



REDEVELOPMENT AGENCY PILOT STORE FRONT FAÇADE IMPROVEMENT PROGRAM

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INTRODUCTION

The City of Goleta is committed to improving the vitality of its Old Town Heritage District. The City of Goleta Redevelopment Agency has initiated a Storefront Façade Improvement Program (SFIP) to assist merchants and commercial property owners with exterior rehabilitation of their property. Financial assistance is being offered in the form of a one time grant of up to \$20,000 for eligible repairs and improvements.

PROGRAM STATEMENT

The purpose of this program would be to enhance the exterior appearance of buildings in the Old Town Business District of the City of Goleta, while preserving the historic character and integrity of the existing buildings in order to help with the revitalization of Goleta Old Town.

This document contains the guidelines and procedures for operation of this financial assistance program. It addresses such items as business and property eligibility requirements, eligible activities, and the terms and conditions for financial assistance.

GENERAL PROVISIONS

Applicant Eligibility Requirements

Eligibility for assistance under the SFIP will be based on the following applicant eligibility requirements:

1. The leaseholder of the commercial property for which rehabilitation assistance is requested must obtain written permission from the owner(s) of the structure prior to application for assistance under this program. Property owners may apply directly to the program for assistance.

Property Eligibility Requirements

In order to be eligible for assistance under the SFIP, properties must comply with the following property eligibility requirements:

1. In conformance with the City's adopted RDA Project Area, the property for which assistance is requested must be a commercial property located within the Goleta Old Town Heritage District as described on the attached map.
2. The property for which assistance is requested must need exterior rehabilitation to conform to the property rehabilitation standards for this program.
3. The applicant must permit inspections of the property by City of Goleta personnel before initiating and prior to completing improvements.

4. The property for which assistance is requested must be used primarily for commercial purposes. Residential property that is an integral part of a commercial mixed use structure is also eligible for assistance in this program.

5. All store front façade applications may be subject to one or more development review procedures. The development review procedures that apply to a specific project would be determined on a case-by-case basis by the City, dependent upon the type of repairs proposed. In addition, exterior alterations to store fronts within the Old Town area may be subject to Design Review Board approval along with corresponding land use permits, prior to any receipt of financial assistance by the City.

6. An approved store front façade improvement grant application would be valid for 90 days. If work is not commenced during this time period, the application would expire and the applicant would need to re-apply for assistance.

ROLES AND RESPONSIBILITIES

RDA Program Staff

The role of RDA Program Staff is to effect the Program's efficient operation and guarantee accountability in accordance with established program guidelines. Staff certifies eligibility and level of financial assistance best suited for the applicant, inspects properties to determine recommended repairs, reviews contractor proposals, manage construction and authorizes disbursements of contractor payments as approved by RDA program staff. RDA Program staff may include consultants, contractors or temporary employees working on behalf of the City.

Program staff will work with each applicant to create a Work Write Up composed of desired yet eligible store front improvements.

Program Applicant

As the beneficiary of the SFIP, the program applicant has primary control over what improvements occur on his/her business. After being approved for participation and receiving a list of recommended work items to be performed, the program applicant selects from a list of qualified contractors interested in performing the work. RDA Program Staff will be called upon for progress inspections, project conflict resolutions and payment authorization.

Contractor

The selected contractor determines how the recommended work identified in the Work Write Up will be corrected, provides the program applicant with a bid, and completes work in accordance with the terms of the program. The Contractor must ensure compliance with all applicable codes and permits required for the

work performed.

All participating contractors shall be properly licensed by the California Contractors State License Board (CSLB), have a current City issued business license, have a general liability insurance policy in an amount not less than \$1,000,000 per occurrence, and not be on any debarment listing. Contractors who do not comply with these requirements will not be permitted to participate in the program.

RDA

After approving a grant, RDA Program staff will prepare and execute the grant documents and upon authorization, disburse funds to the contractor/owner. All grant applications are approved by the Director of Redevelopment & Neighborhood Services.

Eligible Improvements

A rehabilitation grant provided under this program may be used to cover the cost of the following:

1. Rehabilitation activities necessary to make the qualified structure conform to the property rehabilitation standards for this program.
2. Program funds are to be used for visible exterior building and site improvements rather than simple maintenance. Applications will not be accepted to refinance improvements already completed, nor for interior building improvements. Typical improvement items include but are not limited to the following:
 - Exterior wall repair, re-plastering, re-surfacing, and painting.
 - Landscaping and sidewalk replacement.
 - Awning purchase/repair/replacement.
 - Sign repair/replacement, including design and permitting.
 - Lighting purchase/repair/replacement.
 - Door and window repair/replacement.
 - Roofing improvements.
 - Code deficiencies.
 - Building and zoning permits, title reports, recording, and other related fees which are required to carry out the proposed exterior rehabilitation work.

For all types of assistance, the City would encourage the removal of nonconforming signs and replacement with conforming signs. Although the City has not adopted its own set of sign regulations, staff would seek conformity with existing sign regulations.

Contracting for Rehabilitation Work

1. Soliciting Bids

RDA Program Staff will prepare the bid documents and provide instructions in soliciting three (3) bids from qualified contractors. Bids are then obtained from contractors licensed by the Contractors State Licensing Board who also maintain a current city business license, liability insurance and workers compensation, as required. The City of Goleta in accordance with the State of California Labor Code 1720 which obligates contractors and subcontractors to pay the prevailing wage to laborers. Prevailing wage rates are set by the Department of Industrial Relations. The wage provisions apply only in situations involving funded contracts for amounts in excess of \$600. Contractors must be in good standing with the City.

2. Contractor(s) Selection

The owner/leaseholder is responsible for contacting contractors to obtain reasonable bids. The proposed improvements are typically awarded to the qualifying contractor providing the lowest bid; In the event bids received are deemed unresponsive, excessive or in conflict with work cost estimates, a bid can be re-opened. Within these limitations, the selection of the contractor is at the sole discretion of the owner/leaseholder.

NOTE: Upon completion of the bid process, having obtained 3 bids, the program applicant has 90 days to select a contractor to perform the specified work. In the event the owner/applicant does not select a contractor within this time frame, without a valid reason and program approval, his/her application will be closed so that the next applicant waiting in the program can be assisted. The owner/applicant could re-apply, however they would be at the end of the waiting list, and could be considered a new program applicant.

Pre-Construction Conference

RDA Program staff shall review the scope of work. All applicable construction methods and payment procedures shall be discussed and any existing project conflicts shall be resolved prior to the execution of the Owner Participation Agreement (OPA) and other documents.

Repair/Façade Improvements Supervision and Method of Payment

RDA Program staff will monitor the work in progress to ensure that repair and façade improvements are proceeding in a timely and satisfactory manner. RDA Program staff shall assess and monitor the work completed prior to processing requests for progress payment disbursements to contractors. Permitted work will require inspection and final inspection records.

If structural changes are being made, applicants must submit preliminary plans for review, including a plot plan, interior plan, elevations, and detailed description of work as appropriate and submit to the City for review. Building/zoning permits and review/approval by the Goleta Design Review Board (DRB) may also be required.

All payment disbursements that are made for each individual project account shall be approved by RDA Program staff, authorized by the property owner/leaseholder. A progress payment statement will be required for each disbursement and will also require signed releases by property owner/leaseholder and, where applicable, labor and materials lien releases by the contractor(s).

Change Orders

Any deviation, addition or other change to the approved work write up will require a change order. All requests for a change order must be submitted by the contractor, approved by RDA Program staff and property owner/leaseholder and incorporated into the contract prior to the commencement of additional work. Exceptions may be made and verbal approval may be granted in the case of an emergency (i.e. plumbing leak). In those instances, a change order will be completed after-the-fact in order to properly document repairs and improvements.

Project Completion

Prior to the release of the final payment, the awarded contractor must submit lien releases from subcontractors, provide product warranties as well as Building and Safety permit cards (if applicable) to the property owner/leaseholder with copies to the RDA Program Staff. A Notice of Completion will be filed with the County Recorder's Office as a protection against unfounded mechanics liens and to document the completion date

for warranty purposes.

A ten percent (10%) retention shall be released within thirty (30) calendar days after receipt of the recorded Notice of Completion.

Ineligible Activities

A rehabilitation grant provided under this program may not be used to cover the cost of the following:

1. Inventory.
2. Fixtures or furnishings that are related to the merchandising operation of a business, e.g., cash registers, showcases, office furniture, booths, etc.
3. Prohibited land uses, violations of Municipal Code
4. Working capital.
5. Refinancing or repayment of existing debt.
6. Repair, replacement or installation of basic equipment.
7. Property Maintenance.
8. Labor costs for employees of the business to perform façade improvement work.
9. Other work not related to the façade.
10. Any work which is begun before the City issues a Notice to Proceed.

Design Review Board (DRB)

All plans for façade or general property improvements (i.e. exterior work only) shall be approved by the Director of Redevelopment and Neighborhood Services (Director) before a grant is approved for rehabilitation work under this program. In some cases, work that substantially alters the exterior of the property may require submission and approval by the Goleta Design Review Board. Depending on the nature of improvements, architectural and/or construction drawings may be required for submission to the City.

Agreements

The City will require applicants to execute applicable documents such as Owner Participation Agreements (OPA) and Owner Contractor Agreements to ensure compliance with program policies.

Financial Assistance

Grants for exterior improvements are based on 80 percent of approved costs. The maximum grant is \$15,000 per individual business or property. The owner or lessee must advance all costs with subsequent reimbursement by the City. Reimbursement shall only be made when improvements and repairs have been first approved by the City. All work to

be done in conjunction with the City's grant funding commitment would be performed within one hundred twenty (120) days of funding approval. Funds for the completed work would be paid directly to the grantee upon completion of the improvements and upon submittal of invoices in accordance with the City's accounts payable process. Progress payments on a reimbursable basis would be authorized for improvements exceeding \$5,000 in size.

Incentive for Multiple Businesses Seeking Façade Improvements

In order to encourage the rehabilitation of commercial properties within the established target area, an incentive shall be provided when either 1) an individual owner/tenant simultaneously rehabilitates more than one property, or 2) a group/consortium of individual owners/tenants simultaneously rehabilitates two or more properties in one block or building. In these cases, the maximum grant offered is 90 percent of approved costs, up to a maximum grant of \$20,000 for each adjacent building or business unit.

LEVEL OF AGENCY PARTICIPATION

BUILDING/ BUSINESS	AGENCY'S % OF IMPROVEMENT COST	MAXIMUM GRANT AMOUNT
Single Business	80%	\$15,000
Multiple Businesses/ Buildings	90%	\$20,000/unit

Goleta Old Town Heritage District

