ITEM # <u>30</u> DATE: 12-08-20

# **COUNCIL ACTION FORM**

**SUBJECT**: AWARD OF DOWNTOWN FAÇADE GRANT

# **BACKGROUND**:

The Downtown Façade Grant Program was introduced in 2000 to facilitate private improvements to downtown retail and other commercial storefronts. The City Council annually budgets \$50,000 as matching funds for eligible projects. This program is available to property owners within the area generally described as from 6<sup>th</sup> Street to the railroad tracks, from Duff Avenue to Northwestern Avenue, and along Kellogg Avenue to Lincoln Way (Attachment 1).

The program allows for up to \$15,000 of dollar-for-dollar matching funds per front façade and up to \$1,000 for additional architectural services. The program requires compliance with specified Design Guidelines that can be found on the Planning Division website at this link. The program requirements include a prerequisite of a ground floor use of office or retail trade. Additionally, grant eligibility includes a requirement for proposed improvements to retain the historic façade or for the removal of non-compliant elements consistent with the guidelines or pursue eligibility under the other façade guidelines. The program does not allow for maintenance activities or replacement of compliant elements with new in-kind elements as eligible activities on their own. Proposed improvements are intended to have a significant positive visual impact on the building and the district overall. If grant requests exceed the available funding, the program criteria include preferences for façades that have not received previous funding, for front façades. Attachment 2 provides an overview of the intent and process for the façade grant program.

The program is designed to operate with two application cycles. The first cycle is typically in the summer/fall and if there are remaining funds after awards are granted in the first round, then a second application round occurs in the winter/spring. The summer grant round is intended to provide funding for new projects with one grant per building. The second round is intended to fund new projects and potentially second façades for properties that have already received a grant. There were two applications during the previous winter round. The current application was solicited in late summer / early fall and is considered a first-round application.

## **GRANT APPLICATION RECEIVED:**

The City solicited applications for this round in September 2020 and received a grant request for one property. **The total requested grant funding is \$16,000 for a project at 409 Douglas Avenue.** LCM Properties, LLC owns the building at 409 Douglas Avenue. The tenant space on the ground level was recently vacated by Heroic Ink Tattoo and

Piercing and has not been filled. The second story contains an apartment. County records state that the building was constructed in 1902. The subject building and the abutting Masonic Temple to the north (now the Octagon Center for the Arts) have a unified façade, though these structures were built independently (County records show the Masonic Temple was built in 1916). Photographs from the 1900s show a different façade from the present one; a picture from 1928 shows the present façade when the building housed Tilden's Grocery. It is understood that the façade of 409 changed when the neighboring building was constructed. The building is a contributing property in the Ames Main Street National Register Historic District.

The application proposes to make the following grant-eligible changes:

- Replace the sash windows on the second story with windows that fill the space as originally designed (the current windows do not fill the opening in the façade and have infill at the top),
- Add an awning,
- Replace the kickplate below the plate glass display windows (replacing plank and plywood with brick) along with the windows themselves, and
- Replace plywood fill next to the doors with glass.

Of these changes, only the second story windows, awning, kickplate, and storefront glass are eligible for a grant, which is intended to bring non-compliant façade elements into compliance with the Downtown Design Guidelines. The other work, such as replacing the current transom, are viewed as maintenance activities. The other proposed changes that are not grant-eligible may be done in conjunction with the eligible work. The proposed non-eligible work is estimated to cost between \$14,000 to \$16,000 for the Douglas Avenue and alley façades. This does not include work already done on tuckpointing and new windows facing the alley. Zoning rules do not prohibit alterations outside of compliance with the Guidelines and the grant may not be used for maintenance.

The total cost for 409 Douglas Avenue exceeds the costs presented in this report; only grant-eligible costs are shown. The project is eligible for the maximum of \$15,000 and \$1,000 in design fees. The applicant will need to provide cost breakdowns to ensure only eligible activities are funded with the façade grant.

If the façade grant request is approved, the applicant will need to secure encroachment permits for the awning. Awnings and canopies are routinely approved as encroachment permits and encouraged in Downtown.

Project summaries, a location map, and project design illustrations are attached.

<u>Address</u>	Business or Building Name	<u>Amount</u> <u>Requested</u>	<u>Total</u> <u>Project</u>
409 Douglas Avenue	(Formerly) Heroic Ink Design Fees	\$15,000 \$ 1,000	\$30,450
		\$16,000	\$30,450*

<sup>\*</sup>Additional, non-eligible work is also proposed.

ELIGIBLE WORK	COST ESTIMATES FOR ELIGIBLE WORK
MATERIALS	
Double Hung Windows	\$6,800
Awning	\$3,500
Brick Kickplate	\$1,000
Storefront Glass	\$9,000
Materials Sub-Total	\$20,300
INSTALLATION	
Double Hung Windows	\$2,400
Awning	\$2,000
Brick Kickplate	\$2,000
Storefront Glass	\$3,750
Installation Sub-Total	\$10,150
Subtotal for Eligible Work	\$30,450
City Match Total	\$15,000
Professional Fees	\$1,000
Total Grant	\$16,000

# **ALTERNATIVES**:

- 1. Approve a Downtown Façade Improvement Grant for 409 Douglas Avenue for estimated eligible costs up to \$15,000 for second-story windows, an awning, a kickplate, and storefront glass, plus \$1,000 in design fees.
- 2. Determine the proposed grant request is not compliant with Downtown Façade Improvement Grants program goals and objectives or is not visually significant and make a different grant award.
- 3. Refer this request to staff or the applicant for additional information.

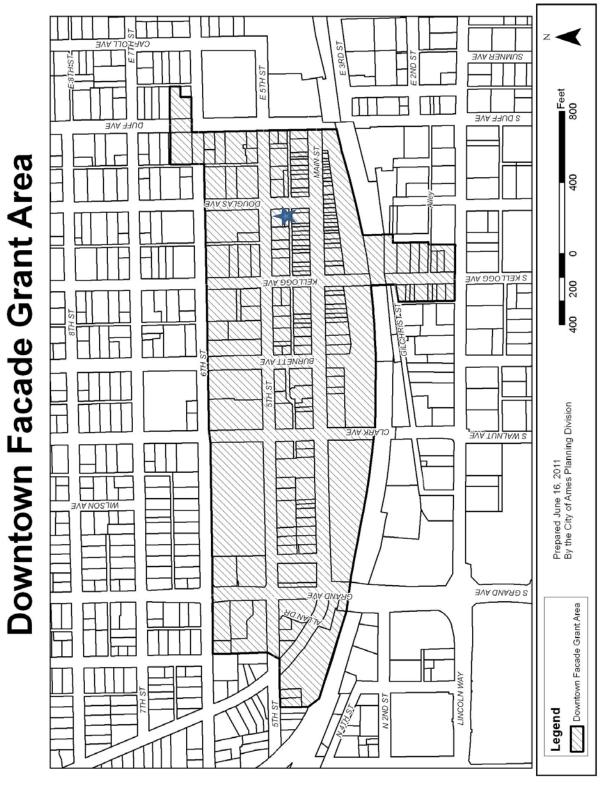
# **CITY MANAGER'S RECOMMENDED ACTION:**

The fiscal year 2020/21 permits two rounds of grant solicitations: one in the summer and one in winter. The current round resulted in one request for one grant in the amount of up to \$16,000 at 409 Douglas Avenue.

City staff has determined that the proposed Downtown Façade Improvement project for the building at 409 Douglas Avenue comply with the design requirements of the program. The Façade Program funding has enough funds to match the requested amounts.

Therefore, it is the recommendation of the City Manager that the City Council approve Alternative #1, thereby approving a Downtown Façade Improvement Grant for the one façade grant as noted above.

**Attachment 1: Eligibility Map** 



# **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 façade 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:

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

## 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 façades on Main Street and façades 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.

# **Attachment 3: Scoring Criteria**

For each category, the following criteria shall be used to award points:

## VISUAL IMPACT

## **Maximum Score 30 Points**

- Improvements apply to more than one story on one façade
- Improvements apply to more than one 25-foot wide bay on one façade
- Improvements will create more visual significance because:
  - key, highly visual elements of the building are being improved
  - the building is prominently visible due to its location (E.g., it serves as a focal point from a street, is at a prominent intersection, or is larger than other buildings around it)

## FINANCIAL IMPACT

# **Maximum Score 30 Points**

- Matching funds exceed the minimum dollar-for-dollar match
- The project includes improvements being made to
  - ensure public safety,
  - establish or preserve the building's structural integrity
  - resist water and moisture penetration
  - correct other serious safety issues
- The façade project is part of a larger project that improves other exterior or interior parts of the building
- The project helps to make use of space that has been unoccupied or used only for storage

## EXTENT OF IMPROVEMENTS

# **Maximum Score 20 Points**

The number points granted in this category shall be based upon the number of elements from the Downtown Design Guidelines being improved. More improved elements deserve more points.

HISTORIC FAÇADES (such as Café Diem):

- Display windows
- Transoms
- Masonry (includes removing cover-up)
- Upper floor windows
- Parapet and cornices
- Awnings and canopies
- Entrance
- Kickplate

OTHER FAÇADES: (such as Wheatsfield)

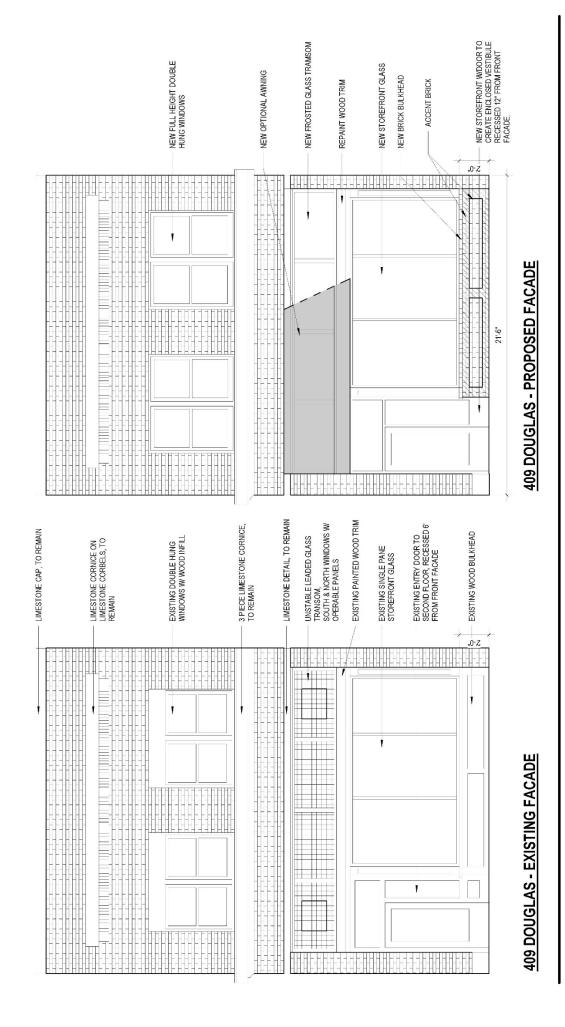
- Quality materials
- Facade modulation
- Fenestration
- Roof
- Awnings
- Building entrances

## HISTORIC DESIGN

## **Maximum Score 20 Points**

- Project includes historically appropriate materials and restoration techniques
- Project goes beyond basic rehabilitation and re-establishes a more historically accurate appearance than other projects

# Attachment 4: Proposed Façade Design



FACADE IMPROVEMENTS



SCHEMATIC DESIGN OCTOBER 2, 2020

L C M PROPERTIES LLC