

FY24 Façade Improvement Program

Summary and Program Description

The Oglesby Building Improvement Grant is part of an overall redevelopment program to improve the quality of life in the city by creating a safe, attractive, and well-maintained downtown area. The program is designed to assist property and business owners in rehabilitating the commercial façades of their properties for the purpose of creating a positive visual impact, stimulating private investment, improving the marketability of space within buildings, and to draw businesses, visitors and residents to Oglesby.

The Building Improvement Grant is a reimbursement program, which requires the building owner/applicant to submit paid bills for the approved expenses. The City will match a portion of the cost of approved expenditures.

Funding for the program is administered by the Oglesby City Council. Grants are dependent upon funds being available. *The city reserves the right to end or suspend the program without notice if funding is not available.*

Eligible Businesses

There are two classifications of grants, one for established businesses and one for the owners of vacant buildings or new businesses which have acquired a location in the last 90 days. It is the hope of the City of Oglesby that this change to the program will further incentivize owners of vacant buildings make improvements that attract a new business and/or assist new-to-Oglesby businesses.

Group A -- Businesses located in Commercial, Business or Retail zoned areas are eligible for the grant, provided they meet the following criteria:

1. Building owner must be party to the agreement if the applicant does not own the property.
2. Property must be located within one of the designated business zones, be zoned for commercial, retail or business use and be currently used for a commercial purpose or actively marketed for rent or sale for a commercial purpose. Buildings used for storage, warehousing or housing are not included in this grant.
3. Property owner and/or applicant must be current with all utility, fees, fines and taxes.
4. Building owners agree to an inspection by the city Building Inspector, Engineer and Fire Chief, and agree to address any building, life safety, zoning and maintenance code violations before grant monies are released.

FY24 Façade Improvement Program

Group B – Vacant buildings or new businesses which have acquired a building in the last 90 days located in Commercial, Business or Retail zoned areas are eligible for the grant, provided they meet the following criteria:

1. Building owner must be party to the agreement if the applicant does not own the property.
2. Property must be zoned for commercial, retail or business use and be renovated in such a manner that it will be used for a commercial use or actively marketed for rent or sale for a commercial use. Buildings used for storage, warehousing or housing are not included in this grant.
3. Property owner and/or applicant must be current with all utility, fees, fines and taxes.
4. Building owners agree to an inspection by the city Building Inspector, Engineer and Fire Chief, and agree to address any building, life safety, zoning and maintenance code violations before grant monies are released.

Eligible Improvements

1. Façade improvements must be clearly visible from the public right-of-way, not restrict future use of the building and, if applicable, be approved by the Design Review Board. Examples of potential reimbursable expenses include: stucco, exterior painting, awnings, tuck-pointing, landscaping, permanent planters, masonry work, window and door replacements, decorative lighting, signage, and Americans With Disability Act improvements.
2. Permanent improvements include by way of example: life safety and accessibility code requirements, repair/replacement of roof, floors, structural walls or windows, repair/replacement of electrical and plumbing services. The grant reimbursement for permanent improvements may not exceed the amount approved for the façade improvements. No grant funds will be available for permanent improvements unless the permanent improvements are completed as part of a façade improvement project.
3. **Group A** -- The maximum grant awarded by the City of Oglesby pursuant to the Oglesby Building Improvement Grant program for GROUP A cannot exceed \$20,000 for buildings with less than 75 linear feet of façade and the maximum grant cannot exceed \$30,000 for buildings with more than 75 linear feet of façade. Subject to these maximum grant amounts, the actual grant awarded to any applicant shall be calculated as follows:

The City of Oglesby will award an applicant a façade grant equal to 50% of the cost incurred by the applicant for façade improvements, subject to the maximum grant award of \$20,000 or \$30,000.

The City of Oglesby will award an applicant a grant for permanent improvements, equal

FY24 Façade Improvement Program

to 50% cost of the applicant's permanent improvements, subject to the requirement that the grant for permanent improvements cannot exceed the total value of the facade improvements, and the maximum grant award of \$20,000 or \$30,000.

Professional fees (architectural, engineering, etc.) will be reimbursed up to \$1,000.

Group B -- The maximum grant awarded by the City of Oglesby pursuant to the Oglesby Building Improvement Grant program for GROUP B cannot exceed \$25,000 for buildings with less than 75 linear feet of facade and the maximum grant cannot exceed \$35,000 for buildings with more than 75 linear feet of facade. Subject to these maximum grant amounts, the actual grant awarded to any applicant shall be calculated as follows:

The City of Oglesby will award an applicant a grant equal to 75% of the cost incurred by the applicant for facade improvements, subject to the maximum grant award of \$25,000 or \$35,000.

The City of Oglesby will award an applicant a grant for permanent improvements, equal to 75% cost of the applicant's permanent improvements, subject to the requirement that the grant for permanent improvements cannot exceed the total value of the facade improvements and the maximum grant award of \$25,000 or \$35,000.

Professional fees (architectural, engineering, etc.) will be reimbursed up to \$1,000.

For Group B grantees, upon completion of work, 100 percent of the façade improvement grant and 33.33% of the permanent improvement grant will be paid after final inspection. The remaining 66.67% of the permanent improvement grant will be held in escrow until a new business locates in the renovated building. If after one year, a business has not opened in the new building, the remaining grant monies will be forfeited. If the EDC feels that the grantee has made a good faith effort to fill the building, a one-time extension of 3-6 months may be offered.

4. Examples of how the facade program will work assuming a facade of 75 or fewer linear feet:

Example No. 1: facade improvements total \$15,000; permanent improvements total \$10,000; architectural and engineering fees total \$2,000. **Total Investment: \$27,000.**

GROUP A -- **Total grant awarded \$13,500** consisting of facade \$7,500 ($\$15,000 \times 50\%$), permanent improvements \$5,000 ($\$10,000 \times 50\%$) and architectural and engineering fees \$1,000 ($\$2,000 \times 50\%$).

GROUP B -- **Total grant awarded \$20,250** consisting of facade \$11,250 ($\$15,000 \times 75\%$), permanent improvements \$7,500 ($\$10,000 \times 75\%$) and architectural and engineering fees \$1,500 ($\$2,000 \times 75\%$). **Initial payout: \$15,250; Escrow Amount: \$5,000**

FY24 Façade Improvement Program

Example No. 2: facade improvements total \$21,000; permanent improvements total \$25,000; architectural and engineering fees total \$2,000. **Total Investment: \$48,000**

GROUP A -- Total grant awarded: \$20,000 consisting of facade \$10,500 (\$21,000 x 50%), permanent improvements \$9,500 (\$25,000 x 50%; however permanent improvements capped at \$9,500 because total grant cannot exceed \$20,000); engineering fees not eligible for reimbursement because grant total cannot exceed maximum grant of \$20,000.

GROUP B -- Total grant awarded: \$25,000 consisting of facade \$15,750 (\$21,000 x 75%), permanent improvements \$9,250 (\$25,000 x 75%; however permanent improvements capped at \$9,250 because total grant cannot exceed \$25,000); engineering fees not eligible for reimbursement because grant total cannot exceed maximum grant of \$25,000.

Initial payout: \$18,833.33; Escrow Amount: \$6,166.67

Example No. 3: Building owner with a façade of more than 75' purchases new awning, paints exterior and replaces door for \$30,000, repairs structural issue inside building for \$45,000 and incurs engineering costs of \$2,300.

GROUP A -- Total grant awarded: \$30,000 consisting of façade \$15,000 (\$30,000 x 50%), permanent improvements \$15,000 (\$45,000 x 50%; however permanent improvements capped at \$15,000 because total grant cannot exceed maximum grant of \$30,000); engineering fees \$0.

GROUP B -- Total grant awarded: \$35,000 consisting of façade \$22,500 (\$30,000 x 75%), permanent improvements \$12,500 (\$45,000 x 50%; however permanent improvements capped at \$12,500 because total grant cannot exceed maximum grant of \$30,000); engineering fees \$0. **Initial Payout: \$26,666.67; Escrow Amount: \$8,333.33.**

Minimum Requirements

- Any outstanding utility, fees, fines and taxes owed to the city by the applicant or building owner are paid in full.
- Any code violations noted on the property have been corrected or will be corrected in the scope of work
- The project is consistent with the City's Comprehensive Plan and Zoning Ordinance
- The project has been approved by the Design Review Board
- The property owner agrees not to protest the Assessor's determination of property value for the properties for which the grant is requested
- If the applicant is not the owner, the owner agrees to be party to the agreement
- The applicant has applied for a building permit
- No improvements made prior to the approval of this application are eligible for reimbursement
- Reimbursable labor costs must be performed by a licensed contractor and done in compliance with the Illinois Prevailing Wage Act. The building owner agrees to

FY24 Façade Improvement Program

indemnify and hold harmless the City from and violations of the Prevailing Wage Act or any and all other laws regarding such

- The city recommends that projects be completed using local (Illinois Valley area) contractors when possible. All contractors must be registered and in good standing with the City of Oglesby.
- The owner agrees to maintain the façade and not use the space for storage of materials or supplies unless such is not in the public view.
- The property must be actively marketed for rent or sale. The owner must provide information to the city's EDC for inclusion on a directory of available buildings and a for sale or for lease sign posted in the window with contact information. Owners agree to respond to inquiries from potential tenants and make the building available for showings.
- The building owner must provide proof of insurance on the building.

The Process

Application:

1. Complete the application and submit it, along with photos (5 x 7s or larger), plans or specifications and the application fee of \$200 to the Economic Development Coordinator, 110 E. Walnut St., Oglesby, IL. The fee is refundable if the project is not approved.
2. Schedule Pre-application inspection by the City inspectors and/or Engineer and Fire Chief to note any Code deficiencies.
3. File for a Building Permit and review by the Design Review Board, if necessary. Design must be approved by the Design Review Board (if applicable).

Bids:

1. Participant must submit at least 2 bids to the EDC for the required work.
2. Prevailing Wages will apply, a signed affidavit is required.
3. Contractors must be approved by, and licensed with, the City of Oglesby.
4. The lowest bid will be the amount the grant will be based on. The applicant may choose to use the contractor with the higher bid, but the amount awarded will be based on the lowest bid.

Review:

1. Once all the paperwork is submitted, the project will be reviewed by the Oglesby Building Improvement Grant committee. The committee consists of 5 persons: The EDC and three persons and a chairman appointed by the Mayor. The committee will review the application and, if it meets the objectives of the grant, recommend the project for approval by the Council. Applications will be considered in the order they are received. In the event that more applications are received than funding allows, the committee will be charged with ranking the projects based on criteria established by the committee.

FY24 Façade Improvement Program

Agreement:

1. The City and applicant and building owner will enter into a written agreement before construction begins. The agreement will specify the conditions of the grant. The agreement will then go to the City Council for approval.

Construction:

1. Construction can begin when a Building Permit has been issued and a written agreement has been signed by all parties. Periodic inspections will be made by the City Building Inspector during construction.
2. Improvements must be completed within six (6) months from the date of approval.

Payment:

1. Applicant must submit copies of contractor's bills and proof of payment.
2. Schedule a tour of the completed project with the City inspectors to ensure all work is complete and addresses all code deficiencies, including those noted in previous inspection.
3. Once these steps have been completed, payment will be placed on the next City Council Agenda for payment.

Revised 6/29/2023

FY24 Façade Improvement Program

APPLICATION

APPLICANT

Name of owner/tenant

Phone Number

Street Address

Email address

City, State, Zip

PROPERTY TO BE IMPROVED

Name of owner

Phone Number

Street Address

Email address

PROPOSED USE(S) OF THE BUILDING

Ground Floor _____ Upper Floors _____

Other Relevant Information About the Building _____

PROJECT AMOUNT/ GRANT FUNDS REQUESTED

Total Project Amount _____

Eligible Expenses _____

Amount Requested _____

FY24 Façade Improvement Program

ADDITIONAL INFORMATION/DOCUMENTS REQUIRED:

1. Photos of façade and other exposed sides (5 x 7 or larger preferred)
2. Plans, drawings or specifications to determine scope of project
3. If applicant is not the owner, a signed statement making owner a party to this agreement.
4. Check for \$200 for application fee

FY24 Façade Improvement Program

Written Agreement Between Parties:

Business Owner

I agree to the all requirements in the Oglesby Building improvement Grant. I agree that no work shall begin until all paperwork has been submitted to the Façade Committee for their approval. Failure to follow the guidelines will result in forfeiture of any financial reimbursement from the program.

City of Oglesby Representative