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Façade Improvement Grant Program

Northfield Economic Development
Authority 3-Year Pilot Program

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CITY OF NORTHFIELD

Program Purpose

The City of Northfield recognizes the important role that a vibrant, historic Downtown plays in the City's vitality. Strategic Planning efforts of the Economic Development Authority (EDA) identify Downtown Revitalization as an important objective. A well-maintained and attractive public realm reflects community pride and contributes to urban vitality. Building façades are critical elements of the public realm and in a Historic District, the need for on-going maintenance is crucial to preserving a character and experience known to visitors of downtown Northfield. The Façade Improvement Grant Program aims to strengthen, revitalize and sustain the Downtown by encouraging and assisting property owners to make improvements to buildings within the district. By providing a financial incentive, the program will stimulate private investment and support stabilized and increased property values. The EDA is funding this pilot program over the course of three years. Each year, the EDA will review the program outcomes and make adjustments as necessary.

Who can apply for a matching grant?

The Program district extends from Second Street to Sixth Street along Division Street and to all buildings within the Historic District, except for the Postal Office (see attached map). Building owners and commercial tenants (with property owner's approval) of commercial properties within the project area can apply for a Façade Improvement Grant. For-profit and not-for-profit entities are eligible to apply, as long as the grant is used for a commercial building.

How much are the matching grants?

Grants will pay for 50% of the total project costs, up to a maximum grant amount of \$10,000 per property. Grant funds must be matched 1:1 with private dollars. Owners of multiple properties can apply for separate grants for each property, as long as the cumulative grant amount awarded does not exceed the maximum grant amount. The minimum grant amount is \$5,000 (\$10,000 total project cost).

This is a reimbursement program. Applicants must complete all improvements and pay for the total project cost or total private match, prior to receiving a reimbursement check from the City.

When are grants available?

Applications will be accepted starting February 1 of each year through March 15. All applications must be submitted no later than 12:00 p.m. on March 15.

What will the matching grant dollars pay for?

Façade Improvement Grants can pay for a variety of exterior building façade improvements. The work must be visible from a public street, sidewalk or Riverwalk. The following types of improvements are eligible for grants:

- Restoration of exterior finishes and materials

- Masonry repairs and tuckpointing
- Exterior painting or re-siding
- Removal of architecturally inappropriate or incompatible exterior finishes and materials
- Repair or replacement of windows and doors (replacement must be architecturally appropriate)
- Canopy or awning installation or repair
- Repair or replacement of exterior signage, in compliance with Historic District Sign Design Guidelines (up to 50% of total project cost eligible)
- Exterior building or accent lighting (parking lot lighting ineligible)
- Contracted labor related to any of the above improvements, including design work for improvements that are to be completed (up to 25% of total project cost eligible)
- Other improvements similar in nature to the above
- Grant funds may be used to pay for materials

Some projects require prior approval from the Northfield Heritage Preservation Commission (HPC). The HPC may also be able to assist with identifying additional grant funding opportunities for this project. For example, grants are available for research, planning, design and construction but take additional time to acquire.

The City of Northfield requires permits for most of the eligible improvements listed above. For questions about permits, please contact the Building Inspections Division at 507-645-3021 or www.ci.northfield.mn.us/132/Building-Inspections

What will the matching grant dollars NOT pay for?

The following activities are not eligible for matching grants:

- Improvements already in progress or completed prior to contract approval
- Improvements to a building interior, rear, or side not visible from a public street, sidewalk or Riverwalk
- Improvements to non-commercial buildings
- Roofing
- HVAC systems, building mechanicals, or security systems
- Fencing (excludes decorative fencing as part of landscaping improvement)
- Parking areas
- Billboards, roof signs, or temporary signs
- Dynamic display or electronic message signs
- Nonconforming signs or awnings, other than to bring them into compliance with the Zoning Code
- Purchase or rental of tools and equipment, or for labor performed by the building or business owner, family members, employees, or any other person with a financial interest in the property or business.
- Any other improvement not deemed eligible

Eligible properties – Map Attached

Eligible commercial properties include all properties within the Historic District (except the Postal Office) and those along Division Street from Second Street to Sixth Street.

How do I receive a grant?

Step 1: Be sure you meet program requirements.

- The property is located in the program district.
- The property is up-to-date on all property taxes.
- All construction management is your responsibility.
- This is a reimbursement program; you must complete and pay for the private match for the work before the program administrator will issue a reimbursement check. See step 5 for further information.

Step 2: Contact the Economic Development Coordinator, to schedule a meeting with Community Development Staff to discuss your project. Properties in the Historic District may require a review by the Historic Preservation Commission.

Step 3: Submit the Façade Improvement Matching Grant Application and Participation Agreement to the program administrator, including:

- a. A written description of the project, including drawings, before photographs of the building, and other supporting materials that accurately represent scope and intent of project improvements.
- b. A contractor's bid that meet the following guidelines.
 - i. Matching grants may only be used for eligible costs as identified in this document. If qualified to do so, you may perform the work yourself; however, grant funds can only be used to compensate for materials, not for labor or the purchase or rental of tools and equipment. Sweat equity labor includes that of a friend, relative, or anyone with a financial interest in the business or property.
 - ii. Evidence that contractor is bonded and/or insured.
 - iii. The EDA reserves the right to request a second bid from the applicant.

Step 4: Proposal review and grant selection will be conducted by Community Development Staff and will be evaluated through a competitive process. Selection will take into account the following:

- Total value of project
- Current conditions of building
- Aesthetics of finished work
- Available funds for grant

Step 5: Secure a signed copy of the Façade Improvement Matching Grant Application and Participation Agreement from the program administrator after the project has been approved. The Participation Agreement authorizes you to proceed with the project. Before you begin, be sure to obtain all the necessary City permits for the project or ensure your contractor pulled the necessary permits. Permit and taxes paid verification is required prior to grant disbursements.

Step 6: Complete the project and submit documentation to the program administrator within nine (9) months of the date on the signed Participation Agreement. The program administrator will disburse to you or to your contractor the grant funds after they have received **ALL FOUR (4)** of the following items (if more than one contractor is used, you must submit all four items for each contractor:

- a. **Proof of completion** by the City of Northfield Community Development Department. Staff will tour the property before and after the project to confirm project completion.
- b. **Final invoice** from the contractor showing the total project cost.
- c. **Before and After Photographs** highlighting the improvement project from the same vantage point.
- d. **Proof of payment** paid to contractor in one of the following two forms. You should be totally satisfied with the work before paying.
 - i. A **lien waiver** - a statement issued by the contractor that advises the client that they, the contractor, (a) have been paid in full for the total project cost, (b) are satisfied with the compensation for the work they performed, and (c) waive their right to place any liens on the property for the work completed. *(If there are significant material costs, we advise you to obtain a lien waiver from the materials supplier, advising that the contractor paid them in full.)* **OR**
 - ii. A **cancelled check AND a signed receipt** - if you only paid the matching funds (private match) portion of the contract and the contractor will wait for the final payment. You will need a copy of the actual cancelled check(s), returned to you by the bank you used to pay the contractor. Both the front and back of the check must be copied and must be made payable to the contractor for a minimum of the *private match*. You will also need a properly executed receipt, signed by an authorized officer of the contracting firm that includes the contractor's name, address, telephone number, and notation that a minimum of the *private match* was paid in full.

Whom do I contact?

For program questions, please contact:

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507-645-3069

