

**CITY OF EL PASO, TEXAS  
AGENDA ITEM DEPARTMENT HEAD'S SUMMARY FORM**

**DEPARTMENT:** Planning & Economic Development

**AGENDA DATE:** November 8, 2011 (Regular)

**CONTACT PERSON/PHONE:** Mathew McElroy, Deputy Director, 541-4193

**DISTRICT(S) AFFECTED:** 8

**SUBJECT:**

Discussion and action on a Resolution that the Program Guidelines for the Tax Increment Reinvestment Zone No. 5 (Downtown) Commercial Façade Improvement Grant Program be amended to expand the existing Program by enlarging the geographic area eligible for participation to include the TIRZ, DMD, and Downtown 2015 Plan area boundaries, and by collaborating with the DMD in efficient administration of the Program, as a jointly funded Downtown Commercial Façade Improvement Grant Program (District 8) [Planning & Economic Development, Mathew McElroy, (915) 541-4193]

**BACKGROUND/DISCUSSION:**

In partnership with the Downtown Management District, (DMD), the City of El Paso would like to implement a grant program for downtown businesses that provides up to \$25,000 per façade, in matching funds. This program aims to improve the aesthetic appearance of properties in the downtown area. To be eligible, buildings must be located in the downtown Historic District, in the downtown Tax Increment Reinvestment Zone or in the Downtown Management District. The grants are available to building owners or tenants who have the consent of the building owner. Property taxes for the building must be current and there must be no code enforcement actions pending against the property to be eligible for the grant. Façade improvement must adhere to the design guidelines in the 2015 Plan or Historic design guidelines, and must be approved by the DMD Marketing review committee.

**PRIOR COUNCIL ACTION:**

Yes, the Tax Increment Reinvestment Zone No. 5 Commercial Façade Improvement Guidelines were amended December 22, 2009.

**AMOUNT AND SOURCE OF FUNDING:**

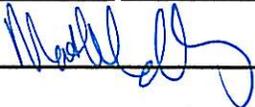
N/A

**BOARD/COMMISSION ACTION:**

N/A

\*\*\*\*\*REQUIRED AUTHORIZATION\*\*\*\*\*

**LEGAL:** (if required) \_\_\_\_\_ **FINANCE:** (if required) \_\_\_\_\_

**DEPARTMENT HEAD:**  \_\_\_\_\_

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(Example: If RCA is initiated by Purchasing, client department should sign also).  
*Information copy to appropriate Deputy City Manager*

**APPROVED FOR AGENDA:**

**CITY MANAGER:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**RESOLUTION**

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:**

That the Program Guidelines for the Tax Increment Reinvestment Zone No. 5 (Downtown) Commercial Façade Improvement Grant Program be amended to expand the existing Program by enlarging the geographic area eligible for participation to include the TIRZ, DMD, and Downtown 2015 Plan area boundaries, and by collaborating with the DMD in efficient administration of the Program, as a jointly funded Downtown Commercial Façade Improvement Grant Program; and

That the City Manager or her designee be authorized to execute any and all documents related to the administration and operation of the Program and to the awarding of matching grant funds.

ADOPTED this \_\_\_\_ day of \_\_\_\_\_, 2011.

THE CITY OF EL PASO

\_\_\_\_\_  
John F. Cook, Mayor

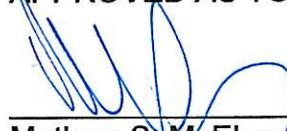
ATTEST:

\_\_\_\_\_  
Richarda Duffy Momsen  
Municipal Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Marie A. Taylor  
Assistant City Attorney

APPROVED AS TO CONTENT:

  
\_\_\_\_\_  
Mathew S. McElroy, Deputy Director  
Planning and Economic Development



# **Downtown Commercial Façade Improvement Grant Program Guidelines**

**A joint Program of:**

**Tax Increment Reinvestment Zone No. Five (Downtown)**

**The City of El Paso**

**El Paso Downtown Management District (DMD)**

**October 2011**

**Program Administrator:**

**Verónica R. Soto, DMD Executive Director**

**El Paso Downtown Management District**

**201 E. Main, Suite 1603 • El Paso, TX 79901**

**Phone: (915) 400-2294 or via e-mail at [vsoto@elpasodmd.org](mailto:vsoto@elpasodmd.org)**

## **Downtown Commercial Façade Improvement Grant Program**

### **Program Description**

The purpose of the Program is to provide funding to existing business and/or property owners to make improvements to the exterior of buildings located in the boundaries of the El Paso Downtown Management District (DMD), the Downtown 2015 Plan area, and/or the Tax Increment Reinvestment Zone No. 5, all identified in Exhibit A. The Program will provide matching grants for exterior renovation, restoration, preservation, and/or rehabilitation of commercial properties within the eligible areas on a reimbursement basis only.

### **Program Goals**

- 1) Revitalize and improve the appearance of downtown buildings to positively impact the aesthetics, marketability, and perception of the downtown area;
- 2) Serve as a catalyst for continued private sector investment through visible improvements;
- 3) Offer the private sector an incentive program to invest in downtown buildings; and
- 4) Restore distinctive architectural details of existing buildings by removing inappropriate or incompatible finishes.

### **Eligible Applicants**

This Program aims to improve the aesthetic appearance of commercial properties within the Program Area. Business owners/tenants must have been at the location for at least one year and have the property owner's express consent for the proposed improvements. To participate in the Program, Applicants must complete and submit the Program application form provided by the Program Administrator, along with the required attachments. Retroactive applications for improvement work that has already been completed will not be accepted. Property taxes must be current, and participants must represent that to the best of their knowledge they have no debts in arrears to the City when a commitment letter is issued. Further, the Applicant must certify that there are no current code enforcement actions pending against the property that would not be mitigated by the project.

### **Eligible Costs**

The Program is a matching grant program, which means that matching funds must be matched dollar for dollar (1:1 ratio) by the Applicant for qualified expenditures. The maximum grant amount under the Program is \$25,000.00 for approved improvements per project and a minimum grant of \$1,000. Grant funds are disbursed on a reimbursement basis only. Labor, design, and material costs are eligible costs. Further, permit fees associated with the proposed renovation/rehabilitation and fees for architectural design and engineering for the project are eligible program costs. In-kind, donated, "sweat equity" or similar no cost to the Applicant improvements, services, or materials will not be matched and are ineligible costs under the Program. Costs incurred for alternations or improvements completed prior to receipt of formal written approval by the Program's Marketing and Review Committee ("Review Committee") and issuance of the "Notice to Proceed with Improvements" are not eligible for reimbursement.

### **Eligible Improvements**

Subject to application approval and funding availability, grants will be awarded for façade improvements that restore, preserve, rehabilitate, enhance or beautify a structure.

Eligible improvements include:

- Signs (new, repairs, replacement, removal)
- Grate and grate box removal or conversion of solid grates to an open mesh style
- Awnings
- Lighting
- Paint
- Removal/replacement of inappropriate or incompatible exterior finishes or materials
- Recessing/reconfiguring entrances
- Removal of extraneous elements
- Door/window replacement or repair
- Exterior cleaning
- Historical architectural elements
- Streetscape improvements

### **Design Requirements**

Applicants are encouraged to promote historic preservation, energy efficiency, and accessibility standards in designing improvements, to the extent that they are financially feasible or required by law. All improvements must conform to applicable city building codes, zoning ordinances, local, state, and laws and to the design guidelines adopted for the area and approved by the Review Committee for the Program. Façade improvements to properties within the designated Downtown Historic District must be completed in accordance with Historic District Guidelines and Applicants must obtain any requisite certifications or other approvals of the City's Administrative Review Process and/or Historical Landmark Commission. All other façade improvements must also be completed in accordance to the design guidelines included in the Downtown 2015 Plan, which is available upon request.

Façade Improvements shall select and locate colors that are appropriate to the area and type of building; colors selected shall contribute to restoring the commercial character or the historic character of the area and representing the current owner's taste. Original stone or masonry surfaces must be maintained and not be painted, unless severe deterioration of the brick or stone can be shown to require painting and other consolidation or stabilization methods cannot be shown to be appropriate. If masonry was previously painted, paint removal is possible as long as the method of removal does not damage the masonry or appropriate repainting can be considered. Brick color should be selected from the historic architectural style of the buildings found in the El Paso Downtown Plan area and specifically the Downtown Historic District. Paint colors should be complementary to each other and used to accentuate a building's significant features but may not alter, damage, obscure or hide significant architectural features. Applicant should provide a color palette consisting of at least two palettes for consideration and approval by the committee.

### **Funding Availability**

Funding is limited and grant awards will be subject to funding availability; Project Applicants will be prioritized on a first-come, first-serve basis and only projects that restore significant architectural details and remove incompatible or inappropriate finishes will be considered. A commitment letter allocating the project funds for a particular approved project will be issued and a commitment period established so that if funds are not used within that period, program funds can be reallocated for other eligible projects.

### **Application Process**

An application with the following information, at a minimum, is to be submitted for consideration:

- Property address
- Applicant and Property owner name(s), address(es) and signature(s)
- Proof of ownership or if tenant, copy of lease or other property agreement and written consent of Property owner to complete the proposed improvements
- Verification that property taxes on the property are paid and current
- Project Scope description, to include a detailed plan and sketch
- Conceptual or actual building permit plans for the work to be completed
- Hard copy and digital photograph of existing building façade
- Project budget (detailed estimated costs by materials, labor, services and fees)

The required application forms are available at DMD's principal office and at the City of El Paso Economic Development Department. Incomplete applications will not be processed and will be returned to the Applicant without consideration.

The Review Committee for the Program will review and approve applications and select grant award recipients. The Review Committee will be comprised of members of the DMD's Marketing Committee and two city staff and the City's Historic Preservation Officer as needed. The DMD will be primary staff for processing applications and for facilitating the Review Committee process. Specifically, DMD staff will conduct an initial review of the submitted application to determine whether the application is complete and will meet with Applicants as necessary. Applicants may be invited to present their applications before the Review Committee.

The Review Committee will evaluate applications based on the following Review Criteria and Funding Priorities:

- Preference is given to commercial buildings with operating businesses.
- Substantial visible improvement to the appearance of the building, as determined by the Review Committee.
- Projects must maintain or restore architectural details of façades, especially those with historically significant architectural elements.

Applicants will be notified in writing as to whether his/her application has been rejected or approved by the Review Committee via a commitment letter issuance that allocates funds to the project if approved. Upon approval, the Applicant must enter into a reimbursement

agreement with the DMD regarding the terms and conditions of his/her participation and receipt of the reimbursement grant to include the following:

1. Project scope, and property location and attachment(s) identifying the specific improvements to be undertaken;
2. Maximum amount of the allowed reimbursement grant;
3. Work commencement date;
4. Submission of building permit(s) and other applicable permits or approvals;
5. Monitoring and right of final inspection by DMD staff or other City personnel;
6. Compliance with applicable local, state, and federal laws;
7. Promotional Rights to the City and DMD; and
8. Maintenance Requirements for Removal of Improvements within two years

Requests for reimbursement will only be processed after the rehabilitation/improvement work is completed and approved following a final field inspection by the Program Administrator and/or authorized City personnel in order to verify compliance with the project scope. Further, reimbursement under the Program means that no payment will be issued until the Applicant has paid for the improvement work in full. Reimbursement claims must be accompanied by the following supporting documents: proof of payments (e.g., cancelled checks, paid invoices/receipts of eligible expenses), statements from architects, contractors and/or subcontractors acknowledging that all payments have been received, notarized final lien waivers from all contractors and/or subcontractors, if applicable, proof of final government inspections and a hard copy and digital "after" photograph of the façade improvements. Applicant must complete, sign and submit a request for reimbursement. Required reimbursement forms will be issued along with the commitment letter. A photocopy of the front and back of all cancelled checks must be submitted for reimbursement along with an invoice marked "paid." All invoices must clearly indicate the work that was performed, the amount of the invoice as well as the corresponding check number(s). All payments are subject to the review and approval of the Program Administrator or authorized City personnel. Please allow eight weeks for receipt of the reimbursement check.

#### **Maintenance Requirements**

By accepting grant funds, the Applicant commits to properly maintain all façade improvements, clean and free of graffiti for a minimum of 3 years at the Applicant's own cost and expense. Any damage to the façade is to be repaired immediately by the Applicant so that the property remains in good condition. Applicant will be strongly encouraged to touch up painted areas and perform any other repairs needed on an ongoing basis and to maintain building appearance including the cleaning of any awnings at least once a year. Applicant also agrees to return a pro-rated amount of the grant money received if the improvement is removed within 3 years.

#### **Promotional Rights**

By accepting grant funds, Applicant authorizes the City and the DMD to promote the project and property including, but not limited to, displaying a sign at the site during and after construction indicating participation in the Program, and using photographs and descriptions of the project and property in the City's and the DMD's printed promotional materials, press releases, and websites.



**El Paso Downtown Management District (DMD) boundary:**

