required to wait three years before applying to the facade program.
- Applicants must pre-qualify for participation.

The Façade Improvement Program is funded on the City’s fiscal year calendar, which is January 1<sup>st</sup> through December 31<sup>st</sup>. Applications are considered on a first-come basis until program dollars have been expended.

### **PROGRAM GUIDELINES**

- A. Work involved with the project shall not begin until a Letter of Commitment has been received from the Community & Economic Development Department. The Letter of Commitment confirms the amount of the rebate the City will pay upon completion of the project.
- B. **NOTE: Participation in this program requires the payment of prevailing wages by all contractors, subcontractors, and laborers involved with the project. For current Rock Island County wage rates visit [www.state.il.us/agency/idol/rates/rates.HTM](http://www.state.il.us/agency/idol/rates/rates.HTM)**
- C. The applicant must be the owner of the business or property. If leasing the property, the business owner must submit (with the initial application) the notarized “Property Owner Authorization” form included with this packet, authorizing the improvements to the property.
- D. No applications will be accepted from contractors, sub-contractors or suppliers.
- E. County real estate taxes must be current and all City charges and fees must be current or paid in full. This includes utility charges, storm water fees, permits fees and any other outstanding City liens or fines.
- F. It is mandatory for trash dumpsters located on the property be enclosed or screened from view. The costs for materials will be reimbursed through the program. No rebate will be issued if this guideline has not been met.

# STEP ONE: APPLICATION PROCESS

The following information must be provided to participate in the program.

- ✓ A completed application form.
- ✓ Detailed description of the work to be completed.
- ✓ **Provide before and after photographs of the entire façade project area, from the same vantage point.**
- ✓ Copies of all estimates and costs involved with the project.
- ✓ Prevailing wage amounts must be included on project estimates.
- ✓ If available, a sketch or rendering of the finished façade.
- ✓ If the façade work is part of a more extensive project, please highlight the façade work which is directly involved with the proposed project application.

Members of the City's Community & Economic Development Department staff will review all applications. The City reserves the right to reject any and/or all proposed work that does not meet program guidelines or is unsuitable.

**Following an internal review of the application a Letter of Commitment will be sent from the Loan Program Officer to confirm the City's financial commitment to the project.**

## PLEASE NOTE

**Work on a facade project shall not begin until a Letter of Commitment has been received from the program administrator.**

Applicants are given **90 days** to complete the approved work, unless the project involves new construction. If a project is going to take longer than 90 days, it is the applicant's responsibility to contact the program administrator to request an extension. If an applicant does not request an extension before the 90 day time period ends, the City of Rock Island may not issue a rebate.

# STEP TWO: REQUEST FOR REBATE

The following must be successfully completed to receive the program rebate:

- 1) Work must be completed as presented with the program application.
- 2) The **Request for Rebate Form** must be completed and returned with proof of payment from the contractors/sub-contractors/suppliers involved with the project.
- 3) Copies of Certified Payroll confirming payment of Prevailing Wage
- 4) Staff receives confirmation of payment from contractors/sub-contractors/suppliers.
- 5) Inspection of completed work is made by CED staff.

# ELIGIBLE USES OF FUNDS

- Front, side and/or rear facade building area are all eligible with priority given to the side which is directly exposed to a street. Residential structures are not eligible for this program.
- Roof repairs may be covered under this program, if upon review by the Building Official, it is determined that the roof repair affects the façade of the structure.
- All work must be completed in compliance with all applicable City codes and ordinances.
- In those instances where a building is of historic significance (i.e., has been listed as a local landmark or is listed on the National Register of Historic Places), the Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings shall apply. Copies are available at the Community & Economic Development office.
- Compliance with the intent of these guidelines will be determined by a staff review of the proposed improvements with review by Rock Island Preservation Commission, if necessary. A sketch of the proposed improvements must be submitted showing materials, colors, signs, awnings and other relevant information. Staff and the commission reserve the right to reject or modify applications which are plainly inappropriate.
- In those instances where rehabilitation of the facade is proposed for a non-historic structure, Community & Economic Development Department staff will review the project design and may make suggestions to the applicant as to aesthetic and/or other design considerations.
- In instances where a space is currently not occupied, a lease for the new business occupant shall be included with the application. Multiple or separate addresses shall not be used for separate applications, unless submitted by individual business owners applying as a unified submittal for a common façade.

## **Allowable costs may include, but are not limited to:**

- ✓ Window/door repair or appropriate replacement work.
- ✓ Storefront rehabilitation, including removal of non-original siding.
- ✓ Cleaning or painting of exterior surfaces. (Please note: sandblasting or abrasive cleaning methods are strongly discouraged and in some cases, may be prohibited).
- ✓ Repair or restoration of architectural detailing.
- ✓ Awnings, signs and cornices.
- ✓ Handicapped accessible entrances. (Parking lot improvements and/or repairs are not allowed.)
- ✓ Building permits, architectural fees, engineering fees and other design professional fees.
- ✓ Other labor and materials used to rehabilitate the façade. In cases where a contractor is hired to complete the work, the contractor must be licensed, bonded, insured and registered with the City of Rock Island.
- ✓ In those instances where the facade renovation is performed in conjunction with a more extensive construction/remodeling project, only those costs that pertain to the work performed on the facade shall be considered eligible project costs.

# 2016 FACADE IMPROVEMENT PROGRAM

## APPLICATION FORM

I / We have read and understand the provisions of the City's Façade Improvement Program and wish to take advantage of this program to make exterior improvements.

Address of Property: \_\_\_\_\_

Name of Business: \_\_\_\_\_

Ownership of the property: (check one)

- The property is owned outright.
- There is a mortgage on the property.
- The property is being purchased on contract. (copy of contract attached)
- The property is being leased. (notarized owner authorization form attached)

Use of the property: (commercial, retail, office, industrial, etc.) \_\_\_\_\_

Are there any residential units in the structure? (circle one)    Yes    No  
If yes, how many? \_\_\_\_\_

A work write-up outlining the work to be done, who will do the work, and the cost of each item is attached. I / We understand the City must approve all of the proposed work. I/We also understand the City must also approve any changes to the submitted work order.

**Participation in this program requires the payment of prevailing wages by all contractors, subcontractors, and laborers involved with the project. For current Rock Island County wage rates visit [www.state.il.us/agency/idol/rates/rates.HTM](http://www.state.il.us/agency/idol/rates/rates.HTM)**

Date \_\_\_\_\_                      Name of Applicant \_\_\_\_\_  
Name of Business \_\_\_\_\_  
Property Owner \_\_\_\_\_  
Address \_\_\_\_\_  
Phone \_\_\_\_\_  
EIN/Business ID # \_\_\_\_\_  
Retail Sales ID # \_\_\_\_\_

**Please return this form with estimates to: Randy Hollerud, Community & Economic Development Department, Second Floor, City Hall, City of Rock Island, 1528 3<sup>rd</sup> Avenue, Rock Island, IL 61201**

Location: TIF location \_\_\_\_\_                      Other \_\_\_\_\_

# 2016 FACADE IMPROVEMENT PROGRAM

## REQUEST FOR REBATE FORM

Property Address: \_\_\_\_\_

Name of Business: \_\_\_\_\_

Business Contact: \_\_\_\_\_ Phone: \_\_\_\_\_

Property Owner: \_\_\_\_\_ Phone: \_\_\_\_\_

Owner Address: \_\_\_\_\_

Item Purchased or Completed	Place of Purchase/Contractor Name	Invoice/Receipt No.	100% Cost of Item
<b>Project Total \$</b>			

**AMOUNT OF REBATE \$ \_\_\_\_\_**  
25% / 50% of Total

Rebate amount shall not exceed \$15,000 for any project. Proof of payment for the above listed items must be attached to this form. Please provide copies of invoices and/or receipts with check number(s) or include copy of payment check.

**I / We hereby certify that the above items have been completed at the indicated address and that they have been paid.**

Owner(s) Signature \_\_\_\_\_ Date \_\_\_\_\_

FIN (Business ID #) \_\_\_\_\_ Retail Sales ID# \_\_\_\_\_

**Return form to: Randy Hollerud, City of Rock Island, 1528 3<sup>rd</sup> Ave., Rock Island, IL 61201**

**REBATE AUTHORIZATION**

\_\_\_\_\_  
Signature Account Code: \_\_\_\_\_

STATE OF ILLINOIS  
COUNTY OF ROCK ISLAND



**PROPERTY OWNER AUTHORIZATION**

I, \_\_\_\_\_, am the owner of the real property located at \_\_\_\_\_, I hereby authorize \_\_\_\_\_ to submit a FACADE improvement application and plans to the City of Rock Island's CED Department.

Given under my hand and official seal, this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Owner: \_\_\_\_\_ Date: \_\_\_\_\_

Date: \_\_\_\_\_ Notary: \_\_\_\_\_

(SEAL)

My Commission Expires:

Date