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## COMMERCIAL FAÇADE AND FRONTAGE IMPROVEMENT GRANT (CFFIG)

### PURPOSE:

The City of Colorado Springs (City) and the Colorado Springs Urban Renewal Authority (CSURA) have collaborated to authorize the Commercial Façade and Frontage Improvement Grant (CFFIG), which encourages commercial building owners in the Southeast Economic Opportunity Zone (SEEOZ) to invest in improvements along building façades and frontage spaces. This competitive program provides up to a 50% match to projects that are awarded. Grants are to be used for eligible costs outlined in this document.

### PROGRAM GOALS:

1. Encourage reinvestment in the SEEOZ
2. Help building owners attract and retain tenants
3. Build pride in the local community
4. Revitalize commercial buildings to improve their exterior aesthetic and increase their utilization and viability as community spaces
5. Contribute to the improved quality of life of residents, workers, and visitors

### PROGRAM OVERVIEW:

The CFFIG is designed to encourage property and business owners within the SEEOZ (**See Map Attachment**) to renovate building facades and frontages. Grant funding is issued through the City's Community Development Division (CDD) utilizing the Community Development Block Grant (CDBG), which is sourced by the Department of Housing and Urban Development (HUD). Funds may be used for exterior façade and frontage improvements on existing commercial buildings.

Improvements include but are not limited to:

- Exterior masonry and siding
- Awnings, windows, trim, and doors
- Exterior lighting and illumination
- Public art installation
- Attached building signage
- Building frontage improvements with specific enhancements to public space and public seating
- Enhanced or improved ADA accessibility
- Mitigation of asbestos or lead-based paint hazards
- Other improvements as approved by the CFFIG Committee

**GRANT FUNDING AVAILABLE:**

The CDD has made \$100,000 in CDBG funds available as part of its 2018 Annual Action Plan approved by City Council. Funding for specific projects will be allocated on a case-by-case basis as determined by the CSURA Board. Submitting an application does not guarantee a grant or a specific grant amount. All project proposals are subject to a comprehensive review and must meet both high quality design standards and reflect the spirit and intent of the design guidelines found in this document.

Project selection is based on:

- Location of the building;
- Potential impact of the building’s improvement on the surrounding area; and
- Applicant compliance with program guidelines provided that the project is financially feasible.

Given limited program resources, additional consideration may be given to applications in which private investment will exceed grant funds by 75% or more.

The CFFIG funding levels are provided below with a minimum requirement of \$10,000 for total project costs. Reimbursements will be made directly to contractors in accordance with federal procurement policies. Refer to **Appendix A CDBG Funding Requirements** for additional information regarding federal grant requirements. Building permit fees and other administrative fees that may be required by the City are **not** eligible for grant funding.

<b>Total Project Cost</b>	<b>Reimbursement Grant Amount from the Program</b>	<b>Owner/Tenant Contribution</b>
\$10,000 up to \$100,000	50%	50%

**PROGRAM ELIGIBILITY:**

1. The applicant must be a property and/or business owner within the SEEZ and/or have written approval from the property owner. The applicant property must also have a service area that is primarily residential and comprised of at least 51% low to moderate-income residents. Low to moderate-income is defined as 80% of the area median income as published annually by HUD for Colorado Springs. CDD will assist to confirm that applicants meet this requirement.
2. If property owners with multiple storefronts choose to replace signage and awnings, the aesthetic must be consistent or cohesive for the entire facade.
3. Multiple storefronts on a single building may be eligible for multiple grants, with preference being given to replacing/renovating all storefronts on the building at the same time.
4. The applicant must not owe outstanding property taxes, fees, judgments, nor have any property liens.

## **PROGRAM REGULATIONS:**

1. The CFFIG is **not** to be used more than once by the same business, but may be used by the same property owner for a different location or business tenant.
2. The CFFIG is **not** to be used for new construction of commercial space, building acquisition, interior work other than abatements, improvements on residential properties, or rear building elevation façades that are not visible from the public right-of-way. All reimbursement requests are subject to review and approval by the CFFIG Committee and/or the CSURA.
3. The CFFIG is **not** to be used for work begun prior to signing of the Memorandum of Understanding (MOU) between the City and recipient. Eligible expenses will be paid out on a reimbursement basis.
4. The CFFIG is **not** to be used for properties that are not in compliance with applicable zoning and urban renewal plans.
5. The CFFIG will **not** reimburse a grant recipient or business that is not in good legal standing with federal, state, or local authorities.
6. All CFFIG funded work is to be done under a competitive bid process handled by the City's procurement department in compliance with CDBG requirements. The CFFIG Committee and CSURA will determine the necessity of a design professional based on the scope of work submitted in the application. If necessary, design will be completed by a licensed architect. Construction will be executed by a professional tradesperson or licensed contractor.
7. The recipient of a CFFIG agrees to include selected City staff and selected CSURA board members in the design process.
8. The proposed project should make a noticeable aesthetic contribution to the revitalization of the area.

## **DESIGN GUIDELINES:**

1. Façade and frontage improvements must be visually appealing and pedestrian friendly. Efforts should be made to avoid long stretches of blank or homogenous walls.
2. The design should facilitate natural surveillance as a means to deter crime.
3. Improvements should make the building inviting.
4. Projects are encouraged to incorporate an element of locally produced or designed public art, such as a mural or sculpture. The City has partnerships with community art organizations that are able to assist if needed.
5. Building frontages should encourage pedestrian and community gathering for positive activity. The reduction of parking spaces in front of buildings to incorporate seating and gathering areas is encouraged.
6. Utilization of water-wise landscaping or xeriscaping is encouraged.
7. All design improvements are subject to approval by the CSURA Board.

**Timeframe:** Construction must be completed within 90 days after the MOU is executed unless otherwise approved in writing by the CFFIG Committee and CSURA Board. **Extension Request:** The committee and

board MUST receive all extension requests in writing, no less than fifteen (15) days, prior to the project expiration date.

**Change in Project Proposal:** The CFFIG Committee and CSURA Board must approve all changes made to the scope of work originally agreed upon prior to the work being done. Approval of changes does **not** alter the grant amount originally awarded.

The City reserves the right to amend these guidelines at any time if it is determined necessary in order to provide more clarity, flexibility, or restrictions to the CFFIG program.

### **APPLICATION PROCESS AND REQUIREMENTS:**

Please contact Katie Sunderlin for more information or with questions regarding the application or process at (719) 385-5773 or [sunderka@springsgov.com](mailto:sunderka@springsgov.com).

All completed CFFIG applications must be submitted by **September 14, 2018**. Please review the application form closely for documentation required for submittal. Completed applications may be submitted electronically or in hard-copy format by any one of the following delivery methods:

1. Email: Please send an email with the completed application attached to Katie Sunderlin ([sunderka@springsgov.com](mailto:sunderka@springsgov.com)). Use "CFFIG Application" in the subject line of the email.
2. Hand-Delivery: A hard copy of the application with attn: Katie Sunderlin can be delivered to the front desk of the Land Use Review office located at 30 S. Nevada, Suite 105, Colorado Springs, CO 80903. Office hours are Monday-Friday 8am-5pm.
3. Mail: CFFIG Applications may be mailed to the address below and postmarked on or before September 14, 2018.

**Land Use Review Division**

**Attn: Katie Sunderlin**

**30 S. Nevada, Suite 105**

**Colorado Springs, CO 80903**

The CFFIG Committee and CSURA Board will review applications immediately following the application deadline and will consider projects based on grant award criteria, as further defined below. Grants will be awarded to projects at the discretion of the CSURA Board.

Final approval is contingent upon the applicant entering into an a MOU with the CDD, which outlines the terms of the CFFIG and criteria for receiving a grant.

At the completion of a project, the applicant must schedule a final inspection with a designated CFFIG Committee member and the City Building Inspector (for work requiring a building permit). CFFIG committee members will provide a written confirmation to the CSURA Board and the CDD that the work has been completed as agreed upon in the MOU.

**GRANT AWARD CRITERIA:**

The following criteria will specifically be taken into account by the CFFIG Committee when reviewing an application and will be scored on how well it meets each of the program criteria. A total point score will be based on the sum of the ratings.

**1. General Criteria**

- a. Application meets the minimum requirements outlined in the application and program guidelines
- b. Building address is located in the Southeast Economic Opportunity Zone and within a CDBG low-moderate income area

**2. Building Visibility** (*Maximum Score 5 points*) - Prominently visible due to location; high visibility impact on public streets

**3. Project Design** (*Maximum Score 15 points*)

- a. Project includes significant façade work
- b. Project significantly improves overall appearance of the building
- c. Project incorporates public art or creates/improves public gathering spaces

**4. Financial Impact** (*Maximum Score 20 points*)

- a. Opportunity for investment in the building/business once improvements completed
- b. Grant request matches or exceeds 50% private investment
- c. Demonstrated commitment to maintaining existing façade
- d. Demonstrated capacity to complete the proposed improvement project

The City will provide applicants with a conditional award letter. Upon satisfaction of the program requirements outlined in this document and signing of an MOU, the CDD will issue a Notice to Proceed. *No costs will be reimbursed for work completed prior to the receipt of the Notice to Proceed.*

**ADDITIONAL REQUIREMENTS:**

The applicant shall comply with all applicable provisions of the City’s Municipal Code and the International Building Code enforced by the City. The applicant agrees to follow all Land Use Review requirements which can include, but is not limited to, a pre-application meeting and creation of or revision to a development plan. By submitting a CFFIG application, the applicant agrees to conduct a Phase 1 Environmental Site Assessment and lead based paint and asbestos sample testing at the applicant’s expense.

For applicants with tenants, a notice must be sent at the time of application to inform all current and future tenants about the project proposal and its impact on them. Tenants must acknowledge receipt of the letter via signature. The City will provide a form letter and guidance on request (See Attachment NOTICE NONRESIDENTIAL TENANT NOT DISPLACED).

## **Appendix A: CDBG FUNDING REQUIREMENTS**

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**CFFIG** is funded with Community Development Block Grant (CDBG) funds sourced from the Department of Housing and Urban Development (HUD). These funds require additional reporting and compliance to adhere to federal regulations. The City will assist in ensuring that requirements are met through the City's procurement process. CDBG requirements include but are not limited to:

**NATIONAL OBJECTIVE:** The applicant property must have a service area that is a) primarily residential and, b) comprised of at least 51% low and moderate-income residents. Low to moderate-income is defined as 80% of the area median income as published annually by HUD for Colorado Springs.

**NOTICE OF AWARD/PROCEED:** The City of Colorado Springs will provide applicants a conditional award letter. Upon satisfaction of various program requirements, the City will issue a Notice to Proceed. No costs may be incurred prior.

**ENVIRONMENTAL REVIEW:** An Environmental Review process conducted by the City will be required of all projects. **Until completed, no costs can be incurred or work be done on the project site.**

**PROCUREMENT:** Construction projects with a cost above \$3,000 are required to follow the Small Purchase method, which includes three (3) bids from independent contractors. Projects with a cost of less than \$3,000 are exempt from competitive bidding requirements.

**APPLICANT / CONTRACTORS:** The contractor and/or subcontractor awarded must be in active status with the US Government's System for Award Management (SAM.GOV).

**DAVIS BACON ACT:** Federal labor standards provisions apply to construction work financed in whole or in part with CDBG funds of more than \$2,000. Under the Davis-Bacon Act, contractors and subcontractors must pay their workers no less than the locally prevailing wages and fringe benefits for corresponding work on similar projects in the area. Certified payrolls must be submitted before reimbursements are processed.

**SECTION 3:** Section 3 requirements apply to projects that involve work arising in connection or rehabilitation of a HUD-assisted project. Section 3 ensures that employment or contracting opportunities are awarded to low and very low-income persons or businesses residing in the area to the greatest extent feasible.

**WOMEN-OWNED & MINORITY-OWNED BUSINESSES:** Federal regulations state that an effort is made to use local businesses and contract with small, minority and/or women-owned businesses to the greatest extent feasible.

**UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT (URA):** URA protections apply to the acquisition, rehabilitation, or demolition of real property for federal or federally funded projects. The Act provides for fair and equitable treatment of persons whose real property is acquired or who are displaced in connection with federally funded projects and to provide relocation assistance.

**REIMBURSEMENTS:** CDBG eligible expenses will be paid out on a reimbursement basis to awarded contractors. No funds may be incurred prior to the date on the Notice to Proceed. All reimbursement requests are subject to the review and approval of the Community Development Division.