#### COUNCIL ACTION FORM

#### **SUBJECT:** DOWNTOWN FAÇADE GRANTS – 2016-17 FIRST ROUND AWARDS

#### BACKGROUND:

The City Council annually budgets \$50,000 for a Downtown Façade Grant Program. The program was introduced in 2000 to facilitate private improvements to downtown retail and other commercial storefronts. This program has an eligibility requirement for projects to be within the area generally described as from 6<sup>th</sup> Street to the railroad tracks and from Duff Avenue to Northwestern Avenue. (A map is found in Attachment 1)

The program includes up to \$15,000 of one-for-one matching funds per façade and allows up to \$1,000 for architectural services. The program requires compliance with specified design guidelines, ground floor use of office or retail trade, and improvements to retain the historic façade or the removal of non-compliant elements; and allows one year to complete the project after signing a grant agreement. Maintenance activities or replacement of compliant elements with new in-kind elements are not eligible activities on their own. In addition, the program includes preferences for façades that have not received previous funding, for front façades, and for façades along Main Street. Attachment 2 provides an overview of the intent and process for grant approvals.

#### **Grant Applications**

The City solicits a first round of grants applications in the spring for award in the summer of each year. If there are remaining funds, the City solicits a second round of applications in the winter for a spring award of grants. The program prioritizes front facades for the first round and for additional facades in the second round.

The City solicited applications for the 2016-17 fiscal year in April of 2016 with a submittal deadline of May 13. An invitation for grant applications was sent to all eligible property and business owners and was also publicized by the Main Street Cultural District. Two property owners submitted applications for consideration by the Council.

The first grant application is for the property at 300 Main Street. This building is owned by Bradford Williams, LLC of Windsor Heights, Iowa, and has multiple tenants, including Ali Cakes, Home Town Tech, and the Vinyl Café. The request is for the Kellogg Avenue façade.

The second grant application is for the property at 238-240 Main Street. This building is the home of Quilting Connections. The building has, in the past, had two store fronts. The current tenant now occupies the entire building. The owner requested a grant for the Main Street façade and a grant for the Kellogg Avenue façade.

#### 300 Main Street (Ali Cakes, et al):

The grant application for the project at 300 Main Street consists of the removal of 20 windows along the Kellogg Avenue façade and their replacement with new windows. The 11 windows on the upper floor are the original wood windows. They are covered with aluminum storm windows that impair the historic character. The sashes exhibit serious signs of decay and rot. The applicant has provided pictures and narration describing the poor conditions of the windows and why they cannot be repaired.

The eight windows on the first floor have all been removed over time with the window openings reduced in size. These windows have been reduced in size on the interior and, in some cases, will need to have the drywall finished and trimmed. In other windows, the interior tile and veneer brick will need to be trimmed, removed and finished. The restoration of these first floor windows is the primary eligible activity for the façade grant since that is removing non-compliant elements.

In addition, a new window will replace an older window in the lower level at the south end (The Vinyl Café).

The windows proposed by the owner are "two over two," meaning the upper and lower sashes each have two glass panels. In this case, the two panels are separated by a vertical muntin. Historic photos, as well as the survey sheets of the downtown historic survey, show "one-over-one" windows. Staff has commented on this and the owner is amenable to using that style as a condition of grant approval.

Other components of the project include removing old metal fasteners on the east façade and sealing the holes.

It should be noted that the original façade of the building looked much different than it does today. When built in 1904. The northeast corner of the building was chamfered, cutting the corners about 4 feet in each direction. Since then, the front display windows were opened up and cast concrete features were added at the time the corner of the building was reconstructed to its current right-angle shape. The project does not intend to reconstruct that historic design but, rather, to modernize the windows while retaining their historic look and returning the east façade more to its original appearance.

<u>Project costs:</u> The cost for the 20 window replacements is estimated at \$35,020 (excluding the 5 percent contingency). The applicant is also requesting \$1,000 for reimbursable design time. The applicant is not eligible for the \$1,000 design reimbursement due to the applicant completing their own design work and the project entails primarily window replacement. Staff believes awarding up to \$15,000 for construction and material costs is appropriate for this project.

#### 238-240 Main Street (Quilting Connections)

The grant application for the project at 238-240 Main Street is for façades on Main Street and on Kellogg Avenue. The building was originally built as a two-story structure, but suffered a major fire in 1987 resulting in the removal of the upper floor. The original structure is now covered with various exterior materials, including vertical wood siding,

some original brick, and stucco painted white. Because of these changes, the applicant is seeking to meet the "Other Façade" guidelines. Staff has been in discussion with the property owner about the proposed changes and their consistency with the City's design guidelines.

Staff has evaluated the two applications for façade improvements under the "Other Façade" guidelines and believes the criteria for approval have not been met. However, there are aspects of the application that have merit and meet some of the intent of the program and will form the basis for a complete project. Staff will continue to work with the applicant and designer on ways to meet the guidelines and hope to have an eligible application in the event of a second round of applications.

#### ALTERNATIVES:

1. The City Council can approve a Downtown Façade Improvement Grant for 300 Main Street in the amount of \$15,000 for the Kellogg Avenue façade with the following conditions:

a. The property owner must enter into a grant agreement within the next 6 months to ensure access to the allocated funds and for consistency with the grant program requirements.

b. Use one-over-one windows for replacement windows, subject to staff approval.

2. The City Council can refer this request to staff or the applicants for additional information.

#### MANAGER'S RECOMMENDED ACTION:

The intersection of Kellogg Avenue and Main Street is a focal point of downtown. Having grant applications for two buildings on this intersection is a unique opportunity to improve aesthetics at this focal intersection.

City staff has determined that the proposed Downtown Façade Improvement projects for the Ali Cakes building at 300 Main Street is consistent with the Downtown Design Guidelines. Staff believes that this project has sufficient visual and financial impact and extent of improvements to warrant support of the façade grant program as part of the first round of funding. Staff will continue to work with the owner of 238-240 Main Street to meet the façade grant guidelines for future consideration of their request.

# Therefore, it is the recommendation of the City Manager that the City Council approve Alternative #1, thereby approving a Downtown Façade Improvement Grant for 300 Main Street in the amount of \$15,000 for the Kellogg Avenue façade with conditions.

In this round, the amount sought and recommended for awards is \$15,000, leaving \$35,000 plus the \$16,000 from prior year funds that have not been committed in a grant agreement. That leaves a total of \$51,000 for the next round of funding.

# Attachment 1



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## Attachment 2 - Downtown Façade Grant Review

#### Requirements for all Façade Grants

- The building must be located downtown within boundaries established by City Council.
- The ground floor must be Office Uses or Trade Uses as defined by the Ames zoning ordinance.
- The façade design must comply with Downtown Design Guidelines.
- Improvements to historic facades shall include replacing non-compliant elements with compliant elements.
- Residential structures and buildings owned by the government, churches and other religious institutions are not eligible.
- No façade grant shall exceed \$15,000.

#### Program Logistics

The following process for review of applications for façade grants provides time to inform all potential applicants of the opportunity, to work with applicants, applicants to prepare submittals and for staff to review applications and report to City Council. Two grant periods will be planned for each fiscal year.

#### First Grant Period

For this first grant period, preference for grant awards will be given to:

-facades that have not received any previous grant funding -front facades

#### Action Steps:

- Staff will inform all property and business owners of grant availability, process, and deadlines.
- Staff will work with applicants to define the project, ensure that it meets the guidelines, and assure that it is feasible and can be completed within the time frame.
- Applications will be accepted in May and June.
- Staff will review and score applications and report to City Council in July or August for awarding grants.
- Projects may then start in the fall and be potentially completed before the holiday shopping season.

#### Second Grant Period

If the entire budget is not committed in the first grant period in each year, a second grant period will begin in October for projects to be implemented the following spring. While facades on Main Street and facades for which no previous grants have been awarded will still receive first preference in this second grant period, all downtown grant requests will be considered and potentially approved if funds remain after all first-preference proposals are awarded.

#### Conditions of Grant Approval

- Grant projects must be completed within one year from award of grant.
- Any required building code and/or safety improvements to a structure must be completed before grant work proceeds or before grant funds are paid.



300 Main Street(Kellogg Façade): Existing Building

Kellogg Ave Façade



Old Fasteners to be Removed (2 of many)

# 300 Main Street: Existing Windows



First Floor Window



First Floor Window



Second Floor Windows



Second Floor Windows

### **Proposed Building**



# **Project Cost Estimate**

Level	RO Height	RO Width	Туре	Comments	Material Cost	Labor Cost	
1	4'-10"	3'-2"	Double Hung	Vinyl Café Window	\$469	\$600	
1	7'-6"	3'-4"	Double Hung	Hometown Tech: Interior drywall removal	\$844	\$600	
1	7'-6"	4'-8"	Double Hung	Hometown Tech: Interior drywall removal	\$2,125	5 \$600	
1	7'-6"	4'-8"	Double Hung	Hometown Tech: Interior drywall removal	\$2,125	\$600	
1	7'-6"	3'-4"	Double Hung	Alicakes: Interior tile removal required	\$844	\$600	
1	7'-6"	3'-4"	Double Hung	Alicakes: Interior tile removal required	\$844	\$600	
1	7'-6"	4'-10"	Double Hung	Alicakes: Interior tile removal required	\$2,125	\$600	
1	7'-6"	3'-4"	Double Hung	Alicakes: Interior tile removal required	\$844	\$600	
1	7'-6"	3'-4"	Double Hung	Alicakes: Interior tile removal required	\$844	\$600	
2	6'-8"	3'-4"	Double Hung	Interior trim	\$531	\$400	
2	6'-8"	3'-4"	Double Hung	Interior trim	\$531	\$400	
2	6'-8"	3'-4"	Double Hung	Interior trim	\$531	\$400	
2	6'-8"	3'-4"	Double Hung	Interior trim	\$531	\$400	
2	6'-8"	3'-4"	Double Hung	Interior trim	\$531	\$400	
2	6'-8"	3'-4"	Double Hung	Interior trim	\$531	\$400	
2	6'-8"	3'-4"	Double Hung	Interior trim	\$531	\$400	
2	6'-8"	3'-4"	Double Hung	Interior trim	\$531	\$400	
2	6'-8"	3'-4"	Double Hung	Interior trim	\$531	\$400	
2	6'-8"	3'-4"	Double Hung	Interior trim	\$531	\$400	
2	6'-8"	3'-4"	Double Hung	Interior trim	\$531	\$400	

#### Kellogg Window Replacement Budget

	\$12,600	\$22,420	\$1,661 Subtotal (w/ 7% tax)	ders	Expanders
1	\$1,750.99	5%	\$125 Contingency	ce	Service
	\$36,771		Total		
	\$1,000		Reimbusable Design & Documentation Time		

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