



## **LA MESA FAÇADE AND PROPERTY IMPROVEMENT GRANT PROGRAM**

### **1. PURPOSE**

It is the purpose of this policy to establish guidelines, eligibility, requirements, and terms and conditions for administration of the La Mesa Façade and Property Improvement Grant Program.

### **2. BACKGROUND**

On March 11, 2021, the American Rescue Plan Act of 2021 ("ARPA") was signed into law. ARPA includes funding from the Federal Treasury for financial assistance to state and local governments, qualifying numerous programs such as rental assistance, mortgage assistance, utility assistance, homelessness, and emergency housing funding as eligible activities. ARPA also provides funding to assist residents and businesses. In 2022, the City Council formed an Ad-Hoc Subcommittee to review, discuss, and recommend eligible uses of ARPA funding for the City of La Mesa. The La Mesa Façade and Property Improvement Grant Program was recommended by the Ad-Hoc Subcommittee and subsequently funded by the City Council as a two-year pilot program. The goal of the program is to assist local businesses with completing façade and property improvements to enhance business-use properties and improve the economic climate.

### **3. PROGRAM GUIDELINES**

The La Mesa Façade and Property Improvement Program (FPIP) has been established as a two-year pilot program to provide matching grant funding for business owners and/or property owners of retail, commercial, industrial and office properties in the City of La Mesa to complete exterior improvements to business-use properties. The grant is not for new "ground up construction" but for improvement of existing commercial buildings and the property around them. Legal non-conforming residential properties in commercial zoning designations do not qualify for FPIP funding. Applicants are eligible for a specified maximum grant amount based on the building's linear foot frontage on a public way:

<b>Linear Public Right-Of-Way Frontage (Feet)</b>	<b>Grant Amount</b>
10-49	\$14,000
50-99	\$18,000
100-149	\$22,000
150 or more	\$25,000

The initial \$5,000 of the maximum grant award has no matching requirement, therefore qualifying projects of \$5,000 or less do not require matching funds from the applicant. Any awarded funding in excess of \$5,000 requires a 50% match of funding from the applicant. For example, if an applicant is awarded a grant for \$25,000 in eligible improvements, the applicant is required to match \$10,000 (50% of \$20,000) to receive the additional \$20,000. In this example, a commercial property owner can realize a total of \$35,000 in improvements with a \$10,000 investment.

A goal of the FPIP is to be a catalyst for improving the exterior of business-use properties that result in quality improvements and enhancements that benefit the business and the City. The improvements must enhance the appearance of the property and the environment in which the property is located. Private investment may exceed the matching grant portion of the project if, for example, interior improvements are included in the scope of work even though they are not eligible for the grant.

Property or business ownership by the grant applicant must be maintained for a period of at least two years after the grant is received. Please do not apply if the property will be sold or the business will be closed or moved in less than two years. Grants will not be awarded for improvements that modify previous improvements for which a grant was received. Commercial properties that have received previous micro grants from the City, including the West La Mesa Community Enhancement Grant and La Mesa Property Revitalization Grant are eligible for funding in year two subject to grant funding availability.

#### *Activities Eligible for Grant Funding*

- Significant façade improvements and renovations (see definition at bottom of list)
- Restoration of historical architectural features (when applicable)
- Landscaping in outside pots, planters or parking areas if a substantial amount of plant material is used and improvements are irrigated
- Building additions, when the entire building is improved, that is, the addition does not appear to be an add-on but integrates with the building (ex: building addition of compatible architecture and repainting of entire building to match the addition)
- New roof material (not repair) only if part of a significant façade improvement or renovation
- Upgraded and uniform façade improvements in older commercial strip centers that enhance the entire center (if the center has more than one individual property ownership, there must be a comprehensive signage plan, color pallet and/or architectural façade plan in place; improvements made must conform to the plans or color pallet)
- Block walls and fencing only if part of a comprehensive landscaping project
- Signs (except internally illuminated “can” signs), awnings and painting of structures only if part of a significant façade improvement or renovation
- Murals if they are professionally done in compliance with City mural policies in effect, provide an important aesthetic improvement and/or improve an expanse of wall or surface prone to graffiti
- Trash enclosures only in conjunction with other exterior property improvements
- Screening roof-top equipment only in conjunction with other exterior property improvements
- Creation of permanent outdoor patio areas (removable patio furniture, fixtures or accessories are not eligible)
- Creation of customer entrances from the alley, especially when parking is available in the rear of a building or the alley side is visible from a public street; this must be done in conjunction with a comprehensive façade improvement

- Other improvements can be considered on a case-by-case basis, but must make a significant improvement to the property appearance and not be one of the excluded improvements listed in the next section

#### *Definition of Significant Façade Improvements or Renovations*

Improvements or renovations of existing buildings, when a combination of several of the following are included: structural façade improvements, paint, awnings, signs, addition of architectural detail to façade, façade tile or stone accents, decorative entry walkway area, outside dining with decorative features, irrigated landscape/flower planters or pots, outside decorative lighting and new windows.

#### *Activities Ineligible for Grant Funding*

- Improvements to new buildings
- Performing general or deferred maintenance on buildings or properties
- Upgrading mechanical, plumbing, or electrical equipment, or roof repairs
- Internal improvements to the property
- Land clearing or tree removal costs
- Parking area paving, resurfacing, repair or striping
- Chain link fencing with or without slats
- Residential projects located in residential neighborhoods and non-conforming uses in commercially zoned areas
- Religious facilities (ex: churches) unless they have street frontage in a business area
- Non-profit facilities unless they have street frontage in a business area

## **4. ELIGIBILITY, PROCESSING & STANDARDS**

#### *Grant Eligibility*

The property and grant submittal must meet the following criteria:

- Be located within the City of La Mesa city limits
- Be a retail, commercial, office or industrial use or a business that is permitted in residential zones, such as a bed and breakfast (except for those listed in the section titled “Ineligible for Grant Funding” in Section 3)
- ~~• Applicants owning or doing business on more than one property may apply for additional grants provided the properties are not contiguous to each other~~
- ~~• Properties that have received grant funds from the FPIP in prior years; properties that have received one of the City's micro grants in prior years are eligible to apply in year two~~
- Applicants owning or doing business on more than one property may only apply for funding for one property. Properties that have received grant funding in prior years are not eligible to receive funding in subsequent years.
- Proposed project must be in conformance with all applicable City codes and development standards
- Property must not be an active code enforcement case or under code enforcement review at the time of application submittal
- Must be a permitted or conditionally permitted use; legal non-conforming uses are not eligible (example: improvements to a legal non-conforming sign, structure, or a structure housing a non-conforming use will not be eligible)

- Project must receive all necessary approvals before any work is started for which grant funds are being received
- Applicants (such as business owners) that do not own the building or property where the work will be completed must have the building or property owner's consent at initial application submittal to perform the proposed scope of work
- Applicants owning or doing business on more than one property may only apply for funding for one property. Properties that have received grant funding in prior years are not eligible to receive funding in subsequent years.

#### *Grant Processing*

- All grants are matching grants based on eligible improvements and street frontage as previously described
- Properties having a building and/or buildings with multiple businesses/suites qualify for one grant only based on linear frontage
- Work must be completed within a specified time period stated in the Letter of Commitment; extensions of time may be approved by the City's Program Administrator on a case-by-case basis
- Applicants will not be compensated for labor they perform themselves, only materials used will be eligible and the work must be done in a professional manner
- Projects must be complete and collateral information (such as proof of expenses) must be provided to the Program Administrator before a grant will be processed for funding; advances of grant funds will not be made
- FPIP is a reimbursement grant; applicants must submit original invoices stamped paid or accompanied by copies of cancelled check, or proof of payment for materials, or for work performed by contractors before receiving grant funds
- Over the counter fees in the Community Development Department for building permits or other required approvals qualify for grant reimbursement

#### *Development Standards & Requirements*

- Applicants requesting grants must propose and complete quality projects; and projects must meet or exceed development standards (where applicable)
- Formulation of color pallets, renderings and building plans will, in most cases, require professional design assistance; applicants should be aware that projects submitted to the FPIP will likely require Community Development Department review and issuance of building permits
- High quality "before" photos of the property must accompany the initial grant application. "After" photos will be required to be submitted with receipts or paid invoices before receiving the grant when the project is complete

## **5. APPLICATION PROCESS**

Applicants may apply for the FPIP throughout the fiscal year for the duration of the two-year pilot program subject to funding availability. Applications will be considered for funding on a first come, first serve basis. Applicants begin the process by submitting an initial electronic application that is located on the City's website. The initial application requires information such as:

- Applicant name, business name, property address, and contact information

- A detailed scope of work, including any preliminary renderings, elevations, and/or building plans that further clarify the proposed project (if available)
- A preliminary cost estimate for the project, including a line item breakdown for labor, materials, design costs, and any other expenses; the cost estimate may be modified at a later date if necessary
- A preliminary estimate of the time of completion of project
- A high quality “before” photo of the property clearly showing the area (including façade) where the work is to be performed
- Name and contact information of contractors, designers, or project managers involved in the project (if known at the time of initial application submittal)

Upon receiving the application, the Program Administrator in the City Manager’s Office reviews the application for completeness. Once the application is deemed complete, the Program Administrator works with the Community Development Department to schedule a mandatory pre-application meeting with the applicant and Community Development Department staff. The purpose of the pre-application meeting is to review the applicant’s scope of work, clarify any necessary permits and applications, and answer any applicant questions and the development review process. On a case by case basis, the Program Administrator may attend pre-application meetings. If the Community Development Department determines that the project’s scope of work preliminarily meets City codes and standards, the Program Administrator sends the applicant a Letter of Commitment to sign. The Letter of Commitment will specify the amount of grant funds to be set aside for the project and the timeframe in which the work must be completed to receive the grant. The Program Administrator will work with the applicant to determine a reasonable project completion timeframe that includes ample City review to permit issuance and construction time. The Letter of Commitment also affirms the applicant agrees to complete the scope of work in the timeframe specified as defined in the grant application and Community Development Department submittals subject to the terms and conditions of the FPIP grant. On a case by case basis, the project timeframe may be extended due to unforeseen events or delays not caused by applicant’s actions. Any extension of time is at the sole discretion of the City.

After receipt of the signed Letter of Commitment from the applicant, the applicant submits all necessary applications and documents to the Community Development for review. The initial grant application is separate from any applications and permits required by the Community Development Department. Once the applicant has received all necessary approvals and permits, they can begin construction. After the work is completed per the approved project plans, applicant submits proof of payment for work and materials and “after photos” to the Program Administrator. If the work is satisfactory based on City’s on-site building inspection process and the proof of payment submittal is complete, the applicant will receive a check for the grant in the appropriate amount. Work done or modifications made that do not conform with the approved project plans, do not qualify for grant reimbursement.

## **6. PROGRAM CONTACT**

The FPIP is administered by the City Manager’s Office. For information about the FPIP, contact Lyn Dedmon, Assistant to the City Manager, at (619) 667-1339 or [ldedmon@cityoflamesa.us](mailto:ldedmon@cityoflamesa.us).