

**City of Henderson
REDEVELOPMENT AGENCY**



**Downtown Façade
Improvement
Program and
Guidelines**

With Sustainability Incentive

Approved 05/19/2015

Modified 6/21/2016



**CITY OF HENDERSON
REDEVELOPMENT AGENCY
FAÇADE IMPROVEMENT GRANT PROGRAM
QUALIFICATIONS, CONDITIONS, AND TERMS**

As part of the overall redevelopment strategy, the City of Henderson Redevelopment Agency, referred to herein as the “Agency,” through its Façade Improvement Grant Program, will provide reimbursement grants to eligible property and business owners to enhance commercial buildings and storefronts within the program designated area.

To encourage aesthetic enhancement and visually unify the District, the grants are intended to fuel transformative investment and promote a higher standard of property design, achieve a more unified and pleasing environment throughout the corridor which will complement the overall appearance of the area. Rather than call attention to a single property, the purpose is to promote tourism in the Downtown, and preserve and increase property values throughout the District.

Pursuant to the Program, the Agency may provide grants for up to 50 percent of eligible project improvement expenses. Grant recipients must pay a minimum of 50 percent of such expenses. The total grant awarded to any address under the Program in any two - year period is not to exceed \$24,750 plus an optional Sign Allowance of up to \$2,000.

The program is administered by Agency staff. **Prior to reimbursement, or payment to contractor, Agency staff will verify actual costs incurred by the applicant; conduct an inspection of the work performed to verify that work was completed as approved by the Loan Committee; and require the applicant to provide a copy of the approved Final Inspection issued by the City of Henderson Division of Building and Fire Safety.**

The Agency is offering additional incentives for projects that incorporate Green Building Initiatives. Benefits of green building include a lesser dependence on municipal utilities, lower energy and infrastructure costs, improved inside air quality, and increased productivity of employees. On a broad scale, green building standards can create healthier places for people to meet, live, and work while protecting natural resources and minimizing environmental impacts. **To encourage green building an additional 10 percent of funds will be added to applications that meet the guideline as set forth further in this document, subject to the maximum award limit as set forth above.**

Ex. An application eligible for an award of \$15,000 may receive an additional \$1,500 incentive for the use of sustainable building practices. To receive the sustainability bonus, 5 points are required from the checklist

The Grant Agreement identifies the conditions, covenants, and responsibilities for the grant, and is entered into by all applicants and the Agency. The general program, qualifications, guidelines, and grant terms and conditions are described below.

I. GENERAL INFORMATION

1. Applicants

- a) Applicant must be the property owner(s) or lessee(s) of a program-eligible building. A legal property owner must sign the program application or provide a signed letter clearly stating support for the tenant's application.
- b) Façade Improvement Grants are subject to funding availability. Approval, denial, or modification lies with the Grant and Loan Committee, made up of the Redevelopment Manager or his/her designee, Treasurer of the Agency or his/her designee, and three members of the Redevelopment Advisory Commission. Should a recipient wish to appeal a Grant and Loan Committee decision, staff will forward the request, via agenda, to the Redevelopment Agency Board.
- c) Applicant must have no other reasonable means available for financing those buildings, facilities or other improvements. No other reasonable means of financing is defined by one or more of the following:
 - i. An inducement for new businesses to locate or existing businesses to remain within the redevelopment areas in which the business would ordinarily choose to locate outside the redevelopment areas if the grant were not provided. This is evidenced by a "but for" letter or statement from the business owner, and supported by a financial review by the National Development Council.
 - ii. There is a public objective and/or requirement within the redevelopment area that is more stringent and/or costly to undertake than a business would ordinarily embark upon. This is evidenced by state or city ordinance.
 - iii. There has been a lack of rehabilitation in the area and it is deemed unreasonable for the business to invest in improving the area unless the grant is provided. This is evidenced by photographs of the immediate surrounding area displaying blight.
 - iv. The exterior improvements to the property or business do not have a direct effect on revenues therefore making such an investment is not deemed acceptable by a customary financial institution. This is evidenced by a denial letter from a financial institution.

2. Building

- a) Building must be commercial, or administratively approved on a case-by-case basis, and located in the Downtown Redevelopment Area, per the attached map. (See Attachment "A.")
- b) New buildings (constructed within the last five years) are not eligible for assistance.
- c) Properties affected by unresolved code enforcement issues or actions are not eligible for participation under this program.

II. ELIGIBILITY

In order to be eligible to apply for the Downtown Façade Improvement Grant Program, the proposed use must be permitted in the applicable zoning designation. Target businesses are those that will create new job growth or preserve existing jobs that may be at risk of being lost, and generate new traffic to the area resulting in greater exposure to existing businesses in the Downtown Redevelopment Area.

In order to receive a Façade Program grant, an application must be determined to have a minimum of 3 points from the following list. The number of points that an application receives will correspond to the amount of money eligible to receive.

3 total points awarded will allow an award of up to \$9,000
4 total points awarded will allow an award of up to \$10,500
5 total points awarded will allow an award of up to \$12,000
6 total points awarded will allow an award of up to \$15,000
(Refer to pages 8 and 9 of guidelines for further information)

Points will be determined based on the information that is provided by the applicant. If the application meets the requisite number of points, and the remaining application materials are complete, the application will be scheduled for a hearing before the Redevelopment Agency Grant and Loan Committee.

Points Allowed:

Retail Use – 2 points

Restaurant – 2 points

Bar, Tavern, Urban Lounge – 2 points

Hotel – 2 points

Civic – 2 points

Specialty Retail/Gourmet Grocery – 2 points

Medical/Dental Office – 2 points

All Other Offices – 1 point

Service – 1 point

Buildings/spaces that have been vacant for more than 6 months – 1 point

Buildings fronting Water St, Pacific Ave, Basic Rd, Boulder Hwy, or Lake Mead Pkwy– 1 point

Businesses that will create or maintain the following number of full-time equivalent jobs:

1-5 jobs – 1 point

6-10 jobs – 2 points

11 > jobs – 3 points

Applications with a fully executed lease that is:
3 years in length from the date of application – 1 point
5 years in length from the date of application – 2 points
Owner Applicant – 2 points

III. IMPROVEMENTS

1. Eligible Improvements May Include:

- (a) Painting of the entire building façade, including decorative architectural elements, rear entrances, and sides of the building. (this provision is not intended to include routine building maintenance that is the responsibility of the property owner)
- (b) Construction, installation and/or renovation of awnings, marquees, doors, windows, signage, display window lighting, tiles, signs, landscaping, and other façade improvements approved by the Agency and Community Development Departments. Certain improvements adjacent to a sidewalk, in a parking lot, or vacant lot may also be eligible. All improvements must be compatible with adopted design standards and approved by the Redevelopment Agency Grant and Loan Committee.

2. Ineligible improvements include:

- (a) Maintenance type improvements such as roofing repairs, general structural upgrades, stucco patching, landscape maintenance, routine painting, and other work that is determined by the Grant and Loan Committee to be routine maintenance (unless considered to be an integral part of the façade improvement).
- (b) Repairs and maintenance to asphalt and parking lots.
- (c) Improvements that only involve areas that are not visible from the public right-of-way, without any other associated improvements

3. Non-Eligible Expenses

- (a) Permits and fees: All permits and fees lawfully required to construct the façade improvements shall be paid by applicant and shall be considered non-eligible costs.
- (b) Construction drawings: The preparation of detailed drawings shall be paid by the applicant and considered non-eligible costs.
- (c) Conceptual design costs: Conceptual design and cost estimates are non-eligible costs.
- (d) Other fees: Credit reports, closing, recordation, and other related costs shall be paid by applicant and considered non-eligible costs.

*Non-eligible expenses incurred will be included when determining grant recipients' 50 percent investment in the project.

4. **The Agency reserves the right to require certain minimum improvements as part of the program in order to meet the objectives of the Agency.** For example, façade repainting may be required as a minimum improvement.

5. **The Agency and other appropriate City departments must approve all improvements.** Improvements must comply with all City building codes, architectural standards, and sign standards.

6. Applicant is not to begin any improvements to the property before the grant is approved by the Grant and Loan Committee. Construction, renovation, or painting costs incurred prior to the approval of the Grant will not be eligible for reimbursement.

7. Projects must comply with the adopted Downtown Master Plan.

IV. SIGN ALLOWANCE

Signs can enhance the attractiveness of a façade when they are designed as an integrated architectural feature of the building. Because of this reason, an allowance of up to \$2,000 may be provided for signage that is architecturally integrated as part of a façade remodel. This sign allowance may cover 100% of the cost of the sign being installed. An exception can be made at the discretion of the Grant and Loan Committee where a Sign Allowance can be made as a stand-alone award where a finding is made that the façade of the subject building is not in need of improvement.

The allowance is not to cover costs for signs that only meet the minimum sign provisions of the Downtown Master Plan, but to facilitate enhancements that integrate signs into the building design through the addition of architectural treatments that will make the façade and sign a cohesive unit. Examples of this may include the application of treatments such as stone, or stone veneer, embellishments and colors that tie the sign design to the façade, colors that will contrast the sign from the façade but at the same time compliment the façade, the use of goose neck lights or neon lights that create a unique character or theme, the use of halo type lights to create visual interest, or lettering fonts that reflect the origin of the building's design. All signs proposed must be permitted by the Downtown Master Plan including those permitted pursuant to duly approved modifications.

The Award of a Sign Allowance is made at the discretion of the Grant and Loan Committee based on the sign packet provided by the Applicant. In order for a Sign Allowance to be considered, the following materials must be provided by the applicant when the Façade Grant application is submitted:

1. Two (2) estimates from licensed sign contractors with proof of City of Henderson Business License and State of Nevada License;
2. A detailed sign plan, drawn to scale, in color, showing the location of each sign being proposed;
3. A written explanation indicating how the request meets the intent of this provision, specifically how the signage exceeds the minimum standards of the Master Plan and is an integrated architectural enhancement of the building;
4. A signature on the sign plan from the Community Development Department indicating that the signage being proposed is permitted by the Downtown Master Plan.

Note: Any wall damage resulting from the removal of previous signage must be repaired as part of the façade remodel in order for an application to receive a Sign Allowance. A portion of the Sign Allowance can be used to facilitate the repairs.

V. SUSTAINABILITY INCENTIVE

If you add five (5) of the following components to your façade improvement, you are eligible for an additional 10 percent of the maximum grant amount. *(Therefore, the maximum cumulative grant amount may not exceed \$26,750.)*

General Provisions

For all construction work, reusing existing materials on site is considered a sustainable practice because it extends the life of existing materials, conserves resources, reduces waste, and reduces impacts on the environment as related to the manufacture and transportation of new materials. In order to count this as one of the criteria, a minimum of 5 percent of the total project materials must be salvaged, refurbished, or reused materials.

Construction waste should be diverted from landfills through recycling or salvaging. An example of salvaging would be where part of a brick building is demolished, and the useable bricks are used for a new walkway or other part of the structure or property.

In general, where new building materials are needed, choose materials with recycled (post-consumer and/or pre-consumer) content. Post-consumer material has already been used and will be reused for another purpose, such as insulation made from used denim jeans. Pre-consumer material is generally a by-product that comes directly from the manufacturer and has not been used by the end consumer, such as broken glass from a window manufacturer that will be used as aggregate in concrete.

Wherever possible, materials that are extracted, processed, and manufactured within 500 miles of the construction site in order to reduce environmental impacts from transportation should be specified.

Wood

- Use sustainably-harvested wood that is FSC (Forest Stewardship Council) certified.
- Use composite wood products (MDF board, particle board, plywood, etc.) that contain no added urea formaldehyde resins.
- Roofing - Use light-colored or highly-reflective materials per LEED standards or similar to reduce heat gain and urban heat island effect. (Per LEED, use materials with a Solar Reflectance Index (SRI) of at least 78 for roofs with a pitch less than or equal to 2:12, and an SRI of at least 29 for roofs with a pitch greater than 2:12.) See www.coolroofs.org for product information.

Flooring

- Use sustainably-harvested wood that is FSC certified.
- Use rapidly renewable materials such as bamboo, cork, or linoleum.
- Use recycled materials such as PET carpet made from recycled plastic bottles.

- Use carpet, padding and adhesives that are Green Label/Green Label Plus certified. (www.carpet-rug.org)

Glazing

- Use solar screens over windows facing east, south, or west.
- Provide shade structures over windows facing east, south, or west.
- For remodels, place windows to maximize natural day lighting within the building to minimize the need for electric lighting.
- Use low-emissivity (low-e) windows.
- Provide operable windows where allowable by code to promote natural ventilation.

Paints

- Use low-VOC (volatile organic compound) paints that are certified by Green Seal or similar.
- Use light-colored paints on the exterior to minimize heat gain and heat island effect.
- Adhesives/caulk - Use low-VOC (volatile organic compound) adhesives/caulk that are certified by Green Seal or similar.

Mechanical Equipment

- Use high-efficiency heating, ventilation, and air conditioning (HVAC) units that are right-sized for the project.
- Use filters with a MERV (minimum efficiency reporting value) of 8 or better for all air handler units.

Insulation

- Install additional insulation whenever possible to exceed code-required minimums.
- The use of renewable or recycled materials for insulation is highly encouraged.
- Shade components (such as awnings). *The shade components should reduce unwanted solar gain during the summer months.*
- Water-efficient, drought-tolerant landscaping.
- Incorporate natural daylighting strategies and techniques. (Daylighting can be done in many different ways, including light scoops, light monitors, recessed windows, clerestories, skylights, light tubes and light shelves.)
- Replacing or adding energy-efficient windows that are Energy Star rated.
- Incorporate renewable energy strategies such as solar panels.

Other sustainable components will be considered on a case by case basis.

VI. GRANT TERMS

1. Principal:

- a) **Subject to the availability of funding**, the maximum grant amount is the lesser of: 1) 50% of eligible project costs actually incurred (excluding the sign cost/Sign Allowance), or 2) maximum allowable grant per storefront according to the following:

| Points | Maximum Agency Participation | Maximum Grant (excluding the sign cost/Sign Allowance) |
|---------------|-------------------------------------|---|
| 3 Points | 50% | \$9,000 |
| 4 Points | 50% | \$10,500 |
| 5 Points | 50% | \$12,000 |
| 6 Points | 50% | \$15,000 |

* If an application is for a building with double frontage, with facades that are clearly visible from two rights-of-way, an additional 50 percent of the above award may be added. Example: An application with 6 points and an exposed façade on two frontages will be eligible for a total grant of \$22,500, and where applicable, up to \$2,000 for Sign Allowance

Example:

| | Single Frontage Façade | Double Frontage Facade |
|----------------------|-------------------------------|-------------------------------|
| Maximum Façade Award | \$15,000 | \$22,500 |
| Sustainability Bonus | \$1,500 | \$2,250 |
| Maximum Sign Award | \$2,000 | \$2,000 |
| Maximum Total Grant | \$18,500 | \$26,750 |

- b) Maximum cumulative grant amount is not to exceed \$26,750 in any two consecutive-year period.

2. Disbursement of Grant Funds:

Grant funds will be disbursed upon:

- a) Inspection and approval of completed improvements by Agency staff.
- b) Receipt of copies of acceptable (at the Agency’s sole discretion) lien releases from all applicable parties.
- c) Receipt and review of **all** invoices for improvements by Agency staff.
- d) Receipt and review of cancelled checks indicating payment to contractor(s).
- e) Approval of a final inspection from the City of Henderson Building and Fire Safety Division when required.

Grant funds may be paid directly to the contractor or as a reimbursement to the grantee at the discretion of the Agency. A letter from the contractor agreeing to direct payment must be provided to Agency staff by the applicant.

3. Maximum Assistance by the City of Henderson Redevelopment Agency

The maximum cumulative grant amount from all Henderson Redevelopment assistance programs that can be received for a project cannot exceed \$90,000 in any two consecutive-year period unless green building standards are met, in which case the amount can be increased not to exceed \$99,000.

VII. DESIGN GUIDELINES

To accomplish the goals of the Downtown Investment Strategy and meet the standards set forth by the Downtown Master Plan, the following design standards exist to provide guidelines to applicants in preparing applications for the Façade Grant Program. All applications for program funding will reviewed in accordance with these standards:

| Guideline | Standard |
|-----------|---|
| 1 | A primary entrance to a commercial space should be emphasized so as to create the appearance of arrival. This can be accomplished through the use of accent materials and architectural attenuation and treatments. An application should include at least two of the following elements: (1) Canopies, porticos, archways, arcades or similar overhang above the entrance to provide visual interest and protect pedestrians; (2) Entry recesses/projections; (3) Raised corniced parapets above the entrance; (4) Gables or peaked roof forms above the entrance; (5) Architectural details, such as tile work and moldings, integrated into the building structure and above or directly adjacent to the entrance; or (6) Outdoor pedestrian features such as seat walls and landscaping, or permanent landscape planters with integrated benches. |
| 2 | The use of unusual shapes, color, and other characteristics that call excessive attention and create disharmony shall be avoided or reserved for structures of broad public significance and will not be funded by this program. |
| 3 | Rehabilitation work should not destroy the distinguishing qualities or character of the property and its environment. The removal or alteration of architectural features should be held to a minimum, consistent with the proposed use. Buildings from an architectural period recognized in the Appendix of the Downtown Master Plan should preserve identifying features. |

| | |
|---|--|
| 4 | No blank wall area or facade shall exceed more than 30 feet in horizontal or vertical direction. Building facades shall include two or more of the following treatments for each 30 feet of horizontal length or vertical height: i. Reveals; ii. Projections; iii. Offsets (measuring at least four feet in depth); iv. A vertical architectural treatment (a minimum of 12 inches in width); v. Color, texture or material change (e.g. brick or stone); vi. Architectural banding; vii. Awnings; viii. Trellis with vines; ix. Decorative parapet (arched, gabled, stepped, etc.) or cornice treatments; x. Covered walkways; xi. Variations in roof forms and/or roof heights; xii. Deep-set and bay windows with mullions or decorative glazing; xiii. Ground-level arcades or upper balconies/galleries; xiv. Columns or pillars; xv. Marble or tile accents; xvi. Art work or base relief; or xvii. Other facade treatments approved by the Grant and Loan Committee |
| 5 | Projects shall be designed in context with their surroundings. This means that enough visual linkages between existing buildings and the proposed project shall be provided so as to create a cohesive overall effect. |
| 6 | Color shades shall be used to facilitate blending into the neighborhood and unifying the development. The color shades of building materials shall draw from the range of color shades found in projects in the immediate area or that are found in the natural terrestrial environment. |
| 7 | Where landscaping exists, enhancements to the landscaping should be made so that an average of one (1) shrub is provided for each 80 square feet of existing landscape area. Three (3) gallon sized shrubs or larger are required at the time of planting. |
| 8 | Mechanical equipment that is visible from the right-of-way must be screened. Mechanical equipment shall have an opaque screening barrier that is architecturally compatible with the primary structure. |

VIII. BIDDING/CONSTRUCTION

1. Applicant shall put the job out to bid. At least three competitive bids must be obtained. In order for any bid to be acceptable, it must be received from a contractor licensed to do business in the State of Nevada. Applicant is responsible for selecting a contractor and executing the corresponding construction agreement. Any contractor not licensed in the City of Henderson at the time of bid, must obtain a Henderson business license prior to performing work.
2. City of Henderson Redevelopment Agency must approve the winning bid and the contractor prior to the execution of the construction agreement.

3. **Permits for building improvements must be obtained.** All City fees must be paid by the applicant. Fees are non-eligible costs under this program.
4. Contractors licensed by the State of Nevada must construct all work. All contractors must have a valid City of Henderson business license and adequate bonding for the work to be performed.
5. **All improvements must be completed within nine (9) months** of approval by the Grant and Loan Committee unless a written extension is granted by the Agency. Failure to meet this deadline may result in the cancellation of all City of Henderson Redevelopment Agency obligations regarding the reimbursement of any eligible past or future costs in connection with the design or construction of the improvements.

IX. MAINTENANCE OBLIGATION

1. Applicant shall maintain the improvements and façade of the property in good condition and in accordance with local and State building codes.
2. Conditions that constitute a failure to maintain the property in good condition include, but are not limited to, peeling paint, chipped surfaces, broken windows, covered transoms or window spaces, boarded windows, excessive bird droppings or debris, graffiti and illegal or non-conforming signage, lack of landscaping maintenance, and obstructed windows.
3. Agency staff will inspect improvements annually for two years to determine whether improvements are being properly maintained. If a property and/or business owner fails to maintain the improvements, that individual will not be eligible for any future assistance using Redevelopment funding.

Façade Improvement Affidavit

I, _____, being first duly sworn, depose and state under penalty of perjury as follows:

1. I am seeking assistance by the City of Henderson Redevelopment Agency (“Agency”) for making improvements to the property located at _____ (“Site”), as more particularly described by the application being contemplated by the Agency Grant and Loan Committee upon recommendation by staff.
2. Assistance from the Agency will allow me to make improvements to the Site which I could not otherwise do. This will result in substantial benefit to the Downtown Redevelopment Plan Area and the neighborhood adjacent to the Site because of one or more of the following (check one or more):
 - Encourage the creation of new business or other appropriate development;
 - Create jobs or other business opportunities for nearby residents;
 - Increase local revenues from desirable sources;
 - Increase levels of human activity in the redevelopment area or the immediate neighborhood in which the redevelopment area is located;
 - Possess attributes that are unique, either as to type of use or level of quality and design;
 - Require for their construction, installation or operation of the use of qualified and trained labor;
 - Demonstrate greater social or financial benefits to the community than would a similar set of buildings, facilities, structures or other improvements not paid for by the Agency.
3. No other reasonable means of financing those buildings, facilities, structures or other improvements are available, because of one or more of the following reason(s) as checked by the Applicant:
 - An inducement for new businesses to locate or existing businesses to remain within the redevelopment area in which the business would ordinarily choose to locate outside the redevelopment area if the grant were not awarded. Evidenced by a “but for” letter or statement from the business owner;
 - There is a public objective and/or requirement that is more significant and/or costly to undertake than a business would ordinarily embark upon. Evidenced by state or city ordinance;
 - There has been a lack of rehabilitation in the area and it is deemed unreasonable for the business to invest in improving the area unless the grant is awarded. Evidenced by photographs of the immediate surrounding area displaying blight;
 - The exterior improvements to the property or business do not have a direct effect on revenues therefore making such an investment is not deemed acceptable by a customary financial institution. Evidenced by a denial letter from a financial institution.

Façade Grant Process Flow Chart



