

RESOLUTION NO. 3913

A RESOLUTION AUTHORIZING THE CITY OF MILES CITY TO AWARD A DOWNTOWN FAÇADE IMPROVEMENT GRANT TO CASA DIAMONDS

WHEREAS, the City has established a Façade Improvement Grant for qualified applicants within the Miles City Downtown Urban Renewal District, *and*

WHEREAS, the City has adopted Guidelines for said grant program, and

WHEREAS, Casa Diamonds has applied for a Downtown Façade Improvement Grant and has met all program criteria set forth in said Guidelines,

NOW THEREFORE, IT IS RESOLVED BY THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA AS FOLLOWS:

1. The City hereby awards a Downtown Façade Improvement Grant to the Montana Health Network in the amount of \$800 to assist with replacement of windows in their façade at 23 North 8th Street, Miles City Montana.
2. The Mayor of the City of Miles City is hereby empowered and authorized to execute such further documents as may be necessary to facilitate the delivery said award.

SAID RESOLUTION FINALLY PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA, THIS 27th DAY OF APRIL.



John Hollowell, Mayor

ATTEST:



Lorrie Pearce, City Clerk

EXHIBIT A:

MILES CITY

DOWNTOWN TAX INCREMENT FINANCE DISTRICT

**FAÇADE IMPROVEMENT PROGRAM
Policy and Procedure Manual**

INTRODUCTION

The Miles City Downtown Urban Renewal District, better known as the Miles City Tax Increment District (MCTIFD) Façade Improvement Grant (FIG) program is designed to provide a financial incentive for downtown property owners to restore and/or improve commercial buildings in Miles City's Downtown Tax Increment Finance District (MCTIFD).

The objective of the FIG program is to spur private investment through façade improvement projects that create a visually attractive and vibrant downtown ambiance that will welcome visitors and shoppers alike to downtown Miles City; assist individual and small business owners to succeed and continue operations into the future and attract new business to the District. The façade improvement program will serve as a catalyst for fixed asset investment, particularly related to exterior building improvements that will trigger further investment.

The goal of the FIG program is to make revitalization efforts affordable by providing matching grant funds up to \$2000. The TIFD Board reserves the right to consider grants in larger amounts based on the merits of the proposed project.

The proposed façade improvement program will apply to buildings within the Miles City Downtown Urban Renewal District.

The following guidelines are intended to be used in the structuring of façade improvement grants. The FIG program is funded by Miles City Downtown Tax Increment Finance District (MCDTIFD) and a grant from the Montana Main Street Program.

GENERAL PROVISIONS

Purpose

The purpose of the policies and procedures contained within this manual is to present the criteria which govern the façade improvement activities assisted with funds made available through the MCTIFD FIG program.

Façade Improvement activities are intended to meet the following objectives:

- Assist existing businesses to create a visually attractive downtown ambiance that will welcome visitors and shoppers alike to downtown Miles City.
- To perpetuate a positive and proactive business climate in Downtown Miles City that supports existing businesses and attracts new business to the District
- To preserve and enhance the historical character and unique architecture within our traditional business corridors in Downtown Miles City.

Amendments and Modifications

The MCTIFD Board of Commissioners may from time to time amend the provisions imposed by the policies and procedures contained within this manual.

ADMINISTRATION

- The Miles City FIG program shall be administered by the MCTIFD Coordinator who shall be known as the “Administrator”. The Administrator shall explain the FIG program to prospective applicants, provide written information, assist applicants in completing applications, and process requests for funding.
- The Administrator shall be responsible for the maintenance of all records for the FIG program and report annually to the MCTIFD regarding use of FIG funds.
- MCTIFD Board of Commissioners shall establish a Façade Grant review Committee, consisting of two members. The members shall consist of one member of the MCTIFD Board of Commissioners and one member of the Miles City Preservation Commission. Members of the committee shall be approved by the MCURDA Board of Commissioners and the Miles City TIFD Coordinator. The MCTIFD Board reserves the right to appoint replacements, add or remove members as deemed necessary from time to time.
- The committee shall have the authority to review, select and recommend grant applications for the approval of the MCTIFD Board of Commissioners. The MCURB Board of Commissioners will submit their recommendations for funding for final approval to the Miles City Council.
- Committee members will be selected at the beginning of each round of grant funding and will serve for the entire round. Committee members may serve for multiple rounds.
- In the event there is a conflict of interest between a committee member and a particular grant application, an alternate committee member will be appointed by the Administrator to review the application.
- MCTIFD reserves the right to cancel a grant agreement in the event of failure to comply with this agreement
- Grant applications will be evaluated based on a clear and documented set of criteria including:
 - a. **Impact** – Overall impact of the project on the Miles City Downtown Urban Renewal District. It is the goal of the FIG program to serve as a catalyst for fixed asset investment, particularly related to exterior building improvements that will trigger further investment and to improve the “curb appeal” or visual impact of the TIF District. The goal is not to try to recreate some past time in the history of Miles City; instead, it is to draw upon the architectural and historic distinctiveness of the downtown as a means to enhance its value.

Creative new uses for existing building stock will be strongly encouraged, as well as modern yet compatible awnings, signage, lighting and other fixtures to enhance the

appearance of storefronts and downtown. Projects will be scored within this category equally on items i. through iii. Projects proposing alterations to non- historic buildings will be scored individually on item iv. Projects proposing alterations to buildings listed on the National Register will be scored individually on item v. The scores for item iv. and v. will be added into the aggregate "Impact" score.

- i. Will the project add taxable value to the property?
- ii. Is the proposed façade improvement designed well and consistent with the surrounding built environment?
- iii. Will the project eliminate what was previously a liability for the district?
 - a. Repair and repainting of chipped, faded and peeling paint, broken windows doors and frames, etc.
 - b. Removal of façade elements that may be considered dangerous or in poor repair.
- iv. If the project proposes improvements to a building located within the Main Street Historic District which is considered "non-historic" is the project in keeping with the historical character of the District?
- v. If the project proposes altering the façade of a building listed on or eligible for the National Register of Historic Places:
 - a. Does the project incorporate the Secretary of Interior's Standards for Rehabilitation where feasible?
 - b. Are inappropriate design elements removed such as metal or vinyl siding and other exterior "slip covers" such as wooden shingles and awnings of "out of period" materials?
 - c. Are existing historical design elements preserved and enhanced?

b. Financial Leverage – Projects that leverage a higher level of private investment will be graded higher than those seeking the maximum match.

- i. Projects proposing a private investment greater than the required 1:1 match will be scored higher. Private investment can include loans from local banks or financial institutions, owner capital or grants from other sources.

c. Cost/Schedule: Is the project feasible from a cost and schedule point of view?

d. Sustainability/Permanence: How permanent are the improvements (signs are more changeable than new glazing, for example) and is there a maintenance plan for improvements? Does the business own the building? If not, how much time remains on the lease?

MEETINGS

Meetings of the Façade Grant Committee shall be held on an as-needed basis. All committee members shall be given reasonable prior notice of each meeting. A majority of the committee in

attendance at a meeting constituting a quorum shall be required for official committee action. Official actions must have the support of the majority of the total committee.

RECORDS

- Written records of all program activities, including program inquiries, program meetings, grant applications, annual reports, and other documents, shall be properly maintained. All files shall be kept at the Miles City Historic Preservation Office, Miles City Hall, in the MCTIFD Board of Commissioners confidential files with limited access by authorized personnel. Each grant applicant should have a file containing the following minimum information:
 - a. Initial notes from Administrator indicating proposed project meets key criteria
 - b. Application form with supporting documentation and correspondence
 - c. Copy of committee minutes summarizing the action taken on the grant request
 - d. Each grant recipient should have a file containing the above information plus: Copy of grant agreement
 - e. Grantee's project schedule
 - f. Site visit notes
 - g. Photographs of completed project

ELIGIBILITY CONSIDERATIONS

ELIGIBLE AREA

- The area served by the FIG program is the Miles City Urban Renewal District also known as the MC TIFD shown on Map 1. (Shaded inside area)

ELIGIBLE APPLICANTS

- Applications may be submitted by a property owner or tenant of any commercial, residential, or private non-profit agency within the area shown on Map 1.
- Tenants must provide proof of lease authority or a written statement declaring the property owner's agreement to the improvements.
- Tenants must have at least two years remaining on their lease or an option to renew.
- Properties must be commercial or residential properties turning commercial.
- Applicants shall not be disqualified based on age, race, religion, color, handicap, sex, physical condition, development disability, sexual orientation or national origin.

INELIGIBLE APPLICANTS

- Federal, State and Local Government Entities for government owned and operated buildings

ELIGIBLE ACTIVITIES

Grants shall be available to eligible applicants for the following activities:

- Store signage (rehabilitating existing signage, including historic signage, ghost signage and historic neon signage) Removal of inappropriate or out-of- date signage
- Awnings – repair or installation of awnings of materials and design in keeping with the character of the District.
- Rehabilitation or compatible reconstruction of storefronts
- Removing non-historic elements from building facades
- Removal of metal and vinyl siding and exterior slip covers (surfaces) such as wooden shingles. Exterior cleaning, painting and/or paint removal
- Masonry repair and repainting, removal of paint over original brick, restoration of original brick
- Repair and replacement of architectural details or materials
- Window repair or in certain cases replacement
- Restoration or replacement of deteriorated or hazardous sidewalks
- Improvements to back or side street customer entrances of buildings are eligible if done in conjunction with a front façade improvement or if the front façade is already considered satisfactory according to program guidelines.

INELIGIBLE ACTIVITIES

Program grants shall not be available for the following activities:

- Improvements made prior to grant approval.
- Interior rehabilitation unless it is essential to rehabilitate the building's façade, i.e. interior surfaces of large display windows
- Interior decoration
- Refinancing of existing debt
- Inventory and equipment
- Cost of permitting related to the project
- Sweat equity (payments for applicant's own labor) although building materials/supplies are eligible for funding if the applicant does not use an outside contractor
- General business operations expenses (payroll, taxes, utilities, etc.)

MINIMUM REQUIREMENTS

To be eligible for funding, a proposed project must meet all of the following minimum requirements:

- **Private Funds Leveraged.** The applicant must leverage a minimum of one dollar (\$1.00) of private funds for every one dollar (\$1.00) of grant funds requested.

- **Historic Preservation:**
 - **Historic Buildings:** Exterior renovations to historic buildings shall to the extent practical, preserve and promote the significant architectural and historic features of the building.
 - **Non-Historic Buildings:** Exterior renovations to non-historic buildings within the Main Street Historic District shall to the extent practical, feasible and reasonable complement or enhance the historical character of the district.
- **Compliance with Applicable Laws:** Applicants shall comply with all applicable local, state and federal laws and codes.
- **Agreement:** All winning applicants will be required to sign a “Façade Improvement” agreement. Failure to complete the project, or create a greater liability for the District will forfeit grant funding, and may be required to repay any grant funding advanced toward completion of the project.
- **Project Completion:** Projects must begin within three (3) months of grant approval and be completed within six (6) months of grant approval. Signage and awning projects must be completed within three (3) months of approval. Extensions may be requested depending on the scope of the project.

TERMS AND CONDITIONS

Minimum standards shall include the following:

- Approval of grant applications is contingent upon available funds.
- Funding is limited to one façade and one sign grant per property per year.
- Grant amounts are available for up to \$2,000.
- The Façade Grant Committee reserves the right to recommend grants awards exceeding the \$2000 maximum if a project is deemed especially beneficial to the FIG program objectives. The Committee reserves the right to request additional application material should the request exceed \$2,000.
- Grantees will be required to sign a grant agreement (**Exhibit A**) guaranteeing the project will be completed according to the details included on the grant application and approved by the Façade Grant Committee and MCTIFD Board of Directors.
- Grants will be paid in a lump sum at the end of the project as a reimbursement of costs incurred.

APPLICATION PROCEDURES

- **Preliminary Meeting:** Interested parties are encouraged to contact the Administrator to propose a project. The Administrator will review the project to determine if it meets key project criteria. If so, the interested party will be asked to fill out an application and will immediately schedule a Façade Grant Committee meeting.
- **Grant Cycle:** The program will start April 1, 2016 on an open cycle basis while funds are available. Subsequent rounds will be proposed based on funding. Applications may be

submitted at any time during a round. Applications shall be reviewed in the order received and based on readiness for the proposed project to proceed. In the event that grant funds requested exceed available funds, the following criteria will be used to determine which projects will be awarded the grants:

- Eligibility of the applicants.
- Eligibility of the project to be undertaken.
- The extent to which private funds are to be leveraged.
- Size of the grant requested.
- Timing of the proposed expenditures.
- Completeness of the application.
- Other factors as deemed appropriate.

GRANT APPLICATION

Applicants shall submit an application using the form in Exhibit B which includes the following information:

- Applicant Name
- Applicant type – Property owner or tenant For tenants, permission letter from Property Owner or Lease proving lease authority For tenants, copy of lease showing two (2) years remaining or option to renew
- Contact information for tenant and/or property owner including address, telephone number, fax number and email address
- Type of improvement: Two color photographs of project prior to improvement
- Description of proposed improvement. While not required, description may include sketches or drawings or plan of proposed improvement including placement, color, dimensions and materials
- Estimated total project cost
- Dollar amount of grant request
- Proposed start date
- Estimated completion date
- Description of additional work planned for the interior or exterior, if applicable
- Date and Signature of applicant

REVIEW PROCESS

- **Preliminary Review.** The Administrator will review the application for completeness and verify that the applicant is eligible and the proposed project meets minimum requirements. The Administrator will immediately forward all applications to the FIG Review Committee for evaluation, and schedule formal review.
- **Formal Review.** The Façade Grant Review Committee will meet within one week of application verification to recommend approval or rejection of the award to the MCTIFD Board of Directors.
- Upon closure of the grant cycle, the Administrator will place the Review Committees recommendations on the agenda for the MCTIFD Board, and on the weekly agenda for the Finance Committee and following City Council meeting for final action.
- Upon final approval by City Council, the Administrator will notify the business or property owner and schedule a meeting to discuss the terms of the grant and grant agreement.
- **Rejection of Award.** If the application is not approved, the Administrator will send a letter to the applicant stating the reasons for rejection and offer to meet with the applicant to explore ways to strengthen the grant request or to identify alternative funding sources. If an application is denied, a new application can be submitted at any time.

DISTRIBUTION OF FUNDS

Prior to releasing grant funds, the following documentation must be in place.

- **Notice of Award:** The Façade Grant Committee must have reviewed and approved a complete application for an eligible applicant.
- **Grant Agreement:** The Administrator shall prepare a grant agreement based on the example in Exhibit A and it shall be signed by grantee and Administrator.
- **Evidence of Permits, Licenses, Bonds, etc:** Documentation shall be provided by the applicant that all necessary permits, licenses, and any other registrations required have been obtained by the applicant prior to the release of program funds.
- **Lien Waivers:** Lien waivers must be submitted from all contractors and subcontractors.

- **Evidence of Program Expenditures:** Documentation shall be provided by the business to evidence program expenditures prior to release of funds. Documentation shall include bills and invoices or receipts for materials, final bills of sale or canceled checks. All documentation shall be reviewed and approved by the Administrator.
- **Inspection:** The Administrator and the Miles City Building Inspector, when required, shall perform a visual inspection to ensure that project activities were completed per the grant agreement. A photograph of the completed project will be filed.

MAP 1: Miles City MCTIF District



Exhibit A

Miles City MCTIFD

FAÇADE IMPROVEMENT GRANT AGREEMENT

- A. Grantee agrees to complete the project as described in the application and approved by the Façade Grant Committee. This grant may be used only for eligible project activities described in the Grantee's façade improvement grant application and approved by the Façade Grant Committee and the MCTIFD Board of Directors.
- B. Grantee agrees to adhere to the project schedule requirements outlined in the program manual.
- C. Grantee agrees that improvements to:
 - a. Exterior renovations to historic buildings shall to the extent practical, preserve and promote the significant architectural and historic features of the building.
 - b. Exterior renovations to non-historic buildings within the Main Street Historic District shall to the extent practical, feasible and reasonable complement or enhance the historical character of the district.
- D. Grantee agrees to provide additional information and documents as the MCTIFD may request and allow MCTIFD and its representatives to have reasonable access to the site for the purpose of evaluating the progress and completion of the project.
- E. Grantee agrees to comply with all applicable local, state and federal laws and codes. F. Grantee agrees to maintain the property and improvement.
- F. Grantee agrees to allow the MCTIFD to promote the project including, but not limited to, displaying a MCTIFD logo sign at the site, during and after construction, and using photographs and descriptions of the project in MCTIFD promotional materials or social media.
- G. The MCTIFD reserves the right to withhold any payments to be made under this grant award if, in the MCTIFD's sole discretion, such action is necessary:
 - (1) because Grantee has not fully complied with the terms and conditions of the grant;

(2) to protect the purpose and objectives of the grant; or

(3) to comply with any law or regulation applicable to Grantee, to the MCTIFD , or this grant.

On behalf of Grantee, I understand and agree to the foregoing terms and conditions of the MCTIFD grant, and hereby certify my authority to execute this agreement on Grantee's behalf.

Signature: _____

Printed Name: _____

Title: _____

Date: _____

On behalf of Grantor, I hereby agree to provide a façade improvement grant based on the terms and conditions described above.

Signature: _____

Printed Name: _____

Title: _____

Date: _____

EXHIBIT B

Miles City Façade Improvement Grant Application

This loan program is provided to assist businesses in the Miles City Urban Renewal (Tax Increment Finance) District in making physical improvements to the exterior of their properties. .In addition to completing this application, please provide a detailed budget for your project.

Name of Applicant	
Business Name	
Business Address	
Business Primary Phone	
Business Email	
Name and Address of Building Owner if different than Applicant	
Period of Lease if applicable	
Please Attach Letter of Consent from Building Owner	
What is the estimated cost of your project?	
What is the estimated time to complete your project?	

Describe the renovations to be made to the business:

Applicant Signature: _____

Date: _____

